

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
936 LEHUA
936 Lehua Avenue
Pearl City, Oahu, Hawaii
REGISTRATION NO. 1406 (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 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: July 14, 1981
Expires: August 14, 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 MARCH 31, 1981 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF JULY 8, 1981. THE DEVELOPER BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. 936 LEHUA is a proposed fee simple condominium project consisting of an existing four (4) story building containing a total of twenty-two (22) residential units, and twenty-eight (28) assigned parking stalls (including seven (7) stalls for compact cars), without cover, on the ground level.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report.
3. 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 recorded in the Bureau of Conveyances as of this date.
4. Advertising or promotional matter has been submitted pursuant to Chapter 514A, of the Hawaii Revised Statutes, as amended, and 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, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Act.
6. This Preliminary Public Report is made a part of the registration of 936 LEHUA condominium project. The Developer is responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt therefor from each such person is also the responsibility of the Developer.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, July 14, 1981, 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 Preliminary Public Report.

NAME OF PROJECT: 936 LEHUA

LOCATION: The approximate 16,598 square feet of real property to be committed to the regime, as a fee simple condominium project, is located on 936 Lehua Avenue, Pearl City, Hawaii.

TAX KEY: FIRST DIVISION 9-7-21:16

ZONING: A-3 (Medium Density Apartment)

DEVELOPER: BTT VENTURES I, a Hawaii registered limited partnership, whose place of business and mailing address is Suite 200, 1820 Algaroba Street, Honolulu, Hawaii 96826. Telephone No. 949-4111. The General Partner is: BTT Development Corp., a Hawaii corporation, of the same address.

ATTORNEY REPRESENTING DEVELOPER: VERNON T. TASHIMA, Suite 400, Amfac Building, 700 Bishop Street, Honolulu, Hawaii 96813. Telephone No. 521-2951.

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime reflects that the project is to consist of the fee simple land located at Pearl City, Hawaii, and an existing four-story building, without basement, containing a total of twenty-two (22) residential apartments, all of which are two-story, two-bedroom, one-bath units, and twenty-eight (28) parking stalls, all uncovered.

There is no elevator, but there are two (2) staircases at both ends of the building which provides access to all units from the ground floor of the building.

Each two-bedroom unit occupies two (2) floors of the building. That is, there will be eleven (11) units occupying the first and second floors and eleven (11) units occupying the third and fourth floors. The first floor of the building will contain the kitchens and living rooms of the lower eleven units, and the second floor of the building will contain two (2) bedrooms and a bath of each of the lower eleven units. The third floor of the building will contain the kitchens and living rooms of the upper eleven units and an exterior balcony, and the fourth floor of the building will contain two (2) bedrooms and a bath of each of the upper eleven units. In viewing the building from the mauka side, or from left to right from diamond head to ewa, the units on each residential floor will have numbers ending in 01, 02, 03, 04, 05, 06, 07, 08, 09, 10 and 11, preceded by a number corresponding with the floor on which the front entry is located. All front entries are located on the first and third floors only.

Units 101 through 111 comprise the first and second floors, and units 201 through 211 comprise the third and fourth floors. Each apartment will include two (2) bedrooms, a bathroom, a kitchen and a living room.

The approximate floor area of each typical apartment is as follows:

<u>Unit</u>	<u>Floor Area</u>
Units ending with 01	728 sq. ft.
Units ending with 02	650 sq. ft.
Units ending with 03, 04, 05, 06, 07 and 08	676 sq. ft.
Units ending with 10	719 sq. ft.
Unit No. 109	642 sq. ft.
Unit No. 209	646 sq. ft.
Unit No. 111	654 sq. ft.
Unit No. 211	730 sq. ft.

The bedrooms, living areas and stairs will be carpeted and the kitchen and bathroom will have floor cover. Each apartment will have a refrigerator, range-oven, range hood, disposal and a water heater. All appliances will be electric.

