

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

465 KAPAHULU
465 Kapahulu Avenue
Honolulu, Oahu, Hawaii

REGISTRATION NO. 1494 (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 28, 1983

Expires: May 28, 1984

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 ON THE REQUIRED NOTICE OF INTENTION SUBMITTED APRIL 16, 1982, AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 20, 1983. 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, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report on 465 KAPAHULU dated June 2, 1982, the Developer has submitted additional information deemed material.
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) were executed on March 18, 1982, and have been recorded in the Office of Land Court of the State of Hawaii as Document No. 1110209. The First Amended Declaration of Horizontal Property Regime was recorded on March 11, 1983, and has been recorded in the Office of Land Court of the State of Hawaii as Document No. 1156230. A copy of the floor plans has been filed as Condominium Map No. 474.
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 as amended, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.
6. This Final Public Report is made a part of the 465 KAPAHULU registration condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock), Final Public Report (white paper stock) and amended Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of receipt therefor.
7. This Final Public Report automatically expires thirteen (13) months from the date of issuance, April 28, 1983, unless a Supplementary Public Report issues or the Commission, upon review of the registration issues an order extending the effective period of this report.

Except for the information under the topical headings below, there have been no other changes to the information provided in the Preliminary Public Report.

DEVELOPER: The Developer has changed its principal place of business to 465 Kapahulu Avenue, Suite 108, Honolulu, Hawaii, 96815. The general partner of the limited partnership, Professional Realty Corp., has similarly changed its principal place of business.

DESCRIPTION OF PROJECT: Descriptions of the specific apartments have been amended as follows:

a. The net floor area of Apartments 2E and 2F is approximately 654 square feet.

b. Apartment 2H consists of two-bedrooms, and a combined living-dining/kitchenette area and one full bath. The net floor areas of Apartment 2H is approximately 802 square feet.

c. Apartment 2D consists of one bedroom, a bedroom/den with combined living-dining/kitchenette area, and one full bath. The net floor area of Apartment 2D is approximately 848 square feet.

d. The net floor area of Apartments 3E, 4E, 3F, and 4F is approximately 595 square feet. The adjoining lanai is approximately 59 square feet. The net floor area of the Apartment and lanai is approximately 654 square feet.

e. The net floor area of Apartments 5E and 5F is approximately 595 square feet. The adjoining lanai is approximately 69 square feet. The net floor area of the Apartment and lanai is approximately 664 square feet.

f. Apartments 3D, 4D, and 5D consist of one bedroom, a bedroom/den with combined living-dining area, kitchen, one full bath, and an adjoining lanai. The net floor area of Apartments 3D and 4D is approximately 720 square feet. The lanai totals approximately 128 square feet. The net floor area of the Apartment and lanai is approximately 848 square feet.

g. The net floor area of Apartment 5D is approximately 720 square feet. The lanai totals approximately 150 square feet. The net floor area of the Apartment and lanai is approximately 870 square feet.

h. The net floor area of Apartments 3G and 4G is approximately 516 square feet. The adjoining

lanai is approximately 128 square feet. The net floor area of the Apartment and lanai is approximately 644 square feet.

i. The net floor area of Apartment 5G is approximately 516 square feet. The adjoining lanai is approximately 151 square feet. The net floor area of the apartment and the lanai is approximately 667 square feet.

j. Apartments 3H and 4H consist of two bedrooms, a combined living/dining, kitchen, one full bath, and an adjoining lanai. The net floor area of each of the above-mentioned Apartments is approximately 700 square feet. The adjoining lanai is approximately 102 square feet. The net floor area of the Apartment and lanai is approximately 802 square feet.

k. Apartment 5H consists of two bedrooms, a combined living/dining area, kitchen, one full bath, and adjoining lanai. The net floor area of the Apartment is approximately 700 square feet. The adjoining lanai is approximately 120 square feet. The net floor area of the Apartment and the lanai is approximately 820 square feet.

LIMITED COMMON ELEMENTS: Paragraph (a) under this topical heading in the Preliminary Public Report has been amended in its entirety as follows:

(a) The limited common elements of the project consists of the parking stalls numbered 1 through 49 which are for the sole and exclusive use of the apartments as designated below under PERCENTAGE OF UNDIVIDED INTEREST.

