

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

EMERSON PLAZA
1516 Emerson Street
Honolulu, Hawaii

REGISTRATION NO. 1282 (CONVERSION)

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 22, 1980
Expires: June 22, 1981

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED March 25, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF May 16, 1980. THE SELLER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. EMERSON PLAZA is a proposed leasehold condominium project, which will consist of 12 residential units in an existing four-story apartment building and 13 parking stalls. The building was completed in 1967.
2. The Seller of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Preliminary Public Report.
3. The Seller has submitted to the Commission for examination a proposed Declaration of Horizontal Property Regime, proposed By-Laws of the Association of Apartment Owners and the floor plans. A Final Public Report will not be issued until these items have been executed, approved and recorded where applicable.
4. No advertising or promotional matter has been submitted 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 Chapter 514A, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, May 22, 1980, unless a Final Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.
7. This Preliminary Public Report is made a part of the registration of EMERSON PLAZA. The developer is responsible for placing this Preliminary Public Report (yellow paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers and for securing a signed receipt therefor.

NAME OF PROJECT: EMERSON PLAZA

LOCATION: The 5,904 square feet of property to be committed to the regime as a leasehold condominium project is situated at 1516 Emerson Street, Honolulu, State of Hawaii.

TAX MAP KEY: 2-1-39-24

ZONING: A-3.

DEVELOPER: EMERSON PLAZA GROUP, a Hawaii joint venture, whose address is 900 Fort Street, Suite 1200, Honolulu, Hawaii 96813, telephone 524-8505. The parties to the joint venture are Central Pacific Development Corporation (which will be the title holder) and Hawaiian Petroleum Industries Corporation.

ATTORNEYS REPRESENTING SELLER: Ikazaki, Devens, Lo, Youth & Nakano (Attention: Richard C. Lo and Curtis H. Shiramizu), 700 Bishop Street, Suite 1412, Honolulu, Hawaii 96813; telephone 521-1456.

DESCRIPTION: The proposed Declaration reflects that the project is to consist of an existing four (4) story building, containing twelve (12) residential apartments on three (3) floors, and twelve (12) parking stalls appurtenant to each apartment and one (1) parking apartment to be sold separately (such parking stalls and parking apartment hereinafter sometimes collectively referred to as "parking space") located on the ground floor level. Each residential floor also has an access corridor, and two (2) stairways.

There are four (4) residential apartments per floor on each of the three (3) residential floors (floors two through four). Each residential apartment on the second through fourth floors has a three-digit number. Apartments 101 through 104, inclusive, are located on the second floor; Apartments 201 through 204, inclusive, are located on the third floor; Apartments 301 through 304, inclusive, are located on the fourth floor. The second and third numbers indicate the number of the residential apartment of each floor.

There are two types of residential apartments. Apartments 101, 201 and 301 are two-bedroom apartments with a kitchen, living room and bathroom; the gross floor area of each apartment is approximately 720 square feet, plus a lanai of approximately 96 square feet. Apartments 102, 103, 104, 202, 203, 204, 302, 303 and 304 are one-bedroom apartments with a kitchen, living room and bathroom; the gross floor area of each apartment is approximately 540 square feet, plus a lanai of approximately 72 square feet. Apartments 103, 104, 203,

204, 303 and 304 are identical; apartments 102, 202 and 302 being the reverse. Each residential apartment has immediate access to a corridor which leads to two (2) stairways and each stairway leading to the grounds of the Project or common elements leading to the grounds and to Emerson Street.

The respective residential apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, awnings, if any, the floor and ceiling surrounding each residential apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being common elements as hereinafter provided. Each residential apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, and all fixtures installed in the apartment.

There are thirteen (13) parking spaces in the spaces bounded by the main walls and demarcation lines, floor and ceiling of each of the thirteen (13) parking spaces located on the Ground Level of the project, and are designated on the proposed Condominium Map. The twelve (12) parking stalls are numbered 1 through 12, inclusive and the one (1) parking apartment, to be sold separately, is numbered 13. Parking spaces 1 through 3, inclusive, are located on the makai side of the building; spaces 4 through 6, inclusive, are located on the ewa side of the building; and spaces 7 through 13, inclusive, are located on the mauka side of the building. Each parking space has basically a rectangular floor except as necessary to accommodate the building superstructure, and contains an approximate area of 161.5 square feet, more or less. Each parking space has immediate access to two (2) stairways leading to the second through fourth floors of the building and access lanes and ramps leading to the grounds of the project or common elements leading to the grounds of the project and to Emerson Street.

