

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
The Villa on Eaton Square
400 and 444 Hobron Lane
Honolulu, Hawaii

REGISTRATION NO. 394

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: August 11, 1971
Expires: September 10, 1972

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 JULY 8, 1971, AND ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED AS LATE AS AUGUST 11, 1971. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THEREBY BY ACT 244 (L. 1967) EFFECTIVE JUNE 6, 1967.

1. THE VILLA ON EATON SQUARE is a proposed leasehold condominium project consisting of 425 residential units, 33 commercial units (including shops and offices), a commercial parking garage and an area set aside for additional commercial units possibly to be constructed in the future, all in accordance with plans filed in the Office of the Assistant Registrar of the Land Court. All of the residential units will be sold upon and subject to the terms and provisions of 75-year apartment leases to be issued by Magoon Development Corporation, the lessee of the landowner, Magoon Estate, Limited. It is presently intended by the co-developer (mentioned below) that commercial units will not be sold, but will be retained and operated or subleased by the co-developer. The sales contract for the residential units provides that the term of each residential lease commences and the rents begin to accrue upon the second publication of the Notice of Completion. There will be 588 parking stalls in the project. Stalls will not be specifically assigned to individual

apartments, but owners of residential apartments will have parking right for one car per unit.

2. The Developer has filed all documents and exhibits deemed necessary by the Commission for the registration of the Horizontal Property Regime venture and the issuance of a Preliminary Public Report.
3. No promotional or advertising materials have been submitted pursuant to the rules and regulations promulgated by the Commission.
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 not been filed in the office of the recording officer.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, August 11, 1971, 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 VILLA ON EATON SQUARE

LOCATION: The land submitted to the Regime, approximately 104,710 square feet, is situated on the northerly side of the 400 block of Hobron Lane, on the easterly side of the intersection between Hobron Lane and Lipeepee Street, at Waikiki, Honolulu, Island of Oahu, Hawaii.

TAX MAP KEY: FIRST DIVISION 2-6-13:14, 16, and 19

ZONING: B-5 Resort-Commercial

DEVELOPER: MAGOON-RAINALTER, a Joint Venture between MAGOON LAND CORPORATION, 910 Alakea Street, Honolulu, Hawaii, and RAINALTER DEVELOPMENT COMPANY, INC., 1000 Bishop Street, Suite 506, Honolulu, both Hawaii corporations, is the principal developer (telephone 531-8891, c/o Rainalter Development Company, Inc.) The commercial units presently planned will be developed jointly by MAGOON-RAINALTER and U. J. Rainalter, Jr., John H. Magoon, Jr., and Eaton Magoon, Jr. doing business as "EATON SQUARE ASSOCIATES", a Hawaii partnership, as co-developer. The optional future commercial areas will be developed by said co-developer.

ATTORNEY REPRESENTING DEVELOPER: Carlsmith, Carlsmith, Wichman and Case, 810 Richards Street, Honolulu, Hawaii 96813 (Attention: J. Thomas Van Winkle), Telephone 531-2071.

DESCRIPTION: The land will be improved, according to the Developer's plans and intention to sell, by constructing thereon one 36-story apartment building containing a total of 425 residential units, all located on the 6th floor and above, 33 commercial units (including commercial stores and offices) on the first five floors, and an attached commercial parking garage with five parking floors, all in accordance with the plans being prepared and later to be placed on file in the Office of the Assistant Registrar of the Land Court, where a condominium map number will be assigned by the recording officer. The specimen Sales Contract states that the Developer intends to sell the residential units therein to third persons by causing Magoon Development Corporation, the present lessee under the master lease from Magoon Estate, Limited, to issue to each purchaser of a condominium unit a lease of such condominium unit and of an undivided interest in the common elements of the project.

