

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
BAY VISTA

Kina Street
Kailua, Oahu, Hawaii

REGISTRATION NO. 1346

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: October 8, 1980
Expires: November 8, 1981

SPECIAL ATTENTION

A comprehensive reading of the 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED August 29, 1980, AND INFORMATION SUBSEQUENTLY FILED AS OF September 23, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THERETO, CHAPTER 514A, HAWAII REVISED STATUTES.

1. BAY VISTA is a proposed fee simple condominium to consist of two (2) apartments. Each apartment shall be bounded by the outside of the perimeter walls, floors, foundations and roofs of each of the two buildings to be constructed.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By Laws of Association of Owners and a copy of the approved Floor Plans) have not yet been filed in the Office of the recording officers.
4. No advertising and promotional matter has 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 condominium Rules and Regulations, which relate to Horizontal Property Regimes.
6. This Preliminary Public Report is made a part of the registration on the BAY VISTA condominium project.

The Developer is held responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) together with 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 the Developer.

7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, October 8, 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: BAY VISTA.

LOCATION: The 3.68 acres of fee simple land to be committed to the Horizontal Property Regime consists presently of three lots situated off Kina Street in Kailua, Koolaupoko, City and County of Honolulu, State of Hawaii.

TAX KEY: FIRST DIVISION; 4-2-84-1; 4-2-84-8; and 4-2-84-24 (por.)

ZONING: R-4 and R-5.

DEVELOPER: CASA INVESTMENT COMPANY, a Hawaii Registered General Partnership, having its principal place of business and post office address at 2875 South King Street, Honolulu, Hawaii 96814, and having the following Partners:

<u>NAME</u>	<u>OFFICE</u>
BARBARA LU ODOR	Partner
ILCOL DEVELOPMENT CO. LTD.	Partner

ATTORNEY REPRESENTING DEVELOPER: John J. Hulten, Jr., (ATTN: THOMAS A. HULTEN) Attorney at Law, A Law Corporation, Suite 310, Financial Plaza of the Pacific, Honolulu, Hawaii 96813, Telephone No. 536-2316.

DESCRIPTION: The proposed project is to consist of land containing approximately 3.68 acres, situated at Kailua, Oahu, Hawaii, with improvements to be constructed thereon consisting of two apartments contained in two buildings without basements, with parking facilities. Said structures are constructed principally of wood and concrete.

There will be 2 types of dwelling units which have been designated Apartments A and B. The apartments to be located are as shown on Condominium Map, and contain the number of rooms and approximate area set forth on Exhibit "A" attached hereto and made a part hereof.

Each of the apartments shall have immediate access to the surrounding lot which is a limited common element appurtenant to it, and each limited common element shall have immediate access to the road which is a common element.

Each apartment space contains a two-car garage. There is no common area parking.

COMMON ELEMENTS: One freehold estate is hereby designated in all remaining portions of the Project, herein called the "common elements" including specifically but not limited to:

- (i) Said land in fee simple;
- (ii) All yards, grounds and landscaping;
- (iii) All driveways;
- (iv) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and 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;
- (v) 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: The lot upon which each respective apartment is built, as outlined in red on said Condominium Map, shall be appurtenant to and for the exclusive use of such apartment.

Each apartment owner shall be responsible for the proper repair and maintenance of such limited common elements appurtenant to his apartment and shall at all times keep the same in good order and condition, and maintain and keep the land of each such lot in a neat and attractive condition and all trees and shrubs and grass thereon in good cultivation and replant the same as may be necessary, and repair and make good all defects in the same, of which notice shall be given by the Board of Directors or Managing Agent within thirty (30) days after the giving of such notice.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided Fifty percent (50%) interest, called the "common interest", in all common elements of the Project.

NOTE: The voting rights of apartment owners, as well as their share of the common expenses, shall be in proportion to their common interest. Common expenses will include, among other things, expenses attributable to the portions of the Project which may be further developed or withdrawn from the Project by the Developer pursuant to paragraph 16 of the Declaration.

NOTE: The owner of each apartment shall be responsible for the care and maintenance of any yard, dwelling unit, balconies, lanais, fences, walls, entryways, garages, etc., which are included in the lot consisting of the limited common element appurtenant to his apartment.