The respective parking spaces shall not be deemed to include the decorated or undecorated or finished or unfinished surfaces of the perimeter or party walls or interior load-bearing walls and the columns, the floor or ground and ceiling surrounding each apartment or any pipes, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment, the same being common elements as hereinafter provided.

COMMON ELEMENTS: The proposed Declaration of Horizontal Property Regime designates all of the remaining portions of the project, herein called the "common elements", including specifically, but not limited to:

(a) Said land in fee simple;

(b) All structural components, such as foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, stairs, stairways and fire escapes, entrances, exits, floor slabs, unfinished perimeter, party and load-bearing walls, awnings, if any, and walkways of said building;

(c) All common spaces such as yards, gardens, planting areas, roof deck, trash collection areas, driveways, access lanes and ramps leading to the parking areas;

(d) All common premises such as the trash area, premises for the use of janitors or other persons employed for operation of the property, if any;

(e) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under or across the Project which serve more than one apartment for services such as power, light, gas, hot water, cold water, sewage, telephone and television signal distribution, if any;

(f) Apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, vents and other such installations and apparatus;

(g) 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 certain parts of the common elements, herein called the "limited common elements", are designated and set aside 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) The corridors and all other areas, except stairways and doorways on each residential floor shall be limited common elements appurtenant to all the apartments on such floor;

(b) The yards, gardens, planting areas, picnic areas, roof deck, and other recreational facilities, if any, shall be limited common elements appurtenant to and for the exclusive use of residential apartments;

(c) Each residential apartment shall have for its exclusive use one (1) parking stall as designated on Exhibit "A" attached hereto and made a part hereof and shall be appurtenant to and for the exclusive use of such residential apartment. Each residential apartment shall always have at least one (1) parking stall appurtenant to it but otherwise any automobile parking space easement may be transferred from apartment to apartment in the Project.

Note: The parking apartment numbered 13 is for the exclusive use of the owner thereof and is not part of the limited common elements.

(d) All other common elements of the Project which are rationally related to less than all of said apartments shall be limited common elements appurtenant to the apartments to which they are so related.

INTEREST TO BE CONVEYED TO PURCHASER: The percentage of undivided interest in the common elements appertaining to each residential apartment shall be 9.6989% as to two-bedroom apartments and 7.6923% as to one-bedroom apartments, and the interest appertaining to the parking apartment shall be 1.6726%. The above percentage shall govern all common profits and expenses of the project and for purposes of voting on all matters requiring action by the owners.

PURPOSES FOR WHICH THE BUILDING AND EACH APARTMENT MAY BE USED: The residential apartments shall be occupied and used for dwelling purposes and for no other purpose. The parking spaces may be used as a parking space for a motor vehicle or

such other purpose as the Developer shall determine in its sole discretion, provided that such determination shall be made prior to the sale of any such parking spaces to a bona fide purchaser.

The House Rules provide, in part: (1) Occupancy is limited to not more than two (2) persons per bedroom contained in each residential apartment, except that this occupancy may be exceeded by members of the immediate family of the owner, tenant or lessee, provided that in no event shall the number of occupants be more than three per bedroom; (2) no fires or barbecuing will be permitted on any apartment lanai (if any); and (3) No waterbeds shall be permitted in the apartments.

OWNERSHIP OF TITLE: The Preliminary Report dated March 4, 1980, issued by Title Guaranty of Hawaii, Incorporated, reports that title to the land is vested in American Trust Co. of Hawaii, Inc. a Hawaii corporation, and Dora Fusako Hayashi, as Custodial Trustee and Personal Trustee, respectively, for Alice Hatsuyo Nako under that certain unrecorded Trust Agreement dated August 1, 1973, with full powers to sell, mortgage, lease, etc. By undated Deposit Receipt, Offer and Acceptance, under a three-party exchange agreement, said American Trust Co. of Hawaii, Inc. and Alice Hatsuyo Nako agreed to sell to Vedcap, Inc. and E & B, Inc., as Exchange Sellers, who also agreed to sell the property to Central Pacific Development Corporation. The parties have agreed to effect the exchange on or before May 30, 1980. Central Pacific Development Corporation, a partner with Hawaiian Petroleum Industries Corporation in the partnership known as Emerson Plaza Group, a Hawaii joint venture, will lease the property to the joint venture.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated March 4, 1980 reports that title to the land is subject to the following encumbrances.

