

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

PUNAHOU SURF
1513 Spreckels Street
Honolulu, Hawaii

REGISTRATION NO. 1415 (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: June 1, 1981
Expires: July 1, 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 20, 1981 AND INFORMATION SUBSEQUENTLY FILED AS OF May 26, 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. PUNAHOU SURF is a leasehold condominium conversion project, which consists of seven (7) residential units in an existing two-story apartment building and six (6) parking stalls.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of this condominium conversion project and the issuance of this Final Public Report.
3. The basic documents, the Declaration of Horizontal Property Regime dated January 20, 1981, with the By-Laws attached thereto, have been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 15302 at Page 202. Condominium Map No. 783 was filed as aforesaid. Said Declaration and Condominium Map were amended by instrument dated March 26, 1981, recorded as aforesaid in Liber 15448 at Page 785. Said Declaration and Condominium Map were further amended by instrument dated May 15, 1981, recorded as aforesaid in Liber 15550 at Page 522.
4. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission, except as required under the Horizontal Property Act.
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 Horizontal Property Regimes.
6. This Final Public Report automatically expires thirteen (13) months after date of issuance, June 1, 1981, unless a Supplementary Public 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 PUNAHOU SURF. The Developer is responsible for placing this Final Public Report (white paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt for the Final Public Report from each purchaser and prospective purchaser.

NAME OF PROJECT: PUNAHOU SURF

LOCATION: The 4,995 square feet of property to be committed to the regime as a leasehold condominium project is situated at 1513 Spreckels Street, Honolulu, State of Hawaii.

TAX MAP KEY: First Division 2-8-12-59

ZONING: A-4 Residential.

DEVELOPER: CENTRAL PACIFIC DEVELOPMENT CORPORATION, a Hawaii corporation, whose address is 900 Fort Street, Suite 1200, Honolulu, Hawaii 96813; telephone (808) 524-8505. The officers of the corporation are: Axel K. Obara, President; Samantha Sky, Vice President; Vernon B. Luke, Vice President; Larry R. Marks, Vice President, Secretary-Treasurer.

ATTORNEYS REPRESENTING SELLER: Ikazaki, Devens, Lo, Youth & Nakano (Attention: Richard C. Lo and Curtis H. Shiramizu), 700 Bishop Street, Suite 1412, Honolulu, Hawaii 96813; telephone 521-1456.

DESCRIPTION: The Declaration of Horizontal Property Regime reflects that the project consists of an existing two (2) story building, containing two (2) residential floors. The residential floors contain a total of seven (7) residential apartment units, and the parking area consists of a total of six (6) parking stalls. Apartments A-1, A-2, A-3, B-1, B-2 and B-3 shall have appurtenant thereto one (1) parking stall, as designated on the Exhibit "A" attached hereto and made a part hereof. Apartment B-4 shall not have appurtenant thereto any parking stall. The parking stalls shall be part of the limited common elements. The building is served by four (4) stairways each of which run from the first floor to the second floor.

Types of Apartment: There are three types of apartments in the project. Apartments A-1 and A-2 are two-bedroom apartments with a kitchen, living room, bathroom and lanai. Apartment A-3 is a three-bedroom apartment with a kitchen, a living room, two bathrooms and a lanai. Apartments B-1, B-2, B-3 and B-4 are one-bedroom apartments with a kitchen, living room, bathroom and lanai. The approximate gross floor area of each apartment including lanai is as set forth in said Exhibit "A" attached hereto and made a part hereof. Apartments A-1 and A-2 are the reverse of each other; apartments B-1 and B-2 are the reverse of each other; and apartments B-3 and B-4 are the reverse of each other. Each apartment on the second floor has immediate access to a stairway which leads to the grounds of the project or

common elements leading to the grounds and to Spreckels Street. Each apartment on the first floor has immediate access to a walkway or common element leading to the grounds of the project and Spreckels Street.

Apartment Location and Numbering: All apartments will be numbered and located as shown on the Condominium Map. Apartments A-1, A-2, A-3 are located on the first floor of the building. Apartments B-1, B-2, B-3 and B-4 are located on the second floor of the building. Apartments A-3, B-3 and B-4 are located on the Spreckels Street side of the building, and apartments A-1, A-2, B-1 and B-2 are located on the side of the building facing away from Spreckels Street.

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, awnings, if any, the floor 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 common elements as provided in the Declaration. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames and all fixtures installed in the apartment.

