

**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

**PRELIMINARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT**

LAKEVIEW GARDENS  
1121 Ala Napunani Street  
Honolulu, Hawaii 96818

REGISTRATION NO. 1641 (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: December 4, 1984  
Expires: January 4, 1986

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED OCTOBER 9, 1984 AND INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 19, 1984. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. LAKEVIEW GARDENS is a proposed fee simple condominium conversion project consisting of seventy-three (73) apartments (the "Apartments"), seventy-two (72) of which are

designated as residential apartments (the "Residential Apartments"), and one (1) of which is designated as an office apartment (the "Office Apartment"). All of the Apartments are contained in one (1) nineteen-story building, without basement. The building was constructed in 1972. There are ninety (90) compact size parking stalls in the Project.

2. The Developer of the Project has submitted to the Commission for its examination all documents deemed necessary for the registration of the condominium project and the issuance of this Preliminary Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime, the Bylaws of the Association of Apartment Owners and the Condominium Map will be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii immediately prior to the application for a Final Public Report.
4. No advertising or promotional materials have been submitted to 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 Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report expires thirteen (13) months after issuance, December 4, 1984, unless a Final or Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective date of this report.
7. This Preliminary Public Report is part of the registration of LAKEVIEW GARDENS. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and securing a signed copy of the receipt therefor.

NAME OF PROJECT: LAKEVIEW GARDENS.

LOCATION: The Project is located at 1121 Ala Napunani Street, Honolulu, Hawaii 96818 and has a gross land area of approximately 46,456 square feet.

TAX KEY: 1-1-65: 1 (1st Tax Division-City and County of Honolulu).

ZONING: The subject property is zoned A-2 Apartment District, a residential classification designed to provide

areas for medium density multiple family dwellings, under the Ordinances of the City and County of Honolulu. Because the building may be a non-conforming structure, a variance would be required for rebuilding in the event of a major casualty.

DEVELOPER: SAVIO DEVELOPMENT CO., INC., a Hawaii corporation, whose principal place of business and post office address is 41 South Beretania Street, Suite B-101, Honolulu, Hawaii 96813. The officers of the corporation are: Peter B. Savio, President and Treasurer; Mary V. Savio, Vice President and Secretary.

ATTORNEYS REPRESENTING DEVELOPER: Cades Schutte Fleming & Wright (Attention: Allen H. Sakai and Edward R. Brooks), Suite 1500, 1000 Bishop Street, P. O. Box 939, Honolulu, Hawaii 96808 (telephone: (808) 521-9200).

DESCRIPTION OF PROJECT: The proposed Project contains seventy-two (72) residential apartments and one (1) office apartment in one (1) nineteen-story building with no basement. There are ninety (90) parking stalls in the Project, one of which is a common element for guest parking. All parking stalls are compact stalls. The building is constructed of single load reinforced steel and concrete.

The building features eighteen (18) living levels above the ground floor (the 2nd through 19th floors, inclusive) with four (4) residential apartments per floor. Each Residential Apartment has immediate access via the corridors to stairways and elevators providing access to the Project grounds and parking areas. The Office Apartment is located on the ground floor and has immediate access via the corridors and the lobby providing access to the Project grounds and parking area.

There are two types of Residential Apartments, more particularly described as follows:

Type A Apartments. There are thirty-six (36) Type A Residential Apartments with two (2) each located on the 2nd through 19th floors and are numbered "02" and "04" preceded by the number of the floor on which each is located. Each Type A Residential Apartment has a floor area of approximately 704 square feet and contains a living/dining room, a kitchen, two bedrooms and one bathroom.

Type B Apartments. There are thirty-six (36) Type B Residential Apartments with two (2) each located on the 2nd through 19th floors and are numbered "01" and "03" preceded by the number of the floor on which it is located. Each Type B Residential Apartment has approximately 704 square feet of living area and contains a living/dining room, a kitchen, two bedrooms and one bathroom.

There is one (1) Office Apartment in the Project. The Office Apartment has a floor area of approximately 165 square feet and contains one room.

The floor area of each Apartment in the Project has been computed as net living area.

Each Apartment shall be deemed to include: (i) all the walls, columns and partitions which are not load-bearing within its perimeter walls, (ii) the inner decorated or finished surfaces of all walls, floors and ceilings, (iii) any doors, door frames, windows or window frames along the perimeters, (iv) the airspace within the perimeters and (v) all fixtures installed therein. The respective Apartments shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter (party and non-party) walls, (b) the interior load-bearing columns, girders, beams and walls, (c) the undecorated or unfinished surfaces of the floors and ceilings surrounding each apartment, or (d) any pipes, shafts, 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 deemed common elements as hereinafter provided.