PERCENTAGE OF UNDIVIDED INTEREST. The percentage undivided interest (the "common interest"), in the common elements appertaining to each Apartment, for all purposes, including voting, has remained unchanged, however, the square footage and parking stall assignments have been changed as follows:

<u>Apartment</u> <u>Type No.</u>	<u>Square</u> <u>Feet</u>	<u>Lanai</u>	<u>Percentage of</u> <u>Common Interest</u>	<u>Parking</u> <u>Stalls</u>
101	588	None	1.40%	33
102	351	None	0.80%	28
103	402	None	1.00%	35
104	638	None	1.48%	29
105	639	None	1.48%	27
106	635	None	1.48%	25
107	949	None	2.16%	23
108	138	None	0.20%	26 & 36

<u>Apartment Type No.</u>	<u>Square Feet</u>	<u>Lanai</u>	<u>Percentage of Common Interest</u>	<u>Parking Stalls</u>
2A	600	None	2.00%	32
2B	600	None	2.00%	31
2C	600	None	2.00%	30
2D	848	None	3.25%	19
2E	654	None	2.00%	20
2F	654	None	2.00%	21
2G	644	None	2.00%	34
2H	802	None	3.25%	24
2J	600	None	2.00%	18
2K	600	None	2.00%	22
3A	556	44	2.00%	39
3B	556	44	2.00%	38
3C	556	44	2.00%	37
3D	720	128	3.25%	6
3E	595	59	2.00%	1
3F	595	59	2.00%	17
3G	516	128	2.00%	42
3H	700	102	3.25%	9
3J	556	44	2.00%	41
3K	556	44	2.00%	40
4A	556	44	2.00%	48
4B	556	44	2.00%	49
4C	556	44	2.00%	45
4D	720	128	3.25%	7
4E	595	59	2.00%	3
4F	595	59	2.00%	2
4G	516	128	2.00%	16
4H	700	102	3.25%	44
4J	556	44	2.00%	47
4K	556	44	2.00%	43
5A	556	44	2.00%	15
5B	556	44	2.00%	14
5C	556	44	2.00%	46
5D	720	150	3.25%	8
5E	595	69	2.00%	5
5F	595	69	2.00%	4
5G	516	151	2.00%	13
5H	700	120	3.25%	10
5J	556	44	2.00%	12
5K	556	44	2.00%	11

PURPOSE OF BUILDING AND RESTRICTION AS TO USE: The use of the Apartments has been further clarified as follows:

NOTE: A letter from the Land Utilization Department of the City and County of Honolulu dated February 25, 1983 states that the property on which the project is located is presently zoned B-2 Business District which does not permit dwelling units as a principal use. The presently existing 40 apartment units are permitted since the

structure is considered a non-conforming use of structure under Section 21-1.7(c) of the Comprehensive Zoning Code.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report dated March 30, 1983 has been issued by Title Guaranty of Hawaii, Inc., and notes the following encumbrances:

(A) For real property taxes that may be due and owing, reference is made to the Director of Finance, City and County of Honolulu.

(B) Unrecorded Commercial Space Lease dated May 5, 1979, entered into by and between George C. Lum and Harriet C. S. Lum, as Landlord, and Young Ae Lessing, as Tenant, as amended by unrecorded Amendment of Commercial Space Lease dated October 25, 1980, the interest of the Tenant thereunder having been assigned to K. Joon Market, Inc. a Hawaii corporation, by unrecorded Assignment of Lease dated April 30, 1980.

(C) MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : FAIRWAY 40 PARTNERS, a Hawaii limited partnership

MORTGAGEE : BANK OF HAWAII, a Hawaii banking corporation

Dated : April 9, 1981

Filed : Land Court Document No. 1065283

Amount : \$1,000,000.00 - on fee title to Lots 1-C, 1-D, 1-E and 1-H

(D) ADDITIONAL CHARGE MORTGAGE, NOTE MODIFICATION AGREEMENT, CONSOLIDATION AGREEMENT AND AMENDMENT TO MORTGAGES SET FORTH AS ENCUMBRANCE NO. (B) TO PARCEL FIRST, BESIDES ANOTHER MORTGAGE

MORTGAGOR : FAIRWAY 40 PARTNERS, a Hawaii limited partnership

MORTGAGEE : BANK OF HAWAII, a Hawaii corporation

Dated : April 21, 1982

Filed : Land Court Document No. 1117947

Amount : \$875,000.00

(E) BY ASSIGNMENT OF LESSOR'S INTEREST DATED April 21, 1982, filed as Document No. 1118393, FAIRWAY 40 PARTNERS, a Hawaii limited partnership, assigns to BANK OF HAWAII, a Hawaii banking corporation, all of its right, title and interest in and to all leases now or hereafter in effect with respect to the premises described in Schedule C as to Parcel First, including without limitation, each lease described in Exhibit B attached to said Document No. 1118393, as security for the payment of those certain promissory notes dated April 9, 1981, in the principal amount of \$1,000,000.00; dated September 25, 1981, in the principal amount of \$190,000.00; and dated April 21, 1982, in the principal amount of \$875,000.00.