PURPOSE AND USE OF THE APARTMENTS: The purpose for which the apartments are intended and restricted as to use is residential; provided that this shall not be construed to prohibit the renting or leasing of said apartments; provided, further, that no apartments shall be rented by the owner or owners thereof for transient or hotel purposes.

OWNERSHIP TO TITLE: The Preliminary Title Report dated May 13, 1980, issued by Security Title Corporation and submitted to the Commission, states that present fee simple ownership of the land committed to the project is vested as follows:

Lone Star Hawaii Inc., a Hawaii corporation, subject to an Agreement of Sale held by Casa Investment Company.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report dated May 13, 1980, also reports that title to the land is subject to the following encumbrances:

1. For any real property taxes due and owing, reference is hereby made to the Office of the Tax Assessor of the First Division.

2. Designation of the following easements:

Easement 49 (10' wide) for water pipeline purposes affecting Lot 876-B;

Easement 66 over and across Lots 834 and 839 for storm drainage purposes;

Easement 67 over and across Lot 839 for storm drainage purposes;

Easement 73 affecting Lot 834 for storm drainage purpose;

and, Easement 74 affecting Lot 839 for storm drainage purposes; as shown on Map 141, as set forth by Land Court No. 30991, filed December 3, 1969.

3. The covenants set forth in that certain Deed dated July 1, 1955, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 179190; said covenants amended by deleting paragraph (d) by Land Court Order No. 15365, filed April 29, 1957.

4. The covenants set forth in that certain Deed dated July 1, 1957, filed in said Office as Document No. 208414.

5. Agreement of Sale dated January 19, 1976, filed as Document No. 752539, made by and between LONE STAR HAWAII INC., a Hawaii corporation, as Seller(s), and NICHOLAS RODRIGUES PAO, Husband of Mabel Gomes Pao, as Purchaser(s), wherein said Seller(s) agree(s) to sell and said Purchaser(s) agree(s) to buy the land herein described, for the consideration, and on the terms and conditions therein contained.

a. By instrument dated March 2, 1976, filed as Document No. 758468, the foregoing Agreement of Sale was amended.

b. By instrument dated August 11, 1978, filed as Document No. 893615, the foregoing Agreement of Sale was further amended.

c. By Amendment of Agreement of Sale and Cancellation and Merger of Subagreement of Sale dated December 13, 1979, filed as Document No. 988275, the foregoing Agreement of Sale was further amended.

6. Agreement dated August 8, 1978, filed as Document No. 893708, made by and among ILCOL DEVELOPMENT CO., LTD. and BARBARA LU ODOR, collectively called CASA INVESTMENT CO. Re: To enter unto a Joint Venture for the purpose of developing the land herein described, Joint Venturers shall contribute to the capital of the joint venture with 50% each interest. The Joint Venturers appoint Clarence Osumu Furuya and Barbara Lu Odor as the Managing Joint Venturers. Duration of Joint Venture shall commence from August 8, 1978 and shall continue until the land herein described is developed and sold.

7. By instrument dated November 30, 1979, filed as Document No. 985137, the Agreement of Sale, as amended, referred to in Encumbrance No. 5 hereof, was assigned to CASA INVESTMENT CO., a Hawaii registered general partnership.

8. Designation of Easement 161 over and across Lots 834 and 839, as shown on Map 179, as set forth by Land Court Order No. 56509, filed May 2, 1980.

PURCHASE MONEY HANDLING: An Escrow Agreement dated June 13, 1980, has been executed and a copy of same has been filed with the Commission. The Escrow Agent is Security Title Corporation, a Hawaii corporation. Upon examination the Specimen Sales Contract and the executed Escrow Agreement are found to be in consonance with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39 and 514A-63 through 514A-66.

The specimen Sales Contract provides in part: The Apartment is being sold without any warranties from Seller.

It is incumbent upon the purchaser and prospective purchaser that he or she read with care the Sales Contract and the 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: Since the Project consists of only two units, no managing agent has been named although the Board may name one in the future. Barbara Lu Odor, whose address is 46-005 Kawa Street, #206, Kaneohe, Hawaii 96744, is designated as agent to receive service of process until such time as the Board is elected.

STATUS OF PROJECT: Construction of the two apartments has not yet commenced and as of the date of this Preliminary Public Report, the Construction Contract has yet to be executed.

