

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

MAKIKI ROYAL
1701 Kewalo Street
Honolulu, Hawaii

REGISTRATION NO. 299

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: October 15, 1969
Expires: November 15, 1970

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 purchaser and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 18, 1969 AND INFORMATION SUBSEQUENTLY FILED SEPTEMBER 24, 1969. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. MAKIKI ROYAL is a proposed leasehold condominium project consisting of forty-four (44) condominium dwelling units arranged throughout a single twenty-two story residential apartment building. Fifty-nine (59) parking stalls are available to owners and there are five (5) guest stalls.
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 issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.

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 514, 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 date of issuance, October 15, 1969, unless a Supplementary Public Report issues or the Commission upon review of the registration issues an order extending the effective period of this report.

NAME OF PROJECT: HAKIKI ROYAL

LOCATION: The approximate 23,119 square feet of leasehold property to be committed to the regime is situated on the mauka (northeasterly) side of the seventeen hundred block of Kewalo Street, on the corner at Heulu Street, at Honolulu, City and County of Honolulu, Oahu, Hawaii.

TAX KEY: FIRST DIVISION 2-4-25-13

ZONING: Hotel-Apartment
200% Density (enclosed area)

DEVELOPER: WWF Associates, a partnership between WCW Corporation, GAF Corporation, and Condominium Development Corporation, whose post office address is Room 209, 931 University Avenue, Honolulu, Hawaii. WWF Associates has been registered as a partnership with the Business Registration Division, State of Hawaii, since May 8, 1968, and the three corporations comprising the partnership are registered Hawaii corporations.

ATTORNEY REPRESENTING DEVELOPER: Pratt, Moore, Bortz & Case (Attention: Mr. Paul F. Gronin), P. O. Box 494, Honolulu, Hawaii. Telephone 536-7261.

DESCRIPTION: The specimen Declaration of Horizontal Property Regime reflects that the project is to consist of the lease land located at 1701 Kewalo Street and a building containing forty-four (44) apartments. The building will be constructed of reinforced concrete and has twenty-two (22) levels and a basement. The building, exclusive of parking, will cover approximately 3,500 square feet of land area. There will be fifty-nine (59) parking stalls of which twenty-five (25) are located on the first floor level of the reinforced concrete parking structure and are uncovered, twenty-five stalls are located on the basement level of the parking structure and are covered. The remainder are located on the driveways and are uncovered. The stalls are numbered 1 to 59 as shown on the Plan. In addition five (5) stalls are unnumbered and will be used as guest parking.

Access to the living area is through a lobby into an elevator or onto stairs located on the basement level. A swimming pool is also located on the basement level. Stairs, storage areas, restrooms, electrical and mechanical rooms and manager's suite constitute the remainder of the basement area.

In addition to parking areas on the first floor level, there are two apartments. The tenth, fourteenth and fifteenth floors contain a one-bedroom apartment and a three-bedroom apartment. The one-bedroom apartments are partitioned into a living-dining area, kitchen, bedroom, bathroom and lanai. The enclosed area is approximately 360 square feet and the lanai area is approximately 510 square feet. The three-bedroom apartments are partitioned into a living-dining area, kitchen, three bedrooms, hall, closet, three bathrooms, and lanai. The enclosed area is approximately 1,210 square feet and the lanai area is approximately 510 square feet. On each of the remaining floors there are two, two-bedroom apartments, each partitioned into a living-dining area, kitchen, two bedrooms, two bathrooms and lanai. The enclosed area is approximately 1,035 square feet and the lanai area is approximately 510 square feet. The apartments on each

floor have access to a balcony which will contain a washer and dryer. Each apartment has access to a corridor in the middle of the building which contains two elevators and leads to a stairway descending to the basement level. The apartments are numbered and situated as follows:

