

# 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

944 PROSPECT  
944 Prospect Street  
Honolulu, Hawaii

REGISTRATION NO. 1587

### 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: March 7, 1984  
Expires: April 7, 1985

#### SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE NOTICE OF INTENTION SUBMITTED ON JANUARY 31, 1984, AND INFORMATION SUBSEQUENTLY FILED ON FEBRUARY 14, 1984. THE DEVELOPER, IN 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. "944 PROSPECT" is a proposed fee simple condominium consisting of sixteen (16) residential apartments contained in one building, which has two (2) wings designated as (a) the "Ewa Wing" which has four (4) floors and (b) the "Diamond Head Wing" which has three (3) floors. There are thirty-six (36) parking spaces. Each apartment will have at least two (2) parking spaces appurtenant thereto.

2. The Developer of the project has submitted to the Commission all documents and materials deemed necessary for the registration of this proposed condominium 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 of the project (the Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and the Floor Plan) have not been filed at the Bureau of Conveyances of the State of Hawaii.
5. The purchasers or prospective purchasers are advised to acquaint themselves with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations promulgated thereunder, which relate to Horizontal Property Regimes.
6. This Preliminary Public Report expires automatically thirteen (13) months after the date of issuance, March 5, 1984, 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 944 PROSPECT 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 copy of the receipt therefor.

NAME OF PROJECT: 944 PROSPECT

LOCATION: The land (approximately 29,000 square feet) committed to the project is located at 944 Prospect Street, City and County of Honolulu, State of Hawaii.

TAX MAP KEY: FIRST DIVISION 2-2-4-34

ZONING: A-2 (Apartment)

DEVELOPER: PROSPECT CORP., a Hawaii corporation, whose principal place of business is Suite 2508, 1188 Bishop Street, Honolulu, Hawaii 96813, and whose telephone number is 536-6451.

The following are officers of the corporation:

Ralph D. Cornuelle, President/Treasurer  
Daniel H. Wong, Vice President/Secretary

ATTORNEY REPRESENTING DEVELOPER: CHEE, OSHIRO, WILLIAMS & SLATON (Attention: William K. M. Chee), Suite 1100, Pacific Tower, 1001 Bishop Street, Honolulu, Hawaii 96813; telephone number 521-3434.

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime and other documents filed with the Commission show that the project consists of sixteen (16) apartment units contained in one building, constructed principally of wood and concrete.

1. Building. The building consists of two (2) wings. The westerly portion thereof is called the "Ewa Wing" and the easterly portion is called the "Diamond Head Wing". The enclosed area between the two wings is called the "Lobby Area" and the open area between the two wings is designated for a loading zone.
  - a. Ewa Wing. The Ewa Wing has four (4) stories referred to as the "ground floor", "first apartment floor", "second apartment floor" and "third apartment floor". The ground floor contains 24 parking spaces, four (4) of which are designated for compact cars. Each of the apartment floors contain four (4) apartment units.
  - b. Diamond Head Wing. The Diamond Head Wing has three (3) stories referred to as the "ground floor", "first apartment floor" and "second apartment floor". The ground floor contains 12 parking spaces, seven (7) of which are designated for compact cars. Each apartment floor contains two (2) apartment units.
  - c. Lobby Area. The Lobby Area on the ground floor contains the entry lobby, the elevator and the mailboxes. The lobby area on the first, second and third apartment floors contain the lobby, the elevator and the trash room.
2. Apartment Type. All sixteen apartments in the project are different from each other. The apartment number and type of each is described as follows:

UNIT TYPE AND NUMBER	NO. OF ROOMS	NET LIVING AREA (SQ. FT.)	LANAI #1 AREA (SQ. FT.)	LANAI #2 AREA (SQ. FT.)	GARDEN AREA (SQ. FT.)	TOTAL AREA (SQ. FT.)
<b>1st FLOOR</b>						
1-A	7	1247.25	239.00	107.65	0	1593.90
1-B	8	1247.06	79.65	107.65	42.88	1477.24
1-C	8	1247.06	89.95	107.65	61.00	1505.66
1-D	8	1237.06	89.95	107.65	61.00	1495.66
1-E	8	1267.59	144.50	107.65	0	1519.74
1-F	7	1304.53	38.67	107.65	0	1450.85
<b>2nd FLOOR</b>						
2-A	7	1288.50	239.00	107.65	0	1635.15
2-B	8	1271.81	79.65	107.65	0	1459.11
2-C	8	1271.81	89.95	107.65	0	1469.41
2-D	8	1283.94	89.95	107.65	0	1481.54
2-E	8	1267.59	144.50	80.65	0	1492.74
2-F	7	1304.53	64.62	80.65	0	1449.80
<b>3rd FLOOR</b>						
3-A	7	1288.50	239.00	80.65	0	1608.15
3-B	8	1271.81	79.65	80.65	0	1432.11
3-C	8	1271.81	89.95	80.65	0	1442.41
3-D	8	1283.94	89.95	80.65	0	1454.54

All apartment units contain 2 bedrooms, 2 bathrooms, a kitchen, a dining room and a living room (7 rooms) plus 2 lanais, a hallway and closets. In addition to the foregoing, (a) Apt. 1-B, 2-B, 3-B, 1-C, 2-C, 3-C, 1-D, 2-D, 3-D, 1-E and 2-E contain a separate laundry room, as shown on the Condominium Map of the project and (b) Apt. 1-B, 1-C and 1-D contain Garden Area, as shown on said Map.

