

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
KANEDA COURTS
409 Iolani Avenue
Honolulu, Hawaii

Registration No. 1369 (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 4, 1981
Expires: April 4, 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 NOVEMBER 18, 1980, AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 26, 1981. DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. The KANEDA COURTS is a leasehold condominium project consisting of twelve (12) residential apartments located in a four-story building presently existing on the property. There are fifteen (15) regular-sized parking stalls to be designated limited common elements.

2. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of this condominium project and the issuance of this Final 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 been filed in the office of the recording officer.

The Declaration and By-Laws have been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 15309, Page 153, on January 28, 1981, as amended by instrument dated February 24, 1981, recorded in Liber 15367, Page 756.

The Bureau of Conveyances has assigned Condominium Map No. 784 to the project.

4. Advertising and promotional materials required to be filed pursuant to the Rules and Regulations promulgated by the Commission will be submitted prior to public dissemination.
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 Final Public Report automatically expires thirteen (13) months after date of issuance, March 4, 1981, unless a supplementary report issues or the Commission upon review of the registration issues an order extending the effective period of this report.
7. This Final Public Report is made a part of the registration of KANEDA COURTS. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) and Disclosure Statement in the hands of all purchasers and prospective purchasers and securing from each purchaser or prospective purchaser a signed receipt therefor.

NAME OF PROJECT: KANEDA COURTS.

LOCATION: The project is located at 409 Iolani Avenue, Honolulu, Hawaii, on a parcel of 10,135 square feet.

TAX MAP KEY: 2-1-21-59 (1st Division).

ZONING: The property is presently zoned A-2, apartment with 40' height limit.

DEVELOPER: The Developer is CRW ASSOCIATES, a registered Hawaii limited partnership, whose principal place of business and post office address is 515 Ward Avenue, Honolulu, Hawaii 96814, telephone: 538-1305.

The general partners are:

Chosaku Kaneda 1060 C Kinau Street, Honolulu, Hawaii
Richard Keisaku Kaneda 3803 Diamond Head Road, Honolulu, Hawaii
William Takayuki Kaneda 1060 B Kinau Street, Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Tamotsu Tanaka, Attorney at Law,
A Law Corporation, 333 Queen Street, Suite 600, Honolulu, Hawaii
96813, telephone: 523-7581.

DESCRIPTION OF PROJECT: There is one existing building, fronting on the Westerly side of Iolani Avenue, which is constructed primarily of reinforced concrete and hollow tile. There are 15 parking stalls on the ground floor, and a laundry area.

Division of the Project: The project is hereby divided into separate freehold estates, or "apartments", which may be separately sold, leased, transferred, encumbered or otherwise disposed of.

There will be twelve (12) separately designed and ascribed freehold estates consisting of the spaces within the perimeter walls of each of the twelve apartments in one four-story building without a basement, which spaces, defined and referred to herein as "apartments" are designated on said plans and described as follows:

Apartments 201 through 204, inclusive, are located on the second floor, apartments 301 through 304, inclusive, are located on the third floor, apartments 401 through 404, inclusive, are located on the fourth floor.

The apartments are constructed according to two different floor plans.

Each of the six apartments ending in "01" and "04" are type A apartments, each consisting of a living room, kitchenette, two bedrooms, and two baths, each containing a total area of approximately 710 square feet.

Each of the six apartments ending in "02" and "03" are type B apartments, each consisting of a living room, kitchenette, two bedrooms, and one bath, and each containing a total area of approximately 644 square feet.

Number and Location of Units: The apartments are numbered and located in the manner shown on Condominium Map No. 784, previously recorded in said Bureau.

Each of the apartments have access to a walkway and two stairways leading to the upper and lower floors of the building.

Limits of Apartments: The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, floors and ceilings surrounding each apartment or any pipes, wires, conduits, or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which

are not load-bearing within its perimeter walls, windows and window frames, door and door frames, floor and ceilings, and the built-in fixtures within the apartment.

