

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

LILIPUNA CONDOMINIUM
Lilipuna Road
Kaneohe, Oahu, Hawaii

REGISTRATION NO. 1135

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 27, 1979
Expires: July 27, 1980

SPECIAL ATTENTION

A comprehensive reading of this report 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 MAY 25, 1979 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF JUNE 22, 1979. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. LILIPUNA CONDOMINIUM is a leasehold condominium project consisting of two buildings containing a total of thirty-eight (38) apartment units and forty-eight (48) parking stalls. Building No. 1 (or Building A) has three (3)

stories and a total of eighteen (18) apartments. Building No. 2 (or Building B) has three stories and a basement and a total of twenty (20) apartments. Each apartment shall have at least one (1) parking space appurtenant to it.

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 filed in the Office of the Assistant Registrar of the Land Court 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 514A 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, June 27, 1979, 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 the registration of the LILIPUNA CONDOMINIUM project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) together with Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the Receipt for same from each such person.

NAME OF PROJECT: LILIPUNA CONDOMINIUM

LOCATION: The approximately 34,002.0 square feet of land to be committed to the Horizontal Property Regime is situated at Lilipuna Road, Kaneohe, Oahu, State of Hawaii.

TAX MAP KEY: FIRST DIVISION: 4-6-2-24

ZONING: A-2 Apartment District (Conditional Zoning)

Note: The condition under the Conditional Zoning requires that certain road improvements be constructed as shown in the Department of Land Utilization Subdivision File No. 1974 (215) and on the plans approved by the director of Land Utilization on January 31, 1975, prior to occupancy of any apartment development constructed on the project site. Developer has, in the Master Lease with the Fee Owner, agreed to pay for the cost of such improvements.

DEVELOPER: LILIPUNA PARTNERS, a registered Hawaii general partnership, Amfac Towers, Suite 1907, 700 Bishop Street, Honolulu, Hawaii 96813, Phone 536-5747, whose general partners are: (1) David G. Cheng, 1214 Pueo Street, Honolulu, Hawaii; (2) Francis Y. Wong, 500 University Avenue, Apt. 1816, Honolulu, Hawaii; and (3) Francis Hee, 1730 Bertram Street, Honolulu, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Clifford T. Arinaga, Suite 1008, 1150 South King Street, Honolulu, Hawaii 96814, Phone 536-8865.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a leasehold condominium project consisting of thirty-eight (38) apartments contained in two (2) wood frame buildings [one (1) three story and one (1) three story with basement] situated over and thus providing a covered parking area constructed principally of concrete. The two buildings are to have shake roofs except for small flat portions of the roof, and the exterior walls shall be in part of exterior plaster and in part of redwood siding.

The location and description of the various apartments of the project are as set forth in the "Exhibit A" attached to this Preliminary Report and as shown on the proposed Condominium Map.

The apartments have immediate access to the grounds of the project or to entranceways which lead to the grounds of the project or to stairways which lead to the grounds of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party 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 more than one apartment, the same being deemed common elements as provided in said Declaration. Each apartment shall be deemed to include all the walls and partitions which are not load bearing and which are within its perimeter or party walls; doors and door frames; windows and window frames; the lanai air space (if any); the inner decorated or finished surfaces of all walls; floors and ceilings; and all fixtures originally installed therein as shown on the proposed Condominium Map.

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

- (a) Said land in fee simple.
- (b) All foundations, columns, girders, beams,

supports, floor slabs, unfinished perimeter and load-bearing walls, roofs, stairways, walkways, fire escapes, entrances and exits of said building.

(c) All yards, grounds, landscaping, mailboxes, and refuse facilities.

(d) All driveways, parking spaces (subject to assignment of parking spaces as hereinafter provided), gardens, and recreational facilities, including the swimming pool and recreational deck.

(e) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities and installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone, radio and television signal distribution.

(f) All tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use.

(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, and normally in common use.

LIMITED COMMON ELEMENTS: The proposed Declaration provides that portions of the common elements are set aside and designated as limited common elements for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements. The limited common elements are:

1. The forty-eight (48) parking spaces in the project. Each of the thirty-eight (38) apartments shall have one (1) parking space appurtenant to such apartment as shown on "Exhibit B" attached hereto, which space is identified by a number shown on said proposed Condominium Map. In addition, ten (10) parking spaces, designated as Nos. 16 through 25 inclusive shall be appurtenant to apartment No. B-501, which apartment shall be retained by the Developer initially. Any automobile parking space easement may be transferred from apartment to apartment in the project so long as each apartment shall 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 Office of the Assistant Registrar of the Land Court of the State of Hawaii setting forth such transfer, all as more fully set forth in paragraph D of the Declaration. Parking space 18 is for a compact car.