Each residential unit is equipped with a drop-in range/oven, dishwasher, refrigerator/freezer, washer/dryer, garbage disposal unit, carpets and drapes. Each unit will include all walls and partitions within its perimeter walls, any glass windows or panels along the perimeter, the interior half of all perimeter walls which are also party walls (whether or not load bearing) including the interior half of any hollow spaces in the center of any party walls for mechanical and electric systems, all the perimeter walls which are not party walls (whether or not load bearing), the inner decorated or finished surfaces of the floors and ceilings, all air space encompassed within the unit, and an adjacent lanai (in some of the units).

1. Building Description. The building will have 36 floors, numbered 1 through 37 (excluding number 13) with the 1st through 5th floors essentially for commercial purposes and parking and the 6th through 37th floors being essentially for residential purposes.

The 1st floor has 6 commercial units, the manager's office, residential apartment lobby, residential apartment elevator lobby, parking garage access corridors, commercial lobby, parking garage lobby, a men's and a women's restroom, commercial corridor, trash container storage, utility room, security officers' booth, elevators, elevator machinery room, stairwells, and a split-level parking floor with a minimum of 117 parking stalls, residential apartment storage lockers, access ramps, entrance and exit ramps, utility room and a stairwell.

The 2nd floor has 6 commercial units, residential apartment elevator lobby, parking garage lobby, parking garage access corridors, a men's and a women's restroom, commercial corridors, utility rooms, elevators, stairwells, and a split-level parking floor with a minimum of 119 parking stalls, residential apartment storage lockers, access ramps, utility room and stairwell.

The 3rd through 5th floors inclusive each have 7 commercial units, residential apartment elevator lobby, parking garage lobby, parking garage access corridors, a men's and a women's restroom, commercial corridors, utility rooms, elevators, stairwells, and a split-level parking floor with a minimum of 119 parking stalls (on the 3rd floor), a minimum of 115 parking stalls (on the 4th floor), or a minimum of 118 parking stalls (on the 5th floor), residential apartment storage lockers, access ramps, utility room, and stairwell.

The 6th floor has 2 studio residential units, 11 one-bedroom residential units, manager's residence (apartment 610), utility room, corridor, elevators, stairwells, and usable roof area, trellis or other decorative covering (to be determined by Developer) over the 5th floor parking floor.

The 7th through 36th floors inclusive each have 2 studio residential units, 12 one-bedroom residential units, utility room, corridor, elevators and stairwells.

The 37th floor has 2 studio residential units, 4 one-bedroom residential units, utility room, corridor, elevators, stairwells, recreation deck access stairway, swimming pool equipment room, loft space and the structural portions of the swimming pool.

On the roof above the 37th floor is a split-level rooftop recreation area, containing swimming pool, gyms, locker rooms, restrooms, sauna baths, sun deck, recreation pavilion, utility rooms and stairwell.

Adjacent to the building is located a residential apartment Motor Court with exit and entrance ramps on Hobron Lane and with access to the parking garage; a commercial shopping area (to be constructed in the future as provided in this Declaration); service driveway with entrance on Hobron Lane, loading zone (including an Electrical Distribution Facility), and exit on Ala Wai Boulevard; driveway ramps for entrance and exit to and from the parking garage; and sidewalk areas.

2. Materials. The principal materials used in the construction of the building are reinforced concrete, steel, glass, aluminum, allied building materials, and wooden doors and trim.
3. Location, Area, Percentage Interest of Apartments. The building contains 425 residential units, and 33 commercial units. Each unit has been given a 3 or 4 digit number designation by which its location in the building can be determined. The last two digits indicate the location of the unit on a floor and the digit or digits preceding the last two digits indicate the floor on which the unit is located. With respect to the last two digits, all odd numbers refer to apartments on the south side of the building and all even numbers refer to apartments on the north side of the building; furthermore, these digits start at the west end of the building and end at the east end of the building. For example unit 401 is located on the southwest corner of the building on the 4th floor and unit 1414 is located on the northeast corner on the 14th floor. The number 13 is eliminated from all floor and unit numbering systems.