<u>LEVEL</u>	<u>APARTMENT NO.</u>
First	101, 102
Second	201, 202
Third	301, 302
Fourth	401, 402
Fifth	501, 502
Sixth	601, 602
Seventh	701, 702
Eighth	801, 802
Ninth	901, 902
Tenth	1,001, 1,002
Eleventh	1,101, 1,102
Twelfth	1,201, 1,202
Thirteenth	1,401, 1,402
Fourteenth	1,501, 1,502
Fifteenth	1,601, 1,602
Sixteenth	1,701, 1,702
Seventeenth	1,801, 1,802
Eighteenth	1,901, 1,902
Nineteenth	2,001, 2,002
Twentieth	2,101, 2,102
Twenty-one	2,201, 2,202
Twenty-two	PH-1, PH-2

The building faces on Heulu Street. Apartments with numbers ending in "02" are located at the end of the building adjacent to Kewalo Street. Apartments with numbers ending in "01" are located at the end of the building away from Kewalo Street toward Diamond Head.

The common elements of the project shall be as follows: (a) The land; (b) The foundations; supports; rock and concrete retaining walls; all walls with the exception of the finished surfaces inside each apartment, which surfaces shall be elements of the respective apartments; the beams and columns of the building; the stairs and stair landings; the entrances and exits to the condominium as follows: the vehicular ways to and through the parking areas, the pedestrian walks and entrances, all other concrete or other surfaces giving access to the various buildings, the pedestrian entrances from the parking areas; and the corridors or walkways onto which each apartment directly opens; (c) The roofs, yards, gardens; swimming pools and pool equipment; storage areas not specifically included in any apartment; laundry rooms and equipment; maintenance shops and equipment; recreation rooms and equipment; parking areas (provided, however, each apartment shall have a parking stall as a limited common element appertaining to it which stall shall be identified in the plan by a number and designated in each apartment lease); (d) Central and appurtenant installations and apparatuses for services to more than one apartment including sewerage and water pipes, sprinkler system, telephone equipment, electrical installations, television antenna system, trash enclosures, and ducts and fans; (e) All intangible personal property, choses in action, debts, monies, reserves, funds, and other assets held by the Association of Apartment Owners for the benefit of the several apartment owners; and (f) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use and which are not part of any apartment.

LIMITED COMMON ELEMENTS: The specimen Declaration reflects that the limited common elements reserved for the exclusive use of certain apartments consist of one or more parking stalls, as designated in each apartment lease, which shall be appurtenant to and for the exclusive use of that apartment.

INTEREST TO BE CONVEYED PURCHASER: The specimen Declaration states that the percentage undivided interest in the common elements appertaining to each apartment shall be 2.02% for one-bedroom apartments, 2.27% for two-bedroom apartments and 2.52% for three-bedroom apartments. Each apartment's share in the common profits, its share of the common expenses and its vote shall be in proportion to its undivided interest in the common elements.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The specimen Declaration states that the apartments are intended for residential use only. Each owner and his tenants, families, domestic servants and social guests, shall comply with the By-Laws of the Association of Apartment Owners, the House Rules, and all covenants, restrictions, terms and conditions set forth in the Declaration.

OWNERSHIP TO TITLE: A preliminary report issued by the Title Guaranty of Hawaii on September 15, 1969, and submitted to the Commission reflects that ownership to fee title is vested in Yew King Ching, Inc., a Hawaii corporation.

Note: The Developer has submitted to the Commission a copy of an unrecorded agreement dated August 29, 1969 by and between Yew King Ching, Inc., as "Lessor," and WWF Associates, a partnership between WCM Corporation, GAF Corporation, and Condominium Development Corporation, as "Lessee." Said Agreement grants Lessee exclusive and irrevocable right and option to a lease of the land committed to this project. To this date, Developer has not exercised his option to lease.

The Preliminary Report describes the subject land as Lot A-1-A area 23,119, as shown on Map 4, Land Court Application 56, of William A. Bowen, being a portion of the land described in Transfer Certificate of Title 94,024.

ENCUMBRANCES AGAINST TITLE: The land is one parcel of land which has an area of 23,119 square feet situated on the northeasterly corner of Kewalo Street and Heulu Street at Honolulu, City and County of Honolulu, Oahu, Hawaii.

