

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

LILIPUNA HILL
45-001 A & B Lilipuna Road
Kaneohe, Hawaii

REGISTRATION NO. 1193

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 18, 1980

Expires: March 18, 1981

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 OCTOBER 30, 1979 AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 11, 1980. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES.

1. LILIPUNA HILL is a fee simple condominium project consisting of two (2) apartment units, contained in one (1) two-story building and one (1) three-story building without basements. The principal materials used in the construction of the buildings will be wood, metal, plaster and concrete.

2. The Developer of the project 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.

The Developer reports that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been recorded in the Bureau of Conveyances of the State of Hawaii.

The Declaration of Horizontal Property Regime, executed with By-Laws attached, was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 940266. An amendment to the Declaration of Horizontal Property Regime was filed as Document No. 989123 on December 31, 1979.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium File Plan No. 371.

3. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

4. 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.

5. This Final Public Report expires thirteen (13) months from the date of issuance, February 18, 1980, unless a supplementary report is published of the Commission upon preview of the registration, issues an order extending the effective period of this report.

6. This Final Public Report is made a part of registration on LILIPUNA HILL condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) in the hands of all purchasers and prospective purchaser. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report together with the Disclosure Abstract from each purchaser and prospective purchaser is also the responsibility of the Developer.

NAME OF PROJECT: LILIPUNA HILL

LOCATION: The 38,824.0 square feet of the project is located at 45-001 Lilipuna Road, Kaneohe, Hawaii.

TAX MAP KEY: 4-5-001-54

ZONING: R-3

DEVELOPER: Lilipuna Hill, Inc., a Hawaii corporation.

Sammy G. Daily-President;
Margaret P. Daily-Treasurer; and Jack Ward-Secretary.

ATTORNEY REPRESENTING DEVELOPER: Wesley K.C. Lau, Suite 302, 45-1144 Kamehameha Highway, Kaneohe, Hawaii 96744; Telephone: 235-6688

DESCRIPTION: The Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple project consisting of two (2) apartments, contained in one (1) two-story building and one (1) three-story building without basements.

- (a) Apartment. Unit A is located on lot designated Unit 1
- (b) Apartment. Unit B is located on lot designated Unit 2

Each apartment contains the number of rooms and the approximate floor area according to the Declaration and Condominium File Plan submitted by the Developer as follows:

APARTMENT. UNIT A consists of ten (10) rooms, including two (2) bedrooms, a bathroom, a kitchen, a dining room, a family room, a living room and a garage located on the lower floor, and a master bedroom and a bathroom located on the upper floor. This apartment contains a covered floor area of approximately 2,761 square feet, including a garage and storage area, of approximately 459 square feet; there is a lanai of approximately 152 square feet and a patio of approximately 223 square feet.

APARTMENT. UNIT B consists of twelve (12) rooms, including a garage and entryway located on the ground level, a living room, a den, a kitchen, a dining room and a half bath located on the middle level, and a master bedroom and bath, two (2) bedrooms and a bathroom located on the upper level. This Apartment contains a covered floor area of approximately 2,588 square feet, which includes a garage of approximately 400 square feet and a covered entry of approximately 25 square feet; there are two (2) lanais of approximately 875 and 200 square feet.

Each apartment has 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 apartments 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 appurtenant lanai(s) (if applicable), the appurtenant terrace(s) (if applicable), the appurtenant entry (if applicable), the appurtenant decks(s) (if applicable), the appurtenant balcony or balconies (if applicable), the appurtenant court yards(s) (if applicable), the appurtenant motor court (if available), the appurtenant garden(s) (if applicable) and all fixtures originally installed therein.

