

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
47-544 MELEKULA ROAD
Melekula Road
Kahaluu, Honolulu, Hawaii

REGISTRATION NO. 1694 (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: October 25, 1985
Expires: November 25, 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, JULY 31, 1985 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF OCTOBER 15, 1985. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. 47-455 MELEKULA ROAD is a fee simple condominium project which, according to the Developer's plans, will contain two (2) residential apartment units located in two (2) detached buildings which were built in 1971 and 1984. There is a total of four (4) parking stalls, each of which is uncovered. All are located at ground level.

2. The Developer of the Project has submitted to the Commission for examination 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 and the By-Laws of Association of Apartment Owners have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, as Document Nos. 1324385 and 1324386, respectively. The Condominium File Plan has been filed in said Office as Condominium File Plan No. 556.

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 Chapter 514A, Hawaii Revised Statutes, as amended, and the Hawaii Real Estate Commission Rules and Regulations which relate to Horizontal Property Regimes.

6. This Final Public Report is made a part of the registration of 47-544 MELEKULA PLACE condominium project. The Developer shall be responsible for 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 receipt therefor.

7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, October 25, 1985, unless a Supplementary Public Report issues or the Commission upon review of the registration issues an order extending the effective period of this report.

NAME OF PROJECT: 47-544 MELEKULA PLACE

LOCATION: The land submitted to the regime and on which the project is situated is located on Melekula Road in Kahaluu, City and County of Honolulu, Oahu, State of Hawaii, and contains 23,081 square feet.

TAX MAP KEY: 4-7-46-24

ZONING: R-3

DEVELOPER: STEVEN LEROY PETERS and CODIE CARTER PETERS, husband and wife, whose residence and post office address is

ATTORNEY REPRESENTING DEVELOPER: Grad & Ching, Attorneys at Law (Jeffrey S. Grad), Suite 2001, 841 Bishop Street, Honolulu, Hawaii 96813. Telephone No. (808) 521-4757.

DESCRIPTION OF PROJECT: The Project consists of two (2) apartments (each called interchangeably a "Unit", an "Apartment" or "Dwelling"). The Apartments are identified on the Condominium Map as "Unit A" and "Unit B". Each Dwelling has appurtenant to it the right to use the yard area, the two parking stalls and other areas described below as Limited Common Elements.

DESCRIPTION OF APARTMENTS: One (1) freehold estate is designated in each of the two Apartments contained in the Project, within the spaces enclosed by and within the outside surfaces of the exterior walls and roof and the bottom surfaces of the footing and foundations of each Dwelling.

Note: The Net living area of each Apartment is not calculated according to this perimeter; rather it is calculated according to the interior surfaces of the walls and doors.

Dwelling A is a two-story single family residence containing fourteen rooms including a living room, a dining room, a family room, a hobby room, a kitchen, six bedrooms and three and one-half baths. Dwelling A contains approximately 2,821 square feet of net living area

Dwelling B is a one-story single family residence. It contains seven rooms including a living-dining room, a kitchen, three bedrooms and two baths. Dwelling B contains approximately 850 square feet of net living area. It also contains a deck of approximately 140 square feet.

Parking. The Project contains four (4) uncovered regular size parking stalls. Dwelling A has the exclusive use of two uncovered parking stalls numbered one and two on the Condominium Map. Dwelling B has the exclusive use of the two uncovered parking stalls numbered three and four on the Condominium Map. The parking stalls are as shown on the Site Plan which constitutes one of the Condominium Maps.

Apartment Numbers and Location. Dwelling A is at the northern end of the Land and Dwelling B is located immediately to the south of Dwelling A. The location of each Dwelling is as shown on the Condominium Map.

Dwelling A has access to Melekula Road by way of a common driveway, which is shown as "Existing Access Driveway" on the Condominium Map and is included as a Common Element of the Project. Dwelling B has access to Melekula Road by way of a driveway located on Lot A as designated on the Condominium Map as "Dwelling Lot B Access Roadway" and then by way of the "Existing Access Driveway" above referred to.

COMMON ELEMENTS. One freehold estate is also designated in all the remaining portions of the Project, called the "Common Elements".

a. The Land in fee simple, more particularly described in Exhibit A to the Declaration.

b. The driveway indicated on the Condominium Map as "Existing Access Driveway".

c. All other portions of the Land and improvements not specifically heretofore designated as Apartments or Dwellings, but which are intended for common use and all other devices and installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the Horizontal Property Regime.

