

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
1412 KEWALO
1412 Kewalo Street
Honolulu, Hawaii

Registration No. 1301 (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: June 12, 1980

Expires: July 12, 1981

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:

THIS REPORT REFLECTS INFORMATION DISCLOSED
IN THE REQUIRED NOTICE OF INTENTION SUBMITTED
APRIL 28, 1980 AND ADDITIONAL INFORMATION

SUBSEQUENTLY FILED AS LATE AS JUNE 9, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. 1412 KEWALO is a leasehold condominium Project consisting of one (1) building, without a basement, which is four (4) stories high containing nineteen (19) condominium apartments and nineteen (19) parking spaces, as shown on the Condominium Map. The Developer advises that the Building was completed during 1970, and the Apartments have since been used as residential rental units.
2. The Developer of the Project has submitted to the Commission for examination all documents and materials deemed necessary for the registration of a condominium project and issuance of this Final Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, Bylaws of the Association of Apartment Owners, and a copy of the Condominium Map) have been recorded.

The Declaration of Horizontal Property Regime dated March 12, 1980, together with the Bylaws of the Association of Apartment Owners, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 14680, page 517. Condominium Map No. 722 has been assigned to the project.
4. No preliminary advertising and promotional materials have been submitted to the Commission pursuant to 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 rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Final Public Report is made a part of the registration of 1412 KEWALO condominium Project. The Developer is responsible for placing this Final Public Report (white paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers, and for securing a signed copy of the receipt(s) therefor.
7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, June 12, 1980 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.

NAME OF PROJECT: 1412 KEWALO.

LOCATION: The land submitted to the Horizontal Property Regime is approximately 7,858 square feet and is situated at 1412 Kewalo Street, Honolulu, Hawaii.

TAX MAP KEY: First Division: 2-4-20-15

ZONING: A-4 Apartment District.

DEVELOPER: URBAN ASSOCIATES, INC., a Hawaii corporation, whose principal place of business and post office address is 1711 Dole Street, Honolulu, Hawaii 96822 (Telephone No. 955-5502). The corporation's Officers are Frederick A. Zane, President/Secretary, Leona L. H. Hee, Vice-President, and Ruby Ann Morales, Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Damon, Key, Char & Bocken, (Attention Vernon F. L. Char or Denis C. H. Leong), 10th Floor, City Bank Building, 810 Richards Street, Honolulu, Hawaii, 96813 (Telephone No. 531-8031).

DESCRIPTION OF THE PROJECT: The Declaration of Horizontal Property Regime and the Condominium Map describe the Project as follows:

1. General Description of the Building. The building is a 4-story building, without a basement, and is constructed principally of concrete, concrete block, cement, plaster, gypsum board, metal and glass. The building contains 19 Apartments and 19 parking spaces, designated on the Condominium Map.

The First Floor contains 1 Apartment and the 19 parking spaces. The Second, Third and Fourth Floors each contain 6 Apartments. Each Apartment on the Second, Third and Fourth Floors is numbered according to its floor location and then its position on each floor. The Apartment numbers ascend consecutively starting from the Apartment on the Kewalo Street side of the building ("01" preceded by the floor number) and proceeding generally in the northerly direction to the Apartment farthest from Kewalo Street ("06" preceded by the floor number). For example, Apartment No. 201 is the Apartment closest to Kewalo Street on the Second Floor of the building.

2. Description of Apartments.

Each Apartment shall constitute an Apartment as defined and used in Chapter 514A, Hawaii Revised Statutes, as amended, and shall be a separate freehold estate. The Apartments are described more particularly hereinbelow and on said Condominium Map. There are 6 basic types of Apartments designated as Type A, AA, B, BB, C and D. The location of each Apartment, approximate gross area and the number of rooms contained in each type of Apartment, is as follows:

a. Type A Apartments - Two-Bedroom Apartments.
Type A Apartments are located on the Kewalo Street side of the building on the Second, Third and Fourth Floors, numbered 201, 301 and 401, and contain 4 rooms, consisting of 2 bedrooms, a bathroom, a kitchen/living/dining room and a lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls and the center line of the party wall, each Type A Apartment has a gross area of approximately 821 square feet, consisting of the total of the following approximate areas: 756 square feet enclosed and 65 square feet of lanai.

