

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
RYCROFT MANOR
1129 Rycroft Street
Honolulu, Hawaii

REGISTRATION NO. 893

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: February 11, 1977
Expires: March 11, 1978

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 20, 1976, AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 7, 1977. DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514, HAWAII REVISED STATUTES, AS AMENDED.

1. Rycroft Manor is a leasehold condominium project consisting of twenty-eight (28) residential apartments located in one building having four (4) stories with a partial first floor. There will be twenty-one (21) parking stalls so seven apartment will not have parking stalls.
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 Final Public Report.

3. The Developer advises that the Declaration of Horizontal Property Regime and attached By-laws are filed with the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 802412. The Condominium Map has been filed with said Registry Office as Map No. 300.
4. No advertising and promotional materials have been submitted 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 514, Hawaii Revised Statutes, as amended, and the condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Final Public Report automatically expires thirteen (13) months after date of issuance, February 11, 1977, unless a Supplementary Public Report issues or the Commission upon review of the registration issues an order extending the effective period of this report.
7. This Final Public Report is made a part of the registration of RYCROFT MANOR. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers and securing from each purchaser or prospective purchaser a signed receipt, signifying that he has had an opportunity to read the report.

NAME OF PROJECT: RYCROFT MANOR

LOCATION: The project is located at 1129 Rycroft Street, Honolulu, Hawaii, on a parcel of 10,974 square feet.

TAX KEY: 2-3-10-11 (1st Division)

ZONING: The property is presently zoned A-3 Apartment.

DEVELOPER: The Developer is Smith Development Corp., whose business address is Suite 1625, 841 Bishop Street, Honolulu, Hawaii 96813, telephone 524-5414. The officers of Smith Development Corp. are Peter S. Smith, President and Treasurer; Robert H. Gerell, Vice President; and J. Thomas Van Winkle, Secretary.

ATTORNEY REPRESENTING DEVELOPER: Izumi & Tanaka (Attention: Tamotsu Tanaka) 888 Mililani Street, Suite 701, Honolulu, Hawaii, 96813, telephone: 536-9307.

DESCRIPTION OF PROJECT: The project consists of one rectangular shaped four (4) story building with partial first floor constructed of concrete and hollow tile.

The apartments are constructed according to two different floor plans and each floor plan contains the number of rooms and the approximate floor area, according to its respective floor plan as follows:

1. Apartments 101, 208, 308 and 408 are studio apartments with two rooms: (i) a combination living-dining-bedroom area; and (ii) a bathroom. Apartment 101 is located on the partial first floor on the mauka side (Rycroft Street side) of the building and contains a total area of approximately 375 square feet, excluding a lanai of approximately 54 square feet. Apartments 208, 308 and 408 are located on ewa-makai side of the building furthest away from Rycroft Street and each contains a total area of approximately 368 square feet, excluding a lanai of approximately 58 square feet.
2. Apartments 201 to 207, inclusive, 301 to 307, inclusive, and 401 to 407, inclusive, and 209, 309 and 409, have three rooms: (i) a combination living-dining-kitchen; (ii) a bathroom; and (iii) a bedroom. Beginning with the -01 unit which is the unit closest to Rycroft Street, the apartments are numbered consecutively in alternate numbers on either side of the corridor. (The even numbers are located on the ewa side of the building and the odd numbers are located on the waikiki side of the building.) Apartments 201, 301 and 401 contain a total area of approximately 440 square feet, excluding a lanai of approximately 58 square feet. Apartments 202, 302 and 402 contain a total area of approximately 432 square feet, excluding a lanai area of approximately 58 square feet. Apartments 203 to 207, inclusive, 303 to 307, inclusive, 403 to 407, inclusive, contain a total area of approximately 431 square feet, excluding a lanai area of approximately 56 square feet. Apartments 209, 309 and 409 contain a total area of approximately 438 square feet, excluding a lanai of approximately 58 square feet.
3. The floor area of an apartment located at an end of the building is measured from the exterior wall to the centerline of the wall between apartments; the floor area of an interior apartment is measured from centerline to centerline of the common walls between apartments.

The apartments are numbered and located in the manner shown on the Condominium File Plan No. 300, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

Each apartment has access to a walkway which leads to two stairways, one at each end of the building.