The location, "gross" floor area (including lanai, if any), "net" floor area (excluding lanai), access, number of rooms (including separate dressing room), and undivided percentage interest ownership in the common elements ("common interest") of each unit are as follows:

<u>Unit Number</u>	<u>Gross Floor Area</u>	<u>Net Floor Area</u>	<u>Location</u>	<u>Access</u>	<u>No. of Rooms One, but subject to</u>	<u>Common Interest</u>
<u>COMMERCIAL UNITS</u>						
301	873	774	Southwest Corner	Main Corridor of the Floor	Partition	.9770
401, 501	774	774	Southwest Corner	Main Corridor of the Floor	"	.9770
103	609	609	South Side	Shopping Mall	"	.7688
403, 503, 405, 505	609	609	South Side	Main Corridor of the Floor	"	.7688
203, 303, 305	697	609	South Side	Main Corridor of the Floor	"	.7688
105	162	162	South Side	Commercial Lobby	"	.2046
205	236	236	South Side	Main Corridor of the Floor	"	.2980
107	680	680	South Side	Shopping Mall and Rear Corridor	"	.8583
407, 507	680	680	South Side	Main Corridor of the Floor	"	.8583
207, 307	768	680	South Side	Main Corridor of the Floor	"	.8583
109, 111	716	716	South Side	Shopping Mall and Rear Corridor	"	.9038
409, 509, 411, 511	716	716	South Side	Main Corridor of the Floor	"	.9038
209, 309, 211, 311	804	716	South Side	Main Corridor of the Floor	"	.9038
115	728	728	Southeast Corner	Shopping Mall and Rear Corridor	"	.9189
415, 515	728	728	Southeast Corner	Main Corridor of the Floor	"	.9189
215, 315	816	728	Southeast Corner	Main Corridor of the Floor	"	.9189
<u>RESIDENTIAL UNITS</u>						
601 through 3701 inclusive	817	747	Southwest Corner	Main Corridor of the Floor	5 (1 bedroom)	.2041
603 through 3703 inclusive	739	681	South Side	Main Corridor of the Floor	5 (1 bedroom)	.1860

<u>Unit Number</u>	<u>Gross Floor Area</u>	<u>Net Floor Area</u>	<u>Location</u>	<u>Access</u>	<u>No. of Rooms</u>	<u>Common Interest</u>
605 through 3705 inclusive	739	681	South Side	Main Corridor of the Floor	5 (1 bedroom)	.1860
607 through 3607 inclusive	739	681	South Side	Main Corridor of the Floor	5 (1 bedroom)	.1860
609 through 3609 inclusive	739	681	South Side	Main Corridor of the Floor	5 (1 bedroom)	.1860
611 through 3611 inclusive	739	681	South Side	Main Corridor of the Floor	5 (1 bedroom)	.1860
615 through 3615 inclusive	752	694	Southeast Corner	Main Corridor of the Floor	5 (1 bedroom)	.1896
602 through 3702 inclusive	694	635	Northwest Corner	Main Corridor of the Floor	5 (1 bedroom)	.1735
604 through 3704 inclusive	462	462	North Side	Main Corridor of the Floor	3 (studio)	.1262
606 through 3706 inclusive	462	462	North Side	Main Corridor of the Floor	3 (studio)	.1262
608	549	549	North Side	Main Corridor of the Floor	4 (1 bedroom)	.1500
708 through 3608 inclusive	630	582	North Side	Main Corridor of the Floor	4 (1 bedroom)	.1590
610 through 3610 inclusive	630	582	North Side	Main Corridor of the Floor	4 (1 bedroom)	.1590
612 through 3612 inclusive	630	582	North Side	Main Corridor of the Floor	4 (1 bedroom)	.1590
614 through 3614 inclusive	641	593	Northeast Corner	Main Corridor of the Floor	4 (1 bedroom)	.1620

USE: The specimen Declaration provides that the residential apartments may be occupied and used only as single family residences, and that all commercial units and the parking garage may be used for any lawful purpose, subject to parking rights of the owners of the residential units. The owners of residential units have the right to sublease with the approval of the Board of Directors of the Association of Apartment Owners.

