

**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**  
ALOHA TOWERS

Waikiki, Oahu, Hawaii

REGISTRATION NO. 708

**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 thereafter 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: August 8, 1974  
Expires: September 8, 1975

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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 1, 1974, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF AUGUST 7, 1974. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Aloha Towers is a proposed leasehold condominium project consisting of two (2) towers. The tower on the Ewa side of Lewers Street shall be designated as Tower One and the tower on the Diamond Head side of Lewers Street shall be designated as Tower Two. Tower One has thirty (30) levels including the basement and parking levels, and

contains one hundred twenty-four (124) residential units, one (1) commercial unit and two hundred twenty-two (222) parking stalls. Tower Two has eighteen (18) levels including parking levels, and contains seventy-two (72) residential units and fifty-eight (58) parking stalls. The Developer intends to sell the residential units and the commercial unit together with an undivided interest in the common elements of the project (exclusive of land) and to assign leases of undivided interests in the land. Purchasers are advised to study the Surrender clause contained in paragraph 20(d) in the Sales Contract which prohibits assignment of the Sales Contract.

2. The basic documents (Declaration of Horizontal Property Regime, with By-Laws of Association of Owners attached, and a copy of the approved Floor Plans) have not been filed as of this date in the office of the recording officer.
3. This Preliminary Public Report is made a part of the registration on the ALOHA TOWERS condominium project. The Developer is responsible for placing 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 purchaser and prospective purchaser.
4. 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 Preliminary Public Report.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. No advertising or promotional matter has been submitted pursuant to the Rules and Regulations promulgated by the Commission.
7. This Preliminary Public Report automatically expires 13 months after date of issuance, August 8, 1974, unless a Supplementary Public Report issues or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: ALOHA TOWERS

LOCATION: Approximately 45,269 square feet of land committed to the regime is situate on Lewers Street, Waikiki, City and County of Honolulu, State of Hawaii.

TAX KEY: FIRST DIVISION 2-6-17-5, 2-6-17-83 and 2-6-20-29

ZONING: H-2

DEVELOPER: S. P. L. International Hawaii Limited, a Hawaii corporation, Suite 2200, Pacific Trade Center, Honolulu, Hawaii, and whose telephone number is 524-5112.

Officers: Frederick U. Simms - President  
James H. Case - Vice President  
James R. Keegan - Secretary  
John E. deB. Blockey - Treasurer

ATTORNEYS REPRESENTING DEVELOPER: The attorneys representing the Developer are Carlsmith, Carlsmith, Wichman and Case (James H. Case), 22nd floor, Pacific Trade Center, Honolulu, Hawaii, phone 524-5112.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime, as submitted to the Commission, states that Tower One and Tower Two and their respective appurtenances will constitute a unified condominium project. Tower One will consist of thirty (30) levels including the basement level, with parking stalls located on portions of the first five (5) levels of the building including the basement level and will contain a total of one hundred twenty-four (124) residential units and one (1) commercial unit. Tower Two will consist of eighteen (18) levels with parking stalls located on portions of the first two levels and will contain a total of seventy-two (72) residential units. In addition, the project will contain two swimming pools and other recreational facilities. Both Towers will be constructed principally of reinforced concrete floor and roof slabs and concrete beams, columns and walls. The Developer intends to sell the residential units and the commercial unit, together with an undivided interest in the common elements of the project (exclusive of the land) and to assign leases of undivided interests in the land to third persons. The condominium units are arranged as follows:

(a) Tower One. Tower One contains one hundred twenty-four (124) residential units and one commercial unit. Excluding the basement level, the levels in Tower One are given floor numbers 1 through 12 and 14 through 30 in ascending order. The basement level through the fourth level, inclusive, are parking levels. The residential units begin on the fifth level (recreation deck level). Each residential unit is given a designation beginning with the floor number. There are no units commencing with the numeral 13. Except for the fifth level (recreation deck level), the residential unit in the northern corner on each level is given a designation ending in 01 with the designation numerically increasing clockwise on each level.

There are nine (9) types of residential units in Tower One: Types A through I, inclusive.

