

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

HALE KAIMUKI
1259-61 Center Street
1258-64 Koko Head Avenue

REGISTRATION NO. 1681 (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 21, 1985

Expires: July 21, 1986

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 MAY 22, 1985, AND INFORMATION SUBSEQUENTLY FILED AS OF JUNE 19, 1985. 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. HALE KAIMUKI is a fee simple condominium project consisting of eight (8) residential apartments located in eight separate buildings.

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 Final Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime has been recorded in the Bureau of Conveyances of the State of Hawaii in Book 18636, Page 637, the Bylaws of the Association of Owners has been filed in said Bureau in Book 18636, Page 667, and the Condominium Map for the Project has been recorded in said Bureau as Condominium File Plan 955. The Declaration of Horizontal Property Regime and Condominium File Plan were amended on June 19, 1985.
4. No advertising or promotional materials have 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 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 Final Public Report expires thirteen (13) months after issuance, June 19, 1985, unless a Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective date of this report.
7. This Final Public Report is part of the registration of HALE KAIMUKI condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt therefor.

NAME OF PROJECT: HALE KAIMUKI

LOCATION: The Project is located at 1259, 1259A, 1259B, 1261, 1261A and 1261B Center Street and 1258 and 1264 Koko Head Avenue, Honolulu, Hawaii and has a land area of approximately 21,681 square feet.

TAX KEY: 3-3-7-14 (1st Tax Division-City and County of Honolulu).

ZONING: R-6 under the Ordinances of the City and County of Honolulu.

DEVELOPER: HALE KAIMUKI INC., whose principal place of business is 1349 Kapiolani Boulevard, Honolulu, Hawaii 96814; Telephone 988-3204. The officers of the corporation are: President & Secretary - H. Brian Moore; Vice-President & Treasurer - Jaidev Watumull.

ATTORNEY REPRESENTING DEVELOPER: Cades Schutte Fleming & Wright (Attention: Mark A. Hazlett and Gino L. Gabrio), Suite 1200, 1000 Bishop Street, P. O. Box 939, Honolulu, Hawaii 96808 (telephone: (808) 521-9200).

DESCRIPTION OF PROJECT: The Project consists of eight (8) apartments (the "Units") which were formerly rental dwellings. Each unit is contained in a separate free standing structure or dwelling, without basement, and twelve (12) on-site parking stalls, three (3) of which are covered and nine (9) of which are uncovered. All parking stalls are limited common elements. The buildings are located at addresses described in Exhibit "A" attached hereto. The buildings are constructed principally of wood, glass and allied building materials on concrete footings. Unit 6 is of similar construction, but its foundation is part concrete footings and part concrete slab.

The following table describes the Units:

UNIT FLOOR NUMBER	AREA Sq Ft	<u>ROOMS</u>					BREAKFAST NOOK
		LIVING	LIVING /DINING	KITCHEN	BEDROOMS	BATHROOM	
1	708	0	1	1	2	1 (T)	0
2	542	1	0	1	1	1 (S)	0
3 (LF)	1,164	0	1	1	3	1 (T)	0
3 (UF)	776	1	0	1	2	1 (TS)	0
4	566	0	1	1	1	1 (T)	0
5	719	0	1	1	2	1 (T)	0
6 (LF)	235	1	0	1	0	1 (S)	0
6 (UF)	749	0	1	1	2	1 (S)	0
7	621	1	0	1	2	1 (S)	0
8	772	1	0	1	2	1 (S)	1

"UF" means upper floor

"LF" means lower floor

"T" means Bathroom has bathtub only

"S" means Bathroom has shower only

"TS" means Bathroom has bathtub/shower unit.

All Units have ranges, refrigerators and water heaters. All Units have wood floors, except the lower floor of Unit 6, which has carpeting and vinyl tile over a concrete slab floor.

Each Unit shall be deemed to include: (i) all the walls, columns and partitions of each dwelling, (ii) all walls, floors and ceilings of each dwelling, (iii) any doors, door frames, windows and window frames along the perimeters, (iv) the airspace within the perimeters, and (v) all fixtures installed therein. The respective Units shall not be deemed to include any pipes, wires, conduits or other utility or service lines running through such Unit which are utilized for or serve more than one Unit, the same being deemed common elements as hereinafter provided.

