

# 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  
PUANA MALU  
2949 Ala Ilima Street  
Honolulu, Hawaii

REGISTRATION NO. 762

### 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: April 10, 1975

Expires: May 10, 1976

#### 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 MARCH 7, 1975, AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 7, 1975. 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. PUANA MALU is a leasehold condominium project consisting of a single 7-story building containing twenty-four (24) two-bedroom apartments. The Developer intends to sell the 24 apartments together with an undivided interest in the common elements of the project under Chapter 359G of the Hawaii Revised Statutes. Each apartment will have appurtenant to it one (1) parking space as designated on the Condominium Map.

2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the registration of the condominium project and 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 March 11, 1975, have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 713660.

The Land Court has assigned Condominium Map No. 244 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, as amended, 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 Puana Malu 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 Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.
7. This public report automatically expires thirteen months after the date of issuance, April 10, 1975, 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: PUANA MALU

LOCATION: The project is located on that certain parcel of land located at 2949 Ala Ilima Street, Honolulu, Hawaii, and containing an area of 20,828.0 square feet or thereabouts. The description of the land and the reserved easements, rights, powers and privileges are more fully set forth in the Declaration.

TAX KEY: 1-1-61-2, 1st Division

ZONING: A-3, Medium Density Apartment

DEVELOPER: HAWAII HOUSING AUTHORITY, a public body and a body corporate and politic of the State of Hawaii, 1002 North School Street, Honolulu, Hawaii, Telephone No. 845-6491.

ATTORNEY REPRESENTING DEVELOPER: Okumura and Takushi (James T. Funaki), 1022 Bethel Street, Suite 400, Honolulu, Hawaii, Telephone No. 536-1791.

DESCRIPTION OF BUILDING: The building on said land is a seven-story reinforced concrete structure consisting of a ground floor area and six (6) apartment levels (2nd through 7th floors).

The ground floor area contains a laundry room, switch room, trash room, recreation area and thirty (30) parking spaces.

The 2nd through 7th floors contain four (4) apartments. Each apartment has immediate access to a corridor leading to two stairways and an elevator. There is a trash chute on each apartment level.

DESCRIPTION OF APARTMENTS. There are four (4) apartments on each apartment level, making a total of twenty-four (24) apartments. The apartments on each floor are numbered 01 through 04 preceded by the number of the floor, numbered from the apartment nearest Ala Ilima Street and proceeding south.

Each apartment contains a living-dining room, kitchen, two bedrooms and a bathroom. Each 04 apartment is a mirror image of each 01 apartment and each 03 apartment is a mirror image of each 02 apartment.

Each 01 and 04 apartment has a floor area of approximately 821 square feet and a lanai of approximately 101 square feet, for a total area of approximately 922 square feet. Each 02 and 03 apartment has a floor area of approximately 816 square feet and a lanai of approximately 100 square feet, for a total area of approximately 916 square feet.

The 24 apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or of the interior load-bearing walls, the floors and perimeter ceilings surrounding each apartment, or any pipes, wires, ducts, conduits, or other utility or service lines running through such apartments which are utilized for or serve more than one apartment, all of which are common elements as provided in Paragraph 5 of the Declaration. Each apartment shall be deemed to include the walls and partitions which are not load-bearing and which are within its perimeter walls; doors and door frames; windows and window frames; the inner decorated or finished surfaces of walls, floors and ceilings, adjoining and connected thereto; 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, stairways, entrances and exits of said building.
- c. All driveways, parking spaces, loading areas, yards, gardens, walkways, open areas, and the recreation area.
- d. All central and appurtenant installations for common services, including power, sewer, gas, light, water, telephone and trash disposal.
- e. All elevators, central hot water heaters, tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use.
- f. The laundry room located on the ground floor of the building, exclusive of the coin-operated washers and dryers.

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:

There are thirty (30) parking spaces in the project. Each of the 24 apartments shall have one (1) parking space appurtenant to such apartment, which space is identified by the number identical to the apartment number on said Condominium Map. The remaining six (6) parking spaces will not be assigned and shall remain as part of the common elements to be used as parking spaces in such manner and for such purposes as the Board of Directors of the Association of Apartment Owners may determine.

COMMON INTEREST: Each apartment shall have appurtenant thereto an undivided one-twenty fourth (1/24) or .04166+ percentage interest in all common elements of the project, such interest being defined and referred to 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.

PURPOSES AND RESTRICTIONS: 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.

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 families, domestic servants and social guests, and for no other purpose. The apartments and the interests appurtenant thereto, being sold by the Hawaii Housing Authority ("authority") pursuant to Chapter 359G Hawaii Revised Statutes, shall be subject to and governed by the restriction on transfer and use of the apartments under Section 359G-9.1, Hawaii Revised Statutes, as it may be amended from time to time, which reads as follows:

"Restrictions on transfer and use of dwelling units. For a period of ten years after the dwelling unit is purchased from the authority, or an agreement of sale is executed, whether on fee simple or leasehold property the following restrictions shall apply to the use and transfer of the unit and the property:

(1) Any such dwelling unit shall be owner occupied. Violation of this provision is sufficient for the authority, at its option, to repurchase the dwelling unit as provided for in paragraph (2).

