

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
HERITAGE HOUSE - HAWAII KAI
Hawaii Kai Drive at Maunalua
Honolulu, Hawaii

REGISTRATION NO. 525

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: April 26, 1973
Expires: May 26, 1974

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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 8, 1973. THE DEVELOPER BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, HAWAII REVISED STATUTES CHAPTER 514.

1. HERITAGE HOUSE - HAWAII KAI is a proposed leasehold condominium project consisting of One Hundred Thirty Five (135) residential apartments contained in a one (1) seventeen (17) story building. There are a total of One Hundred Eighteen (118) two-bedroom apartments, seventeen (17) one-bedroom apartments and one (1) one-bedroom apartment for the resident manager which the latter is a common element, within the project. All

All of the apartments are one-story in height. Each apartment shall have the same number of parking stalls as a number of bedrooms in the apartment and these parking stalls are in a 5-story parking structure located to the rear of the seventeen (17) story residential building. The common elements include the swimming pool and its appurtenant facilities, the grounds, driveways, the recreation pavilion and its appurtenant facilities, the storage area, the resident manager's apartment and a five (5) story parking structure with 278 parking stalls.

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 Association of Apartment Owners and a copy of the Floor Plans) have not been filed in the office of the recording officer.
4. No advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchasers is advised to acquaint himself with the provisions of Hawaii Revised Statutes, Chapter 514, and the rules and the regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Report automatically expires **thirteen (13)** months after date of issuance, April 26, 1973, unless a supplementary Public Report is published or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: HERITAGE HOUSE - HAWAII KAI

LOCATION: The approximate 108,829 sq. ft. of land to be committed to the regime is situated on Hawaii Kai Drive at Maunaloa, Honolulu, City and County of Honolulu, State of Hawaii.

TAX MAP KEY: 3-9-70-(Por) 2 & 3, (Lot 3)

ZONING: A-3 under the Comprehensive Zoning Code of the City and County of Honolulu.

DEVELOPER: HERITAGE HOUSE PARTNERSHIP, 735 Bishop Street, Suite 406, Honolulu, Hawaii, 96813, Telephone: 538-6887 which is a general partnership between HERITAGE DEVELOPMENT CORPORATION and BENJAMIN F. KONG.

The officers of HERITAGE DEVELOPMENT CORPORATION are:

Francis Y. Wong, President
Francis A. Wong, Vice President & Secretary
Shirley C. Wong, Treasurer

ATTORNEY REPRESENTING DEVELOPER: Rice, Lee and Wong (Attention: Daniel S. Ukishima) 735 Bishop Street, Suite 410, Honolulu, Hawaii, 96813, Telephone: 531-0291.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the project is to consist of One Hundred Thirty Five (135) residential apartments contained in one (1) seventeen (17) story apartment building situated upon 108,829 sq. ft. of land hereinbefore described.

Each apartment shall consist of the space measured horizontally by the distances between the interior surfaces of the perimeter walls of each apartment, and the space measured by the area of the lanai, 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 buildings shall be constructed are as follows:

The foundation shall be of reinforced concrete pads under columns and continuous concrete spread footing under walls for the five level parking garage and continuous 2' - 8" thick spread footers for the 17 - story residential tower.

The building structure shall be of reinforced concrete shear walls, columns, wall columns and beams supporting 3 ½" thick prestressed concrete planks with 3 ½" thick topping poured-in-place. Parking garage consists of concrete columns and beams with 6", 8" and 10" thick prestressed hollow-core concrete planks with 2" topping.

The perimeter walls shall be of concrete block walls for the parking garage and reinforced concrete bearing walls for the 17 story residential tower.

The partition walls shall be of typically 5/8 inch gypsum board on metal studs; wall thickness varies by location. ½ inch sound board added to party walls.

The interior concrete floors of the apartments shall be covered with carpet or vinyl asbestos tile.

The apartments will be of two general types: one-bedroom and two-bedrooms. The one-bedroom apartments are located from the first floor through the seventeenth floor and consist of a bath, kitchen, one-bedroom and living-dining area. The two-bedroom apartments are located from the first floor through the seventeenth floor and consist of two baths, kitchen, two-bedrooms and a living-dining area. The floor area of each apartment, together with the area of its appurtenant lanai, and also its appurtenant individual percentage interest in the common elements are shown in the attached Exhibit "A".