(F) MORTGAGE

MORTGAGOR : FAIRWAY 40 PARTNERS, a Hawaii limited partnership

MORTGAGEE : GEORGE CHEONG CHOW LUM and HARRIET CHEW SIN LUM, husband and wife, as Tenants by the Entirety

Dated : April 22, 1981

Filed : Land Court Document No. 1065282

Amount : \$1,445,000.00 - on fee title to Lots 1-C, 1-D, 1-E and 1-H

BY STAND-ASIDE AND SUBORDINATION AGREEMENT AND LIMITED POWER OF ATTORNEY dated _____ (acknowledged April 9, 1981), filed as Document No. 1065284, said above Mortgage, Document No. 1065282, was subordinated to the lien of that certain Mortgage filed as Document No. 1065283.

SUPPLEMENT TO PURCHASE MONEY MORTGAGE AND SECURITY AGREEMENT dated October 27, 1981, filed as Document No. 1100509, re: Mortgage filed as Document No. 1065282.

BY STAND-ASIDE AND SUBORDINATION AGREEMENT AND LIMITED POWER OF ATTORNEY dated _____ (acknowledged May 14, 1982, April 21, 1982, and June 4, 1982), filed as Document No. 1118810, said Mortgage Document No. 1065282, was subordinated to the Additional Charge Mortgage, Note Modification Agreement, Consolidation Agreement and Amendment to Mortgages dated April 21, 1982, filed as Document No. 1117947.

SUPPLEMENT TO PURCHASE MONEY MORTGAGE AND SECURITY AGREEMENT AND ADDITIONAL SECURITY MORTGAGE dated June 1, 1982, filed as Document No. 1118811, re: Mortgage filed as Document No. 1065282.

(G) AS TO PARCEL SECOND (Lot 1-I)-

(1) ADDITIONAL CHARGE MORTGAGE AND ADDITIONAL SECURITY MORTGAGE AND SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : FAIRWAY 40 PARTNERS, a Hawaii limited partnership

MORTGAGEE : BANK OF HAWAII, a Hawaii corporation

Dated : September 25, 1981

Filed : Land Court Document No. 1086746

Amount : \$190,000.00

(2) ADDITIONAL CHARGE MORTGAGE, NOTE MODIFICATION AGREEMENT, CONSOLIDATION AGREEMENT AND AMENDMENT TO MORTGAGES SET FORTH AS ENCUMBRANCE NO. (A) TO PARCEL SECOND, BESIDES ANOTHER MORTGAGE

MORTGAGOR : FAIRWAY 40 PARTNERS, a Hawaii limited partnership

MORTGAGEE : BANK OF HAWAII, a Hawaii corporation

Dated : April 21, 1982

Filed : Land Court Document No. 1117947

Amount : \$875,000.00

(3) ADDITIONAL SECURITY MORTGAGE

MORTGAGOR : FAIRWAY 40 PARTNERS, a Hawaii limited partnership

MORTGAGEE : GEORGE CHEONG CHOW LUM and HARRIET CHEW SIN LUM, husband and wife, as Tenants by the Entirety

Dated : October 27, 1981

Filed : Land Court Document No. 1100510

Re : Lot 1-I given as additional security to Mortgage filed as

Document No. 1065282, as supplemented

- (H) ADDITIONAL CHARGE MORTGAGE, NOTE MODIFICATION AGREEMENT, CONSOLIDATION AGREEMENT AND AMENDMENT TO MORTGAGES SET FORTH AS ENCUMBRANCE NOS. (B) TO PARCEL FIRST (Document No. 1065283), (A) TO PARCEL SECOND (Document No. 1086746) and (C) TO PARCEL FIRST and (B) TO PARCEL SECOND (Document No. 1117947)

