

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
1041 LAHILAHI
84-1041 Lahilahi Street
Waianae, Oahu, Hawaii

REGISTRATION NO. 1409

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: May 11, 1981

Expires: June 11, 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 APRIL 2, 1981, AND INFORMATION SUBSEQUENTLY FILED AS OF MAY 6, 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. 1041 LAHILAHI is a leasehold condominium project with a total of two apartment units in one two-story building and 4 parking stalls.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Final Public Report.
3. The basic documents, Declaration of Horizontal Property Regime, By-Laws of the Association of

Owners were executed on February 24, 1981 and filed in the Office of the Assistant Registrar, Land Court, State of Hawaii, as Document No. 1059967. A copy of the floor plans and elevations has been filed as Condominium Map No. 454 in said Office of the Assistant Registrar.

4. No advertising and promotional matter has been submitted to date.
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 Regime.
6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, May 11, 1981, unless a Supplementary Public Report is published or the Commission upon review of registration issues an order extending the effective period of this report.
7. This Final Public Report is made a part of the registration of the 1041 LAHILAHI condominium project. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) and Disclosure Abstract in the hands of all purchasers or prospective purchasers, and of securing a signed copy of the receipt of the Final Public Report from each purchaser.

NAME OF PROJECT: 1041 LAHILAHI.

LOCATION: The 22,098 square feet of property to be committed to the regime as a leasehold condominium project is situated at 84-1041 Lahilahi Street, Waianae, Oahu, Hawaii, in the City and County of Honolulu, State of Hawaii.

TAX KEY: First Division 8-4-04:7.

ZONING: Residential R-3.

DEVELOPER: ARENA CONSTRUCTION CORPORATION, a Washington Corporation, is the Developer. Its principal address is 1125 Denny Building, Seattle, Washington. Telephone (206) 682-2141 and its address in Hawaii is Suite 2121, Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813. Telephone (808) 531-4141. The officers of Arena Construction Corporation are:

Chairman and Chief Executive Officer	Richard H. Hadley Suite 2121, 745 Fort Street Honolulu, Hawaii 96813
President	William H. Pruyn Suite 2121, 745 Fort Street Honolulu, Hawaii 96813

Executive Vice President	Harold Spector Suite 2121, 745 Fort Street Honolulu, Hawaii 96813
Vice President	Edward J. Cummings, Jr. Suite 2121, 745 Fort Street Honolulu, Hawaii 96813
Treasurer	Thomas C. Stenzel Suite 2121, 745 Fort Street Honolulu, Hawaii 96813
Secretary	Evelyn K. Funasaki Suite 2121, 745 Fort Street Honolulu, Hawaii 96813

ATTORNEY REPRESENTING DEVELOPER: Hiroshi Sakai, Attorney at Law, A Law Corporation, 602 City Bank Building, 810 Richards Street, Honolulu, Hawaii 96813, Telephone No. (808) 531-4171.

DESCRIPTION: The Declaration of Horizontal Property Regime reflects that the Project consists of 22,098 square feet of land located at 84-1041 Lahilahi Street, Waianae, Oahu, Hawaii, consisting of one two-story duplex townhouse building of wood frame construction with stucco finish, shake roof and no basement having a total of two apartments to be constructed thereon in accordance with plans and specifications prepared by William H. Pruyn, Registered Professional Architect. There are four parking stalls and a tennis court.

The designation of each apartment and its approximate location in the Project is as shown on the Condominium Map and the description of each of the Apartments 1 and 2 are described as follows:

A two story apartment unit containing a gross floor area of 1,253 square feet. The first floor consists of a living-dining room, kitchen, two bedrooms, a bathroom of 912 square feet and a wooden deck of 369 square feet. The second floor consists of a master bedroom and a bathroom of 341 square feet.

Each apartment shall have immediate access of the land adjacent thereto and to the walkways, sidewalks and driveways connecting it to the street entrance of the Project.

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 of them or any pipes, wires, conduits or other utility lines running through them which are utilized for or serve more than one apartment shall be deemed common elements. Each apartment shall be deemed to include all the walls and partitions, floors and ceilings which are not load bearing within its perimeter walls including paint, wallpaper or the like, carpeting, floor covering and built-in fixtures. The boundary lines of each apartment shall also include their respective decks.

COMMON ELEMENTS: The common elements include:

- a. The land in fee simple.
- b. The foundations, floor slabs, columns, girders, beams, supports, bearing walls, roofs and stairways in the buildings.
- c. The yards, grounds, tennis court, landscaping, refuse facilities, walkways, parking area and driveway.
- d. The parking stalls.
- e. The central and appurtenant installations for services such as power, light, gas, telephone, sewer, hot and cold water and like utilities.
- f. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project.

The Developer for a period of two years and thereafter the Association may enter into joint use and management agreements of the common elements of the Project with the common elements of any adjacent project or projects.

LIMITED COMMON ELEMENTS: There are no limited common elements.

INTEREST TO BE CONVEYED TO THE PURCHASER: Each apartment shall have appurtenant thereto an undivided 50% interest in all of the common elements of the Project. The interest in the common elements are also referred to as the "common interest" and each apartment shall have the percentage interest in the common elements and voting on all matters requiring action by the owners and the percentages as provided above shall govern.

