

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

SNAP CRACKLE & POP
47-386 Lulani Street
Kaneohe, Hawaii

REGISTRATION NO. 1150

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: October 29, 1979
Expires: November 29, 1980

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED JULY 9, 1979 AND INFORMATION SUBSEQUENTLY FILED AS OF OCTOBER 19, 1979. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. The Project is a fee simple condominium project consisting of two two-story buildings, without basements, two apartments and six (6) parking stalls, two of which are for guests.
2. The Developer of the project has filed all documents and materials deemed necessary by the commission for the registration of this condominium project and the issuance of this Final Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

The Declaration of Horizontal Property Regime dated July 19, 1979, with By-Laws attached was filed as aforesaid as Document No. 954468 on July 31, 1979.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium Map No. 384.

4. No advertising or promotional matter has been filed 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 the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, October 29, 1979, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

7. This Final Public Report is made a part of the registration on SNAP CRACKLE & POP Condominium Project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed Receipt therefor.

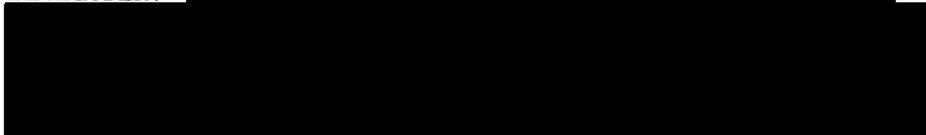
NAME OF PROJECT: SNAP CRACKLE & POP.

LOCATION: The approximately 2.551 acres of land to be committed to the regime is situated at 47-386 Lulani Street, Kaneohe, Hawaii.

TAX MAP KEY: FIRST DIVISION: 4-7-45-16

ZONING: R-3 (Residential) and P-1 (Conservation).

NOTE: The Developer has indicated that no building or portion thereof will be situated on the section of the parcel zoned P-1.

DEVELOPER: 


ATTORNEY REPRESENTING DEVELOPER: Hamilton, Gibson, Nickelsen, Rush & Moore (Attention: Walter Beh, II and Michiro Iwanaga), 20th Floor, Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone No. 521-2611.

DESCRIPTION: The Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple condominium project consisting of two (2) apartments contained in two two-story buildings, without basements, constructed principally of concrete, concrete block, wood and glass.

The location and description of the two apartments of the project are as follows:

1. Apartment A is located in Building A, consisting of a two-story building with two wings connected by a covered walkway, without basements, and eleven (11) rooms. In the major wing, there is a bedroom, a bathroom, a lanai and a garage located on the first floor, and a living-dining room, a kitchen, a powder room and a lanai located on the second floor. In the minor wing, consisting of one story, there are two (2) bedrooms, a bath and a veranda. This apartment contains a floor area of approximately 3,330 square feet.

2. Apartment B is located in Building B, consisting of a two-story building, without a basement, and thirteen (13) rooms. There is a shop and a garage located on the first floor, and three (3) bedrooms, two (2) bathrooms, a living room, a dining room, a kitchen and four (4) lanais located on the second floor. This apartment contains an floor area of approximately 2,790 square feet.

The apartments have immediate access to the grounds of the project. 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 the walls and partitions within its perimeter walls, all walls, floors, ceilings and roofs, doors and door frames, windows and window frames, the lanai air space and all fixtures installed therein.

Common Elements: One freehold estate is designated in all remaining portions of the project, herein called the "common elements", including specifically but not limited to:

1. The land in fee simple;
2. All yards, grounds and landscaping;

3. All driveways and guest parking areas;

NOTE: The two guest spaces are situated in the turnaround between the two apartments and are depicted in the Condominium Map.

4. All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;

5. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

NOTE: The Developer advises that the project will have an injection well on the site for the disposal of sewage, and that the project will not be connected to public sewage lines.

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 lot upon which each respective apartment is built, as outlined in red on the condominium map, shall be appurtenant to and for the exclusive use of such apartment.