MORTGAGOR : FAIRWAY 40 PARTNERS, a Hawaii limited partnership

MORTGAGEE : BANK OF HAWAII, a Hawaii corporation

Dated : January 3, 1983

Filed : Land Court Document No. 1146971

Amount : \$220,000.00

- (I) 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 March 18, 1982, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1110209, and to the By-Laws attached thereto, as the same are or may hereafter be amended in accordance with law, said Declaration or said By-Laws. (Project covered by Condominium Map No. 474.) Consent by BANK OF HAWAII, a Hawaii banking corporation, GEORGE CHEONG CHOW LUM and HARRIET CHEW SIN LUM, husband and wife, and K. JOON MARKET, INC., a Hawaii corporation. Amended by instrument dated --- (filed March 11, 1983), as Document No. 1156230.

PURCHASE MONEY HANDLING: The paragraph on page 14 of the Preliminary Public Report in bold print regarding subordination of the purchaser's right, title and interest to the Developer's obtaining satisfactory interim mortgage financing is hereby deleted.

With respect to appliances provided in each of the apartments, the following amendments have been made:

All apartments located above the first level of the building shall have a range and refrigerator and all apartments above the second level of the building shall have in addition, a disposal and range hood. There will be no

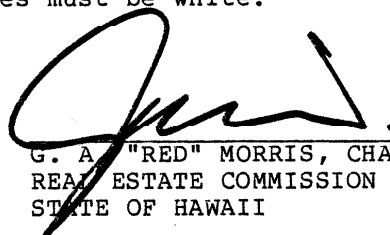
appliances for apartments on the first level of the building.

MANAGEMENT OF PROJECT: The Developer has executed a new Management Agreement dated November 5, 1982, identifying Realty Management and Sales Corporation, whose principal place of business is 1580 Makaloa Street, Suite 888, Honolulu, Hawaii, 96814, as its Managing Agent.

STATUS OF REPORT: The Developer reports that the improvements of the project have been completed and the units are ready for occupancy by the purchasers.

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 16, 1982, and information subsequently filed as of April 13, 1983.

This is the FINAL HORIZONTAL PROPERTY REGIME CONDOMINIUM PUBLIC REPORT which is made a part of REGISTRATION NO. 1494, filed with the Commission on April 16, 1982. 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 FINANCE
BUREAU OF CONVEYANCES
PLANNING COMMISSION, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 1494

April 28, 1983

DEVELOPER'S DISCLOSURE ABSTRACT

Name and Address of Project:

Name: 465 KAPAHULU
Address: 465 Kapahulu Avenue
Honolulu, Hawaii 96815

Name, Address and Telephone Number of Developer and Project Manager:

Developer: FAIRWAY 40 PARTNERS
A Hawaii limited partnership
205 Lewers Street, Suite 229
Honolulu, Hawaii 96815
(808) 955-5533
(Attn.: Marshall Goldman)

Project Manager:
Realty Management and Sales Corporaton
1580 Makaloa Street, Suite 888
Honolulu, Hawaii 96814
(808) 946-7966

Breakdown of Maintenance Fees: The breakdown of the annual maintenance fees and the monthly estimated costs for each apartment, as determined by generally accepted accounting principles, are attached hereto as Exhibit "A".

Use: The Project contains forty-eight (48) fee-simple Apartments. There are four (4) one-bedroom and den/bedroom Apartments, four (4) two-bedroom Apartments, thirty-two (32) one-bedroom Apartments and eight (8) are open space loft Apartments. The Project contains forty-nine (49) parking stalls, thirty-three (33) of which are standard stalls and sixteen (16) of which are compact stalls. All of the parking stalls are assigned to each Apartment, with two (2) stalls assigned to one of the open space loft Apartments. The Apartments shall be used only for purposes consistent and in conformance with the required uses for the zoning of the Project and with the aforesaid Declaration; provided, however, that all Apartments located above the second floor of the Project shall be subject to the following additional restrictions: (a) no such Apartment may be occupied by more than four (4) persons; and (b) such Apartments may be occupied and used only for private dwelling purposes. Apartments on the 1st level of the building shall be occupied and used for commercial purposes only and in conformance with required uses consistent with the B-2 zoning of the Project. Apartments on the 2nd level of the building may be occupied and used for either residential or commercial purposes, however, in the event an apartment on this level is used for commercial purposes for a period of twelve consecutive months or for eighteen months during any three-year period, it will not be able to be used for residential purposes in the future pursuant to zoning ordinances.

