

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
1010 NICHANDBO STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
ORCHID MANOR
355 Kalanianaʻole Avenue
Hilo, Hawaii

REGISTRATION NO. 241

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.

Issued: February 5, 1969
Expires: March 5, 1970

SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 12, 1968 AND SUBSEQUENTLY FILED AS LATE AS JANUARY 17, 1969. THE DEVELOPER, IN 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. ORCHID MANOR is a proposed leasehold condominium project consisting of 89 leasehold dwelling units, two units of shop space, two units of office space, and one unit for a commercial laundry room. There will be 42 parking stalls in the parking area.

Under the terms and conditions of the Sublease, a specimen copy of which has been filed as part of this registration, the purchaser is to receive a leasehold interest in the indenture executed June 21, 1968. The underlying Master Lease is for a term of sixty (60) years, effective January 1, 1966 and terminating December 31, 2026.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium and the issuance of this Final Public Report.
3. Advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission has not been filed. Developer advised that all matter will be submitted to the Commission prior to public exposure.
4. 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 on December 19, 1968, with the By-Laws attached, was recorded in the Bureau of Conveyances, State of Hawaii, on January 16, 1969 in said Bureau of Conveyances in Book 6376, page 1.

The Registrar has designated Condominium Map No. 122 to the project on January 16, 1969.

The Master Lease, executed on June 21, 1968, was recorded on July 12, 1968 in Liber 6128, page 400, and the Assignment of Lease, dated July 12, 1968, was recorded on July 12, 1968 in Liber 6128, page 413, in said Bureau of Conveyances.

5. The prospective purchaser is advised to acquaint himself with the provisions of Chapter 170-A, Revised Laws of Hawaii 1955, as amended, and the rules and regulations promulgated thereunder which relate to Horizontal Property Regime.
6. This Final Public Report automatically expires thirteen (13) months after the date of issuance February 5, 1969 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: ORCHID MANOR

LOCATION: The approximate 1.028 acres of lease land is located on the makai (northerly) side of the three hundred block of Kalaniana'ole Avenue, at Hilo, Island of Hawaii, State of Hawaii.

TAX MAP KEY: THIRD DIVISION 2-1-06-18

ZONING: Hotel-Apartment

DEVELOPER: Reeds Bay Developers, Inc., a Hawaii Corporation, Suite 435, First Hawaiian Bank Building, Honolulu, Hawaii.

George Hacker President

Francis Scheiderich Vice President

ATTORNEY REPRESENTING DEVELOPER: David L. Mui, Suite 202, 510 Piikoi Street, Honolulu, Hawaii. Telephone 533-4173.

DESCRIPTION: The Declaration of Horizontal Property Regime indicates a three-story building of composite material consisting of reinforced steel concrete frame and hollow tile walls, located on 1.028 acres of land. Forty-two parking spaces will be designated as indicated on Condominium Map No. 122.

The building shall have three floors with the first floor containing twenty-five units of studio apartments, two units of shop space, two units of office space, and a laundry room, mechanical-electrical equipment, storage and other service spaces, elevators and stairwell. The second and third floors shall contain

thirty-two units per floor, mechanical-electrical equipment and other service spaces.

Each of the floors of the building will be bisected by a corridor running mauka to makai to which every apartment on the floor will have immediate access. The apartment numbers will run mauka to makai, the last two digits of each apartment number will indicate the location of the apartment on the floor, and the digit which precedes the last two digits will indicate the floor. For example, Apartment No. 128 will be at the makai end of the first floor.

Each apartment will include a bathroom, a dressing room, a kitchenette-bedroom-living room combination, a lanai, and will contain approximately 496 square feet of enclosed area and 80 square feet of lanai area, or 576 square feet of total apartment area.

The commercial units, intended primarily for shops or services, will be located as follows:

Unit "A" (shop space) located on the west side of the lobby area containing approximately 1,028 square feet.

Unit "B" (shop space) located on the east side of the lobby area containing approximately 1,028 square feet.

Units "C" and "D" (office spaces) located adjacent to Unit "B", described on the map as front desk and office, containing 160 square feet and 336 square feet, respectively.

Unit "E" located adjacent to Units "C" and "D" containing 256 square feet shall be used for the installation of washing and drying facilities and the use thereof for hire for laundry purposes. An area on the makai (northerly) side of the building shall be reserved for a swimming pool to be constructed at the option of the Developer.

COMMON ELEMENTS: The common elements are all elements mentioned in the Horizontal Property Act which will be actually constructed in the project, and specifically include, but are not limited to: (a) Said land; (b) All foundations, columns, girders, beams, supports, bearing walls, roofs, chases, entry halls, stairs, walkways, lobby on the ground floor of the building, entrances and exits of said building; (c) All yards, refuse and service areas; (d) All parking stalls, driveways and ramps; (e) All ducts, electrical equipment, wiring, and other central and appurtenant installations for services, including power, gas, light, cold and hot water, refuse and telephone; (f) Two automatic electric passenger elevators with elevator housing and appurtenant equipment; and (g) Swimming pool (to be constructed at the option of Developer).

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called and designated as "limited common elements," will be set aside and reserved for the exclusive use of certain commercial units, and such units 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:

Rooms "F", "G", "H", and "I", designated as storage rooms, shall be appurtenant to and for the exclusive use of Units "A", "B", "C", and "D".