COMMON ELEMENTS: One freehold estate is hereby designated in all remaining portions and appurtenances of the Project, including specifically, but not limited to:

- a. The Land in fee simple.
- b. All foundations, floor slabs, sewers, columns, girders, beams, supports, fences, unfinished perimeter walls, load-bearing walls and roofs.
- c. The swimming pool and laundry room and all grounds, trees, gardens, landscaping and lawn sprinkler systems.
- d. The pump and water heater room and the transformer pad.
- e. The storage room, bathrooms and terrace located on the first floor of the building.
- f. All refuse containers on the grounds of the Project, all trash chutes and the trash rooms on each floor of the Building.
- g. All roads, parking areas, one guest parking stall No. 22 (which may accommodate 3 cars), loading spaces, driveways, walkways, stairways, elevators, building entries, elevator lobbies and corridors.
- h. All ducts, electrical equipment, wiring, pipes and other central appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, sewer, telephone and television signal distribution.
- i. Any and all other appurtenant installations of common use and all other parts of the Project necessary and convenient to its existence, maintenance and safety or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called and designated "limited common elements",

are set herein aside and reserved for the exclusive use of certain Apartments and such Apartments have exclusive easements for the use of such limited common elements: The limited common elements shall consist of:

a. The automobile parking stall or stalls designated on Exhibit "A" appended hereto as being appurtenant to an Apartment shall be appurtenant to and for the exclusive use of such Apartment. Each Residential Apartment shall always have at least one automobile parking stall appurtenant to it, but otherwise any automobile parking stall may be transferred from one Apartment to another Apartment pursuant to paragraph 21 of the Declaration.

b. One mailbox bearing the number corresponding to the number of a Residential Apartment shall be appurtenant to and for the exclusive use of the Residential Apartment having such number.

INTEREST TO BE CONVEYED TO PURCHASER: The Residential Apartments and the Office Apartment have the percentages common interest in the common elements of the Project as set forth in Exhibit "A" appended hereto. Each Apartment shall have such percentage interest in all common profits and expenses of the Project and for all other purposes, including voting. Interests in each apartment will be transferred by the Developer to each buyer under an Apartment Deed, consisting of a deed of the apartment, and its appurtenant undivided percentage interest in the common elements.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration provides that each Residential Apartment shall be occupied and used only for residential purposes and no Residential Apartment shall be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever. The Residential Apartments shall not be rented by the Owners thereof for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty days, or (ii) any rental in which the occupants of the apartment are provided customary hotel services, such as room service for food and beverage, maid service, furnishing of laundry and linen, and bellboy service. Neither the apartments nor any interest therein shall be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any timesharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "time-interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess an apartment or apartments in the Project rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. The proposed Declaration provides that the Office Apartment may be used for any purpose which may from time to time be permitted by applicable laws, ordinances, rules and

regulations. The Developer shall own the Office Apartment for a period of one (1) year from the date the first Apartment Deed is filed, unless the Developer conveys all of the parking stalls appurtenant to the Office Apartment to Apartment Owners in the Project prior to such one year period. After such one year period, the Developer will convey to the Association the Office Apartment and any appurtenant parking stalls not conveyed to Apartment Owners in the Project. Other than the foregoing obligations, the owners of the respective apartments shall have the absolute right to lease the same, provided that such lease covers an entire apartment, is in writing and is made subject to the covenants and restrictions contained in the Declaration and Bylaws.

The Bylaws provide, in part, that no livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the Project, except as authorized by the Board of Directors.

OWNERSHIP OF TITLE: A Preliminary Report dated August 29, 1984, issued by Title Guaranty of Hawaii, Incorporated states that fee simple title to the land is held by HZS Investors, a Hawaii limited partnership. The Developer has entered into a Deposit Receipt Offer and Acceptance with HZS Investors for the purchase of the title.

ENCUMBRANCES: The Preliminary Report dated August 29, 1984 states that the title to the property is subject to the following encumbrances:

1. For any taxes that may be due and owing, reference is made to the Office of the Finance Director, City and County of Honolulu.

2. Reservation of all artesian and other underground water and rights thereto in favor of the Trustees of the Estate of Samuel M. Damon, in Deed dated October 7, 1965, filed as Land Court Document No. 372562, as amended by Release dated October 12, 1965, filed as Document No. 372562.

