

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
PROSPECT TOWER APARTMENTS
927 Prospect Street
Honolulu, Hawaii

REGISTRATION NO. 196

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.

Issued: May 1, 1968
Expires: June 1, 1969

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 purchaser or prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE ON INTENTION SUBMITTED OCTOBER 20, 1967 AND INFORMATION SUBSEQUENTLY FILED AS LATE AS FEBRUARY 14, 1968. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THERETO BY ACT 244(L. 1967) EFFECTIVE JUNE 6, 1967.

1. PROSPECT TOWER APARTMENTS is a proposed condominium project consisting of seventy-six (76) dwelling units and eighty-nine (89) parking stalls are available.

The examination of specimen documents filed with the Commission discloses that purchasers or prospective purchasers will be given the option of selecting one of two methods of buying a condominium unit. It is the intention of the Developer to offer the apartments for sale in fee simple or in the alternative a buyer may negotiate the purchase of an apartment through an apartment lease.

Samuel Kee Young and Elsie Ching Young, husband and wife, having acquired legal title to the parcel of land expressed to the horizontal property regime, entered into a lease with the Developer on July 31, 1965--said lease being for a term of 65 years, commencing August 1, 1965 and having terms and conditions more particularly described in the document titled, "Indenture of Lease," submitted as part of the registration.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and the issuance of the Preliminary Public Report.
3. The Commission has determined that the basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved floor plans) have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regime, with By-Laws attached, was received for registration in the Bureau of Conveyances on October 26, 1967 in Liber 5342 of page 116.

The Registrar of the Bureau of Conveyances of the State of Hawaii designated the floor plans of the project as Condominium Map No. 98 on October 26, 1967.

4. No advertising or promotional matter has been submitted pursuant to the rules and regulations of the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 170A, Revised Laws of Hawaii 1955 (as amended, particularly ACT 244, L. 1967, effective June 6, 1967), and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, May 1, 1968, unless a Supplementary Public Report issues or the Commission, upon review of the registration issues an order extending the effective period of this report.

NAME OF PROJECT: PROSPECT TOWER APARTMENTS

LOCATION: The approximate 43,905 square feet of lease land committed to the regime is situate on the makai side of the nine hundred block of Prospect Street between Magazine Street to the East and Ward Avenue to the West. The site is identifiable as being on the makai (south) slopes of Punchbowl Crater, Honolulu, Oahu, Hawaii.

TAX KEY: FIRST DIVISION 2-14-15, 21-B

ZONING: Hotel Apartment

DEVELOPER: The attachment, "Schedule A" to the Notice of Intention identifies the Developer organization as:

Hyacinth Yuk Len Young	902 Spencer Street Honolulu, Hawaii
Cecil Ming Young Geraldine Ing Young	927 Prospect Street Honolulu, Hawaii
Clarence Jong Young Nancy Wee Young	19472 Chappewa Road Apple Valley, California

Clifford Fai Young
Laura Mau Young

927-A Prospect Street
Honolulu, Hawaii

George Yee Chun
Stella Ann Young Chun

1506 Ward Avenue
Honolulu, Hawaii

Leighton Sui Chow Louis
Molly Ing Young Louis

4646 Waipahee Place
Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Chung, Vitousek, Chuck & Fujiyama (Attention: Mr. Norman K. Chung), Suite 306, 1022 Bethel Street, Honolulu, Hawaii. Telephone 506467.

DESCRIPTION: Seventy-six (76) dwellings consisting of the spaces within the perimeter walls of each of the apartment units, including lanais appurtenant to each apartment, defined and referred to as "apartments" on Condominium File Plan No. 93 and described as follows:

There are 62 two-bedroom units and 14 three-bedroom units contained in a 15-story building, constructed of reinforced concrete. Each of the first 3 floors will have 6 two-bedroom apartments. Each of the next 7 floors will have 2 two-bedroom apartments and 2 three-bedroom apartments.

Units on each floor will be numbered in sequence from the ewa (Ward Street) side.

Units on the first through the ninth floor will have three digit numbers. The first of the three digits will indicate the floor on which the unit is located; the second digit will be zero; and the third digit will indicate the sequence of the unit on the particular floor. For example, on the first floor, the first unit, on the ewa (Ward Street) side of the building, will be numbered 101. The next is 102. The 6th unit, at the Diamond Head (Magazine Street) end of the building, will be 106. A similar system of numbering will be used on the next 7 floors.

