

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

WAIKIKI TRADEWINDS
440 Olohana Street
Honolulu, Hawaii
REGISTRATION NO. 837

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: May 14, 1976
Expires: June 14, 1977

SPECIAL ATTENTION

A comprehensive reading of this report 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 the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JANUARY 30, 1976, AND INFORMATION SUBSEQUENTLY FILED AS OF MAY 6, 1976. 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. WAIKIKI TRADEWINDS is a proposed leasehold condominium project consisting of one contiguous twenty-four story building containing two hundred-sixty residential apartment units and two commercial apartment units that will be utilized for a restaurant and gift-sundry shop. At the outset one hundred-thirty residential apartment units will be sold by the Developer upon and subject to the terms and provisions of apartment leases to be issued by the Developer, and the remaining one hundred-thirty units shall be reserved by the Developer for hotel use. There will be eighty-five parking stalls and of these sixty-three shall be covered.

2. The Developer of the project has submitted to the Real Estate Commission for examination all documents deemed necessary for the registration of a condominium project and the issuance of this Preliminary Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime, the Bylaws and the Condominium Map will be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and recorded in the Bureau of Conveyances, Honolulu, Hawaii, immediately prior to the application for a Final Public Report.
4. The Developer has advised the Commission that the advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
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 Regime.
6. This Preliminary Public Report is made a part of the registration of WAIKIKI TRADEWINDS condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Obtaining a receipt therefor is also the responsibility of the Developer.
7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, May 14, 1976, unless a Final or Supplementary Public Report issues, or the Commission upon review of the registration, issues an order extending the effective date of this report.

NAME OF PROJECT: WAIKIKI TRADEWINDS

LOCATION: The project, comprising 24,250 square feet, is located at 440 Olohana Street, Honolulu, Hawaii, on the ewa side of Olohana Street between Kuhio Avenue and Ala Wai Boulevard. The makai side extends across to Namahana Street.

TAX MAP KEY: 2-6-16-39,40,41,42,54

ZONING: H-2, Hotel use.

DEVELOPER: NORTH AMERICAN ROYAL ENTERPRISES, INC., is a California corporation duly licensed to do business in the State of Hawaii with offices located at 2333 Kapiolani Boulevard, Lobby Office, Honolulu, Hawaii 96814. Telephone 947-3774. The local agent for the company is Mrs. Kyung Youhne Park of the same address.

The officers of North American Royal Enterprises, Inc., are: Ro Jeung Park, President; Sam K. Park, Vice President; Hank Emerich, Treasurer; and Kyung Youhne Park, Secretary.

ATTORNEY REPRESENTING DEVELOPER. Barlow and O'Connor (Attention: W. Patrick O'Connor), 1010 Amfac Building, 700 Bishop Street, Honolulu, Hawaii 96813. Telephone 537-5381.

DESCRIPTION: The project is to consist of two hundred-sixty (260) leasehold estates in residential apartment units and two (2) leasehold estates in commercial units in one separate and distinct twenty-four story structure. Construction materials shall consist of reinforced concrete piles, concrete foundations, reinforced concrete walls, post-tension concrete slabs with interior partitions consisting of one-hour fire resistant gypsum board.

There will be eighty-five (85) parking stalls located on the second, third and fourth levels. Seventy-six (76) stalls are to be assigned to specific residential units and the remaining nine stalls are to be reserved for the restaurant operation. There will be a swimming pool, sauna bath, lounge and bar, and recreational decks at both the fourth level and on the rooftop providing shuffleboard, paddle tennis and seating areas for relaxation.

The two commercial apartment units located on the first level shall be utilized as a restaurant and a gift-sundry shop, respectively, with the restaurant containing 3,841.9 square feet of loft space and the gift-sundry shop containing 247.9 square feet of loft space.

The 260 residential apartment units which are located on floors 5 through 24 are all studio apartments, having bathroom and kitchen facilities as well as individual lanais. Laundry facilities will be provided on each of these floor levels for residential units. There are several variations in the size of these studio apartments as reflected in the following designations:

TYPE A will contain 352.2 square feet, including 38.2 square feet of lanai space, and will be situated on floors 5 through 14 of the structure.

TYPE B AND B1 (identical and reversed units) will contain 383.3 square feet, including 69.3 square feet of lanai space, and will be situated on floors 5 through 14 of the structure, except that all type B1 units located in the makai-ewa corner on floor levels 5 through 14 will contain 89.3 square feet of lanai space which will increase the total space of these units to 403.3 square feet.

