

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
THE PALO ALTO
1521 Punahou Street
Honolulu, Hawaii

REGISTRATION NO. 198

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 9, 1968
Expires: June 9, 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 OF INTENTION SUBMITTED FEBRUARY 16, 1968 AND INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS LATE AS MAY 7, 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. The PALO ALTO is a proposed leasehold condominium project consisting of twenty-nine (29) dwelling units arranged throughout a single sixteen (16) story residential building. Thirty-seven (37) parking stalls are to be available.

On April 19, 1968 the owner of the fee executed a sixty-five year lease with the Developer. The buyers will have a leasehold interest in the project through the Apartment Lease which permits their occupancy of a designated apartment and use of other parts of the property as set forth in the Declaration of Horizontal Property Regime.

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 issuance of the Preliminary Public Report.
3. 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, executed April 19, 1968, with By-Laws attached, has been filed in the Bureau of Conveyances, State of Hawaii in Liber 6032 at Page 197.

The Registrar has designated the project Condominium Map No. 104.

4. Advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by 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 Regime.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, May 9, 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: THE PALO ALTO

LOCATION: The approximate 16,884 square feet of lease land committed to the regime is situate on the east side of the fifteen hundred block of Punahou Street between Dole Street (makai) and Wilder Avenue (mauka), being two hundred and fifty feet from the southeast corner of the principal intersection of Punahou Street and Wilder Avenue, at Punahou, Honolulu, Oahu, Hawaii.

TAX KEY: FIRST DIVISION 2-18-12-49

ZONING: Hotel-Apartment.

DEVELOPER: A registered limited partnership, The Palo Alto, is represented to the Commission as the Developer. The limited partnership agreement was executed January 1, 1968 and it was registered with the Department of Regulatory Agencies, State of Hawaii on April 5, 1968. The participants under this agreement are 1521 CORP., a Hawaii corporation, whose principal place of business and post office address is 1062 Kikowaena Place, Honolulu, Hawaii, the "General Partner" and John H. Moore and Robert H. Jenkins, the "Limited Partner."

The entity, 1521 CORP. was formed under Articles of Association executed December 23, 1965 and registered in the Department of Regulatory Agencies on the same date. The incorporating officers and directors were as follows:

John Douglas Kilpatrick, III	President-Treasurer	1062 Kikowaena Place Honolulu, Hawaii
Ethel Matthewmen Kilpatrick	Vice President	1521 Punahou Street Honolulu, Hawaii
W. Lawrence Clapp	Secretary	P. O. Box 656 Honolulu, Hawaii

It is to be noted that the limited partnership agreement, executed January 1, 1968, Douglas Kilpatrick signs in his official capacity as President, 1521 CORP., General Partner and he also signs as President, 1521 CORP., Attorney-in-Fact for John H. Moore, Limited Partner and Robert H. Jenkins, Limited Partner. A power of attorney has been executed in each instance and made a part of the Articles of Limited Partnership and Certificate of Limited Partnership of The Palo Alto.

ATTORNEY REPRESENTING DEVELOPER: Carlsmith, Carlsmith, Wichman, and Case
(Attention: Mr. Tamotsu Tanaka) 10th Floor, City Bank Building, 810 Richards St.,
Telephone 512-071.

DESCRIPTION: Twenty-nine (29) freehold estates are designated in the Declaration of Horizontal Property Regime in the spaces within the perimeter walls, floors and ceilings and the adjacent lanai(s) of each of the twenty-nine apartment units of the project contained in the one sixteen-story building without a basement, constructed of reinforced concrete floors and roof slab on reinforced concrete columns and reinforced bearing walls, which spaces and appurtenant parking spaces are designated on the Condominium Map No. 104 filed in the office of the recording officer.

There are two apartments on each of the second through fifteenth floors of the building and one penthouse apartment on the sixteenth floor. No apartments are located on the ground floor. Each apartment except the penthouse apartment has been given a three- or four-digit number designation by which its location in the building can be determined. The even numbered apartments are located on the makai side of the building and the odd numbered apartments are located on the mauka side of the building. Hence, Apartment 1401 is the mauka apartment located on the fourteenth floor and Apartment 1402 is the makai apartment located on the fourteenth floor.

The penthouse is to be designated "PH".

Each apartment contains the following rooms: two bedrooms, a combination living-dining room, two full bathrooms, kitchen, storage area and lanai. Apartment 201, 301, 401, 501, 601, 701, 801, 901, 1001, 1101, 1201, 1301, 1401 and 1501 contain approximately 1,254 square feet each including lanai. Apartments 202, 302, 402, 502, 602, 702, 802, 902, 1002, 1102, 1202, 1302, 1402, and 1502 contain approximately 1,226 square feet each including the lanai area. The penthouse apartment contains approximately 1,424 square feet including the lanai area. Each apartment opens directly into the foyer which abuts the staircase and the elevator.

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 provided in the Declaration. 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, built-in oven, dishwasher, carpets, and garbage disposal units, and the terrace or lanai adjoining the apartment.

COMMON ELEMENTS: It is proposed that a freehold estate consisting of all remaining portions of the project described and referred to as "common elements" shall be designated, this definition includes the residential building, the land on which they are 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; (b) All foundations, columns, girders, beams, supports, bearing walls, roofs, chases, entry halls, foyers, stairs, walkways, entrances and exits of said building; (c) All yards, trash enclosure and trash chute; (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, refuse and telephone; (f) An automatic electric passenger elevator with elevator housing and appurtenant equipment; and (g) The common area on the first floor as shown on said condominium map.

