

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
KAHALA PACIFICA
HOAKOA PLACE
HONOLULU, HAWAII

REGISTRATION NO. 1727

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 therefor 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: January 2, 1986
Expires: February 2, 1987

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 DECEMBER 12, 1985 AND INFORMATION SUBSEQUENTLY FILED AS OF DECEMBER 26, 1985. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. KAHALA PACIFICA, is a leasehold condominium project consisting of twelve 3-story duplex buildings containing 24 apartments to be constructed, and one existing 1-story building containing a 3-bedroom apartment and nursery (Apartment 25). Each apartment has a two-car garage. In addition, the project will have 12 guest parking spaces.
2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and approved floor plans) for the project have been recorded in the office of the recording officer. The Declaration dated November 28, 1984, has been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 18374 at Page 471, and the By-Laws also dated November 28, 1984, has been recorded in said Bureau in Liber 18374 at Page 509. Condominium Map No. 940 has been assigned to the project.
4. No advertising and 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 Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
6. This Preliminary Public Report is made a part of the registration on KAHALA PACIFICA condominium project. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) along with the Disclosure Abstract (dated November 25, 1985) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt therefor.
7. This Preliminary Public Report automatically expires thirteen (13) months from the date of issuance, January 2, 1986, unless a Final or Supplementary Public Report is published, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KAHALA PACIFICA

LOCATION: The project is located on that certain parcel of land at Hoakoa Place, Honolulu, Hawaii, containing a total area of approximately 22.305 acres.

TAX KEY: First Division, 3-5-24-07 & 29

ZONING: R-4 and R-6

DEVELOPER: The Notice of Intention reveals the Developer to be How-Pac Partners, a registered Hawaii limited partnership, whose principal place of business and post office address is 1344 Hoakoa Place, Honolulu, Hawaii 96821, Ph. No. 757-7501. The General Partner of the limited partnership is Pac-Pro Management Engineering, Inc., a Hawaii corporation, and the Limited Partners are Yet Lan Yee, Stevan S. T. Yee, Sanford S. H. Yee and Christian S. W. Yee.

ATTORNEY REPRESENTING DEVELOPER: OKUMURA TAKUSHI FUNAKI & WEE, ATTORNEYS AT LAW, A LAW CORPORATION (Alfred M. K. Wong), Suite 1400 Grosvenor Center, 733 Bishop Street, Honolulu, Hawaii 96813, Tel. No. 543-9800.

DESCRIPTION OF PROJECT: Twenty-five (25) separate condominium apartments are designated in the spaces within the perimeter

and party walls, floors and ceilings of each of the 25 apartment units of the project, contained in twelve (12) three-story buildings, and one (1) one-story building, without basements, which spaces are referred to herein as "apartments" and are designated on Condominium Map No. 940 and described below. The 25 apartments are located in 12 duplex buildings and 1 single family structure. The buildings are constructed principally of wood frames with a tile roof, stucco exterior and gypboard interior walls.

The duplexes are located around a private road extension of a public road known as Hoakoa Place as shown on the Condominium Map. Each duplex contains two (2) apartments as designated on the Condominium Map. A single family residence and nursery is designated on the Condominium Map as Apartment (Unit) No. 25.

The 24 apartments in the duplexes are to be constructed according to five (5) different floor plans. The first 23 duplex apartments each contain 3 bedrooms, 2-1/2 bathrooms, a kitchen with breakfast nook, a living room, a study, a dining room, a family room, 4 decks and a garage as shown on the Condominium Map. The 24th apartment, which is located in a duplex, contains a sitting room, 2 studies, 2 family rooms, 5 bedrooms, living room, dining room, kitchen, 5 bathrooms, 3 decks, a lanai, a storage room and a garage as shown on the Condominium Map.

Apartment (Unit) 25 in the single-family residence building contains 3 bedrooms, a family room, living room, dining room, kitchen, utility room, covered patio, porch, garage and nursery as shown the Condominium Map.

The type of floor plan, number of bedrooms, and approximate interior area for each apartment are as follows:

<u>Apartment No.</u>	<u>Floor Plan</u>	<u>No. of Bedrooms</u>	<u>Interior Area (Sq.Ft.)</u>	<u>Decks & Lanai (Sq.Ft.)</u>	<u>Garage (Sq.Ft.)</u>
4, 6, 8, 10, 12	Downhill A	3	2248	254	494
3, 5, 7, 9, 11	Downhill B	3	2248	254	431
1, 2, 13, 14	Downhill Unit/ Detached	3	2248	254	410 (Detached)
15, 16, 17, 18, 19, 20, 21, 22, 23	Uphill	3	2018	201	482
24	Uphill Unit 24	5	4292	521	482
25	Unit 25	3	1740	1009	393

NOTE: The floor areas described above are approximate net living areas measured from the interior surfaces of the apartment perimeter walls.

