

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
HAWAIIAN MONARCH
444 Niu Street
Honolulu, Hawaii

REGISTRATION NO. 929

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: August 26, 1977
Expires: September 26, 1978

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 8, 1977, AND ADDITIONAL INFORMATION FILED AS OF AUGUST 25, 1977. DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES, AS AMENDED.

1. The HAWAIIAN MONARCH is a proposed leasehold condominium project consisting of (a) 132 residential apartments, (b) 288 hotel apartments, (c) 6 commercial apartments and (d) a parking apartment, all located in

a 44-story building. Only the 132 residential apartments located on Floors 25 through 44 of the building are being offered for sale and are covered by this registration. The Commercial, hotel and parking apartments are to be retained by the Developer.

2. The Developer of the Project has submitted to the Commission for its examination all documents deemed necessary for the registration of the condominium project and the issuance of this Preliminary Public Report.
3. Developer reports that the Declaration of Horizontal Property Regime, the Bylaws of the Association of Apartment Owners and the Condominium Map will be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii immediately prior to the application for a Final Public Report.
4. No advertising or promotional materials have been submitted to the Commission at this time.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Hawaii Revised Statutes, Chapter 514, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report expires thirteen (13) months after issuance, August 26, 1977, unless a Final Public Report or a Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective date of this report.
7. This Preliminary Public Report is part of the registration of the HAWAIIAN MONARCH. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and securing a signed copy of the receipt for the Preliminary Public Report from each purchaser.

NAME OF PROJECT: HAWAIIAN MONARCH

LOCATION: The Project is located in Waikiki, Honolulu, Hawaii, at the corner of Ala Wai Boulevard and Niu Street and has a land area of approximately 38,498 square feet.

TAX KEY: 1-2-6-14-32, 33, 34, 36, 37 and 38.

ZONING: The property is zoned H-2.

DEVELOPER: KYO-YA COMPANY, LTD., a Hawaii corporation, 2353 Kalakaua Avenue, Honolulu, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Cades Schutte Fleming & Wright (Attn.: Douglas E. Prior, Esq.), 17th Floor, First

Hawaiian Bank Building, P. O. Box 939, Honolulu, Hawaii 96808, telephone 531-7232.

DESCRIPTION OF PROJECT:

Description and Division of Project.

The Project contains a single building of 44 stories consisting of a residential lobby, a hotel lobby, three floors of parking, a recreational deck with a swimming pool, 18 floors of hotel apartments and 20 floors of residential apartments. Each apartment in the Project has access to limited common elements which give access to the street, either directly or via an elevator. The Project is constructed of reinforced concrete, steel, glass, aluminium and allied building materials, and more specifically described as follows:

Residential Apartments.

The 132 residential apartments are located on the 25th through 44th floors, with 12 split-level apartments on the 25th and 26th floors, 8 apartments on each of the 27th through the 38th floors, and 4 apartments on each of the 39th through the 44th floors. There are 12 types of apartments, more particularly described as follows:

Type A Apartment. There are 22 Type A residential apartments with 2 each located on the 28th through 38th floors and are numbered 01 and 08 preceded by the number of the floor on which they are located. Each apartment has a floor area of approximately 584 square feet and contains a living/dining room with kitchen facilities, a bedroom and two bathrooms.

Type B Apartment. There are 48 Type B residential apartments with 4 each located on the 27th through the 38th floors and are numbered 02, 03, 06 and 07 preceded by the number of the floor on which they are located. Each apartment has a floor area of approximately 538 square feet and contains a living/dining room with kitchen facilities, a bedroom and 2 bathrooms.

Type C Apartment. There are 12 Type C residential apartments with 1 each located on the 27th through the 38th floors and are numbered 04 preceded by the number of the floor on which each is located. Each apartment has a floor area of approximately 472 square feet and contains a living/dining room with kitchen facilities, a bedroom and 2 bathrooms.

Type D Apartment. There are 14 Type D residential apartments located on the 27th through the 38th floors, with 3 on the 27th floor and 1 on each of the other floors. The numbers of the apartments on the 27th floor end in 01, 05 and 08 and the numbers of the apartments on all the other floors end in 05, in all cases preceded by the number of the floor on which each is located. Each apartment has a floor area of approximately 484 square feet and contains a living/dining room with kitchen facilities, a bedroom and 2 bathrooms (except that 2701 and 2708 have only one bathroom).