b. Type AA Apartments - Two-Bedroom Apartments.
The Type AA Apartments are located in the building farthest from the Kewalo Street side of the building on the Second, Third and Fourth Floors, numbered 206, 306 and 406, and are mirror images of the Type A Apartments.

c. Type B Apartments - One-Bedroom Apartments.
The Type B Apartments are located on the Third and Fourth Floors, numbered 302, 304, 402 and 404 and contain 3 rooms consisting of a bedroom, a bathroom and a kitchen/living/dining room and a lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls and the center line of the party walls, each Type B Apartment has a gross area of approximately 663 square feet, consisting of the total of the following approximate areas: 612 square feet enclosed and 51 square feet of lanai.

d. Type BB Apartments - One-Bedroom Apartments.
Type BB Apartments are located on the Second, Third and Fourth Floors, numbered 203, 205, 303, 305, 403 and 405, and are mirror images of the Type B Apartments.

e. Type C Apartments - One-Bedroom Apartments.
Type C Apartments are located on the Second Floor of the building and are numbered 202 and 204 and contain 3 rooms, consisting of a bedroom, a bathroom, and a kitchen/living/dining room and a lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls and the exterior faces of the lanai walls and the center line of the party walls, each Type C Apartment has a gross area of approximately 663 square feet, consisting of the total of the following approximate areas: 612 square feet enclosed and 51 square feet of lanai.

f. Type D Apartment - Two-Bedroom Apartment. The Type D Apartment is Apartment No. 106 and is the only Apartment on the First Floor and contains 4 rooms consisting of 2 bedrooms, a bathroom, a kitchen/living/dining room and a lanai, as shown on the Condominium Map. Measured from the exterior faces of the exterior walls of the Apartment and the outside edges of the lanai, the Type D Apartment has a gross area of approximately 852 square feet consisting of the total of the following approximate areas: 756 square feet enclosed and 96 square feet of concrete slab.

Each apartment shall be deemed to include all walls and partitions which are not load bearing within its perimeter walls, the inner decorated and finished surfaces of all walls, floors, ceilings, windows and window frames, door and door frames, and all fixtures originally installed therein for its exclusive use, and the adjoining lanai (if any), as shown on the Condominium Map. The respective Apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each such 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 or the common elements, the same being deemed common elements as hereinafter provided.

Each Apartment has access to an exterior walkway which leads to stairways and then to the First Floor and the public street.

The Apartment numbers, the type of Apartments, number of bedrooms, approximate total gross area, parking space(s) made appurtenant to the Apartment, and the common interests appurtenant to each Apartment are also set forth hereinbelow:

<u>APT. NO.</u>	<u>TYPE</u>	<u>NUMBER BEDROOMS</u>	<u>GROSS APT. AREA(S)</u>	<u>PARKING</u>	<u>COMMON INTEREST</u>
106	D	2	852 sq. ft.	11	6.208%
201	A	2	821 sq. ft.	3	5.978%
202	C	1	663 sq. ft.	1	4.827%
203	BB	1	663 sq. ft.	2	4.827%
204	C	1	663 sq. ft.	19	4.827%
205	BB	1	663 sq. ft.	18	4.827%
206	AA	2	821 sq. ft.	4	5.978%
301	A	2	821 sq. ft.	5	5.978%
302	B	1	663 sq. ft.	17	4.827%
303	BB	1	663 sq. ft.	16	4.827%
304	B	1	663 sq. ft.	15	4.827%
305	BB	1	663 sq. ft.	14	4.827%
306	AA	2	821 sq. ft.	6	5.978%
401	A	2	821 sq. ft.	7	5.978%
402	B	1	663 sq. ft.	13	4.827%
403	BB	1	663 sq. ft.	12	4.827%
404	B	1	663 sq. ft.	9	4.827%
405	BB	1	663 sq. ft.	10	4.827%
406	AA	2	821 sq. ft.	8	5.978%
					100.000%

