

# 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  
YOUNG STREET COMMERCIAL BUILDING  
1436 Young Street  
Honolulu, Hawaii

REGISTRATION NO. 1336

### 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: September 17, 1980

Expires: October 17, 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 ON AUGUST 4, 1980, AND INFORMATION SUBSEQUENTLY FILED AS OF SEPTEMBER 10, 1980. THE DEVELOPER, IN 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. The YOUNG STREET COMMERCIAL BUILDING is a proposed condominium project containing nineteen (19) commercial apartments located in one three-story building.

There will be a total of 37 parking stalls, with 24 parking stalls located on the ground level and 13 parking stalls located on the second floor level. Each apartment will be assigned at least one specific stall for use on an exclusive basis. Eight (8) unassigned stalls have been designated as part of the common elements.

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, Bylaws 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, September 17, 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 the registration on YOUNG STREET COMMERCIAL BUILDING. The Developer shall be responsible for placing this Preliminary Public Report (yellow paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: YOUNG STREET COMMERCIAL BUILDING

LOCATION: The project will be located at 1436 Young Street, Honolulu, Hawaii, on approximately 14,660 square feet of land.

TAX MAP KEY: First Division, 2-4-5-22.

ZONING: B-2, Business District.

DEVELOPER: SALCO, INC., a Hawaii corporation, is the developer of the project and has its principal place of business and post office address at Suite 1602, 1750 Kalakaua Avenue, Honolulu, Hawaii, 96826. The officers and directors of the corporation

are as follows: William E. Harper - President, Treasurer, Director; Sally Ann Harper - Vice President, Secretary, Director; M. E. Harper - Director. The telephone number of the corporation is 947-1254.

ATTORNEY REPRESENTING DEVELOPER: RICHARD B. W. ING, 15 South King Street, Honolulu, Hawaii, 96813. Telephone: 523-7541.

DESCRIPTION: The project will consist of the following:

1. Building Description. The proposed Declaration and Condominium Map indicate that the project will consist of one (1) three-story building, consisting of nineteen (19) commercial apartment units, and thirty-seven (37) paved parking stalls, all situate upon said 14,660 square feet of land. Each unit shall consist of the space measured horizontally by the distances between the interior half of the perimeter walls of each unit, and measured vertically by the distances between the topside surface of the concrete floor and the underside of the suspended ceiling.

2. Materials. The principal materials of which the said building 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 standard 8-inch concrete masonry units, reinforced concrete columns and beams, and steel beams on portions of the second and third floor levels.

(d) The stairs shall be of reinforced concrete.

(e) The roof shall be a built-up roof with 6-inch fiber glass batt installation.

(f) The floor within each unit shall be covered with carpet and tile.

3. Limits of Apartment and Inclusions. Each apartment shall include all the walls and partitions within its perimeter walls; all glass windows or panels along the perimeters; the entirety of perimeter non-party walls except for the exterior decorated surfaces; the interior half of perimeter party walls; the inner decorated or finished surfaces of the floors and ceilings; the built-in light fixtures, carpets and drapes; and all air space encompassed within the apartment, excluding however, that air space between the floor above and the bottom of the suspended ceiling immediately below said floor (the ceiling planum), which air space is a common element; and provided that the portion of each party wall and of each load bearing wall (whether or not a party wall) 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 and air conditioning duct shafts within an apartment as shown on said condominium map is a common element.

Each apartment shall be originally furnished with carpets and drapes chosen by the Developer. There will be no interior partitions, each space being considered "loft" space. In addition to the central air conditioning ducts, the only fixtures will be the lighting fixtures.

4. Numbering of Apartments. The apartments will be numbered consecutively with the first digit indicating the floor on which the apartment is located. The single apartment unit on the ground floor is designated as "101". The second floor units are numbered consecutively from "201" to "209" and the third floor units are numbered consecutively from "301" to "309", with the lower numbered units in each floor being located closer to the Young Street side of the building.

5. Location of Apartments, Parking Stalls and Other Facilities. The ground floor shall contain twenty-four (24) parking stalls, one apartment containing 3,768 square feet of area, two stairwells to the upper floors, one restroom with toilet facilities and central air conditioning ducts.

