

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
1545 LIONA
1545 Liona Street
Honolulu, Hawaii

Registration No. 1302 (Conversion)

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 30, 1981

Expires: April 30, 1982

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 APRIL 28, 1980 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF MARCH 25, 1981. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. 1545 LIONA is a leasehold condominium Project consisting of one (1) building, without a basement, and consisting of six (6) stories containing a total of seventeen (17) condominium apartments and seventeen (17) parking spaces (16 regular and 1 compact) as shown on the Condominium Map. The

Developer advises that the Building was completed during 1970, and the Apartments have since been used as residential rental units.

2. The Developer of the Project has submitted to the Commission for examination all documents and materials deemed necessary for the registration of a condominium project and issuance of this Final Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, Bylaws of the Association of Apartment Owners, and a copy of the Condominium Map) have been recorded.

The Declaration of Horizontal Property Regime dated April 1, 1980, together with the Bylaws of the Association of Apartment Owners, was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1007478, and duly noted on Transfer Certificate of Title No. 128,564, as amended by instrument dated March 25, 1981 and filed in said Office as Document No. 1060569. Condominium Map No. 415 has been assigned to the project.

4. No preliminary advertising and promotional materials have been submitted to the Commission 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, as amended, and the rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Final Public Report is made a part of the registration of 1545 LIONA condominium Project. The Developer is responsible for placing this Final Public Report (white paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers, and for securing a signed copy of the receipt(s) therefor.
7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, March 30, 1981, unless a Supplementary Public Report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: 1545 LIONA.

LOCATION: The land submitted to the Horizontal Property Regime is approximately 7,765 square feet and is situated at 1545 Liona Street, Honolulu, Hawaii.

TAX MAP KEY: First Division: 2-3-18-76

ZONING: IL/A4

DEVELOPER: PRIME ENTERPRISES CORP., a Hawaii corporation, whose principal place of business and post office address is 1314 South King Street, Suite 1451, Honolulu, Hawaii 96814 (Telephone No. 524-7700). The corporation's Officers are Donald C. G. Look, President-Treasurer, and Mildred L. Look, Secretary.

ATTORNEY REPRESENTING DEVELOPER: Damon, Key, Char & Bocken, (Attention Vernon F. L. Char or Denis C. H. Leong), 10th Floor, City Bank Building, 810 Richards Street, Honolulu, Hawaii, 96813 (Telephone No. 531-8031).

DESCRIPTION OF THE PROJECT: The Declaration of Horizontal Property Regime and the Condominium Map describe the Project as follows:

1. General Description of the Building. The building is a 6-story building, without a basement, and is constructed principally of concrete, concrete block, cement, plaster, gypsum board, metal and glass. The building contains 17 Apartments and 17 parking spaces (16 regular and 1 compact designated as space numbered 13C), designated on the Condominium Map.

The First Floor contains a lobby, laundry area and the parking spaces. The Second through Fifth Floors each contains 4 one-bedroom Apartments, and the Sixth Floor contains a penthouse Apartment numbered PH-1. The First through Sixth Floors are serviced by one (1) elevator, and a lobby is located on each of these floors. Each Apartment except for the penthouse Apartment is numbered according to its floor location and then its location on each floor. On the Second through Fifth Floors the "01" Apartment is located on the west corner of the building and the Apartment numbers ascend consecutively to the east corner of the building, which is the "04" Apartment, all as shown on the Condominium Map. For example, Apartment No. 201 is located on the west corner of the Second Floor of the building.

2. Apartments. Each Apartment shall constitute an Apartment as defined and used in Chapter 514A, Hawaii Revised Statutes, as amended, and shall be a separate freehold estate. The Apartments are described more particularly hereinbelow and on said Condominium Map. There are 3 basic types of Apartments designated as Type A, AA, and B. The location of each Apartment, approximate gross area and number of rooms contained in each type of Apartment are as follows:

A. Type A Apartments - One-bedroom Apartments. Type A Apartments are numbered 201, 301, 401, 501, 203, 303, 403 and 503 and contain 3 rooms consisting of a bedroom, a bathroom, and a kitchen/living room and the lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior edges of the lanai and the center line of the party wall, each Type A Apartment has a gross area of approximately 550 square feet, consisting of

the total of the following approximate areas: 504 square feet enclosed and 46 square feet of lanai.