The apartments have immediate access to the grounds of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, 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 provided in the Declaration. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein.

COMMON ELEMENTS: As set forth in the Declaration, as amended, one freehold estate is designated in all remaining portions of the project (referred to in the Declaration, as the "common elements"), including specifically but not limited to:

- (a) Said land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, walkways, entrances and exits of said building;
- (c) All yards, grounds and landscaping;
- (d) All parking areas, including 12 guest parking spaces indicated on the Condominium Map, but not including the private garages which are part of the respective apartments;
- (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 apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any; and
- (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.
- (g) All recreational facilities, including the private park area and facilities therein, subject, however, to all of the terms and conditions of that certain Declaration of Restrictive Covenants (Private Park) to be recorded in the Bureau of Conveyances of the State of Hawaii, including without limitation the obligation to contribute proportionately to the perpetual maintenance thereof.

LIMITED COMMON ELEMENTS: Certain parts of the common elements (referred to in the Declaration, as the "limited common elements") are designated and set aside for the exclusive use of certain apartment(s), and such apartment(s) shall have appurtenant thereto easements for the use of such limited common elements as follows:

The land bounded by the solid and dotted lines on the Condominium Map surrounding the residence marked Apartment 25

and reaching to Waiialae Nui Drainage Canal at the end of Hoakoa Place shall be appurtenant to and for the exclusive use of Apartment 25, excepting, however, the roadway extending from Hoakoa place which constitutes a common element.

Notwithstanding any provision in the Declaration, to the contrary, all costs and expenses, including but not limited to, maintenance, repair, replacements, additions and improvements to any of the limited common elements of the project shall be charged to the owner of the apartment to which the limited common element is appurtenant.

INTEREST TO BE CONVEYED TO PURCHASER: Each of the twenty-five (25) apartments shall have appurtenant thereto an undivided four (4) percentage interest or 1/25th fractional interest (referred to in the Declaration as the "common interest") in all the common elements of the project, and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting. Each purchaser of an apartment will be issued an Apartment Lease by the Trustees of the Estate of Bernice Pauahi Bishop, the fee owner, as Lessor.

The percentage common interests are determined by dividing the number of units (twenty-five apartments) into 100%.

NOTE: If Apartment (Unit) 25 is withdrawn from the project under the right reserved to it under paragraph P of the Declaration, the common interest appurtenant to each apartment shall thereafter be a 1/24th fractional interest.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: A proposed Amendment to the Declaration provides that the apartments, except Apartment 25, shall be occupied and used for residential purposes, and no apartment except for Apartment 25 shall be used as a tenement or rooming house, or for or in connection the carrying on of any business, trade or profession whatsoever. Apartment 25 may be used for residential purposes and a nursery for the raising and sale of plants and trees.

The apartments in the project or any interest therein shall not be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "timeinterval ownership" arrangement.

Among other provisions, the House Rules provide that water beds are not permitted in the apartment without the approval of the Board of Directors; no fireworks of any sort shall be set off on the project; and only certain animals, such as cats, dogs or other household pets, are permitted, provided that they are first registered with the Manager.

OWNERSHIP OF TITLE: The Preliminary Report dated December 6, 1985 by Founders Title and Escrow of Hawaii indicates that title to the land is vested in the Trustees of the Estate of Bernice Pauahi Bishop (the fee owners). By assignment of lease dated October 15, 1985, Developer acquired the leasehold development rights issued by the fee owners from Pac-Pro Management Engineering, Inc., the General Partner of the Developer.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report indicates that title to the land is subject to the following:

1. Real property taxes that may be due and owing: Reference is made to the Office of Finance Director, City and County of Honolulu.
2. Title to all minerals and metallic mines reserved to the State of Hawaii.
3. Grant of Easement dated April 7, 1955, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 2983 at Page 1, granting an easement for utility purposes in favor of the Hawaiian Electric Company, Limited and Hawaiian Telephone Company.
4. Grant of Easement dated August 7, 1956, recorded in the Bureau of Conveyances in Liber 3305 at Page 79, granting an easement for sanitary sewer purposes, in favor of the City and County of Honolulu.
5. Grant of Easement dated August 16, 1960, recorded in the Bureau of Conveyances in Liber 4046 at Page 158, granting an easement for electrical purposes, in favor of the Hawaiian Electric Company, Limited.
6. Grant of Easement dated September 5, 1961, recorded in the Bureau of Conveyances in Liber 4142 at Page 174, granting an easement for electrical purposes, in favor of the Hawaiian Electric Company, Limited.
7. Grant of Easement dated December 31, 1962, recorded in the Bureau of Conveyances in Liber 4483 at Page 320, granting an easement for water pipeline purposes, in favor of the City and County of Honolulu.
8. Grant of Easement dated December 31, 1961, recorded in the Bureau of Conveyances in Liber 4859 at Page 155, granting Easement "C" (10 feet wide) for storm drain purposes, in favor of the City and County of Honolulu.
9. Grant of Easement dated December 31, 1961, recorded in the Bureau of Conveyances in Liber 4859 at Page 155, granting Easement "D" (10 feet wide) for sewer purposes, in favor of the City and County of Honolulu.
10. Grant of Easement dated September 12, 1966, recorded in the Bureau of Conveyances in Liber 5500 at Page 137, granting an easement for electrical purposes, in favor of the Hawaiian Electric Company, Inc.
11. Grant of Easement dated February 24, 1967, recorded in the Bureau of Conveyances in Liber 5899 at Page 327, granting an easement for sanitary sewer purposes, in favor of the City and County of Honolulu.
12. Grant of Easement dated March 20, 1978, recorded in the Bureau of Conveyances in Liber 12910 at Page 472, granting an easement for utility purposes, in favor of the Hawaiian Electric Company, Inc.
13. Grant of Easement dated December 6, 1978, recorded in the Bureau of Conveyances in Liber 14273 at Page 770, granting an easement for electrical purposes, in favor of the Hawaiian Electric Company, Inc.

14. An unrecorded easement 15 feet wide, for water purposes, as more fully described in instrument dated June 28, 1982, recorded in the Bureau of Conveyances in Liber 16536 at Page 684.

15. An unrecorded easement 10 feet wide, containing an area of 536 square feet, for sewer purposes, as more fully described in instrument dated June 28, 1982, recorded in the Bureau of Conveyances in Liber 16536 at Page 684.

16. Lease No. 27,411 dated November 28, 1984, recorded in the Bureau of Conveyances in Liber 18374 at Page 424, between Trustees of the Estate of Bernice Pauahi Bishop, as Lessors, and Pac Pro Management Engineering, Inc., a Hawaii corporation, as Lessee, for a term of 57 years commencing September 1, 1984, which Lease was assigned to How-Pac Partners, a registered Hawaii limited partnership (the Developer) by Assignment and Consent dated October 15, 1985, recorded in said Bureau of Conveyances in Liber 19117 at Page 416. Said Lease is subject to the following:

(a) Partial Cancellation and Surrender of Master Lease dated December 27, 1984, recorded in the Bureau of Conveyances in Liber 18374 at Page 548. (Said Master Lease surrendered to the Lessors to the extent the same covers Apartment 25 of the Kahala Pacifica condominium project.)

(b) Mortgage dated January 22, 1985, recorded in the Bureau of Conveyances in Liber 18416 at Page 101, in favor of Hawaii Thrift & Loan Incorporated, a Hawaii corporation. (Affects Apartments 1 through 24 of the Kahala Pacifica condominium project.)

17. Condominium Map No. 940, filed in the Bureau of Conveyances of the State of Hawaii.

18. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions and easements set forth in the Declaration of Horizontal Property Regime dated November 28, 1984, recorded in the Bureau of Conveyances in Liber 18374 at Page 471.

19. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions and easements set forth in the By-Laws of the Association of Apartment Owners of Kahala Pacifica dated November 28, 1984, recorded in the Bureau of Conveyances in Liber 18374 at Page 509.

20. Apartment Lease No. 27,272 (covering Apartment 25 of the Kahala Pacifica condominium project) dated November 21, 1984, recorded in the Bureau of Conveyances in Liber 18374 at Page 553, between the Trustees of the Estate of Bernice Pauahi Bishop, as Lessors, and Kalfred L. K. Yee and Hazel T. Yee, husband and wife, as joint tenants, as Lessees, for a term commencing January 7, 1985 and terminating on January 6, 2040.

NOTE: The project is subject to Department of Land Utilization Order dated March 1, 1984, regarding the application for a cluster development housing project, Application No. 83/CL-9. Said Order imposes certain requirements upon the owner of land located at 1344 Hoakoa Place, Honolulu, Hawaii.

In addition to the above, the Developer proposes to record the Declaration of Restrictive Covenants (Private Park) mentioned in paragraph (g) on page 4 of this report.

PURCHASE MONEY HANDLING. A copy of the Specimen Sales Contract and the executed Escrow Agreement dated September 20, 1985 have been submitted as part of the registration. The Escrow Agreement identifies Founders Title & Escrow of Hawaii, Inc. as the Escrow. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement.

The Escrow Agreement establishes how proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds. The Escrow Agreement provides 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 \$25.00 cancellation fee and costs, if one of the following has happened:

(a) Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser then held under the Sales Contract by Escrow; or

(b) If a Purchaser's funds were obtained prior to the issuance of a final public report and the request is prior to the time the final public report is issued; or

(c) If a Purchaser's funds were obtained prior to the issuance of a final public report, then in the event that the Purchaser exercises his or her right to cancel at any time prior to the earlier of (1) the conveyance of the apartment to the Purchaser, or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report to such Purchaser; provided, however, that the Purchaser has not previously waived his or her right to cancel; or

(d) If a Purchaser's funds were obtained after the issuance of a final public report and Purchaser exercises his or her right to cancel prior to the earlier of (1) the conveyance of the apartment to Purchaser or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report, provided however, that the Purchaser has not previously waived his or her right to cancel; or

(e) 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, unless the Purchaser has waived his or her rights of rescission in writing; or

(f) If the final public report is not issued within one (1) year from the date of issuance of the preliminary public report, if any.

Among other provisions, the Sales Contract provides that all of the Purchaser's right, title and interest under the contract shall be subject and subordinate to the lien of any mortgage(s) made to finance the costs of the project and to any and all sums which may become a lien pursuant to the terms of such mortgage(s).

MANAGEMENT AND OPERATIONS: Administration of the project shall be vested in the Association of Owners. Operation of the project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws except that the initial Managing Agent shall be appointed by the Developer. JOYCE LEUNG doing business as PROSPECT REALTY, whose principal place of business and post office address is 650 Ala Moana Boulevard, #217, Honolulu, Hawaii 96813, has been named as the initial Managing Agent. The Managing Agent or any officer of Pac-Pro Management Engineering, Inc. (the General Partner of Developer), whose address is 1344 Hoakoa Place, Honolulu, Hawaii 96821, is designated as the agent to receive service of process until such time as the Board of Directors of the Association is elected.

ALTERATION OF APARTMENT. The apartments may be modified by adding certain amenities, at the option of the Purchaser and at additional cost to the Purchaser, such as hot tub, automatic garage door, central air conditioning, recreation deck, and in the case of downslope units (Apartments 1 through 14), enlarging the living room or adding an additional room which may be used as a fourth bedroom. The price and terms of such modifications shall be contained in an Addendum to the Sales Contract.

STATUS OF PROJECT: Apartment 25 was constructed in 1964 and 1965 and is presently leased to Kalfred L. K. Yee and Hazel T. Yee, husband and wife, pursuant to Apartment Lease dated November 21, 1984 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 18374 at Page 553. To the best of Developer's information and belief, and based on a letter provided by the Director and Building Superintendent, Building Department, City and County of Honolulu, dated November 27, 1985, Apartment 25 is in compliance with all ordinances, codes, rules, regulations or other requirements in force at the time of its construction thereof, and no variance was granted from any ordinance, code, rule, regulation or other requirement in force at the time of the construction thereof or from any current ordinance, code, rule, regulation or other requirement. Any change to the structure in the future would be subject to any zoning requirements in effect at that time including Section 21-107, Non Conforming Uses, of the Comprehensive Zoning Code. The Developer makes no representations as to the expected useful life of structural components and mechanical and electrical installations material to the use and enjoyment of Apartment 25.

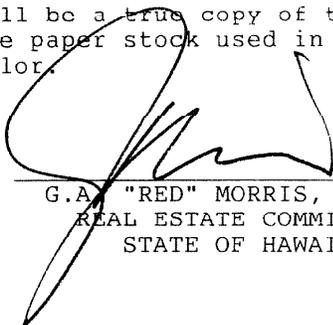
NOTE: There may be, among other requirements, zoning codes, building restriction laws and land use laws precluding the purchaser or the prospective purchaser from making changes to the property and building submitted herein for registration as a condominium project. Purchaser or the prospective purchaser should acquaint himself or herself with such requirements at the appropriate government agencies.

Construction of the 24 apartments to be built will commence in January 1986 and will be completed about one (1) year after the date of such commencement.

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 December 12, 1985, and information subsequently filed as of December 26, 1985.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1727.

This report when reproduced shall be a true copy of the Commission's public report. The paper stock used in making facsimiles must be yellow in color.



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

Distribution:

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

Registration No. 1727

Dated: January 2, 1986