

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

KUHALE KAPAHULU
1023 Kapahulu Avenue
Honolulu, Hawaii 96816

Registration No. 997

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: June 16, 1978

Expires: July 16, 1979

SPECIAL ATTENTION

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

THE DEVELOPER REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED APRIL 20, 1978, AND INFORMATION SUBSEQUENTLY FILED AS OF JUNE 16, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. KUHALE KAPAHULU is a proposed fee simple condominium project consisting of twenty-nine (29) residential condominium apartments (two story) in six (6) buildings with no basement. There shall be a total of 29 parking stalls each assigned to an apartment and 12 guest parking stalls in the parking area.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium and issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved floor plans) have not been filed in the office of the recording officer.
4. No advertising or 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 514A, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen months after date of issuance, June 16, 1978 unless a Final or Supplementary Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.
7. This Preliminary Public Report is made a part of the registration of the KUHALE KAPAHULU condominium project. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt for this report.

NAME OF PROJECT: KUHALE KAPAHULU.

LOCATION: The 54,458 square feet of fee simple land and improvements thereon to be submitted to the Horizontal Property Regime is located at 1023 Kapahulu Avenue, Honolulu, Hawaii.

TAX KEY: 1st Division, 3-2-07: 3, 4, 18, 25, 28, 29, 30, 32 & 34.

ZONING: R-7 (Act 105 exemption).

DEVELOPER: The Kuhale Housing Corp., a Hawaii corporation, whose principal place of business and post office address is 547 Halekauwila Street, Honolulu, Hawaii 96813, Telephone: 536-3511, and whose officers are:

Rodney Y. Inaba	547 Halekauwila Street Honolulu, Hawaii 96813	President
Walter K. Tagawa	926 Bethel Street Honolulu, Hawaii 96813	Vice President
Robert W. Holman, Jr.	570 Auahi Street Honolulu, Hawaii 96813	Secretary-Treasurer

ATTORNEY REPRESENTING DEVELOPER: Hiroshi Sakai, Attorney at Law, A Law Corporation, Suite 602, City Bank Building, 810 Richards Street, Honolulu, Hawaii 96813, Telephone: 531-4171.

DESCRIPTION: The project shall contain 29 townhouse (two story) apartment units located in 6 buildings with ground and second floors with no basement with post and beam, wood siding and

gypsum board interiors and composition shingle roof. There are spaces for 41 parking stalls, children's play area, trash and landscape areas.

1. Description of Units. There shall be 29 apartments in the project.

(a) Location and Numbering. The 29 apartments are numbered from 1 through 29 inclusive as shown on the Condominium Map. The parking stalls are numbered 1 through 29 and there are 12 guest parking stalls which are unnumbered and located in the parking area.

(b) Layout and Area.

(i) There are 16 two bedroom apartments numbered 2, 3, 4, 7, 8, 11 through 20 inclusive and 29, each consisting of the following:

Type I apartment, on the ground floor, a living-dining room, kitchen, toilet, and lanai; and on the second floor, two bedrooms and a bathroom. The total floor area for the apartments is as set forth in the Exhibit attached hereto and incorporated herein by reference.

(ii) There are 13 three bedroom apartments numbered 1, 5, 6, 9, 10 and 21 through 28 inclusive, each consisting of the following:

Type II apartment, on the ground floor, a living-dining room, kitchen, toilet, deck and a bedroom; and second floor, two bedrooms and a bathroom.

Type III apartment, on the ground floor, a living-dining room, kitchen, bedroom, bathroom and two lanais; and second floor, two bedrooms and a bathroom.

Type IV apartment, on the ground floor, a living-dining room, kitchen, bathroom, bedroom and two lanais; and on the second floor, two bedrooms and a bathroom.

Type V apartment, on the ground floor, a living-dining room, kitchen, toilet, bedroom and a lanai; and on the second floor, two bedrooms and a bathroom.

The total floor area for the apartments II through V inclusive are as set forth in the Exhibit attached hereto and incorporated herein by reference.

(iii) The floor area described above is gross floor area measured center line to center line on the horizontal and outside to outside in a transverse direction.

(c) Access to Common Elements. Each apartment has immediate access to the grounds through steps leading to the apartments.

(d) Limits of Apartments. The respective apartments shall not be deemed to include the undecorated or unfinished perimeter walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements. Each apartment shall include the adjacent lanai or lanais delineated on the Condominium Map. Each apartment shall be deemed to include all the walls or partitions which are not load bearing within its perimeter walls, and inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, the lanai, air space and all fixtures originally installed therein.