The fee title to the land is, as of September 15, 1969, vested in Yew King Ching, Inc., excepting only the estates, interests, liens or encumbrances as follows:

Mortgage in favor of Honolulu Mortgage Company, Limited, dated May 20, 1964, filed as Document No. 332022 in the Office of the Assistant Registrar of the Land Court, which mortgage was assigned to Punahou School on May 6, 1965, which assignment is filed as Document No. 360505. Sanitary Sewer Easement across Lot A-1-A. Current year taxes.

Note: The option to lease granted by the Owner to the Developer requires the Owner to free the project land from the mortgage encumbrance or obtain a commitment from the mortgagee to subordinate the mortgage to the lease. The Developer has informed the Commission that the Punahou School will subordinate its mortgage to the master lease between Yew King Ching, Inc., and WWF Associates and will subordinate its mortgage to condominium apartment leases issued by Yew King Ching, Inc., as Lessor, and the purchasers provided by WWF Associates.

The Developer has submitted a copy of the September 18, 1969 commitment by Punahou School to subordinate its mortgage on Lot A-1-A of Land Court Application 56 to the Developer's lease and to apartment leases. This communication is made a part of the registration.

The Commission has ascertained that the current taxes have been paid.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated September 16, 1969 identifies Bishop Trust Company, Limited, a Hawaii corporation, as "Escrow." On examination, the specimen Reservation Agreement, Purchase Agreement and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes and particularly Sect. 514-35 through 514-40 of the Horizontal Property Act. Among other provisions the specimen Reservation Agreement provides that the purchaser shall be entitled to a return of his funds if he does not enter into a sales agreement with the Seller within 7 days after the receipt of a Final Public Report on the project or upon the Purchaser's earlier request. The specimen Sales Agreement and the Escrow Agreement reflects that a purchaser shall be entitled to a refund of his funds if any one of the following shall have occurred: (a) If the Purchaser executed the agreement prior to the issuance of a final public report and there is a change in the condominium building plans requiring the approval of a county officer having jurisdiction over the issuance of permits for construction

of buildings, and the Purchaser fails to give written approval of the change; (b) If the Purchaser executed this agreement prior to the issuance of the final public report and it differs in any material respect from the preliminary public report, and the Purchaser requests a refund and release within 7 days after the receipt of the final public report; and (c) If a final public report is not issued within one year from the date of issuance of the preliminary public report.

In addition, the specimen Sales Agreement provides that purchaser may terminate the agreement if the condominium project is not completed by January 1, 1971, provided, however, that the period may be extended for periods when construction is actually and necessarily delayed by fire, earthquake, acts of God, the elements, war, civil disturbance, labor strikes or disruptions, shortages of labor or materials or other conditions reasonably beyond seller's control.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Reservation Agreement, Sales Agreement and the Escrow Agreement. The Escrow Agreement establishes how the proceeds from the apartment units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

MANAGEMENT AND OPERATIONS: The specimen By-Laws of the Association of Apartment Owners of Makiki Royal states that the Board of Directors shall annually employ a responsible Hawaii corporation as Managing Agent to manage and control the project subject at all times to direction by the Board, at such compensation as the Board may establish, subject to prior approval of every such employment contract by a majority of apartment owners.

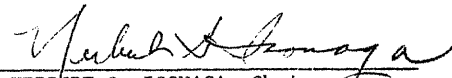
Developer advises that on September 3, 1969, WVF Associates entered into a Property Management Agreement with Bishop Trust Company, Ltd.

STATUS OF PROJECT: WVF Associates is taking reservations for apartments pursuant to a Reservation Agreement. The Developer has notified the Commission that it plans to start construction before the end of 1969. No construction contract has been consummated at this time.

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 September 18, 1969 and information subsequently filed September 24, 1969.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 299 filed with the Commission on September 18, 1969.

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


HERBERT S. ISONAGA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

REB:va

Distribution:
DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, C&C OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

October 15, 1969
Registration No. 299

