

# 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  
965 PROSPECT  
965 Prospect Street  
Honolulu, Hawaii

REGISTRATION NO. 878

#### **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: October 18, 1976

Expires: November 18, 1977

#### 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 the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 14, 1976, AND INFORMATION SUBSEQUENTLY FILED AS OF OCTOBER 13, 1976. 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. 965 PROSPECT is a proposed leasehold condominium project consisting of sixty-six (66) apartment units contained in one (1) building of nine (9) floors constructed principally of reinforced concrete, with sixty-two (62) regular and eighteen (18) compact parking stalls located on

two (2) parking levels. Each apartment shall have appurtenant thereto at least one parking stall.

2. Buyers will receive through an apartment lease a leasehold interest directly from the owner of the fee.
3. The Developer of the project has submitted to the Commission for examination all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of the Preliminary Public Report.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the floor plan) have not been filed in the Office of the Recording Officer.
5. The Developer has submitted its program of financing the project, and a statement of the estimated cost involved in completing the project.
6. No advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.
7. The 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 Regimes.
8. This Preliminary Public Report is made a part of registration of 965 PROSPECT 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 and obtaining a signed receipt for same.
9. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, October 18, 1976, unless a Final or Supplementary Public Report issues or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: 965 PROSPECT

LOCATION: 965 Prospect Street, Honolulu, Hawaii.  
The site area comprises approximately 36,934 square feet.

TAX MAP KEY: (First Division) 2-4-15: Parcels 67, 30 and 38.

ZONING: Apartment A-3.

DEVELOPER: 965 Venture, a Registered Hawaii general partnership, whose business and post office address is 1200 College Walk, Honolulu, Hawaii 96817, comprised of the following:

1. DMA/Heitzman Development Corporation, a Hawaii corporation, 1200 College Walk, Honolulu, Hawaii.
2. 965 Prospect Partners, a Hawaii limited partnership, Suite 2101, Davies Pacific Center, 841 Bishop Street, Honolulu, Hawaii 96813.

ATTORNEY REPRESENTING DEVELOPER: Damon, Shigekane, Key & Char (Attention: William J. Shannon), 10th Floor, City Bank Building, 810 Richards Street, Honolulu, Hawaii. Phone No. 531-8031.

GENERAL DESCRIPTION OF THE PROJECT: The proposed Declaration of Horizontal Property Regime reflects that this is a leasehold condominium project. The project is situated on approximately 36,934 square feet of land. The plans submitted by the Developer indicate sixty-six (66) apartment units contained in one (1) building of nine (9) floors without a basement constructed principally of reinforced concrete.

1. There are eight (8) types of Apartments which have been designated for classification purposes as Models A1, A, B, C, D, E, F1 and F. There will be five (5) Model A1 Apartments, five (5) Model A Apartments, eighteen (18) Model B Apartments, six (6) Model C Apartments, twelve (12) Model D Apartments, eighteen (18) Model E Apartments, one (1) Model F1 Apartment, and one (1) Model F Apartment.

a. The following is a brief description of each model, including the lanai area, and the number of rooms in each model:

Model A1: An Apartment containing six (6) rooms, consisting of a kitchen, living-dining room area, two bedrooms, two bathrooms, and a lanai, and containing a gross floor area of approximately 942 square feet, including the lanai.

Model A: An Apartment containing six (6) rooms, consisting of a kitchen, living-dining room area, two bedrooms, two bathrooms, and a lanai, and containing a gross floor area of approximately 922 square feet, including the lanai.

Model B: An Apartment containing six (6) rooms, consisting of a kitchen, living-dining room area, two bedrooms, two bathrooms, and a lanai, and containing a gross floor area of approximately 876 square feet, including the lanai.

Model C: An Apartment containing six (6) rooms, consisting of a kitchen, living-dining room area, two bedrooms, two bathrooms, and a lanai, and containing a gross floor area of approximately 939 square feet.