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 set aside and reserved are as follows: (a) Except for the penthouse apartment one parking space shall be appurtenant to and for the exclusive use of an apartment. Two parking spaces shall be appurtenant to and

for the exclusive use of such penthouse apartment. The Developer reserves the right to designate the particular parking space to be appurtenant to an apartment and to designate if another parking space shall be appurtenant to an apartment; provided, that this right must be exercised by Developer prior to or simultaneous with the filing of the "as built" verified statement of the architects as provided hereinbelow; and (b) The foyer or entrance lanai on the second to sixteenth floors, respectively, shall be appurtenant to and for the exclusive use of the two apartments or apartment located on such floor.

INTEREST TO BE CONVEYED PURCHASER: Apartments 201, 301, 401, 501, 601, 701, 801, 901, 1001, 1101, 1201, 1301, 1401, and 1501 shall have appurtenant thereto an undivided 3.469 percentage interest in the common elements. Apartments 202, 302, 402, 502, 602, 702, 802, 902, 1002, 1102, 1202, 1302, 1402, and 1502 shall have appurtenant thereto an undivided 3.392 percentage interest in the common elements. The penthouse apartment shall have appurtenant thereto an undivided 3.946 percentage interest in the common elements. Such interest is hereby defined and referred to herein as the "common interest". 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 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 owners of the respective apartments shall have the absolute right to sublease the same for a term of not more than two (2) years, subject to the limitations, restrictions, covenants and conditions of this Declaration and of the Apartment Lease and provided that the sublessee shall assume the obligations of the lessee under this Declaration and the Apartment Lease.

OWNERSHIP TO TITLE: A Preliminary Report of Title, prepared May 1, 1963 by the abstractor, Title Guaranty of Hawaii, Incorporated, a Hawaii corporation, reflects that title to the land is vested in 1521 CORPORATION, Lessee, under that certain lease from Ethel Mattheuman Kilpatrick, as Lessor, dated April 19, 1963 recorded in Liber 6032 on Page 173.

ENCUMBRANCES AGAINST TITLE: The April 19, 1963 title search report discloses the following: Taxes - Real Property Taxes for the year 1963 now a lien - rate pending. Reservation - in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 1958. Mortgage - dated September 12, 1962, recorded in Liber 4361 on Page 200, made by Ethel Kilpatrick, unmarried, to Pioneer Savings and Loan Association, to secure the repayment of the sum of \$35,000.00 together with interest thereon all according to the terms of the promissory note of even date. Said mortgage was assigned to First Federal Savings and Loan Association of New York, by instrument dated November 29, 1963, recorded in Liber 4668 on Page 587. Declaration - the restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions and other provisions set forth in Declaration of Horizontal Property Regime recorded in Liber 6032 on Page 197 and the By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or said By-Laws, filed as Condominium Map No. 104. Building setback - a building setback as required in Ordinance No. 2510 effective December 16, 1964.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement, made February 6, 1963, between Title Guaranty Escrow Services, Inc., a Hawaii corporation, as "Depositary" and 1521 CORP., a Hawaii corporation, as "Developer" has been submitted to the Commission as part of the registration. On examination the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 170A, Revised Laws of Hawaii, and particularly Sec. 170A-33., and Sec. 170A-33.1 through Sec. 170A-33.5 as incorporated in the Horizontal Property Act through ACT 244 (L. 1967) effective June 6, 1967.

The Escrow Agreement provides that if at any time Depositary receives a request in writing from the Developer to return to a purchaser under a sales contract the funds of such purchaser then held by the Depositary, upon receipt of written request the Depositary shall pay said funds to purchaser without interest in accordance with the conditions in the Escrow Agreement. Similarly if prior to the time the Final Public Report is issued or if there are any changes in the building plans

requiring approval of a City and County official having jurisdiction of the issuance of the building permits, the purchaser's funds on deposit may be refunded upon receipt of a written request by the Depositary.

If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report, the Depositary, under the terms and conditions of the Sales Contract, shall, upon the expiration of the twelve month period, forthwith return to the purchaser all payments by the purchaser to the Depositary under the Sales Contract.

It is incumbent upon the purchaser and prospective purchaser that he reads, with care, the Sales Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of units and all sums from any source are placed in trust, as well as the retention, disbursement and refund of said trust funds.

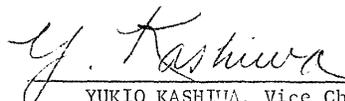
MANAGEMENT AND OPERATIONS: The declarant states that administration of the project shall be vested in its Association of Apartment Owners. Operation of the project shall be conducted for the Association by a responsible corporate Managing Agent. The initial Managing Agent is identified in the Declaration as Aaron M. Chaney, Inc., a Hawaii corporation, whose principal place of business and post office address is Room 205, 1022 Bethel Street, Honolulu, Hawaii.

STATUS OF PROJECT: A building contract was made March 12, 1968 between J. Douglas Kilpatrick, and Stanley T. Kobayashi, Inc., as contractor. Work on the project is to commence no later than July 1, 1968 and it is intended that the project shall be substantially completed within 300 calendar days of the date work started.

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 February 16, 1968 and information subsequently filed as late as May 7, 1968.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 198 filed with the Commission on February 16, 1968.

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


YUKIO KASHIWA, Vice Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

REB:km

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY & COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

May 9, 1968
Registration No. 198