The numbers on the first floor are shown on Sheet No. A-1 of the Condominium File Plan.

Units on the 9th through the 16th floor (except for the 13th floor, which is non-existent) will have four digits. The first two digits will indicate the floor on which the unit is located; the third digit will be zero; and the fourth digit will indicate the sequence of the unit on the particular floor, in the same manner as is set forth for the first through the 9th floors.

The numbers on the ninth floor are shown on Sheet No. A-2 of the Condominium File Plan.

All 2-bedroom units will have two bathrooms, a living room, a kitchen, and a lanai. All 3-bedroom units will have the same facilities, except that they each have 3 bathrooms.

On the first through the 3th floors, all units having numbers ending in 2, 3, 4, or 5 will have an enclosed area of 815 square feet and a lanai having an area of 95 square feet, the overall area being 910 square feet.

On the first through the 3th floors, all units having numbers ending in 1 or 6 will have an enclosed area of 868 square feet, and a lanai having an area of 95 square feet, the overall area being 963 square feet.

On the 9th through the 16th floors, all units having numbers ending in 1 or 4 will have an enclosed area of 1210 square feet, and a lanai having an area of 102 square feet, the overall area being 1312 square feet.

On the 9th through the 16th floors, all units having numbers ending in 2 or 3 will have an enclosed area of 1440 square feet and a lanai having an area of 102 square feet, the overall area being 1542 square feet.

Floor plans and dimensions of all of the apartment units are shown on Sheet Nos. A-1 and A-2 of the Condominium File Plan.

One parking stall, marked with the number of the apartment to which it is assigned is appurtenant to each apartment. The number of parking stalls will be greater than the number of apartment units. All of the additional parking stalls (which will be numbered in sequence starting with the number 1700) will remain the property of Sublessors, who may rent or sell them. If they are so sold, they will become appurtenant to a particular apartment.

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 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 the built-in fixtures including ranges, refrigerators, dishwashers, water heaters, and garbage disposal units. On the 9th through the 16th floors, the apartment shall also be deemed to include a clothes washer and a clothes dryer located therein. In each 3-bedroom apartment, the two water heaters located therein shall be deemed a part thereof.

COMMON ELEMENTS: The Declaration on file in the office of the recording officer recites that the "common elements" consist of a freehold estate of all remaining portions of the project, as described and referred to, which definition includes the residential building, the land on which it is located and all elements mentioned in the Horizontal Property Act which are actually constructed in the project, and specifically includes, but is not limited to (a) said land in fee simple, it being understood that if the owner of a unit has purchased a unit on a leasehold basis, fee simple ownership of that unit will be held by the Owners, subject to the Master Lease in favor of Sublessors, the interest of the purchaser of a unit on a leasehold basis being an apartment sublease from Sublessors; (b) all foundations, columns, girders, beams, supports, bearing walls, roofs, stairs, walkways, entrances and exits of said building; (c) all ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, cold and hot water, refuse disposal and telephone; (d) two automatic electric passenger elevators with appurtenant housing and equipment; (e) the swimming pool and the pool recreation area; (f) the roof, and all equipment located thereon; (g) the Manager's Residence and Office (No. 104), shown on the File Plan, which is reserved for the use of the manager of the project; (h) refuse collection and disposal areas; (i) all yards, except as otherwise provided; (j) storage areas on the ground floor, having a total area of approximately 1148 square feet, shown on Sheet No. A-1 of the Condominium File Plan; (k) the lobby, on the first floor, having an approximate area of 280 square feet, as shown on the Condominium File Plan; (l) the laundry area on the ground floor, having an approximate area of 182 square feet, in which coin-operated clothes washing machines and dryers will be located. This area is shown on Sheet No. A-1 of the Condominium File Plan.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called and designated "Limited Common Elements" are set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and reserved are as follows: (a) one parking space designated on said Condominium File Plan by the letter and

number corresponding to the letter and number of each apartment shall be appurtenant to and for the exclusive use of such apartment; (b) the lobbies and entry hallways on 2nd through the 16th floors of the building shall be appurtenant to and for the exclusive use of the apartments located on that floor.

INTEREST TO BE CONVEYED PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage interest in the common interests:

The 47 units on the 1st through the 8th floors (excluding Apartment No. 104, which is the resident manager's office and residence) shall each have a 1.10% interest;

The 14 units on the 9th through the 16th floors which have numbers ending in 1 or 4 shall each have a 1.60% interest;

The 14 units on the 9th through the 16th floors which have numbers ending in 2 or 3 shall each have a 1.35% interest.