1. Real property taxes - for further information, check with the Tax Assessor, County of Honolulu, on Tax Map Key 2-1-39-24.
2. Title to all minerals and metallic mines reserved to the State of Hawaii.
3. Terms, conditions and provisions contained in that certain unrecorded Trust Agreement dated August 1, 1973.
4. Mortgage dated June 24, 1966, made by James Kamado Nako and Alice Hatsuyo Nako, husband and wife, in favor of

Hawaiian Life Insurance Co., Ltd., recorded in the Bureau of Conveyances of the State of Hawaii in Liber 5363 at Page 267.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated May 16, 1980 between King Escrow Services Corporation, as Escrow, and Seller, has been filed with the Commission. On examination, the executed Escrow Agreement and specimen Sales Contract filed with the Commission are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39, 514A-62, 514A-64 through 514A-66.

The specimen Sales Contract contains the following provisions, among others:

1. THE BUYER EXPRESSLY ACKNOWLEDGES AND AGREES that the Project consists of a fully constructed and existing building (the Final Certificate of Occupancy having been heretofore issued, that the Buyer has been offered an adequate opportunity to examine the plans for the Project (as set forth in Condominium Map No. _____) and the actual Project and Apartment covered hereby. AND THE BUYER FURTHER ACKNOWLEDGES AND AGREES that the property described in Section "A" above [of the Sales Contract] is being sold by the Seller in its present condition, "as is", and that the Seller is disclaiming any express or implied warranty of any kind whatsoever, including, without limitation, any implied warranty of merchantability or fitness of the property for a particular purpose, or any implied warranty of habitability.

2. In addition to closing costs in the Sales Contract the purchaser will pay a sum equal to three (3) months estimated common expenses as a non-refundable, non-transferable "start-up fee" to the Association of Apartment Owners.

3. The Buyer acknowledges his right to inspect the apartment prior to executing the Sales Contract. The existence of any defect in the Apartment shall not excuse the Buyer's obligation to perform all obligations in the Sales Contract.

4. Prospective purchaser should be aware that the Seller's mortgage loan (interim, renewals and extensions) used for the development 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.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest and less Escrow's cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

(a) Seller requests Escrow Agent to return to Buyer the funds of Buyer then being held hereunder by Escrow Agent; or

(b) Seller notifies Escrow Agent of Seller's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Seller; or

(c) If a Buyer's funds were obtained prior to the issuance of a Final Public Report and the request is prior to the time the Final Public Report is issued; or

(d) If the Final Public Report differs in any material respect from the Preliminary Public Report, if any, unless the Buyer has given written approval or acceptance of the difference; or

(e) If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report, if any.

The Escrow Agreement also contains the following provisions, among others: that the Escrow Agent shall make no disbursements of Buyer's funds unless and until Seller has acquired title to the real property and improvements from Central Pacific Development Corporation and Seller has complied with all the provisions of the Escrow Agreement.

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

trust funds. The specimen Sales Contract specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

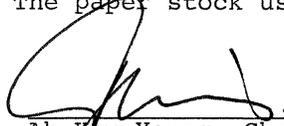
MANAGEMENT OF THE PROJECT: The proposed Declaration provides that the management of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Sales Contract to be signed by the purchasers provided the Seller may appoint the initial manager and agent of the project. Hawaiian Certified Property Management, Inc., 900 Fort Street, Suite 1212, Honolulu, Hawaii, has been selected as the initial managing agent for the project.

STATUS OF PROJECT: The construction of the improvements constituting the project has been completed. The Final Certificate of Occupancy for the project was issued on January 19, 1967.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Seller in the required Notice of Intention submitted March 25, 1980 and information submitted as of May 16, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1282, filed with the Commission on March 25, 1980.

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


_____. (for)
Ah Kau Young, Chairman
Real Estate Commission
State of Hawaii

DISTRIBUTION:
Department of Taxation
Bureau of Conveyances
Planning Commission, County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1282
May 22, 1980

EXHIBIT "A"

<u>Residential Apartment No.</u>	<u>Parking Stall No.</u>
101	1
102	4
103	7
104	10
201	2
202	5
203	8
204	11
301	3
302	6
303	9
304	12