

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII

1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

**PRELIMINARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT**

ON

THOMAS SQUARE CENTRE
846 South Hotel Street
Honolulu, Hawaii 96813

REGISTRATION NO. 1573 (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: November 17, 1983

Expires: December 17, 1984

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 SUBMITTED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED OCTOBER 3, 1983, AND INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 10, 1983. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. THOMAS SQUARE CENTRE is a proposed fee simple commercial condominium project with a total of 13 units and 32 parking stalls.
2. The Developer of the project has submitted to the Commission for examination all documents deemed

necessary for the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Owners and a copy of the Condominium Map) have been submitted to the Commission for examination but have not yet been filed.
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, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, November 17, 1983, unless a Final or 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 THOMAS SQUARE CENTRE condominium Project. The Developer is responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: THOMAS SQUARE CENTRE.

LOCATION: The 16,280 square feet property to be committed to the regime as a fee simple condominium project is situated at 846 South Hotel Street, Honolulu, Hawaii 96813.

TAX MAP KEY: First Division, 2-1-42-20.

ZONING: B-2 Commercial.

DEVELOPER: Koga Engineering and Construction, Inc., a Hawaii corporation, whose address is 846 South Hotel Street, Honolulu, Hawaii 96813, Telephone (808) 524-1600.

The Officers are:

<u>Name and Title</u>	<u>Residence Address</u>
Malcolm T. Koga, President	2715 Kaaipu Avenue Honolulu, Hawaii 96822
Marvin R. Koga, Vice President	849 Kii Street Honolulu, Hawaii 96825
Paul Iwata, Vice President	882 Nana-Honua Street Honolulu, Hawaii 96825
Patrick T.W. Lum, Vice President	2659 Haili Road Honolulu, Hawaii 96822
Carol S. Koga, Secretary- Treasurer	2715 Kaaipu Avenue Honolulu, Hawaii 96822

ATTORNEY REPRESENTING DEVELOPER: Hiroshi Sakai, Attorney at Law, A Law Corporation, Suite 602, 810 Richards Street, Honolulu, Hawaii 96813, Telephone (808) 531-4171.

DESCRIPTION OF THE PROJECT: The project presently consists of one existing three-story concrete building with a hollow tile addition and concrete floors with no basement and a flat roof. The building is in existence and the proposed renovations to the building are being certified by Vernon D. Inoshita, Registered Professional Architect. The site, floor plans and elevations of the Project is to be filed concurrently with the Declaration in the Office of the Assistant Registrar as the Condominium Map.

There are three floors designated as freehold estates which consists of the space as shown on the Condominium Map and are described as follows:

a. The ground floor consists of three commercial units designated as Unit 101, area 610 square feet, Unit 102, area 1,753 square feet and Unit 103, area 678 square feet, a lobby area and an existing elevator. In addition, there are enclosed and uncovered parking spaces for 32 vehicles of which 15 are tandem regular size, 2 compact, 9 regular tandem and 6 compact tandem stalls.

b. The second floor consists of one commercial loft space designated as Unit 200, area 9,463 square feet.

c. The third floor consists of 9 commercial spaces designated as Unit 301, 568 square feet; Unit 302, 725 square feet; Unit 303, 937 square feet; Unit 304, 463 square feet; Unit 305, 963 square feet; Unit 306, 1,434 square feet; Unit 307, 1,159 square feet; Unit 308, 730 square feet; and Unit 309, 772 square feet. There is an existing lobby and elevator space, hallways and restrooms and a storage room area.

d. The floor area of a unit is the net area and is measured from the interior surface of the unit perimeter walls.

e. Each apartment has immediate access to the common elements. The first floor units open onto the ground, and the second and third floor apartments open onto the walkways leading to the elevator and stairways.

