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

1425 PUNAHOU
1425 Punahou Street
Honolulu, Hawaii

REGISTRATION NO. 1234

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: March 5, 1980
Expires: April 5, 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 SUBMITTED JANUARY 25, 1980 AND INFORMATION SUBSEQUENTLY SUBMITTED AS OF MARCH 3, 1980. 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, AS AMENDED.

1. 1425 PUNAHOU is a leasehold condominium project, consisting of eighteen (18) apartment units contained in two (2) existing buildings of four (4) and five (5) stories without basements. There will be one (1) parking stall assigned to each apartment, with the exception that the apartment designated on the Condominium File Plan as apartment 103 shall not have a parking stall. There will be no guest parking stalls.

2. The Developer of the project has filed all documents and material deemed necessary by the Commission for the registration of this project as a condominium and issuance of the Final Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, with Bylaws 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 on December 27, 1979 was recorded in said Bureau in Liber 14520 at Page 494. The Approved Floor Plans (Condominium File Plan) showing the layout, location, apartment numbers, etc., have been designated No. 687 by the Bureau of Conveyances of the State of Hawaii.

4. Advertising and promotional matters have not been submitted 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 Chapter 514A, Hawaii Revised Statutes, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.

6. This Final Public Report is made a part of the registration of 1425 PUNAHOU. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) and Disclosure Abstract in the hands of all purchasers and obtaining a receipt therefor.

7. This Final Public Report automatically expires thirteen (13) months after date of issuance, March 5, 1980, unless a Supplementary Public Report issues, or the Commission upon review of registration issues an order extending the effective period of this report.

NAME OF PROJECT: 1425 PUNAHOU.

LOCATION: The site comprising approximately 8,942 square feet is located at 1425 Punahou Street, Honolulu, Hawaii.

TAX MAP KEY: 2-8-12:37 (First Division).

ZONING: A-4 (Apartment).

DEVELOPER: Austland Corporation, a California corporation, and Latium Investments, N.V., a Netherlands Antilles corporation. Developer's Agent: Bradley-McCarter, Ltd. (Attention: Ms. Penelope H. Bradley), Suite 1915, 733 Bishop Street, Honolulu, Hawaii 96813, Telephone: (808) 523-0456.

ATTORNEY REPRESENTING OWNER: Case, Kay & Lynch (Attention: Michael L. Biehl, Esq.), Suite 1100, 165 South King Street, P.O. Box 494, Honolulu, Hawaii 96809, Telephone: (808) 536-7261.

DESCRIPTION:

1. Building Description. The project will consist of two (2) existing buildings of four (4) and five (5) stories without basements. Said buildings are constructed principally of concrete, concrete block, wood, gypsum board and related building materials.

2. Apartment Designation and Location. The eighteen (18) separate condominium apartments are located in two (2) buildings of four (4) and five (5) stories which buildings are connected by a walkway on the first floor (ground floor) as well as each of the four floors next above as shown on the Condominium File Plan. The four-story building located near the northwest corner of the Property shall be referred to hereinafter as the "Mauka Building", and the five-story building located near the southwest corner of the Property shall be referred to hereinafter as the "Makai Building".

The Mauka Building contains no apartments on the first floor (ground floor), two apartments on the second floor, two apartments on the third floor and one apartment on the fourth floor. The Makai Building contains three apartments on the first floor (ground floor), three apartments on the second floor, three apartments on the third floor, three apartments on the fourth floor and one apartment on the fifth floor.

The apartments are identified by a numerical code. The first digit will signify the floor level (i.e. 303).

The next two digits signify the apartment location. The 01, 02 and 03 apartments are located in the Makai Building, the 01 apartments being nearest the northwest side of the building, the 02 apartments being in the center of the building and the 03 apartments being nearest the southwest side of the building, provided that in place of these apartments on the fifth floor is one apartment designated 501 as shown on the Condominium File Plan. The 04 and 05 apartments are located in the Mauka Building, the 04 apartments being nearest the southwest side of the building and the 05 apartments being nearest the northwest side of the building, provided that in place of these apartments on the fourth floor is one apartment designated 404 as shown on the Condominium File Plan.

