

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT ON

PUNALUU SEASIDE ESTATES
53-456, 53-460, 53-462 & 53-464 Kamehameha Highway
Haleaha, Oahu, Hawaii

REGISTRATION NO. 862

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 therefore 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: July 19, 1976
Expires: August 19, 1977

SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED JUNE 16, 1976. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. PUNALUU SEASIDE ESTATES is a leasehold condominium project consisting of two (2) buildings, without basements, consisting of four (4) apartments and four (4) carports.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have not yet been recorded in the Bureau of Conveyances of the State of Hawaii.

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 the Horizontal Property Act, Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regime.

6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, July 19, 1976, unless a Final or Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

7. This Preliminary Public Report is made a part of registration on PUNALUU SEASIDE ESTATES condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Preliminary Horizontal Property Regime Public Report from each such person is also the responsibility of the Developer.

NAME OF PROJECT: PUNALUU SEASIDE ESTATES

LOCATION: The 15,552 square feet, or 0.357 acre, of land committed to the regime is situated at 53-456, 53-460, 53-462 and 53-464 Kamehameha Highway, Haleaha, Oahu, Hawaii.

TAX MAP KEY: First Division: 5-3-06-02 and 5-3-06-78

ZONING: R-6

DEVELOPER: MIDPAC DEVELOPMENT, LTD., a Hawaii corporation, 1001 Ahua Street, Honolulu, Hawaii, Phone 847-8111, whose officers are: Wallace J. D. Lai, President; Richard T. G. Choy, Vice President/Treasurer; L. Patrick Kirley, Vice President; Hatsue S. Kinoshita, Secretary/Asst. Vice President; and Tadayoshi Kimura, Asst. Secretary/Asst. Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Hamilton, Gibson, Nickelsen Rush & Moore (Attention: Dwight M. Rush and Walter Beh, II), 20th Floor Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone 521-2611.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a leasehold condominium project consisting of four (4) separate apartments contained in two (2) one-story buildings without basements, each containing two (2) semi-attached dwellings, constructed principally of wood, according to two (2) types of floor plans.

Apartment Nos. 1 and 2 are located on Lot 1 as shown on said Condominium File Plan. Apartment Nos. 3 and 4 are located on Lot 2 as shown on said Condominium File Plan.

Apartment Nos. 1 and 2 are built according to a floor plan consisting of seven and one-half (7-1/2) rooms all located on one floor, including three (3) bedrooms, one and one-half (1-1/2) bathrooms, a living-dining room, a kitchen, a laundry and a covered lanai. Each of these apartments contains a total floor area of approximately 1,296 square feet, including the covered lanai of approximately 96 square feet.

Apartment Nos. 3 and 4 are built according to a floor plan consisting of seven and one-half (7-1/2) rooms all located on one floor, including three (3) bedrooms, one and one-half (1-1/2) bathrooms, a living-dining room, a kitchen, a laundry and a covered lanai. Each of these apartments contains a total floor area of approximately 1,296 square feet, including the covered lanai of approximately 192 square feet.

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

The respective apartments shall not be deemed to include 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 hereinafter provided. Each apartment shall be deemed to include all the walls and partitions within its perimeter walls, all walls, floors, ceilings and roofs, doors and door frames, windows and window frames, the appurtenant lanai, the lanai air space, and all fixtures originally installed therein.

COMMON ELEMENTS: One freehold estate is hereby designated in all remaining portions of the project, herein called the "common elements", including specifically but not limited to:

1. The land in fee simple;
2. All yards, grounds and landscaping;
3. All roads, driveways and parking areas;
4. 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;

5. 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.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are designated and set aside for the exclusive use of certain apartments, and such apartments having appurtenant thereto easements for the use of such limited common elements as follows:

1. The lot upon which each respective apartment is built, as outlined in red on said Condominium File Plan, shall be appurtenant to and for the exclusive use of such apartment;

2. The appurtenant carport and storage area located within each said lot as shown on said Condominium File Plan shall be appurtenant to and for the exclusive use of the apartment located on such lot;

3. The cesspool located within each said lot as shown on said Condominium File Plan shall be appurtenant to and for the exclusive use of the apartment located on such lot.

