

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

725 KIHAPAI PLACE
725 & 731 Kihapai Place
Kailua, Hawaii 96734
REGISTRATION NO. 1403 (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: April 14, 1981
Expires: May 14, 1982

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 MARCH 13, 1981, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF APRIL 9, 1981. 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, AS AMENDED.

1. 725 KIHAPAI PLACE is a fee simple condominium project consisting of three (3) two-story buildings, without basements, twelve (12) apartments and twelve (12) parking stalls.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this Final 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 been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

The Declaration of Horizontal Property Regime dated November 14, 1980, with By-Laws attached was filed as aforesaid as Document No. 1050428.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium Map No. 447.

4. No advertising and promotional matter, other than the Condominium Pre-Sale Offering to Owner-Occupants required under Act 189, Session Laws of 1980, 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 Regimes.

6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, April 14, 1981, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this project.

7. This Final Public Report is made a part of registration on 725 KIHAPAI PLACE condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) together with Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt therefor from each purchaser is also the responsibility of the Developer.

NAME OF PROJECT: 725 KIHAPAI PLACE

LOCATION: The approximately 12,155 square feet of land committed to the regime is situated at 725 and 731 Kihapai Street, Kailua, Hawaii.

TAX MAP KEY: FIRST DIVISION: 4-3-58-44.

ZONING: A-3

DEVELOPER: PUUNANI PARTNERS, a Hawaii limited partnership, whose principal place of business and post office address is 116 Hekili Street, Kailua, Hawaii 96734. The general partner is Rudolph J. Brillhante.

ATTORNEY REPRESENTING DEVELOPER: Daniel A. Donegan, Attorney-at-Law, 677 Akoakoa Street, Kailua, Hawaii 96734, telephone number 261-2520.

DESCRIPTION: The Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple condominium project consisting of three (3) two-story buildings, designated Building A, Building B and Building C, without basements, constructed principally of wood and hollow tile. Each building contains four (4) apartments, with two (2) apartments on each floor, for a total of twelve (12) apartments. There are two (2) exterior stairways running to the second floor of each building.

1. Apartments: Twelve (12) separate condominium apartments are designated in the spaces bounded by the undecorated or unfinished surfaces of the interior of the perimeter walls, floors and roofs of each of the apartments in the project.

Additionally, the boundary lines of each apartment are the interior of the enclosure railing or wall of lanais, if any.

(a) The apartments are constructed according to several different floor plans. All apartments contain two bedrooms, one bathroom, a living room and a kitchen area. Each floor of each building contains two apartments which have reversed floor plans of each other. There are two types of apartments, Types "A" and "B".

(b) Each type "A" apartment contains an area of approximately 520 square feet, and consists of the rooms as stated above.

(c) Each type "B" apartment contains an area of approximately 560 square feet, and consists of, in addition to the rooms above, a lanai.

(d) The apartment types, numbers and locations are as follows:

	<u>Apartment Number</u>	<u>Floor Number</u>	<u>Apartment Type</u>
BUILDING A:	A-1	1	A
	A-2	1	A
	A-3	2	B
	A-4	2	B
BUILDING B:	B-1	1	A
	B-2	1	A
	B-3	2	B
	B-4	2	B
BUILDING C	C-1	1	A
	C-2	1	A
	C-3	2	A
	C-4	2	A

(e) Each ground floor apartment has immediate access to the grounds of the project, and each second floor apartment has immediate access to corridors and exterior stairways as shown on the condominium map, which are all part of the common elements.

(f) 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 roofs surrounding each of them, 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 hereinafter provided. Each apartment shall be deemed to include all the walls and partitions within its perimeter walls which are not load-bearing, all doors and door frames, windows and window frames, the lanai air space (if any), and all fixtures originally installed therein.

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

1. The land in fee simple;
2. The foundations, beams, supports, main walls, roofs and floors of Building A, B and C;
3. All corridors, walkways, stairs and stairways of Buildings A, B and C;
4. All yards, grounds and landscaping;
5. All roads, driveways and parking areas;
6. All pipes, cables, conduits, ducts, electrical equipment, wiring and other central appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;
7. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

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

1. One (1) parking area as shown on the condominium map shall be appurtenant to and for the exclusive use of each apartment as follows:

<u>Apartment No.</u>	<u>Parking Stall Number</u>
A-1	1
A-2	3
A-3	2
A-4	4
B-1	5
B-2	6
B-3	7
B-4	8
C-1	9
C-2	10
C-3	11
C-4	12

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration states that each apartment shall have appurtenant thereto an undivided 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 follows:

<u>Type of Apartment</u>	<u>Percentage of Undivided Interest in the Common Elements</u>	<u>Number of Apartments</u>	<u>Percentage of Ownership in the Common Elements Per Type</u>
Type "A"	8.3000	8	66.4000
Type "B"	8.4000	4	33.6000
TOTAL:			<u>100.0000</u>

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The Declaration states that except when a mortgagee has entered into possession of an apartment following (i) a default under a first mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guest, and for no other purpose. The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the apartments are provided customary hotel services such as room service for food and beverage, maid service, laundry and lines or bellboy service. Except for such transient or hotel purposes the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and the By-Laws attached thereto; provided, however, that no apartment owner may lease less than the entire apartment. Among other provisions, the House Rule provides that pets and/or birds are not allowed, and occupancy is limited to two (2) persons per bedroom.

