

# 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

on

MANOA HILLSIDE ESTATES  
Kalawao Street  
Honolulu, Hawaii

REGISTRATION NO. 1676

### 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: May 22, 1985  
Expired: June 22, 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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MAY 7, 1985, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF MAY 17, 1985. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. MANOA HILLSIDES ESTATES is a proposed fee simple condominium project consisting of 63 buildings. There will be a recreation pavilion and 62 separate buildings to be used as living units, hereinafter referred to as "apartments." Each apartment shall have its own two-car carport as part of the apartment. In addition, there will be 62 guest parking stalls.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the 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 filed in the office of the recording officer.

4. This Preliminary Public Report is made a part of the registration of the MANOA HILLSIDE condominium project. The Developer is responsible for placing this Preliminary Public Report (yellow paper stock) and Disclosure Statement in the hands of all purchasers and prospective purchaser and for securing a signed copy of the Receipt therefor.

5. No advertising or promotional matter has been submitted pursuant to the Rules and Regulations promulgated by the Commission.

6. 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.

7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, May 22, 1985, 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 report.

NAME OF PROJECT: MANOA HILLSIDE ESTATES

LOCATION: The project consisting of 52.753 acres is located on Kalawao Street in Manoa Valley, Honolulu, Hawaii.

TAX MAP KEY: 1-2-9-24

ZONING: R-4 and P-1

DEVELOPER: Manoa Hillside Corp. whose address is 720 Iwilei Road, 2M, Box 17, Honolulu, Hawaii, and its phone number is 947-1495. Officers are: Kenji Nagano, President; Sue Ishikawa, Vice President; Michael Tsutsumi, Secretary-Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Law Offices of Reuben S. F. Wong, Suite 1630, Pacific Tower, 1001 Bishop Street, Honolulu, Hawaii, 96813. (Attention: Reuben S. F. Wong). Phone: 531-3526.

DESCRIPTION OF PROJECT: The proposed project consists of a recreation pavilion and 62 living units called apartments.

The building is constructed principally of wood floors supported by wood columns and beams, partition walls of metal studs and gypsum board, wood exterior sidings, concrete or clay tile roof, glass, aluminum and other related building materials.

According to the proposed Declaration of Horizontal Property Regime submitted by the Developer, there will be five (5) types of apartments as described hereinbelow. The apartments are numbered starting from the number "1" through "62". The apartment number and the type of apartment are as follows:

<u>Apt. No.</u>	<u>Type of Apt.</u>	<u>Apt. No.</u>	<u>Type of Apt.</u>	<u>Apt. No.</u>	<u>Type of Apt.</u>
1	A	22	C	43	D
2	B	23	C	44	D
3	B	24	A	45	E
4	C	25	B	46	E
5	A	26	C	47	D
6	C	27	C	48	D
7	B	28	B	49	E
8	C	29	B	50	E
9	A	30	A	51	D
10	A	31	C	52	D
11	B	32	A	53	E
12	A	33	A	54	E
13	A	34	D	55	D
14	A	35	E	56	D
15	A	36	E	57	D
16	A	37	D	58	E
17	B	38	D	59	E
18	C	39	E	60	D
19	B	40	E	61	D
20	A	41	D	62	D
21	B	42	D		

The Apartment Types referred to above are more particularly described as follows:

(a) Model A. Each Model A apartment has approximately 1,760 sq. ft. of net living area, (approximately 1,830 sq. ft. of gross floor area), 500 sq. ft. of deck area, 480 sq. ft. of carport area (for 2 cars), and has a kitchen, living room, dining room, four bedrooms and three bathrooms, all as shown on the proposed Condominium Map.

(b) Model B. Each Model B apartment has approximately 1,860 sq. ft. of net living area, (approximately 1,950 sq. ft. of gross floor area), 850 sq. ft. of deck area, 480 sq. ft. of carport area (for 2 cars), and has a kitchen, living room, dining room, three bedrooms and three bathrooms, all as shown on the proposed Condominium Map.

(c) Model C. Each Model C apartment has approximately 1,850 sq. ft. of net living area, (approximately 1,940 sq. ft. of gross floor area), 700 sq. ft. of deck area, 480 sq. ft. of carport area (for 2 cars), and has a kitchen, living room, dining room, four bedrooms and three bathrooms, all as shown on the proposed Condominium Map.

(d) Model D. Each Model D apartment has approximately 1,950 sq. ft. of net living area, (approximately 2,050 sq. ft. of gross floor area),

1,000 sq. ft. of deck area, 400 sq. ft. of carport area (for 2 cars), and has a kitchen, living room, dining room, four bedrooms and three bathrooms, all as shown on the proposed Condominium Map.