Type A includes a living room, kitchen, two lanais, two bedrooms, with one of the bedrooms having a walk-in closet, two baths, with one of the baths containing a dressing area, approximately 1,094 square feet (110 of lanai).

Type B includes a living room, kitchen, two lanais, two bedrooms, with one of the bedrooms having a walk-in closet, two baths, with one of the baths containing a dressing area, approximately 1,108 square feet (123 of lanai).

Type C includes a living room, kitchen, lanai, one bedroom, one bath, approximately 785 square feet (81 of lanai).

Type D includes a living room, kitchen, lanai, one bedroom, one bath, approximately 687 square feet (96 of lanai).

Type E includes a living room, kitchen, lanai, one bedroom, one bath, approximately 761 square feet (68 of lanai).

Type F includes a living room, kitchen, three lanais, one bedroom, one bath, approximately 1,051 square feet (265 of lanai) plus 1,471 square feet of garden area.

Type G includes a living room, kitchen, two lanais, two bedrooms, two baths, approximately 1,501 square feet (416 of lanai) plus 528 square feet of garden area.

Type H includes a living room, kitchen, two lanais, one bedroom, one bath, approximately 1,055 square feet (337 of lanai) plus 618 square feet of garden area.

Type I includes a living room, kitchen, two lanais, one bedroom, one bath, approximately 1,338 square feet (636 of lanai) plus 1,283 square feet of garden area.

All unit numbers ending in 01 in Tower One are Type A. Unit number 502 is Type F and all other apartment numbers ending in 02 are Type B. Apartment number 503 is Type G and all other apartment numbers ending in 03 are Type C. Apartment number 504 is Type H and all other apartment numbers ending in 04 are Type D. Apartment number 505 is Type I and all other apartment numbers ending in 05 are Type E.

The percentage of common interest of each of the residential units in Tower One is as follows:

TOWER ONE

<u>Unit No.</u>	<u>Percentage Common Interest</u>	<u>Unit No.</u>	<u>Percentage Common Interest</u>
502	.4795	801	.4966
503	.6507	802	.5137
504	.4795	803	.4110
505	.4452	804	.4452
601	.4800	805	.3767
602	.4966	901	.4966
603	.3943	902	.5137
604	.4281	903	.4110
605	.3767	904	.4452
701	.4966	905	.3939
702	.4966	1001	.4971
703	.4110	1002	.5137
704	.4281	1003	.4110
705	.3767	1004	.4452
		1005	.3939

<u>Unit No.</u>	<u>Percentage Common Interest</u>	<u>Unit No.</u>	<u>Percentage Common Interest</u>
1101	.5137	2201	.5480
1102	.5137	2202	.5651
1103	.4114	2203	.4624
1104	.4452	2204	.4799
1105	.3939	2205	.4281
1201	.5137	2301	.5485
1202	.5309	2302	.5651
1203	.4281	2303	.4624
1204	.4456	2304	.4966
1205	.3939	2305	.4281
1401	.5137	2401	.5651
1402	.5309	2402	.5651
1403	.4281	2403	.4624
1404	.4624	2404	.4966
1405	.3939	2405	.4452
1501	.5137	2501	.5651
1502	.5309	2502	.5656
1503	.4281	2503	.4624
1504	.4624	2504	.4966
1505	.4110	2505	.4452
1601	.5309	2601	.5822
1602	.5309	2602	.5822
1603	.4281	2603	.4628
1604	.4624	2604	.4966
1605	.4110	2605	.4452
1701	.5309	2701	.5655
1702	.5480	2702	.5822
1703	.4452	2703	.4795
1704	.4628	2704	.4971
1705	.4110	2705	.4452
1801	.5309	2801	.5822
1802	.5480	2802	.5822
1803	.4452	2803	.4795
1804	.4795	2804	.5137
1805	.4110	2805	.4452
1901	.5314	2901	.5822
1902	.5480	2902	.5827
1903	.4452	2903	.4795
1904	.4795	2904	.5137
1905	.4281	2905	.4624
2001	.5480	3001	.5822
2002	.5480	3002	.5994
2003	.4452	3003	.4795
2004	.4795	3004	.5137
2005	.4281	3005	.4624
2101	.5480		
2102	.5651		
2103	.4456		
2104	.4795		
2105	.4281		

In addition to the residential units in Tower One, there is one commercial unit on level One (a parking level), located at the southern corner, which consists of one room, but subject to partition, approximately 1,600 square feet, and a .7706 percentage common interest.

