

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

THE HAWAIIAN PRINCESS AT MAKAHA BEACH
84-1021 Lahilahi Street
Waianae, Oahu, Hawaii

REGISTRATION NO. 1072

IMPORTANT -- Read This Report Before Buying

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

It was prepared as a supplement to an earlier Report dated _____ issued
by the Real Estate Commission on the above 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 Condo-
minium 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: February 5, 1980

Expires: August 2, 1980

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 28, 1978 AND INFORMATION SUBSEQUENTLY FILED AS OF JANUARY 31, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Report on THE HAWAIIAN PRINCESS AT MAKAHA BEACH, Registration No. 1072, dated January 30, 1979 and its Final Public Report of July 2, 1979, the Developer reports that certain material changes have been made in the project.

2. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Supplementary Public Report.

3. The basic documents (Declaration of Horizontal Property Regimes, By-Laws of the Association of Apartment Owners) were executed on March 14, 1979 and filed in the office of the Assistant Registrar, Land Court, as Document No. 938672. An amendment thereof dated May 24, 1978, a copy of which has been provided the Commission, was filed as Document No. 942737. A second amendment dated January 3, 1980, a copy of which has been filed with the Commission, was filed as Document No. 991500. A third amendment dated January 24, 1980, a copy of which has been filed with the Commission, was filed as Land Court Document No. 994296. A copy of the floor plans has been filed as Condominium Map No. 369 in the Office of the Assistant Registrar and was subsequently amended.

4. Advertising and promotional matter has been filed pursuant to the Rules and Regulations promulgated by the Commission.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regimes.

6. This Supplementary Public Report expires on August 2, 1980 unless another supplementary public report issues or the Commission, upon review of this registration, issues an order extending the effective period of this report.

7. This Supplementary Public Report (pink paper stock) amends the Preliminary public Report (yellow paper stock) and the Final Public Report (white paper stock) becoming a part of THE HAWAIIAN PRINCESS AT MAKAHA BEACH registration. The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers together with a copy of the Final Public Report, the Preliminary Public Report, and the Disclosure Abstract and securing signed receipts therefor.

The information in the Preliminary Public Report of January 30, 1979 and the Final Public Report of July 2, 1979 under the topical headings, DESCRIPTION OF THE PROJECT, COMMON ELEMENTS, LIMITED COMMON ELEMENTS, INTEREST TO BE LEASED TO PURCHASER, EASEMENTS, USE, OWNERSHIP OF TITLE, ENCUMBRANCES and STATUS OF THE PROJECT has been changed. The Developer reports that with the exception of the foregoing, all other information in the Preliminary and Final Public Reports remain the same.

DESCRIPTION OF PROJECT. The descriptions of the project, layout, and area have been changed as follows:

The project shall consist of a 16 story building containing 121 residential apartments and 3 commercial apartments of reinforced concrete construction. The building will have a flat roof and two elevators. There are parking spaces for 122 cars in the parking area. There is a swimming pool. The Shoreline Management Permit for the swimming pool has been obtained subject to an access to the beach being agreed upon, thereby allowing the swimming pool to be built as set forth in the revised Condominium Map. The easement is being negotiated with the Department of Parks and Recreation of the City and County of Honolulu as to the matter of access to the beach over Lot 208. This would be in the nature of an easement and may result in a 5-foot strip of Lot 209 abutting Lot 208 and Lot 208 being utilized as a permanent easement to the beach.

The Conditional Use Permit sought by the Developer for construction of 2 tennis courts and additional parking spaces and a volleyball court has been denied by the Director of Land Utilization. Accordingly, Lots 213 and 214 have been withdrawn from the Project, and the tennis courts, volleyball court and extra parking may not be built. In place of constructing such improvements, the Developer agrees to pay the sum of \$250,000 to the Association in full settlement of any obligation that Developer might otherwise have to provide such improvements. The foregoing sum may be used by the Association for any purpose or purposes that the Association desires.

Layout and Area of Units. The Declaration has been changed so that its language conforms to what is shown in the latest Condominium Map. The total number of parking stalls and the reserved parking stalls are the same as set forth in the Final Report.

Note: Copies of both the second and third amendments to the Declaration of Horizontal Property Regime, together with a revised Apartment Lease form, have been filed with the Commission. Buyers and prospective buyers are urged to examine these documents with care to ascertain in greater detail the specific changes made to the project since the issuance of the Commission's Final Public Report and the filing of the original Declaration and first amendment thereto. This note affects the following five topical headings as well.

COMMON ELEMENTS. Paragraph (c) as amended has been further amended to read as follows:

"c. Recreation Room (Room 101) and the restrooms on the ground floor, swimming pool."

LIMITED COMMON ELEMENTS. There has been a further revision of this information. Reference to the one stall to one apartment basis should be deleted, but the information on the storage room still stands.

INTEREST TO BE LEASED TO THE PURCHASER. The common interest for Commercial apartment number 110 has been changed to

reflect that the laundry chute refers to the 15 laundry chute areas from the top to the bottom of the building.

EASEMENTS. New subparagraphs (f) and (g) were inserted in the Declaration: (f) deals with joint use and management of common elements; (g) reserves to Resorts and/or Arena the sole discretion to grant an easement in favor of the City and County of Honolulu for the general public for access to and from Lahilahi Street to the beach over and across the interest of Resorts and Arena in Lot 208, and a 5-foot strip, more or less, abutting Lot 208, over and across Lot 209 as the same may be required by the Department of Parks and Recreation of the City and County of Honolulu.

