

**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

VILLA MALIA  
1855 Kalakaua Avenue  
Honolulu, Hawaii

REGISTRATION NO. 730

**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: November 22, 1974  
Expires: December 22, 1975

SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED OCTOBER 9, 1974 and INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 21, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. VILLA MALIA is a leasehold condominium project consisting of a single building having one twenty-six (26) story tower which partly includes and partly rises above a multi-purpose structure, having a total of one hundred twenty-two (122) apartment units. One hundred fifty-six (156) parking stalls are available.

2. The Developer of the project has filed all documents and materials being necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners, and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.

4. Advertising or promotional matter has been filed 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 the Horizontal Property Act, Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, November 22, 1974, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

NAME OF PROJECT: VILLA MALIA.

LOCATION: The site, containing approximately 19,819 square feet is located at 1855 Kalakaua Avenue, Honolulu, Hawaii.

TAX MAP KEY: 2-6-13-7

ZONING: H-2/B-5

DEVELOPER: Leo S. Wou and Mary F. Wou, husband and wife, whose business address is Suite 1906, Financial Plaza of the Pacific, Honolulu, Hawaii.

ATTORNEYS REPRESENTING DEVELOPER: Conroy, Hamilton, Gibson, Nickelsen & Rush (Attention: Dwight M. Rush and D. Scott MacKinnon), 20th Floor Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone: 521-2611.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a leasehold condominium project consisting of a single building, without basement, constructed principally of reinforced concrete, having one (1) twenty-six (26) story tower, which partly includes and partly rises above a five (5) story multi-purpose structure containing the garage and commercial apartments. There will be one hundred twenty-two (122) separate condominium apartments, consisting of one hundred twenty (120) residential apartments, one (1) commercial

apartment and one (1) garage apartment designated in the spaces within the perimeter and party walls, floors and ceilings of each of the 122 apartment units of the Project, which spaces together with appurtenant lanais, if any, are collectively referred to herein as "apartments", and are designated on said plans and described as follows:

(1) The commercial apartment is located on the ground floor of the building.

(2) The garage apartment is located on the ground, Second, Third, Fourth and Fifth floors of the building; the floors of said apartment being connected by internal ramps.

(3) Six (6) residential apartments are located on the Sixth Floor of the building, being Apartment Nos. 6A, 6B, 6C, 6D, 6E and 6F.

(4) Six (6) residential apartments are located on the Seventh Floor of the building, being Apartment Nos. 7A, 7B, 7C, 7D, 7E and 7F.

(5) Six (6) residential apartments are located on the Eighth Floor of the building, being Apartment Nos. 8A, 8B, 8C, 8D, 8E and 8F.

(6) Six (6) residential apartments are located on the Ninth Floor of the building, being Apartment Nos. 9A, 9B, 9C, 9D, 9E and 9F.

(7) Six (6) residential apartments are located on the Tenth Floor of the building, being Apartment Nos. 10A, 10B, 10C, 10D, 10E and 10F.

(8) Six (6) residential apartments are located on the Eleventh Floor of the building, being Apartment Nos. 11A, 11B, 11C, 11D, 11E and 11F.

(9) Six (6) residential apartments are located on the Twelfth Floor of the building, being Apartment Nos. 12A, 12B, 12C, 12D, 12E and 12F.

(10) Six (6) residential apartments are located on the Fourteenth Floor of the building, being Apartment Nos. 14A, 14B, 14C, 14D, 14E and 14F.

(11) Six (6) residential apartments are located on the Fifteenth Floor of the building being Apartment Nos. 15A, 15B, 15C, 15D, 15E and 15F.

(12) Six (6) residential apartments are located on the Sixteenth Floor of the building, being Apartment Nos. 16A, 16B, 16C, 16D, 16E and 16F.

(13) Six (6) residential apartments are located on the Seventeenth Floor of the building, being Apartment Nos. 17A, 17B, 17C, 17D, 17E and 17F.