SPECIAL NOTICE:

The Declaration provides that up to four additional units may be added to the Project for a total of 6 units. The Declaration further provides that portions of the property may be withdrawn from the Horizontal Property Regime. Attention is specifically called to Paragraphs 15 and 16 of the Declaration, which read as follows:

"15. Reservation of Rights to Add Apartments. Notwithstanding anything to the contrary contained in this Declaration, Declarant shall, from time to time and at any time up to but not later than January 1, 1990, have the right at its option to add to the Project one or more additional units, but not more than a total of four additional condominium apartments, (hereinafter called "additional apartment(s)") within the project site area, one in each of the approximate lot locations delineated as lots 3, 4, 5 and 6 on Sheet 1 of the Condominium Map, entitled "Site Plan" and in connection therewith, Declarant also shall have the right, without being required to obtain the consent or joinder of any person or group of persons, including any apartment owner or any lien holder or any other person who may have any interest in the Property or the Project (i) to amend this Declaration and the Condominium Map to describe and depict the additional apartment(s), to establish the apartment number for each additional apartment, to create additional common and limited common elements and easements as appurtenances to the additional apartment(s) and/or to the other apartments in the Project, to determine and describe the common interests and percentage of expenses appurtenant to the additional apartment(s), to reduce the common interests appurtenant to the other apartments in the Project, to file the "As Built" Certificate required by the Act upon completion of construction for the additional apartment(s), and to set forth such other matters necessary or desirable to effect any such alteration in the Project; (ii) to amend any prior instrument of conveyance of an apartment and undivided interest so as to conform the same to the Declaration, as so amended; and (iii) to go and to have its contractor or contractors go upon the Property and the Project as necessary for the construction of such additional apartment(s); provided that the Declarant and its contractor(s) shall use reasonable efforts, consistent with maintaining the progress of such construction, to avoid interference with the use and enjoyment of the Project by the other apartment owners.

To the extent that joinder of any apartment owner or lien holder or other person who may have any interest in the Property or the Project may be required in order to validate any amendment of this Declaration or the Condominium Map or any such instrument of conveyance for the limited purposes set forth in this paragraph 15, such joinder shall be accomplished by power-of-attorney from each of the owners, lien holders or such other parties, the acquiring or acceptance of ownership in an apartment or of a lien covering an apartment or of any other interest in the Project or Property subject to this Declaration being a grant of such power, and the grant being coupled with an interest, being irrevocable.

The rights reserved to the Declarant are subject to the following terms and conditions:

a. Construction shall be in accordance with the complete plans and specifications therefor prepared by a licensed architect;

b. No plans and specifications shall require the alteration or demolition of any existing apartments or any buildings constituting a part of the common elements or limited common elements, except that the Declarant shall have the right to utilize, relocate and realign existing, and/or to develop additional installations for services to the additional apartment(s) for electricity, hot and cold water and other utilities and services and when applicable, to add, delete, relocate, realign, designate and grant easements and rights-of-way over, under and on the common elements as necessary or desirable in connection therewith; provided that the same shall not cause any interruption, other than a temporary interruption in the service of such utilities to any other part of the Project;

c. The common interest appurtenant to each existing apartment shall be decreased so that the percentage of undivided interest upon the development of additional apartments shall be as follows:

<u>APARTMENTS</u>	<u>% of Undivided Interest in Common Elements</u>			
	<u>1 Additional Apartment</u>	<u>2 Additional Apartments</u>	<u>3 Additional Apartments</u>	<u>4 Additional Apartments</u>
Apartment A	34%	25%	20%	17%
Apartment B	34%	25%	20%	17%
1st additional apartment	32%	25%	20%	17%
2nd additional apartment		25%	20%	17%
3rd additional apartment			20%	17%
4th additional apartment				15%

d. Construction of each additional apartment shall be completed within one (1) year of commencement thereof, subject to delays beyond the control of Declarant;

e. During the entire course of such construction, Declarant will cause to be maintained builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association shall be named as an additional insured and evidence of such insurance shall be deposited with the Association;

f. Prior to commencement of such construction, and as a condition thereto, Declarant shall deposit with the Association satisfactory evidence of a Payment and Performance Bond, or an irrevocable letter of credit issued by a bank authorized to do business in the State of Hawaii, naming the Association and all mortgagees as a co-obligee, in an amount not less than one hundred percent (100%) of the cost of construction as estimated by Declarant;

g. The offering and sale of any such additional apartment(s) shall be in compliance with applicable provisions of the Act; and,

h. Declarant shall not in any way encumber the Project or the Property in connection with the financing of such construction, provided that he may assign, by way of security, his interest in said additional apartment(s).