(e) Model E. Each Model E apartment has approximately 1,660 sq. ft. of net living area, (approximately 1,750 sq. ft. of gross floor area), 1,000 sq. ft. of deck area, 600 sq. ft. of carport area (for 2 cars), and has a kitchen, living room, dining room, three bedrooms and three bathrooms, all as shown on the proposed Condominium Map.

The "net living area" of an apartment is based on the interior floor area of an apartment. The "gross floor area" consists of the "net living area" together with the exterior walls of the apartment.

Each apartment shall have its own parking stalls, herein referred to as "carport", assigned to and appurtenant to such apartment as shown on the proposed Condominium Map. Each apartment shall have its own mailbox located along or near its private land area boundary and the adjacent roadway.

Each apartment shall have immediate access to its entry from each of its private land area, or simply "private area", to the common road fronting the apartment, through the grounds of the Project thereby permitting ingress to and egress from the public streets.

Each apartment shall be deemed to include the entire free standing building, including without limitations, foundations, floor, walls, (including exterior walls), windows, ceiling, all structural supports, roof, carport, water, electric, sewer and other utility lines within the private land areas appurtenant to an apartment but shall not be deemed to include all pipes, wires, conducts or other utility or service lines running through an apartment and/or private land area which are utilized for or serve more than one apartment, the same being a common element as defined herein.

COMMON ELEMENTS: The common elements will include all of the limited common elements set forth hereinbelow, and all of the remaining portions and appurtenances of the Project other than the apartments themselves, including specifically, but not limited to:

(a) said land in fee simple;

(b) all yards, plant areas, grounds, landscaping, refuse facilities and recreational pavilion and its facilities, and the tot lot (playground).

(c) all ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one apartment for services such as power, light, water, gas, refuse, telephone and radio and television signal distribution;

(d) all driveways, gates, ramps, walkways, curbs, walls, fences, parking areas, loading areas, and 62 guest parking stalls designated as stall number 1 to 62, inclusive;

(e) any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called "limited common elements", are hereby set aside and reserved for the exclusive use of an apartment and such apartment shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) Each private land area (sometimes referred to as private area) under and surrounding an apartment, as shown on the proposed Condominium Map, shall be appurtenant to that apartment. Within each private land area shall be an open space area as shown on the proposed Condominium Map.

(b) The improvements (other than the building housing the apartment and its carport) within said private land area. Each apartment owner shall be responsible for the proper repair and maintenance of such limited common elements appurtenant to his apartment and shall at all times keep the same in good order and condition and shall maintain and keep the private land area, including open space area, in a neat and attractive condition and all trees, shrubs and grass thereon in good cultivation, and replant the same as may be necessary, and repair and make good all defects in the same when notice shall be given by the Board of Directors or Managing Agent. The costs of maintaining and repairing a limited common element shall not be considered a common expense but shall be borne exclusively by the apartment owner to whom the limited common element is appurtenant.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the Project, called the "common interest", and the same proportionate share in all common profits and expenses of the Project and for all other purposes, including voting in the Association of Apartment Owners. The common interest expressed in percentage for each of 61 apartments, (being apartment number 1 to 5 inclusive and 7 to 62 inclusive) shall be 1.6129% and apartment number 6 shall have a common interest of 1.6131%.

PURPOSE OF BUILDING AND RESTRICTION AS TO USE: The apartments shall be occupied and used only as dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests. Until all other units are sold by the Developer, the latter reserves the right to use any apartments

in the Project as a "model apartment," for sales offices and for other uses reasonably related to sales and development of the Project.

The House Rules provide, in part that pets are allowed provided that the owner of an apartment shall indemnify the Association and hold it harmless against any loss or liability.

OWNERSHIP OF TITLE: Commitment for Title Insurance issued on April 16, 1985 and Supplemental Report of April 22, 1985 by T.I. of Hawaii, Inc. certifies that title to the land is vested in Commercial Finance, Ltd. The Developer, Manoa Hillside Corp., has the right to purchase the land described herein pursuant to a Deposit, Receipt, Offer and Acceptance dated April 3, 1985 as approved and modified that certain "Order Approving the Sale of Land to Manoa Hillside Corp." dated May 3, 1985 and filed in the U.S. Bankruptcy Court (for the Division of Hawaii) in the matter of "In Re Commercial Finance, Limited" in Bankruptcy No. 83-00309.