Type E Apartment. There are 10 Type E residential apartments located on the 39th through the 43rd floors with 2 on each floor and are numbered 01 and 04 preceded by the number of the floor on which each is located. Each apartment has a floor area of approximately 1152 square feet and contains a living/dining room, a kitchen, 2 bedrooms and 2 bathrooms.

Type F Apartment. There are 10 Type F residential apartments located on the 39th through the 43rd floors with 2 on each floor and are numbered 02 and 03 preceded by the number of the floor on which each is located. Each apartment has a floor area of approximately 1,058 square feet and contains a living/dining room, a kitchen, 2 bedrooms and 2 bathrooms.

Type G Apartment. There are 2 type G residential apartments located on the 44th floor numbered 4401 and 4404. Each apartment has a floor area of approximately 2,223 square feet, including a rooftop lanai of 1,025 square feet, and contains a living/dining room, a kitchen, a master bedroom, 2 bathrooms and rooftop lanai.

Type H Apartment. There are 2 Type H residential apartments located on the 44th floor numbered 4402 and 4403. Each apartment has a floor area of approximately 2,095 square feet, including a rooftop lanai of 1,025 square feet, and contains a living/dining room, a kitchen, a master bedroom, 2 bathrooms, and a rooftop lanai.

Type I Apartment. There are 3 Type I split-level residential apartments located on the 25th and 26th floors and numbered 2601, 2607 and 2612. Each apartment has a floor area of approximately 546 square feet consisting of a living/dining room with a kitchen area on the 26th floor and a bedroom and bath on the 25th floor.

Type J Apartment. There are 4 Type J split-level residential apartments located on the 25th and 26th floors and numbered 2602, 2605, 2608 and 2611. Each apartment has a floor area of approximately 917 square feet and contains a living/dining room and a kitchen on the 26th floor and 2 bedrooms and 2 bathrooms on the 25th floor.

Type K Apartment. There are 4 Type K split-level residential apartments located on the 25th and 26th floors and numbered 2603, 2604, 2609 and 2610. Each apartment has a floor area of approximately 610 square feet and contains a living/dining room with a kitchen area on the 26th floor and a bedroom and bathroom on the 25th floor.

Type L Apartment. There is 1 Type L residential apartment located on the 25th and 26th floors numbered 2606. The apartment has a floor area of approximately 538 square feet and contains a living/dining room with a kitchen area on the 26th floor and a bedroom and bath on the 25th floor.

NOTE: The Developer reserves the exclusive right without

approval or consent from the Buyers in the Project to alter the Building Plan and the Condominium Plan filed with the Real Estate Commission for entries through the common walls between two or more adjacent apartments purchased by the same or related purchasers. Such entries may be permitted prior to or after the issuance of a Final Public Report upon a determination by the Seller's architect that the alterations will not impair the structural integrity or soundness of the Project. The apartments entered shall not be deemed merged, and such entry must be closed and the common wall rebuilt to seal off such entry prior to the sale or conveyance by a purchaser of such apartment, except where a single Purchaser may acquire each apartment subject to such entry.

Commercial Apartments.

There are six commercial apartments located in the residential lobby through the 6th floor. Commercial Apartment 1 is located in residential lobby on the ground level and has a floor area of approximately 7,280 square feet. Commercial Apartment 2 is located in the hotel lobby on the mezzanine level and has a floor area of approximately 19,094 square feet. Commercial Apartment 3 is located on the third floor surrounding the elevator and foyer area and has a floor area of approximately 6,066 square feet. Commercial Apartment 4 is located on the 4th floor surrounding the elevator and the foyer area and has a floor area of approximately 5,184 square feet. Commercial Apartment 5 is located on the 5th floor adjacent to the foyer and has an area of 324 square feet. Commercial Apartment 6 is on the 6th floor surrounding the elevators and foyer area and the swimming pool and has an approximate floor area of 17,967 square feet.

Parking Apartment.

The Parking Apartment consists of three levels of parking for 206 cars on the 3rd, 4th, and 5th floors of the building and has a total floor area of approximately 72,072 square feet.

Hotel Apartments.