(14) Six (6) residential apartments are located on the Eighteenth Floor of the building, being Apartment Nos. 18A, 18B, 18C, 18D, 18E and 18F.

(15) Six (6) residential apartments are located on the Nineteenth Floor of the building, being Apartment Nos. 19A, 19B, 19C, 19D, 19E and 19F.

(16) Six (6) residential apartments are located on the Twentieth Floor of the building, being Apartment Nos. 20A, 20B, 20C, 20D, 20E and 20F.

(17) Six (6) residential apartments are located on the Twenty-first Floor of the building, being Apartment Nos. 21A, 21B, 21C, 21D, 21E and 21F.

(18) Six (6) residential apartments are located on the Twenty-second Floor of the building, being Apartment Nos. 22A, 22B, 22C, 22D, 22E and 22F.

(19) Six (6) residential apartments are located on the Twenty-third Floor of the building, being Apartment Nos. 23A, 23B, 23C, 23D, 23E and 23F.

(20) Six (6) residential apartments are located on the Twenty-fourth Floor of the building, being Apartment Nos. 24A, 24B, 24C, 24D, 24E and 24F.

(21) Six (6) residential apartments are located on the Twenty-fifth Floor of the building, being Apartment Nos. 25A, 25B, 25C, 25D, 25E and 25F.

(22) Six (6) residential apartments, being Apartment Nos. PH-A, PH-B, PH-C, PH-D, PH-E and PH-F are located on the Twenty-sixth Floor of the building, with each apartment having two (2) bedrooms and two (2) bathrooms on the Twenty-seventh Floor of said building; the two floors of each apartment being connected by an internal stairway.

(23) The apartments are constructed according to six (6) different floor plans, and each contains the number of rooms and approximate floor areas, according to its respective floor plan, as follows:

(a) "Commercial Apartment": One (1) apartment, being the commercial apartment contains one room, which may be partitioned and subdivided into several rooms. The approximate floor area of said commercial apartment is 2,335 square feet.

(b) "Garage Apartment": One (1) apartment, being the garage apartment contains approximately 53,257 square feet with five levels and one hundred fifty-six (156) parking stalls. Each level contains an approximate square footage as follows:

P-1:	9,567 square feet
P-2:	13,070 square feet
P-3:	13,581 square feet
P-4:	13,519 square feet
P-5:	3,520 square feet

(c) "One Bedroom": Ninety-five (95) residential apartments, being Apartment Nos. 6A, 6B, 6D, 6E, 6F, 7A, 7B, 7D, 7E, 7F, 8A, 8B, 8D, 8E, 8F, 9A, 9B, 9D, 9E, 9F, 10A, 10B, 10D, 10E, 10F, 11A, 11B, 11D, 11E, 11F, 12A, 12B, 12D, 12E, 12F, 14A, 14B, 14D, 14E, 14F, 15A, 15B, 15D, 15E, 15F, 16A, 16B, 16D, 16E, 16F, 17A, 17B, 17D, 17E, 17F, 18A, 18B, 18D, 18E, 18F, 19A, 19B, 19D, 19E, 19F, 20A, 20B, 20D, 20E, 20F, 21A, 21B, 21D, 21E, 21F, 22A, 22B, 22D, 22E, 22F, 23A, 23B, 23D, 23E, 23F, 24A, 24B, 24D, 24E, 24F, 25A, 25B, 25D, 25E, and 25F, each consists of four (4) rooms, including one (1) bedroom, one (1) bathroom, a kitchen, a living room and a lanai; each of these apartments contains a floor area of approximately 611 square feet, including the lanai of approximately 88 square feet.

(d) "Two Bedroom": Nineteen (19) apartments, being Apartment Nos. 6C, 7C, 8C, 9C, 10C, 11C, 12C, 14C, 15C, 16C, 17C, 18C, 19C, 20C, 21C, 22C, 23C, 24C and 25C, each consists of six (6) rooms, including two (2) bedrooms, two (2) bathrooms, a living room, a kitchen and a lanai; each of these apartments contains a floor area of approximately 811 square feet, including the lanai of approximately 88 square feet.

