

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION

DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII

1010 RICHARDS STREET

P. O. BOX 3469

HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

HALE HANA

3410 Leahi Avenue

Honolulu, Hawaii

REGISTRATION NO. 1290 (CONVERSION)

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: November 30, 1984

Expires: December 30, 1985

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED APRIL 15, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 20, 1984. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report of August 11, 1980 on HALE HANA, the Developer has filed additional information as part of the registration on the project. Said Preliminary Public Report was last extended through March 11, 1985, but is hereby further extended to coincide with the expiration of this Final Public Report.

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 basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and approved floor plans) for the project have been recorded in the office of the recording officer. The Declaration dated November 7, 1984, has been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 18261 at Page 317, and the By-Laws also dated November 7, 1984, has been recorded in said Bureau in Liber 18261 at Page 340. Condominium Map No. 931 has been assigned to the project.
4. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
6. This Final Public Report is made a part of the registration on HALE HANA condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) along with the Preliminary Public Report (yellow paper stock) and latest Disclosure Abstract (dated November 19, 1984) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt therefor.
7. This Final Public Report automatically expires thirteen (13) months from the date of issuance, November 30, 1984, unless a Supplementary Public Report is published, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The subject project has been sold to Hale Hana, Inc., a Hawaii corporation. Hale Hana, Inc., the new Developer, has submitted to the Commission copies of amended documents, including the Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, Disclosure Abstract, Condominium Map, House Rules, Sales Contract specimen, Apartment Deed specimen, Escrow Agreement and Management Agreement, all of which supersede documents previously filed with the Commission. The information contained under the following headings amends and supersedes information contained in the Preliminary Public Report of August 11, 1980.

DEVELOPER: HALE HANA, INC., a Hawaii corporation, whose principal place of business and post office address is Suite 618, 745 Fort Street, Honolulu, Hawaii 96813, Ph. No. 524-4024. The officers of the corporation are: Howard Bilkiss - President and Treasurer and Kathryn Bilkiss - Vice President and Secretary.

ATTORNEY REPRESENTING DEVELOPER: OKUMURA TAKUSHI FUNAKI & WEE, ATTORNEYS AT LAW, A LAW CORPORATION (Alfred M. K. Wong), Suite 1400 Grosvenor Center, 733 Bishop Street, Honolulu, Hawaii 96813, Tel. No. 543-9800.

DESCRIPTION OF PROJECT: The building of the project is a concrete structure consisting of three (3) floors as follows:

The ground floor consists of a parking area containing twenty-one (21) standard size parking stalls numbered 1 through 21, a trash area, mailboxes, picnic area, a laundry room and seven (7) two-bedroom apartments numbered 101 through 107.

The second and third floors each have a storage room and seven (7) two bedroom apartments numbered 01 through 07 preceded by the number of the floor.

The building contains twenty-one (21) freehold estates in the spaces within the perimeter walls, floors and ceilings of the 21 apartments in said building. The 21 apartments shall not 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 the Declaration. Each apartment shall 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; lanai and lanai air spaces, if any; enclosed yard and yard air spaces, if any; and all fixtures originally installed therein. Notwithstanding the designation of the limits of the apartments, the square footage of each respective apartment is measured from undecorated or unfinished surfaces of the interior face of perimeter walls, which measurement is referred to and shown herein as the "net living area", and from the exterior face of exterior walls and the center line of party walls, which measurement is referred to and shown herein as the "gross apartment area", and no reduction is made to account for interior load bearing walls, ducts, vent shafts and the like, located within the perimeter walls. The apartments are further described as follows:

The apartments will be numbered 01 through 07 preceded by the number of the floor on which it is located, all as shown on said Condominium Map.

Each of the 21 apartments will have immediate access or through a balcony and stairway to a walkway on the grounds of the project.

Each of the 21 apartments will consist of a kitchen, bathroom, dining-living room and two bedrooms. Each apartment on the ground floor will have an enclosed yard space of approximately 165 to 552 square feet, all as shown on said condominium map. Each apartment on the second and third floors will have a lanai of approximately 79 square feet.