2. All other common elements of the project which are rationally related to less than all of said apartments shall be limited to the use of such apartments.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall

have appurtenant thereto an undivided percentage interest in all common elements of the project (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting, as set forth below.

PERCENTAGE OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS:

Building No. 1 (or Building A):

<u>Floor No.</u>	<u>Type of Unit</u>	<u>Each Apt. Unit Percentage of Interest in the Common Elements</u>	<u>No. of Units</u>	<u>Percentage of Interest in the Common Elements Per Type</u>
1st Floor	A	2.561	2	5.122
1st Floor	B	2.556	4	10.224
2nd Floor	C	2.536	2	5.072
2nd Floor	D	2.531	4	10.124
3rd Floor	E	2.536	2	5.072
3rd Floor	F	2.531	2	5.062
3rd Floor	G	2.771	2	5.542

Building No. 2 (or Building B):

<u>Floor No.</u>	<u>Type of Unit</u>	<u>Each Apt. Unit Percentage of Interest in the Common Elements</u>	<u>No. of Units</u>	<u>Percentage of Interest in the Common Elements Per Type</u>
Basement	H	2.613	1	2.613
Basement	I	2.553	1	2.553
1st Floor	J	2.531	1	2.531
1st Floor	K	2.613	1	2.613
1st Floor	L	2.578	1	2.578
1st Floor	M	2.556	1	2.556
1st Floor	N	3.282	1	3.282
1st Floor	N-1	3.293	1	3.293
2nd Floor	P	2.563	1	2.563
2nd Floor	Q	2.553	1	2.553
2nd Floor	Q-1	2.541	1	2.541
2nd Floor	R	2.613	1	2.613
2nd Floor	S	2.563	1	2.563
2nd Floor	S-1	2.573	1	2.573
3rd Floor	T	2.736	1	2.736
3rd Floor	U	2.716	1	2.716
3rd Floor	U-1	2.723	1	2.723
3rd Floor	V	2.743	1	2.743
3rd Floor	W	2.716	1	2.716
3rd Floor	W-1	2.723	1	2.723

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration provides that the apartments are intended and

restricted to residential use, provided that the apartments may be rented or leased out for profit so long as the ultimate tenant thereof uses the apartment as a place in which to reside but not for hotel purposes, subject to all the provisions of the Declaration of Horizontal Property Regime.

The By-Laws of the Association of Apartment Owners states, in part, that no livestock, poultry, rabbits, dogs, cats, other household pets, or other animals whatsoever shall be kept in any part of the project.

OWNERSHIP OF TITLE: A Policy of Title Insurance issued by Title Insurance and Trust Company, dated April 18, 1979, a copy of which was submitted to the Commission, indicates that the ownership of the fee title is vested in Bow Yee Tong Society, a Hawaii corporation, and that the leasehold interest is vested in Lilipuna Partners, a registered Hawaii general partnership, the developer.

ENCUMBRANCES AGAINST TITLE: Said Policy of Title Insurance dated April 18, 1979, issued by Title Insurance and Trust Company provide that the following are encumbrances against title to the property:

1. For any taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor of the First Division, City and County of Honolulu, State of Hawaii.

2. Terms, agreements, reservations, covenants, conditions and provisions contained in that certain Lease dated April 4, 1979 between BOW YEE TONG SOCIETY, a Hawaii corporation, as lessor and LILIPUNA PARTNERS, a Hawaii General Partnership, as lessee; filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 933235.

NOTE: Although not an encumbrance against the title to the property, Developer has to pay for certain road improvement costs before apartment occupancy can take place. Developer has represented in the Deposit, Receipt and Sale Contract that all such costs shall be paid in full by Developer so that possession and occupancy of apartment units shall not be frustrated. (Also see heading ZONING)

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement duly executed and dated May 16, 1979, between Lilipuna Partners, as Developer, and Security Title Corporation, as Escrow, has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

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 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 (1) year from the date of issuance of the Preliminary Public Report.

The Escrow Agreement also provides that all payment of monies under the Sales Contract shall be paid to Escrow and that Escrow shall not disburse any funds held under said Sales Contract unless and until: (a) the Real Estate Commission has issued a Final Report; (b) the purchaser has been given a copy of said Final Report, has acknowledged receipt of same, and forty-eight (48) hours have elapsed since such receipt; and (c) the Developer has complied with all other requirements of Chapter 514A, Hawaii Revised Statutes.

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

1. Buyer acknowledges that neither Seller nor any of its representatives has made any representation or reference as to 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 Seller or the managing agent or the project will provide, directly or indirectly, any services relating to the rental of the apartment. The rental or other disposition of the apartment and the providing of management services for the apartment is the responsibility of the Buyer.

