

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
MAKAUA VILLAGE
51-636 Kamehameha Highway
Kaaawa, Oahu, Hawaii

REGISTRATION NO. 535

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 but may only take reservations therefore after

- (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: May 23, 1973
Expires: June 23, 1974

SPECIAL ATTENTION

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

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 1, 1973. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. MAKAUA VILLAGE is a proposed leasehold condominium project consisting of eighty-six (86) apartments, including a Resident Manager's apartment, arranged throughout six (6) two-story apartment buildings. Another building, designated as Recreation Complex No. 7, will be available as a recreation area. One hundred thirty-two (132) parking spaces will be available. Each studio and one-bedroom apartment shall have one parking space. Each two-bedroom apartment shall have two parking spaces except that the Manager's Apartment shall have only one parking

space. Fifteen (15) parking spaces shall remain as part of the common elements.

2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the issuance of this Preliminary Public Report, except for some particular requirement, or requirements, which can be expected to be completed as part of this registration.
3. No advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
5. The Preliminary Public Report is made a part of the registration on Makaua Village condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Final Horizontal Property regime Public Report from each purchaser and prospective purchaser when it is issued is also the responsibility of the Developer.
6. The Preliminary Public Report automatically expires thirteen (13) months from the date of issuance, May 23, 1973, unless a supplementary report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: MAKAUA VILLAGE

LOCATION: The project is located on those certain parcels of land fronting Kamehameha Highway, at Makaua-Kai, Kaaawa, Oahu, Hawaii, and containing 6.625 acres or thereabouts. The description of the land by file plan number and the reserved easements, rights, powers and privileges are more fully set forth in the Declaration.

TAX KEY: 5-1-05: 4 & 7

ZONING: R-21 (Planned Development-Housing), Ordinance No. 3973

DEVELOPER: The Notice of Intention reveals the Developer to be MAKAUA VILLAGE ASSOCIATES, a Joint Venture, whose principal business and post office address is Suite 1910, Financial Plaza of the Pacific, Honolulu, Hawaii 96813, Telephone No. 536-7881. The members of the joint venture are:

MAKAUA CORPORATION Telephone No. 536-7881
Suite 1910
Financial Plaza of the Pacific
Honolulu, Hawaii 96813

Officers: Winfred Hung Wong - President
Harry H. Otsuji - Vice President & Treasurer
Judy M. Maletta - Secretary

e. Building No. 5 is a two-story building containing fourteen (14) apartments, seven (7) on each floor. The apartments are numbered 1 through 7 from west to east preceded by the building and floor number. Apartments 512, 522, 513, 523, 516 and 526 are studio apartments. The remaining eight (8) apartments are one-bedroom apartments.

f. Building No. 6 is a two-story building containing sixteen (16) apartments, eight (8) on each floor. The apartments are numbered 1 through 8 from west to east preceded by the building and floor number. Apartments 612, 622, 613, 623, 616, 626, 617 and 627 are studio apartments. The remaining eight (8) apartments are one-bedroom apartments.

g. Recreation Complex No. 7 consists of a pavilion, pool, dressing rooms and children's play area.

APARTMENTS: Eighty-five (85) freehold estates are designated in the spaces within the perimeter walls, floors and ceilings of each of the 85 out of a total of 86 apartments. The 85 apartments consist of thirty (30) studio apartments, forty-four (44) one-bedroom apartments and eleven (11) two-bedroom apartments.

Each studio apartment contains two closets, kitchen, bathroom and living-dining room of approximately 381 square feet and a lanai of approximately 51 square feet. The second floor studio apartment has a storage loft of approximately 109 square feet.

Each one-bedroom apartment contains a living-dining room, kitchen, bedroom, closet and bathroom of approximately 519 square feet and a lanai of approximately 101 square feet. The second floor one-bedroom apartment has a storage loft of approximately 162 square feet.

Each two-bedroom apartment has a living-dining room, kitchen, two bedrooms, closets and two bathrooms with a total area of approximately 757 square feet and a lanai of approximately 76 square feet. The second floor two-bedroom apartments have a storage loft of approximately 162 square feet.

