

# 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

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 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: October 24, 1977

Expires: November 24, 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 15, 1977, AND INFORMATION SUBSEQUENTLY FILED AS OF OCTOBER 7, 1977. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, HAWAII REVISED STATUTES, CHAPTER 514.

1. Lusitana Hale is a proposed 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. 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 Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.
4. Preliminary advertising and promotional matter have not been submitted pursuant to rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Hawaii Revised Statutes, Chapter 514, and the rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Report automatically expires thirteen (13) months after date of issuance, October 24, 1977, unless a Final or Supplementary Public Report is published or the Commission, upon review of registration, issues an order extending the effective period of this report.
7. This Preliminary Report is made a part of the LUSITANA HALE registration. The Developer is responsible for placing a true copy of this report in the hands of all purchasers and prospective purchasers and obtaining a signed receipt therefor.

NAME OF PROJECT: LUSITANA HALE.

LOCATION: 1469 Lusitana Street, Honolulu, Hawaii.

TAX KEY: 2-1-21-17, land area 9,621 square feet.

ZONING: A-2

DEVELOPER: GRACE GUNN REALTY, INC., a Hawaii corporation, with principal offices and place of business at Suite 457, Alexander Young Building, Honolulu, Hawaii 96813.

ATTORNEY REPRESENTING DEVELOPER: ROBERT K. FUKUDA, Suite 470, Alexander Young Building, Honolulu, Hawaii 96813. Telephone No. 538-7164.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime shows that the project consists of an existing three-story building, constructed principally of concrete masonry block, cement, reinforced concrete, steel, aluminum, glass and wood, and asphalt paving on the ground.

The ground floor is atypical, and contains 4 one-bedroom apartments, 24 assigned parking stalls, driveway, 24 assigned mailboxes, a laundry room, a recreation room, a trash enclosure, two stairwells, walkways, and planting areas. The apartments on the ground floor are numbered 101, 102, 103 and 104.

The second and third floors are identical, and contain 7 one-bedroom apartments, 3 two-bedroom apartments, two stairwells, and balconies on each floor. The apartments on the second floor are numbered 201, 202, 203, 204, 205, 206, 207, 208, 209, and 210. The apartments on the third floor are numbered 301, 302, 303, 304, 305, 306, 307, 308, 309, and 310.

The apartment Nos., the number of bedrooms in each apartment, the floor areas of each apartment, and the appurtenant percentage interest in the common elements are:

	<u>APT. NO.</u>	<u>NO. OF BEDROOMS</u>	<u>FLOOR AREA</u>	<u>COMMON INTEREST IN %</u>
<u>Ground Floor</u>	101	1	398.37 sq.ft.	3.6987
	102	1	371.91 " "	3.4531
	103	1	396.92 " "	3.6853
	104	1	396.92 " "	3.6853
<u>Second Floor</u>	201	1	394.58 " "	3.6636
	202	1	394.58 " "	3.6636
	203	1	394.58 " "	3.6636
	204	1	398.37 " "	3.6987
	205	1	394.58 " "	3.6636
	206	1	398.37 " "	3.6987
	207	1	382.74 " "	3.5536
	208	2	654.68 " "	6.0785
	209	2	648.71 " "	6.0231
	210	2	541.95 " "	5.0318
<u>Third Floor</u>	301	1	394.58 " "	3.6636
	302	1	394.58 " "	3.6636
	303	1	394.58 " "	3.6636
	304	1	398.37 " "	3.6987
	305	1	394.58 " "	3.6636
	306	1	398.37 " "	3.6987
	307	1	382.74 " "	3.5536
	308	2	654.68 " "	6.0785
	309	2	648.71 " "	6.0231
	310	2	541.95 " "	5.0318

The single-bedroom apartments contain a livingroom, a bedroom, a kitchen, a bathroom, and a closet. The two-bedroom apartments contain a livingroom, two bedrooms, a kitchen, a bathroom and two closets.

Each apartment unit shall include all the space within its perimeter walls, floor and ceiling, and the inner decorated or finished surfaces thereof; all non-load-bearing walls and partitions therein, all doors and windows having access to the apartment unit, and their respective frames, glass, hinges, caulking, moldings and jambs, (except the paint on the exterior surface of all the entry doors, which shall be a common element) and all appliances and fixtures installed in the apartment unit.

