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

PRELIMINARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

SCANDIA TOWERS
155 Paoakalani Avenue
Honolulu, Hawaii

REGISTRATION NO. 153

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 but may only take reservations therefore after

(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.

Reservations for the purchase of any unit in the Condominium Project may be taken under an agreement for sale providing the Developer complies with the Commission's Declaratory Order No. 1 of December 14, 1965.

October 13, 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. SCANDIA TOWERS is a proposed lease condominium project consisting of forty-two (42) dwelling units arranged in a single building.

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

3. No advertising or promotional material has been filed pursuant to the rules and regulations promulgated by the Commission.

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

5. This Report reflects information disclosed in the required Notice of Intention submitted to the Commission on August 10, 1966.

NAME OF PROJECT: SCANDIA TOWERS

LOCATION: The approximate 12,949 square feet of land area committed to the project is situate at the Diamond Head-makai (southerly) corner where the thoroughfare Cartwright Road meets Paoakalani Avenue at Waikiki, Honolulu, Oahu, Hawaii.

TAX MAP KEY: First Division 2-6-27-26

ZONING: Hotel-Apartment

DEVELOPER: Scandia Towers, Incorporated, 1060 Bishop Street, Honolulu, Hawaii. Telephone 581-991. A Hawaii corporation registered to do business in this jurisdiction March 24, 1966. The officers are as follows:

Axel Ornelles	President	1060 Bishop Street Honolulu, Hawaii
Stanley Standal	Vice President	5459 Kalanianaole Hwy Honolulu, Hawaii
Betsy Nakasone	Secretary- Treasurer	1060 Bishop Street Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Axel Ornelles, 1060 Bishop Street, Honolulu, Hawaii. Telephone 581-991.

DESCRIPTION: The project consists of forty-two (42) freehold estates designated within the perimeter walls, floors and ceilings of each of the 42 apartment units arranged throughout a twelve (12) story building constructed principally of reinforced concrete. The apartments are designated on the condominium plans and are described as follows:

(a) Four (4) apartments are located on the 2nd through the 11th floor and two apartments are on the penthouse floor of the building. The building facilities are located as indicated below and the apartments are numbered with the number of the floor followed by 0 and final digit indicating the number of the apartment on such floor, as follows:

Basement Floor	Parking
First Floor	Lobby and Parking
Second Floor	201, 202, 203, 204
Third Floor	301, 302, 303, 304
Fourth Floor	401, 402, 403, 404
Fifth Floor	501, 502, 503, 504
Sixth Floor	601, 602, 603, 604
Seventh Floor	701, 702, 703, 704
Eighth Floor	801, 802, 803, 804
Ninth Floor	901, 902, 903, 904
Tenth Floor	1001, 1002, 1003, 1004
Eleventh Floor	1101, 1102, 1103, 1104
Penthouse Floor	PH-1, PH-2

The immediate common element to which each apartment has access is a corridor through the center of the building leading to the elevator.

(b) There are forty (40) two-bedroom apartments, divided into two types. The first type contains approximately 969 square feet in floor area and consists of the following rooms: 2 bedrooms, 2 bathrooms, a lanai and one combination

living room-kitchen. Each such 2-bedroom apartment is designated by a number ending with the digits 1, 2 and 3 on each floor. The second type of 2-bedroom apartment contains approximately 825 square feet of floor space, including lanai, and consists of the following rooms: 2 bedrooms, 2 bathrooms, a lanai and one living room-kitchen combination. Each such 2-bedroom apartment is designated by a number ending with the digit 4 on each floor. PH-1 contains approximately 1,439 square feet in floor area and has 2 bedrooms, 2 baths, kitchen and living-dining room area, plus lanais of about 695 square feet. PH-2 contains approximately 1,333 square feet in floor area and has the same rooms. PH-2 has lanais totaling approximately 666 square feet.

(c) 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 apartment 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 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.

COMMON ELEMENTS: The Declaration states that a freehold estate is designated in all remaining portions of the project, identified as 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, entry halls, stairs, walkways, entrances and exits of said building; (c) all yards and refuse areas; (d) all parking areas; (e) all ducts, electrical equipment, wiring and other central and appurtenant installations for services including power, light, cold and hot water, air conditioning, refuse and telephone; (f) one automatic electric passenger elevator with elevator housing and appurtenant equipment; and (g) the lobby located on the ground floor.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called limited common elements, are designated and set aside for the exclusive use of each apartment and each apartment shall have appurtenant thereto an easement for the use of such limited common elements as follows: One parking space designated on said plans by the same number as an apartment, shall be appurtenant to and for the exclusive use of such apartment.

INTEREST TO BE CONVEYED PURCHASER: Each apartment shall have appurtenant thereto an equal undivided 2.3809+ percentage interest (a 1/42nd fractional interest) in all common elements of the project, identified as common elements, and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: 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 foregoing notwithstanding the owners of the respective apartments shall have the absolute right to lease such apartments for residential purposes subject to all provisions recited in the Declaration.

OWNERSHIP TO TITLE: A Certificate of Title prepared April 21, 1966 by Security Title Corporation, a Hawaii corporation, shows that title to the land committed to the regime is vested in Ellen C. Akaka, widow, Simeon K. Akaka, widower, Nora C. Lucas, wife of William Lucas, Llewellyn K. Akaka, husband of Antoinette Akaka, and Lucille A. Dennis, wife of William Dennis.

