



**REAL ESTATE COMMISSION**  
 STATE OF HAWAII  
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION  
 250 South King Street Room 702  
 Honolulu, Hawaii 96813

**CONDOMINIUM PUBLIC REPORT**

3355 PINAO STREET  
 3355 Pinao Street  
 Honolulu, Hawaii

Registration No. 2715 (Conversion)

Issued: November 24, 1992  
 Expires: December 24, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of September 17, 1992, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:**  
*(yellow)* The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
- FINAL:**  
*(white)* The developer has legally created a condominium and has filed complete information with the Commission.  
 No prior reports have been issued  
 Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- SUPPLEMENTARY:**  
*(pink)* Updates information contained in the  
 Prelim. Public Report dated \_\_\_\_\_  
 Final Public Report dated \_\_\_\_\_  
 Supp. Public Report dated \_\_\_\_\_
- And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_  
 This report reactivates the \_\_\_\_\_  
 public report(s) which expired on \_\_\_\_\_

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

- Required       Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

[X ] No prior reports have been issued by the Commission.

[ ] Changes made are as follows:

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*****
*                                     *
*          SPECIAL ATTENTION          *
*                                     *
*   This is a CONDOMINIUM PROJECT, not a subdivision. The *
*   land area beneath and immediately appurtenant to each *
*   unit is designated a LIMITED COMMON ELEMENT and does *
*   not represent a legally subdivided lot. The dotted *
*   lines in the Condominium Map bounding the designated *
*   number of square feet in each limited common element *
*   land area are for illustration purposes only and should *
*   not be construed to be formal subdivision lines. *
*                                     *
*   This public report does not constitute approval of the *
*   Project by the Real Estate Commission, or any other *
*   government agency, nor does it ensure that all applicable *
*   County codes, ordinances, and subdivision requirements *
*   have necessarily been complied with. *
*                                     *
*   THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY *
*   REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS *
*   PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE *
*   FOREGOING. ALSO, SEE PG. 18 FOR INFORMATION ON *
*   NONCONFORMITY OF APT. 3355B. *
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## GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

### Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

- 1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
- 2.  Residential  Commercial  Ohana  
 Mixed Residential and Commercial  Agricultural Unit 3355-B  
 Other \_\_\_\_\_

- 3.  High Rise (5 stories or more)  Low Rise

- 4.  Single or  Multiple Buildings

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>	<u>Garage</u>
3355-A	1	3/2	1,344	-0-	480
3355-B	1	3/2	1,256	336	319
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Apartments: 2

*\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

*Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>4 (2 each unit)</u>
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>4</u>

- 7. Recreational amenities: NONE

I. ( ) PEOPLE CONNECTED WITH THE PROJECT

Developer: Fusako Miyamoto & Stan Roy Miyamoto  
Name

Phone: \_\_\_\_\_  
~~(Business)~~

1799 Palamoi Street  
Business Address

Pearl City, Hawaii 96782

Names of officers or general partners of developers who are corporations or partnerships:

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker: None selected. Units not presently  
Name for sale.

Phone: N/A  
(Business)

\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Escrow: Long & Melone, Ltd.  
Name

Phone: 536-3866  
(Business)

333 Queen Street, Suite 500  
Business Address

Honolulu, Hawaii 96813

General Contractor: N/A  
Name

Phone: N/A  
(Business)

\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Condominium Managing Agent: Self-managed by Association of  
Dwelling Owners  
Name

Phone: N/A  
(Business)

\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Attorney for Developer: Jonathan S. Durrett, Esq.  
Lorrie L. Stone, Esq.  
Name

Phone: (808) 526-0892  
(Business)

STUBENBERG & DURRETT  
1250 Pauahi Tower, 1001 Bishop Street  
Business Address

Honolulu, Hawaii 96813

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

- Proposed  
 Recorded - Bureau of Conveyances - Document No. 92-097324  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

Amended by instrument dated August 17, 1992 recorded as Doc. No. 92-136148 on August 19, 1992.

- B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed  
 Recorded - Bureau of Conveyance Condo Map No. 1684  
 Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

The original Condominium File Plan No. 1684 that was recorded on June 18, 1992 was amended by substituting a new site plan on August 19, 1992 as noted in Doc. No. 92-136148.

