

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
ALII PLAZA
568 Dillingham Boulevard
Honolulu, Hawaii 96817

REGISTRATION NO. 1422

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 24, 1981
Expires: September 24, 1982

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED APRIL 30, 1981 AND INFORMATION SUBSEQUENTLY FILED AS OF AUGUST 18, 1981. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. ALII PLAZA is a leasehold commercial condominium project consisting of an 8-story building containing a total of 77 units, consisting of 20 commercial space units, the "Custodian Unit" and 56 parking stall units, each of which is deemed an "apartment" as defined in the Horizontal Property Act, Chapter 514A, Hawaii Revised Statutes, as amended.

2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime with By-Laws of Association of Apartment Owners attached and a copy of approved floor plans) have not been recorded.
4. Advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public dissemination.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
6. This Preliminary Public Report is made a part of the registration on ALII PLAZA condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt therefor from each purchaser or prospective purchaser.
7. This Preliminary Public Report automatically expires thirteen (13) months from the date of issuance, August 24, 1981, unless a Supplementary or Final Public Report is published, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: ALII PLAZA

LOCATION: The project is located at 568 Dillingham Boulevard, Honolulu, Hawaii 96817, and contains 11,953 square feet or thereabouts. The description of the land and the reserved easements, rights, powers and privileges of the owners are more fully set forth in the proposed Declaration.

TAX KEY: First Division, 1-5-06-04

ZONING: I-1

DEVELOPER: The Notice of Intention reveals the Developer to be ALII FINANCE, INC., a Hawaii corporation, whose principal place of business and post office address is Suite 1001, 615 Piikoi Street, Honolulu, Hawaii 96814, Tel. No. 536-9337. The Officers of the corporation are Frank W. S. Seto, President; George A. Fan, Secretary-Treasurer; and Joseph K. Tom, Executive Vice President.

ATTORNEY REPRESENTING DEVELOPER: OKUMURA TAKUSHI FUNAKI & WEE, ATTORNEYS AT LAW, A LAW CORPORATION (Alfred M. K. Wong), Suite 1400 Grosvenor Center, 733 Bishop Street, Honolulu, Hawaii 96813, Tel. No. 543-9800.

DESCRIPTION OF PROJECT: The building to be constructed on the land is an 8-story reinforced concrete building, containing seventy-seven (77) "apartments" consisting of twenty (20) commercial space units, the "Custodian Unit" (Unit No. 801) and fifty-six (56) parking stall units (16 of which are for compact cars). Each such "apartment" is herein referred to as a "unit". The building is further described as follows:

a. Ground Floor. The ground floor consists of two (2) commercial space units (Commercial Space Units Nos. 101 and 102), restroom facilities consisting of a men's restroom, women's restroom and janitor's room, and an elevator lobby.

b. Second Floor. The second floor consists of ten (10) parking stall units and an electric room.

c. Third and Fourth Floors. The third and fourth floors are split levels with eleven (11) parking stall units on each upper level and twelve (12) parking stall units on each lower level.

d. Fifth, Sixth and Seventh Floors. The fifth, sixth and seventh floors each contain six (6) commercial space units, a women's restroom, men's restroom, elevator lobby, electric room and telephone room. The commercial space units on the 5th, 6th and 7th floors are numbered 01 through 06 preceded by the floor number, starting from the northeast end of the building and proceeding clockwise. The 01 units are identical to the 06 units, the 02 units are identical to the 05 units, and the 03 units are identical to the 04 units, except that in each instance the floor plans are reversed.

e. Eighth Floor. The eighth floor consists of the "Custodian Unit" (Unit No. 801) and an elevator lobby.

The project shall be divided into the following freehold estates:

- (i) Twenty (20) commercial space units.
- (ii) The "Custodian Unit" (Unit No. 801).
- (iii) Fifty-six (56) parking stall units.

