

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

**FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT**

on
KUNAWAI TERRACE
647 Kunawai Lane
Honolulu, Hawaii

REGISTRATION NO. 701

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: July 12, 1974
Expires: August 12, 1975

SPECIAL ATTENTION

A comprehensive reading of the 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JULY 1, 1974 AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 5, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. KUNAWAI TERRACE is a proposed leasehold condominium project consisting of ninety-seven (97) apartments located in three (3) six-story apartment buildings and one (1) Parking Structure. One hundred nine (109) parking stalls are available. Each apartment unit shall have at least one (1) parking space appurtenant to it.

2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the issuance of this Final Public Report.
3. The Commission has determined that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been filed in the Office of the recording officer.

The Declaration and By-Laws dated June 26, 1974 have been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10000 at Page 311.

The Bureau of Conveyances has assigned Condominium Map No. 364 to the project.

4. No advertising and 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 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
6. The Final Public Report is made a part of the registration on Kunawai Terrace condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.
7. The Final Public Report automatically expires thirteen (13) months from the date of issuance, July 12, 1974, unless a supplementary report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KUNAWAI TERRACE

LOCATION: The project is located on those certain parcels of land located at 647 Kunawai Lane, Honolulu, Hawaii, and containing 57,719 square feet or 1.325 acres, more or less. The description of the land by file plan number and the reserved easements, rights, powers and privileges are more fully set forth in the Declaration.

TAX KEY: 1-7-40-2

ZONING: A-2

DEVELOPER: The Notice of Intention reveals the Developer to be The Kunawai Venture, a registered Hawaii joint venture, whose principal place of business and post office address is Suite 1625, 841 Bishop Street, Honolulu, Hawaii 96813, Telephone No. 524-5414. The members of the joint venture are as follows:

Smith Development Corp.
Suite 1625, 841 Bishop Street
Honolulu, Hawaii 96813
Telephone No. 524-5414

Officers: Peter S. Smith - President/Treasurer
Robert H. Gerell - Vice President/Assistant Secretary
J. Thomas Van Winkle - Secretary

The Sanger Corp.
801 Alakea Street
Honolulu, Hawaii 96813
Telephone No. 531-0191

Officers: Wallace E. Sanger - President
Frances M. Sanger - Vice President/Secretary/Treasurer

ATTORNEY REPRESENTING DEVELOPER: Okumura and Takushi (Alfred M. K. Wong), Suite 400, International Savings Building, 1022 Bethel Street, Honolulu, Hawaii 96813, Telephone No. 536-1791.

DESCRIPTION OF PROJECT: The Declaration of Horizontal Property Regime reflects that this is a leasehold condominium apartment complex. Ninety-seven (97) freehold estates are designated within the perimeter walls, floors and ceilings of each of the 97 apartment units of the project located in three (3) six-story apartment buildings and one (1) Parking Structure, all of reinforced concrete. The location of the buildings are in the form of a trapezoid with Building "A" and the Parking Structure located at the opposite parallel sides. The Parking Structure is the building closest to and parallel to Kunawai Lane, a public road. Buildings "B" and "C" form the other two sides of the trapezoid with Building "B" being nearest to Liliha Street and Building "C" opposite Building "B". There is a pond and open court within the area formed by the buildings. There is a corridor on each floor of each building which connects all of the buildings. The buildings are further described as follows:

a. Building "A" consists of six (6) identical floors with eight (8) two-bedroom apartments on each floor and stairs at each end of the building.

b. Buildings "B" and "C" consist of six (6) identical floors with four (4) one-bedroom apartments on each floor.

c. The Parking Structure consists of five (5) levels. The first level contains a one-bedroom apartment, lounge, lobby, storage room, recreation area, janitor's room, pool equipment room, men's and women's rest rooms, electric room, elevator machine room, and eighteen (18) parking stalls numbered 1 through 18, three (3) of which are stalls smaller than normal, suitable for compact cars (hereinafter referred to as "compact stalls"). The second level consists of a trash room and twenty-three (23) parking stalls numbered 19 through 41, five (5) of which are compact stalls. The third level consists of twenty-two (22) parking stalls numbered 42 through 63, five (5) of which are compact stalls. The fourth level consists of twenty-two (22) stalls numbered 64 through 85, five (5) of which are compact stalls. The fifth level consists of twenty-four (24) parking stalls numbered 86 through 109, nine (9) of which are compact stalls. Parking Stalls

Nos. 1 through 85 each have a storage locker located at the rear of the stall. There are two stairways and an elevator lobby on each floor of the Parking Structure and two elevators to service all buildings.

APARTMENTS: There are forty-eight (48) two-bedroom apartments and forty-nine (49) one-bedroom apartments, further described as follows:

Each two-bedroom apartment has two-bedrooms, a living-dining room, a bathroom and a kitchen, with a floor area of approximately 786 square feet, except Apartments 105 through 112 which have floor areas of approximately 776 square feet, and lanais of approximately 79 square feet, with a gross floor area of approximately 865 square feet, except Apartments 105 through 112 which have a gross floor area of approximately 855 square feet.