The second floor shall contain thirteen (13) parking stalls, nine (9) apartment units of varying sizes, ranging from 380.0 square feet to 536.5 square feet in area (see attached exhibit for area of each apartment), two stairwells to the ground floor and to the third floor, two restrooms, a driveway ramp to the ground level and central air conditioning ducts.

The third floor shall contain no parking stalls, nine (9) apartment units of varying sizes ranging from 380.0 square feet to 623.5 square feet in area (see attached exhibit for area of each apartment), two stairwells to the lower floors, two restrooms and central air conditioning ducts.

The roof shall contain a water chiller and pump for the central air conditioning system.

There are no elevators or basement.

COMMON ELEMENTS: The common elements include:

(a) The land in leasehold (from November 5, 1979 to and including November 4, 2034).

(b) The foundations, floor slabs, columns, girders, beams, supports, bearing walls, roofs, corridors, stairways, entrances and exits of the building and all structural and bearing surfaces.

(c) The roof.

(d) Mailboxes, trash areas, storage rooms and directory.

(e) The driveways, loading areas and parking stalls seven (7) through fourteen (14) as shown on said proposed condominium map.

(f) The central and appurtenant installations for services such as power, light, hot and cold water, central air conditioning system and other like utilities.

(g) The air space between the floor above and the suspended ceiling immediately below.

(h) All of the parts of the project existing for the common use and which are necessary to the existence, maintenance and safety of the project.

LIMITED COMMON ELEMENTS: Certain of the common elements are designated as "limited common elements" and are set aside and reserved for the use of certain apartments, which apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and so reserved are as follows:

(a) Parking Stalls. The respective apartments and the parking stalls appurtenant thereto are set forth in the Exhibit attached hereto and made a part hereof. Each apartment shall at all times have at least one parking stall appurtenant to it, but otherwise any parking stall may be transferred from apartment to apartment in the Project by written instrument, effective only upon the filing thereof in said Registrar's Office setting forth such transfer executed by the transferor and by the transferee of the parking stall, and consented to by the mortgagee, if any; provided, however, that the Owner and Developer reserve the right to amend the Declaration for the limited purpose of effecting such transfer of such parking stalls appurtenant to apartments without the consent or joinder of persons then owning or leasing apartments, except the transferor and transferee of such parking stalls, by filing and recording as aforesaid an amendment to the Declaration.

(b) Other. All other common elements of the project which are rationally related to less than all of the apartments shall be limited to the use of such apartments.

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 shown in the attached Exhibit. The estimated monthly maintenance fee shall be based on the common interest appurtenant to each apartment.

RESTRICTIONS AS TO USE: The proposed Declaration provides that all apartments shall be used only as office or other business or commercial use and may be leased by the respective owners thereof and their tenants, subject to such limitations as may be contained in the Declaration or in the Bylaws and House Rules which may be adopted from time to time governing the use of the apartments. The House Rules provide, among other things, that:

(1) All apartments shall be used only for commercial or office purposes. No apartment shall be used for residential purposes; (2) No bicycles, vehicles, animals or birds of any kind shall be brought into or kept in or about the premises (except in designated parking areas); (3) Office areas will be open from 7 a.m. to 12 noon Saturdays or as otherwise determined by the Board of Directors.

OWNERSHIP TO TITLE: The Preliminary Title Report by National Title Corporation, dated May 19, 1980, reflects that the fee title is vested in HENRY HEEB, husband of Matilda Heeb, WILLIAM HEEB, unmarried, and VAREA HEEB, a widow. A Lease (Master Lease) of the property was executed on November 5, 1979, by and between the above-named fee owners as Lessors, and SALCO, INC., a Hawaii corporation, the Developer herein, as Lessee, for a term of fifty-five (55) years, commencing November 5, 1979 and terminating November 4, 2034.

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

1. Mortgage dated May 14, 1980, recorded in the Bureau of Conveyances, State of Hawaii, in Book 14733, Page 346, in favor of City Bank, and Financing Statement recorded in Book 14733, Page 353.
2. Collateral Assignment of Lease dated May 14, 1980, recorded in the said Bureau in Book 14733, Page 354, in favor of City Bank.
3. Reservation in favor of the State of Hawaii re mineral and metallic mines.
4. Terms and provisions of Lease (Master Lease) dated November 5, 1979, recorded in Book 14125, Page 56, to SALCO, INC., a Hawaii corporation, as Lessee.
5. Lien of any inheritance tax that may be found due and owing on the Estate of ARTHUR HEEB, deceased.
6. Real Property Taxes as may be due and owing. For further information, check with the Tax Assessor, First Division.