Each apartment has immediate access to a balcony appurtenant to such apartment and walkways connecting buildings to the street entrances and parking areas of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment, which are utilized for or serve any other apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein.

COMMON ELEMENTS: The proposed Declaration states that the owners of apartments will have an undivided interest in the common elements, including specifically but not limited to:

a. Said land in fee simple.

b. All foundations, columns, girders, beams, supports, main walls, roofs, corridors, lobbies, balconies, stairs, stairway, entrances and exits of said buildings.

c. All driveways, parking spaces, yards and gardens.

d. All central and appurtenant installations for common services, including power, light, water, telephone and trash disposal.

e. The sewerage treatment plant.

f. Apartment 411, being a two-bedroom apartment identical to the other two-bedroom apartments in the project, for the use of the resident manager.

g. The recreation area, including the swimming pool, pavilion, dressing rooms and children's play area.

LIMITED COMMON ELEMENTS: The proposed Declaration reflects that certain parts of the common elements, called the limited common elements, are designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

There are one hundred thirty-two (132) parking spaces in the project. Each of the seventy-four (74) one-bedroom and studio apartments shall have one (1) parking space appurtenant to such apartment, which space is identified by the number identical to the apartment number. Each of the twelve (12) two-bedroom apartments shall have two (2) parking spaces appurtenant to such apartment, which spaces are identified by the number identical to the apartment number, except that the Manager's Apartment No. 411 shall have only one (1) space. In addition, twenty (20) parking spaces, designated as spaces Nos. 701-720, shall be appurtenant to an apartment or apartments and shall be designated upon initial conveyance by lease. Any parking space or spaces appurtenant to an apartment shall be for the exclusive use of such apartment. The remaining fifteen (15) parking spaces, designated as spaces Nos. 721-735, will not be assigned and shall remain as part of the common elements to be used as parking spaces in such manner and for such purposes as the Board of Directors of the Association of Apartment Owners may determine.

COMMON INTEREST: Each first floor studio apartment shall have appurtenant thereto an undivided .900 percentage interest, each second floor studio apartment shall have appurtenant thereto an undivided .970 percentage interest, each first-floor one-bedroom apartment shall have appurtenant thereto an undivided 1.200 percentage interest, each second-floor one-bedroom apartment shall have appurtenant thereto an undivided 1.260 percentage interest, each first floor two-bedroom apartment shall have appurtenant thereto an undivided 1.574 percentage interest and each second-floor two-bedroom apartment shall have appurtenant thereto an undivided 1.660 percentage interest, such interest being defined and referred to herein as the "common interest". The common interest, the proportionate shares in the profits and common expenses of the project and the proportionate representation for voting purposes in the Association of Apartment Owners of the project shall be in said percentage fraction for each apartment.

RESTRICTION AS TO USE: The purposes for which said buildings and other improvements and each of the apartments are intended and shall be restricted as to use are as follows:

a. The common interest and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to this Declaration duly recorded, shall not be separated from such apartment and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument.

b. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Horizontal Property Act.

c. The apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration or the By-Laws of the Association of Apartment Owners or of any apartment lease.

d. Administration of the project shall be vested in its Association of Apartment Owners, herein called the "Association", consisting of all apartment owners of the project in accordance with the By-Laws of the Association. The owner of each apartment upon acquiring title thereto automatically shall become a member of the Association and shall remain a member thereof until such time as his ownership of such apartment ceases for any reason, at which time his membership in the Association automatically shall cease; provided, however, that if and to the extent a lease of any apartment filed with the Board of Directors of the Association so provides, the lessee of such apartment shall be deemed to be the owner thereof.

