

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
NUUANU STREAMSIDE
1649 Waikahalulu Lane
City and County of Honolulu

REGISTRATION NO. 1680 (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: April 22, 1986

Expires: May 22, 1987

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED MAY 21, 1985 AND ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED AS OF APRIL 14, 1986. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. NUUANU STREAMSIDE is a fee-simple condominium conversion project consisting of four (4) buildings without basements and containing four (4) residential units. There are a total of eight (8) parking stalls in 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 basic documents, Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners have been recorded in the Bureau of Conveyances, State of Hawaii, in Book 19264, Page 305 and a copy of the approved Floor Plans has been filed in the Bureau of Conveyances of the State of Hawaii as Condominium File Plan No. 986. The First and Second Amendments to the Horizontal Property Regime have been recorded respectively in Liber 19358, Page 211; and Liber 19388, Page 147.
4. No advertising or promotional matter has been filed 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 Horizontal Property Regimes.
6. This FINAL PUBLIC REPORT automatically expires thirteen (13) months after the date of issuance, April 22, 1986, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.
7. This FINAL PUBLIC REPORT is made a part of the registration on NUUANU STREAMSIDE condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (yellow paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report and Disclosure Abstract from each purchaser and prospective purchaser is also the responsibility of the Developer.

NAME OF PROJECT: NUUANU STREAMSIDE

LOCATION: The approximately 28,401 sq. ft. of land to be submitted to the horizontal property regime are situated at Waikahalulu Lane, City and County of Honolulu, State of Hawaii.

TAX MAP KEY NO.: First Division: 1-7-9-39.

ZONING: Apartment-1.

DEVELOPER: RICHARD RUSSELL RAND and GREGORY KERSTEN RAND whose principal place of business and post office address of which are 700 Richard Street, #805, Honolulu, Hawaii 96813, Phone (808) 524-1555.

ATTORNEY REPRESENTING DEVELOPER: Hiroshi Sakai, Attorney at Law, A Law Corporation, and Michael H. Sakai, 602 City Bank Building, 810 Richards Street, Honolulu, Hawaii 96813, Phone (808) 531-4171.

DESCRIPTION: The Declaration of Horizontal Property Regime as amended and plans submitted by the Developer indicate a fee-simple condominium conversion project consisting of four (4) condominium units and are contained in four (4) one-story condominium units and are contained in four (4) one-story buildings without basements (designated on said Condominium Map as Cottages A, B, C and D), constructed principally of wood. Said Units are designated on the Condominium Map and described in the Declaration of Horizontal Property Regime as follows:

A. Cottage A. One freehold estate consisting of an existing one-story single family dwelling constructed of wood with an asphalt shingle roof and consisting of 4 bedrooms, 1 bathroom, a kitchen, living room, and family room. Cottage A is elevated off the ground by wood beams and posts. The net living area of Cottage A is 1,643 square feet and a lanai of 90 square feet, with a detached covered garage of 26 square feet designated as Parking A-1 and an uncovered parking area designated as Parking A-2. The land area for Cottage A is a limited common element and is for the exclusive use for Cottage A and is approximately 6,783 square feet.

B. Cottage B. One freehold estate consisting of an existing one-story single family dwelling constructed of wood with asphalt and metal roof, and consisting of 2 bedrooms, 1 bathroom, a kitchen, living room, and family room. Cottage B is elevated off the ground by wood beams and posts. The net living area of Cottage B is 810 square feet with an uncovered parking area designated as Parking B-1 and B-2. The land area for Cottage B is a limited common element and is for the exclusive use for Cottage B and is approximately 6,337 square feet.

C. Cottage C. One freehold estate consisting of an existing one-story single family dwelling constructed of wood with asphalt and metal roof, and consisting of 3 bedrooms, 1 bathroom, a kitchen, living room, and study. Cottage C is elevated off the ground by wood beams and posts. The net living area of Cottage C is 960 square feet with an uncovered parking area designated as Parking C-1 and C-2. The Land area for Cottage C is a limited common element and is for the exclusive use for Cottage C and is approximately 5,955 square feet.

D. Cottage D. One freehold estate consisting of an existing one-story single family dwelling constructed of wood with asphalt and metal roof, and consisting of 2 bedrooms, 1 bathroom, a kitchen, living room, and family room. The net living area of Cottage D is 860 square feet with an uncovered

parking area designated as Parking D-1 and D-2. The land area for Cottage D is a limited common element and is for the exclusive use for Cottage D and is approximately 8,613 square feet.

