

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
PUNAHOU PALMS
1808 Punahou Street
Honolulu, Hawaii

REGISTRATION NO. 1350

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 7, 1980

Expires: November 7, 1981

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED September 4, 1980, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF September 26, 1980. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. PUNAHOU PALMS is a proposed fee simple condominium project consisting of eighteen (18) residential apartment units in an eleven (11) story tower building with basement. There will be a total of thirty-eight (38) assigned spaces (2 compact), thirty-six (36) of which will be assigned to specific apartments, and two (2) of which will be used for guest parking. Each apartment will have appurtenant to it one or more parking spaces.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have not yet been filed in the Bureau of Conveyances of the State of Hawaii.

4. No advertising and promotional matter, other than the Condominium Pre-Sale Offering to Owner-Occupants required under Act 189, Session Laws of 1980, has been filed 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 the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regime.

6. This preliminary Public Report automatically expires thirteen (13) months after the date of issuance, October 7, 1980, unless a Final or Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

7. This Preliminary Public Report is made a part of the registration of the PUNAHOU PALMS project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) together with a Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the Receipt for same from each such person.

NAME OF PROJECT: PUNAHOU PALMS

LOCATION: The approximately 18, 717 square feet of land to be committed to the Horizontal Property Regime is situated at the north corner of Dominis and Punahou Streets, Honolulu, Oahu, State of Hawaii.

Note: The proposed Condominium Map for the project reflects a ten-foot street setback bordering Punahou Street which may be required to be dedicated to the City and County of Honolulu.

TAX MAP KEY: FIRST DIVISION: 2-4-23-4

ZONING: A-4 and R-6 (Apartment-High Density & Residential)

DEVELOPER: PUNAHOU VENTURE, a registered Hawaii limited partnership, 1150 South King Street, Suite 1201, Honolulu, Hawaii 96814, Phone: 536-2744, whose general partners are CEMS, INC., a Hawaii corporation, and PACIFIC HOLIDAY, INC., a Hawaii corporation.

ATTORNEY REPRESENTING DEVELOPER: Clifford I. Arinaga, Suite 1008, 1150 South King Street, Honolulu, Hawaii 96814, Phone: 536-8865.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple condominium project consisting of eighteen (18) apartments contained in a single tower of reinforced concrete. The parking stalls are on two levels, one on ground level and the other at basement level.

The location and description of the various apartments of the project are as set forth in Exhibit "A" attached to this Preliminary Report and as shown on the proposed Condominium Map.

All apartments have access to the grounds of the project by means of an elevator and stairways which lead to the grounds of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each 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, the same being deemed common elements as provided in said Declaration. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing and which are within its perimeter or party walls, doors and door frames, windows and window frames, the lanai air space (if any), the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein as shown on the proposed Condominium Map.

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

- (a) Said land in fee simple.
- (b) All foundations, columns, girders, beams, supports, floor slabs, unfinished perimeter and load-bearing walls, roofs (including roofs serving as floors of roof deck lanais, exclusive, however, of the finished surfaces thereof and the air

space above such finished surfaces to a height of eight feet), stairways, walkways, fire escapes, entrances and exits of said building.

- (c) All yards, grounds, landscaping, mailboxes, and refuse facilities.
- (d) All driveways, parking spaces (subject to assignment of parking spaces as herein after provided), gardens, and recreational facilities, including the landscaped and recreational facilities described in Declaration of Restrictive Covenants (Private Park) dated July 3, 1980, recorded in Liber 14907 at Page 734 of the Bureau of Conveyances of the State of Hawaii.
- (e) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities and installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone, radio and television signal distribution.
- (f) All tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use.
- (g) Two guest parking spaces and loading zones.
- (h) Any and all other apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance or safety, and normally in common use.

