

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
PARKWAY PHASE C-2
Kamehameha Highway & Mokulele Drive
Kaneohe, Oahu, Hawaii

REGISTRATION NO. 1082

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: February 27, 1979
Expires: March 27, 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 JANUARY 25, 1979, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF FEBRUARY 21, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES.

1. PARKWAY PHASE C-2 is a proposed leasehold condominium project consisting of 56 apartments contained in 56 separate buildings. Each building will contain one apartment with double carport or garage.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Preliminary Public Report.
3. The Developer reports that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the approved Floor Plans) have not yet been filed in the office of the recording officer.
4. Advertising and promotional matter has not been submitted.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Preliminary Public Report is made a part of the registration on PARKWAY PHASE C-2 condominium project, Registration 1082. The Developer is responsible for placing this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the Receipt for Horizontal Property Regime Preliminary Public Report from each purchaser and prospective purchaser.
7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, February 27, 1979, unless a Final or Supplementary Public Report is issued or the Commission, upon the review of the Registration, issues an order extending the effective period of this report.

NAME OF PROJECT: PARKWAY PHASE C-2

LOCATION: The approximately 6.609 acres of land committed to the regime is situated at KAMEHAMEHA HIGHWAY and MOKULELE DRIVE, Kaneohe, Koolaupoko, City and County of Honolulu, State of Hawaii.

TAX MAY KEY: 4-5-103:1

ZONING: R-3 and R-4 designated as Planned Development - Housing District No. R-30 (Ordinance No. 4167 adopted by the Council of the City and County of Honolulu).

DEVELOPER: HKH VENTURES, a registered Hawaii Limited Partnership, whose principal place of business and post office address is 2024 North King Street and whose telephone number is 847-4241 and having the following General Partners:

<u>Name of General Partner</u>	<u>Address</u>
Herbert K. Horita	2024 N. King Street Honolulu, Hawaii
Kinji Kanazawa	Suite 301, 225 Queen Street Honolulu, Hawaii
Masakazu Horita	2024 N. King Street Honolulu, Hawaii
Shigeru Horita	2024 N. King Street Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: John J. Hulten, Jr.,
Attorney at Law, A Law Corporation, Suite 310, Financial
Plaza of the Pacific, Honolulu, Hawaii 96813, telephone
number 536-2316.

DESCRIPTION: The proposed project is to consist of a parcel of land containing approximately 6.609 acres, situated at Kaneohe, Koolaupoko, Oahu, Hawaii, with improvements to be constructed thereon consisting of 56 apartments contained in 56 buildings. Said structures are to be constructed principally of wood on concrete foundations with exterior wood sidings and dimensional shake roofs.

The apartments will be numbered and located as shown on the proposed Condominium Map and contain the number of rooms and approximate area set forth on Exhibit "A" attached hereto and made a part hereof which also shows the Design Type of each apartment.

Each of the apartments shall have immediate access to the grounds of the Project which shall have access to a public road. Each apartment includes a double carport or garage as shown on the Condominium Map. There are no guest parking stalls which are common elements.

The respective apartments shall not be deemed to include any pipes, wires, conduits, or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all of its perimeter walls, all floors, foundations, ceilings and roofs, doors and door frames, windows and window frames, the appurtenant lanai, foyer, covered entry, storage area, carport or garage, if any, all fixtures originally installed therein and all pipes, conduits, utilities, etc. located therein and serving only such apartment.

COMMON ELEMENTS: The common elements which shall constitute one freehold estate, shall specifically include, but not be limited to:

- (i) Said land in fee simple.
- (ii) All driveways, walkways, yards, grounds, and landscaping.
- (iii) All central and appurtenant installations for common services, including power,

light, water, gas, sewer, telephone, television antenna, and trash disposal which serve more than one apartment.

- (iv) All other parts of the Project necessary or convenient to its existence, maintenance, and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are hereby 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:

The area within the lot line upon which each respective apartment is built, as shown on the site plan constituting a portion of said Condominium Map, shall be appurtenant to and for the exclusive use of such apartment.