COMMON ELEMENTS: The Declaration of Horizontal Property Regime designates all of the remaining portions of the project, herein called the "common elements", including specifically, but not limited to:

- (a) Said land in fee simple;
- (b) All structural components, such as foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, stairs, stairways and fire escapes, if any, entrances, exits, floor slabs, unfinished perimeter, party and load-bearing walls, awnings, if any, and walkways of said building;
- (c) All common spaces, if any, such as yards, gardens, planting areas, roof deck, trash collection areas, driveways, access lanes and ramps leading to the parking areas;
- (d) All common premises such as the trash area, premises for the use of janitors or other persons employed for operation of the property, if any;

(e) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under or across the Project which serve more than one apartment for services such as power, light, gas, hot water, cold water, sewage, telephone and television signal distribution, if any;

(f) Apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, vents and other such installations and apparatus;

(g) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: The Declaration states that certain parts of the common elements, herein called the "limited common elements", are designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements, as follows:

(a) Each stairway shall be a limited common element appurtenant to the respective apartment on the second floor which it serves;

(b) Each parking stall shall be a limited common element appurtenant to and for the exclusive use of an apartment as set forth in the Exhibit "A" attached hereto.

(c) All other common elements of the project which are rationally related to less than all of said apartments shall be limited common elements appurtenant to the apartments to which they are so related.

INTEREST TO BE CONVEYED TO THE PURCHASER: The percentage of undivided interest in the common elements appertaining to each apartment and in all common profits and expenses of the project are as set forth in Exhibit "A." For purposes of voting on all matters requiring action by the owners, the percentage as set forth in the Exhibit "A" shall govern.

PURPOSES OF BUILDING AND RESTRICTIONS AS TO USE: The apartments shall be occupied and used for dwelling purposes and for no other purpose. The parking spaces may be used as a parking space for a motor vehicle. A set of House Rules has been submitted to the Commission and is available for inspection.

The House Rules provide among others, that: (1) Occupancy is limited to not more than two persons per bedroom contained in each apartment, except that this occupancy may be exceeded by members of the immediate family of the owner, tenant or lessee, provided that in no event shall the number of occupants be more than three per bedroom; (2) No fires or barbecuing will be permitted on any apartment lanai; and (3) No waterbeds shall be permitted in the apartments.

OWNERSHIP OF TITLE. The Preliminary Title Report dated March 31, 1981, issued by Pacific Guaranty Title Corporation, reports that title to the land is vested in CENTRAL PACIFIC DEVELOPMENT CORPORATION, a Hawaii corporation, the developer.

ENCUMBRANCES AGAINST TITLE. Said Preliminary Title Report issued by Pacific Guaranty Title Corporation, states that as of the date of the search, March 31, 1981, title to the land is subject to:

1. Real property taxes - for further information, check with the Tax Assessor, County of Honolulu, on Tax Map Key 2-8-12-59.
2. Title to all minerals and metallic mines reserved to the State of Hawaii.
3. Condominium Map No. 783, filed in the Bureau of Conveyances, State of Hawaii.
4. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Horizontal Property Regime dated January 20, 1981 recorded January 26, 1981, in the Bureau of Conveyances, State of Hawaii, in Book 15302, Page 202.

Said Declaration was amended by an instrument dated March 26, 1981, recorded March 31, 1981 in said Bureau in Book 15448, Page 785.

Subsequent to the issuance of said Preliminary Report dated March 31, 1981, the Developer reported the following additional encumbrance:

Said Declaration was further amended by an instrument dated May 15, 1981, recorded May 18, 1981 in said Bureau in Book 15550, Page 522.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated December 31, 1980 and on Amended Escrow Agreement dated May 22, 1981 identify King Escrow Services Corporation as the Escrow Agent. On examination, the

executed Escrow Agreement and specimen Sales Contract filed with the Commission are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended, and particularly Sections 514A-39, 514A-40, 514A-64 through 514A-66.

Among other provisions, the Escrow Agreement provides 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 a reasonable fee not to exceed \$500.00 to compensate it for services rendered, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

(a) Seller requests Escrow Agent to return to Buyer the funds of Buyer then being held hereunder by Escrow Agent; or

(b) Seller notifies Escrow Agent of Seller's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Seller; or

(c) If a Buyer's funds were obtained prior to the issuance of a Final Public Report and the request is prior to the time the Final Public Report is issued; or

The Escrow Agreement also contains the following provisions, among others: that the Escrow Agent shall make no disbursements of Buyer's funds unless and until Seller has complied with all the provisions of the Escrow Agreement.

