

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

KEWALO HALE
1526 Kewalo Street
Honolulu, Hawaii 96822

REGISTRATION NO. 1324 (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: July 9, 1980

Expires: August 9, 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 MAY 30, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 3, 1980 AND JULY 8, 1980. THE DEVELOPER, IN 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. KEWALO HALE is a fee simple condominium project consisting of a three-story rectangular shaped building containing twelve (12) apartments. There are twelve (12)

parking spaces in the project. Each apartment will have appurtenant to it one (1) parking space as designated on the Condominium Map. The developer has informed the Commission that construction of project was completed on December 1, 1966.

2. The Commission has determined that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been filed in the office of the recording officer.

The Declaration and By-Laws dated May 12, 1980, have been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 14714, at Page 11.

The Bureau of Conveyances has assigned Condominium Map No. 732 to the project.

3. No advertising and promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.
4. The purchaser and prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the rules and regulations promulgated thereunder which relate to the Horizontal Property Act.
5. This Final Public Report is made a part of the registration on the Kewalo Hale condominium project. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) together with the Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt therefor from each purchaser and prospective purchaser is also the responsibility of Developer.
6. This public report automatically expires thirteen months after the date of issuance, July 9, 1980, 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: KEWALO HALE

LOCATION: The project is located on that certain parcel of land located at 1526 Kewalo Street, Honolulu, Hawaii, and containing an area of 7,858 square feet or thereabouts. The description of the land and the reserved easements, rights, powers and privileges are more fully set forth in the Declaration.

TAX KEY: 2-4-20-06, 1st Division

ZONING: A-4

DEVELOPER: CARISSA, INC., Suite 2106, 745 Fort Street,
Honolulu, Hawaii 96813, Telephone No. 521-7254.

Dennis T. Aoki - President
Francis Y. Aoki - Vice President
Inez F. Aoki - Secretary-Treasurer

ATTORNEY REPRESENTING DEVELOPER: Kobayashi, Watanabe,
Sugita & Kawashima (Kenneth Y. Sugita) 745 Fort Street,
Suite 814, Honolulu, Hawaii, 96813, Telephone No. 524-5700.

DESCRIPTION OF PROJECT: The project consists of
a three-story rectangular shaped structure constructed
primarily of concrete, concrete block, steel reinforcing and
glass. There are twelve (12) apartments in the building. Each
first floor apartment has access to a walkway which is part
of the common elements. Each apartment above the first
floor has access to an open hallway which leads to two
stairways, one on each end of the building. There is a
laundry area on the first floor of the building.

Each of the three (3) floors contains four (4) apartments,
for a total of twelve (12) apartments in the building.
The apartments are numbered 1 through 12. The numbering of
apartments on each floor proceeds from the east end to the
west end. Apartments 1 through 4 are located on the first
floor, Apartments 5 through 8 are located on the second floor
and Apartments 9 through 12 are located on the third floor,
all as shown on said Condominium Map.

There are two types of Apartments in the Building, desig-
nated as Type "1" or "4" and Type "2" or "3" on said Condo-
minium Map. Apartments 1, 4, 5, 8, 9 and 12 are Type "1" or
"4" apartments. Apartments 2, 3, 6, 7, 10 and 11 are Type
"2" or "3" apartments.

Each of the six (6) Type "1" or "4" apartments contains a
living room, kitchen, bathroom and one bedroom for a floor
area of approximately 541 square feet.

Each of the six (6) Type "2" or "3" apartments contains a
living room, kitchen, bathroom and two bedrooms for a floor
area of approximately 642 square feet.

The 12 apartments shall not be deemed to include the undeco-
rated or unfinished surfaces of the perimeter walls or of
the interior load-bearing walls, the floors and perimeter
ceilings surrounding each apartment, or any pipes, wires,
ducts, conduits, or other utility or service lines running
through such apartments which are utilized for or serve more
than one apartment, all of which are common elements as herein-
after described. Each apartment shall be deemed to include the
walls and partitions which are not load-bearing and which are
within its perimeter walls; doors and door frames; windows and
window frames; the inner decorated or finished surfaces of walls,
floors and ceilings, adjoining and connected thereto; and all
fixtures originally installed therein.

