

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

THE HASSINGER
1106 Hassinger Street
Honolulu, Hawaii

REGISTRATION NO. 1612 (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 29, 1984
Expires: July 29, 1985

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 SUBMITTED JUNE 20, 1984 AND INFORMATION SUBSEQUENTLY SUBMITTED AS OF JUNE 26, 1984. 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. THE HASSINGER is a fee simple condominium project, consisting of nine (9) apartment units contained in one (1) building of three (3) stories without a basement constructed in 1969. There will be a total of nine (9) parking stalls with one parking stall assigned to each of the apartments. There will be no guest parking stalls.
2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this project as a condominium and issuance of the 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 recorded in the Bureau of Conveyances of the State of Hawaii. These basic documents may be amended from time to time. The Declaration of Horizontal Property Regime and the By-Laws of the Association, executed on June 18, 1984 was recorded in the Bureau of Conveyances in Liber 17955 at Page 706 and Liber 17955 at Page 733, respectively. The Approved Floor Plans (Condominium File Plan) showing the layout, location, apartment numbers, etc., have been designated No. 907 by the Bureau of Conveyances.
4. Advertising and promotional matters will be submitted pursuant to the rules and regulations promulgated by the Commission before their use.
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 registration of THE HASSINGER. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) and Disclosure Abstract in the hands of all purchasers and obtaining a receipt therefor.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, June 29, 1984, unless a Supplementary Public Report issues, or the Commission, upon review of registration, issues an order extending the effective period of this Report.

NAME OF PROJECT: THE HASSINGER

LOCATION: The site comprising approximately 6,000 square feet is located at 1106 Hassinger Street, Honolulu, Hawaii.

TAX MAP KEY: 2-4-19-81 (First Division).

ZONING: A-4 (Apartment District).

DEVELOPER: HOW CHING AU, INC., a Hawaii corporation, 1566 Haku Street, Honolulu, Hawaii 96819, Telephone: (808) 839-9434, whose Officers are Florence A. Young, President; Wilfred T. K. Au, Vice President; David G. K. Au, Secretary, and Walter H. L. Au, Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Ezra, O'Connor & Moon (Attention: James K. Tam, Esq.), 20th Floor, Central Pacific Plaza, 220 South King Street, Honolulu, Hawaii 96813, Telephone: (808) 545-3030.

DESCRIPTION:

1. Building Description. The project will consist of one (1) existing building of three (3) stories without a basement, and nine (9) parking stalls on the ground level. The building is constructed principally of hollow concrete block, and concrete slab with pitch and gravel roof covering.
2. Apartment Designation and Location. The nine (9) separate condominium apartments are located in one (1) building of three (3) stories located on the property, referred to hereinafter as "the Building".

The Building contains one (1) apartment on the first floor (ground floor), four (4) apartments on the second floor, and four (4) apartments on the third floor.

Each apartment has immediate access to its entries, and the corridors and stairways appurtenant to the apartment and connecting it to parking areas of the project and the public street.

The apartments are identified by a numerical code. The first digit of the numbers signifies the floor level. The next two digits signify the location of the apartments on the floor. The 01 apartments are located nearest the west side of the Building, the 02 and 03 apartments are in the center of the Building and the 04 apartments are nearest the east side of the Building.

3. Description of Apartments. There are a total of nine (9) two-bedroom apartments, located on the ground floor through the third floor of the Building. Each apartment includes one (1) living room, two (2) bedrooms, one (1) bathroom, a kitchen and closet space. The apartment numbered 101 contains a net living area of 613.24 square feet with an appurtenant lanai of 89.32 square feet; the apartment numbered 201 contains a net living area of 613.24 square feet with an appurtenant lanai of 81.56 square feet; the apartment numbered 202 contains a net living area of 613.24 square feet with an appurtenant lanai of 81.25 square feet; the apartment numbered 203

contains a net living area of 611.45 square feet with an appurtenant lanai of 81.56 square feet; the apartment numbered 204 contains a net living area of 611.45 square feet with an appurtenant lanai of 81.87 square feet; the apartment numbered 301 contains a net living area of 609.15 square feet with an appurtenant lanai of 81.56 square feet; the apartment numbered 302 contains a net living area of 615.71 square feet with an appurtenant lanai of 81.24 square feet; the apartment numbered 303 contains a net living area of 611.45 square feet with an appurtenant lanai of 81.25 square feet; and the apartment numbered 304 contains a net living area of 611.45 square feet with an appurtenant lanai of 81.87 square feet.

