

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
LAKEVIEW

Akipohe Street
Kailua, Oahu, Hawaii

REGISTRATION NO. 992

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: May 10, 1978

Expires: June 10, 1979

SPECIAL ATTENTION

A comprehensive reading of the 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 APRIL 12, 1978, AND INFORMATION SUBSEQUENTLY FILED AS OF MAY 4, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THERETO, CHAPTER 514A, HAWAII REVISED STATUTES.

1. Lakeview is a proposed fee simple condominium to consist of townhouse apartments contained in separate buildings in a cluster arrangement. The project will ultimately comprise 58 condominium apartments in 17 separate buildings, with 131 parking stalls. Each building will contain two or more apartments.

2. This Preliminary Public Report is made a part of the registration on the LAKEVIEW condominium project.

The Developer is held responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for Horizontal Property Regime Preliminary Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.
3. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Preliminary Public Report.
4. The basic documents (Declaration of Horizontal Property Regime, By Laws of Association of Owners, and a copy of the approved Floor Plans) have not yet been filed in the Office of the recording officer.
5. No advertising and 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 Chapter 514A, Hawaii Revised Statutes, and the condominium Rules and Regulations which relate to Horizontal Property Regimes.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, May 10, 1978, unless a Final or Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: LAKEVIEW.

LOCATION: The 8.987 acres of fee simple land to be committed to the Horizontal Property Regime consists presently of one lot situated off Akipohe Street in Enchanted Lake, Kailua, Koolaupoko, City and County of Honolulu, State of Hawaii.

TAX KEY: FIRST DIVISION 4-2-04:38.

ZONING: R-6, RDH Ordinance No. 4482.

DEVELOPER: LONE STAR HAWAII INC., a Hawaii corporation, having its principal place of business and post office address at Suite 1480, 190 South King Street, Honolulu, Hawaii 96813 (Telephone: 531-8091) and having the following officers:

<u>NAME</u>	<u>OFFICE</u>	<u>ADDRESS</u>
ROBERT O. LIPPI	President	46-461 Hulupala Way, Kaneohe, HI 96744
HERBERT B. GREENE	Vice President & Secretary	c/o One Greenwich Plaza Greenwich, CT 06830

<u>NAME</u>	<u>OFFICE</u>	<u>ADDRESS</u>
GORDON A. FOX	Vice President	c/o One Greenwich Plaza Greenwich, CT 06830
GAIL S. SIMS	Vice President	46-440 Hulupala Way Kaneohe, Hawaii 96744
FRANCIS L. ADAMS	Vice President	167-8 Oko Street Kailua, Hawaii 96734
SAMUEL V. D'ONOFRIO	Vice President	129 S. Kalaheo Avenue Kailua, Hawaii 96734
LEONARD GANIALONGO	Treasurer	6710 Hawaii Kai Dr., #906 Honolulu, Hawaii
IRENE A. O. IKEHARA	Asst. Secretary	1621 Dole St., #701 Honolulu, Hawaii
TOM J. DULLAHAN	Asst. Secretary	c/o One Greenwich Plaza Greenwich, CT 06830
EDWARD J. HALE	Asst. Secretary	c/o One Greenwich Plaza Greenwich, CT 06830

ATTORNEY REPRESENTING DEVELOPER: John J. Hulten, Jr., Suite 310, Financial Plaza of the Pacific, Honolulu, Hawaii 96813. Telephone No. 536-2316.

DESCRIPTION: Fifty-Eight (58) freehold estates are separately designated and legally described in the spaces or areas contained within the perimeter walls, floors and ceilings and the lanais of each of the fifty-eight (58) apartments intended to be constructed in the project to be contained in seventeen (17) two story buildings without basement, constructed principally of wood and gypsum board with plywood, sub-floor over wood joists on concrete footings. Each building and apartment will be numbered and located as shown on the proposed Condominium Map and contains the number of rooms, the approximate gross floor area and the approximate house site area according to its respective plan. The buildings are all two stories high containing six (6) different types of apartments designated as Type A through Type F inclusive.

There are seven (7) Type A apartments which are one story two-bedroom two-bath apartments, each containing approximately 930 square feet of interior floor area, including a living/dining room, a kitchen, two bedrooms and two bathrooms, plus a lanai of approximately 129 square feet, for a total area of approximately 1059 square feet.