Each apartment has immediate access to its entries, and to the walkways and stairways, if any, appurtenant to such apartment, connecting its building to the roads and parking areas of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits, or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall include adjacent entry and lanai, if any, shown on said Condominium File Plan. Each apartment shall be deemed to include all the walls and partitions which are not loadbearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and the fixtures, originally installed therein, including built-in range-oven, disposal, dishwasher, and washer and dryer.

COMMON ELEMENTS: The proposed Declaration reflects that the common elements shall include all of the land and improvements other than apartments specifically including:

- (a) Said land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter load-bearing walls, roofs, and walkways around and between said building;
- (c) All yards, grounds, landscaping, mail boxes, refuse facilities, swimming pool, and like facilities;
- (d) All driveway and parking areas;
- (e) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations for services including sewer, power, light, water, gas, refuse, telephone and radio and television signal distribution;
- (f) The resident manager's apartment, designated as No. 104, which is inclusive of a residential unit on the first floor of the building for such resident manager's personal use;
- (g) The recreation pavilion, cooking facilities and restroom located adjacent to the pooldeck;
- (h) Fourteen (14) guest automobile parking spaces so designated on said Condominium File Plan;
- (i) 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; and
- (j) Storage area located on the ground floor of the residential building and in the basement level of the parking structure.

LIMITED COMMON ELEMENTS: The proposed Declaration, reflects that the limited common elements include:

- (a) Two (2) automobile parking spaces for a two-bedroom unit and one (1) automobile parking space for a one-bedroom unit so designated on said Condominium File Plan by 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 an initial conveyance by lease or deed; each apartment shall always have at least one (1) parking space appurtenant to it but otherwise, any parking space easement may be transferred from apartment to apartment in the project but always be appurtenant to one of the apartment in the project.
- (b) All other common elements of the project which are rationally related to less than all of the said apartment shall be limited to the use of such apartments.

INTEREST TO BE CONVEYED TO PURCHASER: The proposed Declaration reflects that the undivided interests, referred to above, established and to be conveyed with the respective "apartments" cannot be changed, and the Developer/Owner covenant and agree that the undivided interests in the "common areas and facilities" and the leasehold titles to the respective "apartments" to be conveyed, shall not be separated or separately conveyed, and each said undivided interest shall be deemed to be conveyed or encumbered with its respective "apartment" even though the description in the instrument of conveyance or encumbrance may reflect only to the leasehold title to the "apartment". The proportionate shares of the separate owners of the respective "apartments" in the profits and common expenses in the "common areas and facilities" as well as their proportionate representation for voting purposes in the Association of Apartment Owners shall be the undivided interest shown in the attached Exhibit "A".

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

OWNERSHIP OF TITLE: A Certificate of Title issued March 19, 1973 prepared by Security Title Corporation, certifies that the Trustees of the Bernice P. Bishop Estate have title to the land committed to the project. Exhibits submitted as part of the Certificate of Title indicate that Kaiser Hawaii-Kai Development Company holds the development rights to said land by an unrecorded Development Agreement dated April 12, 1961. By contract dated May 25, 1972, a copy of which was filed with the Real Estate Commission, Kaiser Hawaii-Kai Development Company assigned its development rights to HERITAGE HOUSE PARTNERSHIP.

ENCUMBRANCES AGAINST TITLE: The Certificate of Title certify that there is no liens or encumbrances of whatsoever kind or nature against said title save and except the following: Reservation in favor of the State of Hawaii of all mineral and metallic mines reserved in Royal Patent No. 4475; Easement 4 (10 feet wide) for drainage purposes situate and running along the easterly boundary of Lot 3, as delineated on File Plan No. 1281; the terms and provisions of that certain unrecorded Development Agreement dated April 12, 1961, made by and between the TRUSTEES UNDER THE WILL AND OF THE ESTATE OF BERNICE P. BISHOP, DECEASED, as Owner, and KAISER HAWAII-- KAI DEVELOPMENT CO., a Nevada corporation, as Developer, as disclosed by that certain instrument dated May 1, 1969, recorded on June 4, 1969, in the Bureau of Conveyances of the State of Hawaii in Book 6542, Page 182; for any Taxes that may be due and owing on the land reference is hereby made to the Office of the Tax Assessor of the First Taxation Division.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated February 6, 1973, identifies Hawaii National Bank, a national banking association, organized under the laws of the United States of America, as Escrow Agent. On examination the specimen Contract of Sale and the executed Escrow Agreement are found to be in compliance with Hawaii Revised Statutes, Chapter 514, and particularly Hawaii Revised Statutes, Section 514-35 and Section 514-36 through Section 514-40.

