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 TERRACES
250 Kawaihae Street, Hawaii-Kai
Honolulu, Hawaii

REGISTRATION NO. 419

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: December 6, 1971
Expires: January 6, 1973

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 and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED NOVEMBER 17, 1971, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS NOVEMBER 29, 1971. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. THE TERRACES is a leasehold condominium project consisting of one hundred and twenty-six (126) residential apartments (exclusive of one apartment for the resident manager) contained in one building of twenty-four (24) stories constructed principally of reinforced concrete floor and roof slab, and concrete columns and walls with post tension reinforced concrete beams on the storage level floor only.

   All apartments will have two (2) bedrooms and two (2) covered parking stalls which are contained in a four (4) level parking structure constructed principally of reinforced columns, beams, floors and ramps.

2. The Developer of the project has submitted to the Commission for examination of all documents deemed necessary for the registration of the proposed condominium project and the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and copy of the approved Floor Plans) have not been filed in the office of the recording officer.

4. No advertising or 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 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. If a Final Public Report is not issued within one (1) year from the date of this Preliminary Public Report, purchasers shall be entitled to refund of monies paid without further obligations.

7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, unless the Commission upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: THE TERRACES

LOCATION: 250 Kawaihae Street, Hawaii-Kai, Honolulu, Hawaii, containing 161,166 square feet or 3.699+ acres.

TAX KEY: 3-9-CB:1 & 3-9-35:13

ZONING: A-1 and A-3 under CZC of the City and County of Honolulu

DEVELOPER: Kaiser Aetna, P. O. Box 7534, Honolulu, Hawaii 96825, Telephone 395-2331, a California General Partnership qualified to do business in the State of Hawaii. The partners are as follows:

Westward Properties, Inc.
Temecular Properties, Inc.
Kaiser Rancho California, Inc.
Kaiser Hawaii Development Co.
Aetna Life Insurance Company

ATTORNEY REPRESENTING DEVELOPER: Damon, Shigekane, Key & Char, Suite 701, 333 Queen Street, Honolulu, Hawaii 96813, Telephone 531-8031.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the project is to consist of one hundred twenty-six (126) residential apartments contained in one (1) 24-story building and one (1) apartment for the resident manager on the first floor; the second floor will be used as a recreation and exercise area.

Each apartment shall consist of the space measured horizontally by the distances between the interior surfaces of the perimeter walls of each apartment and measured vertically by the distance between the topside surface of the concrete floor and the underside surface of the ceiling.

The principal materials of which the apartment building shall be constructed are as follows: The foundations, floors, columns, walls shall be poured reinforced concrete. Shear walls of reinforced concrete form the division of the floor areas into apartments, of which there are six (6) to each floor. Walls within the apartments to divide the area into rooms are mainly of reinforced concrete. Those not of concrete are of steel stud and gypsum board covering, insulated for noise reduction where required, and having fire resistance rating in accordance with code requirements. The underside of the concrete floor slab forms the ceilings to all the rooms below except for bathrooms, kitchens, hallways and entries. This surface will be sprayed with assimilated acoustic plaster. Bathroom, kitchen, hallway and entry ceilings will be of suspended plaster board. The interior concrete floors of the apartments will be covered with carpet and vinyl asbestos tile.

The apartment building shall be of 24 floors. The ground floor has the mail room, manager's apartment, office, equipment room, trash room, elevator lobby, bulk storage areas and side parking entry. The mezzanine floor has a sauna bath for each sex, exercise room, activities room and bulk storage areas. The 3rd floor, designated as the storage level, is reserved solely for individual storage areas, allocated one to each tenant, and also, for air handling equipment. The next 21 floors are occupied by the 126 apartments, six (6) to each floor. Floor numbering starts numerically from the first floor on which there are apartments.

There will be two general types of apartments. The corner type have a living area of 1644 sq. ft. consisting of an entry, hallway, kitchen, dining room, living room, 2 bedrooms and 1 dressing room. The center type apartments have an additional dressing room. The ones located in the Center West have a living area of 1661 sq. ft. The Center East apartments are identical in layout, but due to additional common element protrusion have a living area of 1621 sq. ft. Each apartment shall be equipped with a frost-free double door, side by side, refrigerator of at least 21 cu. ft. capacity, a continuous cleaning oven and range, a dishwasher, garbage disposal, and a stacked washer and dryer, all electrically operated. Each apartment is air conditioned by an individual fan coil unit.