The 288 hotel apartments are divided into six different types of apartments, all consisting of a living/sleeping room and a bathroom with 16 apartments located on each of the 18 floors and having the following approximate floor area:

<u>Type</u>	<u>Area</u>
M	254
N	227
O	248
P	234
Q	250
R	204
S	262

The residential and hotel apartments will all have carpets and drapes. The residential apartments all have kitchen facilities consisting of a range and self-cleaning oven, refrigerator and disposal. The apartments on floors 25 through 38 all have two window air conditioners, and the apartments on the 39th through the 44th floors have central air conditioning. The apartments on the 25th and 26th floors and on floors 39 through 44 have dishwashers, washer-dryers and trash compactors. There are trash rooms on floors 26 through 44. There is no trash chute.

Limits of Apartments: The respective apartments shall not be deemed to include the undecorated or unfinished walls, floors, and ceilings surrounding each apartment, or any pipes, wires, conduits, or other utility lines running through such apartment which are utilized by or serve more than one apartment, the same being deemed common elements as hereinafter described. Each apartment shall include all walls and partitions which are not loadbearing within its perimeter walls, the inner, decorated, or finished walls, floors and ceilings, and any built-in fixtures.

COMMON ELEMENTS: The common elements will include the land in fee simple, and the following portions of the Project which will be shown in yellow on the Condominium Map filed in the Office of the Assistant Registrar of the Land Court: certain landscaped areas, the fire exits, and the swimming pool and surrounding deck. The common elements shall also include the limited common elements described below, and all other portions of the Project, other than the apartments, including, specifically, but not limited to, the common elements mentioned in the Horizontal Property Act which are actually constructed on the land, and all other portions of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use, and which are not included as part of an apartment.

LIMITED COMMON ELEMENTS: The following parts of the common elements are reserved for the exclusive use of certain apartments:

Commercial Elements. The following limited common elements ("commercial elements"), which will be shown in blue on the Condominium Map, shall be appurtenant to and for the exclusive use of all the commercial apartments and hotel apartments, and all costs and expenses of every description pertaining thereto ("commercial expenses"), including, but not limited to, the cost of maintenance, repair, and replacement of, and the making of any additions and improvements to, and the cost of administering and operating, including the cost of any security arrangements, and the cost of insuring, shall be charged to and borne by each owner of the commercial apartments and hotel apartments in the percentage which the common interest appurtenant to his commercial apartment or hotel apartment bears to the total common interest of all commercial apartments and hotel apartments:

- (1) The hotel elevators serving the hotel lobby

and the first 24 floors of the Project;

(2) A linen chute extending from the 38th floor to the laundry room on the 4th floor;

(3) The mechanical room, stairway, service elevator and adjacent hallway in the residential lobby;

(4) The landscaped area and walkway on the ground level along the ewa side of the Project, the loading area, trash area and adjacent areas, exclusive of the trash area which is designated as a residential element, all located in the hotel lobby;

(5) The foyers on the 3rd, 4th, 5th and 6th floors and the men's and women's restrooms on the 3rd, 4th and 6th floors;

(6) The foyers and the entry halls on the 7th through the 24th floors.

Residential Elements. The following limited common elements ("residential elements") will be shown in light brown on the Condominium Map and are appurtenant and for the exclusive use of all residential apartments, and all costs of every description pertaining thereto ("residential expenses"), including, but not limited to, the cost of maintenance, repair and replacement of, and the making of any additions and improvements to, and the cost of administering and operating, including the cost of any security arrangements, and the cost of insuring, shall be charged to and borne by each owner of a residential apartment in the percentage in which the common interest appurtenant to his residential apartment bears to the total common interest of all residential apartments.

(1) The elevator servicing the residential lobby and the 26th through the 44th floors;

(2) The porte cochere, lobby, foyer, lounge, storage area, office and mechanical room in the residential lobby;

(3) The trash room in the hotel lobby;

(4) The meeting room, card room and library and foyer on the 5th floor, and the stairways on the 5th and 6th floors;

(5) The foyers and hallways on the 26th through the 44th floors.