PARKING: The Declaration provides that each residential unit will have an appurtenant right to park one car in the commercial parking garage at all times. At all times, Eaton Square Associates, co-developer, shall have sole and exclusive control over the determination of where within the parking area any vehicle which is being parked pursuant to the owner's parking right of any unit owner shall be parked. However, no specific stall will be assigned to any unit. Eaton Square Associates, the co-developer of the commercial units will have the exclusive control over the garage for the term of the master lease as set forth in the Declaration and may carry on a commercial parking business and other commercial activities in the garage which may be permitted by applicable laws and governmental regulations. Co-developer may install necessary partitions and make other necessary alterations within the parking garage which may utilize any area of the parking garage which co-developer in his sole discretion determines is not reasonably necessary for parking operations, provided, however, that the total number of parking stalls shall not in any event be reduced below the number of residential units in the project which have appurtenant owner's parking rights. No owner of any unit nor the Association of Apartment Owners shall have any right to, or interest in, any income or profits which arise in connection with the operation of a commercial parking business or any other business in the parking garage.

ALTERATIONS OF THE PROJECT: The Declaration provides that the project may be altered in certain respects (with any amendments of the Declaration and condominium map if required to effect the alterations) without requiring the consent of condominium purchasers. These include:

- (a) The construction by Eaton Square Associates of additional commercial units within the "Future Development" area designated on the condominium map, located in the southern, eastern and northeastern portions of the property. All structures in this area which are not included within any additional commercial unit shall constitute limited common elements appurtenant only to commercial units. These alterations are optional with Eaton Square Associates, but must be planned and implemented, if at all, prior to December 31, 1980.
- (b) At any time prior to December 31, 1980, the conversion of the commercial units on any floor from the 2nd through 5th floors of the main tower building to residential units. The conversion is at the election of the owners of all commercial units on the floor to be converted. The owners of units to be converted are required to install certain required fixtures.
- (c) Changes by the Developer in the floor plan of any unit at any time prior to a purchaser's execution of a Contract of Sale with respect to the unit.
- (d) Alterations by the owners of commercial units within their units appropriate for commercial use, including installations and relocation of partitions.
- (e) The construction of ramps and doors in the northern wall of the parking garage to provide pedestrian and vehicular access to future development of the adjacent parcel.

None of the above changes except subparagraph (c) will result in any change in any of the original 425 residential units themselves, or in their appurtenant percentage of common interest.

COMMON ELEMENTS: The common elements will include the limited common elements described in the next topical heading of the Preliminary Public Report, LIMITED COMMON ELEMENTS, and all other portions of the land and improvements other than the apartments, including the parking garage, and interest in the land on which they are located, and all elements mentioned in the Horizontal Property Act which are actually constructed on the land described, and specifically shall include, but shall not be limited to: (i) said land described in Exhibit A attached to the Declaration; (ii) all foundations, columns, girders, beams, floor slabs, supports, load bearing walls (except for the inner decorated walls within each unit), roofs, stairways, walkways, fire escapes, entrances and exits of the building; (iii) all yards, grounds, landscaping, mailboxes and refuse facilities; (iv) all ducts, and other central and appurtenant installations serving all units including sewer, refuse, and telephone; (v) all floor space, ramps, driveways and facilities located within the parking garage (subject to the operation rights of the co-developer as described above); (vi) the service driveway and loading zone; (vii) the parking garage elevator, with appurtenant equipment and service facilities and the parking garage access lobbies. NOTE: The Primary and Secondary Electrical Distribution System located in part in a reserved portion of the driveway loading zone and in part within the main tower building will be constructed by Eaton Square Associates at their own expense, and no part of the system will constitute common elements. The equipment will be leased to the Association of Apartment Owners on a monthly rental basis for a minimum of 20 years.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called and designated "limited common elements" are hereby set aside and reserved for the exclusive use of certain units, and such units shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are listed below. Unless otherwise specified below, all costs of every kind pertaining to each limited common element, including but not limited to cost of security, maintenance, repair, replacement, additions, and improvements, shall be borne entirely by the unit or units to which it is appurtenant. If any cost is charged to more than one unit, each such unit shall bear a portion of the cost equal to the ratio which its common interest bears to the total common interests of all units responsible for said cost, unless otherwise specified below.

