

REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

ON

CANAL HOUSE
2611 Ala Wai Blvd.
Honolulu, Hawaii

REGISTRATION NO. 651

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 until

- (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: February 19, 1974
Expires: March 19, 1975

SPECIAL ATTENTION

A comprehensive reading of this report by prospective purchasers 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 TO THE COMMISSION JANUARY 14, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. The CANAL HOUSE is a proposed leasehold condominium project consisting of one hundred forty-four (144) one bedroom apartment units arranged throughout a single 24-story building, with a six-level parking structure containing one hundred eighty-one (181) parking spaces.

2. This Final Public Report is made a part of the registration on the Canal House project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers. Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.
3. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report. The Developer has complied with Sec. 514-15, Hawaii Revised Statutes, and has fulfilled the requirements for the issuance of this Final Public Report prior to completion of construction of the project.
4. The Developer, under date January 14, 1974 reports that the basic documents have been filed in the office of the recording officer. The Declaration of Horizontal Property Regime with By-Laws of the Association of Apartment Owners attached, was recorded on January 4, 1974 in the Bureau of Conveyances of the State of Hawaii in Liber 9678, Page 64. Condominium Map No. 329 showing the layout, location, apartment numbers, etc., was also recorded in the Bureau of Conveyances on January 4, 1974.
5. Advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
6. 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 the Horizontal Property Act.
7. This Final Public Report expires thirteen (13) months from date of issuance on February 19, 1974 unless a supplementary report is published or the Commission upon review of the registration issues an order extending the effective period of this report.

NAME OF PROJECT: CANAL HOUSE

LOCATION: The approximately 20,738 sq. ft. of land to be committed to the regime is situated at Ala Wai Boulevard and Ainakea Way, Honolulu, Hawaii.

TAX KEY: First Division 2-6-20-01, 10, 36 & 46.

ZONING: Hotel - Apartment

DEVELOPER: A & E Corporation, a Hawaii corporation whose principal place of business and post office address is 1600 Kapiolani Blvd., Honolulu, Hawaii. Telephone: 946-1631.

ATTORNEY REPRESENTING DEVELOPER: Axel Ornelles, 745 Fort Street, Honolulu, Hawaii. Telephone: 538-1991.

DESCRIPTION: This will be a leasehold condominium complex consisting of a 24 story reinforced concrete building containing 144 one bedroom apartment units. There will be a swimming pool and two sauna baths located on the second level, and 181 parking spaces located on the first through sixth level. Each unit will be numbered as shown on the floor plans filed with the Declaration in the office of the recording officer and is in accordance with said plans.

(a) Eight (8) apartments are located on each of the 18 apartment floors which are designated seven through twelve and fourteen through twenty-five. Each apartment consists of one bedroom, one bath, a kitchen and a living-dining room for an enclosed area of approximately 598 sq. ft., plus a lanai of approximately 43 sq. ft. The building facilities are located as indicated below. Apartments with numbers ending in the digit "1" are closest to the elevators, those ending in the digit "2" are next in line and so on. Except as otherwise indicated the apartments are numbered with the number of the floor followed by "0" and the final digit indicates the location of the apartment on each floor, as follows:

First Level	Parking
Second Floor	Pool, Sauna baths, Parking
Third Floor	Parking
Fourth Floor	Parking
Fifth Floor	Parking
Sixth Floor	Parking
Seventh Floor	701, 702, 703, 704, 705, 706, 707, 708
Eighth Floor	801, 802, 803, 804, 805, 806, 807, 808
Ninth Floor	901, 902, 903, 904, 905, 906, 907, 908
Tenth Floor	1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008
Eleventh Floor	1101, 1102, 1103, 1104, 1105, 1106, 1107, 1108
Twelfth Floor	1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208
Fourteenth Floor	1401, 1402, 1403, 1404, 1405, 1406, 1407, 1408