(2) In the event that the purchaser wishes to transfer title to the dwelling unit and the property or the lease, the authority shall have the right of first refusal, at a price which shall not exceed the amount of the original cost to the purchaser together with the cost of any improvements added by the purchaser together with simple interest on all of the purchaser's equity in the property at the rate of seven per cent a year; provided, however, that title to a dwelling unit and the property or lease may pass to a family member by devise or through the laws of descent, who would otherwise qualify under the rules and regulations established by the authority.

(3) Any deed, lease, agreement of sale, mortgage, or other instrument of conveyance issued by the authority shall expressly contain the restriction on transfer and use of the dwelling unit as prescribed in this section.

(b) For a period from the tenth year until the twentieth after a dwelling unit is purchased or an agreement of sale is executed, whether on fee simple or leasehold property the following restrictions shall apply to the use and transfer of the unit and the property:

(1) Any such dwelling unit shall be owner occupied. Violation of this provision is sufficient for the authority, at its option, to repurchase the dwelling unit as provided for in paragraph (2).

(2) In the event that the purchaser wishes to transfer title to the dwelling unit and the property or the lease, the authority shall have the right of first refusal, at a price which shall not exceed the greater amount of the original cost to the purchaser together with the cost of any improvements added by the purchaser together with simple interest on all of the purchaser's equity in the property at the rate of seven per cent a year, or the fair market value of the premises less any amount subsidized by the State, as determined by the authority, and less also interest thereon at the same rate as that paid by the purchaser on his mortgage or other security agreement, provided that title to a dwelling unit and the property or lease may pass to a family member by devise or through the laws of descent, who would otherwise qualify under the rules and regulations established by the authority.

(3) Any deed, lease, agreement of sale, mortgage or other instrument of conveyance issued by the authority shall expressly contain the restriction on transfer and use of the dwelling unit as prescribed in this section.

(c) Any time after twenty years have elapsed from the date a dwelling unit is purchased or an agreement of sale is executed, whether on fee simple or leasehold property, the purchaser may sell the unit and sell or assign the property to any person free from any price restrictions; provided that the purchaser shall be required to pay to the authority:

(1) The balance of any mortgage note, agreement of sale, or other amount owing to the authority.

(2) To the extent that any profit is realized, any subsidy made by the authority or the State not counted as cost under section 359G-8 but charged to the dwelling unit by good accounting practice as determined by the authority whose books shall be prima facie evidence of the correctness of the cost.

(3) To the extent that any profit is realized, interest on the amount determined under paragraph (2) above computed from the date of occupancy, at the same rate as that paid by the purchaser on his mortgage or other security agreement.

(4) If any proposed sale or transfer would not generate sufficient profit to enable the repayment of all sums under paragraphs (1), (2), and (3) above the authority shall have the right of first refusal to repurchase the unit. These provisions of subsection (b) shall be incorporated in any deed, lease, agreement of sale, mortgage, or other instrument of conveyance issued by the authority.

(d) Notwithstanding the provisions of subsections (a), (b), and (c) above the authority may at any time consent to the sale or transfer of a unit for such a price and on such terms as the authority may determine, in accordance with adopted rules or regulations, to preserve the intent of those provisions without the necessity for the State to repurchase the unit.

(e) Notwithstanding the provisions of subsections (a), (b), and (c) above, the authority may at any time waive the restrictions of subsections (a)(2), (a)(3), (b)(2), (b)(3), and (c), if the State makes no subsidy in the form of unrecovered land costs or unrecovered development costs, except such tax relief granted under section 359G-15, and except such costs, if any, (1) allocable to the staff of the authority in the administration of the partnership, (2) for training of labor under section 359G-13, and (3) for the development of innovative techniques and research under section 359G-14.

In the event that the United States Department of Housing and Urban Development, through its Federal Housing and Administration, the United States Department of Agriculture, through its Farmers Home Administration or any other federal or state agency engaged in housing activity, shall at any time become the owner of a dwelling unit and the land or leasehold interest pursuant to a contract, mortgage, or mortgage insurance, this right to repurchase by the authority shall be suspended and be of no force and effect during the period of such ownership, the right to repurchase being automatically reinstated and fully effective and applicable from and after any period of such ownership. Title to a dwelling unit and the land or leasehold interest may pass to a family member by devise or through the laws of descent, who would otherwise qualify under the rules and regulations established by the authority. The authority may in accordance with Chapter 91 adopt rules to effectuate this section and to conform to the requirements of any federal or state program."