3. Description of Apartments. The apartment designated 101 is a Type A apartment. The apartment designated 102 is a Type B apartment. The apartment designated 103 is a Type C apartment. The apartments designated 201, 301 and 401 are Type D apartments. The apartments designated 202, 302 and 402 are Type E apartments. The apartments designated 203, 303 and 403 are Type F apartments. The apartments designated 204 and 304 are Type G apartments. The apartments designated 205 and 305 are Type H apartments. The apartment designated 404 is a Type I apartment. The apartment designated 501 is a Type J apartment.

The A apartment contains one bedroom, one bathroom, a living-dining room, a kitchen and a lanai. The approximate floor area of the A apartment including the lanai is 701 square feet.

The B apartment contains one bedroom, one bathroom, a living-dining room, a kitchen and a lanai. The approximate floor area of the B apartment including the lanai is 659 square feet.

The C apartment is a studio apartment containing a living room with kitchenette, one bathroom and a lanai. The approximate floor area of the C apartment including the lanai is 328 square feet.

The D apartment contains one bedroom, one bathroom, a living-dining room, a kitchen and a lanai. The approximate floor area of each D apartment including the lanai is 711 square feet.

The E apartment contains two bedrooms, one bathroom, a living-dining room, a kitchen and a lanai. The approximate floor area of each of the E apartments including the lanai is 822 square feet.

The F apartment contains two bedrooms, one bathroom, a living-dining room, a kitchen and a lanai. The approximate floor area of each of the F apartments including the lanai is 835 square feet.

The G apartments contain one bedroom, one bathroom, a living room, a dining room, a kitchen and a lanai. The approximate floor area of each of the G apartments including the lanai is 652 square feet.

The H apartment contains one bedroom, one bathroom, a living room, a dining room, a kitchen and a lanai. The approximate floor area of each of the H apartments including the lanai is 679 square feet.

The I apartment is a luxury apartment containing three bedrooms, two bathrooms, an entry-foyer, a living room, a dining room and two lanais. The approximate floor area of the I apartment including the lanais is 1,339 square feet.

The J apartment is a deluxe apartment containing three bedrooms, two bathrooms, a dressing room, a living room, a dining room, a family room, a den and a lanai. The approximate floor area of the J apartment including the lanai is 2,649 square feet.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or 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 which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the lanai air space, the inner decorated or finished surface of all walls, floors and ceilings, and all fixtures originally installed therein, including a refrigerator, electric range with hood, disposal, carpeting and drapes.

COMMON ELEMENTS: The remaining portions of the project are designated "common elements". The common elements shall include, but not be limited to:

a. The property in fee simple;

b. All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, the elevator, utility rooms, walkways, entrances and exits of said buildings;

c. All yards, grounds and landscaping;

d. All parking areas;

e. All pipes, cables, conduits, ducts, electrical equipment, wiring and other central 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;

f. 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.

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:

a. Parking Stalls. One parking stall will be assigned to each apartment with the exception that the apartment designated on the Condominium File Plan as apartment 103 shall not have a parking stall. Said parking stalls shall not be transferable. The location and assignment by apartment number of each stall within the project is as shown on the Exhibit attached hereto.

b. Mail Boxes. Each apartment shall have appurtenant to it the exclusive right to use a mail box in the mail facilities located as shown on the Condomonium File Plan.

c. Apartment 501 Entry-Foyer and Mauka Building Roof Areas. The apartment designated on said Condominium File Plan as 501 shall have appurtenant to it the exclusive right to use the entry-foyer area adjacent to said apartment, together with the roof of the Mauka Building (approximately 1,805 square feet) which area is also adjacent to said apartment as shown on the Condominium File Plan. The owner of apartment 501 shall be responsible for the care and maintenance of said entry-foyer and roof areas.

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

a. Each apartment shall have appurtenant thereto nonexclusive easements in the common elements designed for such purposes for ingress and egress, utility services and support for such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments in the building in which the apartment is located for support.

b. If any part of the common elements now or hereafter encroaches upon any apartment or limited common element, or if any apartment now or hereafter encroaches upon any other apartment or common element, an easement for such encroachment and the maintenance for as long as it continues does and shall exist. If the project is partially or totally destroyed and/or if minor shifts or settlement of any improvements occurs, minor encroachments by any limited or common element upon any apartment or by any apartment upon any other apartment or common element due thereto shall be permitted and easements for such encroachments and maintenance thereof shall exist.

c. The Association of Apartment Owners of the project shall have the right to be exercised by the Board or Managing Agent to enter each apartment and the limited common elements from time to time during reasonable hours as may be appropriate for the operation of the property or at any time for making emergency repairs which may be necessary to prevent damage to any apartment or common element.