Each apartment will have a stove, refrigerator and water heater. In addition, some apartments will be renovated to include new light fixtures, carpets and drapes, bath fixtures (portion), kitchen improvements (portion) but no new appliances.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, floors and ceilings surrounding each apartment or any pipes, wires, conduits, or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements

apartments solely by an amendment to the Declaration, such amendment to be executed by the respective owners of such apartments and the Lessor, provided that such amendment shall be effective only upon the filing of the same in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, and provided further that at all times at least one parking space shall be appurtenant to each apartment in the project, except seven apartments shall have no parking space appurtenant to each of them.

INTEREST TO BE CONVEYED TO PURCHASERS: Each apartment to be leased shall have appurtenant thereto an undivided fractional percentage interest in the common elements of the project as follows:

<u>Apartments</u>	<u>Percentage (each apartment)</u>	<u>Total</u>
1. 101, 208, 308 and 408	2.8	11.2
2. 201 to 207, inclusive, 209 301 to 307, inclusive, 309 401 to 407, inclusive, 409	3.7	<u>88.8</u>
		<u>100.0</u>

The aggregate percentage of undivided interest in the common elements of the apartments is allocated between them on the basis of their interior floor area. The Developer covenants and agrees that the undivided interest in the common areas and facilities and the title to the respective apartments to be conveyed shall not be separated or separately conveyed and each said undivided interest shall be deemed to be conveyed or encumbered with its respective apartment even though the description in the instrument of conveyance may refer only to one or other of the interests. The voting rights of apartment owners, as well as their share of the common expenses and profits shall be in proportion to their common interest.

OWNERSHIP OF TITLE: A preliminary title report issued by Title Guaranty of Hawaii, Incorporated, dated January 25, 1977, reflects that ownership of the property is vested as follows:

1. Fee owners are Akira Misawa and Toshiko Misawa, husband and wife.
2. Akira Misawa and Toshiko Misawa issued a lease for the premises dated August 12, 1974, filed as Land Court Document No. 776183, to Smith Development Company; said company by assignment dated August 6, 1976, filed as Document No. 776183, assigned said lease to Smith Development Corp., a Hawaii corporation.

ENCUMBRANCES: Said preliminary report shows title to the property to be subject to the following encumbrances:

1. Improvement District Assessment upon the above granted premises, to-wit: Assessment Lot No. 8, Improvement District No. 211, of Sheridan Tract, City and County of Honolulu, State of Hawaii. The current balance of the assessments

will be prorated among the 28 apartments as of the closing date and assumed by each apartment owner thereafter.

2. As to the fee simple title to Lots 214 and 216-B:

Mortgage in favor of Island Insurance Company, Limited, a Hawaii corporation, dated February 7, 1974, filed as Land Court Document No. 670384. By Subordination Agreement dated February 25, 1974 and filed as Land Court Document No. 670385, Johiro Brothers, Inc., a Hawaii corporation, agrees that any and all claims and liens it may have against Akira Misawa and Toshiko Misawa and the lands under search described in the above Mortgage shall be subject and subordinate to any and all claims and liens Island Insurance Company, Limited may have against said Akira Misawa and Toshiko Misawa and the land under search. This Mortgage does not directly affect the apartments described herein.
3. Terms, agreements, reservations, covenants, conditions and provisions contained in Lease Document No. 692824.
4. Terms, conditions, restrictions, reservations, provisions, etc., of that certain Agreement of Sale dated August 12, 1974 and filed as Land Court Document No. 692825; which Agreement of Sale was by instrument dated July 30, 1976, assigned to Smith Development Corp., filed as Land Court Document No. 776184. By Assignment of Purchaser's Interest in Agreement of Sale as Security and Financing Statement dated August 3, 1976, filed as Document No. 776186, all of the right, title and interest of Smith Development Corp. in Agreement of Sale Document No. 692825, was assigned to Commercial Finance, Limited, a Hawaii corporation. The Developer advises that this Agreement of Sale will be paid in full upon and from the sale of 20 or more apartments in the project.
5. Mortgage in favor of Commercial Finance, Limited, a Hawaii corporation, dated August 3, 1976, filed as Land Court Document No. 776185. The Developer advises that this Mortgage will be paid in full or partial releases from the Mortgage will be executed prior to the transfer of an apartment to third-party purchasers.
6. Restrictions, covenants, agreements, obligations, conditions and other provisions set forth in Declaration of Horizontal Property Regime and By-Laws attached, dated January 19, 1977 and filed as Land Court Document No. 802412. (Project covered by Condominium Map No. 300.)
7. Real property taxes due and delinquent after May 20, 1977.