3. APARTMENT NUMBERS. The apartments on each apartment floor are numbered alphabetically from "A" to "F" (with Apt. A being the Ewa-most apartment), preceded by the apartment floor number. Thus, Apt. A on the first apartment floor is designated as Apt. "1-A". Apartment E and F are in the Diamond Head Wing.
4. Description of Apartment. The apartment includes the interior decorated or finished surfaces of all perimeter walls, floors, ceilings, glass windows, partitions within the perimeter walls and the unenclosed space within the lanais including the garden area, if any, together with fixtures, appliances and other improvements located therein. An apartment shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior loading walls, the floors and ceilings surrounding each apartment, or any pipes, wires, conduits or other utility or service lines running through such apartment, which are utilized to serve more than one apartment.

COMMON ELEMENTS: The common elements of the project include the limited common elements hereafter described and all other portions of the land and improvements other than the apartments. Said common elements shall include, but shall not be limited to, the following:

1. Fee simple estate in said land;
2. All foundations, columns, girders, beams, supports, bearing walls, party walls, roofs, floors, ceilings, lobbies, walkways, stairways, ducts, electrical equipment, wiring, pipes, conduits and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, water, gas, sewer, telephone, and radio and television;
3. The elevator and any and all other apparatus and installation of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use;
4. All driveways, loading zone, sidewalks, landscaping, yards, gardens, fences, retaining walls, refuse collection area and mailbox area, as shown on said Condominium Map;

5. All other parts of the project which are not included in the definition of an apartment.

LIMITED COMMON ELEMENTS: The limited common elements set aside for the exclusive use of certain apartments are as follows:

1. Mailboxes. The mailboxes bearing a number corresponding with the apartment number shall be for the exclusive use of said apartment.
2. Parking Spaces. There are 36 covered parking spaces, 25 of which are standard size parking spaces and 11 (being parking spaces numbered 1, 12 to 14, inclusive, 16 to 19, inclusive, 30, 31 and 36) are compact size parking spaces. The spaces are numbered 1 through 36, inclusive. Each apartment shall have at least two (2) parking spaces appurtenant thereto. The parking space assignments are as follows:

<u>Apt. No.</u>	<u>Parking Space No.</u>	<u>Apt. No.</u>	<u>Parking Space No.</u>
1-A	1C, 19C	2-C	6, 24
1-B	2, 20	2-D	7, 25
1-C	3, 21	2-E	17C, 35
1-D	4, 22	2-F	15, 33
1-E	18C, 36C	3-A	8, 26
1-F	16, 34, 13C, 14C, 31C & 32	3-B	9, 27
2-A	5, 23	3-C	10, 28
2-B	12C, 30C	3-D	11, 29

Note: C - compact

COMMON INTERESTS: Each apartment shall have appurtenant thereto an undivided 6.25% interest in all common elements of the project (herein called the "common interest") and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The apartments shall be occupied and used only as residential dwellings by the respective owners, their families, domestic servants and social guests, and for no other purpose; provided, that the owners of the respective apartments shall have the absolute right to lease or rent such apartments for profit and for such periods as such owners may determine, so long as such leasing or renting is for use as a place to reside and not as a place to conduct business or trade, and said leasing or renting is made subject to the provisions of the Declaration and By-Laws.

NOTE: In the event any person, including the Developer, desires to sell any time-share interest in any apartment in the Project, such person(s) will have to fully comply with the provisions of Chapter 514-E of the Hawaii Revised Statutes and any rules and regulations promulgated thereunder prior to selling any such time-share interest.

The proposed House Rules state, in part: (1) the number of occupants in each apartment shall be limited to four (4) persons; (2) no animals, including, without limitation, dogs, cats, rabbits and birds shall be allowed or kept in any part of the project; (3) no fires or barbecuing will be permitted on any apartment lanais; and (4) all curtains, draperies, shades and/or blinds installed on the plate glass or other windows of an apartment shall be uniform in color and shall be such color as the Board of Directors of the Association shall deem appropriate.

OWNERSHIP TO TITLE: A Preliminary Title Report prepared by TITLE GUARANTY OF HAWAII, INCORPORATED, a licensed abstractor, dated December 13, 1983, shows that legal title to the land submitted to the Horizontal Property Regime is vested in First Hawaiian Bank, a Hawaii corporation, Successsor Trustee of the Freida J. I. Matthewman Revocable Trust dated August 26, 1980. An Option Agreement dated September 7, 1983, has been executed between First Hawaiian Bank as "Optionor" and Ralph Donald Cornuelle and Daniel Hook Wong as "Optionees" to purchase the title and interest in the property. Said Option Agreement was subsequently assigned to Prospect Corp., the developer, on October 28, 1983.