Owners of any such additional apartment(s), including Declarant to the extent that any such additional apartment is then unsold, shall possess all the incidents of apartment ownership, and shall be liable for common expenses as of the date of the issuance by the appropriate governmental authority of an occupancy permit for such apartment.

The foregoing reservation of rights may be exercised at one or more time or times and at any time up to midnight, January 1, 1990. Declarant shall give notice to the Association of any intent to exercise said reserve rights, at least sixty (60) days before the commencement of the construction to effect such alteration of the Project.

This paragraph 15 may not be amended without the consent of the Declarant.

By accepting or acquiring any right, title or interest in the Project or the Property subject to this Declaration, each apartment owner, lien holder or other person having any interest in the Project or Property agrees that he shall, if required by law or by the Declarant, join in, consent to, or execute all instruments or documents necessary or desirable to effect the addition of additional apartments to the Project as provided for in this paragraph 15.

16. Reservation of Rights to Withdraw Property. Notwithstanding anything to the contrary contained in this Declaration, Declarant reserves the right at its option at any time up to but not later than January 1, 1990, to withdraw from the Horizontal Property Regime created by this Declaration, either or both of Lots 839 and 876B, as described in Exhibit "A" attached hereto and outlined in red (Lot 839) and green (Lot 876B) on the Site Plan. The rights reserved to the Declarant under this paragraph 16 are subject to the following terms and conditions:

a. Declarant shall file an amendment to the Declaration and Condominium Map describing and depicting the property being withdrawn from the Horizontal Property Regime and the property remaining subject thereto;

b. Prior to withdrawal of Lot 839, Declarant shall have either obtained the written consent of the owner and mortgagee of Apartment B to a redefinition of the limited common elements appurtenant to that apartment; or the owner of Apartment B shall be granted an easement to use that portion of Lot 839 presently depicted on the Condominium Map as limited common element appurtenant to Apartment B."

This Public Report covers only two Apartments. The right to amend the Declaration to add Apartments or withdraw property is a Reservation subject to a time limit as specified in the Declaration. Prior to the creation of additional Apartments or withdrawal of property, a Supplementary Public Report will be required.

PURCHASERS AND PROSPECTIVE PURCHASERS ARE CAUTIONED TO READ WITH CARE THE HEREINABOVE PARAGRAPH RELATING TO THE DEVELOPERS OPTIONS OF EITHER ADDING ADDITIONAL UNITS OR WITHDRAWING FROM THE PROJECT THE AREAS DESIGNATED IN THE CONDOMINIUM PLOT PLAN.

The Purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted August 29, 1980, and information subsequently filed as of September 23, 1980.

This PRELIMINARY HORIZONTAL PROEPRTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1346, filed with the Commission on August 29, 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.



G. A. "RED" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

REGISTRATION NO. 1346

October 8, 1980.

Apartments A and B are located respectively on Lots 1 and 2, as shown on said Condominium Map.

Apartment A is two stories and is built according to a floor plan consisting of eight (8) rooms, including two (2) bedrooms, one bathroom and two (2) balconies located on the first floor and a living/dining room, a kitchen, a bathroom, a 1/2 bath, a bedroom, two (2) balconies and a two-car garage located on the second floor. This apartment contains a total floor area of approximately 2,808 square feet including the two-car garage of approximately 460 square feet and balconies of approximately 410 square feet.

Apartment B is three stories and is built according to a floor plan consisting of thirteen (13) rooms including a laundry room, three (3) bedrooms, a bathroom and three (3) balconies located on the first floor; a living room, dining room, family room/kitchen, pantry, 1/2 bath, two (2) balconies and two-car garage located on the second floor; and a den, a bedroom, a bathroom and balcony located on the third floor. This apartment contains a total floor area of approximately 3,430 square feet including the two-car garage of approximately 420 square feet and balconies of approximately 585 square feet.

The undivided percentage interest of the common elements appurtenant to each of the foregoing apartments is 50%.

EXHIBIT "A"