Such interests are defined and referred to in the Declaration as the "Common Interests." The common interests, the proportionate shares in the profits and common expenses of the project and the proportionate representation in the Association of Apartment Owners, shall be in said percentage or fraction for each apartment.

NOTE: As this offering plan encompasses sales being made in either fee simple or leasehold interest for the buyer to consider it is well to observe that in the Specimen Contract of Sale (Fee Simple) the Buyer is purchasing designated and described property in a fee simple horizontal property regime. In the Specimen Contract of Sale (Leasehold) the buyer is purchasing designated and described property in a subleasehold horizontal property regime. In both of the specimen documents, it is recited that the Contract of Sale is subject to the restrictions on use and other restrictions, payment of charges and all other covenants, conditions, agreements and provisions contained in a form of sublease, the By-Laws of Association of Apartment Owners, dated October 17, 1967, all on file at the office of Hyacinth Yuk Len Young, et. al., Seller.

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 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 and same subject to the limitations, restrictions, covenants and conditions of this Declaration.

OWNERSHIP TO TITLE: Legal title is vested in Samuel Ke~~e~~ Young and Elsie Ching Young, husband and wife, 902 Spencer Street, Honolulu, Hawaii. The Title Guaranty of Hawaii abstract recites the title of Samuel K. Young, Elsie Ching Young, husband and wife, as Tenants in Common, as to an undivided twelve twenty-second (12/22nd) interest, and, Samuel K. Young, Elsie Ching Young, Trustees under those certain Deeds of Trust each dated December 30, 1957 and recorded respectively in Liber 3365, page 481, and Liber 3366, page 8, as to remaining undivided ten twenty-second (10/22nd) interest.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement, made October 20, 1967, between Hawaii National Bank, as "Escrow" and Hyacinth Yuk Len Young, unmarried, Cecil Ming Young and Geraldine Ing Young, husband and wife, Clarence Jong Young and Nancy Yee Young, husband and wife, Clifford Fai Young and Laura Mau Young, husband and wife, George Yee Chan and Stella Ann Young Chan, husband and wife, and Leighton Sui Chow Louis and Molly Ing Louis, husband and wife, as "Sellers," has been submitted to the Commission as part of the registration. On examination the executed Escrow Agreement is shown to have conditions that no disbursement from the trust fund shall be made by Escrow unless and until bills are submitted and approved or certified for payment by a financially disinterested person such as a mortgagee, architect, engineer, attorney or registered accountant who is not an employee of Sellers. Escrow shall not disburse balance of the trust fund until it receives satisfactory evidence that all mechanics' liens and materialmen's lien have been cleared, unless sufficient funds are set aside for any bona fide dispute. If there is any change in the condominium building plans subsequent to the execution of the construction contract, requiring approval of the Building Superintendent of the City and County of Honolulu, unless purchaser approves or accepts such change, in writing, Escrow shall return the purchaser's funds to him without further obligation.

If the Commission's Final Public Report is not issued one year from the date of issuance of this Preliminary Public Report, purchasers shall be entitled to refund of all moneys paid by the purchasers thereunder without further obligation.

No disbursements shall be made from the trust funds on behalf of the Sellers until the purchaser has had an opportunity to read the Final Public Report on this project and the Sellers have taken his receipt for a copy of it.

It is incumbent upon the purchaser and prospective purchaser that he reads, with care the Contract of Sale (there being two separate contracts, one for purchaser of fee simple interest and another for purchaser of leasehold interest) and the executed Escrow Agreement.

MANAGEMENT AND OPERATIONS: Under the proposed By-Laws of the Association of Apartment Owners, the Board of Directors is charged with the responsibility of securing the services of a person or firm to manage the building. No manager-nominee is identified in the registration.

STATUS OF PROJECT: The Developer advises that bids for construction are being sought. It is estimated that work will commence on construction of the project on or before June 30, 1968

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 October 20, 1967 and additional information subsequently filed as late as February 14, 1968.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 196 filed with the Commission on October 20, 1967.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be yellow in color.

REB:va

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FEDERAL HOUSING ADMINISTRATION



YUKIO KASHIWA, Vice Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

May 1, 1968
Registration No. 196