The above units are further described as follows:

a. Commercial Space Unit No. 101. Commercial Space Unit No. 101 is located on the ground floor of the building and consists of a warehouse/workshop, coin shop, office, sales room, loading zone and receiving area, with a total area of approximately 6,241.12 square feet.

b. Commercial Space Unit No. 102. Commercial Space Unit No. 102 is located on the ground floor of the building and consists of a restaurant space, with a total area of approximately 1,700.84 square feet.

c. Commercial Space Units Nos. 501, 506, 601, 606, 701 and 706. Each of these units contain an area of approximately 805.19 square feet.

d. Commercial Space Units Nos. 502, 505, 602, 605, 702 and 705. Each of these units contain an area of approximately 971.45 square feet.

e. Commercial Space Units Nos. 503, 504, 603, 604, 703 and 704. Each of these units contain an area of approximately 846.00 square feet.

f. Custodian Unit (Unit No. 801). The Custodian Unit (Unit No. 801) is located on the eighth floor and consists of a living room, dining room, kitchen, two (2) bathrooms, three (3) bedrooms, study, laundry area and terrace (lanai), with a living area of approximately 1,652.79 square feet and lanai area of approximately 4,357.66 square feet, for a total area of approximately 6,010.45 square feet.

g. Parking Stall Units. The fifty-six (56) parking stall units consist of forty (40) regular parking stalls and sixteen (16) compact stalls. The parking stall units are located and shown on the proposed Condominium Map as follows:

Stalls Nos. 1 to 10, inclusive (Stalls 4, 5, 6, 7, 8, 9 and 10 are compact stalls)	Second Floor
Stalls 11 to 22, inclusive	Third Floor, Lower Level
Stalls Nos. 23 to 33, inclusive (Stalls 26, 27, 30, 31 and 32 are compact stalls)	Third Floor, Upper Level
Stalls Nos. 34 to 45, inclusive	Fourth Floor, Lower Level
Stalls Nos. 44 to 56, inclusive (Stalls 48, 49, 50 and 51 are compact stalls)	Fourth Floor, Upper Level

h. Limits of Commercial Space Units and Custodian Unit (Unit No. 801); Access. Each commercial space unit and the Custodian Unit shall not include the undecorated or unfinished surfaces of the perimeter walls or of the interior loadbearing walls, the floors and perimeter ceilings surrounding such unit, or any pipes, wires, ducts, conduits, or other utility or service lines running through such unit which are utilized for or serve other units, all of which are common elements. Each commercial space unit and the Custodian Unit shall include the walls and partitions which are not loadbearing and which are within its perimeter walls; doors and door frames; windows and window frames; lanai, if any; and the inner decorated or finished surfaces of walls, floors and ceilings, adjoining or connected thereto. Notwithstanding the designation of the limits of the commercial space units and the Custodian Unit, the square footage of each respective unit is measured from the exterior face of exterior walls and the center line of party walls, and no reduction is made to account for interior loadbearing walls, ducts, vent shafts and the like, located within the perimeter walls. Each commercial space unit and the Custodian Unit has access via the elevator and two stairways to the parking areas and other floors of the building.

i. Limits of Parking Stall Units; Access. Each regular parking stall unit shall have a minimum width of 8 feet and a minimum length of 18 feet 10 inches, and each compact parking stall unit, as designated by the word "compact" on the proposed

Condominium Map, shall have a minimum width of 7 feet 7 inches and a minimum length of 16 feet. Each parking stall unit shall include the space within its respective boundaries and shall include the air space up to a height, measured vertically from the floor, of 6 feet 6 inches from the floor. The location, dimensions and approximate areas of each of the 56 parking stall units are shown in Exhibit "A" attached hereto and made a part hereof. Each parking stall unit has access via the elevator and two stairways to the commercial areas and other parking areas of the building.

j. General Access. Any person using the project shall have access via the pedestrian ramp and walkway located on the ground floor and the automobile ramps located on each parking level to the adjacent public streets.

COMMON ELEMENTS: The common elements for the project will include the limited common elements described below and all other portions of the land and improvements, excluding those areas and items defined as a part of a unit in the above paragraph. The common elements shall also include the following:

- a. The land in fee simple.
- b. All foundations, columns, girders, beams, supports, main walls, roofs, stairways, the elevator, and the entrances and exits of the building.
- c. Any and all apparatus and installations of common use, including all ducts, sewer lines, electrical equipment, pipes, wiring, tanks, pumps, motors, fans and compressors, and all other parts of the project necessary or convenient to its existence, maintenance or safety, and normally in common use.
- d. The janitor's room located on the ground floor of the building.
- e. The electric room located on the second floor of the building and the electric rooms and telephone rooms located on the fifth, sixth and seventh floors of the building.

