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**REAL ESTATE COMMISSION**  
DEPARTMENT OF TREASURY & REGULATION  
STATE OF HAWAII

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HONOLULU 13, HAWAII

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**FINAL**  
**HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)**  
**PUBLIC REPORT**

ON  
3019 KALAKAUA AVENUE APARTMENTS  
HONOLULU 15, HAWAII

REGISTRATION NO. 1

**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.

December 7, 1961

**DEVELOPER:** 3019 Development Corporation  
1067 Kawaiahao Street, Honolulu, Hawaii

Incorporated in Hawaii March 10, 1960, the officers are:

Evertt E. Black	President	Honolulu, Hawaii
Robert E. Black	Vice President	Honolulu, Hawaii
Clark J. Hastert	Vice President-Secretary	Honolulu, Hawaii
Duncan S. Lennox	Vice President	Honolulu, Hawaii
Burkley Towle	Treasurer	Kailua, Hawaii
Stephanie R. Henderson	Asst. Secy & Asst. Treas.	Honolulu, Hawaii

At its inception (March 10, 1960) the corporation was named 3019 Kalakaua, Inc. It was renamed on November 9, 1961. This corporation is owned solely by E. E. Black, Ltd., a Hawaii corporation.

**NAME OF PROJECT:** 3019 Kalakaua Avenue Apartments

**LOCATION:** In Waikiki, Honolulu, Hawaii, at 3019 Kalakaua Avenue

**DESCRIPTION:** A 14-story reinforced concrete building, consisting of 12 apartment floors with one apartment unit to each floor, and each containing a floor area of approximately 2,500 sq. ft. built in a hotel-apartment zone having a land area of 6,787 sq. ft.

The land is situated on the shore in Waikiki with an ocean frontage of 50.84 feet with each apartment unit facing the ocean.

The apartments are numbered consecutively in ascending order, beginning with Apartment #1 on the floor immediately above the lobby and terrace-parking floor. Apartment #1 is on the third floor of the building. There is a basement garage below the lobby and terrace-parking floor. Access to each apartment may be had by way of either the elevator or the stairway.

Each apartment, with the exception of Apartment #3 will be entitled to the use of two parking spaces, one for a regular-sized car and one for a compact car. Apartment #3 will receive only one parking space, that for a regular-sized automobile. Ingress or egress to the premises is by way of Kalakaua Avenue.

NOTE: The building was financed and erected by the developer and Notice of Completion of Construction was filed April 25, 1961.

The developer advises that each apartment unit will be furnished with the following appliances: BG-13 General Electric Refrigerator-Freezer; Washer/Dryer Combination; KD-12P Kitchenaid Dishwasher; and Double Deluxe Oven and Range Top.

OWNERSHIP OF TITLE: Adolph Christian Sendel and Elizabeth Sendel, husband and wife, who reside at 3019 Kalakaua Avenue, Honolulu, Hawaii, own the property in fee as tenants by the entirety.

ENCUMBRANCES AGAINST TITLE:

- (1) A Master Lease from Adolph Christian Sendel and Elizabeth Sendel, lessors, to 3019 Development Corporation, lessee, executed November 22, 1961.
- (2) 12 Apartment Leases from Adolph Christian Sendel and Elizabeth Sendel, lessors, to 3019 Development Corporation, lessee, executed on November 22, 1961.
- (3) A certain covenant set forth in that certain deed made by Pacific Trust Company, Ltd. to Kenneth B. Hodges and Kathleen Ryan Hodges, dated February 7, 1929.
- (4) A perpetual easement of right of way for pedestrians over, across and along the seawall along the highwater mark at seashore.

- NOTE: (a) With the consent of the lessors, this lease was assigned by E. E. Black, Ltd. to 3019 Kalakaua, Inc. on March 25, 1960 and the latter as developer, financed and erected the apartment building on the premises. Subsequently, on November 9, 1961 the corporate name of 3019 Kalakaua, Inc. was changed to 3019 Development Corporation when it was decided to offer the apartments under the condominium plan rather than the conventional cooperative apartments as planned originally.
- (b) With the execution of the Master Lease and twelve separate Apartment Leases between the Sendels, lessors, and 3019 Development Corporation, lessee, on November 22, 1961, the original lease dated December 29, 1959 has been mutually cancelled by the parties on the same date, November 22, 1961.

MASTER LEASE: A Master Lease was executed between Adolph Christion Sendel and Elizabeth Sendel, lessors, and 3019 Development Corporation, lessee, on November 22, 1961. As required by the condominium law, it was recorded at the Bureau of Conveyances, Honolulu, by the developer on November 27, 1961 to establish a horizontal property regime. The original lease was drawn for a period of 75 years but the Master Lease has 73 years more to run and will terminate December 31, 2034.

