REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
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P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
KAHALA TOWERS
43 Waialae Avenue
Honolulu, Hawaii

REGISTRATION NO. 151

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.

October 6, 1966

SPECIAL ATTENTION

A comprehensive reading of the Report 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:

1. KAHALA TOWERS is a proposed lease condominium project consisting of two hundred thirty-three (233) dwelling units arranged in a two-building complex. Building "A" has 27 stories; Building "B" has 14 stories.

2. The Developer of the project has filed all documents and exhibits deemed necessary by the Commission for the registration of the Horizontal Property Regimes venture.

3. The Commission has determined that the basic documents have been filed in the office of the recording officer.

   The Master Lease, No. 16250, of June 1, 1966 was filed in the Bureau of Conveyances, State of Hawaii, in Liber 5404, page 390, on June 1, 1966.

   The Master sublease of September 20, 1966 was filed in said Bureau in Liber 5440, page 222, on September 20, 1966.

The Declaration of Horizontal Property Regimes, with By-Laws of the Association of Apartment Owners attached, was filed in same Bureau on October 3, 1966 in Liber 5449, page 28.

On October 3, 1966, the Registrar of the Bureau of Conveyances, State of Hawaii, assigned Condominium Map No. 77 to the project.

4. The Developer, complying with the Commission's Declaratory Ruling No. 1, dated December 14, 1965, has submitted a statement of all costs involved in completing the project. Construction is to commence on or about November 1, 1966 with the estimated date of completion stated as July 31, 1968.

5. No advertising or promotional matter has been filed pursuant to the Rules and Regulations promulgated by the Commission.

6. The prospective purchaser is advised to acquaint himself with the provisions of Chapter 170A, Revised Laws of Hawaii 1955, as amended, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.

7. This Report reflects information disclosed in the required Notice of Intention submitted to the Commission on August 9, 1966.

NAME OF PROJECT: KAHALA TOWERS

LOCATION: The approximate 116,994 square feet of land committed to the project is located on the northwest corner of the intersection of Kilauea Avenue Extension and Waialae Avenue, at Waialae-Nui, Honolulu, Oahu, Hawaii.

TAX KEY: FIRST DIVISION 3-5-17;4

ZONING: Hotel-Apartment

DEVELOPER: Condominium Hawaii, Incorporated, 801 Kaheka Street, Honolulu, Hawaii. Telephone 997-898. A Hawaii corporation registered to do business in this jurisdiction August 15, 1963.

The officers are as follows:

Harry Otsuji	President	801 Kaheka Street Honolulu, Hawaii
August Akin Yee	Vice President	801 Kaheka Street Honolulu, Hawaii
Herbert C. H. Chun	Vice President	311 Central Pacific Bank Building Honolulu, Hawaii
Abraham K. Tokioka	Secretary-Treasurer	1660 Kalakaua Avenue Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Yamada and Shinsato, (Attn: Mr. Harold T. Yamada), Room 419 First National Bank Building, Honolulu, Hawaii. Telephone 573-338.

DESCRIPTION: The Declaration states that there are two hundred thirty-three (233) freehold estates designated in the spaces within the perimeter walls, floors and ceilings of each of the 233 apartment units of the project contained in two buildings constructed principally of reinforced concrete, and designated Buildings "A" and "B", Building "A" containing 27 stories and Building "B" containing 14 stories (neither Building "A" nor Building "B" has a basement), with planting area, balcony or patio, which spaces are designated on the plans and described as follows:

Apartments A-102 to A-104 inclusive (A-101 is a common element) are located on the first floor, Apartments A-201 to A-206 inclusive are located on the second floor, Apartments A-301 to A-306 inclusive are located on the third floor and continuing vertically to where Apartments A-2601 and A-2602 are located on the twenty-sixth floor and Apartments PH A-1, PH A-2, PH A-3 and PH A-4 are located on the twenty-sixth and the twenty-seventh floors of Building "A".