3. Perpetual covenants as contained in Declaration dated December 6, 1968, filed as Document No. 461355.

4. Mortgage, dated February 15, 1972, executed by George Albert Fan, as Mortgagor, in favor of Zenith Mortgage Company, filed as Document No. 569331, as amended by instrument dated September 13, 1973, filed as Document No. 649483, and as assigned to First Federal Savings and Loan Association of Philadelphia by instrument dated September 18, 1973, filed as Document No. 650362.

An Assumption and Release Agreement, dated March 14, 1980, effective May 1, 1980, filed as Document No. 1010873 released Lakeview Gardens from liability of the terms of the Mortgage, as amended.

5. Regulatory Agreement dated February 15, 1972, filed as Document No. 569332, re: multi-family housing projects.

PURCHASE MONEY HANDLING: A copy of: (i) a specimen form of Deposit Receipt and Sales Contract (the "Sales Contract"), and (ii) an executed Escrow Agreement have been submitted as part of the registration. The Escrow Agreement, dated October 5, 1984, identifies Title Guaranty Escrow Services, Inc. as "Escrow." Upon examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended, and particularly with Sections 514A-37, 39, 40, 63 and 65. A prospective purchaser should carefully examine the form of the Sales Contract and the Escrow Agreement to determine the time for and the amount of the installment payments on the purchase price and his obligations to pay the closing costs. It is incumbent upon the purchaser to read and understand the Escrow Agreement before signing the Sales Contract since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's down payments and the Sales Contract provides that the purchaser approves the Escrow Agreement.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, and upon the terms and conditions provided for in the Sales Contract, if any one of the following has occurred:

(a) The Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held under the Escrow Agreement by Escrow; or

(b) The Developer shall have notified Escrow of the Developer's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission provided therein or otherwise available to the Developer; or

(c) The Developer and the purchaser shall have requested Escrow in writing to return to the purchaser the funds of the purchaser held under the Escrow Agreement by Escrow because:

(1) The purchaser has been unable to obtain adequate financing or a commitment for adequate financing, for the purchase of his apartment unit, within thirty (30) calendar days following the end of the ten (10) day calendar period during which the Developer is limited to selling to owner-occupants, as required by Chapter 514A, Part VI, Hawaii Revised Statutes, or

(2) The purchaser desires to cancel the Sales Contract because of hardship circumstances such as those set forth in Section 514A-104(1), Hawaii Revised Statutes, or because the purchaser indicates an intent not to become an owner-occupant of the apartment unit covered by the Sales Contract.

In any of the foregoing events, Escrow shall, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee to Escrow of not less than

\$25.00 per apartment or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater) and thereupon the Sales Contract and any Apartment Deed theretofore delivered to Escrow shall be returned and shall be deemed no longer held under the Escrow Agreement; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by the Developer of written notice from Escrow of its intent to make such refund.

The Sales Contract, among other things, contains acknowledgments by each purchaser: (i) that the Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of apartments in the Project other than apartments owned by the Developer upon completion of the Project, if any; (ii) that the purchaser must make any such arrangements for his apartment, if desired, without the involvement or participation of the Developer; (iii) that the Developer has authorized no agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the Project; (iv) that the purchaser acknowledges that no such representations or warranties have been made and that the Developer expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership of an apartment in the Project; (v) that the purchaser's right, title and interest under the Sales Contract shall be subject and subordinate to the liens and security interests of any mortgages or other security instruments made by the Developer in favor of any lending institutions to secure one or more loans for the purpose of completing the conversion of the Project; (vi) that the Project and the apartment and anything installed or contained therein are being sold on an "as is" basis, without any warranties, express or implied; (vii) that the apartments in the Project may currently be occupied by tenants, and that it is the responsibility of the purchaser and not the Developer to evict any tenants in the purchaser's apartment; and (viii) that the Developer has the right to cancel the Sales Contracts if the Developer is unable to sell at least sixty-five (65) Residential Apartments in the Project or is unable to complete the conversion of the Project for any reason beyond the Developer's control.

MANAGEMENT AND OPERATION: Article III, Section 3, of the proposed Bylaws states that the Board of Directors shall at all times employ a responsible corporate managing agent to manage and control the Project, subject at all times to direction by the Board. It is anticipated that the initial managing agent of the Project will be SAVIO REALTY, LTD., whose principal place of business and post office address is 41 South Beretania Street, Suite B-101, Honolulu, Hawaii 96813.