Each apartment owner shall be responsible for the proper repair and maintenance of such limited common elements appurtenant to his apartment pursuant to Paragraph 10 of the Declaration, and shall at all times keep the same in good order and condition, and maintain and keep the land of each such lot and the parking area in a neat and attractive condition and keep and maintain all trees and shrubs and grass on the lot in good cultivation and replant the same as may be necessary, and repair and make good all defects in the limited common elements of which notice shall be given by the Board of Directors or Managing Agent within thirty (30) days after the giving of such notice.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have an undivided 1.78571% interest (except for apartment number 18 which shall have a 1.78595% interest), herein called its "common interest" in the common elements, in all profits and expenses of the project and for all other purposes, including voting.

NOTE: The owner of each apartment shall be responsible for care and maintenance of any yard, dwelling unit, lanais, fences, walls, foyers, entryways, carports, garages, etc., which are included in the lot area consisting of the limited common element appurtenant to his apartment.

PURPOSE AND USE OF THE APARTMENTS: The purpose for which the apartments are intended and restricted as to use is residential; provided, that this shall not be construed to prohibit the renting or leasing of said apartments; provided, further, that no apartments shall be rented by the owner or owners thereof for transient or hotel purposes.

OWNERSHIP TO TITLE: The Certificate of Title dated December 28, 1978, issued by Long & Melone, Ltd., and submitted to the Commission, states that present fee simple ownership of the land committed to the project is vested as follows:

JAMES CHRISTIAN CASTLE, JAMES GORDON McINTOSH and HAWAIIAN TRUST COMPANY, LIMITED, Trustees of the Trust Estates created by Articles Fifth and Eighth of the Last Will and Testament of Harold K.L. Castle, deceased; IOLANI SCHOOL (a Hawaii non-profit corporation); and HENRY HO WONG (Husband of Colene Smith Wong).

ENCUMBRANCES AGAINST TITLE: Said Certificate of Title dated December 28, 1978, also reports that title to the land is subject to the following encumbrances:

1. Title to all mineral and metallic mines reserved to the State of Hawaii.
2. Restriction of Vehicle access into and from Kamehameha Highway, as shown on File Plan 1438.
3. Easement 2, 7,473 square feet, Easement 3, 7,019 square feet, Easement 4, 10,140 square feet, and Easement 5, 11,428 square feet, all for road and utility purposes as shown on File Plan 1438.
4. Cable Line Easement dated August 1, 1961 recorded in Book 4107 at Page 119 in favor of the United States of America.
5. Master Lease dated January 1, 1972, filed as Land Court Document No. 702600, also recorded in Book 10246 at Page 170. James C. Castle and Hawaiian Trust Company, Limited and James Gordon McIntosh, Trustees of the trust estates established pursuant to the Last Will and Testament, including Codicils First through Fifth, of Harold K.L. Castle, deceased, and Harold K.L. Castle Foundation, a Hawaii eleemosynary corporation, and Henry Ho Wong, whose wife's name is Colene Smith Wong to Shigeru Horita, Husband of Mitsue Horita, and Herbert Kazuo Horita, Husband of Miriam Reiko Horita, authorized General Partners of HKH Ventures, a Limited Partnership. Said Lease was amended by instrument dated December 21, 1978, and filed as Land Court Document No. 915868 and recorded in said Bureau in Book 13379 at Page 436.
6. That certain Mortgage and Financing Statement made by Shigeru Horita and Herbert K. Horita, authorized General Partners of HKH Ventures, in favor of First Hawaiian Bank, dated December 23, 1974, filed in the Office of the Assistant Registrar of the Land Court as Document No. 707646 and also recorded in said Bureau in Book 10362 at Page 275.
7. Additional Charge Mortgage and Financing Statement dated October 23, 1978, and filed as Land Court Document No. 915874 and recorded in Book 13379 at Page 525.
8. That certain grant of easement dated November 29, 1978, effective July 17, 1975, in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, as "Grantees", and filed as Land Court Document No. 913893 and recorded in Book 13355 at Page 725.
9. ESTOPPEL CERTIFICATE dated January 6, 1975, filed as Land Court Document No. 707942 and also recorded in the Bureau of Conveyances in Book 10369 at Page 177.