Warranties: The building was completed in 1967, and is approximately fifteen (15) years old. No warranties exist, except for warrantable new appliances.

Disclosure: Based upon the report of an independent registered engineer, the Developer represents that the building and all of its structural components and mechanical and electrical installations material to the use and enjoyment of the condominium are in accordance with the plans and specifications originally filed with the Building Department of the City and County of Honolulu; are in satisfactory condition; and contain the following new components: plumbing and electrical fixtures and related piping and wiring. The Developer further represents the building to be constructed of concrete floors and masonry bearing walls, which are subject to wear and tear from movement, but with proper maintenance, can last indefinitely. The mechanical and electrical installations are expected to last beyond twenty (20) years with proper maintenance. NO OTHER REPRESENTATIONS CAN BE MADE REGARDING THE EXPECTED USEFUL LIFE OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS.

Major improvements are being made to the building relating to exterior design and Apartment interior. These improvements, as determined by the Architect and by the engineers in charge of the improvements, will not impair, weaken, or in any other way affect the existing structural, electrical, and mechanical components of the building.

The Developer knows of no outstanding notices of uncured violations of building codes or other municipal regulations regarding the building or the Project.

Dated this 2nd day of May, 1982.

FAIRWAY 40 PARTNERS

By Marshall F. Goldman
President of Professional
Realty Corp., its General
Partner

1983 PROJECTED ANNUAL BUDGET

<u>Income</u>	<u>Monthly</u>	<u>Annual</u>
Maintenance Fees	\$4,089.00	\$49,068.00
Commissions	75.00	900.00
Interest	15.00	180.00
Total Income	<u>\$4,179.00</u>	<u>\$50,148.00</u>
<u>Disbursements</u>		
Insurance		
SMP	262.50	3,150.00
Liability	33.33	400.00
D & O	41.67	500.00
Medical	56.00	672.00
Work Comp	80.00	960.00
TDI	5.50	66.00
Other	-0-	-0-
General & Administrative		
Accounting Service	-0-	-0-
Legal	20.00	240.00
Management Fees	500.00	6,000.00
Misc.	10.00	120.00
Refuse Collection	125.00	1,500.00
Repairs & Maintenance		
Building	150.00	1,800.00
Elevator	250.00	3,000.00
Grounds	10.00	120.00
Equipment	10.00	120.00
Recreation	15.00	180.00
Purchases & Supplies		
Building	75.00	900.00
Grounds	15.00	180.00
Office	25.00	300.00
Equipment	5.00	60.00
Other	5.00	60.00
Resident Manager		
Salary	500.00	6,000.00
Lodging	450.00	5,400.00
Other	-0-	-0-
Taxes		
Payroll	57.00	684.00
General Excise	3.94	47.20
Other	-0-	-0-
Utilities		
Electricity	283.33	3,400.00
Telephone	115.00	1,380.00
Water	160.00	1,920.00
Sewer	332.40	3,988.80
TV Cable	-0-	-0-
Reserves		
Replacement	458.33	5,500.00
General Operating	125.00	1,500.00
TOTAL DISBURSEMENTS	<u>\$4,179.00</u>	<u>\$50,148.00</u>

465 KAPUHULU CONDOMINIUM

Monthly Maintenance Fees

<u>Unit Type</u>	<u>Percentage of Common Interest</u>	<u>Monthly Maintenance Fee Per Unit</u>
Commercial		
101	1.40%	\$ 57.25
102	0.80%	32.71
103	1.00%	40.89
104	1.48%	60.52
105	1.48%	60.52
106	1.48%	60.52
107	2.16%	88.32
108	0.20%	8.18
One Bedroom A,B,C,E,F,G,J,K	2.00%	81.78
Two Bedroom D,H	3.25%	132.89

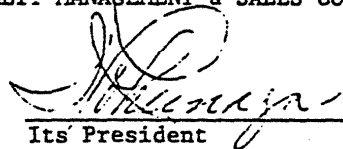
Monthly fees are based on the attached Annual Budget.

The estimated maintenance fees and budget figures are based on the latest information available. They are subject to revision based on actual expenditures.

We certify that the Monthly Maintenance Fee Schedule and 1983 Projected Budget were prepared in accordance with generally accepted accounting principles.

REALTY MANAGEMENT & SALES CORP.

By:


Its President

Realty Management and Sales Corp.