Each of the 21 apartments will be one of five (5) types, A, AR, B, BR, and C. The AR and BR type apartments are exact mirror images of the A and B type apartments. The A, AR and C type apartments are end units. The B and BR type apartments are interior units. The A and AR type apartments have a net living area of approximately 657 square feet and a gross living area of approximately 720 square feet. The B and BR type apartments have a net living area of approximately 660 square feet and a gross living area of approximately 705 square feet. The C type apartments have a net living area of approximately 654 square feet and a gross living area of approximately 705 square feet. All "01" apartments are Type A apartments, all "02" apartments are Type B apartments, all "03" and "06" apartments are Type BR apartments, all "04" and "07" apartments are Type AR apartments and all "05" apartments are Type C apartments. The apartments are as shown on said Condominium Map, and are further described as follows:

APT. NO.	TYPE	NET LIVING AREA IN SQ. FT.	GROSS LIVING AREA IN SQ. FT.	ENCLOSED YARD AREA IN SQ. FT.	LANAI AREA IN SQ. FT.
101	A	657	720	552	---
102	B	660	705	347	---
103	BR	660	705	382	---
104	AR	657	720	414	---
105	C	654	705	309	---
106	BR	660	705	219	---
107	AR	657	720	165	---
201	A	657	720	---	79
202	B	660	705	---	79
203	BR	660	705	---	79
204	AR	657	720	---	79
205	C	654	705	---	79
206	BR	660	705	---	79
207	AR	657	720	---	79
301	A	657	720	---	79
302	B	660	705	---	79
303	BR	660	705	---	79
304	AR	657	720	---	79
305	C	654	705	---	79
306	BR	660	705	---	79
307	AR	657	720	---	79

COMMON ELEMENTS: One freehold estate is designated in all of the remaining portions and appurtenances of the project (the "common elements") including specifically, but not limited to:

Said land in fee simple.

All foundations, floor supports, columns, girders, beams, supports, balconies, stairways, unfinished perimeter walls and loadbearing walls and roof of the building.

All yards, grounds and landscaping, roads, walkways, parking areas, driveways, all trash enclosures, mailboxes, and the picnic area and laundry room on the ground floor.

All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities, installations over, under and across the project which serve more than one apartment for services such as power, light, water, gas, sewer, telephone and radio and television signal distribution.

Any and all 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 ("limited common elements") are set aside and reserved for the exclusive use of certain apartments and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

There will be twenty-one (21) parking stalls located in the project, numbered 1 through 21. Each of the 21 parking stalls shall be a limited common element appurtenant to and reserved for the exclusive of the apartments shown below:

<u>Parking Stall No.</u>	<u>Apartment No.</u>
1	101
2	102
3	103
4	104
5	105
6	106
7	107
8	201
9	202
10	203
11	204
12	205
13	206
14	207
15	301
16	302
17	303
18	304
19	305
20	306
21	307

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 1/21 fractional interest in all the common elements of the project and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting.

Each of the 21 apartments are substantially identical and shall therefore have an equal common interest.

PURPOSE OF BUILDING AND RESTRICTIONS 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:

The apartments shall be occupied and used only for residential purposes and no apartment shall be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever.

The apartments in the project or any interest therein shall not be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "time-interval ownership" arrangement.

Among other provisions, the House Rules provide that water beds are not permitted in the apartment without the approval of the Board of Directors; no fireworks of any sort shall be set off on the project; and only certain animals, such as cats, dogs or other household pets, are permitted, provided that they are first registered with the Manager.

OWNERSHIP OF TITLE: The Preliminary Report dated November 9, 1984 by Title Guaranty of Hawaii, Inc. indicates that title to the land is vested in Hale Hana, Inc. (the Developer).

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report indicates that title to the land is subject to the following:

1. Real property taxes that may be due and owing: Reference is made to the Office of Finance Director, City and County of Honolulu.
2. "Urban Renewal Plan for the Paki Project" (Project No. Hawaii R-5), adopted by the Honolulu Redevelopment Agency on April 1, 1966, recorded in Liber 5475 at Page 117, as amended by instruments recorded in Liber 5868 at Page 445 and in Liber 18115 at Page 282.
3. Mortgage in favor of Miyata and Sons, Limited, a Hawaii corporation, dated September 14, 1984, recorded in Liber 18147 at Page 630; amount \$1,075,000.00.

Guaranty of Maker's Obligations Under Purchase Money Mortgage Note dated September 14, 1984, recorded in Liber 18147 at Page 654, by Howard Bilkiss, Ltd.

Guaranty of Mortgagor's Obligations under Purchase Money Mortgage dated September 14, 1984, recorded in Liber 18147 at Page 656, by Howard Bilkiss, Ltd.

Guaranty of Maker's Obligations under Purchase Money Mortgage Note dated September 14, 1984, recorded in Liber 18147 at Page 658, by Howard Bilkiss and Kathryn Bilkiss.