OWNERSHIP OF TITLE: Title to the land is vested in Hawaii Housing Authority, Developer of the project. The Preliminary Report dated March 14, 1975, issued by Title Guaranty of Hawaii Incorporated confirms such ownership.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated March 14, 1975, issued by Title Guaranty of Hawaii Incorporated reports that title to the land is subject to the following:

1. Easement 467 (10 feet wide) for drainage, situate over and across the southerly portion of Lot 3421, besides other land, and

Easement 470 (6 feet wide) for transformer vault, situate on the westerly corner of said Lot 3421,

as shown on Maps 314 and 521, as set forth by Land Court Order No. 24900, filed in said Office of the Assistant Registrar on November 9, 1965.

2. Grant of Easement 470 in favor of Hawaiian Electric Company, Inc. and Hawaii Telephone Company for utilities purposes dated January 28, 1966, filed as aforesaid as Land Court Document No. 381416.

3. Restriction of access rights, situate over and across the southerly portion of said Lot 3421, besides other land, as shown on Maps 309, 314 and 521, as set forth by Land Court Order No. 24630, filed in said Office of the Assistant Registrar on September 3, 1965.

4. As to the restriction of access rights and Easement 467 only, those certain reservations as contained in Deed dated September 19, 1966, filed as aforesaid as Land Court Document No. 401142, made by and between Clarence Thing Chock Ching, husband of Dorothy Tom Ching, et al., "Grantors", K & H, Inc., a Hawaii corporation, "Purchaser", and K. Nagata, Ltd., a Hawaii corporation, "Grantee", to-wit:

"Excepting and reserving, however, unto said Grantors, their assigns or their respective heirs, executors, and administrators, the right and authority to grant to the State of Hawaii abutter's rights of vehicle access over and across the common boundaries of Lots 2150, 2152, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2098, 2099, 2100, 2101, and 2102 and Salt Lake Boulevard, as shown on said Map 314, and such grant to the State of Hawaii may be without notice to the Grantee herein, and by the acceptance of this instrument, the Grantee hereby covenants and agrees for itself and its successors and assigns, that it, and all of them, will, if, as, and when requested by said Grantors, or their assigns, join in such grant of said abutter's rights of vehicle access."



"Excepting and reserving, however, unto the Grantors and their assigns or their respective heirs, executors, and administrators, the right and authority to grant to purchasers of such lots to which said Easement 467 may be appurtenant, an easement for the free flowage of water through, over, and across said Easement 467, and such grant to such purchasers may be without notice to the Grantee herein, and by the acceptance of this instrument, the Grantee hereby covenants and agrees for itself and its successors and assigns, that it, and all of them, will, if, as, and when requested by Grantors, or their assigns, join in such grant of easement."

5. Excepting and reserving therefrom unto the Trustees under the Will and of the Estate of Samuel M. Damon, Deceased, all artesian and other underground water and rights thereto appurtenant to said premises as reserved in Deed dated October 7, 1965, filed as aforesaid as Land Court Document No. 372554; said Trustees released all right to enter upon surface of lands to exercise said exception and reservation in Document No. 372554 including any rights of ingress and egress upon said lands by instrument dated October 12, 1965 and filed as Land Court Document No. 372562.

6. The restrictive covenants as contained in that certain Declaration dated November 23, 1965 and filed as Land Court Document No. 375914, made by Clarence Thing Chock Ching, husband of Dorothy Tom Ching, et al. Said Declaration was amended by instrument dated December 14, 1965, filed as Land Court Document No. 377276, and further amended by instrument dated December 14, 1965, filed as Document No. 469113.

7. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations conditions and other provisions set forth in Declaration of Horizontal Property Regime dated March 11, 1975 and filed as Land Court Document No. 713660 and the By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or said By-Laws. (Puana Malu Condominium - Project covered by Condominium Map No. 244)

8. Real property taxes for the fiscal year July 1, 1974 - June 30, 1975.

RESERVATION OF EASEMENTS: In addition to the above easements, the Developer reserves unto itself any and all easements required to serve the project, and all rights-of-way now or hereafter granted or required to construct, install, operate, maintain, repair and replace lines and other transmission facilities and appurtenances for electricity, gas, telephone, water, sewer, drainage, radio and television signal distribution and other services and utilities over, across and under said easements according to the respective designations thereof, the right to enter for such purposes, and to trim any trees in the way of such lines and the right to grant

to any public utility or governmental authority such easements, rights and rights-of-way.

PURCHASE MONEY HANDLING. A copy of the specimen Sales Contract and the executed Escrow Agreement dated March 12, 1975, have been submitted as part of the registration. The Escrow Agreement identifies Title Guaranty Escrow Services, Inc. as the Escrow. Upon examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes.

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. Real Property Group, a division of The Hawaii Corporation, has been named as the initial Managing Agent.

ARCHITECT: Walter Leong Associates, Inc.


STATUS OF PROJECT: The project was completed in 1971. The Notice of Completion was filed on January 20, 1972, in the First Circuit Court.

The Developer has advised the Commission that the Building was previously used as rental units prior to conversion to a condominium project.

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The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted March 7, 1975 and additional information subsequently filed on April 7, 1975.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 762 filed with the Commission on March 7, 1975.

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.

  
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(For) DOUGLAS R. SODETANI, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

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

Registration No. 762  
April 10, 1975