

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

MAKIKI EAST
Davenport Street, Honolulu, Hawaii

REGISTRATION NO. 1354

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 9, 1980
Expires: November 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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED September 24, 1980, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF October 3, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES.

1. MAKIKI EAST is a proposed leasehold condominium project consisting of an existing 4 story building containing 19 apartments (6-1 bedroom apartments; 13-2 bedroom apartments), together with 19 parking stalls, regular size, assigned to specific apartments as a limited common element.

2. 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 office of the recording officer.

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

4. Advertising and promotional matter has not as yet 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 MAKIKI EAST condominium project. The Developer is responsible for placing this Preliminary Public Report (yellow paper stock) together with Disclosure Abstract in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt therefor from each purchaser and prospective purchaser.

7. This Preliminary Public Report automatically expires thirteen months after date of issuance, October 9, 1980, unless a Final or Supplementary Public Report is issued or the Commission upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: MAKIKI EAST

LOCATION: The project is located at 1127 Davenport Street, Honolulu, Hawaii, and consists of 7,800 square feet of land.

TAX MAP KEY: 2-4-19-29

ZONING: Apartment A-1

DEVELOPER: JYC AND ASSOCIATES, a Hawaii limited partnership, having its principal place of business at 225 Queen Street, Suite 301, Honolulu, Hawaii. Telephone: 531-6166. The general partner lists Jerrold Y. Chun as the principal.

ATTORNEY REPRESENTING DEVELOPER: Kinji Kanazawa, 301 Town Tower at Harbor Square, 225 Queen Street, Honolulu, Hawaii. Phone: 524-7180.

DESCRIPTION:

(a) The Project consists of an existing four story building containing 19 apartments, together with 19 parking stalls. Said structure is constructed principally of reinforced concrete floor slabs, shear walls and roof, with non-load-bearing partition walls of steel stud and gypsum board and aluminum frame glass windows (jalousies).

(b) The types of apartment units, the description, layout, number of rooms of said types of apartment units together with parking assignments are more fully described as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

(c) The apartments are numbered and located in the manner as shown on Condominium Plan of Makiki East and as outlined also in Exhibit "A" attached hereto.

(d) The apartments have immediate access to an open balcony to two stairways at each end of the apartment building, all such being common elements, on each floor of the apartment building leading to the grounds of the Project.

(e) 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 ceiling 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. Each apartment shall be deemed to include all the walls and partitions which are not load bearing 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.

(f) All units will be furnished with wall to wall carpeting in the living room, hallway and bedroom. The appliances included with each apartment are a range and oven, refrigerator, and garbage disposal. Excepting, however, that the two bedroom unit (Apartment 206), located on the second floor, is subject to an option in favor of Tadashi Horikawa and Matsue Horikawa, husband and wife, the Fee Owner and Lessor of the Makiki East project, granting unto them the first right of refusal to purchase the unit at a consideration agreed upon between Developer and Lessors.

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 specifically, but not limited to:

(a) Said land in fee simple.

(b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter and load-bearing walls, roofs and water heater enclosures.

(c) All yards, grounds, landscaping, planters, planting areas, fences, and all nature of utility panels, laundry area, central heater system enclosure, storage areas and like facilities.

(d) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one apartment for services such as power, light, water, gas, refuse, and telephone signal distribution. There will be individual electric meters installed for each unit.

(e) Two stairways and single loaded open balcony on each floor for common use.

(f) The driveway serving the parking stalls.

(g) 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: Certain parts of the common elements, herein called and designated "limited common elements", are hereby 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 limited common elements so set aside and reserved are as follows:

(a) One automobile parking space shall be assigned to each apartment upon the original conveyance thereof and shall be appurtenant to and for the exclusive use of such apartment. The initial parking space assignment for each apartment is shown on Exhibit "A", attached hereto and by reference incorporated herein. Each apartment shall always have at least one parking space appurtenant to it but otherwise any automobile parking space easement may be transferred from apartment to apartment in the project by amendment of Exhibit "A" of this Report and such transfer of parking spaces between apartments shall be effective only upon recording of the same of record, setting forth such transfer and executed by the apartment owners affected, Lessor, Tenants and Mortgagee, if any. The parking space numbers for the parking spaces appurtenant to each apartment is as set forth in said Exhibit "A" and as shown on the Condominium Map.

(b) All other common elements of the project which are rationally related to less than all of said apartments shall be limited to the use of such apartments.