Apartments B-101 to B-104 inclusive are located on the first floor, Apartments B-201 to B-206 inclusive are located on the second floor, Apartments B-301 to B-306 inclusive are located on the third floor and continuing vertically to where Apartments B-1301 to B-1306 inclusive are located on the thirteenth floor, and Apartments PH B-1, B-1401, B-1402 and PH B-2 are located on the fourteenth floor of Building "B".

Each apartment contains the number of rooms and approximate floor area, excluding the planting area, patio or balcony, according to its respective plan, which plans are designated (i) to (ix) as follows:

(i) One hundred forty-seven (147) apartments (A-102, A-103, A-104; A-201 A-202, A-203, A-204, A-205 and A-206 and the corresponding numbered apartments on the third to the twenty-fifth floor inclusive) in Building "A" contain 7 rooms, including 2 bedrooms, 2 bathrooms and 1 balcony or patio, and floor area of 841 square feet. (There is an additional apartment on the first floor numbered Apartment A-101 which is reserved for a resident manager and is designated as a common element.)

(ii) Two (2) apartments (A-2601 and A-2602) on the twenty-sixth floor in Building "A" contain 7 rooms, including 2 bedrooms, 2 bathrooms and 1 balcony, and floor area of 841 square feet.

(iii) Four (4) two-storied penthouse apartments (PH A-1, PH A-2, PH A-3 and PH A-4) in Building "A" contain 9 rooms, including 3 bedrooms, 2½ bathrooms and 1 balcony, and floor area of 1,620 square feet.

(iv) Four (4) apartments (B-101, B-102, B-103 and B-104) in Building "B" contain 8 rooms, including 3 bedrooms and 2 bathrooms, plus a planting area, and floor area of 1,152 square feet.

(v) Fifty (50) apartments (B-201, B-203, B-204, B-205 and the corresponding numbered apartments on the third to the thirteenth floor inclusive and PH B-2 and PH B-3) in Building "B" contain 8 rooms, including 3 bedrooms, 2 bathrooms and 1 balcony, and floor area of 1,152 square feet.

(vi) Twelve (12) apartments (B-202, B-302, B-402, B-502, B-602, B-702, B-802, B-902, B-1002, B-1102, B-1202 and B-1302) in Building "B" contain 9 rooms, including 3 bedrooms, 1 study, 2 bathrooms and 1 balcony, and floor area of 1,263 square feet.

(vii) Twelve (12) apartments (B-206, B-306, B-406, B-506, B-606, B-706, B-806, B-906, B-1006, B-1106, B-1206 and B-1306) in Building "B" contain 8 rooms, including 3 bedrooms, 2 bathrooms and 1 balcony, and floor area of 1,157 square feet.

(viii) One (1) apartment (PH B-1) in Building "B" contains 10 rooms, including 4 bedrooms, 1 study, two baths and 1 balcony, and floor area of 1,706 square feet.

(ix) One (1) apartment (PH B-2) in Building "B" contains 9 rooms, including 4 bedrooms, 2 baths and 1 balcony, and floor area of 1,566 square feet.

The Declaration states that the apartments shall be numbered in the manner shown on Condominium File Plan No. 77 filed in the Bureau of Conveyances of the State of Hawaii.

Each apartment has immediate access to hallways and entrances of its buildings, the stairways and elevators. Each building is serviced by twin elevators and two stairways.

The Declaration advises that 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 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 provided. Each apartment shall be deemed to include the adjacent balcony or patio, all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein including dishwasher, refrigerator, range, clothes washer-dryer, garbage disposer and hot water heater.