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

1. THE BUYER EXPRESSLY ACKNOWLEDGES AND AGREES that the project consists of a fully constructed and existing building (the Final Certificate of Occupancy having been heretofore issued, that the Buyer has been offered an adequate opportunity to examine the plans for the Project (as set forth in Condominium Map No. 783, as amended) and the actual Project and Apartment covered therein. AND THE BUYER FURTHER ACKNOWLEDGES AND AGREES that the property described in Section "A" above [of the Sales Contract] along with its appurtenant percentage common interest in the common elements, is being sold by the Seller in its present condition, "as is", and that the Seller is disclaiming any express or implied warranty of any kind whatsoever, including,

without limitation, any implied warranty of merchant-ability or fitness of the property for a particular purpose, or any implied warranty of habitability.

2. In addition to closing costs in the Sales Contract the purchaser will pay a sum equal to three (3) months estimated common expenses as a non-refundable, non-transferable "start-up fee" to the Association of Apartment Owners.

3. The Buyer shall begin paying his proportionate share of the common expenses of the project (as defined in the Declaration and By-Laws) from the date of closing as provided for in paragraph 5 of the Sales Contract.

4. The Buyer acknowledges his right to inspect the apartment prior to executing the Sales Contract. The existence of any defect in the Apartment shall not excuse the Buyer's obligation to perform all obligations in the Sales Contract.

5. Buyer understands and agrees that the Seller's mortgage loan(s) and any extensions, renewal and modifications thereof, shall be and remain at all times a lien on the project and Buyer waives and subordinates the priority of such lien 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 residential apartments are placed in trust, as well as the retention and disbursement of said trust funds. The specimen Sales Contract specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

MANAGEMENT OF THE PROJECT: The Declaration provides that the management 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 Sales Contract to be signed by the purchasers provided the Seller may appoint the initial manager and agent of the project. Hawaiian Certified Property Management, Inc., 900 Fort Street, Suite 1212, Honolulu, Hawaii, has been selected as the initial managing agent for the project.

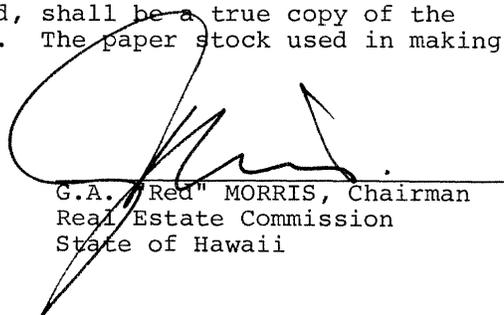
STATUS OF PROJECT: The construction of the improvements constituting the project has been completed. The project will be sold in "as is" condition without warranties from the Developer. The Final Certificate of Occupancy for the project was issued on June 9, 1970. There is on file with

the Real Estate Commission a statement by Howard M. Shima, Director and Building Superintendent of Building Department, City and County of Honolulu, that the project is in compliance with all ordinances, codes, rules, regulations, and other requirements in force at the time of its construction and that no variances or special permits were granted to allow deviations from an applicable codes. The Developer has reported in the Disclosure Abstract that no representations are made with regard to the life of all structural components and mechanical and electrical installations material to the use and enjoyment of the project. Also, based upon the information contained in a letter from an independent registered architect, the developer has informed the Commission that all structural parts, including walls, floors, and roof appear sound although there are signs of termite damage, that plumbing and other mechanical parts are operational and appear free of defects as verified by the Building Manager as of October 27, 1980, and that electrical components are in working order as verified by Building Manager as of October 27, 1980.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted April 20, 1981 and information subsequently filed as of May 26, 1981.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1415, filed with the Commission on April 20, 1981.

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.


G.A. "Red" MORRIS, Chairman
Real Estate Commission
State of Hawaii

DISTRIBUTION:

Department of Taxation
Bureau of Conveyances
Department of Land Utilization,
City and County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1415

June 1, 1981

EXHIBIT "A"

<u>Apartment No.</u>	<u>Apartment Area</u>	<u>Percentage Interest in the Common Elements to be Conveyed</u>	<u>Parking Stall No(s). (& Approx. Area)</u>
A-1	living area of approximately 690 square feet plus lanai area of approximately 351 square feet	16.91%	2 (168.5 square feet)
A-2	living area of approximately 688 square feet plus lanai area of approximately 402 square feet	17.54%	5 (164.5 square feet)
A-3	living area of approximately 1,089 square feet plus lanai area of approximately 130 square feet	21.27%	1 (303 square feet)
B-1	living area of approximately 502 square feet plus lanai area of approximately 192 square feet	12.04%	3 (167 square feet)
B-2	living area of approximately 502 square feet plus lanai area of approximately 192 square feet	12.03%	4 (166 square feet)
B-3	living area of approximately 479 square feet plus lanai area of approximately 171.5 square feet	11.37%	6 (163 square feet)
B-4	living area of approximately 470 square feet plus lanai area of approximately 162.5 square feet	8.84%	None
		<u>100.00%</u>	