(b) Tower Two. Tower Two contains seventy-two (72) residential units. The levels in Tower Two are given floor numbers 1 through 12 and 14 through 19 in ascending order.

Level one and two, inclusive, are parking levels. The residential units begin on the third level (recreation deck level). Each residential apartment is given a designation beginning with the floor number. There are no residential apartments commencing with the numeral 13. Except for the third and nineteenth levels (recreation deck and penthouse levels respectively), the residential apartment in the northern corner on each level is given a designation ending in 01 with the designation numerically increasing clockwise on each level.

There are seven (7) types of residential units in Tower Two: Types J through P, inclusive.

Type J includes a living room, kitchen, lanai, two bedrooms, two baths, approximately 1,229 square feet (74 of lanai).

Type K includes a living room, kitchen, lanai, two bedrooms, two baths, approximately 1,229 square feet (74 of lanai).

Type L includes a living room, kitchen, lanai, two bedrooms, two baths, approximately 1,188 square feet (74 of lanai).

Type M includes a living room, kitchen, lanai, one bedroom, one bath, approximately 801 square feet (60 of lanai).

Type N includes a living room, kitchen, lanai, two bedrooms, two baths, approximately 1,188 square feet (74 of lanai).

Type O, the only residential unit on the third level (recreation deck level), includes a living room, dining room, office, two kitchens, breakfast area, four lanais, two bedrooms, three baths, storage room, approximately 2,550 square feet plus 2,554 square feet of garden-lanai area.

Type P, the only residential unit on the nineteenth level (penthouse level) includes a living room, kitchen-dining area, three bedrooms, three baths, approximately 2,260 square feet plus 4,386 square feet of open roof garden.

All unit numbers ending in 01 in Tower Two are Type J. All unit numbers ending in 02 are Type K. All unit numbers ending in 03 are Type L. All unit numbers ending in 04 are Type M. All unit numbers ending in 05 are Type N. Unit number 300 is Type O and unit number 1900 is Type P.

The percentage of common interest of each of the residential units in Tower Two is as follows:

TOWER TWO

<u>Unit No.</u>	<u>Percentage Common Interest</u>	<u>Unit No.</u>	<u>Percentage Common Interest</u>
300	1.3700		
401	.5480	501	.5480
402	.5309	502	.5309
403	.5309	503	.5309
404	.3425	504	.3425
405	.5309	505	.5309

Unit No.	Percentage Common Interest	Unit No.	Percentage Common Interest
601	.5480	1201	.5022
602	.5314	1202	.5651
603	.5314	1203	.5651
604	.3425	1204	.3596
605	.5314	1205	.5651
701	.5480	1401	.5822
702	.5480	1402	.5651
703	.5480	1403	.5651
704	.3425	1404	.3596
705	.5480	1405	.5651
801	.5651	1501	.5822
802	.5480	1502	.5656
803	.5480	1503	.5656
804	.3425	1504	.3596
805	.5480	1505	.5656
901	.5651	1601	.5822
902	.5480	1602	.5822
903	.5480	1603	.5822
904	.3430	1604	.3596
905	.5480	1605	.5822
1001	.5651	1701	.5994
1002	.5651	1702	.5822
1003	.5651	1703	.5822
1004	.3596	1704	.3767
1005	.5651	1705	.5822
1101	.5651	1801	.5994
1102	.5651	1802	.5822
1103	.5651	1803	.5822
1104	.3596	1804	.3767
1105	.5651	1805	.5822
		1900	1.4386

The common interest of each unit is based upon the entire project which consists of 197 units in Tower One and Tower Two.

