

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

LUSITANA HALE
1469 Lusitana Street
Honolulu, Hawaii

REGISTRATION NO. 933

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: May 2, 1978

Expires: June 2, 1979

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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 15, 1977, AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 25, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A HAWAII REVISED STATUTES.

1. Lusitana Hale is a fee simple condominium project consisting of twenty-four (24) residential apartments contained in a single building. There are 18 single-bedroom apartments, and 6 two-bedroom apartments. Each apartment will have an assigned mailbox and an assigned parking stall on the ground floor.

2. Since the issuance of the Commission's Preliminary Public Report on Registration No. 933 dated October 24, 1977, the Developer has forwarded additional information reflecting material changes in the documents and plans for the project.
3. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Final Public Report.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have been recorded in the Bureau of Conveyances of the State of Hawaii, as Document No. 77-98317, in Liber 12514, at Pages 437-471, and the Condominium File Plan (Map) No. 522 has been recorded in said Bureau of Conveyances as Document No. 77-98316.

The Declaration, By-Laws and File Plan (Map) No. 522 have been amended and the Amended Declaration, and the Amended By-Laws have been recorded in said Bureau of Conveyances as Document No. 78-26881, in Liber 12785 at Pages 550-589, and the amended File Plan (Map) No. 522 has been recorded in said Bureau of Conveyances, and retains the original Document No. 77-98316 (Amended).

5. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Hawaii Revised Statutes, Chapter 514A, and the rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, May 2, 1978, unless a Supplementary Public Report is published or the Commission, upon review of registration, issues an order extending the effective period of this report.
8. This Final Report is made a part of the LUSITANA HALE registration. The Developer is responsible for placing a true copy of the Final Report (white paper stock) and the Preliminary Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and obtaining a signed receipt therefor.

The information contained under the topical headings in the Preliminary Public Report of October 24, 1977, with the exception of those following, has not been disturbed.

DEVELOPER: GRACE GUNN REALTY, INC., a Hawaii corporation, with principal offices and place of business at 1412 Colburn Street, Honolulu, Hawaii 96817; Phone: 845-3300.

LIMITED COMMON ELEMENTS: The Amended Declaration notes that the assignment of parking stalls is different from the original assignment but that each apartment will still have an assigned parking stall as a limited common element.

OWNERSHIP OF TITLE: A Preliminary Report issued on March 10, 1978, by Security Title Corporation shows that title to the real property and improvements was vested in GRACE GUNN REALTY, INC., a Hawaii corporation, by Deed dated August 15, 1977, recorded on September 12, 1977, in the Bureau of Conveyances of the State of Hawaii in Book 12424, Page 766.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report of Security Title Corporation shows the following encumbrances to the real property and improvements:

1. Taxes that are due and owing. For further information check with the Tax Assessor.
2. The reservation as contained in Land Patent Grant Number 5758, dated September 30, 1912, to wit:

"The Government reserves the right to lay sewers along the boundary lines of this lot, using such width of ground for the same as may be reasonably necessary. The Government reserves the right to make such cuts and fills and to do other work as may be necessary for the construction of roads along and through this lot without liability to damage or compensation to those whose lots may be affected, (affects Parcel Second only).
3. "EXCLUDING THEREFROM, access into and from Lunalilo Freeway, Federal Aid Project F-59 (2), Nuuanu Avenue to Pele Street Section, over and across Courses 3 and 4", as contained in that certain Deed dated March 22, 1963, recorded on March 22, 1963, in the Bureau of Conveyances of the State of Hawaii in Book 4480 Page 559 (affects Parcel First only).
4. "RESERVING to the State of Hawaii, its successors and assigns, in perpetuity, all minerals and surface and ground waters appurtenant to the land described, together with the right to enter, sever, and remove minerals or to develop, capture, divert or impound water; provided, that the State shall pay just compensation to the surface owner for improvements taken as a condition precedent to the exercise of such reserved rights", as contained in that certain Deed dated March 22, 1963, recorded on March 22, 1963, in said Bureau of Conveyances in Book 4480 Page 559, (affects Parcel First only).
5. "... any abutter's rights of access, appurtenant to the remainder of the land of which Parcel J-65 is a part, into and from Lunalilo Freeway, Federal Aid Project No. F-59 (2), over and across Course 1 ...", as contained in that certain Deed dated March 8, 1963, recorded on March 22, 1963, in said Bureau of Conveyances in Book 4480 Page 564 (affects Parcel Second only).