- Model D: An Apartment containing four (4) rooms, consisting of a kitchen, living-dining room, one bedroom, one bathroom, and a lanai, and containing a gross floor area of approximately 724 square feet.
- Model E: An Apartment containing six (6) rooms, consisting of a kitchen, living-dining room area, two bedrooms, one and one-half baths, and a lanai, and containing a gross floor area of approximately 827 square feet, including the lanai. Model E Apartments on the 1st and 6th floors have larger lanais and therefore contain a gross floor area of approximately 947 square feet, including the lanai.
- Model F1: A two (2) story Apartment containing seven (7) rooms, consisting of a kitchen, living-dining room area, three bedrooms, two baths, and a lanai, and containing a gross floor area of approximately 1,489 square feet, including the lanai.
- Model F: A two (2) story Apartment containing seven (7) rooms, consisting of a kitchen, living-dining room area, three bedrooms, two baths, and a lanai, and containing a gross floor area of approximately 1,548 square feet, including the lanai.

The floor number, Apartment number of each Apartment, model number, number of rooms and approximately gross area and percentage of common interest appurtenant thereto are as follows:

<u>FLOOR NO.</u>	<u>APT. NO.</u>	<u>MODEL NO.</u>	<u>NO. OF ROOMS</u>	<u>APPROX. AREA IN SQ. FT. (INCL. LANAI)</u>	<u>% OF COMMON INTEREST</u>
1st	101	C	6	939	1.617%
	102	B	6	876	1.509%
	103	E	6	947	1.631%
	104	B	6	876	1.509%
	105	B	6	876	1.509%
	106	E	6	947	1.631%
	107	D	4	724	1.247%
	108	D	4	724	1.247%
	109	E	6	947	1.631%
	110	A	6	922	1.588%
	111	A1	6	942	1.622%
2nd	201	C	6	939	1.617%
	202	B	6	876	1.509%
	203	E	6	827	1.424%
	204	B	6	876	1.509%
	205	B	6	876	1.509%
	206	E	6	827	1.424%
	207	D	4	724	1.247%
	208	D	4	724	1.247%
	209	E	6	827	1.424%
	210	A	6	922	1.588%
	211	A1	6	942	1.622%

<u>FLOOR NO.</u>	<u>APT. NO.</u>	<u>MODEL NO.</u>	<u>NO. OF ROOMS</u>	<u>APPROX. AREA IN SQ. FT. (INCL. LANAI)</u>	<u>% OF COMMON INTEREST</u>
3rd	301	C	6	939	1.617%
	302	B	6	876	1.509%
	303	E	6	947	1.424%
	304	B	6	876	1.509%
	305	B	6	876	1.509%
	306	E	6	947	1.424%
	307	D	4	724	1.247%
	308	D	4	724	1.247%
	309	E	6	947	1.424%
	310	A	6	922	1.588%
	311	A1	6	942	1.622%
4th	401	C	6	939	1.617%
	402	B	6	876	1.509%
	403	E	6	947	1.424%
	404	B	6	876	1.509%
	405	B	6	876	1.509%
	406	E	6	947	1.424%
	407	D	4	724	1.247%
	408	D	4	724	1.247%
	409	E	6	947	1.424%
	410	A	6	922	1.588%
	411	A1	6	942	1.622%
5th	501	C	6	939	1.617%
	502	B	6	876	1.509%
	503	E	6	947	1.424%
	504	B	6	876	1.509%
	505	B	6	876	1.509%
	506	E	6	947	1.424%
	507	D	4	724	1.247%
	508	D	4	724	1.247%
	509	E	6	947	1.424%
	510	A	6	922	1.588%
	511	A1	6	942	1.622%
6th	601	C	6	939	1.617%
	602	B	6	876	1.509%
	603	E	6	947	1.631%
	604	B	6	876	1.509%
	605	B	6	876	1.509%
	606	E	6	947	1.631%
	607	D	4	724	1.247%
	608	D	4	724	1.247%
	609	E	6	947	1.631%
	610	F	7	1,548	2.675%
	611	F1	7	1,489	2.573%

2. Each apartment space has been assigned an Apartment number, and the Apartment number and its location are shown on the floor plan of the project submitted by the Developer.

3. Thirty-three (33) regular and three (3) compact parking stalls are located on the Lower Parking floor of the Building. Twenty-nine (29) regular and fifteen (15) compact parking stalls are located on the Upper Parking floor of the Building.

4. Each Apartment has immediate access to an exterior balcony walkway which leads to two common stairways and to one elevator, all of which lead to the Upper and Lower Parking floors connecting the Building to the public street.

5. 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 any other Apartment or common element, the same being deemed common elements. Each Apartment shall be deemed to include all walls and partitions which are not load-bearing within the perimeter walls, the inner decorated or finished surfaces of all doors, windows, walls, floors and ceilings, and all fixtures originally installed therein for its exclusive use and the lanais shown on the condominium map as adjoining the Apartment, including the aluminum railings affixed to the lanais.