The foregoing areas for units in both Towers are computed from the outside faces of exterior walls and the centerlines of party walls.

Each residential unit has immediate access to the hallway on its level and to the stairways and elevators between floors of the building.

A refrigerator, range top, single oven, disposal, dishwasher and combination clothes washer and dryer, are included with each residential apartment.

BOUNDARY LINE: The respective residential units and commercial unit will not include the undecorated or unfinished surfaces of the perimeter walls, the interior party walls, or the floors and ceiling which surround the units or any pipes, shafts, wires, conduits or other utility or service lines, running through such units which are utilized for or which serve more than one condominium unit. Subject to the

foregoing, each residential unit shall include the adjacent lanai or lanais and adjacent garden area or areas for apartments 502 through 505, inclusive, in Tower One and Apartment 300 in Tower Two, and each unit shall 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, the exterior of the lanai railing and all air space encompassed within the unit, together with fixtures and other such improvements located therein.

The proposed Declaration of Horizontal Property Regime provides that, with the prior written approval of the owners of condominium units to which is appurtenant not less than seventy-five percent (75%) of the common interests, the Lessor shall have, reserved solely to it, the power to amend the Declaration or the By-Laws in derogation of the rights of Lessor contained therein; to determine not to repair, rebuild or restore the project in the event of damage or destruction of all or any part thereof; to remove the project from the provisions of the Horizontal Property Act; and to prosecute an action for partition.

The proposed Declaration further provides that the Lessor reserves the right, without the consent or joinder of Lessee, to cancel the Declaration and By-Laws and the Apartment Leases and to remove the project from under the provisions of said Horizontal Property Act if, for any reason, Lessee abandons development of the project after it has commenced but not completed construction of said buildings and other improvements, and after the Master Lease has been cancelled and the Apartment Leases have been issued in substitution therefor.

COMMON ELEMENTS: An estate consisting of all remaining portions of the project being described and referred to in the Declaration as "Common Elements", which definition includes, but is not limited to:

- (a) Said land;
- (b) All foundations, floor slabs, columns, girders, beams, supports, bearing walls, roofs, lobbies, stairs, stairways, walkways, hallways, corridors, entrances, and exits;
- (c) All parking areas, loading docks, ramps, and driveways;
- (d) All common recreational facilities including the swimming pools;
- (e) All common storage and service rooms;
- (f) All central appurtenant installations for common services;
- (g) All elevators and, in general, all apparatus and installations for common use;
- (h) All other parts of the project necessary or convenient to its existence, maintenance, and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the Common Elements, herein called and designated as "Limited Common Elements", will be set aside and reserved for the exclusive use of certain units as follows:

One (1) parking space shall be appurtenant to and for the exclusive use of each of the residential units; four (4) or more parking spaces shall be appurtenant to and for the exclusive use of the commercial unit; (twelve [12] or more parking spaces shall be allocated for visitor parking). The balance of the total number of parking spaces shall be available for sale to owners of units as limited common elements, and such spaces shall be appurtenant to and for the exclusive use of the unit whose owner has purchased such parking space. Developer reserves the right to designate by amendment to the Declaration the particular space or spaces to be appurtenant to each residential unit and the commercial unit.

All components of any utility system, including but not limited to electric and water cooling systems, together with such systems' appurtenant ducts and equipment, and any other element, serving only the commercial unit shall be appurtenant to and for the exclusive use of the commercial unit.

INTEREST TO BE CONVEYED PURCHASER: Each unit according to its type and location shall have appurtenant thereto an undivided percentage interest called the "Common Interest" in the Common Elements for all purposes, including voting, as indicated above.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration of Horizontal Property Regime states that the purposes for which the building and other improvements and each of the condominium units are intended and shall be restricted as to use are as follows:

(a) The residential units shall be occupied and used as residences either permanent or temporary. The residential apartments shall be occupied and used for no other purposes. Subject to the provisions of paragraph (c) hereof, the commercial unit shall be used for any lawful purpose. The residential apartment owners and the commercial unit owner shall have the absolute right to rent or lease their units, subject to the limitations, restrictions, covenants and conditions contained in the Declaration or in the By-Laws.