COMMON INTEREST: Each apartment shall have appurtenant thereto an undivided 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, according to the plan of such apartment are more particularly set forth in Exhibit "A" aforesaid.

PURPOSE OF BUILDING AND RESTRICTION AS TO USE: The apartment shall be occupied and used only for purposes permitted from time to time by applicable zoning ordinances, rules and regulations, 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 the Declaration of Horizontal Property Regime and the By-Laws of the MAKIKI EAST.

NOTE: The House Rules provide that occupancy is limited to two persons per bedroom, except that members of immediate families of owners, renters or Lessees may exceed such limits.

OWNERSHIP: According to a Preliminary Title Report issued by Pacific Guaranty Title Corporation, dated August 26, 1980, the Lessors of the fee simple title are Tadashi Horikawa and Matsue Horikawa, husband and wife, under a lease dated April 14, 1969, recorded in the Bureau of Conveyances of the State of Hawaii in Book 6482 at Page 227, which said lease by mesne assignment will be assigned to JYC AND ASSOCIATES, a Hawaii limited partnership, by Assignment upon the simultaneous closing of all units.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report shows the premises are subject to the following encumbrances:

1. Title to all minerals and metallic mines reserved to the State of Hawaii.
2. Terms, provisions and conditions of that certain Lease dated April 14, 1969 and Assignment of Lease herein referred to.

3. The provisions of Agreement of Sale dated January 24, 1978, recorded in the Bureau of Conveyances of the State of Hawaii in Book 12694, Page 286. Said Agreement of Sale was subordinated to the Mortgage shown as Item 4 by an instrument dated March 20, 1978, recorded in said Bureau in Book 12789, Page 37.

4. That certain Mortgage in favor of City Bank, a Hawaii corporation, dated March 1, 1978, filed in said Bureau, in Book 12758, Page 263.

5. A Financing Statement covering certain personal property and fixtures as therein described, recorded in the said Bureau in Book 12686, Page 572.

EASEMENTS: In addition to the above, the apartments and common elements shall also have and be subject to the following easements:

1. Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, utility services for and support of such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments of the building for support.

2. If any part of the common elements now or hereafter encroaches upon any apartment or limited common element, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event the building shall be partially or totally destroyed and then rebuilt, minor encroachments of any part of the common elements due to construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist.

3. The Association of Apartment Owners of the Project shall have the right, to be exercised by its Board of Directors or Managing Agent, to enter any apartments and limited common elements, if any, from time to time during reasonable hours as may be necessary for the operation of the Project or at any time to undertake emergency repairs therein required to prevent damage to any apartments or common elements or for the installation, repair or replacement of any common elements.

PURCHASE MONEY HANDLING: An Escrow Agreement dated June 18, 1980, has been executed and a copy of same has been filed with the Commission. The Escrow Agent is King Escrow Services Corporation, a Hawaii corporation. Upon examination, the specimen Sales Contract and the executed Escrow Agreement are found to be consonant with Chapter 514A, Hawaii Revised Statutes, and particularly Section 514A-39 and 514A-63 through 514A-66.

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

NOTE: The specimen Sales Contract contains among others the following provisions:

1. No Interest On Deposits. Any and all interest received by Seller and/or Escrow on Buyer's deposits shall become the sole property of the Seller, and Buyer and Seller hereby jointly so instruct Escrow pursuant to the provisions of Sections 402-8 and 449-16.5 of the Hawaii Revised Statutes.

2. That Buyer expressly acknowledges and agrees that the Project (Makiki East) consists of a fully constructed and existing building, converted into a horizontal property regime under the Hawaii Horizontal Property Act, Chapter 514A, Hawaii Revised Statutes, that the Buyer has been fully informed of the conversion and offered an adequate opportunity to examine the apartment unit selected and described and the phase of the project as finalized, and further that Seller has granted to Buyer the opportunity to review the Preliminary Horizontal Property Regime Public Report covering the project.

3. That a site inspection of the apartment building and the individual condominium apartments, made by LMLI Architects & Planners, Inc., Registered Professional Architects, has disclosed no signs of structural problems indicating significant evidence that may affect the structural integrity of the apartment building or the individual condominium apartments.

4. The physical facilities and installations for sewer, water and electrical services appeared after inspection to be in operating efficiency and adequate for the apartment building in its proposed multiple ownership residential condominium apartment use.

5. No warranty of continued use of the economic life of the physical facilities delivering such mechanical services is made for any specified period, except those warranties, if any, of the manufacturers or producers of such physical facilities.