- C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed  
 Recorded - Bureau of Conveyances - Document No. 92-097325  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed                       Adopted                       Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>N/A</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:**

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules





4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
[ ] Commercial	_____	_____	[ ] Industrial	_____	_____
[X] Residential	<u>2</u>	<u>Yes</u>	[ ] Agricultural	_____	_____
[ ] Timeshare/Hotel	_____	_____	[ ] Recreational	_____	_____
[ ] Other: _____				_____	_____

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?

[X] Yes [ ] No

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

[X] Pets: Dogs, cats and other household pets permitted in a reasonable number

[ ] Number of Occupants: \_\_\_\_\_

[ ] Other: \_\_\_\_\_

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 1 Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>	<u>Garage</u>
<u>3355-A</u>	<u>1</u>	<u>3/2</u>	<u>1,344</u>	<u>-0-</u>	<u>480</u>
<u>3355-B</u>	<u>1</u>	<u>3/2</u>	<u>1,256</u>	<u>336</u>	<u>319</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Apartments: 2

*\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

*Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

**Boundaries of Each Apartment:**

Each apartment shall be deemed to include the footings or slabs on which it is constructed, the exterior walls and roof, all interior walls, ceilings and partitions, and the finished surfaces thereof, and all fixtures originally installed therein. An apartment shall also be deemed to include its garage.

**Permitted Alterations to Apartments:**

See Exhibit "A"

**7. Parking Stalls:**

Total Parking Stalls: 4

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	<u>4</u>	<u>          </u>	<u>4</u>				
Guest	<u>          </u>						
Unassigned	<u>          </u>						
Extra Available for Purchase	<u>          </u>						
Other:	<u>          </u>						
Total	<u>          </u>						
Covered & Open	<u>4</u>	<u>          </u>	<u>0</u>	<u>          </u>	<u>0</u>	<u>          </u>	<u>          </u>

Each apartment will have the exclusive use of at least 2 parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

**8. Recreational and Other Common Facilities:**

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: \_\_\_\_\_

\_\_\_\_\_

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

A licensed engineer has verified that all structural components, mechanical and electrical installations are in good condition; and no representations are made with regard to the expected useful life of them.

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

A licensed engineer has verified that the project is apparently in full compliance with code requirements and regulations.

By letter dated May 30, 1990 on file with the Real Estate Commission, the Building Department indicated that the project met all code requirements at the time of construction in 1963 and 1984.

10. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	<u>                    </u>	<u>                    </u>
Structures	<u>X</u>	<u>X*</u>	<u>                    </u>
Lot	<u>X</u>	<u>                    </u>	<u>                    </u>

\*Apt. 3355-B. See p. 18.

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit "B" describes the common elements.

As follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which may use them are:

described in Exhibit "C"

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit \_\_\_\_\_ describes the common interests for each apartment.

As follows:  $1/2$  undivided interest per apartment

E. **Encumbrances Against Title:** An encumbrance is a claim against or a liability on the property.

Exhibit "D" describes the encumbrances against the title contained in the title report dated September 10, 1992 and issued by Island Title Corporation.

**Blanket Liens:**

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[ ] There are no blanket liens affecting title to the individual apartments.

[ X] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgage	Buyer's interest may be terminated, in which case Buyer's deposit less escrow cancellation fees, will be refunded.

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

**Initial Managing Agent:** When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

[ ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

[ X] self-managed by the Association of Apartment Owners.

[ ] other \_\_\_\_\_

G. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be *liened and sold* through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

\*No initial maintenance fees for this Project. See p. 18.

Exhibit \_\_\_\_\_ contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

Not applicable

Electricity

Television Cable

Gas

Water & Sewer

Other \_\_\_\_\_

I. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

2. Appliances:

Buyer shall have the direct benefit of any manufacturer's or dealer's warranties covering the appliances in the Apartment.

3. Warranty Exclusions:

The Developer makes no warranties, express or implied, with respect to the Apartment, the common elements, the project, fixtures, or consumer products contained or installed in the Apartment.

J. Status of Construction and Estimated Completion Date:

Structures are completed. Apartment A was constructed in 1963.  
Apartment B was constructed in 1984.

