

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
THE LAKECREST
1147 Ala Napunani Street
Honolulu, Hawaii

REGISTRATION NO. 1235

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: February 19, 1980

Expires: March 19, 1981

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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JANUARY 25, 1980, AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 11, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF THE INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES.

1. THE LAKECREST is a proposed fee simple condominium project consisting of forty-eight (48) apartments contained in a 9-story building. There will be seventy-four (74) parking stalls comprised

of thirty (30) covered standard parking stalls, forty-two (42) uncovered standard parking stalls, and two (2) uncovered compact parking stalls. Each apartment will have at least one parking stall appurtenant thereto, and there will be two uncovered compact parking stalls for guest parking.

2. This Preliminary Public Report is made a part of the registration on THE LAKECREST condominium project. The Developer is responsible for placing this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and for securing a signed Receipt therefor.

3. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of this condominium project and the issuance of this Preliminary Public Report.

4. 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 not yet been executed nor filed in the office of the recording officer.

5. Advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission have been submitted.

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 the date of issuance, February 19, 1980, unless a Final or Supplementary Public Report issues, or the Commission, upon the review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: THE LAKECREST

LOCATION: The approximately 32,978 square feet of land to be committed to the Regime is situated in Moanalua, Honolulu, City and County of Honolulu, State of Hawaii, being Lot 3284, as shown on Map 428 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1074. The street address of the project is 1147 Ala Napunani Street, Honolulu, Hawaii.

TAX MAP KEY: 1-1-65-5

ZONING: A-3 (Apartment)

DEVELOPER: 1147 ALA NAPUNANI PARTNERS, a Hawaii registered limited partnership, whose principal place of business and post office address is 233 Merchant Street, Honolulu, Hawaii, and whose telephone number is 536-7211. The sole general partner of the partnership is NATHAN EARL MIYAKE, whose place of business is at 233 Merchant Street, Honolulu, Hawaii, and whose telephone number is 536-7211.

ATTORNEY REPRESENTING DEVELOPER: Hong and Iwai (Attention: Gordon C. C. Ho), 2300 Pacific Trade Center, 190 South King Street, Honolulu, Hawaii 96813; Telephone 524-4900.

DESCRIPTION OF THE PROJECT: The project will consist of the following:

1. The Land. The land in fee simple shall be submitted to the Horizontal Property Regime.

2. The Building. There will be one 9-story building which does not have a basement. The building will contain forty-eight (48) residential apartment units. The principal materials to be used in the construction of the building will be reinforced concrete, steel, wood, aluminum, concrete blocks, glass and allied building materials.

3. Other Improvements. The project will also consist of other improvements, including a recreation area, a swimming pool and outdoor shower, and landscaping on the grounds.

4. Apartments. There will be forty-eight (48) separately designated freehold estates consisting of the residential spaces or areas hereinbelow more particularly described and contained in said building, said spaces being defined and referred to herein as "apartments." The apartments shall not be deemed to include the perimeter walls or the interior load-bearing walls or the floors and ceilings surrounding the apartments (except in each such case for the interior decorated or finished surfaces of such perimeter walls, load-bearing walls, floors and ceilings), 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 herein-after provided. Each apartment shall be deemed to include (i) all walls and partitions which are not load-bearing within its perimeter walls, (ii) the interior decorated or finished surfaces of all perimeter and load-bearing walls, floors, ceilings, and stationary glass windows and the frames thereof, (iii) all other window frames and glass, (iv) all entrance doors (except the exterior finished surfaces thereof), (v) all lanais, and (vi) all fixtures contained or installed in each apartment.

The apartment number, description, location, approximate gross floor area and other pertinent data relative to the respective apartments are as follows:

(a) The apartments on each floor are numbered 1 to 6, inclusive, which correspond to the numbers shown on the typical floor plan forming part of the Condominium Map, and the sequence of the apartment numbers commences from the westerly corner of

the building and terminates on the easterly corner of the building. All apartments having apartment numbers with the same last digit will be in vertical alignment. Except as noted hereafter with respect to the residential apartments of the ninth floor, each apartment number is preceded by a "0" and by a digit indicating the floor on which the apartment is located. The first residential floor in said building is located on the second level of said building and the apartments located thereon are numbered 201 to 206, inclusive. The uppermost residential floor in said building is located on the ninth level of said building and the apartments located thereon are numbered PH-1 to PH-6, inclusive.

(b) There will be two (2) types of apartments in the Project, to-wit, Types A and B.

Type A Apartments. Type A apartments will have two bedrooms, two bathrooms, a living/dining room, a kitchen and a lanai, and will contain a gross floor area, inclusive of the lanai, of approximately 935 square feet. There will be five (5) Type A apartments on each of the second through the ninth floors of the building bearing apartment numbers 1 to 5, inclusive. Apartments having apartment numbers 2 or 4 is a Type A apartment with the usual layout of rooms reversed. There will be a total of 40 Type A apartments in the Project.

Type B Apartments. Type B apartments will have two bedrooms, two bathrooms, a living/dining room, a kitchen and a lanai, and will contain a gross floor area, inclusive of the lanai, of approximately 935 square feet. There will be one Type B apartment located on the easterly corner of the building on each of the second through the ninth floors of the building for a total of eight (8) Type B apartments.

(c) The gross floor areas of the apartments hereinabove set forth are approximate. The approximate gross floor area of each apartment as set forth above include all walls within the interior face of the perimeter walls, all columns and portions of columns within the interior face of the perimeter walls, the interior half of the common walls between apartments, whether load-bearing or nonload-bearing, and the lanais.

(d) Each of the apartments will have direct access to the corridors leading to the elevator and stairways. The corridors, elevator and the stairways are common elements.

COMMON ELEMENTS: The common elements shall include, but are not limited to, the following:

(a) The Land in fee simple;

(b) All foundations, columns, girders, beams, floor slabs, supports, perimeter walls and load-bearing walls, floors and ceilings (except for the inner decorated or finished surfaces of the perimeter walls, load-bearing walls and floors and ceilings within each apartment and except as expressly provided otherwise), roofs, hallways, corridors, lobbies, stairs, stairways, fire escapes, walkways, ducts, entrances and exits of the building;

(c) All areas and/or facilities within the building or Project which serve more than one apartment, such as trash room,

refuse facilities, machine and equipment rooms, the community room, the lobby, the lounge, mailboxes, manager's office and all other common facilities;

(d) All driveways, roads and other common ways, planters, landscaping, yards, swimming pool, and other recreational areas, fences, retaining walls, refuse collection areas, loading areas, parking areas and parking stalls;

(e) All central and appurtenant installations serving more than one apartment for power, light, gas, water, ventilation, air conditioning, refuse, telephone, radio and television signal distribution and all pipes, wires, conduits, ducts, vents and other service utility lines which serve more than one apartment;

(f) All tanks, pumps, motors, fans, elevator, and in general, all apparatus and installations for common use, and all other parts of the Project necessary or convenient to its existence, maintenance, or safety and normally in common use;

(g) The two uncovered compact parking stalls numbered 21C and 27C which shall be used for guest parking;

(h) All other parts of the Project which are not included in the definition of an apartment.

LIMITED COMMON ELEMENTS: Certain of the common elements are hereby designated as "limited common elements" and are set aside and reserved for the use of certain apartments, which apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and so reserved are as follows:

(a) Parking Stalls. Each apartment will have as an appurtenance at least one parking stall for the exclusive use of such apartment. The respective apartments and the parking stalls initially appurtenant thereto are set forth in Exhibit A attached hereto and made a part hereof. Each apartment shall at all times have at least one parking stall appurtenant to it, but otherwise any parking stall may be transferred from apartment to apartment in the Project by written instrument, effective only upon the filing thereof in said Registrar's Office setting forth such transfer executed by the transferor and by the transferee of the parking stall, and consented to by the mortgagee, if any; provided, however, that the Owner reserves the right to amend the Declaration for the limited purpose of effecting such transfer of such parking stalls appurtenant to apartments without the consent or joinder of persons then owning or leasing apartments, except the transferor and transferee of such parking stalls, by filing and recording as aforesaid an amendment to the Declaration;

(b) Mailboxes. The mailbox assigned to an apartment shall be limited to the use of such apartment;

(c) Other: All other common elements of the Project which are rationally related to less than all of the apartments shall be limited to the use of such apartments.

INTEREST TO BE CONVEYED PURCHASER: The interest to be conveyed to a purchaser will be a fee simple title to an apartment together with an undivided interest in all common elements of the project. Each apartment shall have appurtenant thereto an undivided interest in all common elements of the project in the proportion hereinafter set forth and the same proportionate share in all common profits and expenses of the project and for all other purpose, including voting:

<u>Apartment Type</u>	<u>Apartment No.</u>	<u>Percent Common Interest</u>
A	201 to 205, inclusive, 301 to 305, inclusive, 401 to 405, inclusive, 501 to 505, inclusive, 601 to 605, inclusive, 701 to 705, inclusive, 801 to 805, inclusive, and PH-1 to PH-5, inclusive	2.083%
B	206, 306, 406, 506, 606, 706, 806 and PH-6	2.085%

PURPOSE AND USE OF THE APARTMENTS: The purpose for which the apartments are intended and restricted as to use is residential as set forth in the proposed Declaration. The proposed Declaration recites that the apartments shall be occupied and used only as dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The owners of the respective apartments shall have the right to lease or rent such apartments for profit to such persons and for such periods as such owners may determine so long as such leasing or renting is for use of such apartment as a place to reside and not as a place to conduct business or trade; provided, however, that all such leasing or renting shall be subject to provisions of the Declaration and Bylaws of the Association of Apartment Owners.