PURCHASE MONEY HANDLING: The executed escrow agreement dated November 5, 1976, identifies Title Guaranty Escrow Services, Inc., as the "Escrowee" and provides in part that purchasers shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest and less Escrow's cancellation fee, if purchaser shall in writing request refund of his funds and if escrow receives a written request from Seller to return to purchaser the funds of such purchaser then held hereunder by Escrow.

Upon refund of said funds to purchaser as aforesaid, Escrow shall return to Seller such purchaser's sales contract and any Apartment Lease therefore delivered to Escrow, and thereupon neither the purchaser nor Seller shall be deemed obligated thereunder.

Among other provisions, the specimen Sales Contract provides (1) that Developer may terminate all sales contracts if by June 30, 1977, less than 20 apartments have been sold, in which event the Developer will cause escrow to refund to purchaser all monies paid without interest; (2) purchaser agrees that all rights of the purchaser are and shall be subject and subordinate to the lien of any mortgage made to finance the cost of acquisition of the project by developer and to any and all sums which may become a lien pursuant to the terms of such mortgage or any other agreement relating to such mortgage and (3) the purchaser also agrees to purchase the apartment, including any furniture and appliances located therein, "as is".

Upon examination, the specimen sales contract and the executed escrow agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly with Section 514-35 and Section 514-36 through 514-40, Hawaii Revised Statutes. A prospective purchaser should carefully examine the form of specimen sales contract and escrow agreement to determine the time for and the amount of the installment payments on the purchase price and the sharing of the closing costs.

PURPOSE OF BUILDINGS AND USE RESTRICTIONS: The apartments shall be occupied and used as private dwellings by the respective owners thereof, their tenants, families, domestic servants and personal guests. The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the apartment are provided customary hotel services, such as room service for food and beverage, maid service, laundry and linen, or bellboy service. Except for such transient or hotel purposes, the owners of the respective apartments shall have the absolute right to lease or rent the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

The By-laws attached to the Declaration and the proposed House Rules provide in part:

1. "No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the project except that dogs, cats and other household pets having such diminutive size and weight that they may be comfortably and easily hand-carried by any person over the common elements of the project in reasonable number may be kept by the apartment owners and occupants in their respective apartments ..."; and

2. "The maximum number of occupants to be permitted to reside in any apartment shall be: three (3) persons in a one-bedroom apartment and two (2) persons in a studio apartment; provided that the Association, by majority vote of its members at a meeting duly called for such purpose, may increase the number of occupants...."

MANAGEMENT AND OPERATION: Article IV, Section 2, of the By-laws states that the Board of Directors shall at all times employ a responsible managing agent to manage and control the property subject at all times to direction by the Board of Directors. The Developer has entered into an initial property management contract with Urban Management Corp. in the form submitted with Developer's Notice of Intention.

STATEMENT OF FINANCING: The Developer has informed the Commission that it intends to cause the issuance of leases for a term ending August 11, 2041, to purchasers using proceeds from its sale of 20 or more apartments to pay the balance due under the Agreement of Sale as a condition to said lease issuance.

STATUS OF PROJECT: Construction of the building and other improvements on the land were completed in 1974 by the fee owners and has been operated as a rental apartment project by Smith Development Company since the date of completion. The Developer, who acquired an interest in the property in August, 1976, has continued the rental apartment use, and is prepared to deliver possession of the apartments to the new purchasers as soon as possible after binding sales for 20 apartments have been consummated.

NOTE: The building is a non-conforming structure, meaning structure which was previously lawful but which does not now comply with the bulk, yard, setback or height regulations of the district in which it is located.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted December 20, 1976, and information subsequently filed as of February 7, 1977.

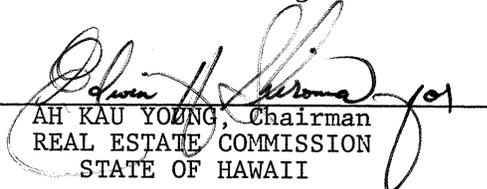
This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 893 filed with the Commission on December 20, 1976.

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

Distribution:

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City and County of Honolulu
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 893
Dated: February 11, 1977


AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII