

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

OF

NAMAHANA TERRACE
448 NAMAHANA STREET
HONOLULU, HAWAII

REGISTRATION NO. 1266

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: March 28, 1980
Expires: April 28, 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 and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 14, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF MARCH 19, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514 A, HAWAII REVISED STATUTES.

1. The NAMAHANA TERRACE is a proposed leasehold residential condominium project consisting of fourteen (14) units contained in an existing five-story concrete building. There are seven (7) parking stalls of which six (6) stalls are designated limited common elements.

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

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved Floor Plans) have not been filed in the appropriate recording office.

4. No advertising or promotional matter has been submitted pursuant to 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 Condominium Rules and Regulations which relate to Horizontal Property Regime.

6. This Preliminary Report is made a part of the registration of NAMAHA TERRACE condominium project. The Developer is responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for same from each purchaser and prospective purchaser is also the responsibility of the Developer.

7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, March 28, 1980, 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: NAMAHA TERRACE

LOCATION: The subject 4,500 square feet property is situate at 448 Namahana Street, Honolulu, City and County of Honolulu, State of Hawaii.

TAX MAP KEY: First Taxation Division: 2-6-15-13

ZONING: Apartment Precinct, Waikiki Special Design District

DEVELOPER: NAMAHA TERRACE, INC., a Hawaii corporation, whose principal place of business and post office address is 771 Ulili Street, Honolulu, Hawaii, telephone number 734-0192. The names and addresses of the officers are as follows:

Jenny Chernin	- President	711 Ulili Street, Honolulu, Hawaii
Oliver R. Chernin	- Vice-President	711 Ulili Street, Honolulu, Hawaii
Steven K. Chernin	- Secretary	711 Ulili Street, Honolulu, Hawaii
Thomas N. Chernin	- Treasurer	711 Ulili Street, Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Allen I. Marutani, Attorney At Law, A Law Corporation, Suite 602 Capital Investment Building, 850 Richards Street, Honolulu, Hawaii, telephone number 537-6575.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and the plans submitted by the Developer indicate a leasehold condo-

minium project consisting of an existing five-story concrete building containing fourteen (14) apartment units and seven (7) parking stalls. All parking stalls are located on the ground level.

The building has five stories, of which the first level contains an entrance area, a laundry room, a bathroom, a studio apartment unit, storage area and seven (7) parking stalls. The second through the fourth floors contain four one-bedroom units on each floor. The fifth floor contains a one-bedroom unit with a lanai.

There is one studio unit on the first floor, which shall be designated as apartment no. 101. There are four (4) apartment units in each of the second through the fourth floors, each of which is a one-bedroom unit. There is a one-bedroom, one-bath unit on the fifth floor, together with a lanai, in which there is an additional bathroom. Each of the apartments on the second through the fourth floors is designated in a numerical fashion. Each of the apartment numbers contains three digits. The first number of each of the three digit numbers denotes the floor on which the apartment is located. The second number is a zero. The last number denotes the location of the apartment. Those apartments having number 1 as the third digit are located closest to Namahana Street, and those apartments having number 2 as the third digit are located next to apartments having number 1 as the third digit, and those apartments having number 3 as the third digit are located next to apartments having number 2 as the third digit, while those apartments having number 4 as the third digit are located farthest away from Namahana Street. The apartment on the fifth floor is designated as PH.

Apartment No. 101 on the first level has a gross dwelling area of approximately 416 square feet. Each of the apartments having the number 1 as the last digit (except Apartment No. 101) has a gross dwelling area of approximately 402 square feet, and a lanai area of approximately 40 square feet, and another lanai area of approximately 59 square feet, for a total of approximately 501 square feet. Each of the apartments having number 2 as the last digit has a gross dwelling area of approximately 455 square feet, and a lanai area of approximately 40 square feet, for a total of approximately 495 square feet. Each of the apartments having number 3 as the last digit has a gross dwelling area of approximately 468 square feet, and a lanai area of approximately 40 square feet, for a total of approximately 508 square feet. Each of the apartments having number 4 as the last digit has a gross dwelling area of 427 square feet, a lanai area of 40 square feet, and another lanai area of 56 square feet, for a total of approximately 523 square feet. The PH apartment has a gross dwelling area of 749 square feet, and a lanai area of approximately 1,776 square feet, for a total of approximately 2,525 square feet. Each of the one-bedroom units has a separate bathroom, a living room, a kitchen area, and a bedroom with a closet, with adjoining lanai or lanais. In addition Apartment PH has a separate bathroom in the lanai area. The studio unit has a separate bathroom, a living room, and a kitchen area.

The respective apartments shall not be deemed to include the undecorated or unfinished perimeter walls, the floors and ceil-

ings surrounding each apartment or 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. Each apartment shall include the adjacent lanai or lanais on the condominium map. Each apartment shall be deemed to include all the walls or partitions which are not load bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, the lanai, air space and all fixtures originally installed therein.

Each apartment, except Apartment No. 101 and PH has immediate access to a corridor which leads to two stairways. Apartment No. PH has access only to one stairway. Apartment No. 101 has immediate access to the ground level.

COMMON ELEMENTS: The proposed Declaration identifies the following as common elements:

- (a) The land in fee simple;
- (b) All foundation, floor slabs, columns, girders, beams, support, bearing walls, roof, lobbies, stairs, stairways, walkways, hallways, corridors, entrances and exists;
- (c) All yards, grounds, and landscaping;
- (d) All driveway and parking area other than the 6 designated stalls;
- (e) Parking stall designated as stall no. 7;
- (f) All common storage and service rooms;
- (g) All ducts, electrical equipment and wiring serving more than one apartment and other central and appurtenant installation for services including power, lights, cold and hot water, refuse and telephone;
- (h) All other devises or installations upon the lands and building existing for or rationally of common use to all of the owners of apartments within the project.

LIMITED COMMON ELEMENTS: There are 6 parking stalls that are assigned to 6 apartments as limited common elements, the assignment of which is set forth in the Exhibit "A" attached hereto. Each apartment that is assigned a parking stall shall have the exclusive right to use such assigned parking stall, and such assigned parking stall shall be appurtenant to, and for the exclusive use of the respective apartment.

INTEREST TO BE CONVEYED TO PURCHASER: The percentage of undivided interest in the common elements appertaining to each apartment and parking stall unit for all purposes, including voting, shall be as set forth in the Exhibit "A" attached hereto.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration states that each of the apartment units shall be used only in accordance with the uses permitted under the applicable laws and ordinances, unless such uses are prohibited by the Association, in accordance with the terms of the Declaration, the By-Laws of the Association of Apartment Owners, and the House Rules or any

Apartment Lease as they exist or as they may be amended from time to time and each owner shall observe, comply with, and perform all rules and regulations, ordinances, and laws made or adopted by the various governmental agencies.

The House Rules provide, among others, that no livestock, poultry or other animals or pets whatsoever shall be allowed or kept in any part of the project without the prior written consent of the Board of Directors; if any such animals or pets are allowed in the project by the Board, they shall not be kept, bred or used therein for any commercial purpose nor allowed on any common elements in the building except in transit when physically carried nor, in any case, allowed on any part of the recreation deck, or parking decks.

OWNERSHIP OF TITLE: A Preliminary Report issued by First Land Title Corporation, dated February 20, 1980 states that ownership to the fee title is in William Douglas Mett, Culphton LeGrande Whetstone and Yaeko Nishiyama Whetstone, and Sandford Irwin Gadiant, and that the lessee's interest under that certain Indenture of Lease dated April 30, 1979 is in Namahana Associates, and that the Purchaser's interest under an Agreement of Sale is in Namahana Terrace, Inc.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report dated February 20, 1980 issued by First Land Title Corporation, shows the following encumbrances against title to the property:

(a) The terms, agreements, reservations, covenants, conditions, provisions contained in that certain Indenture of Lease dated April 30, 1979 made by and between William Douglas Mett, Culphton LeGrande Whetstone and Yaeko Nishiyama Whetstone, and Sandford Irwin Gadiant, as Lessor, and Namahana Associates, as Lessee, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, as Document No. 936565.

(b) That certain mortgage dated April 30, 1979 made in favor of Hawaii Thrift and Loan Incorporated, as Mortgagee, and filed as aforesaid as Document No. 936566.

(c) That certain mortgage dated April 26, 1979 made in favor of Hawaii Thrift and Loan Incorporated, as Mortgagee, and filed as aforesaid as Document No. 936567.

(d) That certain mortgage dated April 30, 1979 made in favor of William Douglas Mett and Culphtone LeGrande Whetstone, as Mortgagee, and filed as aforesaid as Document No. 936568.

(e) That certain Agreement dated November 27, 1979 filed as aforesaid as Document No. 981921.

(f) That certain Agreement of Sale dated December 14, 1979 made by and between Namahana Associates, as Seller, and Namahana Terrace, Inc., as Purchaser, and filed as aforesaid as Document No. 989610.