K. Project Phases:

The developer  has  has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

Notice to Owner Occupants N/A

Specimen Sales Contract to be used when apartments are offered for sale.

Exhibit "E" contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated September 14, 1992

Exhibit "F" contains a summary of the pertinent provisions of the escrow contract.

Other \_\_\_\_\_

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

##### Developer's Disclosure re: Ohana Dwelling Unit 3355-B:

Dwelling unit 3355-B was constructed pursuant to ohana permit issued by the City and County of Honolulu. Its present size exceeds the current 700 square feet limitation on ohana additional dwelling units placed by the Land Use Ordinance ("LUO"), and is therefore a non-conforming structure. The LUO will not permit its present size to be expanded, but the unit may be rebuilt to its present size if it is destroyed or substantially damaged, provided certain prerequisite conditions are met. Prospective purchasers are advised to consult with the City and County of Honolulu Department of Land Utilization for additional information.

##### Maintenance Fees:

No common expenses requiring monthly maintenance fees are currently anticipated by the developers. The cost of maintaining each dwelling unit and its respective limited common element shall be borne solely by each dwelling unit owner. Each owner shall obtain and maintain a policy of fire insurance as required by law, naming the Association of Dwelling Owners as an additional insured. Should the Association elect to maintain the required fire insurance for the project, insurance premiums shall become a common expense. The developer estimates such insurance premiums to be \$350.00 per dwelling unit annually.

##### Dwelling Units Not For Sale at This Time:

Although the developers have stated in their "Notice of Intention" that no offers for sale of either dwelling unit is contemplated at this time, an escrow agreement and a specimen sales contract have been submitted to the Commission to comply with statutory requirements for the issuance of an effective date for this Final Public Report. Summaries of these documents are attached herein as Exhibits E and F respectively.

**Buyer's Right to Cancel Sales Contract:**

**A. Rights Under the Condominium Statute:**

**Preliminary Report:** Sales made by the Developer are not binding on the prospective buyer. Sales made by the Developer may be binding on the Developer unless the Developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

**Supplementary Report to a Preliminary Report:** Same as for Preliminary Report.

**Final Report, Supplementary Report to a Final Report:** Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
  - a. Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report;  
**AND**
  - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
  - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

**Material Change:** Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

**B. Rights Under the Sales Contract:**

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other \_\_\_\_\_

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is part of Registration No. 2715 filed with the Real Estate Commission on  
September 16, 1992.

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MARCUS NISHIKAWA, Chair  
REAL ESTATE COMMISSION  
STATE OF HAWAII

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## EXHIBIT "A"

### ALTERATIONS TO THE APARTMENTS

Paragraph M of the Declaration provides:

M. Alteration of Apartments. No apartment owner shall do any work which would jeopardize the soundness or safety of the common elements, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add or remove any material structure or excavate any basement without first obtaining the consent of seventy-five percent (75%) of all apartment owners, together with the consent of all apartment owners whose apartments or limited common elements will be directly affected (as determined by the Board), and the Declarant.

Notwithstanding any provision in this Declaration to the contrary, any alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of such apartment or of certain apartments that have no effect on the common elements, may be undertaken upon the filing of an amendment to this Declaration and a complete set of floor plans of the apartment(s) so altered upon the written consent and approval of the apartment owner's plans therefor by the holders of all liens affecting such apartment (if the lienholders require such consent and approval), the Board of Directors, and the Declarant. If the Board determines that common elements will be affected by the proposed alteration, then the consent of at least seventy-five percent (75%) of apartment owners in the Project shall be obtained.

Before the commencement of construction, demolition or excavation, all necessary permits and approvals shall be obtained from the appropriate state and municipal agencies. The apartment owner shall also obtain and deposit with the Secretary a bond or certificate thereof naming the Association and Declarant as additional obligees, in a penal sum of not less than one hundred percent (100%) of the cost of such construction, demolition or excavation, as the same may change from time to time and with a corporate surety authorized to do business in Hawaii guaranteeing performance of such work, free and clear of all mechanics' and materialmen's liens arising under Chapter 507 of the Hawaii Revised Statutes, as amended.

