

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

THE 2638 NAKOO CONDOMINIUM PROJECT
2638 Nakookoo Street
Honolulu, Hawaii

Registration No. 1589

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: November 23, 1984
Expires: December 23, 1985

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 FEBRUARY 21, 1984 AND INFORMATION SUBSEQUENTLY SUBMITTED ON APRIL 10, 1984 AND NOVEMBER 19, 1984. 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, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report dated April 26, 1984 on THE 2638 NAKOO CONDOMINIUM PROJECT, Registration No. 1589, the Developer has forwarded additional information deemed material to the project.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this Final Public Report.
3. The Developer advises that the Declaration of Horizontal Property Regime dated August 13, 1984 and By-Laws dated August 13, 1984 have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document Nos. 1254014 and 1254015, respectively. Condominium Map No. 524 has been designated to the project.
4. No advertising or promotional matter has 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 the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Final Public Report amends the Commission's Preliminary Public Report dated April 26, 1984, and is made a part of the registration of THE 2638 NAKOO CONDOMINIUM PROJECT. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers, together with the Preliminary Public Report (yellow paper stock) and Revised Disclosure Statement and for securing a signed copy of the Receipt therefor.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, November 23, 1984, unless a Supplementary Report issues or the Commission upon review of the registration, issues an order extending the effective period of this report.

The information under the topical headings in the Preliminary Public Report dated April 26, 1984 has not been modified except for OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, FINANCING CONSTRUCTION, MANAGEMENT AND OPERATIONS, and STATUS OF PROJECT.

OWNERSHIP OF TITLE: A Commitment for Title Insurance issued on September 17, 1984 by First American Title Insurance Company of Hawaii, Inc. states that Iwamoto Construction, Inc., a Hawaii corporation, is the fee simple title owner and that leasehold title to the land is vested in 2638 Nakoo, Inc., a Hawaii corporation. Said leasehold estate or interest is created by that certain unrecorded Indenture of Lease dated October 4, 1983, between Iwamoto Construction, Inc., as Lessor, and 2638 Nakoo, Inc., as Lessee, and is evidenced by that certain Memorandum of Lease dated May 14, 1984 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1236270, for a term of sixty-one (61) years commencing on October 1, 1983.

ENCUMBRANCES AGAINST TITLE: Said Commitment for Title Insurance reflects the following encumbrances:

1. For taxes that are due and owing, reference is made to the Office of the Tax Assessor, Department of Finance, City and County of Honolulu.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Terms and provisions of that certain unrecorded Lease evidenced by that certain Memorandum of Lease dated May 14, 1984, by and between Iwamoto Construction, Inc., a Hawaii corporation, as Lessor, and 2638 Nakoo, Inc., a Hawaii corporation, filed as aforesaid as Document No. 1236270.
4. Real Property Mortgage and Financing Statement dated May 14, 1984, by 2638 Nakoo, Inc., a Hawaii corporation, as Mortgagor, and Iwamoto Construction, Inc., a Hawaii corporation, as Co-Borrower, in favor of Central Pacific Bank, a Hawaii corporation, as Mortgagee, filed as aforesaid as Document No. 1236272 in the amount of \$600,000.00 and any other amounts and/or obligations secured thereby.
5. Real Property Mortgage and Financing Statement dated May 14, 1984, by 2638 Nakoo, Inc., a Hawaii corporation, as Mortgagor, and Iwamoto Construction, Inc., a Hawaii corporation, as Co-Borrower, in favor of Central Pacific Bank, a Hawaii corporation, as Mortgagee, filed as aforesaid as Document No. 1236276 in the amount of \$283,000.00 and any other amounts and/or obligations secured thereby.
6. Real Property Mortgage and Financing Statement dated May 14, 1984, by Iwamoto Construction, Inc., a Hawaii corporation, as Mortgagor, and 2638 Nakoo, Inc., a Hawaii corporation, as Co-Borrower, in favor of Central Pacific Bank, a Hawaii corporation, as Mortgagee, filed as aforesaid as Document No. 1236271 in the amount of \$600,000.00 and any other amounts and/or obligations secured thereby.
7. Assignment of Rental and Income Under Lease - Security Agreement dated May 14, 1984, by Iwamoto Construction, Inc., a Hawaii corporation, as Assignor, and Central Pacific Bank, a Hawaii corporation, as Assignee, filed as aforesaid as Document No. 1236273.
8. Assignment of Rental and Income Under Lease - Security Agreement dated May 14, 1984, by Iwamoto Construction, Inc., a Hawaii corporation, as Assignor, and Central Pacific Bank, a Hawaii corporation, as Assignee, filed as aforesaid as Document No. 1236274.
9. Real Property Mortgage and Financing Statement dated May 14, 1984, by Iwamoto Construction, Inc., a Hawaii corporation, as Mortgagor, and 2638 Nakoo, Inc., a Hawaii corporation, as Co-Borrower, in favor of Central Pacific Bank, a Hawaii corporation, as Mortgagee, filed as aforesaid as Document No. 1236275 in the amount of \$283,000.00 and any other amounts and/or obligations secured thereby.