NOTE: The Declaration provides that the owner of any apartment shall have the right to alter, at any time and from time to time, as hereinafter set forth, the plans of his apartment solely by an amendment to the Declaration, such amendment to be executed solely by the apartment owner of such apartment and two officers of the Association who shall execute said amendment upon approval of such altered plans by the Board as hereinafter set forth, provided that

such amendment shall be effective only upon the recording of the same in the Bureau of Conveyances of the State of Hawaii. Such amendment shall set forth the number of the apartment involved, the description thereof as so altered in accordance with Section 514A-11(3) of the Hawaii Revised Statutes, and shall include a complete set of floor plans of such apartment as so altered certified as built by a registered architect or professional engineer. Such amendment shall also include the consent thereto of the holder of any recorded mortgage of the apartment involved. Such alteration of the plans of an apartment shall be subject to the prior approval thereof by the Board and by the appropriate agencies of the State of Hawaii and the City and County of Honolulu; provided, however, such consent by the Board shall not be withheld if the plans therefor have been approved by the architecture committee of Jack Ward, 4111 Hobron Lane #323, Honolulu, Hawaii and Sam Daily, 45-1045 Kamehameha Highway #100, Kaneohe, Hawaii, as maintaining the contemporary Hawaiian atmosphere of the project. Such alteration of the plans of an apartment may decrease or increase the size of such apartment, provided that the same shall not extend or place the apartment outside of the limits of the Lot upon which the apartment is built as designated on the condominium file plan; and provided, further, that no such alteration of the plans of an apartment shall be allowed hereunder without the unanimous consent of the Board if the same increases the height of such apartment by more than three feet. Before commencing or permitting construction on any such alteration of an apartment, the apartment owner thereof shall obtain and deposit with the Secretary a bond or certificate thereof, naming all apartment owners as dual obligees, in a penal sum of not less than one hundred percent (100%) of the cost of such construction as the same may change from time to time and with a corporate surety authorized to do business in Hawaii, guaranteeing performance of such construction free and clear of all mechanics' and materialmen's liens arising under Section 514A-16 of the Hawaii Revised Statutes.

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

1. The land in fee simple;
2. All roads, driveways and parking areas;
3. 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.
4. Any and all portions of the project not deemed to be included as an apartment space.

LIMITED COMMON ELEMENTS: Certain parts of the common elements herein called the "limited common elements", are 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 the respective apartment is built shall be appurtenant to and for the exclusive use of such apartment, being designated on said condominium file plan as follows:

Apartment Unit A - lot designated Unit 1
Apartment Unit B - lot designated Unit 2

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration indicates that the purchasers securing an apartment deed will obtain an apartment together with an undivided fifty percent (50%) interest in the common elements of the project. This same percentage interest for each apartment shall be used in determining each purchaser's proportionate share of all common profits and expenses of the project and shall be used for all other purposes including determining the proportionate representation for voting purposes in the Association of Apartment Owners of the project.

PURPOSE OF BUILDINGS 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 personal guests. The apartments may not be used for any other purpose unless consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

OWNERSHIP OF TITLE. A preliminary title report issued by Aloha Title Co., Inc., dated December 11, 1979, indicates that SAMMY GEORGE DAILY and MARGARET PHILOMENA DAILY, husband and wife, are the Owners of the fee simple title to the property committed to the project.

ENCUMBRANCES AGAINST TITLE: Said preliminary title report lists the following encumbrances against title to the property:

1. For any 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, State of Hawaii.
2. Mortgage dated October 25, 1979, filed on November 27, 1979 in the Office of the Assistant Registrar as Document No. 981046 made by SAMMY GEORGE DAILY and MARGARET PHILOMENA DAILY, to HICKAM FEDERAL CREDIT UNION, a Federal corporation, to secure an indebtedness of \$200,000.00 (As to Apartment B)
3. Mortgage dated April 2, 1979 filed on November 27, 1979 in the Office of the Assistant Registrar as Document No. 981047 made by SAMMY GEORGE DAILY and MARGARET PHILOMENA DAILY, to LILIPUNA HILL, INC. a Hawaii corporation to secure an indebtedness of \$200,000.00. (As to Apartment A)

4. Covenants, agreements, obligations, conditions, easements and other revisions set forth in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME OF "LILIPUNA HILL", dated April 2, 1979, filed on May 23, 1979 as Document No. 940266 at the Office of the Assistant Registrar. Condominium file plan designated Map No. 371. First amendment to DECLARATION OF HORIZONTAL REGIME filed as Document No. 989123.