(e) "Two Bedroom Penthouse": Five (5) residential apartments, being Apartment Nos. PH-A, PH-B, PH-D, PH-E and PH-F, each consists of seven (7) rooms, including two (2) bedrooms, two (2) bathrooms, a living room, a dining room, a kitchen and a lanai.

Apartment Nos. PH-A and PH-D each contains a floor area of approximately 1,183 square feet, including the lanai of approximately 123 square feet; Apartment Nos. PH-E and PH-F each contains a floor area of approximately 1,175 square feet, including the lanai of approximately 122 square feet; and, Apartment No. PH-B contains a floor area of approximately 1,185 square feet, including the lanai of approximately 124 square feet.

(f) "Three Bedroom Penthouse": One (1) residential apartment, being Apartment No. PH-C consists of nine (9) rooms, including three (3) bedrooms, three (3) bathrooms, a living room, a kitchen, a dining room and a lanai; this apartment contains a floor area of approximately 1,384 square feet, including the lanai of approximately 123 square feet.

(24) The commercial apartment has immediate access to the grounds of the Project; the garage apartment has access by way of ramps to the adjacent public streets and by way of connecting stairways, ramps and corridors to the elevators and stairways within the tower portion of said building; each residential apartment has immediate access to a corridor leading to two (2) stairways and two (2) elevators, each elevator and each stairway leading to the grounds of the Project.

(25) The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter wall 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 any other apartment, the same being deemed common elements as herein-after 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, any adjacent lanai shown on said Condominium File Plan, and all fixtures originally installed therein.

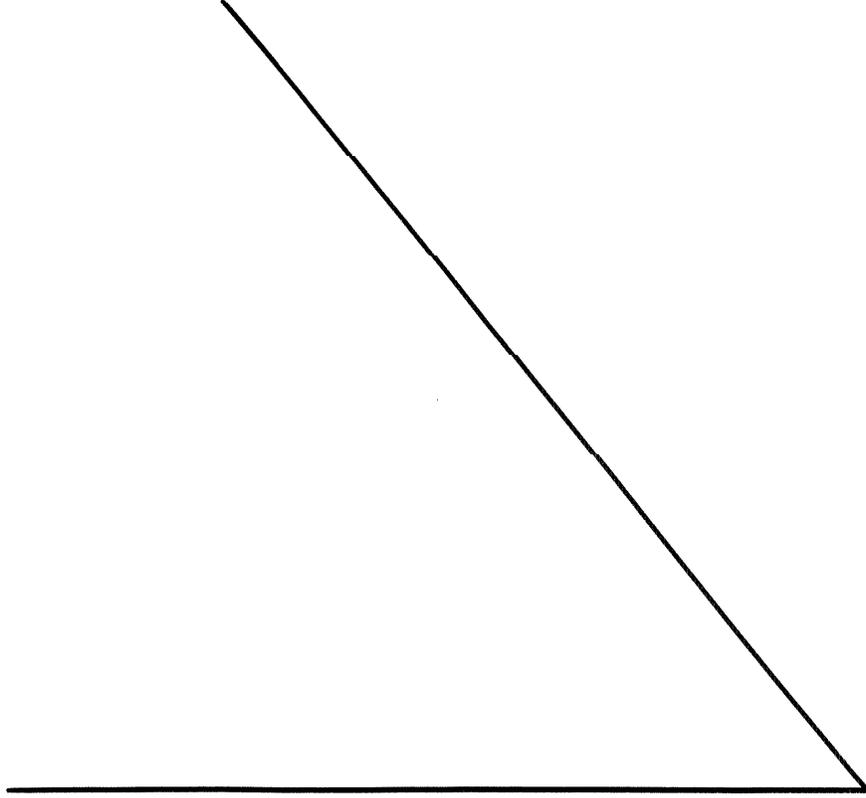
COMMON ELEMENTS: The proposed Declaration states that one (1) freehold estate is designated in all remaining portions of the Project, and referred to therein as the "common elements", including specifically but not limited to:

- (a) Said land in fee simple;
- (b) All foundations, columns, beams, supports, load-bearing walls, roofs, chases, entry halls, stairs, elevators, walkways, entrances and exits of said building;
- (c) All yards, grounds and landscaping;
- (d) All parking areas;
- (e) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;
- (f) Swimming pool and jacuzzi with appurtenant deck area;
- (g) Men's and women's shower rooms with sauna;
- (h) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: The proposed Declaration states that there are no limited common elements in the Project.

NOTE: The garage apartment contains one hundred fifty-six (156) parking stalls. The proposed Declaration states that each owner of an apartment is given a right in the nature of an easement to park one (1) automobile within the garage apartment upon the payment of a monthly fee to the owner of the garage apartment (herein the "owner's parking right"). The owner's parking right shall be appurtenant to the respective apartments and may not be leased or transferred independently of, or in any other manner separated from, the

apartment to which it is appurtenant and shall be deemed to be leased, conveyed, encumbered or transferred with the apartment even though the owner's parking right is not expressly mentioned or described in the lease, conveyance or other instrument. Such right shall exist only for and during such months in which the owner has paid the requisite monthly fee; provided, however, that the failure to pay said monthly fee shall not extinguish the right set forth above, but said owner's right to park one (1) automobile shall be suspended for and during the month or months that the owner does not pay said monthly fee, subject to immediate reinstatement upon the payment of said fee for any given month. At all times the owner of the garage apartment or its employees, manager or authorized representatives shall have the sole and exclusive control over the determination of where within the garage apartment any automobile shall be parked, unless the owner of the garage apartment in its sole discretion elects from time to time to specifically assign a parking space to any owner of an apartment. No owner of any apartment nor the Association of Apartment Owners shall have any right to, or interest in, any income or profits which arise in connection with the operation of the garage apartment and no part of said income or profits shall be deemed to be common profits of the Project.



INTEREST TO BE CONVEYED TO PURCHASERS: The proposed Declaration states that each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the Project (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the Project and for all other purposes including voting, as follows:

1. Commercial Apartment	6.61%
2. Garage Apartment	7.21%
3. Residential Apartments:	
One Bedroom	.65%
Two Bedroom	.87%
Two Bedroom Penthouse	1.28%
Three Bedroom Penthouse	1.50%

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the apartments shall be occupied and used as follows:

1. No apartments in the project shall 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.

2. Residential Apartments. The residential apartments may be occupied and used for any lawful purpose consistent with the ordinances, rules and regulations of the appropriate agencies of the City and County of Honolulu and the State of Hawaii which from time to time are applicable thereto.

3. Commercial Apartments. The commercial apartments, subject to applicable ordinances, rules and regulations from time to time of the appropriate agencies of the City and County of Honolulu, State of Hawaii, shall be occupied and used only as retail stores, florist shops, gift shops, stationery stores, liquor stores, restaurants, bars, barber shops, coffee shops, beauty shops, and for such other retail commercial purposes that may be consented to in writing by Lessor from time to time, which consent Lessor may not withhold unreasonably and arbitrarily.

4. Garage Apartment. The garage apartment shall be occupied and used for all lawful commercial purposes consistent with its design; subject, however, to a right in the nature of an easement in each owner of an apartment in the Project to park one (1) automobile within the garage apartment upon the payment of a monthly fee to the owner of said apartment, as more particularly described in paragraph C.4. of the Declaration.

5. The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration.

OWNERSHIP OF TITLE: The Preliminary Report issued by Title Guaranty of Hawaii, Inc., dated September 17, 1974, represents that the fee title to the property described in the Declaration for the Project is held by Aiton Properties, Ltd., a Hawaii corporation.