6. All Apartments will be furnished with an electric range, refrigerator, dishwasher, stacked washer and dryer, garbage disposal and range hood.

COMMON ELEMENTS: The common elements will include the limited common elements herein described and all remaining portions of the project, including specifically but not limited to: (a) Said Land in fee simple; (b) All foundations, floor slabs, columns, girders, beams, supports, main walls, bearing walls (except the inner decorated surfaces within each Apartment), roofs, lobbies, elevators, fire escapes, stairways, walkways, balconies, entrances and exits of the Building; (c) All planted areas and yards, grounds, landscaping, recreational areas, storage rooms, refuse facilities and mailboxes; (d) All electrical equipment, power, light, water, wiring, pipes, conduits, ducts, vents, and other service and utility lines and similar equipment and systems which are utilized for or serve more than one Apartment and central and appurtenant transmission facilities and installations over, under, through and across the Project for common services, such as power, light, water, gas, sewer, telephone, trash disposal, and radio and television signal distribution, and, in general, all apparatus and installation existing for common use; (e) All loading areas, driveways, and parking areas and stalls; (f) The exterior surface of the main entrance door of each Apartment; (g) Any and all apparatus and installations for common use and all other parts of the Project necessary or convenient to its existence, maintenance, safety, upkeep or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements" are designated, set aside and reserved for the exclusive use of certain Apartments, and such Apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

- (a) Each Apartment shall have appurtenant to it for its exclusive use at least one compact or one regular parking stall designated as appurtenant to such Apartment to the initial conveyancing documents demising such Apartment;
- (b) All common elements of the Project which are rationally related to less than all of said Apartments shall be limited to the use of such Apartments.

INTEREST TO BE CONVEYED TO PURCHASER: As specified and established in the proposed Declaration, each Apartment shall have appurtenant thereto a percentage of undivided interest in all common elements of the Project and the same proportionate share in all common profits and expenses of the Project and for all other purposes, including, without limitation, voting, as set forth on Page 4 of this Preliminary Public Report.

USE: The Declaration provides that the Apartment shall be occupied and used only as permanent or temporary residences and for no other purposes. The Apartment Owners shall have the absolute right to use, rent or lease their Apartments subject to the limitations, restrictions, covenants and conditions contained in the Declaration.

OWNERSHIP OF LAND AND ENCUMBRANCES AGAINST TITLE: The Developer has filed with the Commission a copy of a preliminary title report dated August 4, 1976 prepared by Security Title Corporation. The report reveals the following:

1. The fee simple title is subject to: (a) an Easement "A" for utility and roadway purposes, under, over, and across Lot 1-C, as shown on Map 3, as set forth by Land Court Order No. 13831, filed June 28, 1955 (as to Parcel First only); b) an Easement for roadway and utility purposes, including sewer and water, in favor of Lot 1-B, over, under, along, across and upon that certain Easement delineated and shown on said Map as Easement A, as set forth in that certain Deed dated December 3, 1955, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 182302 (as to Parcel First only); c) a Grant dated June 25, 1914, recorded on June 1, 1923 in said Bureau of Conveyances in Book 685, Page 86, in favor of JOSEPHINE H. TAPLIN, no marital status shown, granting the right, etc., to lay and forever maintain and use a sewer pipe not to exceed in diameter four inches, for the purpose of thereby carrying and conveying sewerage under the present surface of the ground across a portion of Parcel Second. "The use of the rights hereby granted, however, not to interfere in any respect with the enjoyment of the said premises by the owner or occupants thereof, and the said party