10. Condominium Map No. 524, filed in the Bureau of Conveyances of the State of Hawaii

11. The restrictions, covenants, agreements, obligations, conditions, easements and other provisions set forth in Declaration of Horizontal Property Regime dated August 13, 1984, filed in said Office as Document No. 1254014.

12. The restrictions, covenants, agreements, obligations, conditions and other provisions set forth in By-Laws of Association of Apartment Owners dated August 13, 1984, filed in said Office at Document No. 1254015.

FINANCING CONSTRUCTION: The Developer has informed the Commission that the cost of construction of the project will be approximately \$800,000.00; that a maximum of \$883,000.00 will be available to the Developer from an interim construction loan from Central Pacific Bank. Developer estimates that the interim construction loan will be for the principal sum of \$883,000.00 with interest charged at 2.50% above the prime rate as charged by Central Pacific Bank from time to time on a floating basis. The term of Developer's interim construction loan is 18 months from the date of closing of such loan on or about May 14, 1984.

At the time of the first conveyance, the Developer shall satisfy the provisions of 514A-18, Hawaii Revised Statutes, as amended, requiring the mortgages and other lien, except any improvement district or utility assessment, to be satisfied or to provide for partial releases to the respective apartments.

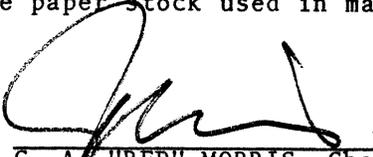
MANAGEMENT AND OPERATIONS: Administration and operation of the project shall be conducted for the Association of Apartment Owners, consisting of all apartment owners of the project, through the Board of Directors, by a responsible management agent, in accordance with the By-Laws of the Association. The new managing agent shall be NINA KAMAI PROPERTY MANAGEMENT, INC., a Hawaii corporation, whose address is 1400 Kapiolani Boulevard, Suite C-12, Honolulu, Hawaii 96814, and whose Management Contract is for a term of one (1) year from October 1, 1984 and may be cancelled upon thirty (30) days' notice.

STATUS OF PROJECT: Construction of the project has been completed as evidenced by Developer's submission to the Commission of an Affidavit of Publication of the Owner's Notice of Completion of Contract filed in the First Circuit Court of the State of Hawaii on September 12, 1984.

The purchaser and 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 February 21, 1984, and additional information subsequently filed on April 10, 1984 and November 19, 1984.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1589, filed with Commission on February 21, 1984.

This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimilies must be white.



G. A. "RED" MORRIS, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:

DEPARTMENT OF FINANCE
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND
COUNTY OF HONOLULU
ESCROW AGENT
FEDERAL HOUSING ADMINISTRATION

REGISTRATION NO. 1589

November 23, 1984

DEVELOPER'S DISCLOSURE ABSTRACT
THE 2638 NAKOO CONDOMINIUM PROJECT

1. Name and address of project:

The 2638 Nakoo Condominium Project
2638 Nakookoo Street
Honolulu, Hawaii 96826

2. Name, address and telephone number of Developer:

Developer: 2638 Nakoo, Inc.
2106 Young Street
Honolulu, Hawaii 96826
Telephone No. 941-5436

Managing Agent: Nina Kamai Property Management, Inc.
1400 Kapiolani Boulevard
Suite C-12
Honolulu, Hawaii 96814
Telephone: 955-2590

3. Warranties:

The execution, delivery and recordation of the buyer's apartment lease shall constitute the assignment by Developer to the buyer of any and all warranties given the Developer by the general contractor for the project, and by any subcontractors or materialmen, including but not limited to, said contractor's guarantee of materials and workmanship against faulty or deficient materials and installation, and the benefit of such warranties shall accrue to the buyer on closing without further instruments or documents. Developer agrees to cooperate with the buyer during the effective period of any such warranties in asserting any claims based on such warranties. The buyer shall also have the direct benefit of the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures, carpets, floor coverings, drapes and appliances included with the apartment purchased. THE DEVELOPER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT OR THE PROPERTY OR ANY COMMON ELEMENT OF ANYTHING INSTALLED THEREIN.