COMMON ELEMENTS: The Declaration states that the owners of
apartments will have an undivided interest in the common
elements, including specifically but not limited to:

- a. Said land in fee simple.

b. All foundations, columns, girders, beams, supports, main walls, roofs, stairways, entrances and exits of said building.

c. All driveways, parking areas, yards, gardens, walkways and open areas.

d. All central and appurtenant installations for common services, including power, sewer, gas, light, water, telephone and trash disposal.

e. All tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use.

f. The laundry area located on the first floor of the building.

LIMITED COMMON ELEMENTS: The Declaration reflects that certain parts of the common elements, 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:

There are twelve (12) parking spaces in the project, designated as Nos. 1-12. Each of the 12 apartments shall have one (1) parking space appurtenant to such apartment, as follows:

<u>Apartment No.</u>	<u>Parking Stall No.</u>	<u>Apartment No.</u>	<u>Parking Stall No.</u>
1	7	7	3
2	8	8	4
3	6	9	1
4	5	10	11
5	10	11	2
6	9	12	12

INTEREST TO BE CONVEYED TO PURCHASER: Each Type "1" or "4" apartment shall have appurtenant thereto an undivided 7.62 percentage interest and each Type "2" or "3" apartment shall have appurtenant thereto an undivided 9.05 percentage interest, except for Apartments 10 and 11 which shall have appurtenant thereto an undivided 9.04 percentage interest, in all common elements of the project, such interest being defined and referred to herein as the "common interest", and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting.

PURPOSES AND RESTRICTIONS: The purposes for which said building and other improvements and each of the apartments are intended and shall be restricted as to use are as follows:

a. The common interest and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to this Declaration duly

recorded, 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.

b. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Horizontal Property Act.

c. 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 owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of this Declaration or the By-Laws of the Association of Apartment Owners.

d. Administration of the project shall be vested in its Association of Apartment Owners, herein called the "Association", consisting of all apartment owners of the project in accordance with the By-Laws of the Association. The owner of each apartment upon acquiring title thereto automatically shall become a member of the Association and shall remain a member thereof until such time as his ownership of such apartment ceases for any reason, at which time his membership in the Association automatically shall cease.

e. The House Rules provide, in part that (1) no livestock, poultry, rabbits or other animals shall be allowed or kept in any part of the project except that pets other than cats and dogs may be allowed with the prior written approval of the Board of Directors or the Managing Agent, which approval may be revoked at any time at the discretion of the Board of Directors; and (2) cooking and fires of any kind are prohibited on balconies and no fireworks of any sort shall be set off on balconies.

OWNERSHIP OF TITLE: Title to the land is vested in Carissa, Inc., a Hawaii corporation. The Owner's Certificate of Title dated May 12, 1980, issued by Aloha Title Co., Inc. confirms such ownership.

ENCUMBRANCES AGAINST TITLE: Said Owner's Certificate of Title issued by Aloha Title Co., Inc. reports that title to the land is subject to the following:

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

2. The covenant as contained in that certain Deed dated July 17, 1912, recorded in the Bureau of Conveyances of the State of Hawaii in Book 368, at Page 318, to-wit:

That no vinous, malt, spiritous or intoxicating liquors of any kind shall ever be sold or exposed for sale or manufactured on the granted premises or any part thereof.

3. Mortgage dated May 3, 1973, recorded in said Bureau of Conveyances in Book 9125, at Page 400, from Lee Len, Inc., a Hawaii corporation, as Mortgagor, to American Security Bank, a Hawaii banking corporation, as Mortgagee, to secure a debt in the principal sum of \$185,000.00; by instrument dated May 3, 1973, recorded in said Bureau of Conveyances in Book 9125, at Page 405, the foregoing mortgage was assigned to Pacific Guardian Life Insurance Company, Limited, a Hawaii corporation.