of the first part hereby reserving to himself and his executors, administrators and assigns rights-of-way for all purposes across, over and/or under said sewerage pipelines, such reserved rights, however, not to be used in such manner as to needlessly interfere with the said sewerage pipelines.", as reserved in the foregoing Grant made by A. H. Day, no marital status shown, party of the first part; d) Mortgage dated October 29, 1963, recorded on October 29, 1963 in said Bureau of Conveyances in Book 4620, Page 22, made by PROSPECT HOTEL APARTMENTS CORPORATION, a Hawaii corporation, as Mortgagor, to HONOLULU SAVINGS AND LOAN COMPANY, LIMITED, a Hawaii corporation, as Mortgagee, to secure the repayment of the sum of \$100,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to (as to Parcel Third only); e) the terms and provisions of that certain Option Agreement dated January 31, 1975, filed in said Office of the Assistant Registrar of Document No. 709979, and also recorded on February 4, 1975 in said Bureau of Conveyances in Book 10443, Page 566 made by and between LEON LEONG MUNG CHUN and ALMA LEONG CHUN, husband and wife, and Helen Kau, Trustee, wife of Henry Kau, as Optionor and DMA/HEITZMAN INVESTMENT COMPANY, a Hawaii general partnership, as Optionee, to which reference is hereby made; f) Mortgage dated November 28, 1962, filed in said Office of the Assistant Registrar as Document No. 299734 and also recorded on November 29, 1962 in said Bureau of Conveyances in Book 4414, Page 275 by PROSPECT HOTEL APARTMENTS CORPORATION, as mortgagor, to HONOLULU FEDERAL SAVINGS AND LOAN CO., LTD., as mortgagee, to secure repayment of \$125,000.00 and any additional advances (as to Parcels First and Second only); and g) Reservation in favor of the State of Hawaii of all mineral and metallic rights as reserved in R.P. 3626 and 3514 (as to Parcels Second and Third only).

2. Taxes that may be due and owing.

The Developer has advised the Commission that the Mortgages referred to herein will be removed from the property prior to the conveyance of the first apartment lease.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated July 26, 1976 identifies Security Title Corporation as the escrow. 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 executed Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds without interest if the purchaser shall in writing request refund of his funds and any of the following shall have occurred:

- (a) Escrow receives a written request from Developer to return to purchaser the funds of such person then held by Escrow; or

- (b) The purchaser's funds were obtained prior to the issuance of the Final Public Report and there has been a change in the condominium building plans subsequent to the execution of the purchaser's Sales Contract requiring the approval of the city and county officer having jurisdiction over the issuance of permits for construction buildings, unless the purchaser has given written approval or acceptance of the specific change; or
- (c) The purchaser's funds were obtained prior to the issuance of the Final Public Report, and the request for funds is prior to the time the Final Public Report is issued; or
- (d) The Final Public Report differs in any material respect from any Preliminary Public Report that has been issued, unless the purchaser has given written approval or acceptance of the difference; or
- (e) The Final Public Report is not issued within one (1) year of the date of issuance of the Preliminary Public Report and no extension has been granted by the Real Estate Commission. Upon refund of said funds to the purchaser, Escrow shall return to Developer such purchaser's Sales Contract and any apartment lease theretofore delivered to Escrow and thereafter purchaser shall be no longer obligated thereunder.

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement before executing the Sales Contract, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchaser's funds, and the Escrow Agreement specifically provides that the funds may be disbursed for certain costs of the project prior to the completion of construction and under the Sales Contract a purchaser authorizes Escrow to make such disbursements.

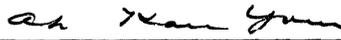
The specimen Sales Contract states that in the event less than eighty per cent (80%) of the apartments are sold prior to one (1) year from the issuance of the Preliminary Public Report by the Real Estate Commission, the Seller may at its option cancel the contract upon written notice to Buyer. Said specimen contract also provides that the purchaser understands and agrees that the Developer shall have the right to place a mortgage on the project to secure an interim loan and that the purchaser's rights under his contract shall be subordinate to such a mortgage.

MANAGEMENT OF PROJECT: The proposed By-Laws, which are incorporated in the proposed Declaration, provides that the operation of the project shall be conducted for the Association of Owners under the direction of the Board of Directors, and the Board of Directors may appoint a responsible managing agent as being Aaron M. Chaney, Inc.

STATUS OF PROJECT: The Developer advised that it proposes to commence construction within the next sixty (60) days. The developer has estimated that construction will take approximately twelve (12) months from the date that construction commences. Construction will be financed by purchaser's money from escrow as well as construction loan money obtained by the Developer.

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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 on September 14, 1976, and additional information subsequently filed as of October 13, 1976.

This is a Preliminary Horizontal Property Regimes (Condominium) Public Report which is made a part of Registration No. 878, filed with the Commission on September 14, 1976. 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 KAU YOUNG, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

DISTRIBUTION:  
DEPARTMENT OF TAXATION  
BUREAU OF CONVEYANCES  
PLANNING DEPARTMENT, CITY & COUNTY OF HONOLULU  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

REGISTRATION NO. 878  
October 18, 1976