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

1. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, first division.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The free flowage of water in Manoa Stream as shown on Map 8 of Land Court Application No. 775.
4. Unrecorded Grant of easement in favor of Hawaiian Telephone Company as set forth in instrument dated January 23, 1976, recorded January 28, 1976 in Book 11196, Page 384.
5. Perpetual covenant in Deed dated December 31, 1943 filed as Land Court Document No. 71147.
6. An easement for power line purposes, in favor of Hawaiian Electric Company, Inc. dated May 11, 1955, filed as Land Court Document No. 176537.
7. Any unrecorded or unfiled leases, subleases or rental agreements and any liens, charges or exceptions against any lessees, sublessees or tenants named therein.
8. The proceedings made in the matter of the Bankruptcy of Commercial Finance, Limited, Debtor in Bankruptcy, now pending in the United States Bankruptcy Court for the District of Hawaii, filed on June 27, 1983 under Chapter 11, Bk. No. 83-00309.
9. The judgment against Commercial Finance, Limited dated June 15, 1981 filed in the Circuit Court of the First Circuit in Civil No. 71593 for no damages but an Order dated October 15, 1984 wherein said Court ordered the payment by Commercial Finance, Limited of the sum of \$46,797.10 to American Resources, Limited, Michael F. McCarthy and Carl J. Bernhardt.

EASEMENTS: The proposed Declaration provides that in addition to any easement hereby established in the limited common elements, the apartments and common elements shall also have and be subject to the following easements:

1. Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, and egress from, the private land area including such a apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; in all other limited common elements, including private land area for support of its private land area; and in all pipes, wires, ducts, cables, conduits, public utility lines and other common elements, if any, located in any of the other apartments or limited common elements and serving his apartment.

2. If any part of the common elements now or hereafter encroaches upon any apartment or limited common element including private land area, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. Likewise, if as a part of the initial construction of the Project any part of a limited common element encroaches upon any common element, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event any apartment building shall be partially or totally destroyed and then rebuilt, or in the event of any shifting, settlement or movement of any portion of the Project, minor encroachments of any parts of the common elements, apartments and/or limited common elements due to the same shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist.

3. Each apartment shall be subject to an easement in favor of the Association of Apartment Owners for access to any limited common elements, including private land area, from time to time during reasonable hours as may be absolutely necessary for the operation of the Project or for making emergency repairs therein necessary to prevent damage to any apartments or common elements; provided, however, no entry shall be made to an apartment unless Board of Directors has given written notice thereof at least 30 days prior to such entry and said notice shall set forth in full detail the basis for such absolute necessity to enter the apartment for the operation of the project.

ALTERATION OF APARTMENTS: Any apartment owner may at any time prior to the completion of the initial construction of said apartment modify or alter the plans of his apartment so long as such alteration conforms to the Design Requirements set forth in Exhibit "C" of the proposed Declaration, by submitting all plans for such alteration to the Developer for its review and approval.

After completion of the initial construction, an apartment owner may modify or alter his apartment at any time by submitting all plans for such alteration together with a statement of the estimated cost of construction and completion date to the Board of Directors for approval, or if there in not

yet any Board, to the Developer. For purposes hereof, the only alterations of an apartment requiring the prior approval of the Board of Directors or the Developer are those which affect the external appearances or design of such apartment and which are constructed within the limited common element which is appurtenant to such apartment. The Board of Directors shall approve the plans for alteration within fourteen (14) calendar days after submission of said plans and statement as long as such plans conform to the Design Requirements set forth in said Exhibit "C". Plans shall be rejected only upon the unanimous vote of all directors. The Board shall not unreasonably or capriciously disapprove any such proposed alteration. Any disapproval shall be given in writing to the proposing apartment owner within said fourteen (14) day period and shall state why the proposed alteration does not conform to the Design Requirements or what danger the alteration poses to the health, safety or welfare of the Project. If the Board fails to take any action within such time period, approval of the plans shall be deemed to have been automatically granted.

The alteration of an apartment may decrease or increase the size or elevation of such apartment, layout of rooms, and its configuration, provided that the same shall not extend or place the apartment outside of the limits of the limited common element (private land area) upon which the apartment is located, as designated on the proposed Condominium Map. The boundaries and designation of the limited common elements shall not be altered except by general amendment to the Declaration in accordance with the Act. Nothing shall affect the right of an apartment owner to decorate the interior of his apartment in his sole discretion.

Before the commencement of construction, all plans shall be approved by the appropriate state and municipal agencies. The apartment owner shall also obtain and deposit with the Association a bond or certificate thereof naming the Association as additional obligee, in a penal sum of not less than one hundred percent (100%) of the cost of such construction as the same may change from time to time and with a corporate surety authorized to do business in Hawaii guaranteeing performance of such construction, free and clear of all mechanic's and materialmen's liens arising under Section 514A-16 of the Hawaii Revised Statutes, as amended.

NOTE: The obtaining of a 100% performance bond or equivalent covering all work to be undertaken in the project, including improvement of the common areas, will be a condition to the issuance of the Commission's Final Public Report.