PLANNED UNIT DEVELOPMENT: The Declaration reflects that the Project has been zoned as Planned Development-Housing (PD-H) District No. R-21 pursuant to Ordinance No. 3973 of the City and County of Honolulu approved August 8, 1972. Unless and until they are repealed or otherwise superseded or amended, the provisions of Ordinance No. 3973, which are hereby incorporated herein by reference, shall constitute covenants running with the land which shall inure to the benefit of the City and County of Honolulu and its successors and shall be binding upon all who now or hereafter may own or occupy any interest in the Project; provided, however, that if any such provision is repealed or otherwise superseded, it shall automatically cease to operate as a covenant running with the land; and provided, further, that if any such provision is amended, it shall thereafter operate as a covenant running with the land only in its amended form.

OWNERSHIP OF TITLE: The Developer reports that title to the land is vested in Hawaiian Resorts, Limited, a Hawaii corporation. The Preliminary Report dated May 9, 1973 issued by Title Guaranty of Hawaii, Incorporated confirms such ownership.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated May 9, 1973 reports that title to the land is subject to the following:

1. Real Property Taxes that may be due and owing.
2. The terms, agreements, reservations, covenants, conditions and provisions contained in that certain Lease dated September 26, 1972, made by and between Hawaiian Resorts, Limited, a Hawaii corporation, as Lessor, and Makaua Corporation, a Hawaii corporation, as Lessee, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 602015, which lease was amended by instrument dated November 27, 1972, filed in said Office of the Assistant Registrar as Document No. 610131, and which lease was assigned to Makaua Corporation and The Hawaii Corporation, both Hawaii corporations, Joint Venturers, doing business as "Makaua Village Associates", by instrument dated February 5, 1973, filed in said Office of the Assistant Registrar as Document No. 619466.
3. Mortgage dated March 9, 1973, in favor of Honolulu Mortgage Co., Ltd., filed as Land Court Document No. 622061.

S PURCHASE MONEY HANDLING: A copy of the Sales Contract and the executed Escrow Agreement dated February 23, 1973, have been submitted as part of the registration. The Escrow Agreement identifies Honolulu Mortgage Co., Ltd. as the Escrow. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes.

Among other provisions the Escrow Agreement provides that a Purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said Purchaser, without interest and without any escrow fee for cancellation, if Purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (a) Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser then held hereunder by Escrow; or (b) If a Purchaser's funds were obtained prior to the issuance of a final public report and if there is any change in the condominium building plans, subsequent to the execution of Purchaser's Sales Contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the Purchaser has given written approval or acceptance of the specific change; or (c) If a Purchaser's funds were obtained prior to the issuance of a final public report and the request is prior to the time the final public report is issued; or (d) If the final public report differs in any material respect from the preliminary public report, unless the Purchaser has given written approval or acceptance of the difference; or (e) If the final public report is not issued within one year from the date of issuance of the preliminary public report.

The Sales Contract provides that if said building and other improvements are not completed and ready for occupancy on or before December 31, 1974, the Sales Contract shall terminate, and all payments made by Buyer and any Reservation Agreement shall be refunded without deduction or interest. Upon tender of such refund to Buyer, Sellers and Buyer shall be released from all obligations to each other under this Sales Contract.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement. The latter agreement establishes how the proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds.

MANAGEMENT AND OPERATIONS: The Declaration discloses that the administration of the project shall be vested in the Association of Apartment Owners. Operation of the project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws except that the initial Managing Agent shall be appointed by the Developer. The Management Agreement provides that the agreement shall be in effect for a minimum term of two (2) years from the date of execution.

CONTRACTOR: Fouche Construction Co.


ARCHITECT: Leo S. Wou & Associates

STATUS OF PROJECT: The Developer has commenced construction of the project. The estimated date of completion of the project is December 1973.

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 March 1, 1973.

The PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 535 filed with the Commission on March 1, 1973.

This report, when reproduced, shall be a true copy of the Commission's public report. The paper stock used in making facsimiles must be yellow in color.


(for) DOUGLAS R. SODEHANI, Chairman
Real Estate Commission
State of Hawaii

Distribution:

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Planning Commission, City and County
of Honolulu
Federal Housing Administration
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Registration No. 535

May 23, 1973