(b) Subject to the provisions of the following paragraph (c), the By-Laws and House Rules, the owner of a residential unit and the owner of the commercial unit may, with the prior written consent of the Board of Directors, make additions to or alterations of an apartment and may in the case of an owner of adjoining apartments, make alterations of the party walls common to and between the apartments jointly owned.

(c) The owner of a condominium unit shall not use the same for any purpose which will injure the reputation of the project. Such owner shall not suffer anything to be done or kept in said condominium unit or elsewhere on the project which will jeopardize the soundness of the building or premises, or which will interfere with or unreasonably disturb the rights of other owners, or which will obstruct the public halls or stairways of the building or which will increase the rate of fire insurance on any building or the contents thereof or which will reduce the value of the premises.

OWNERSHIP TO TITLE: The evidence of title prepared on July 30, 1974 by Title Guaranty of Hawaii Incorporated, a copy of which has been filed with the Commission, shows the title to the land is vested in Lum Yip Kee, Limited, a Hawaii corporation.

ENCUMBRANCES AGAINST TITLE: The search of title reflects:

(1) Real Property Taxes for the fiscal year July 1, 1974-June 30, 1975 are now a lien.

(2) Further:

(a) As to PARCEL FIRST:

1. Grant of right of way in favor of the City and County of Honolulu for sewer main purposes over and across Lot 2-B, dated October 30, 1928, and filed as Document No. 16838.

2. Easement "A" for public utilities purposes over and across Lot 1-D-2, the northerly portion of Lot 1-A, the easterly portion of Lot 1-D-1-B, and the northwesterly corner of Lot 1-D-3, as shown on Map 7, filed with Land Court Application No. 782, as set forth by Land Court Order No. 5275, filed on January 21, 1943.

The foregoing encumbrances are mentioned in or noted on Transfer Certificate of Title No. 11,207 issued to Lum Yip Kee, Limited.

(b) As to PARCEL SECOND: Easement "A" for public utilities purposes over and across the rear portion of Lot 4-A-2, as shown on Map 3, filed in Land Court Application No. 826, as set forth in Land Court Order No. 5274, filed on January 20, 1943, which encumbrance is mentioned in Transfer Certificate of Title No. 155,200 issued to Lum Yip Kee, Limited; together with all of Lessor's estate, right, title, and interest in and to, an unregistered lease dated January 2, 1973, in favor of Hawaiian Electric Company, Inc. demising Lot 4-A-2 for a term beginning January 2, 1973, and ending December 31, 1974, and an unregistered letter of agreement dated September 27, 1972, by and between Lessor and Hawaiian Electric Company, Inc.

(c) As to PARCEL THIRD: Easement "A" for public utilities purposes over and across the northwesterly portion

of Lot 4-B, as shown on Map 3, as set forth in Land Court Order No. 5274, which encumbrance is mentioned in Transfer Certificate of Title No. 27,280 issued to Lum Yip Kee, Limited.

(d) As to PARCEL FOURTH:

1. Judgment and final order of condemnation dated April 11, 1968, in favor of the City and County of Honolulu condemning an easement for sewer purposes over and across a portion of Lot 6, filed as Document No. 441474.

2. Easement for sanitary sewer purposes over and across said Lot 6, pursuant to Document No. 441474, as shown on Map 6, filed with Land Court Application No. 811, as set forth by Land Court Order No. 28807, filed on August 2, 1968.

The foregoing encumbrances are noted on Transfer Certificate of Title No. 20,396 issued to Lum Yip Kee, Limited.

PURCHASE MONEY HANDLING: An Escrow Agreement dated July 30, 1974, has been executed and a copy of same has been filed with the Commission. The Escrow Agent is Bank of Hawaii. Upon examination the Specimen Sales Contract and the executed Escrow Agreement are found to be in consonance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-15(6) and 514-36 through 514-40.

