

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

KA HALE MO'I
66 Prospect Street
Honolulu, Hawaii 96813

REGISTRATION NO. 346

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: October 16, 1970

Expires: November 16, 1971

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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 28, 1970 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS OCTOBER 14, 1970. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT (CHAPTER 514, HAWAII REVISED STATUTES).

1. Ka Hale Mo'i is a proposed leasehold condominium consisting of sixty five (65) existing residential apartments arranged throughout an eight-story building all of which will be sold upon and subject to the terms and provisions of individual Apartment Leases to be issued by the Developer or his assignee. The Apartment Leases will commence as of the date of original occupancy by purchaser and terminate on September 30, 2045. The Developer advises that the building of the project was completed in September of 1970 and since completion some of the apartments have been occupied as residential rental units.

2. Purchaser should note that the Hawaiian Trust Company, Ltd., Trustee, as Owner of the real property (herein called "Owner") has granted to the Developer the right and the Developer has reserved the right from the Purchasers to amend the Declaration at any time up to but not later than December 31, 1975, to create up to 50 additional freehold estates by adding up to 50 additional apartment units to the project with supporting and servicing common elements provided that no alteration or destruction of any existing apartment units or of the apartment building shall be required. The Owner of the real property shall have the right to approve the plans and specifications of any new buildings or structures. The Developer, in connection with the creation of such said additional apartment units and common elements, shall have the right to decrease the common interest appurtenant to each existing apartment unit being sold under this registration, including a proportionate share in all common profits and expenses of the project and for all other purposes including voting, provided that no such existing apartment units common interests are reduced by more than fifty percent (50%) and all apartment units common interests are reduced by the same percentage. Developer in connection with such amendment shall also have the right to remove, amend, or add common elements provided that the existing building shall not be removed or amended; to remove, amend or add parking spaces appurtenant to either new or existing apartments; after recording amendments to the Declaration and condominium plans and obtaining a performance and payment bond of 100% of the cost of construction, naming Owner and all apartment owners as their interest may appear as obligees, to enter upon the project premises with employees, agents and contractors and do all things reasonably necessary for or useful to constructing and completing said additional apartment units and common elements according to plans and specifications or amended plans and specifications approved by the officer of the City and County of Honolulu having jurisdiction over the issuance of building permits; to connect said apartment units and additional common elements to utilities of the project; to file amendments to the Declaration for purposes of certifying condominium maps filed as reflecting the improvements to be shown therein to be "as built"; and to lease or designate lessees of the said additional apartment units and their appurtenant common elements.
3. Some or all of the apartment leases subject to sale under this registration are presently under rental agreements with terms of less than one year and purchaser of any apartment lease subject to such a rental agreement will take title to the apartment lease together with the rights of the landlord and subject to the right of the tenant under said rental agreement.
4. There are 65 parking stalls for the project and each apartment lease shall be assigned one parking stall by a revocable license pursuant to which the Developer at the Developer's sole option upon thirty (30) days' prior written notice to Purchaser may revoke the Purchaser's right to use the parking stall, provided that upon such revocation of license Developer agrees that Developer shall either provide the Purchaser with a parking space within 750 feet of the boundary of the project or grant Purchaser a rent reduction of \$25.00 per month during the period that such parking is not made available to Purchaser and Purchaser further agrees that Developer will within six (6) months from the date of revocation of the parking license provide Purchaser an exclusive easement for one (1) parking space on the project which shall be appurtenant to the Apartment Lease.
5. The Developer of the project has submitted to the Commission for examination all documents and materials deemed necessary by the Commission for registration of this proposed condominium and the issuance of this Preliminary Public Report.