4. Use:

The residential apartments at The 2638 Nakoo Condominium Project shall be occupied and used only for purposes permitted from time to time by applicable zoning ordinances, rules and regulations, including any permissible non-conforming use. The apartments may not be used for any other purpose without the written consent of the Board of Directors of the Association and any governmental agencies whose approval is necessary. The parking stalls may be used as parking spaces for motor vehicles only.

The extent of use of the project for permanent or temporary residences or transient quarters shall depend upon the individual apartment owner's use of their apartments.

There are no commercial units in the project. The apartments are subject to additional restrictions on the use as set for in (i) the Declaration Submitting Property to the Horizontal Property Regime of The 2638 Nakoo Condominium Project, (ii) the By-Laws, (iii) the Apartment Lease, (iv) the sales contracts for the individual apartments, and (v) the House Rules. Copies of the foregoing documents are on file with the Real Estate Commission of the State of Hawaii.

As of the date hereof, no residential occupancy is permitted by the City and County of Honolulu as for Apartments 401, 402 and 403. Such units may be occupied and used only in accordance with the uses prescribed or allowed by said City and County of Honolulu. The restrictions imposed upon the residential occupancy of any units of the Project shall not lessen or alter the obligations of the owners of such units to pay the portion of the common expenses charged or assessed on such units.

5. Breakdown of Annual Maintenance Fees and Monthly Estimated Costs for Each Apartment:

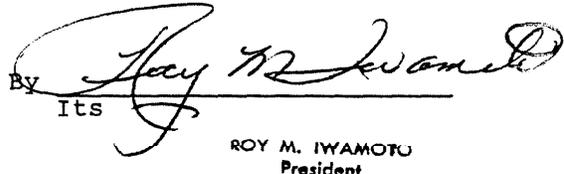
THE DEVELOPER ADVISES THAT THE MAINTENANCE FEES OF A CONDOMINIUM PROJECT ARE DIFFICULT TO ESTIMATE PRIOR TO ACTUAL OPERATION OF THE PROJECT AND EVEN IF MAINTENANCE FEES HAVE BEEN ACCURATELY ESTIMATED, SUCH FEES WILL TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE. THE ESTIMATED MAINTENANCE FEES AND MONTHLY FEES FOR EACH APARTMENT ARE BASED ON THE LATEST INFORMATION AVAILABLE TO THE DEVELOPER AND MANAGING AGENT AND ARE SUBJECT TO REVISION BASED ON ACTUAL COSTS FOR ITEMS ENUMERATED. MAINTENANCE FEES CAN VARY DEPENDING ON SERVICES DESIRED BY APARTMENT OWNERS. THE BUYER SHOULD CHECK THE ATTACHED MAINTENANCE FEE SCHEDULE (Exhibit "A") TO SEE WHAT SERVICES ARE INCLUDED THEREIN.

Pursuant to Section 514A-15(b), Hawaii Revised Statutes, the Developer advises that the initial amounts each apartment owner shall be obligated to pay for his respective share of the common expenses allocated to his apartment are as set forth in Exhibit "A" attached hereto.

2638 Nakoo, Inc. does hereby certify that the foregoing breakdown of Annual Maintenance Fees and the Monthly Estimated Costs for each apartment has been based on generally accepted accounting principles.

DATED: Honolulu, Hawaii, October 1, 1984.

2638 Nakoo, Inc.

By 
Its _____
ROY M. IWAMOTO
President

MAINTENANCE FEE SCHEDULE

EXHIBIT "A"

Grounds Keeping	\$ 2,400.00
Refuse Collection	1,200.00
Utilities:	
Electricity & Common Area	600.00
Water	1,800.00
Management Fee	2,500.00
Insurance:	
Liability Insurance	35.00
Fire Insurance	2,000.00
Elevator Maintenance	1,500.00
Reserve Account (5% of Disbursements)	<u>601.75</u>
Total	\$12,636.75

The estimated approximate monthly maintenance cost for each apartment unit based upon the undivided percentage interest in all common elements shall be as follows:

201	\$ 95.12
202	96.48
203	95.12
301	95.12
302	96.48
303	95.12
401	95.12
402	96.48
403	95.12
501	<u>192.90</u>
	\$1,053.06