PURCHASE MONEY HANDLING: An Escrow Agreement dated August 3, 1980, has been executed and a copy of same has been filed with the Commission. The Escrow Agent is Guardian Escrow Services, Inc. Upon examination, the Specimen Reservation and Sales Contract and the executed Escrow Agreement are found to be consonant with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39, 514A-40, and 514A-63 through 514A-66.

Said Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay the funds to the purchaser, without interest, if purchaser requests in writing refund of his funds, provided, one of the following has occurred:

(a) Seller has requested Escrow in writing to return to purchaser the funds of purchaser then being held hereunder by Escrow; or

(b) Purchaser's funds were obtained prior to the issuance of a Final Public Report and subsequent to the execution of purchaser's sales contract, there is a change in the condominium building plans requiring the approval of a county officer having jurisdiction over the issuance of permits for the construction of buildings (unless purchaser has given written approval or acceptance of the specific change); or

(c) The Final Public Report differs in any material respect from the Preliminary Public Report; or

(d) If the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

Among other provisions, the specimen Deposit Receipt and Sales Contract provides that purchasers agree to subordinate their interest to the lien of any construction mortgage; and the Seller shall have the right and option to cancel the contract by giving written notice to the purchaser if Seller is prevented by law from completing the project in accordance with the Seller's building plans. Further, the Seller has also reserved the right and option to cancel the contract by notice to the purchaser at any time prior to February 1, 1981, if, prior thereto, the Developer does not have valid contracts on at least eleven (11) apartments on the second and third floors.

It is incumbent upon the prospective purchaser that he reads with care the Reservation and Sales Contract and executed Escrow Agreement. The latter Agreement establishes how the proceeds from the sale of condominium units are placed in trust as well as the retention and disbursement of said funds.

MANAGEMENT OF PROJECT: The Developer will act as the project's initial managing agent until the Association of Owners and/or its Board of Directors chooses a managing agent for the project.

STATUS OF PROJECT: The subject project will be constructed in two phases. The first phase contains one (1) apartment of approximately 4,000 square feet and twenty-three (23) paved parking stalls. The first phase was designed by architect Frederick M. Johnson and constructed by Home Repair Contracting. Construction on the first phase was completed on or about April 22, 1980. The existing portion of the building as originally built was in compliance with all ordinances, codes, rules, regulations and other requirements in force at the time of its construction. No representations are being made as to the useful life of the structural components and mechanical and electrical installments.

The architect for the second phase is Lum and Okita, Inc. and no contractor has yet been appointed.

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 August 4, 1980, and subsequent information filed as of September 10, 1980.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of the REGISTRATION NO. 1336 filed with the Commission on August 4, 1980.

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.



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G. B. "RED" MORRIS, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

Department of Taxation  
Bureau of Conveyances  
Planning Department, City and  
County of Honolulu  
Federal Housing Administration  
Escrow Agent

REGISTRATION NO. 1336

DATED: September 17, 1980

EXHIBIT

<u>UNIT NO.</u>	<u>AREA (SQ. FT.)</u>	<u>PARKING STALL NO(S).</u>	<u>PERCENTAGE OF COMMON INTEREST</u>
101	3,768.0	1, 2, 3, 4, 5, 6, 21, 22, 23, 24	31.7810
201	536.5	27	4.5250
202	445.0	25	3.7533
203	484.0	26	4.0822
204	413.4	20	3.4868
205	415.6	19	3.5053
206	457.4	18	3.8579
207	380.0	17	3.2051
208	427.3	16	3.6040
209	485.3	15	4.0932
301	623.5	36, 37	5.2588
302	445.0	33	3.7533
303	513.5	35	4.3311
304	413.4	34	3.4868
305	415.6	32	3.5053
306	383.7	31	3.2363
307	380.0	30	3.2051
308	383.7	29	3.2363
309	485.3	28	<u>4.0932</u>
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