- (a) The following limited common elements are appurtenant to and for the exclusive use of all residential units: (i) the Residential Apartment Motor Court together with the adjacent facade of the main building up to the 6th floor, and adjacent landscaping, (ii) the residential apartment lobby, (iii) the manager's office, (iv) the security officer's booth, (v) the manager's residence, (vi) the four residential apartment elevators with elevator housing and equipment, and the residential apartment elevator lobbies, (vii) the loft area, swimming pool equipment room, structural portions of the swimming pool which are on the 37th floor, and rooftop access stairway, (viii) the rooftop recreation area on the roof above the 37th floor, including swimming pool, gyms, locker rooms, planters and other facilities, and also the mechanical and electrical systems located on the roof, (ix) the corridors and utility rooms on each residential floor, (x) all ventilating shafts and equipment serving residential floors, (xi) all electrical wiring with appurtenant ducts and related equipment located on the residential floors (excluding any portion of Primary and Secondary Electrical Distribution System), (xii) all components of the hot and cold water circulation system serving the residential units, (xiii) usable roof area, trellis, or other decorative covering over the 5th floor parking level; (xiv) all components of the air conditioning circulation system which directly serve only the residential units and which are located within the main building.
- (b) The following limited common elements are appurtenant to and for the exclusive use of all of the commercial units: (i) all of that area designated on the condominium map as "Future Development," (ii) all components of any water circulation system serving the commercial units or other limited common elements appurtenant only to commercial units, (iii) all electrical wiring with appurtenant ducts and equipment providing electricity to the commercial units or other limited common elements appurtenant only to commercial units but excluding any portion of the Primary and Secondary Electrical Distribution System.
- (c) All corridors, utility rooms, restrooms and janitors' rooms on the commercial floors are limited common elements appurtenant to and for the exclusive use of the commercial units on each floor.
- (d) All load bearing walls within the perimeter walls of each unit, the entirety of perimeter non-party walls, and the interior one-half of all perimeter party walls of each unit (including the interior half of any hollow spaces in said perimeter party walls for mechanical or electrical systems) whether load bearing or non-load bearing, are limited common elements appurtenant to the unit in which they are located; provided, however, that the interior painted or decorated surface of each such wall shall not be included in said limited common elements; provided further that all costs of maintaining, repairing or replacing each such wall included in said limited common elements shall be the responsibility of all residential and commercial units in the main building in proportion to their relative net floor areas, and provided further that all costs of maintaining or repairing any such hollow space within any perimeter party wall shall be the responsibility of all residential units only, in proportion to their common interests. One storage locker located in the parking garage area will be appurtenant to and for the exclusive use of each residential unit, and Developer reserves the right to designate the particular locker for each unit at the completion of construction.
- (e) All appurtenances, components and portions of the main building which are neither (i) limited common elements listed in subparagraphs (a) through (d) and (f) and (g), nor (ii) included within any unit, nor (iii) included within the parking garage, are limited common elements appurtenant to only the units in the main building. Each unit in the main building shall bear a portion of all costs and expenses relating to the limited common elements included in this subparagraph (e) equal to the ratio which the net floor area within said unit bears to the total net floor area within all units in the main building.