COMMON ELEMENTS: The Declaration provides that one estate shall be designated in all portions of the Project, other than the Apartments, and all other common elements mentioned

in the Act, which are actually included in the Project, herein called "common elements," including specifically but not limited to:

a. Said land (which is intended to be leased to an Apartment owner separately and apart from a conveyance or other transfer of the Apartment);

b. All foundations, floor slabs (if any), columns, girders, beams, supports, unfinished perimeter and loadbearing walls, chases, entries, stairways and roof;

c. All yards, grounds, landscaping, walls, and recreational facilities (if any);

d. All parking areas, and spaces, driveways and walkways;

e. All ducts, electrical equipment, wiring, pipes and any other central and appurtenant transmission facilities and installations on, over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, refuse disposal, heating, cooling, sewer, telephone, radio and television signal distribution;

f. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements hereinafter called "limited common elements" are designated and 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 Declaration provides that the limited common elements so set aside and reserved are as follows:

a. The parking spaces which are numbered and shown on the Condominium Map are each designated as limited common elements. Each Apartment shall have appurtenant to it for its exclusive use the parking space designated as appurtenant to such Apartment, as shown hereinabove. Parking space(s) may be transferred from Apartment to Apartment in the Project as hereinafter more particularly set forth or as otherwise permitted by law.

b. All other common elements of the Project which are rationally related to less than all of the Apartments shall be limited to the use of such Apartment(s).

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration reflects that the undivided percentage interest, common elements, and easements appurtenant to each Apartment shall have a permanent character and shall not be altered except as specifically provided in said Declaration, and 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; except that parking spaces may be transferred as specifically provided in the Declaration or otherwise by law. The common elements shall remain undivided and no right shall exist to partition or divide any part thereof except as provided by the Horizontal Property Act.

Those portions of the building(s) and other improvements which are conveyed by Developer to an Apartment owner by an Apartment Deed, and the undivided ground leasehold interest in and to said land concurrently granted to said Apartment owner under a ground lease directly from the fee simple owners, both to be concurrently recorded or filed in the appropriate recording office(s) of the State of Hawaii, are appurtenant to each other and are not separately transferable and cannot, under any circumstances, be separated from or conveyed separately, whether by contract, operation of law, or otherwise.

The proportionate shares of the separate owners of the respective Apartments in the profits and common expenses of the project and for all purposes, including voting, shall be the undivided percentage interest shown hereinabove.

PURPOSES AND RESTRICTIONS: The Declaration reflects that 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: (1) rental for any period less than thirty (30) days; or (2) any rental in which the occupants of the Apartment 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 right to lease such Apartments for residential purposes subject to all provisions of this Declaration, the Bylaws, and as further provided hereinbelow. The maximum number of individuals permitted to reside in or occupy an Apartment shall be as follows: For a 1-bedroom Apartment, 3 individuals; and for a 2-bedroom Apartment, 5 individuals.

Notwithstanding the foregoing, Developer may engage in real estate sales activities in such Apartments and on the premises of the Project for the purpose of selling such Apartments. Such activities may continue only until all such Apartments have been initially sold by the Developer. The Apartment uses are further governed by and subject to the provisions of the Declaration and Bylaws.

OWNERSHIP OF TITLE: The Preliminary Title Report issued by Long & Melone, Ltd., dated April 28, 1980, states that the title to the land committed to the regime is vested in Frederick A. Zane and Eva L. Zane, husband and wife (herein "fee owners"). Developer is the holder of a Ground Lease covering the Land.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report issued as of April 28, 1980, as updated, also indicates the following encumbrances on the property as of that date:

1. Title to all mineral and metallic mines reserved to the State of Hawaii.
2. Mortgage in favor of Amfac Financial Corp. dated March 10, 1969, and recorded in said Bureau in Liber 6438, Page 281, which Mortgage was assigned to Southold Savings Bank by instrument dated August 8, 1969, recorded in said Bureau in Liber 6646, Page 172.
3. Mortgage in favor of Amfac Financial Corp. dated March 11, 1969, recorded in said Bureau in Liber 6438, Page 288.
4. Ground Lease to Urban Associates dated March 12, 1980, recorded in Liber 14680, page 497.
5. For real property taxes as may be due and owing, reference is made to the Office of the Tax Assessor, First Division.
6. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, power of attorney, limitations on title, and all other provisions contained in the Declaration of Horizontal Property Regime dated March 12, 1980, and Bylaws attached, recorded in said Bureau in Liber 14680, Page 517; Condominium Map No. 722.
7. Building and Improvements Deed and Assumption of Mortgage dated March 12, 1980, and recorded in said Bureau, in Liber 14680, Page 512.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated March 12, 1980, identifies Long & Melone Escrow, Ltd., a Hawaii corporation, as escrow agent. On examination, the Escrow Agreement and the specimen Sales Contract also submitted to the Commission as a part of this Registration are to be found in compliance with Chapter 514A, Hawaii Revised Statutes, particularly with Sections 514A-39 and 514A-63 through 66, inclusive.

