

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

424 SO. BERETANIA STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
ACADEMY TOWER
1423 Ward Avenue
Honolulu, Hawaii

REGISTRATION NO. 156

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.

Reservations for the purchase of any unit in the Condominium Project may be taken under an agreement for sale providing the Developer complies with the Commission's Declaratory Order No. 1 of December 14, 1965.

November 3, 1966

SPECIAL ATTENTION

A comprehensive reading of the Report 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:

THE REPORT REFLECTS INFORMATION DISCLOSED
IN THE REQUIRED NOTICE OF INTENTION SUBMITTED
TO THE COMMISSION ON AUGUST 4, 1966.

1. ACADEMY TOWER is a proposed fee simple condominium project consisting of forty-nine (49) apartments arranged throughout one twenty-five (25) story apartment building.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of this proposed condominium project.
3. The Developer has submitted his program of financing the project and a statement of all costs involved in completing the project.

4. The basic documents have been filed in the office of the recording officer. Verification has been received from the Registrar of Conveyances, State of Hawaii, on the following:

The Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, was filed August 5, 1966 in Liber 5404, page 109, at the Bureau of Conveyances.

The Registrar assigned Condominium Map No. 74 to the project on August 5, 1966.

5. No advertising or promotional matter has been submitted pursuant to the condominium rules and regulations promulgated by the Commission.
6. The prospective purchaser is advised to acquaint himself with the Horizontal Property Act, Chapter 170A, Revised Laws of Hawaii 1955, as amended, and the Condominium Rules and Regulations adopted and promulgated by the Commission which relate to Horizontal Property Regimes.

NAME OF PROJECT: ACADEMY TOWER

LOCATION: The 23,523 square feet of land committed to the development is situate at the southeast (diamond head-makai) of the intersection of Green Street and Ward Avenue at Kewalo, Honolulu, Oahu, Hawaii.

TAX KEY: FIRST DIVISION: 2-4-14-12

ZONING: Apartment-Hotel

DEVELOPER: EMPRESS DEVELOPMENT CORPORATION, 447 Seaside Avenue, Honolulu, Hawaii. Telephone 935-982. A Hawaii corporation registered with the Department of Regulatory Agencies, State of Hawaii on August 2, 1966. The officers are as follows:

Elaine Akana Chang	President and Treasurer	4021 Kahala Avenue Honolulu, Hawaii
Jo Paul Rognstad	Vice President and Secretary	1270 Queen Emma Street Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Henshaw, Conroy & Hamilton, (Attention: Mr. Dwight M. Rush), 1410 First National Bank Building, Honolulu, Hawaii. Telephone 561-002.

DESCRIPTION: There are forty-nine (49) apartments located in one 25-story building, two apartments on each of the 2nd through the 25th floors and one apartment on the 1st floor. On the first floor of the building is located a lobby, an office-library and recreation area. The apartments are designated by a number corresponding to the floor level, or letters PH or EN as explained below, together with the letter "E" or "W", designating that the apartment is on the East or West side of the building, respectively. The apartments in the building are numbered as follows:

First Floor:	1E (no others)
Second Floor:	2E and 2W
Third Floor:	3E and 3W
Fourth Floor:	4E and 4W
Fifth Floor:	5E and 5W

Sixth Floor:	6E and 6W
Seventh Floor:	7E and 7W
Eighth Floor:	8E and 8W
Ninth Floor:	9E and 9W
Tenth Floor:	10E and 10W
Eleventh Floor:	11E and 11W
Twelfth Floor:	12E and 12W
Thirteenth Floor:	13E and 13W
Fourteenth Floor:	14E and 14W
Fifteenth Floor:	15E and 15W
Sixteenth Floor:	16E and 16W
Seventeenth Floor:	17E and 17W
Eighteenth Floor:	18E and 18W
Nineteenth Floor:	19E and 19W
Twentieth Floor:	20E and 20W
Twenty-first Floor:	21E and 21W
Twenty-second Floor:	22E and 22W
Twenty-third Floor:	23E and 23W
Penthouse Floor:	PH.E and PH.W
Eagle's Nest Floor:	E.N.E and E.N.W

The immediate common element to which each apartment has access is a foyer on each floor which leads to an elevator connecting to the lobby, on the 1st through the Penthouse floors. The two apartments on the Eagle's Nest floor open onto a stairway connecting to the Penthouse floor.

There is one three-bedroom apartment on the first floor, which contains approximately 1,990 square feet of floor space, including lanais, and consists of the following rooms: 3 bedrooms, 3 baths, one kitchen, one living room and one living-dining lanai.

There are forty-four (44) two-bedroom apartments, which contain approximately 1,584 square feet of floor space, including lanais, and consist of the following rooms: 2 bedrooms, 2 baths, one kitchen, one entry, one living room, one dining lanai and one living lanai.

There are two (2) Penthouse Apartments, which contain approximately 1,564 square feet of floor space, including lanais, and consist of the following rooms: 2 bedrooms, 2 baths, one kitchen, one living room, one dining lanai and one living lanai.

The two (2) Eagle's Nest Apartments contain approximately 1,604 square feet of floor space and consist of the following rooms: 1 bedroom, 1 bath, 1 living room, 1 dining room, 1 kitchen, 1 living lanai and 1 sunbathing lanai.