COMMON ELEMENTS. The common elements for the Project include:

- a. The land.
- b. The lobby and elevator shaft and elevator cab.
- c. The parking aisle on the ground floor including the loading area.
- d. The entryways, stairways and installations for services such as power, light, gas, sewer lines, telephone, radio and television signal distribution and like utilities.
- e. Any parts of the Project existing for the common use and area necessary for the maintenance and safety of the Project.

LIMITED COMMON ELEMENTS. The limited common elements are as follows:

- a. The parking stalls on the ground floor are limited common elements for the owner of Apartment 200 provided that such owner shall provide for rentals at no more than market rates for parking stalls on an equitable basis to occupants of the building.
- b. The hallways and restrooms on the third floor shall be a limited common element for the owners of the units on the floor.
- c. The owner of the parking stalls shall have the right to change the designation of parking stalls which are appurtenant to his apartment by amendment of this Declaration and the respective apartment leases or deeds involved. The amendment to the Declaration need only be signed and approved by the owners and the respective mortgagees, if any, of the apartments whose parking stalls are being changed and shall be effective upon recording or filing with the Bureau of Conveyances or Land Court, the system under which the land is recorded or filed.

INTEREST TO BE CONVEYED TO THE PURCHASER: Each apartment shall have appurtenant thereto the following undivided interest in all the common elements of the project for determination of the common profits, expenses, voting and for all other purposes:

<u>Unit No.</u>	<u>Square Feet</u>	<u>Common Interest</u>
101	610	3.0%
102	1,753	8.7%
103	678	3.3%
200	9,463	46.7%
301	568	2.8%
302	725	3.6%
303	937	4.6%
304	463	2.3%
305	963	4.8%
306	1,434	7.1%
307	1,159	5.7%
308	730	3.6%
309	772	3.8%
	<u>20,255</u>	<u>100.0%</u>

In the event of an addition the common interest will be adjusted on the basis of the floor area added as against the total existing floor area.

ALTERATION AND TRANSFER OF INTERESTS IN UNITS. The common interest and easements appurtenant to each unit can be altered, subdivided and/or combined by the unit owner where a unit is combined with other units. Where an owner has acquired a number of units, said owner can from time to time subdivide or recast a unit to its original designation. The person or persons doing the alterations can proceed to do the alteration with the person who is directly affected and the amendment shall be made as provided in Paragraph 16 of the Declaration. Prior to the termination of the common ownership of such adjacent units, the owners of such adjacent units shall be obligated to restore, at its own expense, the units to substantially the same condition in which the units existed prior to such alteration if requested by the Board.

PURPOSE OF BUILDING: The Project will be for such uses that are permitted under the applicable zoning building codes and may be rented, leased or otherwise transferred by the owners thereof.

OWNERSHIP OF TITLE: A copy of the Preliminary Report issued by Island Title Corporation dated November 1, 1983 certifies that Ronald Allan Petty, unmarried, is the owner and he has sold the property under an Agreement of Sale dated June 22, 1983 to the Developer which has been filed as Land Court Document No. 1175619.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report issued by Island Title Corporation on November 1, 1983 notes the following encumbrances against the property:

1. Real Property Taxes as may be due and owing; reference is made to the Department of Finance, City and County of Honolulu.

2. Mortgage made by Ronald Allan Petty, as Mortgagor, in favor of Pioneer Federal Savings and Loan Association of Hawaii, a Federal savings and loan association, now known as

Pioneer Federal Savings Bank, as Mortgagee, dated December 24, 1981, filed as Land Court Document No. 1098614 in the amount of \$1,300,000.00.

3. Mortgage made by Ronald Allan Petty, as Mortgagor, in favor of T. Shigemura Co., Ltd., a Hawaii corporation, as Mortgagee, dated December 24, 1981, filed as Land Court Document No. 1098615 in the amount of \$100,000.00.

The above Mortgage was assigned to City Bank, a Hawaii corporation, by an assignment dated July 7, 1982, and filed as Document No. 1175618 in the Office of the Assistant Registrar of the Land Court, State of Hawaii.