LIMITED COMMON ELEMENTS. Certain parts of the common elements, called the "Limited Common Elements", have been designated and set aside for the exclusive use of each Dwelling, and each Dwelling shall have appurtenant thereto exclusive easements for the use of such limited common elements. Unless otherwise specified, all costs of every kind pertaining to each limited common element, including but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne entirely by the Dwelling to which it is appurtenant. The limited common elements so set aside and reserved are as follows:

The site of each Dwelling, called a "Dwelling Lot" and consisting of the land beneath and immediately adjacent to each Dwelling, as shown and delineated on said Condominium Map (and having the same letter designation as the Dwelling to which it is appurtenant), shall be deemed a limited common element for the exclusive use of the Dwelling to which it is appurtenant.

"Dwelling Lot B Access Roadway" as shown on the Condominium Map shall be deemed a limited common element for the exclusive use of Dwelling B to which it is appurtenant.

INTEREST TO BE CONVEYED TO PURCHASER: The fraction (percentage) of undivided interest in the common elements appurtenant to each apartment set forth below. Each apartment shall have said fraction in all common profits and expenses of the Project and for all other purposes, including voting on all matters requiring action by the apartment owners.

<u>Apartment No.</u>	<u>Percentage</u>
Dwelling A	77%
Dwelling B	23%

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: A Dwelling shall be occupied and used only as a private dwelling by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. A Dwelling shall not be rented for transient or hotel purposes, which is defined as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the Dwelling are provided customary hotel services, such as room service for food and beverage, maid service, laundry and linen, or bellboy service. Except for such transient or hotel purposes, the owners of a Dwelling shall have the absolute right to lease the same subject to limitation, restrictions, covenants and conditions of the Declaration.

OWNERSHIP OF TITLE: A Preliminary Title Report dated September 26, 1985, by Title Guaranty of Hawaii indicates that Steven Leroy Peters and Codie Carter Peters, husband and wife, have title to the land committed to the Project.

ENCUMBRANCES AGAINST TITLE. Said Preliminary Title Report dated September 26, 1985, reveals the following:

1. Mortgage dated February 24, 1983, filed as Document No. 1153934, in favor of James Blaine Divine, II, husband of Claudia Divine, and Susan Divine Sholar, wife of Lynn Jay Sholar.
2. Mortgage dated February 24, 1983, filed as Document No. 1153935 in favor of Claudia Divine, wife of James Blaine Divine, II.
3. Mortgage dated July 15, 1985, filed as Document No. 1308995, in favor of Crocker Financial Corporation, Ltd., a Hawaii corporation.

4. Lis Pendens dated December 19, 1984, filed in the Circuit Court of the First Circuit, State of Hawaii, Civil No. 84-2013, and filed as Document No. 1273603.

5. Real Property Taxes as may be due and owing. Check with the Department of Finance for further information.

6. No determination of water rights/easements for irrigation ditches in favor of Dillingham or other parties interested in land covered by Land Court Certificate of Title No. 47,043.

7. Perpetual covenants set forth in Land Court Document No. 124605.

8. Grant of utility easement in favor of Hawaiian Electric Co. in Land Court Document No. 186009.

9. Declaration of easement for roadway dated September 6, 1985, filed as Document No. 1321445.

10. Declaration, By-Laws and Condominium Map mentioned in Paragraph no. 3 on Page 2 of this Final Public Report.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated July 30, 1985, identifies Title Guaranty Escrow Services, Inc., as Escrow Agent. On examination, the Reservation Agreement, Deposit Receipt and Sales Contract and the executed Escrow Agreement are found in compliance with Hawaii Revised Statutes, Chapter 514A, as amended.

Among other provisions, the executed Escrow Agreement states that a Purchaser under a Reservation Agreement, Deposit Receipt and Sales Contract (hereinafter, the "Sales Contract"), shall be entitled to certain rights of cancellation pursuant to Chapter 514A, Hawaii Revised Statutes, as amended, and/or pursuant to the provisions of the Sales Contract. The Sales Contract provides that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such Purchaser without interest, if any one of the following has occurred:

(a) Developer and the Purchaser shall have requested Escrow in writing to return to Purchaser the funds of Purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of 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 Developer.

In any of the foregoing events, Escrow shall, upon the occurrence of the event described in (a) or (b) above, pay said funds to said Purchaser and thereupon said Sales Contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a Purchaser at Purchaser's request prior to receipt by Developer of written notice from escrow of its intent to make such refund.

The Sales Contract also provides for other rights of cancellation by Developer and such include, but are not limited to, the following:

1. If Purchaser shall have died prior to his acquisition of title to the apartment, the Developer may elect to return all sums paid hereunder to Purchaser's estate or legal representative, and thereupon all rights of Purchaser shall cease and terminate without further liability on the part of the Developer.