ENCUMBRANCES AGAINST TITLE: The aforesaid Preliminary Title Report indicates that the property is subject to the foregoing:

1. For any real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Grant of Easement in favor of City and County of Honolulu dated November 5, 1938 and recorded at the Bureau of Conveyances in Liber 1470, Page 462.
4. Hawaii State Tax Lien dated July 6, 1977 and recorded in Liber 12312, Page 422.
5. Terms, conditions and provisions contained in that certain unregistered and unrecorded Trust Agreement designated The Frieda J. I. Matthewman Revocable Trust dated August 26, 1980; of which a MEMORANDUM OF TRUST AGREEMENT ESTABLISHING THE FRIEDA J. I. MATTHEWMAN REVOCABLE TRUST dated August 26, 1980 is recorded in Liber 17213, Page 767, by and between FRIEDA J. I. MATTHEWMAN, whose full name is Frieda Jeanne Iselin Matthewman, and a widow, the Settlor and Trustee.
6. Option Agreement dated September 7, 1983 between First Hawaiian Bank, as "Optionor", and Ralph Donald Cornuelle and Daniel Hook Wong, as "Optionees", dated September 7, 1983, a memorandum of which is recorded at and filed in the Bureau of Conveyances is Liber 17213, Page 767, which Option Agreement was assigned

to the Developer by instrument dated October 28, 1983, and recorded in Liber 17485, Page 653.

NOTE: Pending in the United States District Court for the District of Hawaii is Civil No. 77-406, filed October 17, 1977; FRIEDA J. I. MATTHEWMAN, 944 PROSPECT ASSOCIATES, "Plaintiff", vs. GEORGE G. AKAHANE, et al, members of the City Council of the City and County of Honolulu; ERNEST T. YUASA, Director and Building Superintendent of the City and County of Honolulu; CITY AND COUNTY OF HONOLULU, "Defendents"; re: damages.

PURCHASE MONEY HANDLING: TITLE GUARANTY ESCROW SERVICES, INC., a Hawaii corporation, has been designated as Escrow Agent for the project, pursuant to an Escrow Agreement between the Developer and said Agent, dated January 16, 1984. The Commission finds that said Agreement complies with Chapter 514A, Hawaii Revised Statutes, as amended, and particularly Sections 514A-37, 39, 40 and 63-66, inclusive. The Escrow Agreement provides, inter alia, that:

1. All monies received by Escrow Agent shall be deposited in an interest-bearing account, and all interest earned therefrom shall belong to and inure to the benefit of the Developer.
2. A purchaser shall be entitled to a refund of his funds, without interest, if he requests the same in writing and any one of the following events has occurred:
  - a. The Seller has requested Escrow Agent in writing to return the funds of purchaser then being held by Escrow Agent; or
  - b. The Seller notifies Escrow Agent in writing that the Seller has exercised its option to rescind the Sales Contract or otherwise available to the Seller; or
  - c. Purchasers 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
  - d. The Final Public Report differs in any material respect from the Preliminary Public Report; or
  - e. If the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

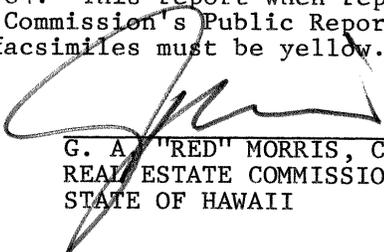
The Commission advises prospective purchasers to read and understand the Escrow Agreement before executing the Sales Contract.

The Sales Contract filed with the Commission provides (1) that the Sales Contract shall not be binding upon the Developer, as Seller, or the Purchaser until (a) a true copy of the Commission's Final Public Report for the project, with all supplementary reports attached thereto (if any have been issued), has been given to the apartment purchaser, (b) the apartment purchaser has executed a receipt for or otherwise acknowledged receipt for the aforesaid report(s), and (c) 48 hours have elapsed since the apartment purchaser executed such receipt or acknowledged receipt of such report(s); and (2) that the Developer has the right to cancel the Sales Contract if it is unable to sell 14 or more apartment units to qualified buyers, able and willing to close their respective purchases, by June 30, 1984; and (3) Purchaser understands that the Developer's Mortgage Loan for the project shall be superior to any and all liens or charges on the project arising from the Sales Contract or any prior reservation agreement.

MANAGEMENT AND OPERATION: The By-Laws of the Association of Apartment Owners provide that the Board of Directors of 944 PROSPECT is not required, but may employ a Managing Agent to manage and control the project.

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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 January 31, 1984 and information subsequently submitted on February 14, 1984.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES CONDOMINIUM PUBLIC REPORT is made a part of REGISTRATION NO. 1587 filed with the Commission on January 31, 1984. 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 FINANCE  
BUREAU OF CONVEYANCES  
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

REGISTRATION NO. 1587

MARCH 7, 1984