Among other provisions the executed Escrow Agreement states that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all monies deposited with Escrow, without interest, (and less escrow \$15.00 cancellation fee), if any of the following events shall have occurred: (1) Escrow receives a written request from Developer to return to purchaser the funds of such purchase then held hereunder by Escrow; (2) If the purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the Condominium Building Plans, subsequent to the execution of purchaser's sales contract, requiring the approval of a County officer having jurisdiction over the issuance of permits for the construction of buildings, unless the purchaser is given the written approval or acceptance of such specific change; (3) If a purchaser's funds were obtained prior to the issuance of the Final Public Report and the request is prior to the time the Final Report is issued; (4) If the Final Public Report differs in any material respect from the Preliminary Public Report, unless the purchaser has given written approval or acceptance of the difference; (5) If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report. The Escrow Agreement also establishes other proceeds from the dwelling units and all sums received from any source are placed in trust, as well as the retention and disbursement of said funds from said trust.

The specimen Contract of Sales states that the terms of the Escrow Agreement are made a part of the Contract of Sale by reference. The specimen Contract of Sale sets forth the conditions upon which the purchaser may elect to avoid this Contract of Sale. The specimen Contract of Sale also provides that the Developer shall have the right to rescind the Contract of Sale if (1) The purchaser within

five (5) days after purchaser's receipt of the Final Public Report, shall not have given his receipt therefore; (2) If the purchaser fails to make a personal application for mortgage financing if required within ten (10) from the acceptance of the offer by the Sellers and thereafter to execute all documents required to close this transaction; (3) If the purchaser within ten (10) days from the mailing or delivery by the Sellers of a copy of a said Final Public Report fails to acknowledge receipt thereof or shall fail to give his written approval or acceptance to any change to any buildings plans if such written approval or acceptance is required or shall fail to give his written approval or acceptance of any said Final Public Report if the same differs from the Preliminary Public Report in any material aspect, all of which the purchaser may choose to do without penalty.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Contract of Sale and the executed Escrow Agreement.

MANAGEMENT AND OPERATIONS: The By-Laws empower the Board of Directors with the authority to acquire and pay for the services of a person or firm to manage the Horizontal Property Regime. Subject to the ratification and approval of the Association of Apartment Owners, the Developer has entered into a Property Management and Agency Agreement with Loyalty Enterprises, Inc..

STATUS OF PROJECT: No building contract has been executed; however, Developer and Dynamic Industries, Inc., a Hawaii corporation, have entered into a preliminary Letter of Intent whereby the latter will serve as general contractor. Construction on the project has not yet commenced.

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 February 8, 1973.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 525 filed with the Commission on February 8, 1973.

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. SODEYAMA,
Chairman, REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

Registration No. 525
April 26, 1973

EXHIBIT A

The following is a breakdown of the different apartments in terms of square footages and percent of common undivided interest. In calculating areas, all dimensions are taken from inside faces of party and exterior walls. The manager's apartment, 104, is not part of the common undivided interest in the following calculations.

<u>No. of Units</u>	<u>Apt. No.</u>	<u>Living Area</u>	<u>Lanai</u>	<u>Total Area</u>	<u>% of Common Undivided Interest</u>
17	100 thru 1800	1,035.1	104.4	1,139.5	.80209
84	102 thru 1802 204 thru 1804 106 thru 1806 108 thru 1808 110 thru 1810	935.5	104.4	1,039.9	.73198
* 1	104	701.5	104.4	805.9	
17	112 thru 1812	706.0	81.2	787.2	.53538
17	114 thru 1814	1,208.3	91.4	1,299.7	.92801

* manager's apartment

Apartment Nos. 100 thru 1800, 102 thru 1802, 204 thru 1804, 106 thru 1806, 108 thru 1808, 110 thru 1810 and 114 thru 1814 consist of six (6) rooms (2 baths, kitchen, 2 bedrooms and living-dining area)

Apartments No. 104 consist of five (5) rooms (1 bath, kitchen, 1 bedroom, living-dining area and office room)

Apartment Nos. 112 thru 1812 consist of four (4) rooms (1 bath, kitchen, 1 bedroom and living-dining area)