James Christian Castle, James Gordon McIntosh and Hawaiian Trust Company, Limited, Trustees of the trust estates created by Articles Fifth and Eighth of the Last Will and Testament of Harold Kainalu Long Castle, deceased, Iolani School and Henry Ho Wong, Husband of Colene Smith Wong, consent to improvements re said Master Lease.

10. FINANCING STATEMENT

Debtor(s): HKH Ventures
Secured Party: First Hawaiian Bank
Recorded January 7, 1975 in the Bureau of Conveyances in Book 10362 at Page 303.

Covers: All right, title, and interest, etc.
in Parkway Project.

Said Financing Statement was amended by instrument recorded December 12, 1978 in the Bureau of Conveyances in Book 13379 at Page 611.

11. ESTOPPEL CERTIFICATE dated December 21, 1978, filed as Land Court Document No. 915877 and also recorded in the Bureau of Conveyances in Book 13379 at Page 555. James Christian Castle, et al consent to improvements re Master Lease.

12. REAL PROPERTY TAXES

Reference is made to the Office of the Tax Assessor, First Division for any taxes due and owing on said parcel.

NOTE: The Developer has represented to the Commission that all mortgages will be released prior to the first conveyance on an apartment.

PURCHASE MONEY HANDLING: An Escrow Agreement dated December 1, 1978, has been executed and a copy of same has been filed with the Commission. The Escrow Agent is Developer's Escrow, a Hawaii corporation. Upon examination the Specimen Sales Contract and the executed Escrow Agreement are found to be in consonance with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39 and 514A-63 through 514A-66.

The specimen Sales Contract provides, in part:

1. All interest, if any, received by Seller and/or Escrow on Buyer's deposits shall become the sole property of the Seller, and Buyer and Seller hereby jointly so instruct Escrow pursuant to the provisions of Sections 402-8 and 449-16.5 of the Hawaii Revised Statutes.

2. BUYER UNDERSTANDS THAT SELLER IS SELLING THE APARTMENT "AS IS WHERE IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED AND BUYER AGREES TO LOOK SOLELY TO THE CONTRACTOR, EDWIN N. TAMURA, INC., OR APPLIANCES SUPPLIERS FOR WARRANTIES AND PUNCH LIST ITEMS.

3. Buyer acknowledges that the property described in the Declaration is subject to the provisions of Ordinance No. 4167 of the City and County of Honolulu, State of Hawaii, by which Ordinance said property was designated as Planned Development - Housing District No. R-30.

4. The Buyer acknowledges and agrees that all liens or security interests obtained by the Interim Lender as well as any extensions, renewals and modifications thereof shall be and remain at all times a lien or charge

on the Project, including the Apartment and appurtenant common interest covered by this Sales Contract, and that such liens and security interests shall have priority over any interest whatsoever that the Purchaser may have obtained by this Sales Contract.

5. Buyer understands that Lessor has not controlled or otherwise participated in, in any way, either as joint venturer, or in any other capacity, the planning or construction of the demised premises or any other improvements in the Project. All approvals of plans and specifications by Lessor were given without regard to and without conducting any investigation into, the structural soundness of the improvements in the Project, code violations, or other matters relating to the legality or integrity of the improvements. Accordingly, Buyer agrees and declares as part of the consideration to Lessor for granting a Lease, that Buyer has and does hereby waive any and all claims which Buyer might otherwise have against Lessor, on account of faulty or improper construction of improvements, latent defects, code violations in building construction or representations concerning the demised premises, it being understood and agreed that the Buyer's right to make such claims, to the extent such claims are recognizable at law or equity, shall be against the Seller of this project or against any person or persons in privity of contract with said Seller, but not Lessor. Nothing in this paragraph, however, shall be deemed to constitute or create any warranty as to said matters, express or implied, by Seller.