Other Limited Common Elements. The Project contains the following additional limited common elements which are shown in dark brown on the Condominium Map:

(1) A stairway between Commercial Apartment No. 1 and Commercial Apartment No. 2 is reserved for these 2 apartments;

(2) A stairway between Commercial Apartment No. 2 and Commercial Apartment No. 3 is reserved for these two apartments;

(3) The entry halls serving adjacent hotel apartments on the 7th through the 24th floors are reserved for the exclusive use of each of the groups of two apartments which they serve;

(4) The air-conditioning equipment and lines providing central air conditioning to the 39th through the 44th floors are reserved for the exclusive use of the apartments on these floors.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: The following types of apartments have the following common interest in the common elements of the Project and also will be responsible for the following percentage share of the residential and commercial expenses:

	<u>Common Interest*</u>	<u>Residential Expenses</u>	<u>Commercial Expenses</u>
Each Type A Residential Apartment	0.3073	0.6476	
Each Type B Residential Apartment	0.2837	0.5977	
Each Type C Residential Apartment	0.2484	0.5234	
Each Type D Residential Apartment	0.2547	0.5367	
Each Type E Residential Apartment	0.6062	1.2774	
Each Type F Residential Apartment	0.5568	1.1732	
Each Type G Residential Apartment	1.1699	2.4651	
Each Type H Residential Apartment	1.1025	2.3231	
Each Type I Residential Apartment	0.2873	0.6055	
Each Type J Residential Apartment	0.4826	1.0169	
Each Type K Residential Apartment	0.3210	0.6764	
Each Type L Residential Apartment	0.2831	0.5965	
Each Type M Hotel Apartment	0.1337		0.2544
Each Type N Hotel Apartment	0.1195		0.2274
Each Type O Hotel Apartment	0.1305		0.2484
Each Type P Hotel Apartment	0.1231		0.2344
Each Type Q Hotel Apartment	0.1316		0.2503

	<u>Common Interest*</u>	<u>Residential Expenses</u>	<u>Commercial Expenses</u>
Each Type R Hotel Apartment	0.1073		0.2043
Each Type S Hotel Apartment	0.1378		0.2623
Commercial Apartment 1	2.7255		5.1874
Commercial Apartment 2	4.0928		7.7897
Commercial Apartment 3	3.1923		6.0759
Commercial Apartment 4	2.7281		5.1924
Commercial Apartment 5	0.1705		0.3245
Commercial Apartment 6	1.7398		3.3114
Parking Apartment	1.4483		2.7565

Each apartment owner's undivided ownership interest in the common elements and his voting rights shall be in proportion to his common interest. The common expenses of the Project are divided into three categories; namely, (1) common expenses, (2) residential expenses, and (3) commercial expenses. The common expenses include all costs of operating and maintaining all common elements exclusive of the limited common elements. As required by the Horizontal Property Act, the costs of operating and maintaining the limited common elements shall be charged to the owners of the apartments having the exclusive use of the limited common elements. Therefore, all costs of maintaining the residential elements shall be shared by the residential apartment owners in the proportion that the common interest appurtenant to each residential apartment bears to the total common interest appurtenant to all the residential apartments. Similarly, all costs of maintaining and operating the commercial elements shall be shared by the commercial apartments, hotel apartments, and the parking apartments in a ratio that the common interest appurtenant to each of these apartments bears to the total common interest appurtenant to all these apartments.

The Board of Directors of the Association of Apartment Owners has the authority, pursuant to the terms of the Declaration of Horizontal Property Regime, to allocate the common expenses of the Project among the categories of common expense, residential expense and commercial expense. Separate meters will be installed to measure the water, electricity and any other utilities servicing the residential apartments as a group and the commercial, hotel and parking apartments as a group. Also, certain of the commercial apartments may be separately metered. The cost of the utilities servicing the residential

* Common expenses, excluding expenses pertaining to residential and commercial elements, are in the same proportion as the common interest.

apartments will then be treated as residential expenses and shared by all residential apartment owners in the same proportion of other residential expenses.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Project is divided into two distinct areas. The first 24 floors of the Project containing commercial, hotel and parking apartments shall be operated as a hotel, and only the top 20 floors of the Project containing the residential apartments are being offered for sale to the public. The building has two completely separate banks of elevators, one serving the hotel and the other serving the residential apartments. Each residential apartment shall at all times be used as a permanent or temporary residence or as a hotel room, and for any other purpose permitted by all applicable laws and not inconsistent with a first-class hotel operation. An owner of a residential apartment is therefore free to live in the apartment himself, rent the apartment to others either by himself or through an agent, or join with other owners of residential apartments in arranging a rental program for the residential apartments. The Developer advises that it has made no arrangements for any such rental program.

The commercial apartments and the hotel apartments and the commercial elements appurtenant thereto may be used for any purpose which may from time to time be permitted by law. Without limiting the generality of the foregoing, the owners of the commercial apartments may alter the layout of the spaces within the commercial apartments and may add additional commercial operations by further partitioning the commercial apartments so long as such changes to the interior of the commercial apartments do not upset the structural integrity of the Project. Also, commercial activities may be carried on in the commercial elements.