Upon completion of such construction, an amendment to the Declaration and the Condominium Map shall be executed by the apartment owner of the affected apartment and Developer. Upon the completion of any subsequent alteration, the Declaration and Condominium Map shall be amended by the owner of the affected apartment and one officer of the Association other than the apartment owner of such apartment, or if there is not yet an officer, the Developer. Any such amendment shall set forth the number of the apartment involved, the description thereof as so altered in accordance with Section 514A-11(3) of

the Hawaii Revised Statutes, as amended, and shall include a complete set of plans of such altered apartment, along with the verified statement of a registered architect or professional engineer that the plans depict the apartment "as built" pursuant to Hawaii Revised Statutes, Section 514A-12, as amended. Such amendment shall also include the consent thereto of the holder of any recorded mortgage of the apartment involved if such lienholder requires such approval.

PURCHASE MONEY HANDLING: An Escrow Agreement dated April 30, 1985 has been executed and a copy of same has been filed with the Commission. The Escrow Agent is T.I. of Hawaii, Inc., a Hawaii Corporation. Upon examination, the specimen Reservation Agreement And Sales Contract and the executed Escrow Agreement are found to be consonant with Chapter 514A, Hawaii Revised Statutes, as amended, and particularly Sections 514A-40(6), 514A-39 and 514A-63 and 514A-65.

It is incumbent upon the prospective purchaser that he reads with care the Reservation Agreement And Sales Contract and the executed Escrow Agreement. The latter Agreement establishes how the proceeds from the sale of condominium units are placed in trust as well as the retention and disbursement of said funds. The former sets forth the terms of the purchase, which terms include the right of Developer to treat the Sales Contract as a reservation agreement until the Purchaser and Developer execute a formal acceptance for the purchase of the apartment pursuant to the terms of the Reservation Agreement And Sales Contract.

The Escrow Agreement provides that purchaser shall be entitled to a refund of his funds, and Escrow shall pay the funds to the purchaser, without interest less \$25.00 escrow cancellation fee, and less Seller's other costs and expenses up to \$250.00 if purchaser requests in writing refund of his funds, provided, one of the following has occurred;

1. Seller has requested Escrow in writing to return to purchaser the funds of purchaser then being held hereunder by Escrow; or

2. Purchaser's funds were obtained prior to the issuance of a Final Public Report and subsequent to the execution of purchaser's sales contract there is a change in the condominium building plans requiring the approval of a county officer having jurisdiction over the issuance of permits for the construction of buildings (unless purchaser has given written approval or acceptance of the specific change); or

3. The Final Public Report differs in any material respect from the Preliminary Public Report; or

4. Buyer has exercised his right to rescind the Sales Agreement, with thirty (30) days from the date of Buyer has received the Public Report or Reports for the project.

Additionally, the specimen Reservation Agreement And Sales Contract provides:

1. That the Purchaser's interest in the Reservation Agreement And Sales Contract is subordinate to the lien of the Interim Lender of the Project as well as any extensions, renewals and modifications thereof.

2. That the Seller makes no warranties, express or implied with respect to the apartment or common elements and the Seller merely assigns to Purchasers all warranties given by General Contractor, subcontractors or materialmen of the Project, including manufacturer's or dealer's warranties covering appliances for the apartment and common elements.

3. That the Purchaser will pay at the time of closing all closing costs including but not limited to all escrow fees, conveyance taxes, all notary and recording fees, charges for Purchaser's credit report, costs for drafting of the Apartment Deed, mortgages and notes and costs of the title report and any title insurance, abstract of title or certificate of title. Purchaser shall at the closing, prepay maintenance fee for a Period of three (3) months, and prepay real property taxes for the remainder of the tax year.

MANAGEMENT AND OPERATIONS: The By-Laws of the Association of Owners vest the Board of Directors with the powers and duties necessary for the administration of the affairs of the project. The Developer is negotiating with Worthy Realty and Management as the initial managing agent.

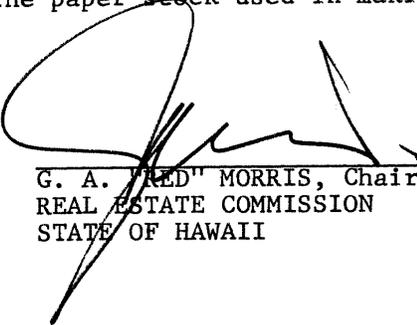
FINANCING CONSTRUCTION: The Developer has obtained from First Interstate Bank of Hawaii, a commitment for interim financing for land acquisition and for the construction of the project and is negotiating for but has not yet obtained a commitment for permanent financing for the apartments from First Interstate Bank of Hawaii. Developer reserves the right to give such lender a security interest in the project, which security interest shall remain at all times a lien on the project, including the apartments and common elements. A construction contract for the apartment building has not yet been executed.

STATUS OF PROJECT: Developer has advised the Commission that construction is expected to start at the end of June, 1985 and that the anticipated completion date is at the end of March, 1986.

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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 May 7, 1985 and information subsequently filed on May 17, 1985.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1676 filed with the Commission on May 7, 1985.

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



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

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REGISTRATION NO. 1676

MAY 22, 1985