Fifteenth Floor	1501, 1502, 1503, 1504, 1505, 1506, 1507, 1508
Sixteenth Floor	1601, 1602, 1603, 1604, 1605, 1606, 1607, 1608
Seventeenth Floor	1701, 1702, 1703, 1704, 1705, 1706, 1707, 1708
Eighteenth Floor	1801, 1802, 1803, 1804, 1805, 1806, 1807, 1808
Nineteenth Floor	1901, 1902, 1903, 1904, 1905, 1906, 1907, 1908
Twentieth Floor	2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008
Twenty First Floor	2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108
Twenty Second Floor	2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208
Twenty Third Floor	2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308
Twenty Fourth Floor	2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408
Twenty Fifth Floor	2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508

The immediate common element to which each apartment has access is a corridor to the rear of the building leading to the elevators.

(b) 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 or service 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 be deemed to include all 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, including the air space bounded by the lanai railings, and all fixtures originally installed therein.

COMMON ELEMENTS: The Declaration states that the common elements of the project include the following:

- (a) Said land in fee simple;
- (b) The four Master Leases hereafter described;
- (c) All foundations, columns, girders, beams, supports, bearing walls, roofs, chases, entry halls, stairs, walkways, entrances and exits of said buildings;

- (d) All yards and refuse areas;
- (e) All parking areas;
- (f) All ducts, electrical equipment, wiring and other central and appurtenant installations for services including power, light, cold and hot water, air conditioning, refuse and telephone;
- (g) Two automatic electric passenger elevators with elevator housing and appurtenant equipment;
- (h) The swimming pool and sauna baths;
- (i) All other parts of the project necessary or convenient to its existence, maintenance and safety or normally in common use for the operation of the building or the common elements.

LIMITED COMMON ELEMENTS: The limited common elements, according to the Declaration, shall consist of one parking stall for the exclusive use of each unit and designated on the floor plans to be placed on record by a number corresponding to the number of such unit.

INTEREST TO BE CONVEYED PURCHASER: Each apartment unit shall have appurtenant thereto an equal undivided 0.694+ percentage (1/144) interest in the common elements as specified and established in the Declaration for such, and known as the "common interest." The aggregate of the common interests of all the owners shall be the basis for determination of assessments and allocations of common expenses, division and distribution of common profits, for voting in the Association of CANAL HOUSE Condominium Apartment Owners, and for all other related purposes.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The entire building is intended for residential use and shall be used for no other purpose, in accordance with the terms of the Declaration, the By-Laws of the Association of Canal House Condominium Apartment Owners, and the House Rules, as they exist or as they may be amended from time to time, and each Owner shall also observe, comply with and perform all applicable laws, ordinances and rules and regulations of all governmental agencies.

OWNERSHIP TO TITLE: A certificate of title prepared January 4 , 1974 by Title Guaranty of Hawaii shows that title to the four parcels of land committed to the regime is vested as follows:

- a) Yun Fong Ching, et al, as to the parcel of land described as Exhibit "A" attached to the Declaration
- b) Guy C. Marshall, husband of Hilda P. Marshall, as to the parcel of land described as Exhibit "B" attached to said Declaration
- c) Arthur M. Emes and Margaret A. Emes as to the parcel of land described as Exhibit "C" attached to said Declaration

d) George W. McLaughlin and Elizabeth Baker McLaughlin as to the parcel of land described as Exhibit "D" attached to said Declaration.

ENCUMBRANCES AGAINST TITLE: A certificate of title prepared January 4, 1974 by Title Guaranty of Hawaii shows the following encumbrances against the four parcels of land submitted to the regime:

a) Declaration of Horizontal Property Regime of Canal House and the By-Laws attached thereto dated November 14, 1973 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9678, Page 64. The required floor plans are filed as Condominium Map No. 329.

b) Lease dated October 30, 1973 between YUN FONG CHING, et al as Lessor and A & E CORPORATION as Lessee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9575, Page 408.

c) Lease dated October 12, 1973 between GUY C. MARSHALL, as Lessor and A & E CORPORATION as Lessee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9547, Page 48.

d) Lease dated September 19, 1973 between ARTHUR M. EMES and MARGARET A. EMES as Lessor and A & E CORPORATION as Lessee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9575, Page 475.