COMMON ELEMENTS: The common elements of the Project consist only of the following:

1. The Land in fee simple.
2. All grounds (including the picnic area identified as Parcel 10 on the Condominium Map), trees, gardens, and landscaping.
3. All retaining walls, rockscapes, roads, parking areas, and walkways.
4. All ducts, electrical equipment, wiring, pipes, sewer lines, water lines, and other central appurtenant transmission facilities over, under and across the Project which serve more than one Unit for services such as power, light, water, gas, sewer, telephone and television signal distribution.
5. 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: The limited common elements of the Project consist only of the following:

1. The automobile parking stall or stalls designated on Exhibit "A" as being appurtenant to an Unit shall be appurtenant to and for the exclusive use of such Unit. Each Unit shall always have at least one automobile parking stall appurtenant to it, but otherwise any automobile parking stall may be transferred from one Unit to another Unit pursuant to paragraph 22 of the Declaration.
2. One mailbox bearing the number corresponding to the number of an Unit shall be appurtenant to and for the exclusive use of the Unit having such number.
3. The site and grounds surrounding each Unit, as shown and delineated on the Condominium Map (with the exception of walkways), shall be deemed a limited common element for the sole and exclusive use of the Unit to which the limited common element is appurtenant. Exclusive yard area for each of the eight (8) Units is shown on the Condominium Map.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: Each unit shall have an undivided twelve and one-half percent (12.5%) interest in the common elements of the Project, in all common profits and common expenses of the Project (except as otherwise provided in the Declaration or the Bylaws), and for all other purposes, including voting. Interests in each unit will be transferred by the Developer to a buyer under an Apartment Deed, consisting of a deed of the improvements comprising the particular unit, and an undivided percentage interest in the common elements, inclusive of the land.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: Each unit shall be occupied and used for residential purposes and not in connection with the carrying on of any business trade or profession whatsoever.

The proposed House Rules provide, in part: (1) Units shall be occupied by no more than two (2) persons per bedroom

and shall not be used for business purposes; provided, that this shall not be construed to prohibit the accessory or incidental use of a portion of a dwelling for a study or home office which is appropriate or helpful to the conduct of the owners' business affairs; (2) No livestock, poultry or other animals or pets shall be allowed or kept by any owner or occupant except for a reasonable number of dogs or cats, aquarium fish and birds; and (3) No inflammable oils or fluids shall be stored in the dwellings, common areas, parking areas, or any other area of the project.

OWNERSHIP OF TITLE: A preliminary report dated May 21, 1985, issued by Security Title Corporation, states that fee simple title to the land is held by the Developer.

ENCUMBRANCES: The preliminary report referred to above states that the title to the Land 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, Hawaii.

2. Grant dated February 20, 1964, recorded on June 19, 1964 in the Bureau of Conveyances of the State of Hawaii in Book 4774, Page 375, in favor of the CITY AND COUNTY OF HONOLULU, granting an easement to construct, etc., operate and repair an underground tunnel, etc., as part of a sewer system, through, under and across the "easement area" being 10 feet wide containing an area of 2,143 square feet.

3. The restrictions on use and other restrictions and all other covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Horizontal Property Regime dated May 13, 1985, recorded in the Bureau of Conveyances of the State of Hawaii in Book 18636, Page 637, covered by Condominium Map No. 955.

4. By-Laws of the Association of Owners of "HALE KAIMUKI" Condominium Project dated May 13, 1985, recorded in the Bureau of Conveyances of the State of Hawaii in Book 18636, Page 667.

5. Declaration of Restrictive Covenants dated April 24, 1985, recorded in the Bureau of Conveyances of the State of Hawaii in Book 18649, Page 66.

PURCHASE MONEY HANDLING: A copy of a specimen Deposit Receipt and Sales Contract (the "Sales Contract") and an executed Escrow Agreement have been submitted as part of the registration. The Escrow Agreement, dated April 1, 1985, identifies Security Title Corporation as the "escrowee." 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 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.