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

- a. The restrooms located on the ground floor of the building are reserved for the exclusive use of the owners, tenants, employees and customers of Commercial Space Units Nos. 101 and 102.
- b. The restrooms and elevator lobby on the fifth, sixth and seventh floors are reserved for the exclusive use of the owners, tenants, employees and customers of the commercial space units located on the particular floor on which such facilities are located.

c. The elevator lobby located on the eighth floor is reserved for the exclusive use of the owners and occupants of the Custodian Unit (Unit No. 801).

d. The automobile ramps and driveways on the ground through third floors are reserved for the exclusive use of the owners of the parking stall units.

INTEREST TO BE CONVEYED TO PURCHASER: Each of the seventy-seven (77) units shall have appurtenant thereto an undivided percentage interest ("common interest") in all the 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 voting, as shown in Exhibit "B" attached hereto and made a part hereof. All charges, costs, and expenses incurred by the Association of Owners for or in connection with the administration of the project in connection with the common elements of the project shall constitute "common expenses" for which the unit owners shall be severally liable in proportion to their respective common interest. The expenses which are incurred in connection with limited common elements ("limited common expenses") shall be borne by the respective owners of the units to which said limited common elements are appurtenant, as set forth herein under LIMITED COMMON ELEMENTS, in the proportion that the common interest of the respective unit bears to the total of the common interests of all units to which said limited common elements are appurtenant.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The purposes for which the building and other improvements and each of the units are intended and shall be restricted as to use are as follows:

a. The commercial space units and the Custodian Unit may be occupied and used for any purposes that are permitted from time to time under applicable statutes, ordinances, rules and regulations, governmental determinations and restrictions of the appropriate agencies of the City and County of Honolulu and State of Hawaii. The parking stall units shall be used for parking.

b. The owners of the respective units shall have the absolute right to lease such units subject to all provisions of the Declaration and By-Laws of the project.

NOTE: The owners of the majority of the common interests of the commercial space units may promulgate Commercial Building Rules and Regulations which shall govern the conduct of persons using the commercial areas of the Project which may be amended in the same manner from time to time. Copies of such Commercial Building Rules upon adoption, amendment or modification shall be delivered to each commercial space unit occupant in the Project and shall be binding upon all commercial space unit occupants and users of the premises. The owners of the majority of the common interests of the parking stall units may promulgate Parking Rules which shall govern the conduct of persons using the parking areas of the Project which may be amended in the same manner from time to time. Copies of such Parking Rules upon adoption, amendment or modification

shall be delivered to each parking stall unit owner in the Project and shall be binding upon all parking stall owners and users of such parking stalls.

OWNERSHIP OF TITLE: Title to the land is vested in Frank W. S. Seto and Violette Hee Seto, husband and wife. The Preliminary Title Report dated April 22, 1981 by Long & Melone, Ltd. confirms such ownership. The owners have leased the land to the Developer by Lease dated April 8, 1981, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1064042.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report dated April 22, 1981 indicates that title to the land is subject to the following:

1. For real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Taxation Division.
2. Mortgage dated May 27, 1977 by Frank Wah Sheong Seto and Violette Hee Seto, husband and wife, to Grand Pacific Life Insurance Company, Limited, a Hawaii corporation, filed in said Office of the Assistant Registrar as Document No. 819302.
3. Lease dated April 8, 1981, between Frank W. S. Seto and Violette Hee Seto, husband and wife, as Lessor, and Alii Finance, Inc., a Hawaii corporation, as Lessee, filed as aforesaid as Document No. 1064042.

PURCHASE MONEY HANDLING. A copy of the Specimen Sales Contract and the executed Escrow Agreement dated April 7, 1981 have been submitted as part of the registration. The Escrow Agreement identifies Long & Melone Escrow, Ltd. as the Escrow. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement.

The Escrow agreement establishes how proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds. 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 if Purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (a) Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser; or (b) If a Purchaser's funds were obtained prior to the issuance of a final public report and if there is any change in the condominium building plans, subsequent to the execution of Purchaser's Sales Contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the Purchaser has given written approval or acceptance of the specific change; or (c) If a Purchaser'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, unless the Purchaser has given written approval or acceptance of the difference; or (e) If the final public report is not issued within one year from the date of issuance of the preliminary public report.

The Sales Contract provides, in part, as follows:

1. Late Charge. Seller shall impose a late charge of one per cent (1%) per month on the amount of any payment due under the Sales Contract which is not paid in the manner specified therein.

