

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
HERITAGE HOUSE-HAWAII KAI
Hawaii Kai Drive at Maunalua
Honolulu, Hawaii

REGISTRATION NO. 525

IMPORTANT — Read This Report Before Buying

This Report Is Not an Approval or Disapproval of This Condominium Project

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: November 26, 1973

Expires: December 26, 1974

SPECIAL ATTENTION

A comprehensive reading of the report by prospective purchasers is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of purchaser and prospective purchasers is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 8, 1973, AND INFORMATION SUBSEQUENTLY FILED AS OF November 20, 1973. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on Registration No. 525, dated April 26, 1973, the Developer has prepared, assembled and forwarded additional information filed as late as

November 20, 1973. This Final Public Report is made a part of the registration on the Heritage House-Hawaii Kai condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock). Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

2. The Developer has revised the basic documents (Declaration of Horizontal Property Regime and Bylaws of the Association of Owners) and also has revised the Apartment Lease. The revised documents and all other documents deemed necessary for the Final Public Report have been submitted to the Commission.
3. Advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, Bylaws of Association of Apartment Owners) and a copy of the approved floor plans have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regime executed on October 30, 1973, together with the Bylaws of the Association of Apartment Owners were filed November 14, 1973, in the Bureau of Conveyances of the State of Hawaii in Liber 9594, Page 99-138. The approved floor plans have been recorded, together with the Declaration and Bylaws and have been designated as Condominium Map No. 319.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, November 26, 1973, unless a Supplementary Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information disclosed in the Commission's Preliminary Report of April 26, 1973, in the topical headings hereinafter set forth has been amended. Information disclosed in the remaining topical headings has not been disturbed. The amendments to the information disclosed and their respective topical headings are as follows:

OWNERSHIP OF TITLE: A Certificate of Title issued October 5, 1973, prepared by Security Title Corporation, certifies that the Trustees of the Bernice P. Bishop Estate have title to the land committed to the project. A Master Lease has been executed from the Trustees of the Bernice P. Bishop Estate, as Lessor, to the Developer as Lessee.

ENCUMBRANCES AGAINST TITLE: In addition to the encumbrances mentioned in the Commission's Preliminary Public Report of April 26, 1973, the updated Preliminary Report dated October 5, 1973 reflects that title to the land is further encumbered as follows: (a) Real Property Taxes for the fiscal year - 1973 through 1974 are now a lien; (b) The restrictions, covenants, agreements, obligations, conditions, easements and other provisions set forth in Declaration of Horizontal Property Regime, dated October 30, 1973, filed in the Bureau of Conveyances of the State of Hawaii in Liber 9594, Page 99-138, and the Bylaws attached thereto, and the Condominium Map No. 319 attached thereto; (c) Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 4475; (d) Easement 4 (10 feet wide) for Drainage Purposes situate and running along the Easterly boundary of Lot 3, as delineated on File Plan No. 1281; (e) The terms and conditions of Bishop Estate Lease No. 22015, dated May 21, 1973, in favor of HERITAGE DEVELOPMENT CORPORATION and BENJAMIN F. KONG, general partners of HERITAGE HOUSE, a Hawaii general partnership, which lease provides for a term of 56-1/2 years commencing May 30, 1973, and which lease was filed in the Bureau of Conveyances as aforesaid on June 8, 1973, in Liber 9216, Page 365; (f) Mortgage dated June 6, 1973, recorded on June 8, 1973 in the Bureau of Conveyances of the State of Hawaii in Liber 9216, Page 375, made by HERITAGE DEVELOPMENT CORPORATION, a Hawaii corporation, and BENJAMIN F. KONG, husband of Catherine L. Kong, General Partners of Heritage House, a Hawaii registered general partnership, as Mortgagors, to HAWAII NATIONAL BANK, HONOLULU, a national banking association, as Mortgagee, to secure the repayment of the sum of \$6,150,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagors therein referred to; and (g) Undated Financing Statement recorded on June 8, 1973 in said Bureau of Conveyances in Liber 9216, Page 383.

FINANCING OF THE PROJECT: At the time of the submission of the Notice of Intention, the developer indicated that although application was made with Hawaii National Bank for an interim construction mortgage and permanent mortgages for purchasers, the developer had not yet obtained a firm Letter of commitment. The developer has submitted a general letter of commitment showing the interest of Hawaii National Bank as providing the financing. The developer also submitted commitment letters from Hawaii National Bank for an interim construction loan and for stand-by permanent financing for first mortgage loans on the apartment units in the project.


STATUS OF THE PROJECT: A construction contract has been executed by the developer with Dynamic Industries Corporation, a Hawaii corporation, as the contractor to construct the project. A 100% .

performance bond has also been obtained and submitted together with an executed copy of the construction contract. The developer has indicated that all of the apartment units in the project have been sold under contracts of sale and that construction of the project has already commenced. The construction contract specifies that estimated date of completion of construction is December 15, 1974.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted February 8, 1973, and additional information subsequently filed as of November 20, 1973. The information disclosed in the Commission's Preliminary Public Report of April 26, 1973, should be carefully reviewed by purchaser and prospective purchasers.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 525 filed with the Commission on February 8, 1973.

This report, when reproduced, should be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.


(for) DOUGLAS R. SODERSTROM, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

November 26, 1973
Registration No. 525