NOTE: The Developer advises that it plans to grant an easement for utility purposes, in favor of HAWAIIAN ELECTRIC COMPANY, INC. and HAWAIIAN TELEPHONE COMPANY, that will encumber the lands of the project.

RESERVATIONS BY DEVELOPER:

The developer makes the following reservations concerning the land of the project:

Reservation unto Lilipuna Hill, Inc., a Hawaii corporation, its successors and assigns, easements for electrical, gas, communications and other utility purposes and for sewer, drainage and water facilities over, under, along, across, and through said parcels of land, together with the right to grant to the State of Hawaii, City and County of Honolulu, Board of Water Supply of the City and County of Honolulu or any other appropriate governmental agency or to any public utility or other corporation easements for such purposes over, under, across, along the through said parcels of land under the usual terms and conditions required by the grantee for such easements rights; provided, however, that such easement rights must be exercised in such manner as not to interfere unreasonably with the use of said project, their heirs, executors, administrators, successors and assigns, and in connection with the installation, maintenance or repair of any facilities pursuant to any of said easements said parcels of land shall be promptly restored by and at the expense of the person owning and exercising such easement rights to their condition immediately prior to the exercise thereof.

Further reservation unto Lilipuna Hill, Inc., a Hawaii corporation, its successors and assigns, the right to grant easements for ingress, egress, rights-of-ways, and any other easement rights for utilities purposes, over and across the common roadway and other necessary land to provide access to and from adjoining land to said property.

Further reservation unto Lilipuna Hill, Inc., a Hawaii corporation, the right to withdraw and merge a portion of the common elements or the entire condominium project with other land or condominium projects. Lilipuna Hill, Inc., may construct another apartment or other structure on such created parcel. Upon the withdrawal and merger of the common area, the percentage interest of all apartment owners shall be revised accordingly.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement covering the Sale of Agreement, Unit A-Unit 1, dated October 24, 1979, between Developer and ALOHA TITLE CO., INC., as Escrow, has been filed with the Commission. On examination, the executed Escrow Agreement is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly Section 514A-40. Among other provisions, the executed Escrow Agreement states that a purchaser shall deposit in trust all monies under said escrow arrangements with instruction that no disbursement shall be made from such trust funds on behalf of the seller until the contract has become effective and the final public report has issued.

It is incumbent of the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing any sales agreement. Purchasers and prospective purchasers are advised to read with care the provisions of the Escrow Agreement and any sales agreement.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer has selected as initial managing agent: SAM DAILY REALTY, INC., Suite 100, 45-1045 Kamehameha Highway, Kaneohe, Hawaii 96744, telephone: 235-6666, an affiliate of the developer.

NOTE: Developer advises that no representations 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 or sale of the apartment, or as to possible advantages from the rental of an apartment under federal or state tax laws. Rental of the apartments and the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser.

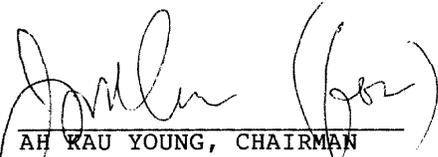
FINANCING OF PROJECT: There is no financing involved in the development of this project. Individual purchasers of the project requiring financing must seek independent sources elsewhere, and the Developer makes no representation as to the availability nor suitability of the project as a security interest for such financing purposes.

STATUS OF PROJECT: The Developer advises that the project has been completed as of December 1, 1979.

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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 October 30, 1979 and information subsequently filed as of February 11, 1980.

This is a FINAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 1193 filed with the Commission October 30, 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. 1193

DATE: February 18, 1980