E. The net living area of a cottage is measured from the interior surface of the cottage's perimeter walls.

COMMON ELEMENTS: The Declaration states that one (1) freehold estate is designated in all remaining portions of the Project, therein called the "common elements", including specifically but not limited:

- (a) Said land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairs, walkways, entrances and exists of the buildings of the Project;
- (c) All yards, grounds, landscaping, and garden areas;
- (d) All driveways, parking areas and loading areas;
- (e) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one unit for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;
- (f) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called the "limited common elements", are designated and set aside for the exclusive use of certain units, and such units shall have appurtenant thereto easements for the use of such limited common elements as follows:

- (a) Two (2) parking spaces, as designated on said Condominium Map by a number shall be appurtenant to and for the exclusive use of such unit.

Notwithstanding any provision in the Declaration to the contrary, all costs and expenses, including but not limited to, maintenance, repair, replacement, additions and improvements to any of the aforementioned limited common elements of the Project shall be charged to the owner of the unit or units to which the limited common element is appurtenant. If a limited common element is appurtenant to more than one unit all such costs and expenses shall be borne on a prorata basis among such units.

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration states that the units shall have appurtenant thereto an undivided 1/4th

fractional interest (25.00 percentage interest) in all common elements of the Project (therein 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.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The units shall be used by the respective owners thereof, their families, guests and tenants only for residential purposes and for no other purpose.

OWNERSHIP OF TITLE: A Preliminary Title Report dated February 24, 1986, issued by Hawaii Escrow & Title, Inc. discloses that RICHARD RUSSELL RAND and GREGORY KERSTEN RAND, by Commissioner's Deed dated March 27, 1985, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 18530, Page 511, are the owners of the fee simple title to the property to be submitted to the horizontal property regime.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report as submitted to the Real Estate Commission discloses that the following are encumbrances against title to the property:

1. Title to all minerals and metallic mines reserved to the State of Hawaii.
2. An easement affecting a portion of said land and for the purposes stated herein, and incidental purposes, in favor of the City and County of Honolulu, a municipal corporation of the State of Hawaii, for sewer purposes, dated January 19, 1970, recorded on January 29, 1970 in the Bureau of Conveyances of the State of Hawaii in Liber 6874, Page 390.
3. Matters as shown on Condominium File Plan No. 986, filed in the Bureau of Conveyances.
4. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and By-Laws set forth in the Declaration of Horizontal Property Regime dated November 10, 1985, recorded in said Bureau on January 31, 1986, in Liber 19264, Page 305.
5. For real property taxes and assessments, due and payable, reference is made to the Finance Director, City and County of Honolulu.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated February 25, 1986, as amended, between Hawaii Escrow & Title, Inc., as Escrow, and Developer has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39, 514A-40(6), and 514A-63, H.R.S. Among other provisions, the executed Escrow Agreement states 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 Escrow's cancellation fee, if purchaser shall in writing request refund of

his funds and any one of the following shall have occurred:

1. Escrow receives a written request from Developer to return to purchaser the funds of such purchaser then held under the Escrow Agreement by Escrow; or

2. If a purchaser's funds were obtained prior to the issuance of a Final Public Report and the purchaser's request is prior to the time the purchaser has receipted for or is deemed to have receipted for the Final Public Report and waived or is deemed to have waived his right to cancel in accord with Section 514A-62, Hawaii Revised Statutes, as amended; or

3. Except for any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the Declaration, the purchaser shall have the right to rescind a sale made under a binding contract (after issuance and receipt of the Final Public Report) if there is a material change in the Project which directly, substantially, and adversely affects the use or value of (1) such purchaser's apartment or appurtenant limited common elements, or (2) those amenities of the Project available for such purchaser's use.

The purchaser's right of rescission shall be waived upon (1) delivery to such purchaser, either personally or by registered or certified mail, return receipt requested, of a disclosure document which describes the material change and contains a provision for such purchaser's written approval or acceptance of such change, and (2) such purchaser's written approval or acceptance of the material change, or the lapse of ninety (90) days since such purchaser has accepted the apartment, or the occupancy of the apartment by such purchaser; provided that if such purchaser does not rescind the contract or execute and return the written approval or acceptance of such change as provided in the disclosure document within thirty (30) days from the date of delivery of such disclosure document, such purchaser shall be deemed to have approved and accepted such change; provided further that the deemed approval and acceptance shall be effective only if at the time of delivery of the disclosure document, such purchaser is notified in writing of the fact that such purchaser will be deemed to have approved and accepted the change upon such purchaser's failure to act within thirty (30) day period; provided further that if, prior to delivery of such disclosure document, ninety (90) days have lapsed since such purchaser has accepted the apartment, or such purchaser has occupied the apartment, then such purchaser's right of rescission shall not be waived unless such purchaser shall execute the written approval or acceptance of such change as provided in the disclosure document within thirty (30) days from the date of delivery of such disclosure document or such purchaser is deemed to have approved and accepted such change as set forth above.