COMMON ELEMENTS: The common elements of the Project shall include the limited common elements (defined and described below) and all other portions of the land and improvement in the Project other than the apartments, the land on which the building is located and all elements mentioned in the Act which are actually constructed on the land and specifically shall include but not be limited to:

- a. The land in fee simple;
- b. All foundations, walls, beams, supports, bearing walls and roof;
- c. All yards, grounds and landscaping;
- d. All driveways, parking areas and 12 guest parking stalls;
- e. All facilities for utilities including power, lights, water and telephone;
- f. All other devices or installation upon the land and buildings existing for or rationally of common use to all of the owners of apartments within the Project.

LIMITED COMMON ELEMENTS: There are 29 parking stalls as limited common elements assigned with the same number to each apartment to be used by the apartment owner. Notwithstanding any provision in the Declaration, the apartment owners with the consent of the Mortgagee, if any, shall have the right to change the designation of parking stalls which are appurtenant to the respective apartments by amendment to the Declaration and the respective apartment deeds or leases involved. The amendment shall be effective upon recording or filing of the same for record with the Bureau.

COMMON INTEREST TO BE CONVEYED TO PURCHASER: The percentage of undivided interest for each of the two bedroom apartments numbered 2, 3, 4, 7, 8, 11 through 20 inclusive and 29 is a 2.98 percentage interest, the three bedroom apartments numbered 1, 5, 6, 9, 10 and 24 is a 4.03 percentage interest and the three bedroom apartments numbered 21, 22, 23, and 25 through 28 inclusive is a 4.02 percentage interest.

EASEMENTS: The apartments and common elements shall have and be subject to the following easements:

- (a) Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed

for such purposes for ingress to, egress from, and support, maintenance and repair of such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments and limited common elements of the building for support;

(b) If any of the common elements now or hereafter encroaches upon any unit or limited common element, or if any apartment now or hereafter encroaches upon any other apartment or upon any portion of the common elements, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event the apartment building shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements upon any apartment or of any apartment upon any other apartment or upon any portion of the common elements due to construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist;

(c) The Association shall have the right, to be exercised by its Board of Directors or the Managing Agent to enter each apartment and limited element from time to time during reasonable hours as may be necessary for the operation of the Project or for making emergency repairs necessary to prevent damage to any apartment or common elements;

(d) Each apartment owner shall have an easement in common with the owners of all other units to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments for its access to any common elements located in such apartment;

(e) The Developer reserves the right in its sole discretion to use and relocate from time to time any apartments that it owns as models, management office and/or sales office until such time that all apartments are sold and to maintain such advertising signs which comply with governmental ordinances which may be placed in any location of the Project.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The apartments shall be occupied and used as lodging for residential apartment uses and rental of apartments subject to such limitations as may be contained in the Declaration and By-Laws and House Rules which may be adopted from time to time governing the use of the apartments.

OWNERSHIP OF TITLE: A preliminary report dated April 7, 1978 issued by First American Title Co. of Hawaii, Inc., certifies that the fee simple title to the land to be submitted to the horizontal property regime is as follows: State of Hawaii 100% interest.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report reflects the following encumbrances:

1. For taxes that are due and owing reference is made to the Office of the Tax Assessor, First Division.

2. AS TO PARCEL FIRST ONLY:

The Easements and rights of ingress and egress over and across Lot 231 (roadway), in favor of the owners and occupiers of lots appurtenant to said Roadway, being Lot 234, as shown on Map 15, and Lots 235-A and 235-C, as shown on Map 18, both maps filed with Land Court Application 761, as set forth in that certain Deed made by Joseph Elmer Wist and Elinor Traxler Wist, (husband and wife), to George Luke Ing and Margaret Chung Ing, (husband and wife), dated December 12, 1945, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 81724, and mentioned in Transfer Certificate of Title No. 33,807, to which reference is hereby made.

3. AS TO PARCELS FIRST, SECOND AND FOURTH ONLY:

Designation of restriction of access rights, as set forth by Land Court Order No. 44179.

4. AS TO PARCEL FIFTH ONLY:

Lots 232 and 233 shall be sold together and Lot 233 shall be subject to an easement for road purposes appurtenant to Lot 235 and in favor of the owners thereof, as set forth in Land Court Order No. 6056, filed January 10, 1945, and mentioned in Transfer Certificate of Title No. 47,840, to which reference is hereby made.

NOTE: No record of any Lease to Fred Toilolo has been filed at the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement dated April 12, 1978, by and between ESCROW, and SELLER, has been submitted to the Commission as part of this registration. On examination, the Escrow Agreement and Sales Contract are found to be in compliance with Chapter 514A, Hawaii Revised Statutes. The provisions of the Sales Contract should be carefully read by the purchasers. The specimen document filed as a part of the registration recites the conditions under which the purchaser acknowledges receipt of the Public Report.