Except for the agreement set forth above, it is expressly understood and agreed by and between Seller and Buyer that Buyer's Apartment will be conveyed (demised) to Buyer as is and that THERE ARE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE, involved in this sale.

6. Subordination. Buyer agrees that all of the rights of Buyer under this agreement are and shall be subject and subordinate to the lien of any mortgage securing the repayment of the interim loans made to finance the cost of construction and other costs during construction and to any and advances made thereon, and to any and all sums which may become a lien pursuant to the terms of such interim loans or any other agreement relating thereto. Buyer irrevocably appoints Seller, the Attorney-in-Fact of Buyer, to execute and deliver on behalf of Buyer any instrument of subordination which the interim lenders of their respective successor in interest may require.

MANAGEMENT AND OPERATIONS: The By-Laws of the Association of Owners vest the Board of Directors with the powers and duties necessary for the administration of the affairs of the project.

An executed Management Agreement indicates TOWN MANAGEMENT, a division of IRIS RIBER REALTY, 733 Bishop Street, Suite 2100, Honolulu, Hawaii, 96813, as the initial management agency.

STATUS OF PROJECT: The project has been inspected by the office of the Director and Building Superintendent, City and County of Honolulu, which has confirmed that the apartment building met all code requirements when constructed under Building Permit No. 68284. No variances or special permits were granted to allow deviations from any applicable codes. Presently, all renovations and refurbishment of each unit are substantially completed and will be ready for occupancy by October 15, 1980.

The purchaser or prospective purchaser should be cognizant of the fact that this Preliminary Public Report represents information disclosed by the Developer in the required Notice of Intention submitted September 24, 1980, and information subsequently filed on October 3, 1980.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1354 filed with the Commission on September 24, 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 DEPARTMENT, CITY
AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 1354

DATED: October 9, 1980

EXHIBIT "A"

DESCRIPTION OF APARTMENTS

<u>APARTMENT #</u>	<u>DESCRIPTION</u>	<u>*GROSS APARTMENT AREA</u>
106	2-bedroom end unit apartment at parking level consisting of a living and dining area, enclosed kitchen, two bedrooms and a bathroom.	727.05 s.f.
201/301/401	1-bedroom end unit apartment consisting of a dining and living area, enclosed kitchen, one bedroom with closet, a bathroom and hallway with closet spaces.	612 s.f.
202/302/402	1-bedroom typical apartment consisting of a dining and living area, enclosed kitchen, one bedroom with closet, a bathroom and a hallway with closet space.	600.78 s.f.
203/303/403	2-bedroom apartment adjacent to 02 units consisting of a living and dining area, enclosed kitchen, two bedrooms with closets, a bathroom and a hallway.	742.32 s.f.
204/304/404 205/305/405	2-bedroom typical apartment consisting of a living and dining area, enclosed kitchen, two bedrooms with closets, a bathroom and a hallway.	741 s.f.
206	2-bedroom end unit apartment consisting of a living room, enclosed kitchen, two bedrooms, a bathroom and a lanai.	727.05 s.f. 120 s.f.
306	2-bedroom end unit apartment consisting of a living room, enclosed kitchen, two bedrooms and a bathroom.	727.05 s.f.
406	2-bedroom end unit apartment consisting of a living room, enclosed kitchen, two bedrooms, a bathroom and a lanai.	727.05 s.f. 82.68 s.f.

*Gross apartment areas calculated from outside face of all exterior walls and from centerline of all common walls. Balcony and stair walls considered exterior walls. Parking area wall considered as common with Apartment 106.

PARKING ASSIGNMENTS AND
PERCENTAGE INTEREST IN COMMON ELEMENTS

<u>APARTMENT TYPE</u>	<u>APARTMENT #</u>	<u>PARKING SPACE ASSIGNED</u>	<u>PERCENTAGE INTEREST</u>
2 bedroom	106	11	5.618
1 bedroom	201	1	4.494
1 bedroom	202	2	4.494
2 bedroom	203	3	5.618
2 bedroom	204	4	5.618
2 bedroom	205	5	5.618
2 bedroom	206	13	5.619
1 bedroom	301	7	4.494
1 bedroom	302	8	4.494
2 bedroom	303	9	5.618
2 bedroom	304	10	5.618
2 bedroom	305	12	5.618
2 bedroom	306	6	5.618
1 bedroom	401	14	4.494
1 bedroom	402	15	4.494
2 bedroom	403	16	5.618
2 bedroom	404	17	5.618
2 bedroom	405	18	5.618
2 bedroom	406	19	5.619
			100.00