e) Lease dated September 19, 1973 between GEORGE W. McLAUGHLIN and ELIZABETH BAKER McLAUGHLIN as Lessor and A & E CORPORATION as Lessee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9576, Page 1.

f) Trust dated Dec. 28, 1971 recorded in Liber 8054, Page 315.

g) Trust dated Dec. 20, 1973 recorded in Liber 9658, Page 22.

h) As to parcel fourth:

1) Reservation in favor of Harry Halpern and Fannie Halpern of a perpetual easement or right of way over the passage of foot passengers and vehicles upon, along and over a portion of the within premises, as mentioned in deed dated February 9, 1961, recorded in Liber 4003 at Page 487.

2) Reservation of the right to lay sewers and other utilities, along the boundary lines of the land under search using such width of ground for the same as may be reasonably necessary, as mentioned in said deed dated February 9, 1961, recorded in Liber 4003 at Page 487.

TAXES FOR 1974: Real property taxes for the year 1974 are a lien.

STATUS OF PROJECT: A building contract was executed on October 30, 1973 between A & E CORPORATION as "Owner" and SWINERTON & WALBERG as Contractor. The Developer has advised the commission that

construction began on November 1, 1973 and that the building will be completed and ready for occupancy by February, 1975.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement, executed December 28, 1973 between National Escrow and Title Corporation as Escrow and A & E Corporation as Developer, has been submitted to the Commission as part of this registration. The specimen Contract of Sale and the executed Escrow Agreement have been examined. The documentation provides that the sale contract will not become effective until the Commission issues its Final Public Report on the project and the purchaser has given his receipt for a copy of same.

The developer has advised the Commission that the specimen Deposit, Receipt, and Sales Contract shows that if less than seventy-five (75%) percent of the apartments are sold as of August 1, 1974, the Seller may cancel this agreement at its option and refund to buyer all monies paid.

The developer has also advised the Commission that if at any time during the period of the said contract agreement the Purchaser's credit shall be found unsatisfactory to Seller, or financing becomes unavailable to Purchaser or Seller, Seller may, at its option, cancel said agreement and refund all monies to Purchaser.

Trust funds will be returned at purchasers' written requests if there is any change in the condominium building plans subsequent to execution of the Contract of Sale requiring approval of a County or City and County Officer having jurisdiction over issuance of permits for construction of buildings, unless purchasers agree in writing to such change. It is incumbent upon the purchaser and prospective purchaser that he reads, with care, the Contract of Sale and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of units and all sums from any source are placed in trust, as well as the retention, disbursement and refund of said trust funds.

MANAGEMENT AND OPERATION: The Declaration of Horizontal Property Regime states that the administration of the project shall be vested in the Association of Canal House Condominium Owners, whose members include all of the owners of apartment units, in accordance with the By-Laws of the Association. The By-Laws vest the Board of Directors with the authority to employ and at all times maintain a responsible managing agent. The specimen Contract of Sale represents that the Developer will employ Bishop Trust Co. Ltd., 140 South King Street, Honolulu, Hawaii, as the first Managing Agent.

FINANCING OF PROJECT: The Developer has complied with the provisions of Section 514-15 of the Hawaii Revised Statutes by filing with the Commission the following:

1. Developer's notarized statement showing all costs involved in completing the project.
2. Developer's notarized estimate of the time of completion of construction of February 1, 1975.

3. Developer's notarized statement that the total project cost will be covered with funds from a construction loan made by Hawaii Western Mortgage Corporation.
4. Copy of executed Construction Contract dated October 30, 1973.
5. Copy of Promissory Note dated October 30, 1973 signed by A & E Corporation in favor of Hawaii Western Mortgage Corporation in the sum of \$4,800,000.

The Purchaser or prospective purchaser should be cognizant of the fact that the published report represents information disclosed by the Developer in the Required Notice of Intention submitted January 14, 1974.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 651 filed with the Commission on January 14, 1974.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock used in supplying facsimilies shall be white.


(for) DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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ESCROW AGENT

Registration No. 651
February 19, 1974