2. Seller agrees that all of the costs required to complete certain road improvements required under the Conditional Zoning issued for the project shall be paid in full so that Buyer shall not be prevented from taking possession and occupancy of his apartment at time of closing.

3. Seller shall have the right and option to cancel the sales contract by written notice to the Buyer if (i) less than thirty-one (31) units in this project are sold prior to June 1, 1980; or if (ii) such notice of cancellation is given to Buyer prior to the issuance of a final public report.

4. Buyer will not enter into any "rental pool" or similar 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. This agreement of Buyer shall survive the issuance to Buyer of the Apartment Lease and shall bind Buyer's heirs, executors, administrators, successors and assigns during the term of said Apartment Lease. In the event of Buyer's breach of this provision, the Seller and Buyer understand and agree that the injury to the Seller will be uncertain as to nature and amount and difficult and expensive to ascertain. Therefore, in the event of a breach of this provision by Buyer, the Seller and the Buyer agree that Seller may obtain an injunction from any court of competent jurisdiction enjoining Buyer from breaching said provision. Seller may, in addition to injunctive relief, pursue any other remedy, including seeking damages caused by such breach, as are permitted in law or equity. All costs and expenses, including reasonable attorney's fees, incurred by Seller in connection with a breach of said agreement by the Buyer, shall be borne by the Buyer.

NOTE: PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THE DEVELOPER'S MORTGAGE LOANS FOR THE CONSTRUCTION OF THE PROJECT IMPROVEMENTS, ANY RENEWALS AND EXTENSIONS THEREOF, SHALL BE AND REMAIN AT ALL TIMES A SUPERIOR LIEN ON THE PROJECT, AND PURCHASERS INTENTIONALLY WAIVE AND SUBORDINATE THE PRIORITY OF LIEN UNDER THE SALES CONTRACT IN FAVOR OF THE MORTGAGE LOANS.

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 apartments are placed in trust as well as the retention and disbursement of said trust funds. The Sales Contract specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

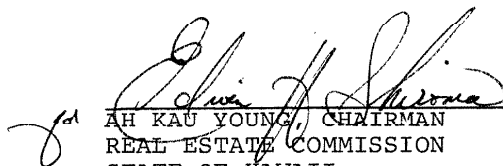
MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer advises that it anticipates appointing as the initial managing agent for the project Aaron M. Chaney, Inc., 841 Bishop Street, Honolulu, Hawaii 96813.

FINANCING OF THE PROJECT: Developer advises that financing for the project is still being negotiated.

STATUS OF PROJECT: The Developer advises the Commission that construction shall start as soon as building permits are obtained, construction contracts signed and bonding obtained, and financing, presently being negotiated, acquired. Developer advises that these items are expected to be concluded soon and that construction is expected to start on or before August 31, 1979.

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 on May 25, 1979.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1135, filed with the Commission on May 25, 1979. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimilies must be yellow.


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. 1135

June 27, 1979

"Exhibit A"

The project consists of two wood frame buildings, one building having eighteen (18) apartments and the other having twenty (20) apartments. The apartments are all two bedroom, two bath apartments with lanais. There are forty-eight (48) parking stalls.

Building No. 1 (or Building A):

The location of apartments by floor levels and the areas of the different apartments, using customary practice of measuring from the center of party walls to exterior of perimeter walls, follow:

1. There are six (6) apartments and twenty-nine (29) parking stalls on the first level of this building. Apartments by apartment number, by type and by area in square footage are as follows:

<u>Apartment No.</u>	<u>Type</u>	<u>Living Area</u>	<u>Lanai Area</u>	<u>Total Area in Square Feet (Rounded Down)</u>
A-101	A	960.5	65.0	1,025
A-102	B	958.5	64.5	1,023
A-103	B	958.5	64.5	1,023
A-104	B	958.5	64.5	1,023
A-105	B	958.5	64.5	1,023
A-106	A	960.5	65.0	1,025

The parking stalls on this level are covered stalls and are numbered 1 to 29 inclusive. All stalls are for standard sized cars except for Stall No. 18 which is for a compact car.