(g) Real property taxes due and owing, refer to Tax Assessor, First Division, State of Hawaii.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated March 5, 1980 between First Escrow Corporation, as "Escrow" and Namahana Terrace, Inc., as "Seller" has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Condominium Reservation Agreement Deposit, Receipt, and Contract filed with the Commission are found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds. The specimen sales agreement specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

Among other provisions the Escrow Agreement provides that if at any time prior to the recordation of any Apartment Lease, (a) Escrow receives a written request from Seller to return to a purchaser such purchaser's funds held hereunder by Escrow, or (b) Seller notifies Escrow in writing that the Project cannot be completed within the time specified in the agreements with Buyers and that Seller has exercised the option of cancellation granted Seller in such event; or (c) if a purchaser's funds were obtained prior to the issuance of a final public report and if there is any change in the building plan subsequent to the execution of the sales agreement 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 acceptances of the specific change; or (d) if the final public report differs in any material respect from the preliminary public report, unless the purchaser has given written approval or acceptance of the difference; then in any such event Escrow shall return such purchaser's funds, without interest, together with such sales agreement, marked "cancelled", and the Seller and purchaser shall be deemed no longer held hereunder.

Among other provisions, the specimen sales agreement provides (a) that in the event less than 8 apartment units are sold prior to September 30, 1980, Seller may at its option cancel this agreement, in which event Seller will cause Escrow to refund to Buyer all monies paid, without interest, and Seller shall be relieved and released of all further liability hereunder. In the event development and construction of the project is delayed due to governmental restrictions or regulations enacted after the date of this agreement or by occurrence of a contingency, the nonoccurrence of which was a basic assumption on which this agreement was made, and Seller determines that increases in development and construction costs because of such delay required increases in Apartment sales prices to maintain financial feasibility of the project, then and in any such event Seller may at its option terminate this agreement and cause Escrow to refund to Buyer all monies paid, without interest, and Seller shall be released from all liability hereunder; provided, however, that Seller shall

offer to Buyer the first right to execute a new reservation agreement in a similar form at the increased Apartment unit price. Said termination and offer by Seller to Buyer shall be in writing, and Buyer shall have fifteen (15) days to notify Seller in writing of his acceptance of such offer. If no response from Buyer is received within said fifteen (15) day period, the Seller may offer, said Apartment unit to another party at said increased sales price, free and clear of any claims or rights thereto, if any, on the part of the Buyer; (b) Buyer shall not assign this Agreement without the prior written consent of Seller; and (c) Seller reserves the right to modify the Declaration, By-Laws and Apartment Lease as may be required by law, any title insurance company or any institutional mortgagee, provided that no such modification shall:

- (1) Increase the Buyer's share of common expenses,
- (2) Reduce the obligations of Seller from common expenses on unsold Apartments; or
- (3) Reduce the size of the Apartments.

Seller reserves the right to make minor changes that may, in the opinion of the Seller, improve the Apartment, the other Apartments, and the common elements, but no changes shall be made which affect the physical location or design of the Apartment covered hereby or reduce or increase the number of the other Apartments or substantially change their design. Additionally, the Condominium Reservation Agreement Deposit, Receipt and Contract provides that the units are being sold in an "as is" condition and that there are no warranties relating to said building.

MANAGEMENT OF PROJECT: The By-Laws which are incorporated in the Declaration provides 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 initial managing agent as set forth in the Condominium Reservation Agreement list Certified Management of 98-1238 Kaahumanu Street, Suite 404, Pearl City, Hawaii.

STATUS OF PROJECT: The Developer has advised the Commission that the building was completed as of 1965 and had been used for rental purposes. However, all units are presently vacant and undergoing renovations and repairs.

CONVERSION OF PROPERTY: To the best of Developer's information and belief, the building presently built on the subject premises, is in compliance with all ordinances, codes, rules, regulations, or other requirements in force at the time of its construction thereof, and no variance was granted from any ordinance, code, rule, regulation, or other requirement in force at the time of the construction thereof or from any current ordinance, code, rule, regulation or other requirement. The existing buildings are non-conforming structures as defined under Section 21-110 Revised Ordinances, meaning "any structure which was previously lawful but which does not comply with the bulk, yard, set-back, or height regulations of the district in which it is located, either on the effective date of Chapter 21 Revised Ordinances, or as a result of any subsequent amendment thereto." Additional work, including

alteration, on this parcel is subject to Ordinance 78-89 and the Comprehensive Zoning Code, Section 21-107, which relates to non-conformities.

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 March 14, 1980, and information subsequently filed as of March 19, 1980.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 1266, filed with the Commission March 14, 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 in color.



AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

Registration No. 1266

Dated: March 28, 1980

EXHIBIT "B"

<u>APT. NO.</u>	<u>PARKING STALL NO.</u>	<u>PERCENTAGE OF UNDIVIDED INTEREST</u>
101		5.890%
201		6.017%
202	1	6.584%
203		6.768%
204	2	6.371%
301		6.017%
302	3	6.584%
303		6.768%
304		6.371%
401		6.017%
402	4	6.584%
403		6.768%
404	6	6.371%
PH	5	16.890%