INTEREST TO BE CONVEYED TO PURCHASER: An interest in each apartment will be conveyed to each purchaser under an apartment lease from the Lessor. Each apartment shall have appurtenant thereto an undivided interest in all the common elements of the project (herein called the "common interest") and the same proportionate share in the common expenses of the project as follows:

A Apartment	(1)	4.5422%
B Apartment	(1)	4.2312%
C Apartment	(1)	2.1253%
Each D Apartment	(3)	4.6070%
Each E Apartment	(3)	5.3262%
Each F Apartment	(3)	5.4105%
Each G Apartment	(2)	4.2247%
Each H Apartment	(2)	4.3997%
I Apartment	(1)	8.6762%
J Apartment	(1)	17.1452%

( ) - Number of each type apartment in the project.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The proposed Declaration reflects that the apartments shall be occupied and used for residential purposes only. Apartment owners have the absolute right to rent or lease their apartments, subject to the Declaration, the Bylaws and the House Rules, provided, however, that no apartment shall be rented for hotel operations which are defined as (a) rental for a period of less than 30 days, or (b) any rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service, provided, further, that no apartment owner may lease less than the entire apartment.

OWNERSHIP OF TITLE: According to a Preliminary Report issued by Title Guaranty of Hawaii, Incorporated, on January 2, 1980, title to the land committed to the project is vested in Alexander Treloar Ross.

The Developers are acting as separate corporations each having an undivided one-half (1/2) interest in a Master Lease which provides development rights.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report dated January 2, 1980 identifies the following encumbrances on the land committed to the project:

1. Any taxes that may be due and owing and a lien on the Property for same; reference is hereby made to the Office of the Tax Assessor of the First Division, City and County of Honolulu, Hawaii.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Terms, agreements, reservations, covenants, conditions and provisions contained in that certain Lease dated December 15, 1959, made and executed by and between ETHEL A. ROSS, a widow, as Lessor, and JAMES B. WILSON and MAXINE RAY WILSON, husband and wife, as Lessee, recorded in said Bureau in Liber 3764 at Page 307, which said lease through mesne assignments was assigned to AUSTLAND CORPORATION, a California corporation and LATIUM INVESTMENTS, N.V., a Netherlands Antilles corporation, by instrument dated July 10, 1979, recorded in said Bureau in Liber 13879 at Page 54, said lease having been amended by instrument dated July 10, 1979, recorded in said Bureau in Liber 13911 at Page 1.

4. Reservation of certain air rights in favor of an adjoining land owner allowing an existing balcony on a five story structure located on adjoining land to protrude over a portion of the property committed to this project, as set forth in that certain instrument recorded in said Bureau in Liber 7025 at Page 210.

5. Compliance with the provisions of Chapter 418 of the Hawaii Revised Statutes, as amended, relating to the registration of Latium Investments, N.V. with the Office of the Director of Regulatory Agencies of the State of Hawaii.

6. Mortgage and Security Agreement dated August 9, 1979 in favor of Realty Mortgage Corporation, a Hawaii corporation, recorded in said Bureau in Liber 13969 at Page 770.

7. Mortgage, Security Agreement and Financing Statement dated July 10, 1979 in favor of The Bank of Beverly Hills, a California corporation, recorded in said Bureau in Liber 13995 at Page 176.

NOTE: Since the issuance of the above title report issued by Title Guaranty of Hawaii, Inc., the Developer has submitted to the Commission, fully executed, and recorded in the Bureau of Conveyances of the State of Hawaii, the Declaration of Horizontal Property Regime of 1425 Punahou recorded in Liber 14520, Page 494, with Condominium File Plan designated as No. 687. Said Declaration is therefore an encumbrance against title.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated January 14, 1980, identifies Bank of Hawaii, a Hawaii corporation, as Escrow Agent. On examination the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement are

found to be in compliance with Hawaii Revised Statutes, Section 514A-37, Section 514A-39 and Sections 514A-63 through Section 514A-66. A prospective purchaser should carefully examine the form of Sales Contract and the Escrow Agreement to determine the time for and the amount of the installment payments on the purchase price and his obligations to pay the closing costs. It is incumbent upon the purchaser to read and understand the Escrow Agreement before signing the Sales Contract since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's down payments and the Sales Contract provides that the purchaser approves the Escrow Agreement. Among other provisions the executed Escrow Agreement states that no money received by Escrow Agent shall be disbursed until the Seller has a valid and binding contract for the sale of the unit for which money was received and the requirements of Sections 514A-39, 514A-63, 514A-64 and 514A-66 have been met, all as provided in Section 514A-65, Hawaii Revised Statutes.

