

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

## PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

KAPIOLANI TERRACE  
1560 Kanunu Street  
Honolulu, Hawaii

REGISTRATION NO. 298

### 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 18, 1970

Expires: June 18, 1971

#### SPECIAL ATTENTION

A comprehensive reading of this 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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 8, 1969 AND INFORMATION SUBSEQUENTLY FILED AS LATE AS MAY 15, 1970. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. KAPIOLANI TERRACE is a proposed fee condominium project with a total of two hundred and sixty-four (264) condominium apartments, two hundred and seventy-nine (279) condominium parking stalls, two (2) commercial units, and a swimming pool and recreation deck on the fourth floor.
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 this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Owners and a copy of the approved

Floor Plans) have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regimes, executed on December 8, 1969, with the By-Laws attached, was filed in the Office of the Assistant Registrar of Land Court of the State of Hawaii on December 11, 1969 as Document No. 490547.

The Assistant Registrar of the Land Court has designated Condominium Map No. 91 to the project on December 11, 1969.

4. No advertising or promotional matter has yet been submitted pursuant to the rules and regulations promulgated by the Commission.
5. The Developer advises the Commission that when construction of the project is commenced it will own the fee simple interest in the land subject to the then unpaid improvement district assessment balance and the interim construction loan. On completion of conveyance of the units, Oceanside Properties, Inc. will retain no residual interest in the fee.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, May 18, 1970, unless a Supplementary Public Report issues or the Commission upon review of registration issues an order extending the effective period of this report.

NAME OF PROJECT: KAPIOLANI TERRACE

LOCATION: The 33,644 square feet of property to be committed to the regime, as a fee simple condominium project, is situate at 1560 Kanunu Street, in the City of Honolulu, County of Honolulu, Oahu, Hawaii.

TAX KEY: FIRST DIVISION 2-3-17: 13, 14, 15

ZONING: General Business

DEVELOPER: OCEANSIDE PROPERTIES, INC., a Hawaii corporation, is the developer.

ATTORNEY REPRESENTING DEVELOPER: Hiroshi Sakai, Suite 909, 810 Richards Street, Honolulu, Hawaii, Telephone: 531-4171.

DESCRIPTION: The specimen Declaration of Horizontal Property Regime reflects that the project is to consist of the 33,644 square feet of land located at 1560 Kanunu Street, and a seventeen (17) story building, consisting of two hundred and sixty-four (264) condominium apartments, on the fourth through seventeenth floor, inclusive, two hundred and seventy-nine (279) condominium parking stalls on the first three floors, and two (2) condominium commercial units on the first floor.

On the first floor, there will be eighty-one (81) parking stalls, driveways and ramps, two (2) commercial units, lobby and foyer, manager's office, mail room, men's and women's rest rooms, booster pump room, space for transformer, lockers, rock gardens and planting area and rubbish enclosure. There will be ninety-nine (99) parking stalls, ramps and driveways, and lockers on the second floor. The third floor has ninety-nine (99) parking stalls, ramps and driveways. The fourth floor has fourteen (14) studios, seven (7) studios with patios, recreation area, men's and women's toilets and showers, and swimming pool. The fifth and sixth floors each have twenty-two (22) studio apartments. The seventh through thirteenth floors each have two (2) 2-bedroom apartments and eighteen (18) studios. The fourteenth, fifteenth and sixteenth floors each have four (4) 2-bedroom apartments and fourteen (14) studios. The seventeenth floor has five (5) penthouse apartments.

The building is to be constructed of reinforced concrete and hollow tile or steel and concrete.

Electricity and water will be provided on a common meter basis, except that electricity for the commercial spaces shall be separately metered.

The project will be serviced by three elevators.

The residential apartments, parking stalls, and commercial spaces are to be sold separately as individual condominium units.

DESCRIPTION OF RESIDENTIAL APARTMENTS: There are four types of apartments: Studios, studios with patios, two-bedroom apartments of either of two design types (Design Plan "A" or "B") and penthouse apartments.

