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

KAALAKEI WEST
Kawaihae Street, Hawaii Kai
Honolulu, Hawaii

REGISTRATION NO. 465

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: July 5, 1972
Expires: August 5, 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 June 29, 1972. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. KAALAKEI WEST is a leasehold condominium project consisting of sixty-one (61) residential apartments contained in two (2) five plex, five (5) eight plex and one (1) eleven plex buildings.

   Each building consisting of a ground, first, second and third floor. The third floor being called the Mezzanine. All the buildings are constructed principally of reinforced concrete foundations, ground and first floor slabs. Concrete block exterior and interior party walls from ground floor to underside of first floor. All other exterior walls are of wood stud

with exterior covering of wood siding or plaster, and interior covering of gypsum board. Timber columns and wood shake and five ply built up roof.

All apartments will have three bedrooms and two parking stalls. The parking stalls being located in the immediate vicinity of the apartment building.

2. The Developer of the project has submitted to the Commission for examination 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: KAALAKEI WEST.

LOCATION: 290, 300, 320, 340, 360, 370, 380 and 400 Kawaihae Street, Hawaii Kai, Honolulu, Hawaii, containing 407,344 square feet or 9.351 acres.

TAX KEY: First Division 3-9-36-05.

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

DEVELOPER: Kaiser Hawaii Kai Development Co., a Nevada corporation qualified to do business in Hawaii, whose principal place of business therein is 7120 Kalanianaole Highway and whose post office address is P. O. Box 7534, Honolulu, Hawaii 96825, shall act as nominee partner of Kaiser Aetna, a California general partnership qualified to do business in the State of Hawaii, whose principal place of business therein is 7120 Kalanianaole Highway and whose post office address is P. O. Box 7534, Honolulu, Hawaii 96825.

The partners of Kaiser Aetna are as follows:

Westward Properties, Inc.
Temecula Properties, Inc.
Kaiser Rancho California, Inc.
Kaiser Hawaii Kai 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 sixty-one (61) residential apartments contained in eight (8) three story buildings, comprising two (2) identical five plex, five (5) identical eight plex and one (1) eleven plex buildings.

Each apartment shall consist of the space measured horizontally by the distance 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 buildings shall be constructed are as follows: The foundations, ground and first floor level floor slabs shall be reinforced concrete. Floors above that shall be wood joists with plywood decking and the underside surface of gypsum board, which will form the ceilings to the rooms below. The exterior and party walls from the ground floor to the underside of the first floor shall be concrete block. The exterior walls of the levels above shall be wooden stud with exterior surfaces of either wood siding or plaster and interior surface of gypsum board, all walls having a fire resistance in accordance with the code requirements. The party walls on and above the first floor level shall be wooden stud, sound insulated between studs for noise protection and covered with gypsum board. The roof shall be wood shake and 5-ply built up. All internal partition walls shall be of wood stud and gypsum board covering. All floor surfaces shall be covered with carpet, with the exception of the bathrooms and kitchens which shall be covered with vinyl asbestos, and the mezzanine which will be uncovered. All bedroom ceilings shall be exposed stained cedar wood boarding. All other ceilings shall be either painted or sprayed with simulated accoustical plaster.

The five plex buildings will consist of one (1) ground floor apartment designated as Type "A" and four (4) townhouse apartments designated as Type "B". The eight plex buildings will each consist of two (2) ground floor apartments (Type "A") and four (4) townhouse apartments designated Type "B" and two (2) townhouse apartments designated Type "C". The eleven plex building will have three (3) ground floor apartments (Type "A") and eight (8) townhouse apartments, four (4) each of types "B" and "C".

The Type "A" apartments are identical ten-room ground floor units, with a living area of 1195 square feet consisting of a hall, kitchen, living room, dining room, three bedrooms, two bathrooms and a vanity room. Also there are a front and rear court which are additional to the stated living area.

Apartments designated as Type "B" are identical twelve and one-half (12-1/2) room townhouse apartments with a living area of 1536 square feet, consisting of a hall, family room, kitchen, living room, dining room, three bedrooms, two and one-half bathrooms, a vanity room and a mezzanine.

Apartments designated Type "C" are also townhouse apartments, identical in layout and room count to that of Type "B" but due to a common element protrusion have a living area of 1478 square feet.

There are fifteen (15) Type "A", thirty-two (32) Type "B" and fourteen (14) Type "C" apartments.

Each apartment shall be equipped with a drop-in range, refrigerator, dishwasher, disposal and separate washer and dryer.

COMMON ELEMENTS: The proposed Declaration reflects that one freehold estate is designated in all the remaining portions and appurtenances of the project, herein called the "common elements," including specifically, but not limited to:

Said land in fee simple;

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

All yards, grounds, landscaping, planters, mail boxes, refuse facilities, and like facilities;

All driveways, sidewalks, exterior stairways;

All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone and radio and television signal distribution;

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 (2) parking spaces 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. Each apartment shall always have at least two parking spaces appurtenant to it but otherwise any automobile parking space easement may be transferred from apartment to apartment in the project, but shall always be appurtenant to one of the apartments in the project.

(b) One storage space in the covered parking area 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.

(c) 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.

INTEREST TO BE CONVEYED TO PURCHASER: The proposed Declaration reflects that each apartment shall have appurtenant thereto an undivided percentage interest of 1/61 or 1.639 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 Hawaii Kai Development Co. has the exclusive development rights by way of an agreement with them executed on May 27, 1961, and recorded in Liber 7592, Page 467.

ENCUMBRANCES AGAINST TITLE: A Certificate of Title updated to June 7, 1972 prepared at Long and Melone, Ltd., certifies that title to the land committed to the Regime is subjected 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, 1961 in favor of Kaiser Hawaii Kai Development Co., a short form of which was recorded in Liber 7592, Page 467, on June 8, 1961; Easement 1, 2258 square feet; Easement 2, 2178 square feet; Easement 3, 1000 square feet; Easement 5, 42 square feet; Easement 6, 42 square feet; Easement 7, 42 square feet; Easement 8, 42 square feet, all for electrical purposes; and Easement 4, 2322 square feet for drainage purposes; Real Property Taxes that may be due or owing.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated June 23, 1972, identifies the American Abstract & Escrow, Inc., a Hawaii corporation, as the Escrow Agent. On examination, the specimen Sale Agreement and executed Escrow Agreement are found to be in compliance with Chapter 514 of the Hawaii Revised Statutes. The Sale Agreement provides in part that the sale is in all respects 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 forty (40) 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% and 8-1/2%. Buyer will be required to pay 2 points financing fee.

MANAGEMENT AND OPERATION: 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. The proposed Declaration states that 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 June 29, 1972.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 465.

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

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

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July 5, 1972