There are twelve (12) Type B apartments which are two story, three bedroom, two bath apartments, each containing approximately 1345 square feet of interior floor area, including, on the lower floor, a living/dining room, kitchen, two bedrooms and bathroom, and, on the upper floor, a bedroom and bathroom. Each apartment also has a lanai of approximately 156 square feet for a total area of approximately 1501 square feet.

There are five (5) Type C apartments which are two story, three bedroom, two bath apartments, each containing approximately

1357 square feet of interior floor area, including, on the lower floor, a bedroom and bathroom and, on the upper floor, a living/dining room, kitchen, two bedrooms and a bathroom. Each apartment also has a lanai of approximately 156 square feet for a total area of approximately 1513 square feet.

There are twenty-two (22) Type D apartments which are two story, three bedroom, two bath apartments, each containing approximately 1355 square feet of interior floor area, including, on the lower floor, a living/dining room, kitchen, two bedrooms and a bathroom and, on the upper floor, a bedroom and bathroom. Each apartment also has a lanai of approximately 268 square feet for a total area of approximately 1623 square feet.

There are five (5) Type E apartments which are two story, three bedroom, two bath apartments, each containing approximately 1367 square feet of interior floor area, including, on the lower floor, a bedroom and bathroom and, on the upper floor, a living/dining room, kitchen, two bedrooms and a bathroom. Each apartment also has a lanai of approximately 268 square feet for a total area of approximately 1635 square feet.

There are seven (7) Type F apartments which are two story, three bedroom, two bath apartments, each containing approximately 1367 square feet of interior floor area including, on the lower floor, a living/dining room, kitchen, bedroom and bathroom and, on the upper floor, two bedrooms and bathroom. Each apartment also has a lanai of approximately 268 square feet for a total area of approximately 1635 square feet.

Each apartment has immediate access to the walkways, parking areas, driveways and other common elements of the project. Each apartment has appurtenant thereto one covered and one uncovered parking stall except for apartment 10-A which has two covered parking stalls.

The plan (Type) for each apartment, its square footage and Common Interest percentage is as shown on Exhibit "A" attached hereto and made a part hereof. The numbered portion of each apartment number indicates the number of the building in which it is located. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls, floors and ceilings surrounding each apartment, or of interior load bearing walls, nor 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 as hereinafter provided. Each apartment shall include any adjacent lanai shown on the Condominium Map and serving only such apartment. Each apartment shall be deemed to include all of the areas or spaces enclosed by the perimeter walls, floors and ceilings surrounding the apartment, all the walls and partitions which are not load bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, all doors, window frames and windows and the fixtures and appliances originally installed therein.

COMMON ELEMENTS: The common elements will include all portions of the land and improvements other than the respective apartments. In other words, common elements will include the apartment buildings, the land on which all apartment buildings are located, and all common elements mentioned in the Horizontal Property Act which are actually constructed on the land described herein, and specifically shall include, but shall not be limited to:

1. Said land in fee;

2. All foundations, supports, bearing walls and exterior stairs, landings and entranceways of said buildings;
3. All roofs;
4. All housekeeping stations, yards and refuse areas;
5. All ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, cold and hot water, refuse and telephone;
6. All parking stalls, including 15 guest parking stalls;
7. All other devices or installations upon the land existing for or rationally of common use to all the owners of apartments within the project;
8. The term "common elements" shall include the limited common elements described below.

LIMITED COMMON ELEMENTS: Certain portions of the common elements are set aside and allocated as "limited common elements" for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements as follows:

1. Exterior staircases, landings and entry courts (which include storage areas) shall be limited common elements for the exclusive use of the apartments they serve.
2. Parking stalls bearing the same number on the Condominium Map as an apartment shall be limited common elements for the exclusive use of the apartment whose number they bear.