4. Terms, agreements, reservations, covenants, conditions and provisions contained in Agreement of Sale dated June 22 1983 filed as Land Court Document No. 1175619.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated September 30, 1983 certifies Island Title Corporation, as Escrow. On examination, the specimen Reservation Agreement and Sales Contract and Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. Among other things the Sales Contract specifies that the lien of any construction mortgage shall be superior to the rights of a purchaser under a Sales Contract.

The provisions of the executed Escrow Agreement as filed with the Commission provides that disbursement from the escrow fund will be made by Escrow Agent upon the written request of the Developer if the following are satisfied:

- i. There are sufficient funds in the Trust Fund to make the payment,
- ii. The payment is for construction costs of the Project approved in writing by Seller construction lender,
- iii. Escrow receives certification and approval for payment by a registered architect or a professional engineer, and
- iv. The payment amount and the cost being paid does not violate Sections 514A-40 and 514A-67 of the Condominium Law.

RESERVATION FOR FUTURE DEVELOPMENT: The Developer reserves the right to construct at anytime in the next 10 years a fourth floor over and above the third floor at its sole cost and expense. In order to construct such additional floor, the Developer will be required to provide such additional parking that may be required and meet the building code and zoning requirements that may be in force at such time that the construction of the fourth floor takes place.

Developer has the right to lease, rent, mortgage, encumber, use or occupy in accordance with the minimum requirements for building and parking as provided under the building and zoning codes. The Developer further has the right in its sole discretion to allocate

the common interest and common elements appurtenant to the fourth floor by filing amendments to the Condominium Map and Declaration from time to time to reflect the creation of the fourth floor and the division into units with the allocation of the common interest and common elements to the units and the designation of the common elements. The Developer will pay upon completion of the fourth floor the real property taxes, assessments, maintenance and any other obligations associated with the fourth floor. The fourth floor shall share in the maintenance of the Project on the same proportionate basis as the second and third floors.

The unused densities and other development rights inuring to the Project belong to the Developer. To the extent that any joinder of unit owners is requested to effectuate the development of the fourth floor and/or the parking arrangements with any adjoining property owner, there is reserved to the Developer an irrevocable power of attorney, coupled with an interest, to act on behalf of unit owners in the Project for the purpose of effectuating the above and to execute, acknowledge and deliver such instruments as may be required from time to time in order to accomplish the purposes as set forth therein.

The Developer when improving the fourth floor may suspend the use of a portion of the parking stalls with no costs and expense and/or damage to Developer during the construction phase of the fourth floor.

The Developer in order to meet such requirements for parking may enter into agreements with the adjacent property owners to provide access through the building into the adjacent property in order that additional parking stalls can be obtained provided that such costs and expense for such arrangements shall be borne by the Developer.

STATUS OF PROJECT: The existing building for the proposed condominium conversion was built in 1921. Investigation by the Building Department of the City and County shows that the three-story building met the building code requirement when it was originally constructed. The current renovation of spaces into office, commercial and parking purposes were approved by the Department of Land Utilization on July 22, 1983 and the Developer has notified the Real Estate Commission that the renovation has commenced and should be completed by November 15, 1983.

NOTE: The Building Department has notified the Developer's attorney that the Developer's request for a variance for marquee to encroach into the front yard and to expand the non-conforming structure is pending at the Zoning Board of Appeals.

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 October 3, 1983 and information subsequently filed as of November 10, 1983.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1573 filed with the Commission on October 3, 1983.