It is incumbent upon the purchaser and prospective purchaser that he or she read with care the Sales Contract and the executed Escrow Agreement. The latter Agreement establishes how the proceeds from the sale of condominium units are placed in trust, as well as the retention and disbursement of said funds.

The executed Escrow Agreement provides in part that a purchaser shall be entitled to a refund of all funds, and Escrow shall pay said funds to said Purchaser without interest and less Escrow's Ten Dollar (\$10.00) cancellation fee, 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 the Seller to return to Purchaser the funds of such Purchaser then held hereunder by Escrow; or,

(b) If Purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of Purchaser's contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction, unless the Purchaser has given written approval or acceptance of the change; or,

(c) If the request is prior to the time the Final Public Report is issued, or if after such time, the Final Public Report differs in any material respect from the Preliminary Report, unless the Purchaser has given written approval or acceptance of the differences; or,

(d) If the Final Report is not issued within one year from the date of issuance of the Preliminary Report, provided that 30 days has not passed since the delivery of a Final Report to the Purchaser, together with written notice of the Purchaser's right of refund and cancellation of obligation and the waiver of such right upon the Purchaser's failure to act within said 30 day period.

PARKWAY COMMUNITY ASSOCIATION: The purchaser and prospective purchaser is advised to familiarize himself with the terms of the Master Declaration of Covenants, Conditions and Restrictions affecting the property dated June 20, 1975, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10786 at Page 442, as amended by Supplementary Declaration and Amendment of Master Declaration of Covenants, Conditions, and Restrictions for the Parkway Community at Kaneohe, Hawaii, dated November 8, 1978, and recorded in said Bureau in Liber 13364 at Page 430. These documents detail the establishment of the Parkway Community Association, a non-profit corporation formed to provide maintenance of the recreational areas common to the project and other projects developed and to be developed in the area. The purchaser will have non-exclusive rights to use these recreational facilities, together with all others entitled thereto. By the terms of this Declaration and the Apartment Lease, the purchaser is required to be a member of this Association and to pay a pro rata share of the cost of the maintenance and repair of the recreational areas.

FINANCING OF PROJECT: Developer intends to obtain a commitment for the interim financing for this project from the First Hawaiian Bank.

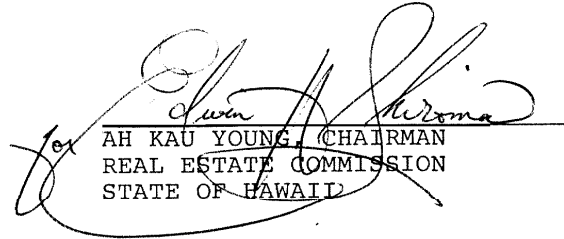
MANAGEMENT AND OPERATION: The Declaration discloses that the administration of the Project shall be vested in the Association of Apartment Owners. The proposed By-Laws of the Association places in the Board of Directors the responsibility of employing a responsible Hawaii corporation as Managing Agent to manage and control the project, subject at all times to direction by the Board. The Developer intends to retain Island Management and Leasing Services, Inc. as its initial Managing Agent.

STATUS OF PROJECT: Construction of the buildings has not commenced. The Developer informs the Commission that the anticipated date for the commencement of construction is April 1, 1979 and the estimated completion date is on or before January 15, 1981.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted January 25, 1979 and information subsequently filed as of February 21, 1979.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1082 filed with the Commission on January 25, 1979.

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


AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Commission, City and
County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1082

February 27, 1979

EXHIBIT "A"

PARKWAY PHASE C-2

All apartments are located on the respectively numbered lot, 1 through 56 inclusive, as shown on said Condominium Map.

Each apartment is constructed according to a Design Type and contains the approximate square footage set forth next to its apartment number hereinbelow corresponding to floor plans and elevations set forth in said Condominium Map.