OWNERSHIP TO TITLE: A Preliminary Report dated January 12, 1981, issued by First Land Title Corporation, as submitted to the Commission, indicates that the Developer is acquiring the property in fee simple pursuant to the terms of a Sub-Agreement of Sale dated July 11, 1980, by and between Everett Martin Knisley and Shirley Olive Knisley, as Sellers, and Developer as Purchaser, filed as Land Court Document No. 1021478, and noted on Transfer Certificate of Title No. 206,120. The aforesaid Sellers are acquiring title pursuant to the terms of an Agreement of Sale dated March 20, 1979, filed as Land Court Document No. 928843, from the fee simple owners Mitsuo Uchibori, Yaeko Uchibori and Masato Uchibori.

ENCUMBRANCES AGAINST TITLE: Said preliminary title report dated January 12, 1981, issued by First Land Title Corporation, provide that the following are encumbrances against title to the property.

1. For any taxes that may be due and owing, reference is made to the office of the Tax Assessor, first division.

2. An easement for utility purposes, in favor of The Hawaiian Electric Company, Inc., and Hawaiian Telephone Company, as granted by instrument dated October 5, 1953, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 153342.

3. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed dated July 2, 1954, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 164346.

4. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed dated July 2, 1954, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 164348.

5. Condominium Map No. 447 filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii.

6. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Horizontal Property Regime dated November 14, 1980, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 1050428.

7. Mortgage

Dated: November 17, 1978

Document No: 909759

Mortgagor: Mitsuo Uchibori and Yaeko Uchibori, husband and wife, and Masato Uchibori, unmarried.

Mortgagee: American Security Bank, a Hawaii banking corporation.

8. A Financing Statement made by and between Mitsuo Uchibori, Yaeko Uchibori and Masato Uchibori, Debtor(s), and American Security Bank, Secured Party, covering Assignment of Rentals as Additional Security therein described, recorded November 27, 1978, in Book 13295, Page 593, in the Bureau of Conveyances, State of Hawaii.

9. Agreement of Sale

Dated: March 20, 1979

Document No.: 928843

Seller: Mitsuo Uchibori and Yaeko Uchibori, husband and wife, and Masato Uchibori, unmarried.

Purchaser: Everett Martin Knisley and Shirley Olive Knisley, husband and wife, as Tenants by the Entirety.

Consent thereto filed concurrently as Document No. 928844.

10. Sub-agreement of Sale

Dated: July 11, 1980

Document No: 1021478

Seller: Everett Martin Knisley and Shirley Olive Knisley, husband and wife.

Purchaser: Puunani Partners, a Hawaii limited partnership.

Consent thereto by Mitsuo Uchibori and Yaeko Uchibori, husband and wife, and Masato Uchibori, unmarried, filed concurrently as Document No. 1021479.

Consent thereto dated July 23, 1980, by American Security Bank, a Hawaii Banking corporation, filed as Document No. 1024306.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated January 27, 1981, between First Escrow Corporation, as Escrow, and Developer has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particular Sections 514A-39, 514A-63 through 514A-66 thereof.

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

1. "It is expressly understood and agreed by and between Seller and Buyer that the project consists of fully constructed and existing buildings. Buyer acknowledges that Buyer has been offered an adequate opportunity to examine the plans for the project (which are on file in the Bureau of Conveyances of the State of Hawaii as Condominium Map No. 447 and open to public inspection) and the actual project and Apartment covered hereby, and accepts the same "AS IS", and that THERE ARE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE, involved in this sale."

2. "Buyer further agrees and declares that as part of the consideration for this Agreement, Buyer has and does hereby waive any and all claims Buyer might otherwise have against Seller because of or arising out of any construction design work, including but not limited to, those on account of faulty or improper construction of improvements, patent or latent defects, and code violations in building construction."

3. "In the event less than ten (10) apartments are sold prior to June 30, 1981, Seller may at its option cancel this Agreement, in which event Seller will cause Escrow to refund all monies paid by Buyer, without interest, and less Escrow's cancellation fee and Seller shall be relieved and released of all further liability hereunder."

4. "Buyer hereby agrees for the sole benefit of Seller that until Seller has closed out the sale of all the apartments in the condominium project or until December 30, 1981, whichever shall first occur; that 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."

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

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of residential apartments are placed in trusts, as well as the retention and disbursement of said


trust funds. The specimen Sales Contract specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project may be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer has retained RON TEVES, dba REAL ESTATE SERVICES, whose principal place of business and post office address is 116 Hekili Street, Kailua, Hawaii 96734, as the initial managing agent, under a Property Management and Agency Agreement dated February 2, 1981.

STATUS OF PROJECT: The Developer advises that the buildings were originally constructed in 1954 as one-story buildings, which were raised to two-story buildings in 1958 and 1961. All units in the project are presently vacant. A letter from the Building Department, City and County of Honolulu reveals that the building presently built on the subject premises, met the code requirements applicable at the time of its construction and no variance or special permits was granted to allow deviations from any applicable codes. There are no current outstanding notices to the owners of the improvements of uncured violations of building codes or of other municipal violations.

The purchaser or prospective purchaser should be cognizant of the fact that this Report represents information disclosed by the Seller in the required Notice of Intention submitted March 13, 1981, and additional information subsequently submitted as of April 9, 1981.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1403 filed with the Commission on March 13, 1981. 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.



G. A. "RED" MORRIS, 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. 1403

April 14, 1981