6. No advertising and promotional matters have been submitted to the Commission, however, the Developer advises the Commission that all advertising and promotional matters required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
7. Basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of Approved Floor Plans) have not been filed in the Office of the Recording Officer.
8. The Developer has submitted the estimated cost involved in completing the project and his plan of financing the project. Included with the Developer's program of financing the project is a commitment from Honolulu Trust Company, Limited providing permanent financing to qualified Purchasers of the apartments in the form of long-term loans secured by mortgages of the apartment leases. Purchasers should clearly satisfy themselves regarding the terms and interest rate of permanent financing.
9. The prospective purchasers are advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the condominium rules and regulations promulgated thereunder which relate to Horizontal Property Regimes.
10. If the Final Public Report is not issued within one (1) year from the date of the Preliminary Public Report, Purchasers and prospective Purchasers shall be entitled to a refund of all monies without further obligation.
11. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, October 16, 1970, unless a Final Public Report issues and the Commission upon review of the registration issues an order extending the effective period of the report.

NAME OF PROJECT: KA HALE MO'I

LOCATION: The northwest corner of Prospect and Alapai Streets, Honolulu, Hawaii, 96813. The site comprises a total area of 57,243 square feet.

TAX MAP KEY: First Division, 2-2-04-22

ZONING: Apartment A-3

DEVELOPER: Michael M. Ross, whose residence and post office address is 2801 Coconut Avenue, Honolulu, Hawaii, and telephone number is 923-4705.

ATTORNEY REPRESENTING DEVELOPER: Wooddell, Mukai & Wirtz (Attention: Allen W. Wooddell), Suite 500 Alexander Young Bldg., Honolulu, Hawaii 96813, Phone: 531-6277.

DESCRIPTION OF APARTMENTS: The proposed Declaration of Horizontal Property Regime reflects that the project is an existing eight-story apartment building constructed principally of reinforced concrete, sheet rock with metal studs, wood and glass, located on 57,243 square feet of lease land and containing three (3) one-bedroom apartments; forty-eight (48) two-bedroom apartments; twelve (12) three-bedroom apartments; and two (2) three-bedroom penthouses.

The three (3) one-bedroom apartments are designated Type "A" for apartment 101, Type "B" for apartment 102; and Type "C" for apartment 103. All three of the one-bedroom apartments are located on the first (entry) floor. Type "A" apartment contains four (4) rooms, specifically one (1) bedroom, one (1) bathroom, one (1) living room and one (1) kitchen, with a total floor area of approximately 630 square feet and a lanai of approximately 60 square feet. Type "B" apartment contains four (4) rooms, specifically one (1) bedroom, one (1) bathroom, one (1) living room, and one (1) kitchen, with a total floor area of approximately 615 square feet and a lanai of approximately 60 square feet. Type "C" apartment contains five (5) rooms, specifically one (1) bedroom, one (1) bathroom, one (1) living room, one (1) entry-dining room and one (1) kitchen with a total floor area of approximately 735 square feet and a lanai of approximately 100 square feet.

The twelve (12) three-bedroom apartments are designated Type "D" and are numbered 201, 210, 301, 310, 401, 410, 501, 510, 601, 610, 701, 710. The type "D" apartments are located on the ends of the building on the second through seventh floors inclusive. Each of the Type "D" apartments contain seven (7) rooms, specifically, three (3) bedrooms, two (2) bathrooms, one (1) living room and one (1) kitchen, with a total floor area of approximately 1,180 square feet and a lanai of approximately 335 square feet.

The forty-eight (48) two-bedroom apartments are designated Type "E" and are numbered 202 through 209 inclusive on the second floor, 302 through 309 inclusive on the third floor, 402 through 409 inclusive on the fourth floor, 502 through 509 inclusive on the fifth floor, 602 through 609 inclusive on the sixth floor and 702 through 709 inclusive on the seventh floor. Each of the Type "E" apartments contain six (6) rooms, specifically, two (2) bedrooms, two (2) bathrooms, one (1) living room and one (1) kitchen, with a total floor area of approximately 960 square feet and a lanai of approximately 105 square feet.

The two (2) three-bedroom penthouses are designated Type "F" and are numbered PH-A and PH-B. The Type "F" apartments are located on the eighth floor of the apartment building. Each Type "F" apartment contains eight (8) rooms, specifically, three (3) bedrooms, two (2) bathrooms, one (1) living room, one (1) dining room and one (1) kitchen, with a total floor area of approximately 1,250 square feet and a lanai of approximately 968 square feet.