EASEMENTS: In addition to any easements designated in the limited common elements, the apartments and common elements shall have and be subject to the following easements:

1. Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, and support, maintenance and repair of such apartment; in the other common elements for use according to their respective purposes; and in all other apartments in the same building for support;
2. If any part of the common elements now or hereafter encroaches upon any apartment, or if any apartment now or hereafter encroaches upon any other apartment or upon any portion of the common elements, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event the apartment buildings shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements upon any apartment, or of any apartment upon any other apartment, or upon any portion of the common elements due to construction, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist;
3. The Association of Apartment Owners shall have the right, to be exercised by its Board of Directors or the Managing Agent, to enter each apartment from time to time during reasonable hours as may be necessary for the operation of the project, or for making emergency repairs therein necessary to prevent damage to any apartments or common elements;

4. Each apartment owner shall have an easement in common with the owners of all other apartments to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other apartments or limited common elements and serving his apartment. Each apartment and its appurtenant limited common elements shall be subject to an easement for access to any common elements located in such apartment or its appurtenant limited common elements in favor of the owners of all other apartments served by such common elements.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto the undivided percentage interest in all common elements of the project and the same proportionate interest in all common profits and expenses and for all other purposes, including voting, as set forth in Exhibit "A" attached hereto. The Purchaser shall be given an apartment Deed conveying his apartment and its appurtenant common percentage interest.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The apartments and common elements shall be occupied and used only for residential purposes.

OWNERSHIP TO TITLE: The Preliminary Report dated February 14, 1978 furnished by Security Title Corporation, confirms the fee ownership to title as being in Lone Star Hawaii Inc.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated February 14, 1978 prepared by Security Title Corporation, described the following encumbrances against title:

1. Tax Key: 4-2-4-38 - Area Assessed: 8.987 Acres.
Reference is made to the State tax records for the status of real property taxes.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No.s 1362, 1365, 1369, 7251 and 1364.
3. The restrictive covenants as contained in that certain Deed dated July 14, 1969, recorded on July 15, 1969 in the Bureau of Conveyances of the State of Hawaii in Book 6599, Page 13, to which reference is hereby made.
4. Water Easement W-1 as designated on the map prepared by Maitland C. Dease, Registered Professional Engineer & Surveyor, Certificate No. 282-ES, dated March 8, 1977.
5. Drainage Easement D-1 as designated on said map prepared by Maitland C. Dease, Registered Professional Engineer & Surveyor, Certificate No. 282-ES, dated March 8, 1977.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement dated April 6, 1978, by and between Security Title Corporation, a Hawaii corporation, as Escrow, and Lone Star Hawaii Inc., as Seller, has been submitted to the Commission as part of this registration. On examination, the Escrow Agreement and Sales Contract are found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

The executed Escrow Agreement provides in part that if at any time (a) Escrow receives written notice from Developer to return to a purchaser under a Sales Contract the funds of such purchaser then held by Escrow under the Escrow Agreement, or (b) with respect to

a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall be any change in the condominium building plans subsequent to the execution of the Purchaser's sales contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings unless the Purchaser has given written approval or acceptance of the specific change, or (c) the Final Public Report differs in a material respect from the Preliminary Public Report and the purchaser's written approval or acceptance of such change has not been obtained, or (d) the Final Report is not issued within one (1) year from the date of issuance of the Preliminary Report unless the sales contract is nevertheless affirmed by the purchaser, then in any such event, Escrow shall return such funds to the purchaser without interest earned, less Escrow's cancellation fee of \$25.00 per apartment.

The provisions of the Sales Contract should be carefully read by the purchasers. The specimen document filed as a part of the registration states: "If this Agreement is entered into prior to the issuance of the Final Public Report, this Agreement shall not be binding upon the parties hereto until Seller receives a fully executed receipt for the Final Public Report and any Supplementary Public Report, or Buyer has given written approval or acceptance of any specific changes, and until such time this Agreement may be terminated at the option of either party by written notice of such termination to the other party; and, in the event of such termination, Seller shall cause Escrow to refund to Buyer all payments previously made by Buyer without liability for interest and less Escrow's cancellation fee, and neither party shall have any further liability hereunder to the other."

It is incumbent upon the purchaser that he read with care the Sales Contract and Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of the apartments and all sums of any source are placed in trust as well as the retention, disbursement and refund of said trust fund.

NOTE: Prospective purchasers should be aware that the Sales Contract provides in part:

That the Purchaser must pay at closing an amount equal to two months common expenses to Tropic Shores Realty Ltd., as Managing Agent. This sum is a contribution to the reserve accounts established by the Association and is in addition to any customer trust funds required by Purchaser's lending institution.

MANAGEMENT AND OPERATION: The Declaration of Horizontal Property Regime provides that the operation of the project shall be conducted for the Association of Apartment Owners by a responsible corporate Managing Agent pursuant to the Management Agreement submitted to the Commission. The Managing Agent is Tropic Shores Realty, Ltd., a Hawaii corporation, whose principal place of business and post office address is 33 South King Street, Honolulu, Hawaii 96813.