- (f) The air conditioning cooling tower and two chillers located in the loading zone and all conduits and components of the distribution system located outside the main building are limited common elements appurtenant to only the units in the main building. All costs of maintenance and operation of the air conditioning shall be fairly allocated first between the residential units as a group and the commercial units in the main building as a group, in proportion to the relative amount of use by each group determined by a use metering system. The costs so allocated shall then be allocated among the individual units in proportion to their common interests. The cost of replacement of said limited common elements shall be allocated in the same way, except that the initial allocation between the two groups shall be in proportion to the average relative use of the facility by each group over the five-year period immediately preceding said replacement.
- (g) All components of the air conditioning circulation system located within the main building serving only the commercial units within the main building are appurtenant only to the commercial units within the main building.

INTEREST TO BE CONVEYED TO PURCHASER: Each residential unit according to its type will have an undivided percentage interest called herein its "common interest", in the common elements for all purposes, including voting, as set forth above in those paragraphs under the heading Location, Area, Percentage Interest of Apartments.

OWNERSHIP TO TITLE: The notice of intention reflects that title to the land is vested in Magoon Estate, Limited, a Hawaii corporation, and leased to Magoon Development Corporation, a Hawaii corporation, by Lease dated January 7, 1970, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 497,699, as amended by Amendment of Lease, dated June 10, 1971, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 541,226. The Developer advises that the development rights to the property have been assigned to the Developer and co-developer by Assignment of Development Rights, dated as of October 2, 1970, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii on July 7, 1971 as Document No. 544,389.

ENCUMBRANCES AGAINST TITLE: In addition to the Lease and Assignment of Development Rights set forth above, the Certificate of Title on the property issued May 5, 1971 reflects: (a) the Lease of Right of Way and Utility Easement to Hawaiian Electric Co., Inc., dated July 24, 1969, filed as Land Court Document No. 479922, assigned to Hawaiian Trust Company, Limited, Trustee, as Security to Trust Mortgage Document No. 45945, as amendment, by Assignment, dated July 24, 1969, filed as Document No. 479923; and (b) the covenants and conditions affecting Lot 20 in the Declaration, dated February 6, 1970, filed as Document No. 494612.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated June 1, 1971, between Title Guaranty Escrow Services, Inc., as "Escrow Agent" and Magoon-Rainalter, a Joint Venture, as "Developer", has been filed with the Commission. On examination the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-15(6).

It is incumbent upon the purchaser and the prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of residential apartments are placed in trust, as well as the retention and disbursement of said trust fund.

MANAGEMENT OF THE PROJECT: The By-Laws of the Association of Apartment Owners vest in the Board of Directors the power and duties necessary for the administration of the overall affairs of the project, except the affairs pertaining only to commercial units and limited common elements appurtenant to commercial units, the administration of which is vested in a Merchant's Association consisting of the owners of commercial units. The By-Laws of the Association of Apartment Owners specify that the presence at any meeting in person or by proxy of thirty-three percent (33%) of apartment owners shall constitute a quorum; and

at any meeting at which a quorum is present, action by a majority of the voting power represented at such meeting shall be valid and binding on the Association except as otherwise provided in the By-Laws. Voting shall be on a percentage basis; the percentage of the total vote to which each apartment is entitled shall be the same as the percentage of the common interests assigned to such apartment in the Declaration; and any percentage of apartment owners specified in the By-Laws means the owners of apartments to which are appurtenant such percentage of the common interests. The Board of Directors of the Association of Apartment Owners may employ necessary personnel to carry out management and operation function of the project. The specimen Apartment Deed named Rainalter Land Company, Inc. or its nominee as initial managing agent for a minimum of three years.

STATUS OF PROJECT: On August 10, 1971, Developer entered into a construction contract with Pacific Construction Company to construct the project. The Developer advises that the construction of the project will start upon reaching 70% pre-sale of units. The specimen Sales Contract states that if less than 298 residential apartments are sold prior to June 30, 1972, Developer may at its option cancel all sales contracts, refund all amounts paid by buyers, and terminate the project.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted July 7, 1971, and subsequent examination of the project up to August 11, 1971.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 394 filed with the Commission on July 8, 1971. The Report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be yellow in color.


for DOUGLAS R. SODETANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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

Registration No. 394
August 11, 1971