Studios: Each of the Studio apartments includes: Studio, kitchenette, entry foyer, dressing room with two closets and bathroom. Studios with patios contain approximately 459 square feet; those without patios contain approximately 369 square feet.

Two-bedroom Apartments: All two-bedroom apartments contain approximately 738 square feet. Two-bedroom apartments of Design Plan "A" consist of two bedrooms, two baths, living-dining room, kitchen, two dressing spaces, entry foyer, four closets and space for washer-dryer.

Two-bedroom apartments of Design Plan "B" consist of master bedroom, combination sleeping, living and dining room, two entry foyers, three dressing rooms, two baths, six closets and kitchenette.

PENTHOUSE APARTMENTS: Each of the five penthouse apartments includes living room, two bedrooms, kitchen, two baths, entry foyer, closets, and outdoor living area, except that penthouse numbered PH-02 contains only one bathroom.

The approximate square foot area of the penthouse apartments, including outdoor living space, is as follows:

<u>Penthouse No.</u>	<u>Square Foot Area</u>
PH-01	1,640
PH-02	1,160
PH-03	1,345
PH-04	1,525
PH-05	1,505

The apartments are numbered as follows, and are of the type and on the floor designated:

<u>Number</u>	<u>Floor</u>	<u>Type</u>
401 through 408 inclusive 417 through 422 inclusive	4th	Studio
409, 411 through 416 inclusive	4th	Studio with patio
501 through 522 inclusive	5th	Studio
601 through 622 inclusive	6th	Studio
704, 718	7th	2-Bedroom
701, 702, 705 through 716 inclusive 719 through 722 inclusive	7th	Studio
804, 818	8th	2-Bedroom
801, 802, 805 through 816 inclusive 819 through 822 inclusive	8th	Studio
904, 918	9th	2-Bedroom
901, 902, 905 through 916 inclusive 919 through 922 inclusive	9th	Studio

<u>Number</u>	<u>Floor</u>	<u>Type</u>
1004, 1018	10th	2-Bedroom
1001, 1002, 1005 through 1016 inclusive 1019 through 1022 inclusive	10th	Studio
1104, 1118	11th	2-Bedroom
1101, 1102, 1105 through 1116 inclusive 1119 through 1122 inclusive	11th	Studio
1204, 1218	12th	2-Bedroom
1201, 1202, 1205 through 1216 inclusive 1219 through 1222 inclusive	12th	Studio
1304, 1318	13th	2-Bedroom
1301, 1302, 1305 through 1316 inclusive 1319 through 1322 inclusive	13th	Studio
1404, 1406, 1416, 1418	14th	2-Bedroom
1401, 1402, 1407 through 1414 inclusive 1419 through 1422 inclusive	14th	Studio
1504, 1506, 1516, 1518	15th	2-Bedroom
1501, 1502, 1507 through 1514 inclusive 1519 through 1522 inclusive	15th	Studio
1604, 1606, 1616, 1618	16th	2-Bedroom
1601, 1602, 1607 through 1616 inclusive 1619 through 1622 inclusive	16th	Studio
PH-01	P.H.	Penthouse
PH-02	P.H.	Penthouse
PH-03	P.H.	Penthouse
PH-04	P.H.	Penthouse
PH-05	P.H.	Penthouse

Each of the apartments has immediate access to a corridor which is a part of the common elements, leading to the three elevators and stairways, also part of the common elements and serving all of the apartments.

DESCRIPTION OF COMMERCIAL SPACE: There are two commercial space units, designated "Commercial Space-1" and "Commercial Space-2", located on the first floor, containing respectively approximately eight hundred and forty (840) and approximately eight hundred and three (803) square feet of commercial space. These units have immediate access to the lobby which is a part of the common elements.