The proposed House Rules contains certain prohibitions regarding apartment use, common areas, parking, rentals, refuse, pets, swimming pool and community room. These include prohibition of any waterbeds and more than two pets per apartment.

OWNERSHIP: A Commitment for Title Insurance prepared by First American Title Insurance Company issued on December 31, 1979, states that title to the land to be submitted to the project is vested as follows: Clarence Thing Chock Ching, husband of Dorothy Tom Ching, and Fong Ting Mau, husband of Rose Yet Kui Mau, General Partners of International Development Company, a registered limited partnership. The Developer has submitted to the Commission a copy of an unrecorded Option Agreement dated December 28, 1979, made by said General Partners of International Development Company, as Optionors, and said Developer, as Optionee, giving and granting to said Developer an option, to be exercised on or before October 31, 1980, to purchase the land on which the project will be built.

ENCUMBRANCES AGAINST TITLE: The aforementioned Commitment for Title Insurance identifies the following encumbrances on the land:

1. Taxes for the fiscal year 1979 - 1980.
2. Exception and reservation unto the Trustees under the Will and of the Estate of Samuel M. Damon, deceased, of all artesian and other underground water and rights thereto appurtenant to said premises, as qualified by that certain instrument dated October 12, 1965, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 372562 and also recorded in the Bureau of Conveyances of the State of Hawaii in Liber 5163, Page 562.
3. The restrictions, limitations and reservations contained in that certain document entitled "Declaration of Covenants" dated December 6, 1968, filed as aforesaid as Document No. 461355.

PURCHASE MONEY HANDLING: An Escrow Agreement dated January 21, 1980, has been executed and a copy of same has been filed with the Commission. The Escrow Agent is First American Title Company of Hawaii, Inc. Upon examination, the Specimen Reservation And Sales Contract and the executed Escrow Agreement are found to be consonant with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39, 514A-40, and 514A-63 through 514A-66.

Among other provisions, the specimen Reservation And Sales Contract provides that purchasers agree to subordinate their interest to the lien of any construction mortgage; and the Seller shall have the right and option to cancel the contract by giving written notice to the purchaser if Seller is prevented by law from completing the project in accordance with the Seller's building plans. Further, the Seller has also reserved the right and option to cancel the contract by notice to the purchaser at any time prior to the commencement of construction and to the time that Seller has valid and binding agreements for the sale and purchase of not less than forty-two (42) of the apartments in the project.

A purchaser shall be entitled to a refund of his funds, and Escrow shall pay the funds to the purchaser, without interest, if purchaser requests in writing refund of his funds, provided, one of the following has occurred:

- (a) Seller has requested Escrow in writing to return to purchaser the funds of purchaser then being held hereunder by Escrow; or
- (b) Purchaser's funds were obtained prior to the issuance of a Final Public Report and subsequent to the execution of purchaser's sales contract, there is a change in the condominium building plans requiring the approval of a county officer having jurisdiction over the issuance of permits for the construction of buildings (unless purchaser has given written approval or acceptance of the specific change); or
- (c) The Final Public Report differs in any material respect from the Preliminary Public Report; or

(d) If the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

It is incumbent upon the prospective purchaser that he reads with care the Reservation and Sales Contract and executed Escrow Agreement. The latter Agreement establishes how the proceeds from the sale of condominium units are placed in trust as well as the retention and disbursement of said funds.

MANAGEMENT AND OPERATIONS: The Bylaws of the Association of Owners vest the Board of Directors with the powers and duties necessary for the administration of the affairs of the project. The initial managing agent has been identified as Loyalty Enterprises, Ltd.; however, the Developer has reported that a management agreement has not yet been executed.

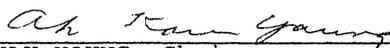
FINANCING OF PROJECT: Developer has advised the Commission that it intends to finance the project costs by means of an interim construction loan, equity funds, and to the extent permitted by law and after meeting all statutory requirements, purchasers' funds. The Developer has advised the Commission that negotiations are presently being conducted with a lending institution for the necessary construction and permanent financing, but that no commitments have been obtained as yet.

STATUS OF PROJECT: The Developer has advised the Commission that the Developer is currently negotiating with a contractor to construct the project.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted January 25, 1980, and information subsequently filed as of February 11, 1980.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1235 filed with the Commission on January 25, 1980.

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



AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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REGISTRATION NO. 1235

DATED: February 19, 1980