Each apartment has seven rooms, a living/dining room, a kitchen, three bedrooms and two baths, except that Design Types D-1, D-1 Mod., D-1r Mod., D-2 and D-2r have eight rooms in that they have separate living rooms and dining rooms.

Each apartment consists of one floor without basement except that all Design Types beginning with the letter F are two story with basement/garage. All design types beginning with the letter B and D are split level.

No Design Type beginning with the letter A or E has a lanai. Design Types beginning with the letter B have a lanai of 96 square feet, and Design Type beginning with the letter D have a lanai of 72 square feet.

The various Design Types and the numbers of the apartments constructed according to each Design Type and the approximate square footage of each are as follows:

<u>Design Types</u>	<u>Apartment Numbers</u>	<u>Approximate Sq. Ft.</u>
A-1r-Mod. 1	3	1,404
A-1-Mod. 2	7	1,404
A-1-Mod. 3	13	1,418
A-1-Mod. 4	19 & 49	1,416
A-1-Mod. 5	56	1,410
A-2-Detached	8	1,401
A-2-Mod. 1	50	1,404
A-2-Mod. 2	55	1,416
B-1-Mod. 1	23	1,520
B-1-Mod. 2	33	1,520
B-1-Mod. 3	35	1,520
B-1-Mod. 4	54	1,520
B-2	21	1,520
B-2r	52	1,520
B-2-Mod. 1	9	1,427
B-2-Mod. 2	34	1,520
B-2-Mod. 3	37	1,520
B-2r-Mod. 4	42	1,520
D 1	11	1,536
D-1-Mod.	22, 36	1,536
D-1r-Mod.	20	1,536
D-2	10	1,536
D-2r	53	1,536
E-1	26, 30, 38	1,384
E-1r	28	1,384
E-1-Mod. 1	2	1,384
E-1-Detached	6	1,370
E-1-Mod. 2	40	1,384
E-1-Mod. 3	51	1,361
E-2	25, 27, 39	1,384

EXHIBIT "A" (Continued)

<u>Design Types</u>	<u>Apartment Numbers</u>	<u>Approx. Sq. Ft.</u>
E-2-Mod. 1	29	1,384
E-2-Mod. 2	31	1,384
F-1	1, 5, 14, 15, 24, 32	1,616
F-1r	17, 41	1,616
F-1-Mod.	44, 46	1,616
F-1r-Mod.	48	1,616
F-2	4, 12, 16, 43	1,616
F-2r	18	1,616
F-2-Mod.	45, 47	1,616

The number of each apartment and its Design Type is as follows:

<u>Apt. Number</u>	<u>Design Type</u>
1	F-1
2	E-1-Mod. 1
3	A-1r-Mod. 1
4	F-2
5	F-1
6	E-1- Detached
7	A-1-Mod. 2
8	A-2-Detached
9	B-2-Mod. 1
10	D-2
11	D-1
12	F-2
13	A-1-Mod. 3
14	F-1
15	F-1
16	F-2
17	F-1r
18	F-2r
19	A-1-Mod. 4
20	D-1r-Mod.
21	B-2
22	D-1-Mod.
23	B-1-Mod. 1
24	F-1
25	E-2
26	E-1
27	E-2
28	E-1r
29	E-2-Mod. 1
30	E-1
31	E-2-Mod. 2
32	F-1
33	B-1-Mod. 2
34	B-2-Mod. 2
35	B-1-Mod. 3
36	D-1-Mod.
37	B-2-Mod. 3
38	E-1
39	E-2
40	E-1-Mod. 2
41	F-1r
42	B-2r-Mod. 4
43	F-2

EXHIBIT "A" (Continued)

<u>Apt. Number</u>	<u>Design Type</u>
44	F-1-Mod.
45	F-2-Mod.
46	F-1-Mod.
47	F-2-Mod.
48	F-1r-Mod.
49	A-1-Mod. 4
50	A-2-Mod. 1
51	E-1-Mod. 3
52	B 2r
53	D-2r
54	B-1-Mod. 4
55	A-2-Mod. 2
56	A-1-Mod. 5