All of said apartments are described and located on Condominium Map No. 74 as filed with the Registrar of Conveyances, State of Hawaii.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding the apartments or any pipes, wires, conduits or other utility lines running through such apartments which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions of which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and the built-in fixtures, including range-oven, dishwasher, garbage disposal, refrigerator, washer and dryer.

COMMON ELEMENTS: An estate consisting of all remaining portions of the project, being described and referred to herein as "common elements," which definition includes the residential building, the land on which it is located and all

elements mentioned in the Horizontal Property Act which are actually constructed in the project, and specifically includes, but is not limited to: (a) Said land in fee simple; (b) All foundations, columns, girders, beams, supports, bearing walls, roofs, chases, entry halls, stairs, walkways, lobby on the ground floor of the building, entrances and exits of said building; (c) All yards, refuse and service areas; (d) All parking areas, driveways and ramps; (e) All ducts, electrical equipment, wiring and other central and appurtenant installations for services including power, light, cold and hot water, refuse and telephone; (f) Two (2) automatic electric passenger elevators with elevator housing and appurtenant equipment; (g) Swimming pool, men's and women's toilet-dressing rooms, and pool recreation deck; (h) A basement storage room; (i) An office-library for the building located on the first floor of the building; and (j) The recreational area located on the first floor of the building.

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

- (a) One or more parking spaces designated on said condominium map by the number and letter, or letters only, corresponding to the number and letter, or letters only, of each apartment shall be appurtenant to and for the exclusive use of such apartment.
- (b) The foyer and balcony on each floor adjoining the two apartments on each floor shall be appurtenant to and for the exclusive use of such apartments, with the exception of the foyer on the Penthouse floor which shall be appurtenant to and for the exclusive use of the two apartments on the Penthouse floor and also appurtenant to and for the exclusive use of the two apartments on the Eagle's Nest floor.

INTEREST TO BE CONVEYED PURCHASER: Each apartment in the project shall have appurtenant thereto an equal undivided 2.0408 percentage interest (1/49th fractional interest) in all common elements of the project. Such interest is hereby defined and referred to herein as the "common interest." The common interest, the proportionate shares in the profits and common expenses of the project and the proportionate representation for voting purposes in the Association of Apartment Owners of the project, shall be in said percentage for each apartment.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose, unless consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of this Declaration.

OWNERSHIP TO TITLE: The Notice of Intention reflects that title to the land is vested in PROSPECT HOTEL APARTMENTS CORPORATION, a Hawaii corporation. The Preliminary Report of Title, prepared April 13, 1966, by Long & Melone, Ltd., a Hawaii corporation, and submitted to the Commission as part of the registration verifies the ownership.

ENCUMBRANCES AGAINST TITLE: The title examination document notes that under Grant 3330 there is a reservation to the Hawaiian Government of all mineral or metallic mines of every description. There is a mortgage in favor of Honolulu Savings & Loan Company, Limited, dated November 28, 1962, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 4414, page 270. Also, at said Bureau there is a December 4, 1964 mortgage in favor of American Factors, Ltd., recorded in Liber 4897, page 494.

In the Notice of Intention, the Developer states that the two (2) mortgages above will be paid off prior to construction.

The Preliminary Title Report shows that there is a grant in favor of Hawaiian Electric Co., Inc., and Hawaiian Telephone Company, dated April 10, 1959, recorded in Liber 3609, page 41, granting a perpetual easement for utility purposes.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated July 19, 1966, a copy of which has been filed with the Commission, identifies Title Guaranty Escrow Services, Inc., a Hawaii corporation, as the "ESCROW." Upon examination, the specimen Deposit Receipt and Contract and the executed Escrow Agreement are found to be in consonance with the Commission's Declaratory Ruling No. 1, dated December 14, 1965. The conditions referring to the issuance of a Preliminary Public Report have been complied with.

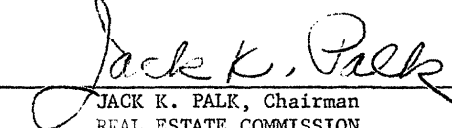
Note: It is incumbent upon the purchaser or prospective purchaser that he reads the Deposit Receipt and Contract and the Escrow Agreement. The latter establishes how the proceeds from the sale of dwelling units are placed in trust, as well as the retention and disbursement of trust funds.

MANAGEMENT AND OPERATIONS: The recorded Declaration of Horizontal Property Regime states that the operation of the project shall be conducted for the Association of Apartment Owners by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws. The Managing Agent has been authorized to receive service of legal process in all cases provided in the Horizontal Property Act. The initial Managing Agent is ELAINE A. CHANG, INC., a Hawaii corporation, whose principal place of business and post office address is 447 Seaside Avenue, Honolulu, Hawaii.

STATUS OF PROJECT: Construction has not started on the project. The Notice of Intention reflects that construction will commence after pre-sale of enough units to insure success of the project. No building contract has been executed as of the date of this Preliminary Public Report.

The purchaser or prospective purchaser should be cognizant of the fact that this Report presents information disclosed by the Developer in the required Notice of Intention submitted August 4, 1966.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 156 filed with the Commission August 4, 1966.


JACK K. PALK, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

REB:va

Distribution:

DEPARTMENT OF TAXATION
DEPARTMENT OF REGULATORY AGENCIES
(Business Registration Division)
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FEDERAL HOUSING ADMINISTRATION