B. Type AA Apartments - One-bedroom Apartments. Type AA Apartments are numbered 202, 302, 402, 502, 204, 304, 404 and 504 and are mirror images of Type A Apartments.

C. Type B Apartment - Two-bedroom Apartment. The Type B Apartment is located on the Sixth Floor and is designated as Apartment No. PH-1 and contains 6 rooms, consisting of 2 bedrooms, 2 bathrooms, a kitchen/dining room, living room and the lanais, as shown on the Condominium Map. The Type B Apartment is delineated by a perimeter line which is shown on the Condominium Map and which runs, clockwise, as follows: along the exterior face of the large lanai, the exterior face of the exterior wall of the enclosed area and the exterior face of the other large lanai facing the balcony side of the Building, then along the center line of the large lanai wall, then along the exterior face of the large lanai wall and continuing along the exterior face of the exterior wall of the enclosed area to the small lanai, then along the exterior face of the lanai wall, then in a southerly direction along the exterior edge of the length of the lanai, then along the exterior face of the lanai wall, then in a southerly direction along the exterior face of the exterior walls of the enclosed area and the large lanai, then along the center line of the large lanai wall. The Type B Apartment has a gross area of approximately 2,108 square feet consisting of the total of the following approximate areas: 1,008 square feet enclosed and 1,100 square feet of lanai.

Each Apartment shall be deemed to include all walls and partitions which are not load bearing within its perimeter walls, the inner decorated and finished surfaces of all walls, floors, ceilings, windows and window frames, door and door frames, and all fixtures originally installed therein for its exclusive use, and the adjoining lanai (if any), as shown on the Condominium Map. The respective Apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each such 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 or the common elements, the same being deemed common elements as hereinafter provided.

Each Apartment has access to an exterior balcony which leads to an elevator and stairways which lead to the First Floor and then to the public street.

The Apartment numbers, the type of Apartments, number of bedrooms, approximate total gross area, parking space(s) made appurtenant to the Apartment, and the common interests appurtenant to each Apartment are also set forth hereinbelow.

<u>APT. NO.</u>	<u>TYPE</u>	<u>NUMBER BEDROOMS</u>	<u>GROSS APT. AREA (S)</u>	<u>PARKING</u>	<u>COMMON INTEREST</u>
201	A	1	550 sq. ft.	11	5.40%
202	AA	1	550 sq. ft.	17	5.40%
203	A	1	550 sq. ft.	16	5.40%
204	AA	1	550 sq. ft.	13C	5.40%
301	A	1	550 sq. ft.	1	5.40%
302	AA	1	550 sq. ft.	2	5.40%
303	A	1	550 sq. ft.	3	5.40%
304	AA	1	550 sq. ft.	4	5.40%
401	A	1	550 sq. ft.	15	5.40%
402	AA	1	550 sq. ft.	6	5.40%
403	A	1	550 sq. ft.	5	5.40%
404	AA	1	550 sq. ft.	14	5.40%
501	A	1	550 sq. ft.	7	5.40%
502	AA	1	550 sq. ft.	10	5.40%
503	A	1	550 sq. ft.	12	5.40%
504	AA	1	550 sq. ft.	8	5.40%
PH-1	B	2	2,108 sq. ft.	9	<u>13.60%</u>
					100.000%

COMMON ELEMENTS: The Declaration provides that one estate shall be designated in all portions of the Project, other than the Apartments, and all other common elements mentioned in the Act, which are actually included in the Project, herein called "common elements," including specifically but not limited to:

a. Said land (which is intended to be leased to an Apartment owner separately and apart from a conveyance or other transfer of the Apartment);

b. All foundations, floor slabs (if any), columns, girders, beams, supports, unfinished perimeter and loadbearing walls, chases, entries, stairways and roof;

c. All yards, grounds, landscaping, walls, and washer-dryer facilities;

d. All parking areas, and spaces, driveways and walkways;

e. One elevator and all ducts, electrical equipment, wiring, pipes and any other central and appurtenant transmission facilities and installations on, over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, refuse disposal, heating, cooling, sewer, telephone, radio and television signal distribution;