The respective apartments shall not include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floor and ceilings surrounding each apartment or any pipes, wires, conduits, ducts, or other utility or service lines and their housings or enclosures running through such apartment which are utilized by or which serve more than one apartment. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, all doors, windows and perimeter glass, the inner decorated or finished surfaces of all walls, floors and ceilings and any built-in fixtures. Each residential apartment shall include the adjoining lanai, except Apartment 101 which shall include the adjoining patio.

COMMON ELEMENTS: The remaining portions of the project are designated "common elements". The common elements shall include, but not be limited to:

- a. The land on which the project is located;
- b. All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, utility areas, walkways, entrances and exits of said building;
- c. All yards, grounds and landscaping;
- d. All parking areas;
- e. 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;
- f. 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 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:

- a. Parking Stalls. One of the nine (9) parking stalls shall be assigned to each of the apartments, with the same number as the apartment to which it is assigned. The location of each numbered stall is as shown on the Condominium Map.
- b. Mail Boxes. Each apartment shall have appurtenant to it the exclusive right to use a mail box having the same number as the apartment, in the mail facilities located as shown on the Condominium File Plan.

INTEREST TO BE CONVEYED TO PURCHASER: An interest in each apartment will be conveyed to each purchaser under an apartment deed from the Owner, How Ching Au, Inc. Each apartment shall have appurtenant thereto an undivided interest in all the common elements of the project and the same proportionate share in the common expenses of the project and for all other purposes, including voting. Except for Apartment No. 101, each apartment unit in the project shall have an 11.1 percentage (11.1%) interest in the project. Apartment No. 101 shall have an 11.2 percentage (11.2%) interest in the project.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration and By-Laws of the Association of Apartment Owners reflect that the apartments shall be occupied and used for residential purposes only. Apartment owners have the absolute right to rent or lease their apartments, subject to the Declaration, the By-Laws and the House Rules, provided, however, that no apartment shall be rented for hotel operations which are defined as (a) rental for a period of less than 30 days or (b) any rental in which the occupants of the apartments are provided customary hotel services such as room services for food and beverage, maid service, laundry and linen or bellboy service, provided, further, that no apartment owner may lease less than the entire apartment.

The House Rules provide, in part, (1) Occupancy is limited to not more than two persons per bedroom contained in each apartment, except that this occupancy may be exceeded by members of the immediate family of the owner, tenant, or lessee; (2) No open fires will be permitted in any apartments or lanai, if any; (3) No waterbeds shall be permitted in the apartments; and (4) Only dogs, cats, fish and small birds may be kept on the premises with prior written consent from the Board. This consent may be revoked at any time for noncompliance with the rules.

OWNERSHIP OF TITLE: According to a Preliminary Title Report issued by Island Title Corporation on June 14, 1984, title to the land and improvements committed to the project is vested in How Ching Au, Inc., by Deed dated December 3, 1962, recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 4431, Page 12.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report as of June 14, 1984, identified the following encumbrances on the land committed to the project:

1. Any taxes or assessments that may be due and owing and a lien on the property for same; reference is hereby made to the Office of the Tax Assessor of the First Division, City and County of Honolulu, Hawaii.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Easement 5.00 feet wide for sanitary sewer purposes, as disclosed by Deed dated December 3, 1962, recorded December 26, 1962, in the Bureau of Conveyances, State of Hawaii, in Liber 4431, Page 12.
4. Mortgage dated May 8, 1969, recorded May 12, 1969, in the Bureau of Conveyances, State of Hawaii, in Liber 6515, Page 321, to secure the repayment of \$100,000.00, and any additional advances and other amounts secured thereby, under the terms and provisions thereof, made by How Ching Au, Inc., a Hawaii corporation, as Mortgagor, and The Liberty Bank of Honolulu, a Hawaii corporation, as Mortgagee.

NOTE: Approximately 261 square feet of said lot, situated on the corner of Hassinger Street and Pensacola Street and running along the north-westerly boundary of said lot, has been designated for future road widening, as set forth by a map of the Department of Public Works, Division of Land Survey and Acquisition, City and County of Honolulu, State of Hawaii, entitled "Pensacola Street Widening (South King Street to Wilder Avenue)", as identified by File No. 16, Pocket 15, Folder 1, No. 49.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated June 18, 1984, identifies Island Title Corporation, a Hawaii corporation, as Escrow Agent. On examination, the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Hawaii Revised Statutes, Section 514A-37, Section 514A-39 and Section 514A-63 through Section 514A-66. A prospective purchaser should carefully examine the form of Sales Contract and the Escrow Agreement to determine the time for and the amount of the installment payments on the

purchase price and his obligations to pay the closing costs. It is incumbent upon the purchaser to read and understand the Escrow Agreement before signing the Sales Contract since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's down payments and the Sales Contract provides that the purchaser approves the Escrow Agreement. Among other provisions the executed Escrow Agreement states that no money received by Escrow Agent shall be disbursed until the Seller has a valid and binding contract for the sale of the unit for which money was received and the requirements of Sections 514A-39, 514A-63, 514A-64 and 514A-66 have been met, all as provided in Section 514A-65, Hawaii Revised Statutes.