## EXHIBIT "B"

### DESCRIPTION OF COMMON ELEMENTS

The "common elements" shall include, but not be limited to, the following:

(a) Said land in fee simple;

(b) All foundations, floor slabs, columns, beams, supports, unfinished perimeter and load-bearing walls, roofs, stairs, stairways, bridges, rails, fire escapes, and walkways around and between the buildings;

(c) All yards, grounds, landscaping, garden areas, roads, curbs, trash enclosures and like facilities;

(d) All storage areas for the benefit of maintenance personnel, maintenance sheds, fire hoses, and alarm boxes, if any;

(e) All roadways connecting the driveways of the enclosed garages;

(f) All ducts, sewer lines, electrical equipment, pipes, wiring, compressors, tanks, motors, fans, and other central and appurtenant transmission facilities over, under and across the Project which serve more than one apartment for services such as power, light, water, air conditioning, refuse, sewer, telephone and radio and television signal distribution; and

(g) 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.

Additional common elements or areas subject to common expenses may be designated upon the arrival of ninety percent (90%) of the apartment owners and the filing of an amendment hereto.

## EXHIBIT "C"

### DESCRIPTION OF LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, 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) The driveway connecting the garage of each dwelling to the roadway of the Project shall be deemed a limited common element appurtenant to and for the exclusive use of the dwelling served thereby.

(b) The enclosed yard and interior of yard enclosure (and storage shed, if any,) shall be for the exclusive use of the apartment to which said yard is appurtenant.

\*NOTE: Yard areas represented herein and "Dwelling Lots" depicted in the Condominium Map are not legally subdivided lots.

(c) Any walkway, stairway, or corridor which connects the apartment or apartments adjoining it to the exterior of the Project shall be appurtenant to and for the exclusive use of the apartment and said adjoining apartment or apartments.

(d) The mailbox assigned to each apartment.

(e) All other common elements of the Project which are rationally related to less than all of said apartments or buildings shall be limited to the use of such apartments or buildings.

## EXHIBIT "D"

### ENCUMBRANCES AGAINST TITLE

1. Title to all minerals and metallic mines reserved to the State of Hawaii.
2. Mortgage dated January 17, 1986, in favor of Stanwell Mortgage, a corporation organized and existing under the laws of the State of California, recorded January 23, 1986, in the Bureau of Conveyances, State of Hawaii, in Book 19241, Page 614.  
  
Said mortgage, by mesne assignments assigned by an instrument dated December 31, 1991, recorded March 3, 1992, in said Bureau, as Document No. 92-030730, to Countrywide Funding Corporation.
3. Real property taxes as may be due and owing. For further information, check with the County Tax Assessor.
4. Condominium documents as noted on page 7 of this Public Report.

## EXHIBIT "E"

### SUMMARY OF SALES CONTRACT

1. The sales agreement contains the price and other terms and conditions under which a buyer will agree to buy an apartment in the Project.
2. The contract provides for the buyer to get a copy of certain legal documents that buyer should closely examine.
3. The contract provides remedies to seller if buyer fails to comply with the terms and conditions of the contract. In the event of default by the buyer, seller may pursue any remedy permitted in law or in equity; all costs including reasonable attorneys fees will be borne by the buyer.
4. The buyer must complete the sale and purchase of the apartment by a certain date and pay closing costs, in addition to the purchase price.
5. The buyer's money will be held in escrow under the terms of the escrow agreement for the Project.
6. The developer is making no warranties or representations in connection with the sale of any of the apartments.
7. The sales contract is not assignable without the written consent of seller.

This is merely a highlighted summary of certain of the terms and conditions of the sales contract, and any buyer should review all the terms and conditions of the sales agreement before signing.

## EXHIBIT "F"

### SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the payments which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

- (a) Escrow will let purchasers know when payments are due.
- (b) The buyer will not receive interest on deposits made to Escrow.
- (c) Escrow will arrange for purchasers to sign all necessary documents.
- (d) The Escrow Agreement says under what conditions a refund will be made to a purchaser.
- (e) The Escrow Agreement says what will happen to a purchaser's funds upon default under the Sales Contract.

The Escrow Agreement contains many other provisions and establishes certain charges that may be incurred by the purchaser, and the purchaser should carefully read the entire Escrow Agreement.