Guaranty of Mortgagor's Obligations under Purchase Money Mortgage dated September 14, 1984, recorded in Liber 18147 at Page 660, by Howard Bilkiss and Kathryn Bilkiss.

4. Mortgage, Security Agreement and Financing Statement in favor of Bancorp Finance of Hawaii, Inc., a Hawaii corporation, dated October 9, 1984, recorded in Liber 18202 at Page 34; amount \$306,000.00.
5. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Horizontal Property Regime dated November 7, 1984, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 18261 at Page 317, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 931.)
6. By-Laws of the Association of Apartment Owners of the Condominium Project known as "HALE HANA" dated November 7, 1984, recorded in said Bureau in Liber 18261 at Page 340, as the same may hereafter be amended.

NOTE: By license and reservation, the owner is permitted to allow a portion of the building to encroach upon an area taken for road widening, all as mentioned in a Correction Deed dated January 20, 1970 and recorded as aforesaid in Liber 6897 at Page 353.

PURCHASE MONEY HANDLING. A copy of the Specimen Sales Contract and the executed Escrow Agreement dated November 8, 1984 have been submitted as part of the registration. The Escrow Agreement identifies Bank of Hawaii as the Escrow. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement.

The Escrow Agreement establishes how 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. 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 \$25.00 cancellation fee and costs, if one of the following has happened:

(a) Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser then held by Escrow; or

(b) If a Purchaser's funds were obtained prior to the issuance of a final public report and the request is prior to the time the final public report is issued; or

(c) If a Purchaser's funds were obtained prior to the issuance of a final public report, then in the event that the Purchaser exercises his or her right to cancel at any time prior to the earlier of (1) the conveyance of the apartment to the Purchaser, or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report to such Purchaser; provided, however, that the Purchaser has not previously waived his or her right to cancel; or

(d) If a Purchaser's funds were obtained after the issuance of a final public report and purchaser exercises his or her right to cancel prior to the earlier of (1) the conveyance of the apartment to Purchaser or (2) midnight of the thirtieth (30th) day following the date of delivery of the final public report, provided however, that the Purchaser has not previously waived his or her right to cancel; or

(e) If there is a material change in the Project which directly, substantially and adversely affects the use or value of (1) such Purchaser's apartment or appurtenant limited common elements, or (2) those amenities of the Project available for such Purchaser's use, unless the Purchaser has waived his or her rights of rescission in writing.

Among other provisions, the Sales Contract provides that all of the Buyer's right, title and interest under the contract shall be subject and subordinate to the lien of any mortgage(s) made to finance the costs of the project and to any and all sums which may become a lien pursuant to the terms of such mortgage(s).

MANAGEMENT AND OPERATIONS: Administration of the project shall be vested in the Association of 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. NINA KAMAI PROPERTY MANAGEMENT, INC., whose principal place of business and post office address is Suite C12, 1400 Kapiolani Boulevard, Honolulu, Hawaii 96814, has been named as the initial Managing Agent. Any officer of the Developer is designated as the agent to receive service of process until such time as the Board of Directors of the Association is elected.

STATUS OF PROJECT: The project was completed in 1965 and has been used for apartment rentals. Two of the apartments are rented to tenants on a day-to-day tenancy.

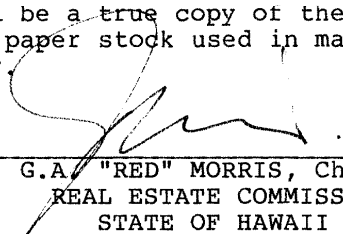
To the best of Developer's information and belief, and based on a letter provided by the City's Building Director dated April 10, 1980, the building presently built on the subject premises is in compliance with all ordinances, codes, rules, regulations or other requirements in force at the time of its construction thereof, and no variance was granted from any ordinance, code, rule, regulation or other requirement in force at the time of the construction thereof or from any current ordinance, code, rule, regulation or other requirement. Any change to the structure in the future would be subject to any zoning requirements in effect at that time including Section 21-107, Non Comforming Uses, of the Comprehensive Zoning Code.

The Developer makes no representations as to the expected useful life of structural components and mechanical and electrical installations material to the use and enjoyment of the condominium.

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 April 15, 1980 and information subsequently filed as of November 20, 1984.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1290 filed with Commission on April 15, 1980.

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 in color.



G.A. "RED" MORRIS, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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Registration No. 1290

Dated: November 30, 1984