TYPE C and C1 (identical and reversed units) will contain 399 square feet, including 69.3 square feet of lanai space, and will be situated on floors 5 through 14 of the structure.

TYPE D and D1 (identical and reversed units) will contain 399 square feet including 69.3 square feet of lanai space, and will be situated on floors 15 through 24 of the structure.

TYPE E will contain 352.2 square feet, including 38.2 square feet of lanai space, and will be situated on floors 15 through 24 of the structure.

TYPE F and F1 (identical and reversed units) will contain 383.3 square feet, including 69.3 square feet of lanai space, and will be situated on floors 15 through 24 of the structure, except that all type F1 units located in the makai-ewa corner on floor levels 15 through 24 will contain 89.3 square feet of lanai space which will increase the total space of these units to 403.3 square feet.

Starting at the 5th floor and working upwards to the 24th floor the residential apartments shall be numbered and are situated as follows: (Please note that the alphabetical figure after each apartment number denotes the type of apartment, i.e. A-F. Facing the apartment building at Olohana Street and starting at the extreme left or makai side and moving to the right in a mauka direction):

FIFTH FLOOR. 501(B1), 502(B), 503(C), 504(C1), 505(B1), 506(A), 507(B), 508(B), 509(B1), 510(B1), 511(B), 512(B), 513(B).

SIXTH FLOOR. 601(B1), 602(B), 603(C), 604(C1), 605(B1), 606(A), 607(B), 608(B), 609(B1), 610(B1), 611(B), 612(B), 613(B).

SEVENTH FLOOR. 701(B1), 702(B), 703(C), 704(C1), 705(B1), 706(A), 707(B), 708(B), 709(B1), 710(B1), 711(B), 712(B), 713(B).

EIGHTH FLOOR. 801(B1), 802(B), 803(C), 804(C1), 805(B1), 806(A), 807(B), 808(B), 809(B1), 810(B1), 811(B), 812(B), 813(B).

NINTH FLOOR. 901(B1), 902(B), 903(C), 904(C1), 905(B1), 906(A), 907(B), 908(B), 909(B1), 910(B1), 911(B), 912(B), 913(B).

TENTH FLOOR. 1001(B1), 1002(B), 1003(C), 1004(C1), 1005(B1), 1006(A), 1007(B), 1008(B), 1009(B1), 1010(B1), 1011(B), 1012(B), 1013(B).

ELEVENTH FLOOR. 1101(B1), 1102(B), 1103(C), 1104(C1), 1105(B1), 1106(A), 1107(B), 1108(B), 1109(B1), 1110(B1), 1111(B), 1112(B), 1113(B).

TWELFTH FLOOR. 1201(B1), 1202(B), 1203(C), 1204(C1), 1205(B1), 1206(A), 1207(B), 1208(B), 1209(B1), 1210(B1), 1211(B), 1212(B), 1213(B).

THIRTEENTH FLOOR. 1301(B1), 1302(B), 1303(C), 1304(C1), 1305(B1), 1306(A), 1307(B), 1308(B), 1309(B1), 1310(B1), 1311(B), 1312(B), 1313(B).

FOURTEENTH FLOOR. 1401(B1), 1402(B), 1403(C), 1404(C1),
1405(B1), 1406(A), 1407(B), 1408(B), 1409(B1), 1410(B1), 1411(B),
1412(B), 1413(B).

FIFTEENTH FLOOR. 1501(F1), 1502(F), 1503(D), 1504(D1), 1505(F1),
1506(E), 1507(F), 1508(F), 1509(F1), 1510(F1), 1511(F), 1512(F),
1513(F).

SIXTEENTH FLOOR. 1601(F1), 1602(F), 1603(D), 1604(D1), 1605(F1),
1606(E), 1607(F), 1608(F), 1609(F1), 1610(F1), 1611(F), 1612(F),
1613(F).

SEVENTEENTH FLOOR. 1701(F1), 1702(F), 1703(D), 1704(D1),
1705(F1), 1706(E), 1707(F), 1708(F), 1709(F1), 1710(F1), 1711(F),
1712(F), 1713(F).

EIGHTEENTH FLOOR. 1801(F1), 1802(F), 1803(D), 1804(D1),
1805(F1), 1806(E), 1807(F), 1808(F), 1810(F1), 1811(F), 1812(F),
1813(F).

NINETEENTH FLOOR. 1901(F1), 1902(F), 1903(D), 1904(D1),
1905(F1), 1906(E), 1907(F), 1908(F), 1909(F1), 1910(F1), 1911(F),
1912(F), 1913(F).