COMMON ELEMENTS: One freehold estate is hereby designated in all of the remaining portions and appurtenances of the Project, herein called the "common elements", including specifically, but not limited to:

(a) Said land in fee simple;

(b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter and load-bearing walls, roofs, and walkways around and between said building;

(c) All yards, grounds, landscaping, planters, mail boxes, refuse facilities, swimming pool, activities room, sauna baths, handball court, putting green, potting shed and like facilities;

(d) All driveways, loading bay areas, screen walls, wrought iron gates and all handrailings;

(e) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations for services including power, light, water, gas, air conditioning, refuse, telephone and radio and television signal distribution, and passenger elevators;

(f) The resident manager's apartment, designated as Apartment No. 1M which is inclusive of a residential unit on the ground floor for such resident manager's personal use, the restrooms, stair wells, and lobby areas for common use and areas assigned to be used for bulk storage and office;

(g) Ten (10) guest automobile parking spaces so designated on Ground Floor Entrance and Driveway Plan; and

(h) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance or safety, or normally in common use.

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 apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) Two covered automobile parking spaces in a 4 floor reinforced concrete structure so designated on said Condominium File Plan by the number corresponding to the number of each apartment shall be appurtenant to and for the exclusive use of such apartment, with which the same are conveyed upon the initial conveyance by lease or deed;

(b) All other common elements of the Project which are rationally related to less than all of said apartments or buildings shall be limited to the use of such apartments or buildings;

(c) One storage space in the storage area level & 4 metal lockers, basket weave type, shall be assigned to each of the apartments upon the original conveyance thereof and shall be appurtenant to and for the exclusive use of such apartment.

INTEREST TO BE CONVEYED TO PURCHASER: The proposed Declaration reflects that each apartment shall have appurtenant thereto an undivided percentage interest of .793+ in all common elements of the project and the same proportionate share in all common profits and expenses of the project.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration reflects that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, and social guests, and for no other purpose. The apartments shall not be rented for transient or hotel purposes, but the owners of the respective apartments shall have absolute right to lease such apartments subject to all the provisions of the Declaration.

OWNERSHIP TO TITLE: The Trustees of the Bernice P. Bishop Estate own the fee and Kaiser Aetna has the exclusive development rights by way of an agreement with Kaiser Hawaii-Kai Development Co. executed on May 27, 1971, and recorded in Liber 7592, Page 467.

ENCUMBRANCES AGAINST TITLE: A Certificate of Title dated November 5, 1971, prepared by Long & Melone, Ltd, certifies that title to the land committed to the regime is subject to the following encumbrances: Reservation to the Hawaiian Government of all mineral and metallic mines as contained in Royal Patent No. 4475; Development Agreement dated April 27, 1971, in favor of Kaiser Hawaii-Kai Development Company, a short form of which was recorded in Liber 7592, Page 467; Easement 1, 1,412 square feet for drainage pursposes; Easement 2, 11,460 square feet for electrical purposes; Easement 3, 2,593 square feet for electrical purposes; Real Property Taxes that may be due and owing.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated November 18, 1971, identifies the Bank of Hawaii, a Hawaii corporation, as the Escrow Agent. On examination, the specimen Sales Agreement and executed Escrow Agreement, are found to be in compliance with Chapter 514 of the Hawaii Revised Statutes. The Sales Agreement provides in part that the sale is in all respect made subject to the provisions of Sec. 514-36 through 514-40 which provides for Seller's filing of certain documents with the Real Estate Commission, the refunding of Purchaser's money under certain circumstances and the depositing of Purchaser's funds with an Escrow.

Among other provisions, the specimen Sales Agreement states that, in the event that less than one hundred (100) apartments are sold by January 1, 1973, or the project cannot be completed within one year from the date of the agreement, or Seller is prevented by law from proceeding with construction of the project, Seller at its option may cancel the agreement.

FINANCING: Developer will provide its own funds for construction and attempt to obtain for purchasers 80% loans based on value of the units, 30 year terms and interest between 8% to 8-1/2%. Buyer will be required to pay 2 points financing fee.

MANAGEMENT AND OPERATIONS: The proposed By-Laws of the Association provide that the Board of Directors shall annually employ a responsible Hawaii corporation as Managing Agent to manage and control the project subject at all times to direction by the Board. A specimen agreement has been submitted as part of the registration. Kaiser Aetna shall be the initial management agent.

STATUS OF PROJECT: No building contract has been executed.

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 November 17, 1971, and additional information subsequently filed as late as November 29, 1971.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 419.

The report, when reproduced, shall be a true copy of the Commission's Public Report. In making facsimiles the paper stock shall be yellow in color.

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

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

Registration No. 419
December 6, 1971