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

LIMITED COMMON ELEMENTS: Certain parts of the common elements hereinafter called "limited common elements" are designated and set aside and reserved for the exclusive use of certain Apartments, and such Apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The Declaration provides that the limited common elements so set aside and reserved are as follows:

a. The parking spaces which are numbered and shown on the Condominium Map are each designated as limited common elements. Each Apartment shall have appurtenant to it for its exclusive use the parking space designated as appurtenant to such Apartment, as shown hereinabove. Parking space(s) may be transferred from Apartment to Apartment in the Project as hereinafter more particularly set forth or as otherwise permitted by law.

b. 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 Apartment(s).

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration reflects that the undivided percentage interest, common elements, and easements appurtenant to each Apartment shall have a permanent character and shall not be altered except as specifically provided in said Declaration, and shall not be separated from such Apartment and shall be deemed to be conveyed or encumbered with such Apartment even though not expressly mentioned or described in the conveyance or other instrument; except that parking spaces may be transferred as specifically provided in the Declaration or otherwise by law. The common elements shall remain undivided and no right shall exist to partition or divide any part thereof except as provided by the Horizontal Property Act.

Those portions of the building(s) and other improvements which are conveyed by Developer to an Apartment owner by an Apartment Deed, and the undivided ground leasehold interest in and to said land concurrently granted to said Apartment owner under a ground lease directly from the fee simple owners, both to be concurrently recorded or filed in the appropriate recording office(s) of the State of Hawaii, are appurtenant to each other and are not separately transferable and cannot, under any circumstances, be separated from or conveyed separately, whether by contract, operation of law, or otherwise.

The proportionate shares of the separate owners of the respective Apartments in the profits and common expenses of the project and for all purposes, including voting, shall be the undivided percentage interest shown hereinabove.

PURPOSES AND RESTRICTIONS: The Declaration reflects 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: (1) rental for any period less than thirty (30) days; or (2) 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. Except for such transient or hotel purposes, the owners of the respective Apartments shall have the right to lease such Apartments for residential purposes subject to all provisions of this Declaration, the Bylaws, and as further provided hereinbelow. The maximum number of individuals permitted to reside in or occupy an Apartment shall be as follows: for a one (1) bedroom Apartment, 3 individuals; and for the two (2) bedroom Apartment, 5 individuals.

Notwithstanding the foregoing, Developer may engage in real estate sales activities in such Apartments and on the premises of the Project for the purpose of selling such Apartments. Such activities may continue only until all such Apartments have been initially sold by the Developer. The Apartment uses are further governed by and subject to the provisions of the Declaration and Bylaws.

OWNERSHIP OF TITLE: The Preliminary Title Report issued by Long & Melone, Ltd., dated March 2, 1981, states that the title to the land committed to the regime is vested in Donald Choy Ghee Look and Mildred Lau Look (herein "fee owners"), husband and wife. Developer is the holder of a Ground Lease dated April 1, 1980, and filed in the Office of said Assistant Registrar as Document No. 1007477, and is the Grantee under a Building and Improvements Deed and Assumption of Mortgage dated April 1, 1980, also filed in said Office of the Assistant Registrar as Document No. 1007479.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report issued as of March 2, 1981, also indicates the following encumbrances on the property as of that date:

1. Title to all mineral and metallic mines reserved to the State of Hawaii.
2. Mortgage and Financing Statement in favor of First Federal Savings and Loan Association of Hawaii, dated November 28, 1969, filed as Land Court Document No. 489984.
3. Real property taxes as may be due and owing. For any taxes that are due and owing, reference is made to the Office of the Tax Assessor, First Division.
4. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, power of attorney, limitations on title, and all other provisions contained in the Declaration of Horizontal Property Regime dated April 1, 1980, and Bylaws attached, filed in said Office of the Assistant Registrar as Document No. 1007478, as amended by instrument dated March 25, 1981, and filed in said Office as Document No. 1060569; Condominium Map No. 415.
5. Terms, covenants, conditions, reservations and

restrictions contained in Ground Lease dated April 1, 1980, filed as Land Court Document No. 1007477.