COMMON ELEMENTS: The Declaration shows that the common elements shall include the following:

1. The real property, as described in the proposed Declaration, in fee simple absolute, Parcel First: 2,605 square feet; Parcel Second: 7,117 square feet; Total Area 9,722 square feet, saving and excepting therefrom 101 square feet conveyed to the State of Hawaii by deed dated October 3, 1958, recorded in the Bureau of Conveyances of the State of Hawaii in Book 3518, Page 282; Net Land Area: 9,621 square feet.
2. All foundations, floor and roof slabs, girders, beams, supports, load bearing walls and partitions, roofs, steps, stairs and stairwells, walkways, balconies, railings; the laundry room, recreation room and trash enclosure, and the doors, windows and fixtures thereof; the entire ground floor pavement, including the assigned parking stalls and driveway, the mailboxes, planting areas, and the exterior covering, water-proofing finish and paint on the perimeter walls, roof, walkways, balconies, steps, stairwells, and the paint on the exterior surface of all apartment entry doors.
3. All pipes, cables, conduits, ducts, wiring, meters, junction boxes and fuse boxes and other central or common machinery, equipment and facilities installed in, over, under, through or across the project or any apartment unit, for the transmission or measuring of water, electricity, sewer, refuse, telephone, television, or other utilities, and which serve more than one apartment unit.
4. Any and all other portions of the project, or installations of any nature reasonably necessary or convenient to the existence, maintenance and safety of the project, or normally in common use by more than one apartment unit.

LIMITED COMMON ELEMENTS: The proposed Declaration shows that the limited common elements shall include the following:

1. The walkways on the ground floor shall be appurtenant to and for the exclusive use of Apartment Nos. 101, 102, 103, and 104, and their respective owners and their families, guests, invitees, and tenants.
2. The balconies on the second floor shall be appurtenant to and for the exclusive use of Apartment Nos. 201, 202, 203, 204, 205, 206, 207, 208, 209, and 210, and their respective owners and their families, guests, invitees, and tenants.
3. The balconies on the third floor shall be appurtenant to and for the exclusive use of Apartment Nos. 301, 302, 303, 304, 305, 306, 307, 308, 309, and 310 and their respective owners and their families, guests, invitees, and tenants.

4. The stairs and stairwells shall be appurtenant to and for the exclusive use of the apartments on the second and third floors, for access to and from said apartments by their respective owners and their families, guests, invitees and tenants, and for such emergency uses authorized by law.
5. The mailboxes and parking stalls are numbered with the corresponding numbers of the apartments. Each mailbox and parking stall with a number corresponding to an apartment shall be appurtenant to and for the exclusive use of said apartment, their respective owners and their families, guests, invitees, and tenants.

BY-LAWS: Prospective purchasers are advised to carefully read the proposed By-Laws attached to the proposed Declaration of Horizontal Property Regime which provide for the formation of the association of apartment owners, the election of the board of directors and officers of the association, the administration of the condominium, and the obligations of apartment owners.

INTEREST TO BE CONVEYED TO PURCHASER: The proposed Declaration reflects that the undivided interests, referred to above, established and to be conveyed with the respective apartments cannot be changed, that the undivided interests in the common areas and facilities and the fee simple titles 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. The proportionate shares of the separate owners of the respective apartments in the profits and common expenses in the common areas and facilities as well as their proportionate representation for voting purposes in the Association of Apartment Owners shall be the undivided interest shown above.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The Declaration shows that the apartments are intended to be used only as private dwellings.

OWNERSHIP OF TITLE: A Preliminary Report issued on August 26, 1977 by Security Title Corporation shows that title to the real property and improvements was vested in GRACE KIM, unmarried, as Trustee for Janice Moo-Koong Kim, under Trust Agreement dated May 18, 1972, recorded in the Bureau of Conveyances of the State of Hawaii in Book 8588, Page 46. The Preliminary Report also shows that a Power of Attorney dated July 6, 1973, was recorded in the Bureau of Conveyances in Book 9296, Page 118, made by Janice Moo-Koong Kim to Grace Kim Gunn, granting general powers. The Preliminary Report also shows by Decree dated June 17, 1975, in the matter entitled Grace Kim Gunn vs. James Allen Gunn, filed in the Circuit Court of the First Circuit, State of Hawaii, under Divorce No.92132, Grace Kim Gunn was granted a final decree of divorce from James Allen Gunn, and Grace Kim Gunn was allowed to assume the name Grace Kim. A copy of a Deed dated August 15, 1977, submitted with the Declaration shows that the real property and improvements were deeded by Grace Kim to Grace Gunn Realty, Inc., a Hawaii corporation pursuant to the said Trust Agreement. The Deed is recorded in the Bureau of Conveyances in Book 12424, Page 766.

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

1. Tax Key: 2-1-21-17 Area Assessed: 9,621 square feet. Taxes for the Fiscal Year 1977-1978 are a lien; payable as follows:

1st Installment \$2,090.15 OPEN (Delinquent after 8/22/77);  
2nd Installment \$2,090.14 OPEN (Delinquent after 2/21/78);

The records at the Tax Office do not reflect that any portion of the 1st Installment has been paid. As of the date of this report the posting of tax payments made to the Tax Office for the 1st Installment for the Fiscal Year 1977-1978 has not been completed. For further information, check with the Tax Assessor.