STATUS OF PROJECT: THE PROJECT IS A CONDOMINIUM CONVERSION. THE BUILDING AND APARTMENTS WERE CONSTRUCTED IN 1972 A LETTER DATED AUGUST 23, 1984 FROM THE BUILDING DEPARTMENT,

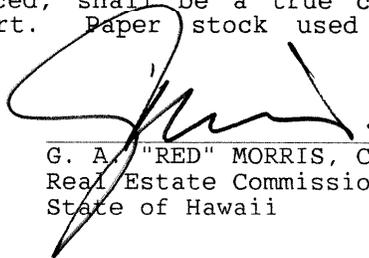
CITY AND COUNTY OF HONOLULU VERIFIES THAT THE PROJECT MET ALL CODE REQUIREMENTS AT THE TIME OF CONSTRUCTION AND NO VARIANCES OR SPECIAL PERMITS WERE GRANTED TO ALLOW DEVIATIONS FROM ANY APPLICABLE CODES. THE PROJECT, THE APARTMENTS AND ANYTHING INSTALLED OR CONTAINED IN THE APARTMENTS ARE BEING SOLD IN "AS IS" CONDITION, AND THE DEVELOPER WILL NOT MAKE ANY CORRECTIONS TO THE PROJECT OR APARTMENTS OR ANYTHING INSTALLED AS CONTAINED THEREIN, AND SHALL NOT BE LIABLE FOR OR OBLIGATED TO CORRECT ANY CONSTRUCTION OR OTHER DEFECTS IN THE PROJECT OR APARTMENTS OR ANYTHING INSTALLED OR CONTAINED THEREIN, WHETHER OR NOT SUCH DEFECTS ARE HIDDEN OR LATENT. THE DEVELOPER DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROJECT, THE APARTMENTS OR ANYTHING INSTALLED OR CONTAINED THEREIN, INCLUDING ANY IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

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The purchaser and prospective purchasers should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted November 13, 1984, and information subsequently filed as of November 19, 1984.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1641 filed with the Commission on November 13, 1984.

The report, when reproduced, shall be a true copy of the Commission's Public Report. Paper stock used in making facsimiles must be yellow.



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

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City and County of Honolulu  
Escrow Agent

Registration No. 1641

December 4, 1984.

LAKEVIEW GARDENS

Parking Stall Assignments and  
Percentage Interests in Common Elements

<u>Residential Apartment Number</u>	<u>Parking Stall Number</u>	<u>Percentage of Common Interest</u>
201	71	1.388
202	77	1.388
203	75	1.388
204	37	1.388
301	90	1.388
302	89	1.388
303	88	1.388
304	87	1.388
401	66	1.388
402	4	1.388
403	9	1.388
404	1	1.388
501	65	1.388
502	64	1.388
503	63	1.388
504	62	1.388
601	29	1.388
602	82	1.388
603	84	1.388
604	85	1.388
701	69	1.388
702	68	1.388
703	67	1.388
704	42	1.388
801	12	1.388
802	45	1.388

Exhibit "A"

<u>Residential Apartment Number</u>	<u>Parking Stall Number</u>	<u>Percentage of Common Interest</u>
803	76	1.388
804	46	1.388
901	72	1.388
902	48	1.388
903	3	1.388
904	2	1.388
1001	5	1.388
1002	6	1.388
1003	8	1.388
1004	7	1.388
1101	17	1.388
1102	70	1.388
1103	73	1.388
1104	74	1.388
1201	78	1.388
1202	40	1.388
1203	59	1.388
1204	81	1.388
1301	26	1.388
1302	10	1.388
1303	43	1.388
1304	11	1.388
1401	50	1.388
1402	86	1.388
1403	24	1.388
1404	57	1.388
1501	83	1.388
1502	51	1.388
1503	23	1.388

<u>Residential Apartment Number</u>	<u>Parking Stall Number</u>	<u>Percentage of Common Interest</u>	
1504	56	1.388	
1601	31	1.388	
1602	30	1.388	
1603	35	1.388	
1604	28	1.388	
1701	44	1.388	
1702	60	1.388	
1703	38	1.388	
1704	47	1.388	
1801	54	1.388	
1802	55	1.388	
1803	52	1.388	
1804	53	1.388	
1901	58	1.388	
1902	33	1.388	
1903	49	1.388	
1904	61	<u>1.388</u>	99.936%

<u>Office Apartment Number</u>	<u>Parking Stall Number</u>	<u>Percentage of Common Interest</u>	
0-1	13, 14, 15, 16, 18, 19, 20, 21, 22, 25, 27, 32, 34, 36, 39, 41, 79, 80	.064	<u>.064%</u>
			<u>100.00%</u>