The Sales Contract, among other things, contains acknowledgments by each purchaser: (i) that the apartment is being purchased subject to the rights of a tenant or tenants currently occupying the apartment under a rental agreement and that as of the closing date, all rents under said rental agreement shall accrue to the benefit of purchaser; (ii) that Developer is under no obligation to remove the tenant(s) either before or after the closing date and the purchaser agrees to provide such tenant(s) with any and all notices required by law in a timely manner, including but not limited to the notice regarding security deposits required by Hawaii Revised Statutes, Section 521-44; (iii) that the rights and obligations described in items (i) and (ii) above shall survive closing; (iv) that except as specifically provided hereinabove to the contrary, the Developer will not sponsor, arrange or promote any program for the rental or temporary use and occupancy of apartments in the project other than apartments owned by the Developer upon completion of the project, if any; (v) that the purchaser must make any such arrangements for his apartment, if desired, without the involvement or participation of the Developer; (vi) that the Developer has not authorized agents, salesmen or brokers to make any representations as to rental or other income from any apartment or any other economic benefit, including possible advantages from the ownership of an apartment under federal or state tax laws, to be derived from the purchase of an apartment in the project; (vii) that the purchaser acknowledges that no such representations or warranties have been made and that the Developer expressly disclaims and repudiates any representation from any source as to any possible economic benefit arising from ownership of an apartment in the project; (viii) that until the Developer closes the sales of all the apartments in the project, the buyer shall not enter into any agreement with any purchaser, lessee or owner of another apartment in the project or any third party under which the buyer agrees to share rental income from apartments in the project.

The specimen Sales Contract also states: (1) All of purchaser's rights, title and interest under the Sales Agreement are and shall be subject and subordinate to the lien of any mortgages or other security instruments made by Developer to any institutional lender for the purpose of securing the repayment of certain loans made to the Developer; and (2) the

apartments and common elements in this project are being sold on an "as is" basis. Developer makes NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS OF THE APARTMENT OR ANY FIXTURES, FURNISHINGS OR APPLIANCES INSTALLED THEREIN FOR A PARTICULAR PURPOSE.

It is incumbent upon the purchaser and prospective purchaser to read with care and to understand the Escrow Agreement and Sales Contract as both agreements provide for the benefits and obligations therein outlined.

MANAGEMENT OF THE PROJECT: The Declaration of Horizontal Property Regime provides that the operation of the property shall be conducted by a responsible corporate entity as managing agent. By virtue of a Management Contract dated June 18, 1984, the initial managing agent shall be Empress Realty Corp., a Hawaii corporation, whose principal place of business and post office address is Suite 1550, 700 Bishop Street, Honolulu, Hawaii 96813.

STATUS OF PROJECT: The project involves the conversion of an existing apartment building originally constructed in 1969 and presently used for rental purposes. Based upon the report of Mr. Stanley F. S. Wong, Inspecting Architect, a copy of which has been filed with the Real Estate Commission, and which is also attached to the Disclosure Abstract, the Building appears to be in good condition. No major discrepancies or code violations were observed in the mechanical installations consisting of water and plumbing lines. The electrical installations consisting of the ground floor panels, electrical fixtures and outlets throughout the corridors and stairs appeared to be in fair condition.

No representations are made herein or in the reports described hereinabove concerning the useful life of the existing improvements.

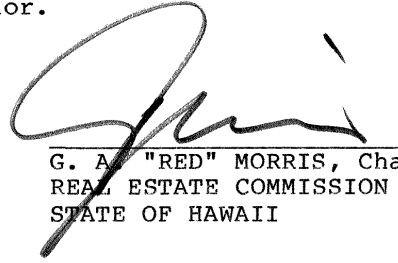
A statement from the City and County of Honolulu, Building Department, dated October 3, 1983, a copy of which has been filed with the Real Estate Commission, and which is also attached to the Disclosure Abstract, confirms that the Building met the building code requirements at the time of construction. Presently, there are no outstanding notices of uncured violations of the building code.

Renovations to the building are contemplated to begin shortly after the Final Public Report is issued.

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 June 20, 1984, and information subsequently submitted as of June 26, 1984.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1612 filed with the Commission June 20, 1984.

The 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.

A handwritten signature in dark ink, appearing to read 'G. A. Morris', is written over a horizontal line.

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

Distribution:

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FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 1612

Date: June 29, 1984