2. Subordination. The Purchaser's rights under the Sales Contract shall be subject and subordinate to any interim mortgages made by Developer.

3. Payment of Two Months' Lease Rent in Advance. The Purchaser shall pay at the time of closing two months' lease rent, plus gross excise tax thereon, representing the first month's lease rent and one month's additional rent to enable the Managing Agent to pay to the Landlord the total rental due on the first day of each month.

4. Warranties and Construction Defects. The execution, delivery and recordation of the Purchaser's Condominium Lease or assignment thereof shall constitute the assignment by seller to Purchaser of any and all warranties given the Seller by the general contractor for the project, and by any subcontractors or materialmen, including but not limited to the contractor's guarantee of materials and workmanship against faulty or deficient materials and installation for a period of one (1) year after "substantial completion" of the Unit, as that term is defined in the construction contract for the project, and the benefit of such warranties shall accrue to Purchaser on closing without further instruments or documents.

5. Building Completion Date. Seller shall complete construction of the project so as to permit normal occupancy within two (2) years from the date the Sales Contract becomes a binding contract; provided, however, that such two (2) year period shall be extended for any period of time during which Seller is actually and necessarily delayed in beginning or completing construction if said delay is caused by fire, earthquake, acts of god, the elements, war or civil disturbances, strikes or other labor disturbances, or economic controls making it impossible to obtain the necessary labor or material, litigation concerning the project or other matters or conditions beyond the control of Seller.

6. Right of Cancellation. In the event development and construction of the Project is delayed due to governmental restrictions or regulations enacted after the date of the Sales Contract or by occurrence of a contingency, the non-occurrence of which was a basic assumption which the Sales Contract was made, and Seller determines that increases in development and construction costs because of such delay require increases in sales prices to maintain financial feasibility of the Project, then and in any such event Seller may increase the total purchase price only to the extent necessitated by said increases in development and construction costs and Seller

shall notify Purchaser in writing of any such increase in the total purchase price.

7. Representations. The Purchaser acknowledges that:

(a) SELLER OR ITS AGENTS HAVE MADE NO REPRESENTATIONS OR REFERENCES CONCERNING RENTALS OF THE UNITS AND THAT NO RENTAL MANAGEMENT ARRANGEMENTS ARE AVAILABLE BY THE ASSOCIATION MANAGING AGENT, SELLER OR ANY PERSON CONNECTED WITH SELLER. PURCHASER SHALL BE SOLELY RESPONSIBLE FOR THE USE OF PURCHASER'S UNIT INCLUDING THE RENTAL OR OTHER DISPOSITION THEREOF.

(b) NEITHER SELLER NOR ITS AGENTS MAKE ANY REPRESENTATION REGARDING EITHER ECONOMIC BENEFITS TO BE DERIVED FROM RENTALS OR TAX TREATMENT OF THE PURCHASER OF A UNIT. THE TAX TREATMENT AND ECONOMIC BENEFITS VARY WITH INDIVIDUAL CIRCUMSTANCES AND SELLER AND ITS AGENTS RECOMMEND THAT THE PURCHASER CONSULT WITH HIS OR HER OWN ATTORNEY, ACCOUNTANT OR OTHER TAX COUNSEL FOR ADVICE REGARDING TAX TREATMENT.

(c) UNTIL SUCH TIME WHEN SELLER SHALL HAVE SOLD ALL UNITS IN THE PROJECT, PURCHASER AGREES THAT PURCHASER SHALL NOT ENTER INTO OR OFFER TO ENTER INTO ANY ARRANGEMENT WITH ANY OTHER UNIT OWNER IN THE PROJECT WHEREBY ANY RENTAL POOL OF UNITS OR ANY OTHER SHARING OF RENTAL INCOME OF UNITS IS ESTABLISHED.

(d) THE SELLER MAY, AS A CONDITION OF THE CLOSING, REQUIRE OF THE PURCHASER, ANY BROKERS INVOLVED IN THE SALE OR AGENTS OF SUCH BROKERS, OR ANYONE ELSE CONNECTED IN ANY WAY WITH THE OFFER TO SELL AND THE PURCHASER OF THE UNIT, THE EXECUTION AND DELIVERY TO SELLER OF SUCH WAIVERS, AFFIDAVITS OR OTHER DOCUMENTS AS MAY FROM TIME TO TIME BE REQUIRED BY SELLER TO SATISFY SELLER THAT THE OFFER TO SELL AND THE PURCHASE OF THE UNIT IS NOT IN VIOLATION OF ANY FEDERAL OR STATE SECURITIES LAWS OR REGULATIONS.