The specimen Sales Contract also states: (1) All of Purchaser's right, title and interest under the Sales Agreement are and shall be subject and subordinate to the lien of any mortgages or other security instruments made by Developer to any institutional lender for the purpose of securing the repayment of certain loans made to the Developer; and (2) The apartments and common elements in this project are being sold on an "as is" basis. Developer makes NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS OF THE APARTMENT OR ANY FIXTURES, FURNISHINGS OR APPLIANCES INSTALLED THEREIN FOR A PARTICULAR PURPOSE.

The Sales Contract, among other things, contains acknowledgments by each purchaser: (i) that the Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of apartments in the project other than apartments owned by the Developer upon completion of the project, if any; (ii) that the purchaser must make any such arrangements for his apartment, if desired, without the involvement or participation of the Developer; (iii) that the Developer has not authorized agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the project; (iv) that the purchaser acknowledges that no such representations or warranties have been made and that the Developer expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership of an apartment in the project; and (v) that until the Developer closes the sales of all the apartments in the project, the buyer shall not enter into any agreement with any purchaser, lessee or owner of another apartment in the project or any third party under which the buyer agrees to share rental income from apartments in the project.

It is incumbent upon the purchaser and prospective purchaser to read with care and to understand the Escrow Agreement and Sales Agreement as both agreements provide for the benefits and obligations therein outlined.

MANAGEMENT OF THE PROJECT: The Declaration of Horizontal Property Regime provides that the operation of the property shall be conducted by a responsible corporate entity as managing agent. By virtue of a Management Contract dated January 15, 1980, the initial

managing agent shall be Johnson Associates, Inc., a Hawaii corporation, whose principal place of business and post office address is Suite 1900, 700 Bishop Street, Honolulu, Hawaii.

STATUS OF PROJECT: The project involves the conversion of an existing apartment building originally constructed in 1959. Based upon the report of Rodney T. Yamamoto, P.E., of Shigemura, Yamamoto & Associates, Inc., consulting structural engineers, a copy of which has been filed with the Real Estate Commission, the building appears to be structurally sound. Based upon the report of Alan S. H. Yee, P.E., of Fujimoto, Yee & Associates, Inc., electrical engineers, a copy of which has been filed with the Real Estate Commission, there appears to be no immediate danger of overloading, overheating or shock hazards in the building, although certain remedial/maintenance work noted in said report is required and will be performed. Based upon the report of Giovanni K. L. Chung of Giovanni K. L. Chung & Associates, Inc., plumbing consultants, no major discrepancies or violations of the City and County Plumbing Code were observed.

No representations are made herein or in the reports described hereinabove concerning the useful life of said existing improvements. The only outstanding notice of an uncured violation of the building code or other municipal regulation concerns the need to illuminate the Koko Head stairway enclosure of the Project which violation can be cured by simply turning on the lights in said stairway enclosure.

The Developer is refurbishing the apartments by installing new appliances, carpets and drapes. It is the intent of the Developer that the refurbishing shall be completed prior to April 1, 1980.

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 January 25, 1980 and information subsequently submitted as of March 3, 1980.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1234 filed with the Commission on January 25, 1980.

The report, when reproduced, shall be a true copy of the Commission's Public Report. In making facsimiles the paper stock shall be white in color.

(for)
AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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ESCROW AGENT

REGISTRATION NO. 1234

March 5, 1980.

EXHIBIT

APARTMENT BY NUMERICAL DESIGNATION
AND APPURTENANT PARKING STALL

APARTMENT NO.	STALL NO.
101	17
102	16
103	None
201	1
202	2
203	3
204	4
205	5
301	6
302	7
303	8
304	9
305	10
401	11
402	15
403	12
404	13
501	14