The parking apartment shall at all times be used to park motor vehicles and for any other purpose permitted by the applicable zoning laws. The owner of the parking apartment shall have the right to establish a system of control by gate, guard, parking cards, stickers, validation, rules and regulations, or otherwise for the vehicular access to and from the parking apartment, and to charge such rates for the parking of vehicles as the owner of the parking apartment shall determine in its sole discretion. Every purchaser of a residential apartment will be given the opportunity to lease an undesignated parking space for a period of seventy-five years at the monthly rate charged for similar space in Waikiki, which rate may be increased every two (2) years to reflect the current rates being charged in Waikiki.

NOTE: The purchaser shall pay to the Developer as additional rental, together with each payment of rental or any other payment required which is subject to the State of Hawaii general excise tax on gross income, an amount which when added to such rental or other payment, shall yield to the Developer, after deduction of all such tax payable by the Developer with respect to all such

payments, a net amount equal to such rental or other payments due.

OWNERSHIP OF TITLE: The Preliminary Report dated July 19, 1977, issued by Title Guaranty of Hawaii, Inc., states that fee simple title to the land is held by the Developer.

EMCUMBRANCES: The Preliminary Report of Title Guaranty of Hawaii, Inc., dated July 19, 1977, states that the title to the property is subject to the following encumbrances:

1. Real property taxes accruing after June 30, 1977.
2. Easement in favor of Hawaiian Electric company, Inc. for the maintenance of electric light and power lines across a five-foot-wide strip of land, filed as Land Court Document No. 13208.
3. Easements reserved and covenants in the Deed dated June 1, 1966, filed as Land Court Document No. 393030 from the City and County of Honolulu reserving sub-surface easements for sewer and water purposes and for electric and telephone lines, together with the right of vehicular and pedestrian access across the designated land, and reserving the right to construct, install, maintain and repair sewer and water pipelines, equipment and facilities and electric and telephone lines, equipment and facilities, and containing a covenant that nothing will be built upon the land subject to the easement without the approval of the City and County of Honolulu, and, in particular, that no building foundation of any kind shall be constructed below the surface, nor shall any improvements be placed on the surface other than roads, walks, curbs, and similar improvements, and that any building constructed above the surface shall have a clearance of at least 12 feet. The easement is approximately 11 feet wide and is along one of the boundaries of the property. The Developer advises that the Project has been designed so as not to encroach upon this area.
4. A sewer easement, as set forth by Land Court Order No. 27084.

PURCHASE MONEY HANDLING: A copy of a specimen Deposit Receipt and Sales Contract and an executed Escrow Agreement have been submitted as part of the registration. The Escrow Agreement dated July 29, 1977, identifies Title Guaranty Escrow Services, Inc. as the "Escrowee". Upon examination, the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly with Sections 514-14, 514-15 and 514-35 through 514-40. Among other provisions, the specimen Deposit Receipt and Sales Contract states that the Seller's mortgage (interim, renewals & extensions) used for the construction of the project shall be and remain at

all times a superior lien on the project, and Purchasers intentionally waive and subordinate the priority of lien under the sales contract in favor of the mortgage loan.

A prospective purchaser should carefully examine the form of Deposit Receipt and Sales Contract and the Escrow Agreement to determine the time for and the amount of the installment payments on the purchase price and his obligations to pay the closing costs. It is incumbent upon the purchaser to read and understand the Escrow Agreement before signing the Deposit Receipt and Sales Contract since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's down payments prior to and after the completion of the construction of the Project.

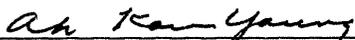
MANGEMENT AND OPERATION: Article III, Section 3, of the Bylaws states that the Board of Directors shall at all times employ a responsible managing agent to manage and control the Project, subject at all times to direction by the Board of Directors.

STATUS OF PROJECT: Construction of the Project has commenced and the Developer presently estimates that it will be completed in December, 1978.

The purchaser and prospective purchasers should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted August 8, 1977, and additional information filed as of August 25, 1977.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 929 filed with the Commission on August 8, 1977.

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



AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution:
Department of Taxation
Department of Land Utilization,
City and County of Honolulu
Escrow Agent
Federal Housing Administration

Registration No.929

August 26, 1977