The Sales Contract, among other things, contains acknowledgments by each purchaser: (1) that the Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of units in the Project other than units owned by the Developer upon completion of the Project, if any; (2) that the Developer has authorized no agents, salesmen or brokers to make any representations as to rental or other income from any unit or any other economic benefit, including possible advantages from the ownership of a unit under federal or state tax laws, to be derived from the purchase of a unit in the Project; that no such representations or warranties have been made and that the Developer expressly disclaims and repudiates any representation from any source as to the possible economic benefit arising from ownership of a unit in the Project; (3) THE UNITS WERE INITIALLY CONSTRUCTED OVER FIFTY YEARS AGO. WEATHERING, RUST, OXIDATION, TERMITE DAMAGE, EROSION, INSECT INFESTATION, DRY ROT, WATER INFILTRATION, DECAY, OBSOLESCENCE, CRACKING, DETERIORATION, AND OTHER PROBLEMS POSSIBLE WITH DWELLINGS OF THIS AGE USED FOR RENTAL PURPOSES MUST BE EXPECTED. THE SAME PROBLEMS MAY ARISE FOR THE SAME REASON WITH THE COMMON ELEMENTS OF THE PROJECT, INCLUDING WALLS, SEWER, WATER AND ELECTRICAL LINES, AND THE COMMON AREAS. THE UNIT AND THE PROJECT ARE NOW BEING SOLD IN "AS IS" CONDITION. THIS MEANS THAT THE SELLER SHALL NOT CORRECT ANY DEFECTS IN THE PROJECT, THE UNIT OR ANYTHING INSTALLED OR CONTAINED THEREIN. THE EXISTENCE OF ANY DEFECT IN THE PROJECT, THE UNIT OR ANYTHING INSTALLED OR CONTAINED THEREIN SHALL NOT EXCUSE THE BUYER'S OBLIGATION TO PERFORM ALL OF HIS OBLIGATIONS UNDER THIS CONTRACT; and (4) The buyer's unit may be occupied by tenants, that Developer cannot ensure that such tenants quit the buyer's unit on or before the closing date and Buyer releases the Developer from any responsibility to evict any tenants from the buyer's unit.

MANAGEMENT AND OPERATION: The Developer does not intend to hire a managing agent for the Project. Article IV, Section 4.15, of the Bylaws, however, states that the Board of Directors may employ a manager or managing agent to manage and control the Project, subject at all times to directions by the Board of Directors.

STATUS OF PROJECT: THE EIGHT SINGLE-FAMILY DWELLINGS ARE LEGAL BUT NON-CONFORMING UNITS WHICH WERE COMPLETED OVER FIFTY YEARS AGO. A LETTER DATED MAY 28, 1985 FROM THE BUILDING DEPARTMENT, CITY AND COUNTY OF HONOLULU VERIFIES THAT ALL OF THE EIGHT UNITS MET ALL CODE REQUIREMENTS AT THE TIME OF CONSTRUCTION AND NO VARIANCES OF SPECIAL PERMITS WERE GRANTED TO ALLOW DEVIATIONS FROM ANY APPLICABLE CODES.

On February 7, 1985, the City and County Zoning Board of Appeals granted Variance No. 84/ZBA-177 to the Developers to allow repair and reconstruction of the existing dwellings. Among other things, the Decision and Order of the variance states that replacement of any existing structure is permitted

provided they shall conform to the yard and height setback regulations in effect at the time of replacement, and there is no increase in lot coverage or floor area of the structure.

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

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 May 22, 1985 and information subsequently filed as of June 19, 1985. This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1681 filed with the Commission on May 22, 1985.

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


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

Distribution:

Federal Housing Administration
Department of Finance, City and
County of Honolulu
Bureau of Conveyances
Planning Department,
City and County of Honolulu
Escrow Agent

Registration No. 1681

June 21, 1985

HALE KAIMUKI

Parking Stall Assignments

<u>Unit Number</u>	<u>Street Address</u>	<u>PARKING STALL NUMBER(S)</u>
1	1261 Center St.	9
2	1261 A Center St.	8C
3	1261 B Center St.	6C, 7C
4	1264 Koko Head Ave.	10
5	1258 Koko Head Ave.	11, 12
6	1259 B Center St.	4C, 5C
7	1259 A Center St.	1C
8	1259 Center St.	2C, 3C

C - denotes compact size stalls