STATUS OF THE PROJECT: Construction of model units commenced March 1, 1978, and it is estimated the project will be completed by March 1, 1980. The Developer advises that it has agreed in principle with Lone Star Hawaii Construction Inc. as to contract terms for the construction of the project. As of the date of this Preliminary Public Report the construction contract is yet to be executed.

PROGRAM OF FINANCING: The Owner/Developer will finance the construction of the buildings from its own equity funds and credit lines without the encumbrance of a mortgage. Arrangements for take out financing on individual apartments have not yet been made.

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 April 12, 1978, and information subsequently filed as of May 4, 1978.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 992 filed with the Commission on April 12, 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 yellow in color.

Ah Kau Young

AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

Registration No. 992

May 10, 1978

EXHIBIT "A"

<u>APARTMENT AND PARKING STALL NUMBERS</u>	<u>APARTMENT TYPE</u>	<u>INTERIOR SQUARE FOOTAGE</u>	<u>GROSS SQUARE FOOTAGE</u>	<u>COMMON INTEREST</u>
1-A	D	1,355	1,623	.0180
1-B	B	1,345	1,501	.0180
1-C	F	1,367	1,635	.0180
2-A	F	1,367	1,635	.0180
2-B	C	1,357	1,513	.0180
2-C	A	930	1,059	.0117
2-D	D	1,355	1,623	.0180
3-A	D	1,355	1,623	.0180
3-B	B	1,345	1,501	.0180
3-C	D	1,355	1,623	.0180
4-A	D	1,355	1,623	.0180
4-B	B	1,345	1,501	.0180
4-C	C	1,357	1,513	.0180
4-D	D	1,355	1,623	.0180
5-A	E	1,367	1,635	.0180
5-B	B	1,345	1,501	.0180
5-C	D	1,355	1,623	.0180
6-A	F	1,367	1,635	.0180
6-B	B	1,345	1,501	.0180
6-C	D	1,355	1,623	.0180
7-A	D	1,355	1,623	.0180
7-B	D	1,355	1,623	.0180
8-A	F	1,367	1,635	.0180
8-B	C	1,357	1,513	.0180
8-C	A	930	1,059	.0117
8-D	E	1,367	1,635	.0180
9-A	D	1,355	1,623	.0180
9-B	D	1,355	1,623	.0180

<u>APARTMENT AND PARKING STALL NUMBERS</u>	<u>APARTMENT TYPE</u>	<u>INTERIOR SQUARE FOOTAGE</u>	<u>GROSS SQUARE FOOTAGE</u>	<u>COMMON INTEREST</u>
10-A	D	1,355	1,623	.0180
10-B	B	1,345	1,501	.0180
10-C	F	1,367	1,635	.0180
11-A	D	1,355	1,623	.0180
11-B	B	1,345	1,501	.0180
11-C	C	1,357	1,513	.0180
11-D	D	1,355	1,623	.0180
12-A	E	1,367	1,635	.0180
12-B	A	930	1,059	.0117
12-C	C	1,357	1,513	.0180
12-D	F	1,367	1,635	.0180
13-A	D	1,355	1,623	.0180
13-B	B	1,345	1,501	.0180
13-C	E	1,367	1,635	.0180
14-A	D	1,355	1,623	.0180
14-B	B	1,345	1,501	.0180
14-C	A	930	1,059	.0117
14-D	E	1,367	1,635	.0180
15-A	D	1,355	1,623	.0180
15-B	A	930	1,059	.0117
15-C	B	1,345	1,501	.0180
15-D	D	1,355	1,623	.0180
16-A	D	1,355	1,623	.0180
16-B	A	930	1,059	.0117
16-C	B	1,345	1,501	.0180
16-D	D	1,355	1,623	.0180
17-A	F	1,367	1,635	.0180
17-B	A	930	1,059	.0117
17-C	B	1,345	1,501	.0180
17-D	D	1,355	1,623	.0180

EXHIBIT "A"

EXHIBIT "A" (Continued)

Notwithstanding the description of an apartment as contained in the Declaration, the floor area of each apartment as described above is measured from the exterior face of exterior walls and from the centerline of party walls, and without reduction to account for the location of loadbearing walls, ducts, etc., if any, within its perimeter walls.

EXHIBIT "A"