COMMON ELEMENTS: The Declaration states that one freehold estate is designated in all remaining portions of the project, called common elements, including specifically but not limited to: (a) said land in fee simple; (b) all foundations, columns, girders, beams, supports, bearing walls, roofs, chases, entries, stairways, walkways, and entrances of said buildings; (c) all yards, grounds, landscaping, mail boxes and refuse facilities; (d) all parking areas and driveways; (e) all ducts, electrical equipment, wiring and other central and appurtenant installations, including power, light, water, sewer and telephone; (f) four automatic electric passenger elevators with elevator housing and appurtenant equipment; (g) the apartment unit on the ground floor of Building "A" designated as "Apartment No. A-101," together with the parking space assigned to said apartment, reserved for use by the resident manager of the project; (h) swimming pool and equipment; and (i) storage rooms and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the buildings of the project.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called 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) not less than one parking space shall be assigned to each of the apartments upon the original conveyance thereof and shall be appurtenant to and for the exclusive use of such apartment; (b) the entries, stairways, elevators, hallways and walkways in any residential building of the project shall be appurtenant to and for the exclusive use of the apartments of such buildings; (c) such of the common elements which are in or rationally related only to a single building shall be for the exclusive use of the apartments of such building; and (d) the planting area adjoining each of the four apartments on the ground floor of Building "B" shall be appurtenant to and for the exclusive use of such apartment which it adjoins.

INTEREST TO BE CONVEYED PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage interest in the common elements, such interest being defined and referred to as the common interest, as follows:

Building	Plan	Common Interest
A (2 Bedrooms)	i	.3717%
A (2 Bedrooms)	ii	.3717%
A (Penthouse)	iii	.6841%
B (3 Bedrooms)	iv	.5112%
B (3 Bedrooms)	v	.5112%
B (3 Bedrooms)	vi	.5576%
B (3 Bedrooms)	vii	.5112%
B (PH B-1)	viii	.7436%
B (PH B-2)	ix	.7063%

The common interest, the proportionate shares in the profits and common expenses of the project and the proportionate representation for voting purposes in the Association of Apartment Owners of the project, shall be in said percentage for each apartment.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration states 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 (a) rental for any period less than 30 days, or (b) 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 absolute right to lease the same subject to limitations, restrictions, covenants and conditions as stated in the Declaration.

OWNERSHIP TO TITLE: The Developer advises in the Notice of Intention that the fee is vested in the Trustees under the Will and of the Estate of Bernice Pauahi Bishop, Deceased.

ENCUMBRANCES AGAINST TITLE: The Developer in the Notice of Intention describes the following encumbrances:

Master Lease - No. 16250, made June 1, 1966 between Trustees of the Estate of Bernice P. Bishop, as "Lessors" and Edwin Yee, Ltd., as "Lessee." For a term of fifty-seven (57) years commencing June 1, 1966, rent as follows: (a) one dollar ($1.00) per annum for and during the first year of said term; (b) fourteen thousand six hundred seventy dollars ($14,670.00) per annum for and during the next year of said term; (c) twenty-nine thousand three hundred forty-five dollars ($29,345.00) per annum for the next 15 years of said term; (d) forty-four thousand two hundred twenty dollars ($44,220.00) per annum for and during the next 10 years of said term; (e) fifty-three thousand sixty-five dollars ($53,065.00) per annum for the next five years of said term; and (f) such fair annual rent for and during the next two successive ten-year periods of said term and the last five-year period of said term shall be determined for each of said periods by written agreement of Lessors and Lessee or, if they fail to reach such an agreement at least ninety (90) days before the commencement of such period, as shall equal six percent (6%) of the then market value of the demised land exclusive of improvements thereon, taking into consideration the use to which said land is then put and the size and character of buildings thereon constructed with the consent of Lessors, as shall be determined by appraisal.

Master Sublease - Made September 20, 1966 between Edwin Yee, Ltd., as "Sublessor" and Condominium Hawaii, Inc., as "Sublessee." For the term commencing June 1, 1966 and ending on May 30, 2023, rent as follows: (a) one dollar ($1.00) per annum from June 1, 1966 to May 31, 1967, plus excise and gross income taxes imposed by the State of Hawaii on said rent; (b) $14,670.00 per annum for and during the next year of said term