(e) IN THE EVENT THAT THE OFFER TO SELL, OR THE PURCHASE OF THE UNIT, OR THE ACTIVITIES OF THE PURCHASER WITH RESPECT TO THE UNIT ARE DETERMINED BY THE SELLER IN ITS SOLE DISCRETION TO GIVE RISE TO ANY VIOLATION (WHETHER BY PURCHASER OR SELLER OR ANY THIRD PARTIES) OF ANY FEDERAL OR STATE SECURITIES LAWS OR REGULATIONS, OR ARE ALLEGED TO GIVE RISE TO ANY SUCH VIOLATION BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER GOVERNMENTAL AGENCY, FEDERAL OR STATE, OR IN THE COURSE OF ANY LEGAL PROCEEDINGS, THE PARTIES UNDERSTAND AND AGREE THAT THE INJURY TO SELLER BY VIRTUE OF SUCH VIOLATION OR THE ALLEGATION THEREOF WILL BE UNCERTAIN AS TO NATURE AND AMOUNT AND DIFFICULT AND EXPENSIVE TO ASCERTAIN. THEREFORE, IN SUCH EVENT, THE PARTIES AGREE THAT SELLER MAY OBTAIN AN INJUNCTION FROM ANY COURT OF COMPETENT JURISDICTION ENJOINING ANY ACTS OF PURCHASER WHICH ARE OR MAY BE OR ARE ALLEGED TO GIVE RISE TO A VIOLATION OF ANY FEDERAL OR STATE SECURITIES LAWS OR REGULATIONS. SELLER MAY, IN ADDITION TO OR AS AN ALTERNATIVE TO OBTAINING INJUNCTIVE RELIEF, PURSUE ANY OTHER REMEDIES CAUSED BY SUCH VIOLATIONS, AS ADMITTED IN LAW OR IN EQUITY. ALL COSTS, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BY SELLER IN CONNECTION WITH PURCHASER'S ACTIONS IN VIOLATION OR ALLEGED TO BE IN VIOLATION OF FEDERAL OR STATE SECURITIES LAWS OR REGULATIONS SHALL BE BORNE BY THE PURCHASER.

(f) IN THE EVENT THAT THE PURCHASER, OR ANYONE CLAIMING THROUGH OR UNDER THE PURCHASER OR THE PURCHASER'S UNIT, ALLEGES THAT THE OFFER TO SELL OR THE PURCHASE OF THE UNIT GIVES RISE TO ANY VIOLATION OF ANY FEDERAL OR STATE DISCLOSURE LAWS OR REGULATIONS (INCLUDING, BUT NOT LIMITED TO, THE HORIZONTAL PROPERTY ACT), THEN THE PARTIES UNDERSTAND AND AGREE THAT THE INJURY CAUSED BY SUCH VIOLATION SHALL BE DIFFICULT OR IMPOSSIBLE TO ACCURATELY ESTIMATE AND EXPENSIVE TO ASCERTAIN. THEREFORE IN THE EVENT OF SUCH VIOLATION OR THE ALLEGATION THEREOF, THE PARTIES AGREE AND THE PURCHASER COVENANTS THAT THE PURCHASER SHALL NEITHER SEEK NOR HAVE ANY REMEDY OTHER THAN TO SUE FOR A REFUND TO PURCHASER OF THE PURCHASE PRICE AND CLOSING COSTS ACTUALLY PAID, PLUS INTEREST AT THE RATE OF SIX PER CENT PER ANNUM FROM THE FINAL CLOSING UNTIL THE DATE OF REPAYMENT. THE PARTIES DO FURTHER AGREE THAT SAID AMOUNT SHALL BE DEEMED LIQUIDATED DAMAGES, AND NOT A PENALTY, AND PURCHASER SPECIFICALLY AGREES THAT ADDITIONAL CHARGES PAID BY PURCHASER WITH RESPECT TO THE UNIT, INCLUDING, BUT NOT LIMITED TO, MAINTENANCE FEES, REAL PROPERTY TAXES, AND MORTGAGE FEES AND INTEREST, SHALL BE ABSORBED BY PURCHASER AS THE REASONABLE USE VALUE OF THE UNIT TO THE PURCHASER FROM THE TIME OF FINAL CLOSING TO THE DATE OF REPAYMENT.