6. "ALSO TOGETHER WITH any abutter's rights of access into and from Lunalilo Freeway, Federal Aid Project No. F-59 (2), over and across the boundary designated as Boundary "A", more particularly described as follows:

Beginning at the initial point of the above described parcel J-65 and running by azimuths measured clockwise from true South:-

1. 253° 08' 30" 56.46 feet to the East end of this right-of-way boundary and having a length of 56.46 feet..",

as contained in that certain Deed dated March 8, 1963 recorded on March 22, 1963, in said Bureau of Conveyances in Book 4480 Page 564 (affects Parcel Second only).

7. Mortgage dated September 20, 1972, recorded on September 22, 1972 in the Bureau of Conveyances of the State of Hawaii in Book 8607 Page 465, made by GRACE KIM GUNN, wife of James Allen Gunn, as trustee under Trust Agreement dated May 18, 1972, as Mortgagor(s), to PACIFIC SAVINGS AND LOAN ASSOCIATION, a Hawaii corporation, as Mortgagee(s), to secure the repayment of the sum of \$325,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

By instrument dated August 12, 1977, recorded on August 17, 1977 in the Bureau of Conveyances of the State of Hawaii in Book 12382 Page 1, the foregoing mortgage (besides other mortgages) was assigned to AMERICAN SAVINGS AND LOAN ASSOCIATION, a Utah corporation.

8. Undated Financing Statement covering certain personal property located on the real property, given as security by GRACE KIM GUNN, wife of James Allen Gunn, in favor of PACIFIC SAVINGS AND LOAN ASSOCIATION, recorded on September 22, 1972 in said Bureau of Conveyances in Book 8608 Page 1.

9. Mortgage, Security Agreement and Financing Statement dated November 21, 1977, recorded on November 21, 1977 in the Bureau of Conveyances of the State of Hawaii in Book 12563 Page 25, made by GRACE GUNN REALTY, INC., a Hawaii corporation, as Mortgagor(s), to OAHU EDUCATIONAL EMPLOYEES FEDERAL CREDIT UNION, a corporation organized under and pursuant to the Federal Credit Union Act, as Mortgagee(s), to secure the repayment of the sum of \$98,600.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

10. Said Declaration, By-Laws and Condominium Map referred to on Page 2.

Note: The Developer has made arrangements for a loan of funds which will be used to pay and release the encumbrances hereinabove described as Nos. 7, 8, and 9. Upon the payment and release of said encumbrances, the lender will have a recorded first mortgage upon the land, building and improvements, common elements and limited common elements.

The lender will release each apartment unit with its appurtenant common elements and limited common elements, from said first mortgage, upon receipt of Eighty Five Percent (85%) of the gross sales price of the apartment unit or units to be released; provided, however, that no unit releases shall be made until not less than thirteen (13) of the total condominium units (24) are ready for release and the initial release shall be of not less than thirteen (13) apartments in accordance with the above release formula simultaneously. Following the initial simultaneous release of thirteen (13) condominium units, the subsequent units will be released on a singular or multiple basis at the Developer's request in accordance with the above release formula.

MANAGEMENT AND OPERATIONS: The Sale Agreement authorizes the Developer from time to time prior to closing, for and on behalf of purchaser at his proportionate common expense, to employ a responsible and competent company as the first managing agent, for the management, operation and maintenance of the Project. The first managing agent is Tropic Shores Realty, Ltd., Property Management Division, by that certain Property Management Agreement executed on October 27, 1977, by and between GRACE GUNN REALTY, INC., and TROPIC SHORES REALTY, LTD.

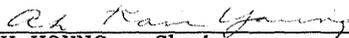
STATUS OF THE PROJECT: The Lusitana Hale is an existing apartment building which was built in 1961 and is being converted into condominium apartments by the Developer. At the time the improvements on this project were completed, it conformed to the City and County building requirements then in force. Under the present Comprehensive Zoning Code, the improvements would not meet the present Comprehensive Zoning Code requirements of the City and County of Honolulu because it does not have a ten-foot setback along the perimeter of the lot, which setback must be landscaped except for necessary access walks and drives and cannot be used for parking. The continued use of the present existing structures are governed by Section 1-107(d) of the Comprehensive Zoning Code.

Note: The Developer makes no express or implied warranties as to the construction or condition of the building and apartment units in the building; or otherwise.

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 September 15, 1977, and information subsequently filed as of April 25, 1978.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 933 filed with the Commission on September 15, 1977.

The report, when reproduced, shall be a true copy of the Commission's Final Public Report. In making facsimiles the paper stock shall be white 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
ESCROW AGENT
FEDERAL HOUSING ADMINISTRATION

Registration No. 933

May 2, 1978.