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


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

Distribution:

DEPARTMENT OF FINANCE, CITY AND COUNTY OF HONOLULU
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 1573

NOVEMBER 17, 1983

THOMAS SQUARE CENTRE DISCLOSURE ABSTRACT

1. Name of Project: THOMAS SQUARE CENTRE.
2. Address: 846 South Hotel Street, Honolulu, Hawaii 96813
3. Name of Developer: KOGA ENGINEERING AND CONSTRUCTION, Inc.
4. Address of Developer: 669 Ahua Street, Honolulu, Hawaii 96819
5. Telephone Number: (808) 833-1627
6. Project Manager or Agent: Marvin R. Koga
7. Address: 669 Ahua Street, Honolulu, Hawaii 96819
8. Maintenance Fees: Breakdown of annual maintenance fees and the monthly estimate cost for each unit are certified to have been based on generally accepted accounting principles. See attached certification.
9. Commencement of Maintenance Fees: A unit owner shall become obligated for the payment of his share of the common expenses allocated to his unit at such time that the Developer advises the unit owner that the unit is ready for occupancy or at such time that the Developer advises that after a certain date all units, including the Developer's retained units and/or unsold units, shall uniformly be required to pay their respective share of common expenses allocated to all units, whichever shall first occur.
10. Warranties: The Project is the conversion of an existing hollow tile and concrete building and is being refurbished by the Developer. The unit owner is obtaining a finished space or a loft space within the building and if he has a loft space he will be obligated to refurbish his unit at his own cost and expense. The Developer will issue a one-year warranty as to the structural elements of the building and the roof and flooring. There are no other warranties.
11. Project: The Project consists of one three-story concrete and hollow block concrete building with a flat roof with a concrete slab as a floor with no basement. There is a total of 30 parking stalls of which 17 are tandem parking stalls. These stalls are all held by the owner of Unit 200 who will distribute the use of the stalls based on reasonable and comparable rentals to all occupants of the building. The Developer has reserved the right to develop and construct a fourth floor of the building at his sole costs and expense for a period of 15 years. The Developer has also reserved the right to negotiate with and enter into agreements with adjacent property owners to permit access through the Project as a means of obtaining additional parking rights in adjacent property. The use of the Project and the units are for any purposes that are permitted under applicable zoning and building codes, subject to any restrictions contained in the Declaration, By-Laws and Building Rules.

DATED: Honolulu, Hawaii, September 30, 1983.

KOGA ENGINEERING AND
CONSTRUCTION, INC.

By Timothy K. Cum
Its VICE-PRESIDENT

PROPOSED OPERATING BUDGET
1983

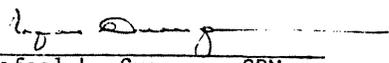
THOMAS SQUARE CENTRE

<u>RECEIPTS</u>	<u>Monthly</u>	<u>Annually</u>	<u>Remarks</u>
Maintenance Fees	\$ 1,842	\$ 32,104	
TOTAL RECEIPTS	\$ 1,842	\$ 32,104	
 <u>DISBURSEMENTS</u>			
Audit & Taxes	\$ 13	\$ 156	Tax Filing
Insurance, Package	250	3,000	@ \$1,600,000.
Insurance, Liability	59	708	Umbrella
Janitorial Service	650	7,800	Royal Maintenance-Common
Misc. Project & Office Expenses	25	300	
Refuse Service	120	1,440	
Maintenance & Repair - Building	50	600	
Maintenance & Repair - Elevator	250	3,000	Otis Elevator .
Maintenance & Repair - Other Equipment	50	600	
Supplies, Electric & Lighting	25	300	
Supplies, Building & Other	50	600	
Electricity	150	1,800	
Water/Sewer	150	1,800	
TOTAL	\$ 1,842	\$ 22,104	

The cash operating budget (prorated on a monthly basis) is for one year commencing August, 1983. The information contained herein is based on the data available to us at this time.

We certify that the monthly cash operating costs have been based on generally accepted accounting principles.

By:


Rafael L. Guanzon, CPM
Senior Vice-President
Residential Property Management

August 24, 1983

THOMAS SQUARE CENTRE

MAINTENANCE FEES

<u>Unit No.</u>	<u>Monthly</u>
101	\$ 57.10
102	160.26
103	62.63
200	860.21
301	51.58
302	66.31
303	84.73
304	40.52
305	86.58
306	130.78
307	104.99
308	66.31
309	<u>70.00</u>
	\$1,842.00