

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
ALA KAI CENTER
177 Ponahawai Street
Hilo, Hawaii

REGISTRATION NO. 1326

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 4, 1980

Expires: September 4, 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED June 26, 1980 and information subsequently filed as of July 28, 1980. THE DEVELOPER, NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAWS, HAWAII REVISED STATUTES, CHAPTER 514A.

1. ALA KAI CENTER is a proposed fee simple condominium project containing twenty-four (24) office apartment units located in one six-story building, and seventy-three (73) unassigned parking stalls (48 regular, 25 compact).
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and the issuance of this Preliminary Public Report.

3. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved Floor Plans) have not been recorded in the office of the recording officer.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes and the condominium rules and regulations which relate to horizontal property regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, August 4, 1980, unless a Supplementary or Final 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 registration on ALA KAI CENTER condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) together with Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for same from each such person is also the responsibility of the Developer.

NAME OF PROJECT: ALA KAI CENTER

LOCATION: The project is located at 177 Ponahawai Street, Hilo, Hawaii, and consists of approximately 34,449 square feet of land.

TAX KEY: Third Division 2-2-8-18

ZONING: Commercial

DEVELOPER: PONAHAHAWAI LIMITED PARTNERSHIP, a Hawaii limited partnership, is the developer of the project and has its principal place of business and postal address at Suite 204, 2145 Wells Street, Wailuku, Maui, Hawaii 96793, Phone 242-4555. The General Partners are: Maui Condominium Consultants, Inc., 2145 Wells Street, Suite 204, Wailuku, Maui; Ala Kai Realty, Inc., 150-A Kinoole Street, Hilo, Hawaii; and Hilo One, Incorporated, 714 Kanoolehua Avenue, Hilo, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: LAWRENCE N. C. ING, P. O. Box LLL, Wailuku, Maui, Hawaii 96793; telephone: 242-4555.

DESCRIPTION OF PROJECT:

1. Building Description. The project will consist of one six-story building, consisting of twenty-four (24) office apartment units and 73 paved parking stalls (48 regular, 25 compact), situate upon the 34,449 sq. ft. of land. Each floor shall have

four (4) units. Each of the floors will be connected to the other floor with two elevators in the center of the building and two stairways. Each unit shall consist of the space measured horizontally by the distances up to the glass line or the outside face of the perimeter walls of each unit, one-half (1/2) of the party walls and the interior surfaces of the corridor walls; and measured vertically by the distances between the topside surface of the concrete floor and the underside of the ceiling.

2. Materials. The principal materials of which the said buildings shall be constructed are as follows:
 - a. the ground floor slab shall be of poured reinforced concrete;
 - b. the floors above the ground floor shall be of reinforced concrete;
 - c. the structural system shall be of reinforced concrete columns, walls and beams and reinforced concrete masonry units;
 - d. the interior partitions within each apartment shall be of metal studs with gypsum board finish;
 - e. the stairs shall be of reinforced concrete;
 - f. the roof shall be of concrete slab with rigid insulation and a membrane built-up roofing.
3. Limits of Apartment and Inclusions. Each apartment shall include all the walls and partitions within its perimeter walls; up to all glass windows or panels along the perimeters; the entirety of outside perimeter non-party walls except for the exterior decorated surfaces; the inner surface of all corridor walls; the interior half of perimeter party walls; the inner decorated or finished surfaces of the floors and ceilings; and all air space encompassed within the apartment; provided, however that the portion of each party wall and of each load bearing wall (whether or not a party walls) which is included in any apartment is a common element (except for the inner decorated surface of said wall within said apartment, which is not a common element) and that the exterior decorated surface of each perimeter non-party wall is a common element; and provided further that any ventilation duct shafts within an apartment as shown on said condominium map is a common element. The apartment shall include all appliance and equipment within the unit, including the ducts, lights, wiring, controls and other apparatus imbedded in the unfinished surfaces of the boundary walls of the apartment. All doors in the apartment, including the entry door to each unit shall also be a part of the apartment.

4. Numbering of Units. Each apartment has been given a numerical designation by which its location in the building can be determined. The units are numbered 101, 102, 103, 104, 201, 202, 203, 204, 301, 302, 303, 304, 401, 402, 403, 404, 501, 502, 503, 504, 601, 602, 603 & 604. The first number designates the floor on which the unit is located.
5. Description of Apartments. Each apartment contains the following floor area:

<u>UNIT</u>	<u>FLOOR LOCATION</u>	<u>FLOOR AREA SQUARE FOOTAGE</u>
101	First Floor	1,003
102	"	1,030
103	"	1,030
104	"	1,003
201	Second Floor	1,089
202	"	1,089
203	"	1,089
204	"	1,089
301	Third Floor	1,089
302	"	1,089
303	"	1,089
304	"	1,089
401	Fourth Floor	1,089
402	"	1,089
403	"	1,089
404	"	1,089
501	Fifth Floor	1,089
502	"	1,089
503	"	1,089
504	"	1,089
601	Sixth Floor	1,089
602	"	1,089
603	"	1,089
604	"	1,089

6. Access to apartments located on the second to the sixth floors shall be by way of two elevators, stairways and corridors leading from the ground walkway and out to the public streets. The units on the first floor have direct access from the ground walkways and corridors.

COMMON ELEMENTS: The common elements shall include:

- a. The land in fee simple;
- b. The foundation, floor slabs, columns, girders, elevator, elevator shafts, beams, supports, bearing walls, roofs, corridors, stairways, fire escapes, walkways, entrances and exits of the building, electrical and equipment room;
- c. The roof;
- d. The mailboxes, trash areas and storage rooms.
- e. The driveways, loading areas, ramps and the seventy-three (73) unassigned parking stalls;
- f. The central and appurtenant installations for services such as power, light, gas, hot and cold water and like utilities;

- g. All of the parts of the project existing for the common use and are necessary to the existence, maintenance and safety of the project.