The common elements to which each unit will have immediate access are the balcony on the third floor and to the stairways at either end of the building.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits, ducts or other utility lines running through such apartment, the same being deemed common elements as hereinafter provided.

COMMON ELEMENTS: The proposed Declaration reflects that the common elements consist of:

- (a) The land described in fee simple.
- (b) All foundations, floor slabs, columns, girders, beams, supports, load-bearing walls, interior walls separating adjacent apartments, fences and building roofs.
- (c) All yards, recreation area, grounds, landscaping, refuse facilities and common laundry areas.
- (d) All building walkways, building sidewalks, stairways, pathways, parking areas and Parking Stall No. 12, driveways, corridors or common balcony on each floor.
- (e) All ducts, house meters, electrical equipment wiring and other central and appurtenant installations, including power, light, water, sewer, gas and telephone, machine, meter room and switch room, all pipes, wires, conduits, or other utility or services lines, including TV cables, if any, which run through an apartment, but which are utilized by or serve more than one apartment.

LIMITED COMMON ELEMENTS: The proposed Declaration provides that each unit will be assigned a minimum of one (1) parking stall. Parking stall locations and numbering scheme are shown on the proposed Condominium File Plan, and assigned in accordance with Exhibit "A" attached hereto. As reflected in attached Exhibit "A", units 101, 111, 201, 210 and 211 will be assigned two (2) parking stalls each.

INTEREST TO BE CONVEYED PURCHASER: The proposed Declaration states that the undivided interest in the common elements appertaining to each apartment are as follows:

<u>APARTMENT NO.</u>	<u>% COMMON INTEREST</u>
101	4.838%
102	4.333%
103	4.512%
104	4.512%
105	4.512%
106	4.512%
107	4.512%
108	4.512%
109	4.333%
110	4.838%
111	4.333%
201	4.838%
202	4.333%
203	4.512%
204	4.512%
205	4.512%
206	4.512%
207	4.512%
208	4.512%
209	4.333%
210	4.838%
211	4.839%

According to the proposed Declaration and By-Laws, each apartment's share of the common expense and voting rights shall be in proportion to its undivided interest in the common elements.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration states that each residential apartment shall be used primarily as a single-family residence dwelling by the respective owners, their tenants, families and domestic servants and for no other purpose. Each owner shall comply with the terms of the Declaration, By-Laws and House Rules of the Association of Apartment Owners.

The House Rules provide, in part: (1) Unless approved in writing by the Board of Directors of the Association, no more than six (6) persons shall be allowed to occupy any apartment in the project; (2) Unless approved by the Board in writing and subject to any conditions imposed thereon, no charcoal barbecuing shall be allowed except at the designated recreation area; and (3) No livestock, poultry, rabbits or other animals whatsoever, including dogs and cats, shall be allowed or kept on any part of the project except that apartment owners may keep fish or birds that are contained in a tank or cage, provided that the Board has given its written consent.

OWNERSHIP OF TITLE: A commitment for Title Insurance dated May 29, 1981, issued by Aloha Title Company as submitted to the Commission, indicates that the fee simple owners of the property to be committed to the regime is the Developer: BTI Ventures I, a Hawaii limited partnership.

ENCUMBRANCES AGAINST TITLE: Said commitment for Title Insurance dated May 29, 1981, issued by Aloha Title Company provides that the following are encumbrances against title to the property:

(a) For Taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of the Tax Assessor of the First Division, City and County of Honolulu, Hawaii.

(b) Grant dated May 7, 1964, recorded in the Bureau in Book 4757 at Page 156, in favor of the CITY AND COUNTY OF HONOLULU, granting forever an easement to construct, etc., underground sewer pipe line or pipe lines, etc., through, under and across the parcel of land as described in the commitment for Title Insurance.

(c) Mortgage, Security Agreement and Financing Statement dated May 27, 1981, recorded in the Bureau in Book 15578 at Page 654, made by BTI VENTURES I, a Hawaii limited partnership, as Mortgagor, to AMERICAN SAVINGS AND LOAN ASSOCIATION, a Utah corporation, as Mortgagee.