COMMON ELEMENTS: One freehold estate consisting of all remaining portions of the project, being described and referred to herein as "common elements", which definition includes the building, the land on which it is located, and all elements mentioned in the Horizontal Property Act which are actually constructed in the project, and specifically includes, but is not limited to:

- (a) Said land in fee simple;
- (b) All foundations, columns, beams, supports, load-bearing walls, roofs, chases, corridors, entry halls, walkways, stairs, stairways, drive-ways, entrances and exits of said building;
- (c) All yards, grounds, landscaping, refuse areas, planter boxes, mailboxes;
- (d) 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 unit for services such as power, light, gas, water, sewer, telephone, and television signal distribution, if any;
- (e) Laundry area;
- (f) 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 designated as "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements; namely each apartment will have at least one (1) parking space appurtenant thereto and for the exclusive use thereof, as follows:

<u>Apartment No.</u>	<u>Appurtenant Parking Space</u>
201	14
202	13
203	12
204	11, 5, 10 and 15
301	9
302	8
303	7
304	6

401	4
402	3
403	2
404	1

Notwithstanding the foregoing assignment of parking spaces, the owners of the respective apartments have the right to change their designation of parking spaces which are appurtenant to their respective apartments by amending the Declaration, which amendment shall be executed solely by the respective owners of such apartments.

COMMON INTEREST: Each apartment shall have appurtenant thereto an undivided percentage interest in the common elements of the project as follows:

<u>Apartments</u>	<u>Percentage (each apartment)</u>	<u>Totals</u>
201, 204 301, 304 401, 404	8.739%	52.434%
202, 203 302, 303	7.927%	31.708%
402, 403	7.929%	<u>15.858%</u>
		100.000%

Such interest is hereby defined and referred to herein as the "common interest". The proportionate shares of the profits and common expenses of the project and the proportionate representations for voting purposes in the Association of Apartment Owners of the project, shall be in said percentage for each apartment. The aggregate common interest in the common elements of the apartments is allocated between them on the basis of their interior floor area. The undivided interest in the common areas and facilities of the project and the title to the respective apartments to be conveyed shall not be separated nor separately conveyed and each said undivided interest shall be deemed to be conveyed or encumbered with its respective apartment even though the description in the instrument of conveyance may refer only to one or the other of the interests.

EASEMENTS: In addition to any easements herein designated in the limited common elements, the apartments and common elements shall have and be subject to the following easements:

(a) 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; and in all other apartments of the building for support.

(b) If any part of the common elements encroaches upon any apartment, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall and does exist. In the

event the building of the project shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements due to such construction shall be permitted and valid easements for such encroachments and the maintenance thereof shall exist.

ALTERATION AND TRANSFER OF INTEREST: Except as otherwise provided for herein, 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 the 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. 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.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE:

(a) The apartments shall be occupied and used as private dwellings by the respective owners thereof, their tenants, families, domestic servants and personal guests, and for no other purposes.

(b) The owner of an apartment shall not use or permit to be used the same for any purpose which will injure the reputation of the project. Such owner shall not suffer anything to be done or kept in said apartment or elsewhere which will jeopardize the soundness of the buildings, or which will interfere with or unreasonably disturb the rights of other owners, or which will obstruct the exterior stairways or entranceways, or which will increase the rate of fire insurance on the buildings, or the contents thereof, or which will reduce the value of the buildings. No apartment owner, tenant, or lessee shall permit an apartment to be included in any time-sharing program.

(c) The owner of an apartment shall not without the prior written consent of the Board of Directors of the Association of Apartment Owners (herein called the "Board"), make any structural alterations in or additions to the apartment, or make any alterations in or additions to the exterior of the apartment (including awnings, jalousies or screens) or to any other portion or portions of the common elements unless otherwise provided in the By-Laws.

The House Rules (1) limits the number of occupants to four (4) persons per apartment except that the Association can change the limits by majority vote; (2) prohibits livestock, rabbits or other animals in any part of the project; and (3) prohibits waterbeds in the apartment.

OWNERSHIP OF TITLE: The Preliminary Report by Title Guaranty of Hawaii, Incorporated, dated November 17, 1980, reflects that the ownership of the property is vested in Chosaku Kaneda, husband of Haruyo Ohira Kaneda; Richard Keisaku Kaneda, also known as Keisaku Kaneda, husband of Amy Emiko Matsuda Kaneda; and William Takayuki Kaneda, husband of Dorothy Fumiko Kaneshiro Kaneda, as tenants in common. A Development Agreement dated January 2, 1981 has been entered into between Chosaku Kaneda, Richard Keisaku Kaneda and William Takayuki Kaneda doing business as Kaneda, Kaneda, Kaneda,

Et. Al, dba Iolani Apartments, a registered Hawaii general partnership, and CRW Associates, a Hawaii limited partnership, the developer.