plus excise and gross income taxes imposed by the State of Hawaii on said rent, or to and including the month of completion of the buildings to be erected upon the demised premises by the Sublessee, whichever is sooner; (c) $81,156.00 per annum commencing on June 1, 1968 or on the first day of the month following the completion of the buildings by the Sublessee on the demised premises prior to June 1, 1968, whichever is sooner, to and including May 31, 1983, plus excise and gross income taxes imposed by the State of Hawaii on said rent; (d) $97,388.00 per annum for the next 10 years of said term, plus excise and gross income taxes imposed by the State of Hawaii on said rent; (e) $116,866.00 per annum for the next 5 years of said term, plus excise and gross income taxes imposed by the State of Hawaii on said rent; and (f) for and during the next two successive ten-year periods of said term and the last five-year period of said term, less one day for the last period, the annual rent shall be 120% of the annual rent payable for each of said periods under the terms of said Master Lease as determined under the provisions of said Master Lease; and in the determination of such annual rent payable for each of said period, Sublessor declares and covenants to and with Sublessee that Sublessor will not enter into any agreement with the Trustees of Bishop Estate as to such rent without the prior written approval of Sublessee to the annual rent proposed to be agreed upon between Sublessor and Trustees, and if because of Sublessee's objection Sublessor and Trustees enter into the appraisal procedure provided for in the Master Lease, Sublessor shall make his appointment of appraisers subject to consent by Sublessee; provided, however, that all expenses of appraisal chargeable to Sublessor under the Master Lease shall be borne by Sublessee. In addition to said rent, on each rental payment date, the Sublessee shall pay over and reimburse unto Sublessor all excise and gross income taxes imposed by the State of Hawaii on the rents received by the Sublessor under the Master Sublease.

Mineral Rights - Under R.P. 4475, there is a reservation to the Hawaiian government of all mineral or metallic mines of every description.

Easements - In favor of the City and County of Honolulu perpetual easements for sanitary sewer lines, dated October 20, 1961, recorded in the Bureau of Conveyances in Liber 4047, page 138.

In favor of the Hawaiian Telephone Company perpetual easement for underground communication power lines, dated May 24, 1963, recorded in the Bureau of Conveyances in Liber 4552, page 468.

Lease No. 13900 of easement for underground gas lines to Honolulu Gas Co., Ltd., dated September 8, 1961, recorded in the Bureau of Conveyances in Liber 4505, page 320.

Setback - There is a 25-foot building setback line along Kilauea Avenue Extension and Waialae Avenue.

The Certificate of Title, prepared August 8, 1966, by Long & Melone, Ltd., a Hawaiian corporation, and submitted as part of the registration, reflects that taxes for the year 1966 are not delinquent.

PURCHASE MONEY HANDLING: An Escrow Agreement dated August 4, 1966 has been executed and filed with the Commission in which Island Federal Savings and Loan Association is identified as the Escrow Agent. Upon examination, the escrow arrangement is found to be in consonance with the Commission's Declaratory Ruling No. 1, dated December 14, 1965. The conditions referring to the issuance of a Final Public Report have been complied with.

Note: It is incumbent upon the purchaser that he reads this Escrow Agreement which establishes how the proceeds from the sale of dwelling units are placed in trust, as well as the retention and disbursement of the trust funds.

MANAGEMENT AND OPERATIONS: The By-Laws of the Association of Apartment Owners vests the Board of Directors with the powers and duties necessary for the administration of the affairs of the Association. The Board is responsible, among other things, for the management and operation of the project and maintenance, repair, and rebuilding of the common elements; establishment and collection of monthly assessments against apartment owners for common expenses and appointment and dismissal of any personnel necessary for such operation and maintenance functions.

STATUS OF PROJECT: The Developer has submitted an executed building contract, made August 5, 1966, in which Pacific Construction Company, Limited has been identified as the Contractor. Construction of the site is to commence on or about November 1, 1966, with date of completion estimated to be about July 31, 1968.

This FINAL HORIZONTAL PROPERTY RECIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 151 filed with the Commission on August 9, 1966.

Y Kashiwa

YUKIO KASHIWA, Vice Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION
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