Among other provisions, the Escrow Agreement provides that if at any time, (a) Escrow receives a written request, from Seller to return to a purchaser such purchaser's funds held hereunder by Escrow, or (b) Seller shall notify Escrow in writing that Seller or a purchaser has exercised the option of cancellation in the event construction shall not have been completed by the time provided in such Sales Contract, then in any such event Escrow shall return such purchaser's funds, without interest, and without deduction, together with such Sales Contract, marked "cancelled", and Seller and purchaser shall be deemed no longer held thereunder. If at the time of execution of the Sales Contract, a Final Public Report has not been issued by the State Real Estate Commission with respect to the project, then the following limitations shall apply: (1) Purchaser's funds obtained prior to the issuance of a Final Report shall be refunded if there is any change in the condominium building plans subsequent to the execution of the Sales Contract, which change requires the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless purchaser's written approval or acceptance of the specific change is obtained. (2) All rights under the Sales Contract shall not become enforceable against the purchaser until the purchaser has had a full opportunity to read the State Real Estate Commission's Final Public Report on the project and to obtain refund of any moneys paid by the purchaser as well as release from all obligations under the Sales Contract if the Final Report differs in any material respect from the Preliminary Report. (3) If the Final Public Report is not issued within one year from the date of the issuance of said Preliminary Report, the purchaser shall be entitled to refund of all moneys paid by him under the Sales

Contract without further obligation. (4) All moneys paid by the purchaser prior to the issuance of said Final Report shall be deposited in trust with the Escrow, and the Escrow is hereby instructed that no disbursements shall be made from such trust fund on behalf of the Seller until the Sales Contract has become effective, and the requirements of Sections 514-36 through 39, Hawaii Revised Statutes, have been met.

Among other provisions, the specimen Sales Contract provides that in the event less than 100 Apartments are sold prior to December 1, 1974, Seller may at its option cancel this Sales Contract, and all sums paid by the Buyer thereunder shall be refunded without interest, and upon tender of such refund, the parties shall be released from all obligations to each other thereunder.

Further, the Sales Contract provides that Seller expressly reserves the right to sell or lease unsold Apartments free from any restrictions on such sale or lease which may, under the Declaration and By-Laws, apply to Buyer.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement. The latter Agreement establishes how the proceeds from the sale of condominium units are placed in trust, as well as the retention and disbursement of said funds.

MANAGEMENT AND OPERATIONS: The Specimen By-Laws of the Association of Owners vest the Board of Directors with the powers and duties necessary for the administration of the affairs of the project. The Board of Directors may employ necessary personnel to carry out management and operation of the project.

FINANCING OF PROJECT: The financing of the project will be done by the Bank of Hawaii. The cost of the project is unknown as yet.

STATUS OF PROJECT: Construction of the project has not yet begun.

The specimen Sales Contract provides that the estimated completion dates for Towers One and Two stated to be on or before July 1, 1976, and April 1, 1976, respectively, are approximate dates given to the best of the Seller's information and belief but Buyer recognizes that such dates may vary either by having the completion dates extended or by completing construction prior to the estimated completion dates. Seller shall complete construction of Towers One and Two so as to permit normal occupancy within two (2) years of Buyer's execution thereof; provided, however, that either such period shall be extended for any period of time during which Seller is actually and necessarily delayed in beginning or completing construction if said delay is caused by fire, earthquake, acts of God, the elements, war or civil disturbances, strikes or other labor disturbances, or economic controls making it

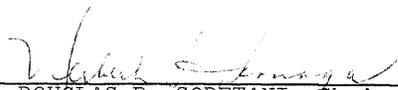
impossible to obtain the necessary labor or material, or other matters or conditions beyond the control of Seller. If pursuant to the foregoing sentence either such period is extended for more than nine (9) months, either the Seller or the Buyer may, upon fifteen (15) days written notice to the other, terminate the Sales Contract and all sums paid by the Buyer thereunder shall be refunded without interest. Upon tender of such refund the parties shall be released from all obligations to each other thereunder.

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The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted August 1, 1974.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 708 filed with the Commission on August 1, 1974.

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.

  
(For) DOUGLAS R. SODEVANI, 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. 708  
August 8, 1974