Each one-bedroom apartment has a bedroom, a living-dining room, a kitchen, a bath and (except for Apartment 100) an entry way. Apartment 100 contains an area of approximately 567 square feet. Apartments 101 through 104 and 113 through 116 each contains an area of approximately 638 square feet including lanais of approximately 60 square feet. All other one-bedroom apartments each contains an area of approximately 648 square feet including lanais of approximately 60 square feet.

The apartments are numbered "01" through "16" preceded by the number of the floor starting from Building "B" at the end nearest Kunawai Lane and proceeding clockwise.

Twenty-four (24) one-bedroom apartments are located in Building "B" and are numbered "01" through "04" preceded by the number of the floor starting from the end nearest Kunawai Lane.

All forty-eight (48) two-bedroom apartments are located in Building "A" and are numbered "05" through "12" preceded by the number of the floor starting from the Liliha Street end of the building.

Twenty-four (24) one-bedroom apartments are located in Building "C" and are numbered "13" through "16" preceded by the number of the floor starting from the end furthest from Kunawai Lane.

One (1) one-bedroom apartment is located in the Parking Structure and is designated Apartment 100.

Each apartment has access to a corridor leading to two (2) elevators and two (2) stairways located in the Parking Structure and two (2) stairways located in Building "A".

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter 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 any other apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all walls or partitions which are not load-bearing within its perimeter walls, all 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: The Declaration states that the owners of apartments will have an undivided interest in the common elements, including specifically but not limited to:

- a. Said land in fee simple.
- b. All foundations, columns, girders, beams, supports, main walls, roofs, corridors, lobbies, stairs, stairways, entrances and exits of said building.
- c. All driveways, parking spaces, storage lockers and storage room, yards, gardens, and recreational facilities.
- d. All central and appurtenant installations for common services, including power, light, water, telephone and trash disposal.
- e. The elevators and all tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use.
- f. The recreation area, including the swimming pool, lounge, men's and women's rest rooms.
- g. The open court and pond.

The project is located in the Kunawai Springs area and all ground level common areas are subject to disruption due to underground springs causing water to rise to the surface.

LIMITED COMMON ELEMENTS: The Declaration reflects that certain parts of the common elements, called the limited common elements, are designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

- a. There are one hundred nine (109) parking spaces in the project. Each apartment shall have one (1) parking space appurtenant to such apartment and shall be designated upon initial conveyance by lease. In addition, twelve (12) parking spaces shall be appurtenant to an apartment or apartments and shall be designated upon initial conveyance by lease. Any parking space or spaces appurtenant to an apartment shall be for the exclusive use of such apartment. Twenty-seven (27) parking spaces, designated on the Sales Contract by the letter "C" following the number of the parking space and designated on said Condominium Map by the number of the stall shaded in blue, are smaller than the other parking spaces and are for compact cars. Any automobile parking space easement may be transferred from apartment to apartment in the project so long as each apartment shall always have at least one (1) parking space appurtenant to it. Any transfer of a parking space shall be effective only upon the recording of an instrument in the Bureau of Conveyances of the State of Hawaii setting forth such transfer.
- b. Each apartment shall have a storage locker appurtenant to such apartment. The storage lockers located at the rear of parking stalls 1 through 85 shall be assigned to the apartment using such stall. The remaining apartments which have parking stalls located on the fifth level shall be assigned a storage locker located in the first floor storage room upon initial conveyance by lease.

c. The open area adjacent to the living room and bedroom of Apartment No. 100 shall be for the exclusive use of Apartment No. 100.

COMMON INTEREST: The Declaration reflects that each one-bedroom apartment shall have appurtenant thereto an undivided .880 percentage interest and each two-bedroom apartment shall have appurtenant thereto an undivided 1.185 percentage interest in all common elements of the project, such interest being defined and referred to herein as the "common interest", and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting.

RESTRICTION AS TO USE: The purposes for which said building and other improvements and each of the apartments are intended and shall be restricted as to use are as follows:

a. The common interest and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to this Declaration duly recorded, shall not be separated from such apartment and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument; excepting, however, the exclusive easements for the use of parking stalls. As long as at all times (or, in the case of an exchange of parking stalls between apartments, immediately subsequent to such an exchange) there shall be at least one (1) parking stall appurtenant to each apartment, any such exclusive easement for the use of a parking stall may be conveyed to another apartment owner by a written instrument expressly identifying the apartment to which the parking stall is appurtenant as well as the apartment to which the parking stall will become appurtenant, which written instrument shall be denominated as an amendment of the Declaration and of the leases of each apartment affected. The Lessor's joinder in such amendment shall not be necessary, but a copy of such instrument shall be delivered to Lessor within 30 days of such conveyance. To the extent that the joinder of apartment owners in addition to those directly affected may be required in order to validate the amendment of declaration for the limited purpose of transferring such easements, such joinder shall be accomplished by power of attorney from each of the owners not affected to the affected owners, the acceptance of ownership of an apartment subject to this Declaration being a grant of such power and the grant, being coupled with an interest, being irrevocable. The transfer, amendment of declaration and amendment of leases shall be effective upon recording of the same in the Bureau of Conveyances of the State of Hawaii. A copy of said conveyance and amendment of declaration and lease shall be given to the Association by the affected owners within fifteen (15) days of the recordation thereof.

b. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Horizontal Property Act.

c. The apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration or the By-Laws of the Association of Apartment Owners.

d. Administration of the project shall be vested in its Association of Apartment Owners, herein called the "Association", consisting of all apartment owners of the project in accordance with the By-Laws of the Association. The owner of each apartment upon acquiring title thereto automatically shall become a member of the Association and shall remain a member thereof until such time as his ownership of such apartment ceases for any reason, at which time his membership in the Association automatically shall cease; provided, however, that if and to the extent a lease of any apartment filed with the Board of Directors of the Association so provides, the lessee of such apartment shall be deemed to be the owner thereof.

OWNERSHIP OF TITLE: The Developer reports that title to the land is vested in George Hideo Fujita, husband of Teruko Fujita and Fumiko Fujita, unmarried. The Preliminary Report dated June 28, 1974 issued by Long & Melone, Ltd. confirms such ownership.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated June 28, 1974 issued by Long & Melone, Ltd. reports that title to the land is subject to the following:

1. Title to all mineral and metallic mines reserved to the State of Hawaii.

2. Free flowage of auwai as shown on Tax Map.

3. Grant of Easement in favor of City and County of Honolulu to construct, etc. drainage structures, dated November 22, 1961, recorded in the Bureau of Conveyances of the State of Hawaii in Book 4197 at Page 453.

4. Terms, covenants, conditions, reservations and restrictions contained in Lease dated October 30, 1973, recorded in Book 9573 at Page 1, made by and between George Hideo Fujita, husband of Teruko Fujita, and Fumiko Fujita, unmarried, as Lessors, to Smith Development Company, as Lessee, which lease was assigned to The Kunawai Venture (Developer herein) by Assignment of Lease dated April 1, 1974, recorded in said Bureau of Conveyances in Book 9850 at Page 509.

5. Mortgage in favor of Amfac Financial Corp. dated December 6, 1973, recorded in said Bureau of Conveyances in Book 9635 at Page 3.

6. Financing Statement in favor of Amfac Financial Corp., recorded in said Bureau of Conveyances in Book 9634 at Page 595.

7. Additional Security Mortgage in favor of Amfac Financial Corp. dated April 17, 1974, recorded in said Bureau of Conveyances in Book 9855 at Page 58.

8. Real Property Taxes that may be due and owing.

9. Second Mortgage in favor of Commercial Finance, Limited dated June 7, 1974, recorded in said Bureau of Conveyances in Book 9952, Page 510.

10. Covenants, conditions, restrictions, terms, agreements, obligations, reservations and provisions contained in the Declaration of Horizontal Property Regime of Kunawai Terrace dated June 26, 1974, recorded in Book 10000, Page 311. Project covered by Condominium Map No. 364.

PURCHASE MONEY HANDLING: A copy of the Sales Contract and the executed Escrow Agreement dated June 14, 1974 have been submitted as part of the registration. The Escrow Agreement identifies Long & Melone Escrow, Ltd. as the Escrow. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes.

Among other provisions, the Sales Contract provides that any interest payable on monies deposited with Escrow shall belong to and be payable to the Developer. The Sales Contract also provides that if less than 80% of the apartments in the Project is sold prior to April 1, 1975, or if the buildings and other improvements are not completed and ready for occupancy on or before April 1, 1975, the Sales Contract shall terminate and all payments made by Buyer under said Sales Contract and any Reservation Agreement shall be refunded without deduction or interest to the Buyer. Upon tender of such refund to Buyer, Seller and Buyer shall be released from all obligations to each other under the Sales Contract.

The Developer states that Alaneo Place, a public street which now ends at Kuakini Street, may be extended and if extended, will result in the condemnation of a portion of the project located behind Building "C" on the Ewa side of the project as shown on the plans filed with the Real Estate Commission.

The Developer further states that the project is located in the Kunawai Springs area and that the underground springs may cause disruption of the common areas due to underground water rising to the surface.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement. The latter agreement establishes how the 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.

MANAGEMENT AND OPERATIONS: The Declaration discloses that the administration of the project shall be vested in the Association of Apartment 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. The Developer has named First Hawaiian Bank as the initial Managing Agent of the project.

CONTRACTOR: Bert S. Mitsunaga


ARCHITECT: Walter Leong & Associates, Inc.

STATUS OF PROJECT: The estimated date of completion of the project is February 15, 1975.

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 1, 1974 and additional information subsequently filed as of July 5, 1974.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 701 filed with the Commission on July 1, 1974.

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



(for) DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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Bureau of Conveyances
Planning Commission, City and
County of Honolulu
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Registration No. 701

July 12, 1974