The Master Lease provides for assignment of said lease from the developer to the Council of Co-owners.

"General Common Elements" provided for in this lease are as follows:

- (1) Basement--driveway to the parking stalls, double stairs, elevator shaft, trash room, mechanical and hot water supply room, tool room and parking stalls.
- (2) Lobby and terrace-parking floor--driveway to parking spaces, parking stalls, entrance stairs and walkways, terrace, stairs to walk along seawall, men's and women's shower-dressing rooms, pantry kitchenette, storage room.
- (3) Apartment floors--double stairway and elevator.
- (4) Hot and cold water supply, electric mains, wet and dry stand pipes, gas main, auxiliary water service equipment, telephone and television antennal conduits.

"Limited Common Elements" are not provided for in either the Master Lease, the Apartment Lease or the proposed by-laws of the Council of Co-owners of 3019 Kalakaua Horizontal Property Regime.

NOTE: The purchaser should acquaint himself with the provisions contained in the Master Lease with respect to alternative covenants which are to take effect upon termination or waiver of the horizontal property regime.

APARTMENT LEASE: Twelve separate apartment leases, identifying each of the twelve apartment units to be sold were executed between Adolph Christion Sendel and Elizabeth Sendel, lessors, and 3019 Development Corporation, lessee, on November 22, 1961 and recorded at the Bureau of Conveyances, Honolulu, on November 27, 1961.

This lease runs concurrently with the Master Lease. The developer advises that separate lease agreements called "Assignment of Apartment Lease" will be used to assign developer's interests in the apartments to purchasers of the units.

The "Assignment of Apartment Lease" will convey to the purchaser

- (1) A certain apartment.
- (2) Two parking stalls, except Apartment #3 will receive one only.
- (3) An undivided one-twelfth interest as tenant in common to use in common with the owners of the other apartments in the building the general common elements described in the Master Lease.

NOTE: (a) Purchasers should read carefully the provisions in the Apartment Lease with respect to current and future monthly rentals payable to lessors for the term of the lease.

- (b) There is a provision in the Apartment Lease regarding a waiver or termination of the horizontal property regime.

**"ASSIGNMENT OF APARTMENT LEASE:"** Paragraph 9 of said lease provides: "And the Assignee, for himself, his heirs, executors, administrators and permitted assigns, does covenant with the Assignor and the Lessors that he will and shall pay the rents, taxes, assessments and other charges reserved by said lease from the date hereof during the remainder of the term of said apartment lease, and that he will and shall observe and perform all of the covenants in said lease contained and on the part of the Lessee thereunder to be observed and performed, and will indemnify the Assignor and its successors against the nonpayment of said rents, taxes, assessments and charges, and the nonobservance and nonperformance of said covenants."

**PURCHASE MONEY HANDLING:** The developer advises that all purchase money will be placed in a clients account at the First National Bank, Kapiolani Branch, Honolulu, Hawaii and that they will not be expended for any other project prior to consummation of unit sale and occupancy.

**SALE OF LEASEHOLD IN APARTMENTS:** Sale of apartment units was commenced in April, 1960 as a co-operative apartment project. The developer has converted this to a horizontal property regime and is now selling a leasehold interest in these apartments.

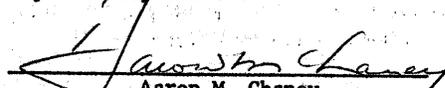
**MANAGEMENT AND OPERATION:** The purchasers will assume maintenance costs upon execution of documents and the developer will be responsible for same on unsold (initial sale) units on a pro-rata basis.

The developer advises that among the pro-rated charges to be included in the monthly maintenance costs to the apartment owners will be the unconsumed portion of the insurance premiums of the insurance policies in effect between the Sendels, lessors, and the developer, lessee, which expires in 1964.

Among other provisions which are of interest to apartment owners is a general provision found in the horizontal property regime law enacted by the First State Legislature of Hawaii in 1961 governing pro-rata contribution towards monthly maintenance expenses by the apartment owners. Each purchaser should familiarize himself with this law. An inquiry also should be made of the developer with respect to other costs chargeable to each apartment owner.

**NOTE:** Particular attention of the purchaser is called to the following:

- (1) The developer has prepared the by-laws to be adopted by the Council of Co-owners of 3019 Kalakaua Horizontal Property Regime which governs the management and operation of the building.
- (2) Article VIII of the proposed by-laws provides that House Rules will be adopted by the Council. The Commission is not aware of any specific proposed House Rules. The developer should be consulted on the matter.
- (3) The developer, assignor of the Master Lease, and the Council of Co-owners of 3019 Kalakaua Horizontal Property Regime, assignee, are one and the same person which is 3019 Development Corporation.

  
Aaron M. Chaney  
Chairman