2. The reservation as contained in Land Patent Grant Number 5785, dated October 19, 1912, to which reference is hereby made (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; provide, 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. The terms and provisions of that certain REVOCABLE LIVING TRUST AGREEMENT dated May 18, 1972, recorded on September 15, 1972, in said Bureau of Conveyances in Book 8588 Page 46, made by and between JANICE MOO-KOONG KIM, also known as Janice Moo Kung Kim, "Settlor", and GRACE KIM GUNN, "Trustee", to which reference is hereby made.
  - a) By instrument dated June 21, 1972 recorded on September 15, 1972 in said Bureau of Conveyances in Book 8588 Page 60, the foregoing Trust Agreement was amended.
  - b) By instrument dated July 6, 1973, recorded on July 6, 1973 in said Bureau of Conveyances in Book 9296 Page 120, the foregoing Trust Agreement was further amended.
8. Mortgage dated September 20, 1972, recorded on September 22, 1972 in said Bureau of Conveyances 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, to PACIFIC SAVINGS AND LOAN ASSOCIATION, a Hawaii corporation, as Mortgagee, 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 mortgagors therein referred to.
9. 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.
10. Mortgage dated March 16, 1977, recorded on March 18, 1977 in the Bureau of Conveyances of the State of Hawaii in Book 12076 Page 341, made by GRACE KIM GUNN, unmarried, Trustee for Janice Moo-Koong Kim, also known as Janice Moo Kung Kim, unmarried, and recorded in the Bureau of Conveyances, State of Hawaii in Liber 8588 Page 46, 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 \$30,000.00, 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.

Power of Attorney dated July 6, 1973, recorded on July 6, 1973 in the Bureau of Conveyances of the State of Hawaii in Book 9296 Page 118, made by JANICE MOO-KOONG KIM, to GRACE KIM GUNN, granting general powers.

By Decree dated June 17, 1975, made in the matter entitled GRACE KIM GUNN, Plaintiff, vs. JAMES ALLEN GUNN, Defendant, filed in the Circuit Court of First Circuit, State of Hawaii, under Divorce No. 92132, GRACE KIM GUNN, was granted a final decree of divorce from James Allen Gunn. Grace Kim Gunn, name changed to Grace Kim.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated October 5, 1977, identified Security Title Corporation, a Hawaii corporation, as the Escrow Agent. On examination the specimen Sale Agreement and Deposit Receipt and the executed Escrow Agreement are found to be in compliance with Hawaii Revised Statutes, Chapter 514, and particularly Section 514-35 and Sections 514-36 through Section 514-40.

Among other provisions, the executed Escrow Agreement states that a purchaser under a Sale Agreement, upon written request, shall be entitled to a refund of all monies deposited with Escrow, without interest, if any of the following events shall have occurred: (1) If Developer shall have requested in writing that Escrow return to purchaser the funds of purchaser; (2) If funds were obtained from an apartment purchaser prior to the issuance of a final public report upon the Project by the Real Estate Commission and there is a change in the plans for the said buildings requiring the approval of a county officer having jurisdiction over the issuance of permits for the construction of buildings, unless Developer obtains the written approval or acceptance of such specific change in building plans by such apartment purchaser; (3) 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 (4) If the final public report is not issued within one year from the date of issuance of the preliminary public report.

The Escrow Agreement also provides that the escrow agent at the Developer's request from time to time in their judgment and discretion mutually exercised, may determine that some of the funds in escrow not required for disbursement may be invested in notes issued by the Treasury of the United States or by any insured banking institution, or deposited at interest in an insured savings institution, and all interest shall be the sole asset of the Developer.

The specimen Sale Agreement and Deposit Receipt states that the Escrow Agreement is made a part of the Sale Agreement by reference. It is incumbent upon the purchaser or prospective

purchaser that he reads with care the Sale Agreement and the executed Escrow Agreement. The Escrow Agreement establishes how the purchaser's moneys and all sums received from any source are placed in escrow, as well as the retention and disbursement of said escrowed funds.

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.

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.

WARRANTIES: The Sale Agreement and the Apartment Deed show that the Developer covenants and warrants that it is the owner of the land and building and that the same are free and clear of all encumbrances except as mentioned in said documents; that it has the right to sell the apartments and undivided interests in the common elements of the building, and will warrant and defend the same unto the Purchaser forever against the lawful claims of all persons except as mentioned in the Sale Agreement and the Apartment Deed.

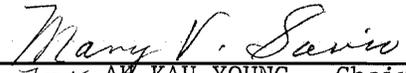
The Developer makes no other express or implied warranties, as to the construction or condition of the building and apartment units in the building; or otherwise.

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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 Intention submitted September 15, 1977, and information subsequently filed as of October 7, 1977.

This PRELIMINARY 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 Public Report. In making facsimiles the paper stock shall be yellow in color.

  
For AH KAU YOUNG, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

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AND COUNTY OF HONOLULU  
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Registration No. 933  
October 24, 1977.