Further, the title evidence document notes that a Power of Attorney dated March 23, 1965, recorded on March 30, 1966 in the Bureau of Conveyances, State of Hawaii in Book 5292, Page 482 made by the five persons immediately above to Cooke Trust Co., Ltd., a Hawaii corporation, granting special powers.

ENCUMBRANCES AGAINST TITLE: Submitted as part of the registration for examination by Commission are copies of the following:

Lease - Made March 23, 1965 by and between Ellen C. Akaka, widow, Simeon K. Akaka, widower, Nora A. Lucas, wife of William Lucas, all of Honolulu, Oahu, Hawaii, Llewellyn K. Akaka, husband of Antoinette Akaka, of Maui, Hawaii, and Lucille A. Dennis, wife of William Dennis of San Jose, California, as "Lessors" and Stanely W. Standal and Bluebell R. Standal, husband and wife, whose residence and post office address is 3420 Keahi Place, Honolulu, Hawaii as "Lessees". Term of the lease is for seventy-five (75) years commencing April 1, 1966 up to and including March 31, 2041. Rent conditions agreed to are as follows: (a) For the first twenty-four (24) months of the term, the total sum of seven thousand two hundred ($7,200.00) payable in advance in twenty-four (24) equal payments on the tenth day of each and every month of said terms; (b) for the next period of eight (8) years commencing April 1, 1968 and ending March 31, 1976, an annual rent of ten thousand dollars ($10,000.00) in monthly installments of not less than eight hundred thirty-three and 33/100 dollars ($833.33) payable in advance on the first day of each and every month of said period; (c) for the next period of ten (10) years commencing April 1, 1976 and ending March 31, 1986, an annual rent of twelve thousand dollars ($12,000.00) in monthly installments of one thousand dollars ($1,000.00) payable in advance on the first day of each and every month of said period; (d) for the next period of five (5) years commencing April 1, 1986, and ending March 31, 1991, an annual rent of fifteen thousand dollars ($15,000.00) in monthly installments of one thousand two hundred fifty dollars ($1,250.00) payable in advance on the first day of each and every month of said period; (e) for and during each of the five ten (10) year periods thence next ensuing, the annual rent for such periods payable in monthly installments of one-twelfth (1/12th) thereof, in advance, shall be such amount as the Lessors and Lessees shall determine by mutual agreement at least ninety (90) days before the commencement of each such periods. Recorded March 30, 1966 in Liber 5292, Page 459 in the Bureau of Conveyances, State of Hawaii.

Assignment of Lease - Made March 23, 1966 by and between Stanley W. Standal and Bluebell R. Standal, husband and wife, of Honolulu, Hawaii, called the "Assignors" and Scandia Towers, Inc., a Hawaii corporation, whose office and principal place of business is 1060 Bishop Street, Honolulu, Hawaii, identified as "Assignee". The agreement binds the Assignee, effective as of the date of execution and delivery of the Assignment of Lease, to pay the rents during the term of said lease and to observe all of the covenants and conditions of the lease. The appointed corporate agent for the Lessors consented to the Assignment of Lease on April 4, 1966 under Document No. 66-11952, filed in Liber 5301, Page 447 on April 12, 1966 in the Bureau of Conveyances.

The Assignment of Lease recorded April 12, 1966 in said Bureau as Document No. 66-11951 in Liber 5301, Page 442.

Revocable Living Trust Agreement - Made February 4, 1965 by and between Simeon K. Akaka of Kailua, Honolulu, Oahu, Hawaii, called the "Settlor", and Simeon K. Akaka, III, of Kailua, and the said Simeon K. Akaka, called the "Trustees". In this agreement Cooke Trust Company, Limited, has been identified as the Corporate Trustee.

This Agreement recorded August 12, 1965 in said Bureau as Document No. 65-29279 in Liber 5110, Page 77.

Mineral Rights - Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Number 5667.

Taxes for 1966 - As of the date of the execution of the title search document, April 21, 1966, the taxes for the year of 1966 were identified as a lien, pending establishment of a rate. The Total Assessed Value is given as $129,322.00.

PURCHASE MONEY HANDLING: An Escrow Agreement dated August 9, 1966 has been executed and filed with the Commission in which Security Title Corporation, a Hawaii corporation, is identified as "Escrow". Upon examination, the specimen Agreement of Purchase and Sale and the executed Escrow Agreement are 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 Preliminary Public Report have been complied with.

> Note: It is incumbent upon the purchaser that he reads the Agreement of Purchase and Sale and the Escrow Agreement. The latter 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 OPERATION: Operation of the project shall be conducted for the Association of Apartment Owners by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws. The Management Agent, under the conditions of the Declaration, is authorized to receive service of legal process in all cases provided in the Horizontal Property Act. The initial Managing Agent is identified as Cooke Trust Company, Limited.

STATUS OF PROJECT: The Developer estimates that construction will commence on or about February 1, 1967. It is believed, according to the Notice of Intention, that the contractor-nominee will be Pacific Construction Company. Completion of construction is anticipated as 8 to 9 months from the date ground is broken.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) REPORT is made a part of REGISTRATION NO. 153 filed with the Commission August 10, 1966.

Y. Kashiwa

YUKIO KASHIWA, Vice Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:
DEPARTMENT OF TAXATION
DEPARTMENT OF REGULATORY AGENCIES
(Business Registration Division)
BUREAU OF CONVEYANCES
PLANNING COMMISSION, CITY & COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION