

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

KING CHARLES
1635 Clark Street
Honolulu, Hawaii

REGISTRATION NO. 586

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 18, 1975
Expires: May 18, 1976

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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JULY 2, 1973, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF APRIL 18, 1975. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514, HAWAII REVISED STATUTES.

1. King Charles is a proposed leasehold condominium project consisting of twelve (12) apartment units, arranged throughout a single, two-story building. There are twelve (12) parking stalls available.
2. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for 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 approved Floor Plans) have not yet been filed in the office of the recording officer.
4. Advertising and promotional matter has been filed pursuant to the rules and regulations of the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, April 18, 1975, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.
7. This Preliminary Public Report is made a part of the registration on KING CHARLES condominium project. The Developer is responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers, and for securing a signed copy of the receipt for Horizontal Property Regime Public Report from each prospective purchaser.

NAME OF PROJECT: KING CHARLES

LOCATION: The approximate 8,992 square feet of land to be committed to the regime is situated at 1635 Clark Street, Honolulu, Hawaii.

TAX KEY: First Division, 2-8-12-28

ZONING: A-4 (high-density apartment district)

DEVELOPER: Gordon Crabtree & Associates, Inc., a Hawaii corporation whose principal place of business and post office address is Suite 104, 210 Ward Avenue, Honolulu, Hawaii. The officers of Gordon Crabtree & Associates, Inc. are as follows:

Gordon W. Crabtree	--	President
Robert W. Amonn, Jr.	--	Senior Vice President
Maria Lowder	--	Vice President-Secretary
David Jeong	--	Treasurer

ATTORNEY REPRESENTING DEVELOPER: Wooddell, Mukai & Ichiki
 (Attention: Richard G. MacMillan), Suite 500, Alexander Young
 Building, Honolulu, Hawaii. Telephone: 531-6277.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the Project consists of an "L" shaped structure having two (2) floors and no basement, and containing twelve (12) apartment units (herein called "apartments"). The building is constructed principally of reinforced concrete, hollow-tile, aluminium, glass and allied building materials, with a concrete slab roof. The first floor contains six (6) apartments, two stairwells, a refuse disposal area and a connecting walkway. The second floor contains six (6) apartments, two stairwells, a refuse disposal area and a connecting walkway. The second floor contains six (6) apartments, two stairwells and an exterior concrete corridor running the length of both wings of the building.

Twelve (12) freehold estates are hereby designated in the spaces within the perimeter walls, floors and ceilings of each of the twelve (12) apartments of the Project. The type, size, location and appurtenant common interest of said apartments are as follows:

Apt. No.	Type of Unit	Percentage Common Interest	Floor	Enclosed Area (including walls) sq. ft.	Lanai Area sq. ft.
1	(A)	8.213%	1	644.44	141.62
2	(B)	8.761%	1	682.49	--
3	(C)	9.429%	1	734.54	199.10
4	(D)	7.851%	1	611.55	199.10
5	(D)	7.851%	1	611.55	199.10
6	(E)	7.835%	1	610.36	180.43
7	(A)	8.273%	2	644.44	61.75
8	(B)	8.761%	2	682.49	--
9	(C)	9.429%	2	734.54	101.33
10	(D)	7.851%	2	611.55	101.33
11	(D)	7.851%	2	611.55	101.33
12	(E)	7.835%	2	610.36	104.50

There are five (5) basic types of apartments: Types (A) through (E), inclusive. Although there are variations in the respective sizes and floor plans, each apartment contains five (5) rooms, consisting specifically of an entry, living-dining room, two bedrooms, kitchen and one bathroom. Apartment Nos.

2 and 8 are the only apartments which do not include an adjacent lanai. Each apartment has immediate access to its entries, and to the walkways and stairways, connecting the building to the 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 floor and ceilings surrounding each apartment, or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements. Each apartment shall be deemed to include the adjacent lanai, if any, all of the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings and all fixtures and appliances originally installed therein.

COMMON ELEMENTS: The Declaration identifies the following as common elements: (a) said land in fee simple; (b) all foundations, floors, girders, beams, supports, main or load-bearing walls, roofs, corridors, chases, entries, stairs, exterior stairways, walkways, entrances and exists of said building; (c) all yards, grounds, landscaping, refuse and like facilities; (d) all driveways and parking areas; (e) 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, air conditioning, refuse, telephone and radio and television signal distribution; (f) 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, and 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, which 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) The two exterior stairways leading to the second floor of the building shall be for the exclusive use of the apartments on the second floor served thereby; and

(b) One parking space designated on the Condominium File Plan by the number corresponding to the number of the apartment to which it is appurtenant shall be for the exclusive use of such apartment.

COMMON INTERESTS: The Declaration reflects that each apartment shall have appurtenant thereto an undivided percentage interest in the common elements of the Project (herein called the "common interest") as set forth under the topical heading "Description" hereinabove, and the same proportionate share in all common profits and expenses of the Project, and for all

other purposes, including voting.

RESTRICTION AS TO USE: The Declaration states that the apartments shall be occupied and 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, which are defined as (a) rental for any period less than 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 bellboy service. 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: The Developer in its Notice of Intention reports that ownership of title to the land is vested in Michael M. Ross and Annette Kay Ross, as tenants by the entirety. Developer has filed with the Commission a Preliminary Title Report dated March 13, 1975, issued by Hawaii Escrow & Title, Inc., which verifies that fee title to the land is vested in the above-named owners. Other information furnished to the Commission reflects that the property is subject to a master lease in favor of the King Charles Limited Partnership, which partnership has given the Developer an exclusive option to purchase said leasehold interest and the improvements on the land.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report reflects that the land is subject to the following reservations, easements, liens, encumbrances, etc.:

- (1) TAXES, first installment 1974-1975 paid, second installment due May 20, 1975.
- (2) RESTRICTIVE COVENANTS AND CONDITIONS as contained in that certain Deed dated July 26, 1920, recorded July 29, 1920 in Liber 553, Page 334, to-wit:

"That no malt, vinous, spirituous or intoxicating liquors of any kind shall ever be sold or exposed for sale, or manufactured on the said premises or any part thereof."
- (3) TERMS, COVENANTS AND CONDITIONS as contained in Lease, dated March 13, 1970, recorded October 28, 1970 in Liber 7253, Page 275, by and between Michael M. and Annette Kay Ross, as Lessors, and King Charles Limited Partnership, as Lessee. Said lease was subordinated to the mortgage described in (8) hereinbelow by instrument dated February 3, 1975 and recorded in Liber 10470, Page 264.
- (4) MORTGAGE executed by MICHAEL MARSHALL ROSS and ANNETTE KAY ROSS, husband and wife, in favor of HAWAII NATIONAL BANK, HONOLULU, a national banking association, in the amount of \$190,000.00, dated December 18, 1968, recorded December 19, 1968 in Liber 6340, Page 190.

- (5) MORTGAGE executed by MICHAEL MARSHALL ROSS, husband of Annette Kay Ross, in favor of FRANK CHRISTIAN COTY and JUNE TODA COTY, husband and wife, in the amount of \$82,000.00, dated November 19, 1968, recorded December 20, 1968 in Liber 6341, Page 218.
- (6) MORTGAGE AND SECURITY AGREEMENT executed by GORDON CRABTREE & ASSOCIATES, INC., a Hawaii corporation, general partner of King Charles Limited Partnership, in favor of MICHAEL MARSHALL ROSS and ANNETTE KAY ROSS, husband and wife, as Tenants by the Entirety, dated March 13, 1970, recorded October 28, 1970 in Liber 7253, Page 304.
- (7) BILL OF SALE executed by MICHAEL MARSHALL ROSS and ANNETTE KAY ROSS, husband and wife, as Tenants by the Entirety, to GORDON CRABTREE & ASSOCIATES, INC., a Hawaii corporation, general partner of King Charles Limited Partnership, dated March 13, 1970, recorded October 28, 1970 in Liber 7253, Page 299. (All furniture and fixtures.)
- (8) MORTGAGE executed by MICHAEL MARSHALL ROSS and ANNETTE KAY ROSS, husband and wife, in favor of FINANCE FACTORS, LIMITED, a Hawaii corporation, in the amount of \$78,139.30, dated February 3, 1975 and recorded February 20, 1975 in Liber 10470, Page 257. (As to the fee interest).

Note: The Commission has been furnished with a copy of an unrecorded option agreement, dated March 14, 1975, but effective January 1, 1975, by and between Developer and the King Charles Limited Partnership, the subject matter of which is said leasehold interest and improvements.

PURCHASE MONEY HANDLING: An executed Escrow Agreement for King Charles, dated August 30, 1973, identifies Hawaii Escrow & Title, Inc., as the escrow agent. Upon examination of the Escrow Agreement, it is found to be in consonance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-35 through Section 514-40.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a refund on his funds, without interest, if purchaser requests in writing refund of his funds and any one of the following has occurred:

- (a) Developer has requested Escrow in writing to return to purchaser the funds of purchaser then being held by Escrow; or
- (b) Purchaser's funds were obtained prior to the issuance of a final public report and there is a change in the condominium building plans subsequent to execution of purchaser's sales contract requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings unless purchaser has given written approval of acceptance of the specific change; or

(c) If purchaser's funds are obtained prior to the issuance of the final public report, the final public report differs in any material respect from any preliminary public report unless the purchaser has given written approval or acceptance of the difference; or

(d) If the final public report is not issued within one year from the date of issuance of any preliminary public report.

Purchaser or prospective purchasers should also be cognizant that the Deposit Receipt and Sales Contract provides that the Developer may cancel such contract, at its option, and refund to buyers all monies paid without interest, in the event that less than nine apartments are sold prior to March 1, 1976.

It is incumbent upon purchasers and prospective purchasers that they read with care the Deposit, Receipt and Sales Contract and the Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of apartments and all sums from any source are to be placed in trust, as well as the retention and disbursement of said trust funds.

MANAGEMENT AND OPERATION: The By-Laws of the Association of Apartment Owners of King Charles provide that the Board of Directors of King Charles shall employ a responsible Hawaii corporation as Managing Agent to manage and control the project subject at all times to direction of the Board with all administrative functions at such compensation as the Board may establish, subject to prior approval of every such employment contract by a majority of apartment owners and the fee simple landowner. The Developer reports that the initial Managing Agent of the Project shall be Gordon Crabtree & Associates, Inc., 210 Ward Avenue, Honolulu, Hawaii.

STATUS OF PROJECT: Information furnished to the Commission indicates that the Project is an existing apartment building which was completed in 1957.

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 July 2, 1973, and additional information subsequently filed as late as April 18, 1975.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT and is made a part of REGISTRATION NO. 586 filed

with the Commission on July 2, 1973. 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.

Al. R. Sodevani

(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

Registration No. 586
April 18, 1975