TWENTIETH FLOOR. 2001(F1), 2002(F), 2003(D), 2004(D1), 2005(F1),
2006(E), 2007(F), 2008(F), 2009(F1), 2010(F1), 2011(F), 2012(F),
2013(F).

TWENTY-FIRST FLOOR. 2101(F1), 2102(F), 2103(D), 2104(D1),
2105(F1), 2106(E), 2107(F), 2108(F), 2109(F1), 2110(F1), 2111(F),
2112(F), 2113(F).

TWENTY-SECOND FLOOR. 2201(F1), 2202(F), 2203(D), 2204(D1),
2205(F1), 2206(E), 2207(F), 2208(F), 2209(F1), 2210(F1), 2211(F),
2212(F), 2213(F).

TWENTY-THIRD FLOOR. 2301(F1), 2302(F), 2303(D), 2304(D1),
2305(F1), 2306(E), 2307(F), 2308(F), 2309(F1), 2310(F1), 2311(F),
2312(F), 2313(F).

TWENTY-FOURTH FLOOR. 2401(F1), 2402(F), 2403(D), 2404(D1),
2405(F1), 2406(E), 2407(F), 2408(F), 2409(F1), 2410(F1), 2411(F),
2412(F), 2413(F).

An apartment owner shall be deemed to own the non load-bearing walls and partitions which are contained in his apartment; in addition, he shall be deemed to own the inner decorated and finished surfaces of the perimeter walls, floors, and ceilings, including plaster, paint, wallpaper, etc. surrounding his apartment. The apartment owner shall be deemed not to own the undecorated or unfinished surfaces of the perimeter walls, floors, and ceilings surrounding his apartment or the pipes, wires, conduits, or other public utility facilities

running through his apartment which are utilized for, or serve more than one apartment, except to the extent of his interest as an owner of the common elements in common with the other apartment owners.

COMMON ELEMENTS: The proposed Declaration reflects that the common elements shall include the following:

- (a) The land;
- (b) The public parking, other than the limited common elements consisting of the total of 85 parking spaces;
- (c) The vehicular entry/exit to the parking area, the pedestrian entrances, all other concrete walks, planting areas, and gardens giving access to the building, the pedestrian entrances from the parking area and all walkways onto which each commercial apartment directly opens;
- (d) The main lobby, manager's office, lounge and toilets located on the first, second and third floors of the building;
- (e) All foundations, columns, beams and support, girders, roof, walks, stairways, exterior walls, partition walls between each apartment, floors and ceilings;
- (f) The swimming pool and its filtration system, sauna bath, washers, dryers, sewerage disposal units, outdoor lighting, paddle tennis court, shuffleboard court, storage space outside the residential apartment units and the bar and lounge area on the Fourth Floor;
- (g) All central and appurtenant installations for services such as power, lights, telephone, gas, hot and cold water lines, television lines, sewage disposal, and other utilities (including all pipes, ducts, wires, cables, and conduits used in connection therewith, whether located in common areas or in apartments), and all tanks, pumps, motors, fans, ducts and other apparatus and installations existing for, or in the said buildings for common use;
- (h) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use and which are not part of any apartment.

LIMITED COMMON ELEMENTS: The proposed Declaration reflects that certain parts of the common elements herein called "limited common elements" are designated and set aside for the exclusive use of certain apartments. Such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

1. 76 parking stalls shall be designated on said plan by the letter and number of an apartment and shall be pertinent to the exclusive use of such residential apartment. The remaining nine parking stalls shall be appurtenant to and for the exclusive use of the restaurant operation.

2. The corridors on any residential apartment floor from the Fifth Floor through the Twenty-Fifth Floor shall be appurtenant to and for the exclusive use of the residential apartments on such floor.

INTEREST TO BE CONVEYED TO PURCHASER: Apartment units shall have appurtenant to each the undivided interest in all common elements of the project as follows: Restaurant, .0369%; gift-sundry shop, .0024%; Type A, .0034%; Type B and B1, .0037%, B1 only on makai-ewa corner, .0039%; Type C and C1, .0038%; Type D and D1, .0038%; Type E, .0034%; Type F and F1, .0037%, F1 only on makai-ewa corner, .0039%. The common interest, proportionate share in all common profits and expenses of the project and proportionate representation for voting purposes in the Association of Apartment Owners and all other purposes shall be in said percentage for each apartment.