Among other provisions the Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest and less Escrow's cancellation fee, in the following instances:

1. Seller has requested Escrow in writing to return to purchaser the funds of such purchaser then held by Escrow; or

2. Prior to that time the Final Report is issued, the purchaser shall request in writing the return of his funds so deposited; or

3. If a purchaser's funds were obtained prior to the issuance of a final public report and if there is any change in the condominium building plans, subsequent to the execution of purchaser's sales contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the purchaser has given written approval; or

4. If 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

5. If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report.

The Escrow Agreement also provides that the Escrow shall deposit all funds received in a bank or savings and loan institution selected by the Developer and that any interest earned thereon shall be the sole asset of the Developer. The Developer has advised the Commission that pursuant to the terms of the Escrow Agreement, purchasers' escrowed down payments may, under certain circumstances, be used to defray construction and other costs of the Project after the issuance of a Final Report.

Among other provisions the specimen Sales Contract provides (1) that in the event that less than 75% of the apartments are sold 360 days from the date of the issuance of the preliminary public report, or 180 days from the date of the issuance of the final public report, Seller, at its option, may cancel the contract upon written notice to purchaser, in which event all sums paid by purchaser thereunder shall be refunded to purchaser, without interest, and the contract shall be deemed to have been cancelled and both parties shall be released from all obligations and liability thereunder; and (2) in the event that increases in development and construction costs of the project necessitate an increase in the unit sale prices over and above 3% of the sales price to maintain financial feasibility of the project, then and in such event, the Seller may at its option terminate the Sales Contract and cause Escrow to refund to Buyer all monies paid, without interest and Seller shall be released from all liability thereunder.

The Sales Contract also provides that the construction mortgage shall be and remain at all times a lien or charge on the project prior to and superior to any and all liens or charges on the project arising under the Sales Contract or any prior reservation agreement.

It is incumbent upon the purchaser that he read with care the Sales Contract and Escrow Agreement. The Escrow Agreement establishes how the proceeds and the sale of the apartments and all sums of any source are placed in trust as well as the retention, disbursement and refund of said trust fund.

MANAGEMENT AND OPERATION: The proposed Declaration of Horizontal Property Regime provides that the operation of the Project shall be conducted for the Association of Apartment Owners by a Managing Agent. The initial Managing Agent is designated as Paradise Management Corporation.

The Developer has submitted to the Commission a breakdown of the annual maintenance fees and the monthly estimated cost for each apartment.


HOUSE RULES: The proposed House Rules provide in part: (1) no dogs, cats or other domestic pets are allowed in the demised premises and (2) no more than two persons shall be allowed to occupy each bedroom except that guests or additional family members may be permitted which exceed said limitation as aforesaid up to a maximum of four days at any one time.

STATUS OF PROJECT: The Developer reports that the construction of the buildings has commenced on June 8, 1978.

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 April 20, 1978 and information subsequently filed as of June 16, 1978.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 997 filed with the Commission on April 20, 1978.

The report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock must be yellow in color.



(for) AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution:
DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 997

June 16, 1978

Exhibit "A-1"

KUHALE KAPAHULIJ

BLDG	UNIT NO.	NO. OF BR	UNIT TYPE	A R E A				TOTAL S.F.
				GRD FL	2ND FL	LANAI	DECK	
E	1	3	III	599	417	43		1,059
E	2	2	I	368	408	42		818
E	3	2	I	368	408	42		818
E	4	2	I	368	408	42		818
E	5	3	IV	629	413	45		1,087
E	6	3	V	621	413	45		1,079
E	7	2	I	368	408	42		818
F	8	2	I	368	408	42		818
F	9	3	III	599	417	43		1,059
A	10	3	II	489	417		174	1,080
A	11	2	I	368	408	42		818
A	12	2	I	368	408	42		818
A	13	2	I	368	408	42		818
A	14	2	I	368	408	42		818
A	15	2	I	374	417	43		834
B	16	2	I	374	417	43		834
B	17	2	I	368	408	42		818
B	18	2	I	368	408	42		818
B	19	2	I	368	408	42		818
B	20	2	I	374	417	43		834
C	21	3	II	523	417		184	1,124
C	22	3	II	512	408		180	1,100
C	23	3	II	512	408		180	1,100
C	24	3	II	512	408		180	1,100
C	25	3	II	523	417		184	1,124
D	26	3	II	523	417		184	1,124
D	27	3	II	512	408		180	1,100
D	28	3	II	512	408		180	1,100
D	29	2	I	374	417	43		834

Summary of units

2 BR Type I	-	16
3 BR Type II	-	9
3 BR Type III	-	2
3 BR Type IV	-	1
3 BR Type V	-	1

TOTAL UNITS 29