Leo S. Wou and Mary F. Wou have entered into an Agreement with Aiton Properties, Ltd. evidenced by a Deposit, Receipt, Offer and Acceptance dated July 1, 1974, and Seller's Counter Offer dated July 8, 1974, to purchase the building situate on the project grounds and to acquire a seventy-seven (77) year lease of the project grounds; said Agreement has been placed of record by means of a Memorandum of Agreement dated November 15, 1974, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10252, Page 93. The specific terms and provisions of the Master Lease are currently being negotiated. The Developer has advised the Commission that Aiton Properties, Ltd. will be issuing apartment leases directly to the apartment owners.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report issued by Title Guaranty of Hawaii, Inc. dated September 17, 1974, discloses the following encumbrances against title to the property:

1. The reservation in favor of the State of Hawaii of all mineral and metallic mines.

2. The terms and provisions of that certain mortgage dated April 28, 1948, in favor of BANK OF HAWAII, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 2127, Page 496.

3. For any taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor of the district in which the land is situated.

NOTE: The specimen Reservation Agreement includes a provision under which the purchaser agrees that until the Developer has closed out the sale of all of the apartments in the condominium project, or until June 30, 1978, whichever shall first occur, the purchaser will not enter into an agreement with any purchaser, lessee or owner of another apartment in the project and/or any third party under which the purchaser agrees to share expenses and/or rentals of apartments in the project, and that this agreement of the purchaser shall survive the issuance to the purchaser of the apartment lease demising the apartment and shall bind the purchaser's heirs, executors, administrators, successors and assigns during the term thereof.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated October 2, 1974, between Security Title Corporation, as Escrow, and Villa Malia Associates, as "Seller", and an executed copy of the Assignment of Escrow Agreement dated October 18, 1974, which assigned to Developer all of Villa Malia Associates' right, title and interest in and to said Escrow Agreement, has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Reservation Agreement filed with the Commission are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40, H.R.S. It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Reservation

Agreement, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds. The specimen Reservation Agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided. Purchasers and prospective purchasers are advised to read with care the provisions of the Reservation Agreement.

Among other provisions, the Escrow Agreement states that a purchaser shall be entitled to a refund of his funds without interest and less Escrow's \$15.00 cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (a) Escrow receives a written request from Seller to return to purchaser the funds of such purchaser held by Escrow; or (b) If purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval of acceptance of the change; or (c) If the request is prior to the time the Final Public Report is issued, or if after such time, the final report differs in any material respect from the 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 the Preliminary Public Report. Among other provisions the specimen Reservation Agreement provides that in the event less than seventy-five (75) apartment units are sold prior to June 1, 1975, Seller may at its option cancel this agreement, in which event Seller will cause Escrow to refund to Buyer all monies paid, without interest, and Seller shall be relieved and released of all further liability hereunder.

MANAGEMENT OF THE PROJECT: The proposed By-Laws which are incorporated in the proposed Declaration provide that the operation of the Project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible corporate managing agent. The Developer in its Notice of Intention states that it has not yet selected the initial managing agent; the Reservation Agreement to be signed by purchasers provides that Developer may appoint the initial managing agent for the project.

NOTE: The prospective purchaser is advised that the Developer of the project is not offering to provide services relating to the sale or rental of apartments of the Project and no representation or reference to that effect has been made by or on behalf of the Developer. Rental of the apartments and the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser.

STATUS OF PROJECT: The Developer advises that it has not as yet determined an estimated date for the start of or completion of construction on the Project.

-----

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 October 9, 1974, and information subsequently filed as of November 21, 1974.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 730 filed with the Commission on October 9, 1974.

This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be yellow.

*Ah Han Young*  
\_\_\_\_\_  
(for) DOUGLAS R. SODETANI, 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. 730  
November 22, 1974