LIMITED COMMON ELEMENTS: The proposed Declaration provides that portions of the common elements are set aside and designated as limited common elements for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements. The limited common elements are:

1. Two parking spaces have been assigned to each apartment as shown in attached Exhibit "B". The proposed Condominium Map provides the location of each parking space within the building. Such parking spaces shall be appurtenant to and for the exclusive use of each apartment. Parking spaces 4 and 33 are for compact cars.

2. All other common elements of the project which are rationally related to less than all of the apartments in the project shall be limited to the use of such apartments to which they are rationally related.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage

interest in all common elements of the project (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting, as set forth in Exhibit "A" attached hereto.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration provides that the apartments are intended and restricted to residential use, provided that the apartments may be rented or leased out for profit so long as the ultimate tenant thereof uses the apartment as a place in which to reside, but not for hotel purposes and provided further that no timesharing in any form shall be allowed of the apartments and provided further that the permitted renting or leasing of apartments shall be subject to all the provisions of the Declaration of Horizontal Property Regime.

The private park, as shown on the proposed Condominium Map, is to be used as a private park and playground by apartment owners in the manner intended by Ordinance Number 4621 of the City and County of Honolulu.

The By-Laws of the Association of Apartment Owners states, in part, that no livestock, poultry, rabbits, dogs, cats, other household pets or other animals whatsoever shall be kept in any part of the project.

OWNERSHIP OF TITLE: A Preliminary Title Report by Title Guaranty of Hawaii, Inc., dated August 8, 1980, indicate that the ownership of the fee title is vested in the developer, Punahou Venture, a Hawaii limited partnership.

ENCUMBERANCES AGAINST TITLE: Said Preliminary Title Report dated August 8, 1980, indicates that the following are encumbrances against title to the property:

1. For any real property taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor of the First Taxation Division, City and County of Honolulu, State of Hawaii.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Declaration of Restrictive Covenants (Private Park) dated July 3, 1980, recorded in Liber 14907 at Page 734 of the Bureau of Conveyances of the State of Hawaii.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement duly executed and dated September 3, 1980, between Punahou Venture, as Developer, and Title Guaranty and Escrow Services, Inc., as Escrow, has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

Among other provisions, the Escrow Agreement states that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest and less Escrow's cancellation fee, if purchaser, shall in writing request refund of his funds and any one of the following shall have occurred:

- (a) Escrow receives a written request from seller to return to purchaser the funds of such purchaser then held by Escrow;
- (b) Seller shall have notified Escrow of Seller's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Seller;
- (c) if Purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of the county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change;
- (d) if the purchaser's funds were obtained prior to the issuance of a Final Public Report and 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; or
- (e) if the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report and the purchaser has not waived or has not been deemed to have waived his right to a refund.

The Escrow Agreement also provides that all payments of monies under the Sales Contract shall be paid to Escrow and that Escrow shall not disburse any funds held under said Sales Contract unless and until:

- (a) the Real Estate Commission has issued a Final Public Report;
- (b) the purchaser has been given a copy of said Final Report, has acknowledged receipt of same, or shall have been deemed to have acknowledged receipt of same and purchaser's Sales Contract has become effective; and
- (c) the Developer has complied with all other requirements of Chapter 514A, Hawaii Revised Statutes; and
- (d) the Developer has given Escrow a written waiver of any option reserved in any sales contract to cancel such Sales Contract.

The specimen Sales Contract filed with the Commission contains, among others, the following provisions:

1. Buyer acknowledges that neither Seller nor any of its representatives has made any representation or reference as to rental of the apartment, income from the apartment or any other economic benefit to be derived from the rental of the apartment, including, but not limited to, any reference or representation to the effect that Seller or the managing agent or the project will provide, directly or indirectly, any services relating to the rental or other disposition of the apartments and the providing of management services for the apartment is the responsibility of the Buyer.
2. Seller shall have the right and option to cancel the Sales Contract by written notice to the Buyer if:
 - (a) less than nine (9) apartment units are sold prior to December 31, 1980; or if
 - (b) such notice of cancellation is given to Buyer prior to the issuance of a Final Public Report.
3. Buyer will not enter into any "rental pool" or similar agreement with any purchaser, lessee or owner of another apartment in the condominium project and/or any third party under which Buyer agrees to share expenses and/or rentals of apartments in the condominium project. The agreement of Buyer shall survive the issuance to Buyer of the Apartment Deed and shall bind Buyer's heirs, executors, administrators, successors and assigns during the term of said Apartment Deed. In the event of Buyer's breach of this provision, the Seller and Buyer understand and agree that the injury to the Seller will be uncertain as to nature and amount and difficult and expensive to ascertain. Therefore, in the event of a breach of this provision by Buyer, the Seller and Buyer agree that Seller may obtain an injunction from any court of competent jurisdiction enjoining Buyer from breaching said provision. Seller may, in addition to injunctive relief, pursue any other remedy, including seeking damages caused by such breach, as are permitted in law or equity. All costs and expenses, including reasonable attorney's fees, incurred by Seller in connection with a breach of said agreement by the Buyer, shall be borne by the Buyer.

NOTE: PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THE DEVELOPER'S MORTGAGE LOAN FOR THE CONSTRUCTION OF THE PROJECT IMPROVEMENTS, ANY RENEWALS AND EXTENSIONS THEREOF, SHALL BE AND REMAINS AT ALL TIMES A SUPERIOR LIEN ON THE PROJECT, AND PURCHASERS INTENTIONALLY WAIVE

AND SUBORDINATE THE PRIORITY OF LIEN UNDER
THE SALES CONTRACT IN FAVOR OF THE MORTGAGE
LOAN.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of apartments are placed in trust as well as the retention and disbursement of said trust funds. The Sales Contract specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide 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 is Cen Pac Properties, Inc., 1150 South King Street, Suite 1101, Honolulu, Hawaii 96814.

FINANCING OF THE PROJECT: Developer advises that financing of the project has been completed. The financing of the project is evidenced by:

- (a) an interim or construction loan commitment from Central Pacific Bank of Honolulu, Hawaii, dated August 7, 1980,
- (b) a permanent take-out commitment for eighteen (18) fee simple apartments from Central Pacific Bank of Honolulu, Hawaii, dated August 7, 1980, and
- (c) both the construction and permanent take-out commitments were amended by letters dated August 18, 1980 and August 20, 1980.

STATUS OF PROJECT: Construction is expected to start on or before the month of October, 1980, and completion of the project is estimated to be on or about December 31, 1981.

The Developer advises the Commission that building permits were obtained, construction contracts signed and a performance bond covering one hundred per cent (100%) of the construction contract obtained. All of the above-- building permits, fully executed construction contract, and a fully executed performance bond were filed with the Real Estate Commission, and the purchaser or prospective purchaser is advised to examine same at the Commission's office or at the Developer's office.

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The purchaser or prospective purchaser should be cognizant of the

EXHIBIT A

TO

PRELIMINARY

HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)

PUBLIC REPORT ON PUNAHOU PALMS

EACH APARTMENT IN THIS PROJECT, EXCEPT FOR THE TWO PENTHOUSE APARTMENTS, HAS TWO BEDROOMS, TWO BATHROOMS, A LIVING ROOM, A DINING ROOM, A KITCHEN AND A LANAI. EACH OF THE TWO PENTHOUSE APARTMENTS HAS THREE BEDROOMS, TWO AND ONE-HALF BATHROOMS, A LIVING ROOM, A DINING ROOM, A KITCHEN, AND TWO LANAIS; SAID PENTHOUSE APARTMENTS ARE ON TWO FLOORS CONNECTED BY AN INSIDE STAIRWAY. THE LOCATION OF APARTMENTS BY FLOOR LEVELS AND THE AREAS OF THE DIFFERENT APARTMENTS, USING CUSTOMARY PRACTICE OF MEASURING FROM THE CENTER OF PARTY WALLS TO EXTERIOR PERIMETER WALLS, FOLLOW:

<u>Apartment Number</u>	<u>Floor</u>	<u>Number of Units</u>	<u>Living Area Sq Ft</u>	<u>Lanai Area Sq Ft</u>	<u>Total Area Sq Ft</u>
201	2nd	1	1,257	73	1,330
202	2nd	1	1,257	73	1,330
301	3rd	1	1,257	73	1,330
302	3rd	1	1,257	73	1,330
401	4th	1	1,257	73	1,330
402	4th	1	1,257	73	1,330
501	5th	1	1,257	73	1,330
502	5th	1	1,257	73	1,330
601	6th	1	1,257	73	1,330
602	6th	1	1,257	73	1,330
701	7th	1	1,257	73	1,330
702	7th	1	1,257	73	1,330
801	8th	1	1,257	73	1,330
802	8th	1	1,257	73	1,330
901	9th	1	1,257	73	1,330
902	9th	1	1,257	73	1,330
1001	10th	1	(lower level) 1,257	73	
	11th		(upper level) 790	438	2,558
1002	10th	1	(lower level) 1,257	73	
	11th		(upper level) 790	438	<u>2,558</u>
				T O T A L	<u>26,396</u>

NUMBERING AND FLOOR DESIGNATION OF APARTMENTS

There is one building in this project. The parking stalls are in the basement and the first floor. The lobby area is on the first floor. There are two apartments on each floor, starting from the second floor, with the apartments on the second floor numbered in the 200's, the apartments on the third floor numbered in the 300's, up to the tenth floor where the apartments are numbered in the 1000's. NOTE: There are no apartments on the first floor and thus no apartments numbered in the 100's. All of the odd numbered apartments are on the ocean (makai) side of the building and the even numbered apartments are on the mountain (mauka) side of the building.

<u>Floor</u>	<u>Unit No.</u>	<u>Each Apt. Unit Percentage of Interest in the Common Elements</u>	<u>No. of Units Per Floor</u>	<u>Total Per Floor</u>
2nd	201	5.038642	2	10.077284
	202	5.038642		
3rd	301	5.038642	2	10.077284
	302	5.038642		
4th	401	5.038642	2	10.077284
	402	5.038642		
5th	501	5.038642	2	10.077284
	502	5.038642		
6th	601	5.038642	2	10.077284
	602	5.038642		
7th	701	5.038642	2	10.077284
	702	5.038642		
8th	801	5.038642	2	10.077284
	802	5.038642		
9th	901	5.038642	2	10.077284
	902	5.038642		
10th/11th	1001	9.690864	2	<u>19.381728</u>
	1002	9.690864		
T O T A L				<u>100.000000</u>

The common interest, the proportionate share in the profits and common expenses of the project and for all other purposes, including the proportionate representation for voting in the Association of Apartment Owners, for each apartment unit, shall be governed by the above percentages.

END OF EXHIBIT "A"

fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted on September 4, 1980, and additional information subsequently filed as of September 26, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1350, filed with the Commission on September 4, 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 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. 1350

October 7, 1980

EXHIBIT B
TO
PRELIMINARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT
ON
PUNAHOU PALMS

PARKING SPACE ASSIGNMENT

<u>Apartment No.</u>	<u>Stall No.</u>
201	13* and 16*
202	14* and 15*
301	11* and 18*
302	12* and 17*
401	27* and 31*
402	28* and 32*
501	25* and 29*
502	26* and 30*
601	35 and 36
602	37 and 38
701	21 and 22
702	33** and 34
801	19 and 20
802	23 and 24
901	5 and 6
902	3 and 4**
1001	7 and 8
1002	9 and 10
Assigned to all units as a common element (for visitor parking)	1 and 2

*Indicates that these parking stalls are in tandem.

**Compact car parking.

END OF EXHIBIT "B"