Each apartment shall be deemed to include its balcony or lanai, all the walls and partitions which are not load-bearing within its perimeter walls, the interior decorated or finished surfaces of all walls, floors and ceilings and all fixtures originally installed therein. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through an apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided.

There are sixty-five (65) parking stalls, each of which will be used by one (1) apartment on a revocable license as more fully described in paragraph 4 above. The apartments on the first (entry) floor of the building have access to the parking area and street entrances of the project by walkways running past the apartments to the parking area and street entrances of the project. The apartments on the second through eighth floors of the building have immediate access to walkways running along the rear of the building leading to two (2) stairways and two (2) elevators to the first (entry) floor and then to walkways connecting to the parking area and street entrances of the project.

DESCRIPTION OF COMMON ELEMENTS: Common elements include the limited common elements hereinafter described and all other portions of the land and improvements other than the apartments specifically include but are not limited to said land in leasehold; all foundations, floors, columns, girders, beams, supports, main or load-bearing walls, roofs, walkways, corridors, lobbies, stairs, stairways, entrances and exits of the building; all driveways, parking areas, yards, gardens, grounds, landscaping, mail boxes, recreational facilities and appurtenances; all central and appurtenant installations for common service, including power, light, water, telephone, air conditioning and trash disposal and the elevators with elevator housing and appurtenant equipment; and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the building of the project.

LIMITED COMMON ELEMENTS: The proposed Declaration reflects that certain parts of the common elements herein called "limited common elements" are set aside for the exclusive use of certain apartments. The limited common elements so designated and set aside are the elevator lobbies and connecting walkways of each floor from the second through eighth floors which will be appurtenant to and for the exclusive use of the apartments which are located on each such floor.

INTEREST TO BE CONVEYED TO PURCHASER: The proposed Declaration discloses that each apartment shall include all the walls and partitions which are not load-bearing within its perimeter walls, the interior decorated or finished surfaces of all walls, floors and ceiling and all fixtures originally installed therein, including carpets in all rooms except bathrooms, kitchens and closets, range and oven with hood, fan and light, dishwasher, disposal, refrigerator and washer-dryer combination.

The apartments shall have the following appurtenant interests in all of the common elements of the project herein called "common interest" and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting and representation in the Association of Apartment Owners, subject to the right of Developer to amend the Declaration to add more apartments and decrease the common interests as more fully set forth in paragraph 2 hereof:

<u>Apartment No.</u>	<u>Common Interest</u>
Type "A" apartment: 101	.98%
Type "B" apartment: 102	.98%
Type "C" apartment: 103	.98%
Type "D" apartments: 201, 210, 301, 310, 401, 410, 501, 510, 601, 610, 701, 710	2.03%
Type "E" apartments: 202-209 inclusive; 302-309 inclusive; 402-409 inclusive; 502-509 inclusive; 602-609 inclusive; 702-709 inclusive	1.39%
Type "F" apartments: PH-A & PH-B	2.99%

USE: The proposed Declaration provides that the apartments shall be occupied and used only for single family residential purposes and no apartment shall be used as a tenement or a rooming house or for or in connection with the carrying on of any trade or business whatsoever. The proposed Declaration provides that the apartment shall not be rented for transient and/or hotel purposes which are defined as (a) rental for any period less than thirty (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 bell boy service. Except as above provided, the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration.