DESCRIPTION OF PARKING STALLS: There are two hundred and seventy-nine (279) parking stalls located on the first three floors of the building. Each stall contains approximately one hundred and sixty-two (162) square feet, with the following exceptions:

<u>Stalls</u>	<u>Approximate Square Foot Area</u>
A-14, B-95, 0-266	157
A-15, B-96, 0-265	153
A-16, B-97, 0-264	145
A-17, B-98, 0-263	136
A-18, B-99, 0-262	136

Each stall has immediate access to that portion of the floor on which it is located which is not set aside for parking stalls, and which are part of the common elements.

The parking stalls are located as follows:

1st Floor	A-1 through A-81 inclusive
2nd Floor	B-82 through B-180 inclusive
3rd Floor	C-181 through C-233 inclusive
	O-234 through O-279 inclusive

All parking stalls on the first and second floors are covered. The parking stalls on the third floor are designated "C" or "O" depending on whether they are covered or open.

COMMON ELEMENTS: The Specimen Declaration reflects the common elements shall consist of: (a) the land submitted to the Horizontal Property Regime; (b) the foundations, columns, girders, beams, supports, main walls, roofs, and floors; (c) the hallways and corridors, stairs, stairways, ramps, driveways, and parking areas (excepting parking stall units), on the first three floors; (d) the lobby, manager's office and mail room, on the ground floor; (e) laundry and linen storage rooms on the fourth through seventeenth floors, inclusive, rubbish enclosure room and related facilities, on the ground floor; (f) entrances and exits to the building and gardens adjacent to the entrance; (g) central and appurtenant installations for services such as power, light, gas, hot and cold water and like utilities; (h) the three elevators, elevator shafts and well and appurtenant installations and apparatus; (i) the swimming pool and surrounding recreation area, men's and women's rest rooms and shower on the fourth floor recreation deck; (j) lockers on the first and second floors; and (k) all other parts of the property existing for the common use or necessary to the existence, maintenance, and safety of the building.

INTEREST TO BE CONVEYED PURCHASER: The specimen Declaration states that the undivided interest in the common elements appertaining to each apartment, parking stall, and commercial unit is as follows:

<u>Type of Unit</u>	<u>Percentage of Undivided Interest in Common Elements Appurtenant</u>	<u>No. of Units</u>	<u>Total Percentage of Ownership Per Unit Type</u>
Commercial	0.915200	2	1.8304
Studio	0.301716	233	70.2998
2-Bedroom	0.603461	26	15.6899
Penthouse	0.754000	5	3.7700
Parking	0.301433	279	8.4099
			<u>100.0000%</u>

According to the Declaration and By-Laws the share of the common expense of each apartment, parking stall, and commercial space shall be in proportion to its undivided interest in the common elements; for purposes of voting on all matters requiring action by the owners, these same percentages shall govern.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The specimen Declaration states that the apartments are intended primarily for residential purposes. However, certain commercial and business uses (such as hotel operation) subject to the By-Laws of the Association of Owners and House Rules which may be adopted from time to time governing the use of the apartments. The commercial spaces may be used for commercial purposes, or such other uses as may be permitted by law subject to such limitations as may be contained in the Declaration or in the By-Laws and House Rules which may be adopted from time to time governing the use of the project.

Prior to completion of construction, developer reserves the right to approve of commercial and/or business use of residential and commercial units.

FINANCING OF PROJECT: The Developer is negotiating for conventional long-term and interim financing for this project. If the negotiations in process are successfully concluded, the long-term financing available to qualified apartment purchasers will have a term of twenty-five (25) years, a loan to value ratio of seventy-five (75) percent, and an interest rate not to exceed nine and one-half (9½) percent. Because these financing negotiations have not yet been finalized, the Developer has not applied for a Final Public Report. Instead, application

has been made for this Preliminary Public Report. At such time the financing arrangements are completed, the Developer will apply to the State of Hawaii Real Estate Commission for a Final Public Report which will enable the purchasers and the Developer to finalize Condominium Apartment Purchase Contracts.