(d) Financing Statement dated May 29, 1981, recorded in the Bureau in Book 15578 at Page 680, made by BTI VENTURES I, as Debtor, to AMERICAN SAVINGS AND LOAN ASSOCIATION, as Secured Party.

Note: Existing Mortgage in item (c) above, will be satisfied and released prior to issuance of apartment deeds as required by law.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated March 19, 1981 identifies Aloha Title Co., Inc., as Escrow. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended.

Among other provisions, the executed Escrow Agreement reflects that a purchaser shall be entitled to a refund of his funds, without interest if Purchaser shall in writing request refund of his funds, and any one of the following shall have occurred: (1) Escrow receives a written request from Seller to return to purchaser the funds of such purchaser then held hereunder by Escrow; or (2) if purchaser's funds were obtained prior to the issuance of a Final Public Report and if there are any changes in the building plans, subsequent to the extension of purchaser's contract, requiring approval of a county officer having jurisdiction over the issuance of permits for constructions, unless the purchaser has given written approval or acceptance of the change or ninety (90) days have elapsed since the purchaser has accepted, in writing, the apartment or he has first occupied the apartment; or (3) 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 (4) if the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Report and purchaser's rights are not waived under Section 514A-66, Hawaii Revised Statutes, as amended.

Among other provisions in the Specimen Sales Contract and Receipt provides: (1) that the purchaser's rights are and shall be subject and subordinate to the lien of any mortgage made to finance the cost of construction and other costs during construction; (2) that upon notification of completion by Owner, purchaser agrees to inspect and accept unit(s) (together with list of defects, if any) so long as the unit(s) are not deemed uninhabitable.

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

MANAGEMENT AND OPERATIONS: The By-Laws of the project states that the Board of Directors may employ for the Association of Apartment Owners, a management agent to perform such duties as the Board shall authorize, including the collection of all assessments from the owners. The Developer has entered into a contract with Bob Tanaka, Inc., whose principal place of business is 1820 Algaroba Street, Suite 200, Honolulu, Hawaii 96826, as the initial managing agent.

STATUS OF PROJECT: The project involves the conversion of an existing apartment building completed in 1973. Based upon a report issued by Kajioka, Okada, Umemoto, and Partners, Inc., architects, the present condition of the building as to the structural components, mechanical and electrical installations appear to be in good condition.

No representations are made herein or in the report described hereabove concerning the useful life of existing improvements.

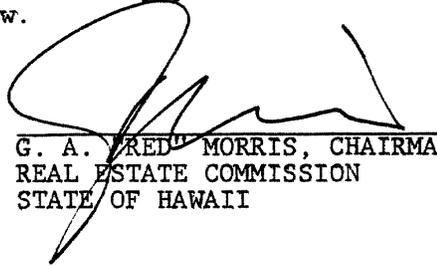
The Developer has filed with the Commission a Declaration attesting to the contents of the above report.

A statement from the City and County of Honolulu Building Department confirms that the building in this project met all the code requirements at the time of construction and that no special permits were granted to allow deviations from any applicable codes.

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 on March 31, 1981, and information subsequently filed on July 8, 1981.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1406 filed with the Commission on March 31, 1981.

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. FRED MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

REGISTRATION NO. 1406

July 14, 1981

EXHIBIT "A"

PARKING STALL ASSIGNMENT

<u>APT. NO.</u>	<u>PARKING STALLS</u>
101	1C and 2C
102	27
103	26
104	25
105	24
106	13
107	14
108	15
109	16
110	17
111	6C and 7C
201	4C and 23
202	22
203	21
204	20
205	19
206	28
207	11
208	10
209	9
210	5C and 8
211	3C and 18

NOTE: "C" denotes compact parking stalls.

END OF EXHIBIT "A"