USE: The proposed Declaration provides that the commercial apartments on the first floor shall be used as a restaurant and gift-sundry shop, respectively. The residential apartments shall be occupied and used as private dwellings by the respective owners thereof, their tenants, families, domestic servants and personal guests. These apartments may also be used for hotel or occupation by transients. It should be noted that the Developer initially intends to reserve a minimum of 130 apartments, all located on floors 5 through 14, for hotel and transient use, and may increase this usage with additional apartments from the remaining upper floors if such is deemed feasible. The commercial and residential apartments may not be used for any other purpose unless consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

OWNERSHIP OF TITLE: A Policy of Title Insurance dated August 27, 1975, and issued by Title Guaranty Insurance Agency, Inc., to Hawaii National Bank, mortgagee, indicates that the owner of the land is North American Royal Enterprises, Inc., a California corporation. An updated title report issued by Title Guaranty of Hawaii on March 19, 1976 confirms the foregoing.

ENCUMBRANCES AGAINST TITLE: Said updated title report notes the following encumbrances:

(a) Mortgage dated July 28, 1975, executed by North American Royal Enterprises, Inc., a California corporation, in favor of Hawaii National Bank, Honolulu, a National Banking Association, in the amount of \$9,475,500.00, filed as Land Court Document No. 730776.

(b) Taxes due and owing for the current year.

(c) Various easements and restrictive covenants.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated January 26, 1976, 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 Escrow Agent shall refund to Purchaser all of Purchaser's funds, without interest, if Purchaser shall in writing request refund of his funds and any one of the following have occurred:

(1) Escrow receives a written request from Seller to return to Purchaser the funds of such purchaser then held hereunder by Escrow; or

(2) If a purchaser's funds were obtained prior to the issuance of a final public report and there is any change in the unit 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 construction of building, unless the purchaser has given written approval or acceptance of the specific change; or

(3) If a purchaser's funds were obtained prior to the issuance of a final public report and 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; or

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

It is incumbent upon the Purchaser and prospective Purchaser to read and understand the Escrow Agreement before executing the Contract of Sale, since the Escrow Agreement prescribes the procedure for receiving the disbursing Purchaser's funds and the Contract of Sale specifically provides that the Purchaser approves said Escrow Agreement. The proposed Contract of Sale form also provides, among other things, that:

(a) All of the rights of Buyer under the Sales Contract are and shall be subject and subordinate to the lien of any mortgage securing the repayment of the interim loan made to finance the cost of construction and other costs during construction and to any and all other costs during construction and to any and all advances made thereon, and to any and all sums which may become a lien pursuant to the terms of such interim loan or any other agreement relating thereto. Buyer hereby irrevocably appoints Seller the attorney-in fact of Buyer to execute and deliver on behalf of Buyer any instrument of subordination which the interim lender or its successors in interest may require.

(b) Seller reserves the right to modify the Declaration, By-Laws and Apartment Lease as may be required by law, and title insurance company or any institutional mortgagee, provided that no such modification shall:

- (1) Increase the Buyer's share of common expenses.
- (2) Reduce the obligations of Seller for common expenses on unsold apartments.

(c) Seller reserves the right to make minor changes that may, in the opinion of Seller, improve the Apartment, the other Apartments, and common elements, but no changes shall be made which affect the physical location or design of the Apartment covered hereby.

MANAGEMENT OF PROJECT. The By-Laws which are incorporated in the proposed Declaration provide that the operation of the project shall be conducted for the Association under the direction of its Board of Directors by a responsible corporate managing agent. The Developer has submitted a copy of an unexecuted Management Agreement to the Commission with Tropic Shores Realty, Ltd., a Hawaii corporation, as initial Managing Agent.

FINANCING OF PROJECT. The Developer has obtained an interim construction loan in the amount of \$9,475,000 from Gibraltar Savings & Loan Association of California and Hawaii National Bank to meet the estimated costs involved in completing the project as set forth in the submitted statement of costs. The Developer has also obtained letter commitments from Gibraltar Savings & Loan Association with regard to permanent financing in the form of conventional long term mortgage loans.

STATUS OF PROJECT. Construction has commenced on the project and the Owner/Developer anticipates that construction will be completed on or before February 28, 1977.

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 January 30, 1976, and information subsequently filed as of May 6, 1976.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES CONDOMINIUM PUBLIC REPORT which is made a part of REGISTRATION NO. 837 filed with the Commission on January 30, 1976.

This report, when reproduced, shall be a true copy of the Commission's

Public Report. The paper stock used in making facsimilies must be yellow in color.

Ah Kan Young

Member, Real Estate Commission
State of Hawaii

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Escrow Agent

Registration No. 837
May 14, 1976