2. There are six (6) apartments on the second level of this building. Apartments by apartment number, by type and by area in square footage are as follows:

<u>Apartment No.</u>	<u>Type</u>	<u>Living Area</u>	<u>Lanai Area</u>	<u>Total Area in Square Feet (Rounded Down)</u>
A-201	C	950.5	65.0	1,015
A-202	D	948.5	64.5	1,013
A-203	D	948.5	64.5	1,013
A-204	D	948.5	64.5	1,013
A-205	D	948.5	64.5	1,013
A-206	C	950.5	65.0	1,015

3. There are six (6) apartments on the third level of this building. Apartments by apartment number, by type and by area in square footage are as follows:

<u>Apartment No.</u>	<u>Type</u>	<u>Living Area</u>	<u>Lanai Area</u>	<u>Total Area in Square Feet (Rounded Down)</u>
A-301	E	950.5	65.0	1,015
A-302	F	948.5	64.5	1,013
A-303	G	949.0	160.0	1,109
A-304	G	949.0	160.0	1,109
A-305	F	948.5	64.5	1,013
A-306	E	950.5	65.0	1,015

Building No. 2 (or Building B):

The location of apartments by floor levels and the areas of the different apartments, using customary practice of measuring from the center of party walls to exterior of perimeter walls, follows:

1. Because this building is located at a higher elevation than Building No. 1, the floor levels for this building when extended on a horizontal plane towards Building No. 1 correspond in the following manner, and the apartments in Building No. 2 are given floor level designations for apartment numbering as follows:

<u>Floor Level Designation Used</u>	<u>Building No. 2</u>	<u>Building No. 1</u>
B-200's	Basement level	Second floor level
B-300's	First floor level	Third floor level
B-400's	Second floor level	None
B-500's	Third floor level	None

There are two (2) apartments and nineteen (19) standard sized car covered parking stalls on the basement level of this building. The parking stalls are numbered 30 to 48 inclusive. Apartments by apartment number, by type and by area in square footage are as follows:

<u>Apartment No.</u>	<u>Type</u>	<u>Living Area</u>	<u>Lanai Area</u>	<u>Total Area in Square Feet (Rounded Down)</u>
B-201	H	982.0	64.5	1,046
B-202	I	958.0	64.5	1,022

2. There are six (6) apartments on the first floor level of this building. Apartments by apartment number, by type and by area in square footage are as follows:

<u>Apartment No.</u>	<u>Type</u>	<u>Living Area</u>	<u>Lanai Area</u>	<u>Total Area in Square Feet (Rounded Down)</u>
B-301	K	982.0	64.5	1,046
B-302	J	948.5	64.5	1,013
B-303	N-1	1,025.0	293.0	1,318
B-304	N	1,021.0	293.0	1,314
B-305	M	952.5	70.5	1,023
B-306	L	962.0	70.5	1,032

3. There are six (6) apartments on the second floor level of this building. Apartments by apartment number, by type and by area in square footage are as follows:

<u>Apartment No.</u>	<u>Type</u>	<u>Living Area</u>	<u>Lanai Area</u>	<u>Total Area in Square Feet (Rounded Down)</u>
B-401	R	982.0	64.5	1,046
B-402	Q-1	953.0	64.5	1,017
B-403	S-1	959.5	70.5	1,030
B-404	S	956.0	70.5	1,026
B-405	Q	957.5	64.5	1,022
B-406	P	962.0	64.5	1,026

4. There are six (6) apartments on the third floor level of this building. Apartments by number, by type and by area in square footage are as follows:

<u>Apartment No.</u>	<u>Type</u>	<u>Living Area</u>	<u>Lanai Area</u>	<u>Total Area in Square Feet (Rounded Down)</u>
B-501	V	1,008.0	90.0	1,098
B-502	U-1	1,000.0	90.0	1,090
B-503	W-1	1,000.0	90.0	1,090
B-504	W	997.5	90.0	1,087
B-505	U	997.5	90.0	1,087
B-506	T	1,005.0	90.0	1,095

"Exhibit B"

PARKING STALL ASSIGNMENTS

Building No. 1 (or Building A):

<u>Apartment No.</u>	<u>Stall No.</u>	<u>Apartment No.</u>	<u>Stall No.</u>
A-101	13	A-204	7
A-102	14	A-205	8
A-103	15	A-206	9
A-104	26		
A-105	27	A-301	1
A-106	28	A-302	2
		A-303	3
A-201	4	A-304	10
A-202	5	A-305	11
A-203	6	A-306	12

Building No. 2 (or Building B):

<u>Apartment No.</u>	<u>Stall No.</u>	<u>Apartment No.</u>	<u>Stall No.</u>
B-201	48	B-404	32
B-202	47	B-405	31
		B-406	30
B-301	40		
B-302	29	B-501	16, 17, 18*,
B-303	39		19, 20, 21,
B-304	38		22, 23, 24,
B-305	37		25 and 46
B-306	36	B-502	45
		B-503	44
B-401	35	B-504	43
B-402	34	B-505	42
B-403	33	B-506	41

*Parking Stall No. 18 is a compact car parking space.