OWNERSHIP TO TITLE: The Notice of Intention states that title to the land consisting of 57,243 square feet, committed to the regime, is vested in Hawaiian Trust Company, Limited, Trustee under unrecorded Deed of Trust of Theo. H. Davies & Co., Ltd., dated January 1, 1945. The Preliminary Title Report of Security Title Corporation, licensed abstractors, dated October 9, 1970, verifies the above. The premises have been demised by Hawaiian Trust Company, Limited, Trustee, by Amended Lease dated October 7, 1970, recorded in the Bureau of Conveyances in Liber 7230 at Page 302, and filed with the Assistant Registrar of the Land Court as Document No. 505030 to the Developer.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report by Security Title Corporation dated October 9, 1970, certifies that title of the property is subject to the following estates, interests, liens and encumbrances: (1) The terms, covenants and conditions as contained in the Amended Lease by and between Hawaiian Trust Company, Limited, Trustee, and Developer, dated October 7, 1970, recorded in Liber 7230 at Page 302; and with the Assistant Registrar of the Land Court as Document No. 505030. (2) Real Property Mortgage and Financing Statement dated March 14, 1969, filed in the said Office of the Assistant Registrar as Document No. 468295 and recorded in the Bureau of Conveyances in Book 6443, Page 9, made by Allen & Robinson, Limited, a Hawaii corporation, and Robert Leon Deller and Emma Elaine Deller, husband and wife, associated as a joint venture under the name Ka Hale Mo'i Joint Venture, as Mortgagors to First Hawaiian Bank, a Hawaii corporation, as Mortgagee, securing the repayment of the sum of \$960,000.00. (3) Additional Security Mortgage dated March 14, 1969 filed in the said Office of the Assistant Registrar as Document No. 468296 and also recorded in said Bureau of Conveyances in Book 6443, Page 39. Ruth Jeffs, unmarried, mortgaged the fee simple title to the real property to First Hawaiian Bank as additional security for the repayment of the mortgage referred to above. (4) Undated Financing Statement recorded on March 14, 1969, in said Bureau of Conveyances in Book 6443, Page 47, by Allen & Robinson, Limited, and Robert Leon Deller and Emma Elaine Deller,

Debtors, to First Hawaiian Bank, Secured Party; assigned to the Bowery Savings Bank. (5) Purchase Money Mortgage from Developer to Allen & Robinson, Limited, dated October 7, 1970, filed in said Office of the Assistant Registrar as Document No. 515031 and recorded in the Bureau of Conveyances in Liber 7230 at Page 349 to secure payment of \$2,175,000.00. (6) Taxes for the fiscal year 1970-1971 in an amount not yet determined also constitute a lien upon the property.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated August 19, 1970, identifies Honolulu Trust Company, Limited, as the "Escrow". Upon examination, the Sales Contract and Escrow Agreement are found to be in consonance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-36 to 514-40.

Among other provisions the executed Escrow Agreement reflects that the purchaser shall be entitled to a refund without interest if Purchaser shall in writing request his funds and any one of the following shall have occurred: (a) Escrow receives a written request from Seller to return to Purchaser the funds of such Purchaser then held by escrow, or (b) if there is any change in the building plans requiring the approval of a county officer having jurisdiction over the issuance of permits for construction unless the Purchaser has given written approval or acceptance of the change, or (c) if the Purchaser entered into a Sales Contract prior to the issuance of the Final Public Report on the project and the Final Public Report differs in any material respect from the Preliminary Report, or (d) if the Final Public Report is not issued within one (1) year from the date of the issuance of the Preliminary Report.

It is incumbent upon the Purchaser and prospective Purchaser to read and understand the Escrow Agreement before executing the Sales Contract since the Escrow Agreement prescribes the procedure for receiving and disbursing Purchaser's funds. The Sales Contract specifically provides that the Purchaser approves the Escrow Agreement.

MANAGEMENT AND OPERATIONS: The proposed By-Laws of the Association of Apartment Owners which are incorporated in the proposed Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible corporate managing agent. Developer has advised the Commission that the managing corporate agent for the first two (2) years of the project shall be First Management & Sales, Inc., a Hawaii corporation.

STATUS OF PROJECT: The specimen Sales Contract states that in the event that less than twenty (20) apartments of the project are sold prior to February 1, 1971, Seller may have the option to cancel the contract, refund to Purchasers all monies paid, without interest and be relieved and released of all further liabilities under the Sales Contract. All improvements on the project have been constructed with completion in September, 1970. Developer advises that upon completion of sufficient sales to pay \$800,000.00 toward the release of existing encumbrances, occupancy of the project will commence.

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 August 28, 1970, and additional information subsequently filed as late as October 14, 1970.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES CONDOMINIUM PUBLIC REPORT which is made a part of REGISTRATION NO. 346 filed with the Commission on August 28, 1970. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be yellow.



WILLIAM H. C. YOUNG, Member
REAL ESTATE COMMISSION
STATE OF HAWAII

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October 16, 1970
Registration No. 346