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment unit and each commercial unit shall have appurtenant thereto an undivided interest (called herein "common interest") in the common elements of the project for all purposes including voting which common interest is set forth as follows:

| | |
|---------------------|--------|
| Each Apartment Unit | 1.0652 |
| Unit "A" | 1.9012 |
| Unit "B" | 1.9012 |
| Unit "C" & "D" | .9173 |
| Unit "E" | .4775 |

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 the apartments or any pipes, wires, conduits or other utility lines running through such apartments which are utilized for or serve more than one apartment, the same being deemed common elements. 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 range and oven, range exhaust, air-condition unit, garbage disposal, and carpet.

USE: The Declaration provides that the apartments may be used only for residence or hotel purposes. The owner of the respective apartments shall have the right to lease the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

OWNERSHIP TO TITLE: The Certificate of Title issued January 16, 1969 by Security Title Corporation recites that the fee is vested in K. Ebizuzaki, Ltd., a Hawaii corporation.

PURCHASE MONEY HANDLING: An executed copy of an Escrow Agreement, dated December 16, 1968, has been filed with the Commission. The depository designated as Escrow is the First Hawaiian Bank (formerly known as First National Bank) and Reeds Bay Developers, Inc., as Developer. The agreement sets forth the duties and responsibilities of the escrow in receiving, holding and disbursing of funds.

The Developer has submitted a notarized statement of the total estimated cost of completing the project and a statement of financing for the project which shows an adequate total to cover the estimated cost from investors' contributions, construction loan proceeds, and purchaser's down payment.

By letter dated December 12, 1968, Developer has a written commitment from the First National Bank of Hawaii (now known as First Hawaiian Bank) for construction and permanent financing of the project. Developer advises the Commission that the pending construction loan mortgage shall be paid in full by the Developer upon completion of construction or within nine (9) months from date of loan, whichever comes first.

Developer has also submitted a copy of an executed construction contract with contractor, H & S Construction Corporation, dated December 3, 1968. The contract states that the building will be completed on or before June 30, 1969, subject, however, to conditions beyond the control of the contractor. Contractor has acquired an Owner's Bond dated January 14, 1969 from Pacific Insurance Company, Limited, a Hawaii corporation, in an amount equal to 100 per cent of the construction contract.

It is incumbent upon the purchaser or prospective purchaser to read and understand the Escrow Agreement before executing the sales agreement, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds, and the sales agreement specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

The specimen Deposit Receipt and Contract states: "In the event that less than 45 apartments are sold prior to June 1970, Seller may at his option cancel this agreement, refund to Buyer without interest all monies paid to Escrow and be relieved and released of all further liabilities hereunder." It further states that Seller at its option may cancel the agreement in the event that the project is delayed for a period of more than twelve months after issuance of this Final Public Report by war or other national emergency, general strike, industry-wide lockout in the City of Hilo, islandwide shortage of material, government regulation, inability of the Seller to obtain mortgage financing, inability of the Seller to secure mortgage financing in the Hilo area for the purchasers, or other similar causes beyond the control of the Seller.

ENCUMBRANCES AGAINST TITLE: The Certificate of Title dated and prepared by Security Title Corporation on January 16, 1969 certifies that there are no liens or encumbrances of whatsoever kind or nature of record against the title, save and except the following: Taxes - Abstractor has requested a Certificate of Taxes due from the Tax Collector of the Third Division, which Certificate will be forwarded as soon as it is available. (Developer advises that all taxes are current; however, as of February 3, 1969 the posting of tax payments made to the Tax Office has not yet been completed.) Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 7520. The terms and provisions of that certain Indenture of Lease dated June 21, 1963, as of January 1, 1966, recorded on July 12, 1968 in the Bureau of Conveyances of the State of Hawaii in Book 6123, page 400, made by and between K. EBISUZAKI, LTD., a Hawaii corporation, as Lessor, and JAMES WOOLSEY, husband of Henrietta Woolsey, and PETER HAYASHI, husband of Sumako Hayashi, as Lessees, for a term of 60 years commencing from January 1, 1966. Said Lease is now held by REEDS BAY DEVELOPERS, INC., a Hawaii corporation, as Lessee, by Assignment of Lease dated July 12, 1968, recorded on July 12, 1968, in the Bureau of Conveyances in Book 6123, page 413. Consent thereto recorded in Book 6123, page 418. The restrictions, covenants, agreements, obligations, conditions and provisions as set forth in undated Declaration of Horizontal Property Regime recorded on January 16, 1969 in said Bureau of Conveyances in Book 6376, page 1, and the By-Laws attached thereto.

MANAGEMENT OF THE PROJECT: The Declaration provides that the operation of the project shall be conducted for the Association of Owners under the direction of the Board of Directors by a responsible corporate managing agent and that the initial managing agent shall be Hawaii Real Estate Corporation, whose principal place of business and post office address is Room 435, First National Bank Building, Honolulu, Hawaii.

An executed copy of the management agreement filed with the Commission states that the term of the initial managing agent shall expire one year after the building is certified completed unless terminated earlier by one party giving the other party a thirty-day written notice.

STATUS OF PROJECT: Developer advises that construction has already commenced in the month of December 1968, and said construction shall be completed on or before June 30, 1969.

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 December 12, 1968 and additional information subsequently filed as of January 17, 1969.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 241 filed with the Commission December 12, 1968.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock used in making facsimilies must be white.

YH:va


JACK K. PALK, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:
DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING COMMISSION, COUNTY OF HAWAII
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

February 5, 1969
Registration No. 241