NOTE: The Declaration provides that each apartment owner shall be responsible for the proper repair and maintenance of the limited common elements appurtenant to his apartment, and shall at all times keep the same in good order and condition, and maintain and keep the land of his appurtenant lot in a neat and attractive condition and all trees and shrubs and grass thereon in good cultivation and replant the same as may be necessary, and repair and make good all defects in the same 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 PURCHASERS: Documents filed with the Real Estate Commission indicate that the purchaser will secure an Apartment Deed, conveying an apartment and an undivided interest in all common elements of the project and the same proportionate share of all common profits and expenses of the project and shall be used for all other purposes including voting, as follows:

Apartment A: 50%
Apartment B: 50%

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. 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 apartments 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 such apartments subject to all provisions of the Declaration and the By-Laws attached thereto; provided, however, that no apartment owner may lease less than the entire apartment.

OWNERSHIP OF TITLE: A Title Insurance Policy issued by Lawyer's Title Insurance Corporation dated July 17, 1979, a copy of which was submitted to the Commission, indicates the Developer is the fee simple owner of the property submitted to the regime.

ENCUMBRANCES AGAINST TITLE: Said preliminary title report dated June 4, 1979, issued by Long & Melone, Ltd., and documents submitted to the Commission, provide that the following are encumbrances against title to the property:

1. Taxes that may be due and owing and a lien on the land. Reference is hereby made to the Office of the Tax Assessor of the First Division, City and County of Honolulu, Hawaii, for further information.
2. Reservation contained in Land Court Decree filed in Land Court Application No. 979, to wit:

Nothing herein contained shall be construed as determining the rights to water and/or easements for irrigation ditches in favor of the Retlaw Corporation, Limited, and/or any of the parties interested in the lands covered by Land Court Certificate of Title No. 47,043; as mentioned in Transfer Certificate No. 175,753.

3. 6 FOOT ROAD SETBACK LINE
As shown on : Map 59, filed with Application No. 979
Location : Along Lulani Street.
4. EASEMENT 62 (10 feet wide)
As shown on : Map 59, filed with said Application
No. 979
Purpose : Storm drain
Location : Over and across Lot 1189.

5. GRANT OF EASEMENT

In Favor of : City and County of Honolulu
Dated : November 9, 1955
Filed as Land Court Document No. 188749
Purpose : Storm drain
Location : Over, under and along foregoing
Easement 62

6. GRANT OF EASEMENT

In Favor of : Hawaiian Electric Company, Inc. and
Hawaiian Telephone Company
Dated : September 27, 1955
Filed as Land Court Document No. 179892
Purpose : Guy wires and anchor
Location : Approximately 4.50 feet within the
Northeasterly corner of said Lot 1189

7. MORTGAGE AND SECURITY AGREEMENT

Mortgagor(s) : Developer
Mortgagee(s) : First Federal Savings And Loan
Association of Hawaii
Dated : July 13, 1979
Filed as Land Court Document No. 952142
To secure : \$275,000.00

The Developer has also described the existence of: Un-
dated Financing Statements recorded in the Bureau
of Conveyances of the State of Hawaii in Liber 13852,
Page 323, Liber 13852, Page 329, Liber 13852, Page
335.

Reference is also made to the Declaration,
By-Laws and Condominium Map mentioned on page 2 of this
Public Report.

PURCHASE MONEY HANDLING: A copy of the executed Escrow
Agreement dated July 6, 1979, between Title Guaranty
Escrow Services, Inc., as Escrow, and Developer has been
filed with the Commission. On examination, the executed
Escrow Agreement filed with the Commission is found to
be in compliance with Chapter 514A, Hawaii Revised Statutes,
and particularly Sections 514A-39, 514A-63 through 514-66
thereof.

The specimen Sales Contract filed with the
Commission contains, among others, the following provi-
sions:

1. "Seller makes no warranties itself, but
Seller agrees that the assignment by Seller to Buyer of
any and all warranties given Seller by the General Con-
tractor for the Project shall accrue to Buyer on closing
without further instruments or documents. Seller hereby
agrees to cooperate with Buyer during the effective per-
iod of such agreement in asserting any claims based
thereon. Buyer acknowledges and agrees that Seller is
not adopting the contractor's warranty or acting as co-
warrantor but is merely attempting to pass through to

Buyer the benefit of any such contractor's warranty, if any.

"Seller shall also assign to Buyer the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures and appliances in the apartment. Buyer acknowledges that the Seller is only passing through to Buyer any such manufacturer's or dealer's warranties; Seller is not undertaking to adopt any such warranties or to act as co-warrantor with respect to any furnishings, fixtures or appliances covered thereby. The terms of the manufacturer's or dealer's written warranties are available for the Buyer's examination at the Seller's sales office.

"Except for the agreements set forth above, it is expressly understood and agreed by and between Seller and Buyer that SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, CONSUMER PRODUCTS INSTALLED THEREIN, THE PROJECT OR ANYTHING INSTALLED THEREIN, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OF FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE."

2. "Buyer agrees that all of the rights of Buyer under this Agreement are and shall be subject and subordinate to the lien of any mortgage securing the repayment of the interim loans, described above, made to finance the acquisition of the project, the cost of construction and other costs during construction and to any and all other costs during construction and to any and all advances made thereon, and to any and all sums which may become a lien pursuant to the terms of such interim loans or any other agreement relating thereto."

3. "Final closing shall occur on the Date of Closing as defined herein. However, Buyer is hereby advised that Seller intends to preclose, regardless of the status of the construction of the apartments, by having all documents necessary for closing executed prior thereto and deposited with Escrow, and Buyer hereby agrees to execute all necessary documents for such closing, including irrevocable escrow instructions, upon request by Seller."

4. "At the time of the preclosing described above, Buyer agrees to pay into escrow all sums due from Buyer at closing, excluding only the mortgage proceeds, if applicable."

5. "In the event any payment to be made by Buyer hereunder is not made when due, such late payment shall bear interest at the rate of one percent (1%) per month until paid."

6. "Buyer hereby agrees for the sole benefit of Seller that until Seller has closed out the sale of all the apartments in the condominium project or until

December 31, 1981, whichever shall first occur, that Buyer will not enter into any "rental pool" or similar agreement with any purchaser, lessee or owner of another apartment in the condominium project and/or any third party under which Buyer agrees to share expenses and/or rentals of apartments in the condominium project."

NOTE: Developer advises that no representation or references will be made to either purchasers or prospective purchasers concerning rental of the Apartment, income from the Apartment or any other economic benefit to be derived from the rental of the Apartment, including but not limited to, any reference or representation to the effect that Developer or the managing agent of the project will provide, directly or indirectly, any services relating to the rental of the Apartment. Rental of the Apartments and the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of residential apartments are placed in trust, as well as the retention and disbursement of said trust funds. The specimen Sales Contract specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided.

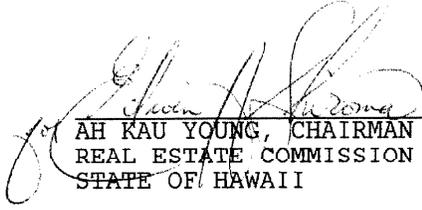
MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project may be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer advises that it does not plan to appoint a managing agent for the project.

STATUS OF PROJECT: The Developer advised that construction of the project commenced in July, 1979, and will be completed in January, 1980.

The purchaser or prospective purchaser should be cognizant of the fact that this Report represents information disclosed by the Seller in the required Notice of Intention submitted July 9, 1979 and information subsequently filed as of October 19, 1979.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1150 filed with the Commission on July 9, 1979. This Report when

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


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. 1150

October 29, 1979