ENCUMBRANCES: Said Preliminary Report dated November 17, 1980 by Title Guaranty of Hawaii, Incorporated also shows title to the property to be subject to the following encumbrances:

1. Grant in favor of the City and County of Honolulu dated May 3, 1968 and recorded in Liber 6095, Page 40.
2. Mortgage in favor of First Federal Savings and Loan Association of Hawaii, a federal corporation, dated August 27, 1970, recorded in Liber 7189, Page 107.
3. Additional Charge Mortgage to the above described Mortgage in favor of First Federal Savings and Loan Association, a federal corporation, dated February 22, 1972, recorded in Liber 8135, Page 158.
4. Second Mortgage in favor of Hawaii Thrift & Loan, Inc., a Hawaii corporation, dated September 25, 1972, recorded in Liber 8620, Page 50; which said Second Mortgage, by mesne assignments, was assigned to Hawaii Thrift & Loan Incorporated, a Hawaii corporation, by instrument dated July 2, 1975, recorded in Liber 10756, Page 466.

PURCHASE MONEY HANDLING: The executed escrow agreement dated November 24, 1980, identifies Title Guaranty Escrow Services, Inc. as the "Escrow" and provides that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such 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 and the purchaser shall have requested Escrow in writing 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 cancel or rescind the sales contract pursuant to any right of cancellation or rescission stated therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a change in the building plans, subsequent to the execution of purchaser's sales contract requiring approval of a county officer having jurisdiction over the issuance of building permits except such changes as are specifically authorized in the Declaration of Horizontal Property Regime or by the terms of the sales contract or to which said purchaser has otherwise consented in writing or ninety days have elapsed since the purchaser has accepted in writing the apartment or the purchaser has first occupied the apartment; or

(d) The Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change shall not have been obtained; or

(e) The Final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report and the

purchaser has not waived or has not been deemed to have waived his right to a refund.

Upon refund of said funds to purchaser as aforesaid, Escrow shall return to Seller such purchaser's sales contract and any Condominium Conveyance Document theretofore delivered to Escrow, and thereupon neither the purchaser nor Seller shall be deemed obligated thereunder.

The specimen Sales Contract provides, among other provisions, (1) Buyer agrees that all rights of Buyer are and shall be subject and subordinate to the lien of any mortgage made to finance the cost of the Project by Seller 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; and (2) Buyer is purchasing the apartment in an "as is" condition.

MANAGEMENT AND OPERATION: Article IV, Section 1, of the By-Laws states that the Board of Directors shall at all times employ a responsible managing agent to manage and control the property subject at all times to direction by the Board of Directors. The Developer entered into an initial property management contract with Nina Kamai Property Management, Inc. as its initial managing agent.

STATEMENT OF FINANCING: The Developer has informed the Commission that it intends to sell the apartments by way of agreement of sale for a five (5) year term, interest only payable monthly. Any purchaser can purchase an apartment for cash from his own funds or from his own lending source. Purchaser's funds shall be used to pay the costs of the project, including the cost of renovation. Upon full payment of the purchase price, all purchasers will receive an assignment of a condominium conveyance document, free and clear of any mortgage or other blanket lien.

STATUS OF PROJECT: The project was completed about July, 1971, as evidenced by the submission of a copy of the Notice of Completion to the Commission. A letter from the Building Department of the City and County of Honolulu confirms that the building met all code requirements at the time of construction and no variances or special permits were granted to allow deviations from any applicable codes.

The project is presently undergoing renovations. The Developer has advised the Commission that since the completion of the building, the units have been rented for residential purposes.

The estimated date of completion of improvements to all the apartments in the project is March 31, 1981.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted November 18, 1980, and information subsequently filed as of February 26, 1981.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1369 filed with the Commission on November 18, 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 white in color.



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

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REGISTRATION NO. 1369

Dated: March 4, 1981