4. Second Mortgage dated May 12, 1980, from Carissa, Inc., a Hawaii corporation, as Mortgagor, to Lee Len, Inc., a Hawaii corporation, as Mortgagee, recorded as aforesaid in Liber 14713, at Page 787, to secure the payment of \$144,751.65.

5. Third Mortgage dated May 12, 1980, from Carissa, Inc., a Hawaii corporation, as Mortgagee, to Edmund R. Yee and Alice Fong Yee, husband and wife, recorded as aforesaid in Book 14714, at Page 1, to secure the payment of \$293,618.16.

6. The covenants, agreements, obligations, conditions, easements and other provisions set forth in that certain Declaration of Horizontal Property Regime of "KEWALO HALE" dated May 12, 1980, recorded in said Bureau of Conveyances of the State of Hawaii in Liber 14714, at Page 11 (Condominium Map No. 732), and the By-laws attached hereto, to which reference is hereby made.

7. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division.

RESERVATION OF EASEMENTS: In addition to the above easements, the Owners reserve unto themselves any and all easements required to serve the project, and all rights-of-way now or hereafter granted or required to construct, install, operate, maintain, repair and replace lines and other transmission facilities and appurtenances for electricity, gas, telephone, water, sewer, drainage, radio and television signal distribution and other services and utilities over, across and under said easements according to the respective designations thereof, the right to enter for such purposes, and to trim any trees in the way of such lines and the right to grant to any public utility or governmental authority such easements, rights and rights-of-way.

PURCHASE MONEY HANDLING: A copy of the specimen Sales Contract and the executed Escrow Agreement dated May 20, 1980, have been submitted as part of the registration. The Escrow Agreement identifies Aloha Title Co., Inc., dba Queen Escrow, as the Escrow. Upon examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

Among other provisions, the Sales Contract provides: (1) that in the event less than 75% of the apartments in the Project are sold, within six (6) months after the issuance of the Final Public Report by the Real Estate Commission, Seller at its option may terminate the Sales Contract and refund all payments made by the Buyer without deduction or interest; (2) that the "Buyer agrees that all of the rights of Buyer pursuant to the terms and conditions of this sales contract are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made to finance the cost of construction and other costs during construction and to any and all advances made thereon; and to any and all sums which may become a lien pursuant to the terms of such mortgage or any other agreement relating to such mortgage. The subordination of Buyer's rights as herein provided shall be self-operating and no further instrument of subordination shall be required. In confirmation of such subordination, Buyer agrees to promptly execute and deliver any instrument that the holder of such mortgage or its successors in interest may require to evidence such subordination, and Buyer hereby irrevocably appoints Seller the attorney-in-fact of Buyer to execute and deliver any such instrument on behalf of Buyer, should Buyer refuse or fail to do within five (5) days after request is made"; and (3) that Buyer is aware that the building was constructed in 1966; that the building was formerly used as rental units; and that all apartments are sold in its used "as is" condition.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement. The latter agreement establishes how the proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds.

MANAGEMENT AND OPERATIONS: The Declaration discloses that the administration of the project shall be vested in the Association of Apartment Owners. Operation of the project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws except that the initial Managing Agent shall be appointed by the Developer. Go Properties, Inc., Suite 1001, 745 Fort Street, Honolulu, Hawaii, has been named as the initial Managing Agent.

STATUS OF PROJECT: The project was completed on December 1, 1966, as evidenced by submission of a copy of the Notice of Completion filed on December 14, 1966 in the First Circuit Court of the State of Hawaii.

The Developer has advised the Commission that the Building was previously used as rental units prior to conversion to a condominium project. All apartments are sold in its used "as is" condition.

A letter dated April 8, 1980 from the Building Department, City and County of Honolulu confirms that the building met all code requirements at the time it was constructed and that no variances or special permits were granted to allow deviations from any applicable codes.

The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted May 30, 1980 and information subsequently filed as of July 3, 1980 and July 8, 1980.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1322 filed with the Commission on May 30, 1980.

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.


(For) G. A. "RED" MORRIS, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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ESCROW AGENT

Registration No. 1322

July 9, 1980