6. Terms, covenants, conditions, reservations and restrictions contained in Building and Improvements Deed dated April 1, 1980, filed as Land Court Document No. 1007479.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated April 15, 1980, identifies Long & Melone Escrow, Ltd., a Hawaii corporation, as escrow agent. On examination, the Escrow Agreement and the specimen Sales Contract also submitted to the Commission as a part of this Registration are to be found in compliance with Chapter 514A, Hawaii Revised Statutes, particularly with Sections 514A-39 and 514A-63 through 66, inclusive.

Among other provisions, the executed Escrow Agreement states that a purchaser under the Sales Contract shall be entitled to a return of his funds and Escrow shall pay such funds to said purchaser without interest, promptly after purchaser has requested such return, if Escrow shall have received from Developer a written notice that any one of the following has occurred:

a. Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held by Escrow; or

b. Developer shall have notified Escrow of Developer's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

In any of the foregoing events Escrow shall, upon receipt of the written request for a refund from purchaser, pay said funds to the purchaser (less cancellation fee to escrow of \$25.00 per Apartment and escrow and cancellation costs, as defined in the Sales Contract) and thereupon said Sales Contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer; provided, however, that no refund shall be made to a Purchaser at Purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

The specimen Sales Contract provides in part that: (1) Seller expressly reserves the right to sell or lease unsold Apartments free from any restrictions on such sale or lease which may apply to Buyer under the Declaration and Bylaws; (2) the Buyer acknowledges in the Sales Contract that minor construction activity may continue on the site after Buyer has occupied his Apartment, which may result in noise, dust or other annoyances and that the Developer's sales activities, including the use of model units and signs for sales displays and related activities, may continue until the last Apartment in the Project is sold; (3) the Sales Contract also provides that if the Apartment is rented, Buyer shall assume the lease or tenancy agreement; and (4) Buyer should also note that the Sales Contract places

restrictions on the apartment owners, precluding them from entering into any rental pool or other rental-sharing arrangements with other such Apartment owners until after the expiration of fifteen (15) years from the date of recordation of Buyer's conveyancing documents.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and Escrow Agreement. The Escrow Agreement establishes how the proceeds on the sale of the Apartment and all sums from any source are placed in Escrow, as well as the retention, disbursement, and refund of said escrow funds.

MANAGEMENT AND OPERATIONS: The Declaration and Bylaws which are incorporated within the Declaration provide that the administration of the Project shall be vested in the Association of Apartment Owners under the direction of the Board of Directors by a responsible corporate managing agent who shall be appointed by the Association in accordance with the Bylaw; provided, however, Developer has reserved the right to designate the managing agent for the initial two-year period subject to certain conditions provided in the Declaration and Bylaws. Developer advises that the managing agent has not yet been selected.

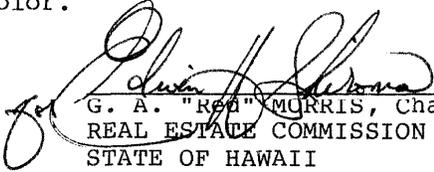
STATUS OF PROJECT: The Project involves the conversion of an apartment Building which was completed in June 1970. The Developer has represented that to the best of his information and belief, the building built on the subject premises is in compliance with all ordinances, codes, rules and regulations or other requirements in force at that time of its construction thereof, and that no variance was granted from any ordinance, code, rule, regulation or other requirement in force at the time of construction thereof or from any current ordinance, code, rule, regulation or other requirement. Also, there are no current outstanding notices to the owners of the improvements of uncured violations or building codes or of other municipal regulations. The Developer has submitted a letter to the Commission from the City's Building Department Director dated March 25, 1981, in support of the foregoing statements.

All Apartments will be sold "as is" without any warranties whatsoever and without any warranties of merchantability or fitness for a particular purpose with respect to purchaser's Apartment, appliances or anything installed therein, the common elements of the Project or any portions of the Project.

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 April 28, 1980, and additional information subsequently filed as late as March 25, 1981.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1302 filed with the Commission on April 28, 1980.

This 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.


G. A. "Red" MURRIS, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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Registration No. 1302

Dated: March 30, 1981