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Condominium Reservation Agreement since the Escrow Agreements prescribes the procedure for receiving and disbursing

the purchaser's funds. Purchasers and prospective purchasers are advised to read with care the provisions of the Condominium Reservation Agreement. The Specimen Condominium Reservation Agreement specifically provides that the purchase approve said Escrow Agreement, assume the benefits and obligations therein provided, and agree among other things to the following:

1. Late Charge. In the event any payment to be made by Buyer hereunder is not made when due, Buyer hereby agrees that such late payment shall bear interest at the rate of one percent (1%) per month from its due date until paid in full.

2. Reservation Agreement.

(a) Notwithstanding any other provision of the Sales Contract to the contrary, it is expressly understood and agreed that if at the time of execution of the Agreement by the Buyer and the Seller, a Final Public Report for the Project has not been issued by the Real estate Commission of the State of Hawaii, the Agreement shall not be legally binding upon either the Buyer or Seller. In such event, the Agreement shall constitute only a "reservation", and not a binding contract. Seller shall have no obligation to sell and Buyer shall have no obligation to buy the Fairway Cottage described in the Agreement above. The Agreement will not become a binding sales agreement unless and until: (i) a Final Public Report is issued on the Project; and (ii) Buyer has receipted for or is deemed to have receipted for the Final Public Report and the Buyer has waived or is deemed to have waived Buyer's right to cancel as more particularly provided in Section 514A-62 of the Hawaii Revised Statutes. AS LONG AS THE AGREEMENT CONSTITUTES A RESERVATION, IT MAY BE TERMINATED AT ANY TIME, WITH OR WITHOUT CAUSE, AT THE OPTION OF EITHER PARTY, BY WRITTEN NOTICE OF SUCH TERMINATION TO THE OTHER PARTY. In the event of such termination, the Seller shall cause Escrow to refund all payments previously made by Buyer without interest, and neither party shall have any other or further liability hereunder or with respect to the Project; provided that if Buyer terminates the Agreement, then Escrow shall deduct from the refund to Buyer the Escrow cancellation fee and all costs incurred by Seller, Escrow, or any lending institution in processing the Agreement or the loan application; if Seller terminates the Agreement, then Seller shall pay the Escrow cancellation fee.

(b) If the Agreement is entered into after the issuance of the Final Public Report on the Project, then the provisions of this paragraph shall be of no force or effect and the Agreement shall be a fully binding contract upon Buyer and Seller upon acceptance of the Agreement by Seller as provided in Paragraph F.23 of the Condominium Reservation Agreement.

3. Estimated Monthly Maintenance Charges. Buyer has examined and approved the estimate of monthly maintenance charges and assessments for the units as shown in the Developer's Disclosure Abstract. Buyer is aware that such amounts are only estimates, and are subject to change for various reasons, and Buyer hereby specifically accepts and approves any such changes.

BUYER AGREES THAT SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY SELLER, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the Project shall be conducted for the Association of Apartment Owners of Nuuanu Streamside by a responsible corporate Managing Agent under the direction of the Board of Directors. The Developer in its Notice of Intention indicates that the initial managing agent for the Project will be Alliance Realty and Management, Inc. whose place of business and mailing address is 677 Ala Moana Boulevard, Suite 307, Honolulu, Hawaii 96813.

ALTERATION OF PROJECT: The Declaration of Horizontal Property Regime as amended provides that the "Fee Owner" or Developer of the project has the right to demolish any cottages it owns and replace thereon new single family dwellings or any other types of structures.

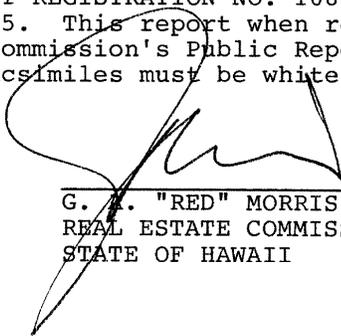
STATUS OF PROJECT: The project is a conversion of existing single family residences.

By letter dated June 26, 1985 the Director and Building Superintendent of the City and County of Honolulu has confirmed that the existing buildings met all code requirements at the time of construction, and there were no variances or special permits granted to allow deviations from any applicable code, rule or regulation.

NOTE: THERE MAY BE, AMONG OTHER REQUIREMENTS, ZONING CODES, BUILDING CODES AND LAND USE LAWS PRECLUDING THE PURCHASER OR PROSPECTIVE PURCHASER FROM REBUILDING OR MAKING CHANGES TO THE PROPERTY SUBMITTED HEREIN FOR REGISTRATION AS A CONDOMINIUM PROJECT. PURCHASER OR PROSPECTIVE PURCHASER SHOULD ACQUAINT HIMSELF/HERSELF WITH SUCH REQUIREMENTS AT THE APPROPRIATE GOVERNMENT AGENCIES.

The purchaser and 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 May 21, 1985, and information subsequently submitted as of April 14, 1986.

This is a FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 1680 filed with the Commission on May 21, 1985. This 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

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REGISTRATION NO. 1680

April 22, 1986

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