Each apartment owner shall be responsible for the proper repair and maintenance of such limited common elements appurtenant to his apartment.

INTEREST TO BE CONVEYED TO PURCHASERS: Documents filed with the Real Estate Commission indicate that the purchaser will secure an Apartment Lease, demising an apartment and an undivided twenty-five percent (25%) interest in all common elements of the project and the same proportionate share of all common profits and expenses of the project and shall be used for all other purposes including voting.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration provides that, except when a mortgagee has entered into possession of an apartment following (i) a default under a first mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, 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 apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the apartments are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and the By-Laws attached hereto; provided, however, that no apartment owner may lease less than the entire apartment.

OWNERSHIP OF TITLE: A Certificate of Title dated March 6, 1975 and a Continuation thereof dated April 23, 1976, issued

by Title Guaranty of Hawaii, Incorporated, certifies that the fee simple owner of the property committed to the project is YIN SIT SHA SOCIETY, a Hawaii eleemosynary corporation, c/o Wah Chan Ching, President, 3724-B Old Pali Road, Honolulu, Hawaii, and whose officers are: Wah Chan Ching, President; James K. Seu, Vice President; Henry Ching-Shai, Chinese Secretary; Hing Hua Chun, English Secretary; and Lawrence K. L. Ching, Treasurer.

The fee simple owners will issue the individual apartment leases directly to the purchasers.

ENCUMBRANCES AGAINST TITLES: A Certificate of Title, dated March 6, 1975 and a continuation thereof dated April 23, 1976, issued by Title Guaranty of Hawaii, Incorporated, as submitted to the Commission, provides that the following are encumbrances against title to the property:

1. For any taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of the Tax Assessor of the First Division, Island of Oahu, Hawaii.

2. Reservation of mineral and metallic mines in favor of the State of Hawaii, as reserved in Royal Patent Grant No. 1313.

3. Master Lease dated March 1, 1975, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10493, Page 181 by and between Yin Sit Sha, a Hawaii eleemosynary corporation, as Lessor, and MidPac Development, Ltd., a Hawaii corporation, as Lessee.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated June 10, 1976, between Title Guaranty Escrow Services, Inc., as Escrow, and Developer has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40 thereof.

Among other provisions the executed Escrow Agreement states 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 Escrow's cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (a) Escrow receives a written request from Seller to return to purchaser the funds of such purchaser then held by Escrow; (b) if purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of the city and county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change; (c) if the purchaser's funds were obtained prior to the issuance of a Final Public Report and the Final Public Report differs in any material respect from the Preliminary Public Report, unless the purchaser has given

written approval or acceptance of the difference; or (d) if the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

The specimen Sales Contract filed with the Commission contains, among others, the following provisions:

1. "It is expressly understood and agreed by and between Seller and Buyer that Buyer's apartment described in Paragraph "A" hereof will be demised to Buyer as is and that THERE ARE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE, involved in this sale."

2. "Buyer hereby agrees that until Seller has closed out the sale of all the apartments in the condominium project or until December 31, 1978, whichever shall first occur, that Buyer will not enter into an agreement with any purchaser, lessee or owner of another apartment in the condominium project and/or any third party under which Buyer agrees to share expenses and/or rentals of apartments in the condominium project.

3. Developer advises that no representation or references will be made to either purchasers or prospective purchasers concerning rental of the apartment, income from the apartment or any other economic benefit to be derived from the rental of the apartment, including but not limited to, any reference or representation to the effect that Developer or the Managing Agent of the project will provide, directly or indirectly, any services relating to the rental or sale of the apartment. Rental of the apartments and the provisions of management services in connection therewith is and shall be the sole responsibility of the purchaser.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of residential apartments are placed in trusts, as well as the retention and disbursement of said trust funds. The specimen Sales Agreement specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project may be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent, but there is no requirement that a managing agent be appointed. At this time, the Developer does not propose to appoint an initial managing agent.

STATUS OF PROJECT: The Developer advises that it estimates construction of the project will be completed on or about July 20, 1976.

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 June 16, 1976.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 862 filed with the Commission June 16, 1976. 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.

Ah Kau Young

AH KAU YOUNG, 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. 862
July 19, 1976