2. If Purchaser shall have sought financing and application is not approved within thirty (30) days.

NOTE: Prospective purchasers should be aware that all security interests obtained by any lender in connection with the Project as well as any extensions, renewals or modifications thereof shall be prior to and superior to any and all liens or charges arising from the Sales Contract or any other prior reservation agreement.

MANAGEMENT AND OPERATION: The By-Laws of this project state that the management and operation of the project shall be vested in the Board of Directors, that the Board of Directors shall employ, for the Association of Apartment Owners, a Managing Agent to perform such duties as the Board shall authorize, including the collection of all assessments from the Owners. The Developer has not yet entered into a Property Management Agreement and until a corporate or other managing agent is appointed, Steven Leroy Peters, the developer, will serve as the initial Managing Agent. It is intended that after sale of the Project that the owners of the Apartments in the Project will self-manage the Project.

STATUS OF PROJECT: The Project is completed. A letter from the City's Building Department dated August 8, 1985 to the Developer's attorney indicates that the two story dwelling was built in 1971 and the one-story building was constructed in 1984, that they both met code requirements when they were constructed, and that no variances or special permits were

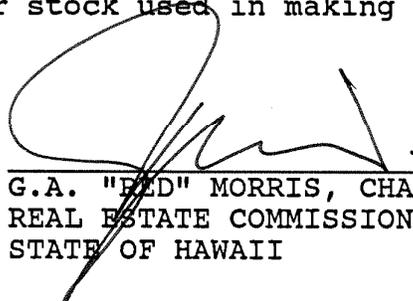
granted to allow deviation from Code. However, both may constitute "non-conforming" uses based on present law.

Purchaser understands that purchasing a structure which is "non-conforming" is a risk of which he has been informed and which the Purchaser accepts.

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The Purchaser or 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 July 31, , 1985, and information subsequently filed as of October 15, , 1985.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1694 filed with the Commission on July 31, 1985. The report, when reproduced shall be a true copy of the Commission's Final Public Report. The paper stock used in making facsimiles 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. 1694

October 25, 1985

47-544 MELEKULA ROAD

DISCLOSURE ABSTRACT

1. (a) PROJECT: 47-544 Melekula Road
Melekula Road
Kahaluu
Honolulu, State of Hawaii
- (b) DEVELOPER: STEVEN LEROY PETERS
CODIE CARTER PETERS

- (c) MANAGING AGENT: Steven Leroy Peters
2. Breakdown of annual maintenance fees and monthly estimate costs for each unit (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).
3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS: The Developer is not making any warranties relating to the materials and workmanship of the Dwelling A or the common elements. The Developer is making a one year warranty on the materials and workmanship of Dwelling B. To the extent any appliances are covered by manufacturer's warranty, such warranties will be assigned to an Apartment Owner.
4. USE OF UNITS. The 47-544 Melekula Road Project will consist of two (2) units which will be used for residential purposes by the respective owners thereof, their tenants, families and domestic servants and social guests, and for no other purpose.
5. EXISTING STRUCTURES BEING CONVERTED. Based upon a report prepared by Robert K.K. pang, Registered Professional Engineer, the Developer states:
 - a. The present conditions of all structural components and mechanical and electrical installation material to the use and enjoyment of the condominium appears to be good.
 - b. The Developer makes no statement with respect to the expected useful life of each item set forth in paragraph (a); and
 - c. There are no outstanding notices of uncured violations of building code or other municipal regulations.

EXHIBIT "A"

ESTIMATED OPERATING EXPENSES

47-544 MELEKULA ROAD

For Period July 1, 1985 to June 30, 1986
As Prepared by Developer

Estimated Annual Expenses

Ground Maintenance and Water/Sewer and Electricity *	\$ 240
Fire/Liability Insurance: **	\$
Management Fee:	\$
Miscellaneous:	\$
 TOTAL ANNUAL EXPENSES	 \$ 240

Estimated Monthly Expenses

(\$ 240 - 12 months): \$ 20

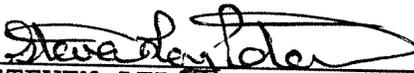
Estimated Monthly Maintenance Fee for Each Apartment:

Estimated Monthly Expenses:	\$ 10
 TOTAL MONTHLY MAINTENANCE FEE FOR EACH APARTMENT:	 \$ 10

Note: * All utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charges.

** It is contemplated that each apartment owner will purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage and that the Association of Apartment Owners will be named as an additional insured, but without any cost to the Association.

The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.


STEVEN LEROY PETERS


CODIE CARTER PETERS