USE. Paragraph d has been further revised to permit the use of parking stalls 13-25 by owners of apartments on the 14th and 15th floors for the time sharing programs relative to transportation.

OWNERSHIP OF TITLE. A Preliminary Report from Hawaii Escrow & Title dated January 30, 1980 shows that the ownership of the title to Parcels 209 - 212 is in Hawaiian Resorts, Limited, a Hawaii corporation, who as Lessor, issued a master lease to Arena Construction Corporation, a Washington corporation, as Lessee, for a term of 57 years commencing July 6, 1979, filed on July 6, 1979 in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 950251. Said Lease was amended on January 24, 1980 to provide that parcels 213 and 214 were deleted from the premises included in the Master Lease. This First Amendment to Lease was filed on January 30, 1980 as Land Court Document No. 994298. There is a provision in the master lease for issuance of individual apartment leases to purchaser of units and a partial surrender of the master lease.

ENCUMBRANCES. Said Preliminary Report of Hawaii Escrow & Title, Inc. dated January 30, 1980 reflects that the above property was subject to the following encumbrances:

1. For any and all real property taxes that may be due and owing, reference is made to the Tax Assessor, First Division.
2. Assessments
Assessments or charges levied by Municipal or Governmental Authority or imposed by any other lawfully constituted body authorized by Statute to assess, levy and collect the same, if any.
3. Title to all minerals and metallic mines reserved to the State of Hawaii.
4. The property borders on the ocean and is subject to the provisions of the State of Hawaii regarding shoreline setback and prohibitions on use.
(As to Lots 209 through 211).

5. A building set back line ten (10) feet from the roadway, as shown on Map 6, as set forth by Land Court Order No. 7577, filed July 17, 1947, and mentioned in Transfer Certificate of Title No. 56,651 to which reference is hereby made.
(As to Lots 209, 211 and 212).

6. Matters as shown on Condominium Map No. 369, filed in the Office of the Assistant Registrar of the Land Court.

7. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Horizontal Property Regime, Dated : March 14, 1979.
Filed : May 16, 1979, as Document No. 938672, in the Office of the Assistant Registrar of the Land Court.

Said Declaration was amended by Instrument dated May 24, 1979, filed June 1, 1979, as Document No. 942737, in said office.

Said Declaration was further amended by Instruments dated January 3, 1980, filed January 15, 1980, as Document No. 991500 and dated January 24, 1980, filed January 30, 1980 as Document No. 994296, in said office.

8. The terms, provisions and conditions of that certain Lease and Assignment of Lease herein referred to.

9. A Mortgage, to secure an indebtedness of the amount stated herein and any other amounts payable under the terms thereof,
Dated : June 29, 1979.
Amount : \$7,000,000.00
Mortgagor : Arena Construction Corporation, a Washington corporation.
Mortgagee : First Hawaiian Bank, a Hawaii corporation.
Filed : July 6, 1979, as Document No. 950252,
in the Office of the Assistant Registrar of the Land Court. (Affects premises and other property)

Consent thereto by Hawaiian Resorts, Limited, dated June 29, 1979, filed July 6, 1979, as Document No. 950254, in said Office.

10. A Supplemental Mortgage, to secure an indebtedness under the terms thereof,
Dated : July 6, 1979.
Mortgagor : Arena Construction Corporation, a Washington corporation.
Mortgagee : Imperial Finance Corporation, a Hawaii corporation.

Filed : July 6, 1979, as Document
No. 950248,
in the Office of the Assistant Registrar of
the Land Court. (Affects premises and other
property)

Subordination Agreement, subordinating the
subject matters referred to in this paragraph,
by the provisions contained therein,
Dated : July 6, 1979.
Executed by : Imperial Finance Corpora-
tion, a Hawaii corporation.
Filed : July 6, 1979, as Document
No. 950253,
in said office.

Subordinated to: Mortgage 950252, as shown on
Item 10 above.

11. A Financing Statement covering certain pro-
perty therein described,
Debtor : Arena Construction
Corporation.
Secured Party : First Hawaiian Bank.
Recorded : July 6, 1979, in Liber
13828, Page 384,
in the Bureau of Conveyances.

12. A Financing Statement covering certain per-
sonal property therein described,
Debtor : D. Zelinsky & Sons.
Secured Party : Arena Construction Corp.
and Cawdrey-Mars-General,
Joint Venture.
Recorded : September 7, 1979, in Liber
13976, Page 260, in the
Bureau of Conveyances.

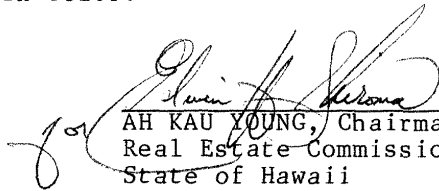
STATUS OF REPORT. The Developer has continued the construc-
tion of the project and has closed the interim construction
loan for the project with First Hawaiian Bank. The substan-
tial completion of the building will be about February 10,
1980.

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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 Inten-
tion submitted December 28, 1978 and information subsequently
filed as of January 31, 1980.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM)
PUBLIC REPORT is made a part of Registration No. 1072 filed
with the Commission on December 28, 1978.

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


AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 1072

February 5, 1980