USE: The apartment shall be occupied and used as residential apartments on a permanent or transient basis and may be sold, leased, rented or used for any time period or periods.

NOTE: In the event any person, including the Developer, desires to sell any time-share interest in any apartment in the project, such person(s) will have to fully comply with the provisions of Chapter 514-E of the Hawaii Revised Statutes and any rules and regulations promulgated thereunder prior to selling any such time-share interest.

The House Rules provide, among others, that no more than two persons shall be allowed to occupy each bedroom; however, additional family members or guests may be permitted up to a maximum of four days at any one time.

OWNERSHIP OF TITLE: The Hawaii Escrow & Title, Inc. report dated March 30, 1981 shows ownership of title in the property in Hawaiian Resorts, Limited and is subject to a Master Lease dated January 25, 1980 filed on January 30, 1980 in the Office of the Assistant Registrar, Land Court, State of Hawaii, as Document No. 994297.

ENCUMBRANCES AGAINST TITLE: Said Title Report dated March 23, 1981 reports that title to the land is subject to the following encumbrances:

1. Taxes that may be due and owing; reference is made to the Office of the Tax Assessor, First Division.

2. Assessments or charges levied by Municipal or Governmental Authority or imposed by any other lawfully constituted body authorized by Statute to assess, levy and collect the same, if any.

3. Title to all minerals and metallic mines reserved to the State of Hawaii.

4. A building setback line, 10 feet from the roadway, as shown on Map 6, as set forth by Land Court Order No. 7577, filed July 17, 1947, and mentioned in Transfer Certificate of Title No. 62,757.

5. Terms, provisions and conditions of that certain Lease by and between Hawaiian Resorts, Limited, a Hawaii corporation, as Lessor, and Arena Construction Corporation, a Washington corporation, as Lessee, dated January 25, 1980, filed January 30, 1980, in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 994297.

6. A Mortgage, to secure an indebtedness of the amount stated herein and any other amounts payable under the terms thereof, dated February 19, 1981 in the amount of \$200,000.00 made by Arena Construction Corporation, a Washington corporation, as Mortgagor, in favor of First Hawaiian Bank, a Hawaii corporation, as Mortgagee, filed on February 20, 1981, as Document No. 1055958, in the Office of the Assistant Registrar of the Land Court, State of Hawaii.

Consent to Mortgage by Hawaiian Resorts, Limited, a Hawaii corporation, dated February 19, 1981, filed February 20, 1981, as Document No. 1055957, in said Office.

7. Matters as shown on Condominium Map No. 454, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii.

8. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Horizontal Property Regime dated February 24, 1981, filed on March 23, 1981 as Document No. 1059967, in the Office of the Assistant Registrar of the Land Court, State of Hawaii.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated February 12, 1981 identifies Hawaii Escrow & Title, Inc. as "Escrow". On examination, the specimen Sales Agreement and Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes. The provisions of the executed Escrow Agreement as filed with the Commission provides that disbursement from the escrow fund will be made by Escrow Agent upon the written request of the Developer for the following purposes:

(a) Disbursements from the Escrow fund shall be made by Escrow from time to time to pay for construction costs of

the buildings in accordance with bills submitted which have been approved or certified for payment by the mortgagee which has advanced funds to pay for any of the construction costs enumerated in Section 514A-67, and certified for payment by a registered architect or a professional engineer. The balance of the moneys remaining in the escrow fund shall be disbursed in accordance with the directions of the Seller after completion of the project, when Escrow has received evidence that forty-five (45) days have elapsed since the filing of the affidavit of publication of the Notice of Completion, or other satisfactory evidence that all mechanic's and materialmen's liens have been cleared, or that funds are set aside for any bona fide dispute.

The Sales Contract states, in part, that the purchaser subordinates his interest under the contract to the lien of the interim mortgage obtained for the construction of the project and to any and all advances which may become a lien pursuant to the terms of said mortgage.

It is incumbent upon purchasers and prospective purchasers that they read with care the specimen Sales Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of the condominium apartments are placed in trust, as well as the retention and disbursement of funds.

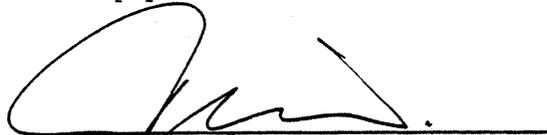
MANAGEMENT AND OPERATIONS: The Developer has selected Alliance Realty & Management, Inc. as the initial managing agent whose address is 677 Ala Moana Boulevard, Suite 307, Honolulu, Hawaii 96813.

STATUS OF PROJECT: The Developer advises the Real Estate Commission that the Developer has executed a construction contract dated February 2, 1981 with Randall Development & Construction Corp. and filed a bond. Construction of the building commenced February, 1981 and the estimate date for completion is May 29, 1981.

The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted April 2, 1981 and information subsequently filed as of May 6, 1981.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1409 filed with the Commission on April 2, 1981.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be white in color.


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. 1409
May 11, 1981