Among other provisions, the executed Escrow Agreement states that a purchaser under the Sales Contract shall be entitled to a return of his funds and Escrow shall pay such funds to said purchaser without interest, promptly after purchaser has requested such return, if Escrow shall have received from Developer a written notice that any one of the following has occurred:

- a. Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held by Escrow; or
- b. Developer shall have notified Escrow of Developer's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

c. With respect to a Purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a substantive change in the building plans of a type which gives Purchaser a right to cancel his Sales Contract pursuant to Chapter 514A of the Hawaii Revised Statutes (unless Purchaser's written approval or acceptance of the specific change is obtained, or ninety (90) days have elapsed since the Buyer has accepted in writing the Apartment or he has first occupied the Apartment); or

d. The Final Report differs in a material respect from the Preliminary Report, and the Purchaser's written approval of such change shall not have been obtained and Purchaser shall request the refund; or

e. The Final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report and Purchaser's rights are not waived under Section 514A-66, Hawaii Revised Statutes.

In any of the foregoing events Escrow shall, upon receipt of the written request for a refund from purchaser, pay said funds to the purchaser (less cancellation fee to escrow of \$25.00 per Apartment and escrow and cancellation costs, as defined in the Sales Contract) and thereupon said Sales Contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer; provided, however, that no refund shall be made to a Purchaser at Purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

The specimen Sales Contract provides in part that: (1) Seller expressly reserves the right to sell or lease unsold Apartments free from any restrictions on such sale or lease which may apply to Buyer under the Declaration and Bylaws; (2) the Buyer acknowledges in the Sales Contract that minor construction activity may continue on the site after Buyer has occupied his Apartment, which may result in noise, dust or other annoyances and that the Developer's sales activities, including the use of model units and signs for sales displays and related activities, may continue until the last Apartment in the Project is sold; (3) the Sales Contract also provides that if the Apartment is rented, Buyer shall assume the lease or tenancy agreement and rent received from tenant will be prorated between Buyer and Seller as of the date of final closing; (4) Buyer agrees that he will not enter into any rental pool or other rental-sharing arrangements with other such Apartment owners until after the expiration of fifteen (15) years from the date of recordation of Buyer's conveyancing documents; and (5) Buyer acknowledges that the Apartment, buildings, improvements and the Project are existing and accepts the aforesaid "as is" without any warranties, express or implied, or representations whatsoever.

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

MANAGEMENT AND OPERATIONS: The Declaration and Bylaws which are incorporated within the Declaration provide that the administration of the Project shall be vested in the Association of Apartment Owners under the direction of the Board of Directors by a responsible corporate managing agent who shall be appointed by the Association in accordance with the Bylaws; provided, however, Developer has reserved the right to designate the managing agent for the initial two-year period subject to certain conditions provided in the Declaration and Bylaws. Developer advises that the initial managing agent will be Urban Management Corp., 1711 Dole Street, Honolulu, Hawaii, an affiliate of the developer.


STATUS OF PROJECT: The Project involves the conversion of an apartment Building completed in March, 1970. The Developer advises that the Building is pre-existing and is already completed. All Apartments will be sold "as is" without any warranties whatsoever and without any warranties of merchantability or fitness for a particular purpose with respect to purchaser's Apartment, appliances or anything installed therein, the common elements of the Project or any portions of the Project.

The Developer has represented that to the best of his information and belief, the building built on the subject premises is in compliance with all ordinances, codes, rules and regulations or other requirements in force at that time of its construction thereof, and that no variance was granted from any ordinance, code, rule, regulation or other requirement in force at the time of construction thereof or from any current ordinance, code, rule, regulation or other requirement. Also, there are no current outstanding notices to the owners of the improvements of uncured violations or building codes or of other municipal regulations. The Developer has submitted a letter to the Commission from the City's Building Department Director in support of the foregoing statements.

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 28, 1980, and additional information subsequently filed as late as June 9, 1980.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1301 filed with the Commission on April 28, 1980.

This report, when reproduced, shall be a true copy of the Commission's Public Report. In making facsimiles the paper stock shall be white in color.



G. A. MORRIS, MEMBER
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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BUREAU OF CONVEYANCES
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COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 1301

Dated: June 12, 1980