INTEREST TO BE CONVEYED TO PURCHASERS: The undivided fractional interest ownership in the common elements ("common interest") appertaining to each apartment for all purposes including voting is as follows:

<u>Apartment Number</u>	<u>Percentage Interest</u>
101	3.880%
102	3.980%
103	3.980%
104	3.880%
201	4.214%
202	4.214%
203	4.214%
204	4.214%
301	4.214%
302	4.214%
303	4.214%
304	4.214%
401	4.214%
402	4.214%
403	4.214%
404	4.214%
501	4.214%
502	4.214%
503	4.214%
504	4.214%
601	4.214%
602	4.214%
603	4.214%
604	<u>4.214%</u>

100%

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration provides that all apartments shall be occupied and used for commercial purposes as permitted by the rules and regulations of the County of Hilo, subject to such limitation as may be contained in the Declaration or in the By-Laws and House Rules which may be adopted from time to time governing the use of the apartments.

The House Rules provide, among others: (1) No bicycles, vehicles, animals or birds of any kind shall be brought into or kept in or about the premises and no cooking shall be done or permitted on the demised premises; and (2) The premises shall not be used for lodging or sleeping.

The purchasers or prospective purchasers are advised to read with care the proposed House Rules.

OWNERSHIP TO TITLE: The Preliminary Title Report by Security Title Corporation, dated May 1, 1980, reflects that title to the land is vested in PONAHAHAWAI LIMITED PARTNERSHIP (a Hawaii limited partnership).

ENCUMBRANCES AGAINST TITLE: The above Preliminary Title Report also reflects the following encumbrances:

- (1) Any taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of Tax Assessor of the Second Division, County of Maui, Hawaii.
- (2) Reservations in favor of the State of Hawaii of all mineral and metallic mines.
- (3) Grant of Easement dated July 11, 1933, recorded on December 4, 1939 in the Bureau of Conveyances of the State of Hawaii in Liber 1535, Page 143, in favor of THE COUNTY OF HAWAII, granting a perpetual right-of-way, for a sewerage system for the County of Hawaii. Said sewer right-of-way to be 3 feet wide; 1.5 feet on either side of center line, and containing an area of 678 square feet, (as to Parcel Third and also affects other property).
- (4) Mortgage dated February 23, 1977, recorded on March 9, 1977 in the Bureau of Conveyances of the State of Hawaii in Liber 12058, Page 265, made by HOON PARK and CHUNG JA PARK, husband and wife, UNG LEE and EUNSOUK LEE, husband and wife, and BEN HUR and KOOJA HUR, husband and wife, as Mortgagor(s), to AMERICAN SECURITY BANK, a Hawaii banking corporation, as Mortgagee(s), to secure the repayment of the sum of \$120,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated April 3, 1980 identifies Security Title Corporation, a Hawaii corporation, as Escrow. On examination, the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A Hawaii Revised Statutes and particularly Sections 514A-37, 39, 40 and 63 through 66.

The Escrow Agreement provides, among others, that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, without interest, less cancellation fee of \$25.00, promptly after purchaser has requested such return if Escrow shall have received from Developer a written notice that any one of the following has occurred:

- (a) Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to rescind the sales contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a change in the building plans requiring approval of a county officer having jurisdiction over the issuance of building permits except such changes as are specifically authorized in the Declaration of Horizontal Property Regime or by the terms of the sales contract or to which said purchaser has otherwise consented in writing; or

(d) The Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change shall not have been obtained; or

(e) The final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report.

The specimen Sales Contract provides in part: (1) Purchaser agrees that all rights of Purchaser are and shall be subject and subordinate to the lien of any mortgage, security agreement and financing statement securing the repayment of the interim loan made to finance the cost of construction and other costs during construction; and (2) The Sales Contract shall be binding upon execution of contract between Seller and Purchaser and within two (2) days after Seller receives an executed receipt for the Final Public Report from Purchaser.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and Escrow Agreement. The Escrow Agreement establishes how the proceeds on the sale of the Apartment and all sums from any source are placed in Escrow, as well as the retention, disbursement, and refund of said escrow funds.

MANAGEMENT AND OPERATIONS: The proposed Declaration discloses that the operation of the project shall be conducted for the Association by a Managing Agent who shall be appointed by the Association in accordance with the By-Laws. A Management Agreement dated April 2, 1980 identifies Ala Kai Realty, Inc., an affiliate of the developer, as the initial managing agent.

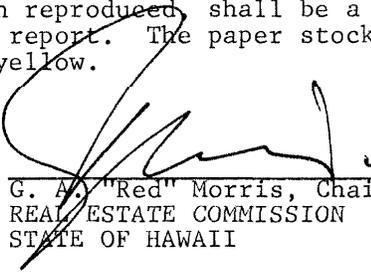
STATUS OF PROJECT: As of this date no construction contract has been entered into by the developer. Completion of the project will be twelve (12) months after commencement of construction.

PROGRAM OF FINANCING: As of this date no financing program
has been finalized by the developer.

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 June 26, 1980 and information subsequently filed as of July 28, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of the REGISTRATION NO. 1326 filed with the Commission on June 26, 1980.

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.



G. A. "Red" Morris, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Department, County of Maui
Federal Housing Administration
Escrow Agent

Date: August 4, 1980

REGISTRATION NO. 1326