OWNERSHIP TO TITLE: Walter William Wirth and Vivienne Jean Wirth, husband and wife, whose residence and post office address is Apartment 801, 1350 Ala Moana Blvd., Honolulu, Hawaii, and Jack Rosenberg and Martha Rosenberg, husband and wife, whose residence and post office address is 1139 West Foothill Blvd., Arcadia, California, are the owners in fee simple of the subject property. Oceanside Properties, Inc., has the development rights to the subject property and the option to purchase the subject property as more particularly set forth in that certain unrecorded agreement between the owners referred to herein and Oceanside Properties, Inc., dated November 29, 1969, a copy of said agreement has been filed with the Commission.

A copy of the title search as of April 28, 1970 issued by Title Guaranty of Hawaii, Inc., certifies that the fee simple title to the land is vested as aforesaid.

ENCUMBRANCES AGAINST TITLE: The title search certifies that Wirth and Rosenberg own the subject property free and clear of all encumbrances except the following:

1. As to Lot 54-E (Tax Key: 2-3-17-15) only, the covenants in Deed dated June 28, 1965, filed as Document No. 364678.
2. As to Lot 54-C (Tax Key: 2-3-17-13) and Lot 54-D (Tax Key: 2-3-17-14) only, the covenants in Deed dated December 1, 1966, filed as Document No. 405649.
3. Declaration of Horizontal Property Regime and By-Laws of the Kapiolani Terrace Condominium Project, dated December 8, 1969, filed as Land Court Document No. 490547.
4. Improvement assessments for Improvement District No. 153, PAWAA KAI, with total balance of \$69,547.20.
5. Real Property Taxes for the second half of fiscal year 1969-1970 is due June 10, 1970.

PURCHASE MONEY HANDLING: A copy of the executed escrow agreement dated May 1, 1970 identifies Hawaii National Bank as "Escrow". On examination, the executed Escrow Agreement is found to be in compliance with Chapter 514, Hawaii Revised Statutes.

The executed Escrow Agreement states that no disbursement shall be made from purchaser's funds unless and until (a) the Real Estate Commission has issued a Final Public Report on the project; (b) the seller has notified Escrow in writing that all other requirements of Chapter 514, Hawaii Revised Statutes, have been met; and (c) each request for disbursement is accompanied by a Certificate of Approval from a financially disinterested party.

The Commission calls the purchaser's and prospective purchaser's attention to sections 514-37, 38 and 39, Hawaii Revised Statutes, which pertains to refund of purchaser's funds obtained prior to issuance of a Final Public Report.

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

MANAGEMENT AND OPERATIONS: The By-Laws of the Association of Owners of Kapiolani Terrace state that the Board of Directors may employ for the Association a management agent or manager to perform such duties and services as the Board shall authorize including the care, upkeep, and surveillance of the project and the common areas and facilities; collection of monthly assessments from the owners; and the designation and dismissal of the personnel necessary for the

maintenance and operation of the project and the common elements and facilities. The By-Laws of Kapiolani Terrace also state that every owner of any unit in the project shall contribute pro-rata for the expense of administration of the project.

The Developer advises that on December 8, 1969, Oceanside Properties, Inc. on behalf of the Association of Apartment Owners of Kapiolani Terrace has executed a three-year property management contract with First Management and Sales, Inc.

STATUS OF PROJECT: The Developer advises the Real Estate Commission that the construction of the building has not yet commenced. Construction contract negotiations are currently underway but have not yet been finalized. The Developer estimates that construction of the project will commence in the third quarter of calendar 1970 and be completed in the fourth quarter of 1971.

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The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted September 8, 1969 and information subsequently filed as late as May 15, 1970.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 298 filed with the Commission on September 8, 1969.

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

  
HERBERT S. ISONAGA, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

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ESCROW AGENT

May 18, 1970  
Registration No. 298