THE TERMS OF THE FOREGOING SHALL SURVIVE THE CLOSING AND OCCUPANCY BY PURCHASER AND THE DELIVERY OF THE CONDOMINIUM LEASE AND RECORDING THEREOF, NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE SALES CONTRACT.

8. Reservation Agreement Based on Preliminary Public Report. If the Sales Contract was entered into by the Purchaser and the Seller prior to the issuance of a Final Public Report for the project, then the Sales Contract shall be considered as a "reservation", not a binding contract, and Seller shall have no obligation to sell and Purchaser shall have no obligation to buy the property. A reservation agreement cannot become a binding sales agreement unless and until a Final Public Report is issued on the project, the Purchaser has receipted or is deemed to have receipted therefor, and the Seller and Purchaser execute a separate confirmation letter in which they agree to render the Sales Contract a binding contract. A RESERVATION MAY BE TERMINATED AT ANY TIME BEFORE IT IS RENDERED A BINDING CONTRACT, WITH OR WITHOUT CAUSE, AT THE OPTION OF EITHER PARTY, BY WRITTEN NOTICE OF SUCH TERMINATION TO THE OTHER PARTY. In the event of such termination, the Seller shall cause Escrow to refund all payments previously made by Purchaser without interest, and neither party shall have any other or further liability under the Sales Contract or with respect to the project; provided that if Purchaser terminates the reservation then Escrow shall deduct from the refund to Purchaser the escrow cancellation fee and all costs incurred by Seller, Escrow or any lending institution in processing the Sales Contract or the loan application; if Seller terminates the reservation, then Seller shall pay such fees and costs.

9. Unclaimed Refunds. Except as otherwise provided by law, Escrow shall give each Purchaser entitled to a refund of his funds notice thereof by certified or registered mail. IF SUCH PURCHASER SHALL NOT HAVE CLAIMED SUCH REFUND WITHIN SIXTY (60) DAYS, ESCROW SHALL THEREAFTER TREAT ALL FUNDS OF SUCH

PURCHASER AS THE ESCROWED FUNDS OF SELLER AND NOT OF PURCHASER, and shall disburse such funds as directed by Seller.

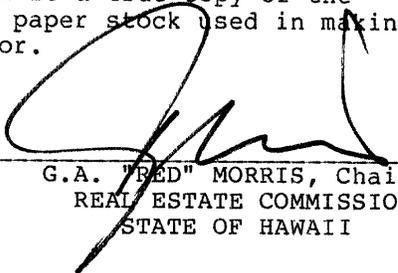
MANAGEMENT AND OPERATIONS: Administration of the project shall be vested in the Association of Owners. Operation of the project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws except that the initial Managing Agent shall be appointed by the Developer. Alliance Realty & Management, Inc., a Hawaii corporation, whose principal place of business and post office address is Suite 307, 677 Ala Moana Boulevard, Honolulu, Hawaii 96813, has been named as the initial Managing Agent and is designated as the agent to receive service of process until such time as the Board of Directors of the Association is elected.

STATUS OF PROJECT: Construction of the project will commence in January, 1982, and will be completed about March 1, 1983.

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 April 30, 1981 and information subsequently filed as of August 18, 1981.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1422.

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 in color.


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

Distribution:

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

Registration No. 1422

August 24, 1981

ALII PLAZA
LOCATION, DIMENSIONS AND AREAS OF PARKING STALL UNITS

<u>Stall Number</u>	<u>Location</u>	<u>Length</u>	<u>Width</u>	<u>Approximate Area</u>
1	2nd Floor	19' 0"	8' 6"	161.50 sq.ft.
2	2nd Floor	19' 0"	8' 6"	161.50 sq.ft.
3	2nd Floor	19' 0"	8' 6"	161.50 sq.ft.
4C	2nd Floor	16' 4"	8' 8"	141.56 sq.ft.
5C	2nd Floor	17' 0"	8' 8"	147.33 sq.ft.
6C	2nd Floor	17' 10"	8' 8"	154.56 sq.ft.
7C	2nd Floor	18' 3"	8' 8"	158.17 sq.ft.
8C	2nd Floor	19' 0"	7' 7"	144.08 sq.ft.
9C	2nd Floor	19' 0"	7' 7"	144.08 sq.ft.
10C	2nd Floor	16' 0"	7' 7"	121.33 sq.ft.
11	3rd Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
12	3rd Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
13	3rd Floor, Lower Level	19' 0"	8' 0"	152.00 sq.ft.
14	3rd Floor, Lower Level	19' 0"	8' 2"	155.17 sq.ft.
15	3rd Floor, Lower Level	19' 0"	8' 8"	164.67 sq.ft.
16	3rd Floor, Lower Level	19' 0"	8' 8"	164.67 sq.ft.
17	3rd Floor, Lower Level	19' 0"	8' 2"	155.17 sq.ft.
18	3rd Floor, Lower Level	19' 0"	8' 0"	152.00 sq.ft.
19	3rd Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
20	3rd Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
21	3rd Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
22	3rd Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
23	3rd Floor, Upper Level	19' 0"	8' 6"	161.50 sq.ft.
24	3rd Floor, Upper Level	19' 0"	8' 6"	161.50 sq.ft.
25	3rd Floor, Upper Level	19' 0"	8' 6"	161.50 sq.ft.
26C	3rd Floor, Upper Level	17' 2"	8' 8"	148.78 sq.ft.
27C	3rd Floor, Upper Level	18' 0"	8' 8"	156.00 sq.ft.
28	3rd Floor, Upper Level	18' 10"	8' 8"	163.22 sq.ft.
29	3rd Floor, Upper Level	18' 10"	8' 8"	163.22 sq.ft.
30C	3rd Floor, Upper Level	19' 0"	7' 7"	144.08 sq.ft.
31C	3rd Floor, Upper Level	19' 0"	7' 7"	144.08 sq.ft.
32C	3rd Floor, Upper Level	16' 0"	7' 7"	121.33 sq.ft.
33	3rd Floor, Upper Level	22' 0"	8' 6"	187.00 sq.ft.
34	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
35	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
36	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
37	4th Floor, Lower Level	19' 0"	8' 8"	164.67 sq.ft.
38	4th Floor, Lower Level	19' 0"	8' 8"	164.67 sq.ft.
39	4th Floor, Lower Level	19' 0"	8' 8"	164.67 sq.ft.
40	4th Floor, Lower Level	19' 0"	8' 8"	164.67 sq.ft.
41	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
42	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
43	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
44	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
45	4th Floor, Lower Level	19' 0"	8' 6"	161.50 sq.ft.
46	4th Floor, Upper Level	19' 0"	8' 6"	161.50 sq.ft.
47	4th Floor, Upper Level	19' 0"	8' 6"	161.50 sq.ft.
48C	4th Floor, Upper Level	16' 0"	8' 6"	136.00 sq.ft.
49C	4th Floor, Upper Level	17' 4"	7' 7"	131.44 sq.ft.
50C	4th Floor, Upper Level	18' 0"	7' 7"	136.50 sq.ft.
51C	4th Floor, Upper Level	18' 9"	7' 7"	142.19 sq.ft.
52	4th Floor, Upper Level	19' 4"	8' 6"	164.33 sq.ft.
53	4th Floor, Upper Level	19' 4"	8' 6"	164.33 sq.ft.
54	4th Floor, Upper Level	19' 4"	8' 6"	164.33 sq.ft.
55	4th Floor, Upper Level	19' 4"	8' 6"	164.33 sq.ft.
56	4th Floor, Upper Level	22' 0"	8' 6"	187.00 sq.ft.

*C denotes compact parking stall

ALII PLAZA

SCHEDULE OF COMMON INTERESTS

<u>UNIT</u>	<u>UNDIVIDED</u> <u>INTEREST</u>				<u>TOTAL</u>
Commercial Unit No. 101	16.50%	x	1	=	16.50%
Commercial Unit No. 102	6.50%	x	1	=	6.50%
Commercial Units Nos. 501, 502, 503, 504, 505, 506, 601, 602, 603, 604, 605, 606, 701, 702, 703, 704, 705, 706	3.60%	x	18	=	64.80%
Custodian Unit No. 801	3.80%	x	1	=	3.80%
Parking Stall Units Nos. 1 through 56, inclusive	0.15%	x	56	=	<u>8.40%</u>
					100.00%