

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

THE ROYAL IOLANI
581 and 583 Kamoku Street
Honolulu, Hawaii

REGISTRATION NO. 851

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: April 13, 1976
Expires: May 13, 1977

SPECIAL ATTENTION

A comprehensive reading of this report by prospective purchasers 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED March 23, 1976 AND INFORMATION SUBSEQUENTLY FILED AS OF April 9, 1976. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES, AS AMENDED.

1. THE ROYAL IOLANI is a proposed leasehold condominium project consisting of three separate buildings containing a total of 296 condominium apartments and, as presently planned, 386 parking stalls, of which 266 are regular stalls, 74 are compact stalls, 34 are regular tandem stalls and 12 are compact tandem 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, Bylaws of Association of Apartment Owners and a copy of the Floor Plans) have not been filed in the office of the recording officer.
4. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to rules and regulations promulgated by the Commission will be submitted prior to public exposure.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514, Hawaii Revised Statutes, as amended, and the rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. The Developer is responsible for placing this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt for the horizontal property regime public report from each purchaser and prospective purchaser.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, April 13, 1976, unless a Final or Supplementary 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: THE ROYAL IOLANI

LOCATION: The project site is located at 581 and 583 Kamoku Street, Honolulu, Hawaii, and consists of Lot E, area 119,000 square feet, as shown on Map 3 of Land Court Consolidation No. 11.

TAX KEY: 2-7-20-1 (First Division).

ZONING: A-3 (Medium Density Apartment)

DEVELOPER: The developer is The Kamoku Development, a Hawaii joint venture, whose business and post office address is 1177 Kapiolani Boulevard, Honolulu, Hawaii 96814 (Phone: 521-6090). The joint venturers are Kaiolu, Inc., 235 Queen Street, Honolulu, Hawaii 96813; Sheridan Ing-Iolani Corporation, Suite 1908, 130 Merchant Street, Honolulu, Hawaii 96813; and Stark Development-Iolani, Ltd., 1177 Kapiolani Boulevard, Honolulu, Hawaii 96814.

ATTORNEY REPRESENTING DEVELOPER: Ashford & Wriston (Galen C. K. Leong), 235 Queen Street, Honolulu, Hawaii 96813 (Phone: 524-4787).

DESCRIPTION:

1. The Project. The proposed Declaration of Horizontal Property Regime reflects that the project will consist of three separate buildings containing 296 condominium apartments. There are two 39 story towers: one called the Diamond Head Tower, which contains 147 residential apartments and one unit set aside as a common element for the resident manager of the project; the other called the Ewa Tower, which contains 148 residential apartments, making a total of 295 residential apartments. The third building contains an apartment of two stories which shall belong to Iolani School and which is called the School Apartment, consisting of offices and classrooms for the use of the school. The buildings are constructed principally of reinforced concrete, concrete slabs, steel, gypsum board, aluminum, metal and glass. A basement level (partially below ground level) for parking for the residential apartments exists below each tower and the third building.

2. The Residential Apartments. Two hundred ninety-five (295) estates are designated as residential apartments in the spaces within the perimeter walls, concrete floors and ceilings of each of the 295 residential apartments contained in the two apartment towers.

There are seven basic types of residential apartments and the following schedule indicates how many apartments there are of each type.

Apartment Type	No. of Bedrooms	Number of Apartments in		Total	Square Footage of Apartment Type
		Diamond Head Tower	in Ewa Tower		
Type "A"	2	36	36	72	1,464.69
"B"	1	36	36	72	1,085.60
"C"	2	35	36	71	1,402.70
"D"	2	35	36	71	1,411.30
"E"	3	2	2	4	2,316.60
"F"	3	2	2	4	2,384.90
"H"	3	<u>1</u>	<u>0</u>	<u>1</u>	1,770.84
		147	148	295	

The residential apartments are designated on the proposed floor plans and are further described as follows:

(a) In each apartment tower, there are four apartments on each floor from the second floor through the twenty-fourth floor and from the twenty-seventh through the fortieth floor (what would otherwise be the thirteenth floor has been designated as the fourteenth floor), except that in the Diamond Head Tower the unit designated as 205 is the resident manager's unit, which is a common element. On the twenty-fifth and twenty-sixth floors of each apartment tower there are two apartments.

On the first floor of each apartment tower are located an apartment lobby, the mailroom for the apartments in the apartment tower and other common facilities.

The apartments in the Diamond Head Tower are numbered with odd numbers. The second floor of the Diamond Head Tower will contain one apartment each of Type "A", "B" and "H", which apartments will be numbered 201, 203 and 207, respectively, plus a Type "G" unit which is the resident manager's unit. On each floor from the third through the twenty-fourth (designation of a thirteenth floor has been eliminated) and from the twenty-seventh through the fortieth there is one apartment each of Type "A", "B", "C" and "D", which is numbered 01, 03, 05 and 07, respectively, preceded by the number of the floor on which the apartment is located. On each of the twenty-fifth and twenty-sixth floors there is one Type "E" and one Type "F" apartment, numbered 01 and 03, respectively, preceded by the number of the floor on which the apartment is located.

The apartments in the Ewa Tower are numbered with even numbers. On each floor from the second through the twenty-fourth (designation of a thirteenth floor has been eliminated) and from the twenty-seventh through the fortieth there is one apartment each of Type "A",

"B", "C" and "D", which is numbered 02, 04, 06 and 08, respectively, preceded by the number of the floor on which the apartment is located. On each of the twenty-fifth and twenty-sixth floors there is one Type "E" and one Type "F" apartment numbered 02 and 04, respectively, preceded by the number of the floor on which the apartment is located.

(b) Each residential apartment contains the number of rooms and approximate gross floor area according to its respective plan, which plans are designated by types described below.

Type "A". Each apartment of this plan contains an approximate total floor area of 1,464.69 square feet, including the two lanai areas. Each apartment contains 8 rooms (a master bedroom with an adjoining lanai, a second bedroom, 2 bathrooms, each with an adjoining dressing room, a living-dining room, a kitchen and a second lanai).

Type "B". Each apartment of this plan contains an approximate total floor area of 1,085.60 square feet, including the lanai area. Each apartment contains 5 rooms (a bedroom, a bathroom with an adjoining dressing room, a living-dining room, a kitchen and a lanai).

Type "C". Each apartment of this plan contains an approximate total floor area of 1,402.70 square feet, including the two lanai areas. Each apartment contains 8 rooms (a master bedroom with an adjoining lanai, a second bedroom, 2 bathrooms, each with an adjoining dressing room, a living-dining room, a kitchen and a second lanai).

Type "D". Each apartment of this plan contains an approximate total floor area of 1,411.30 square feet, including the lanai area. Each apartment contains 8 rooms (a master bedroom, a second bedroom, 2 bathrooms, each with an adjoining dressing room, a living-dining room, a kitchen and a lanai).

Type "E". Each apartment of this plan contains an approximate total floor area of 2,316.60 square feet, including the lanai area. Each apartment contains 9 rooms (3 bedrooms, 2 bathrooms, one with an adjoining dressing room, a dining room, a living room, a kitchen with a laundry area and a lanai).

Type "F". Each apartment of this plan contains an approximate total floor area of 2,384.90 square feet, including the two lanai areas. Each apartment contains 9 rooms (3 bedrooms, two bathrooms, one with an adjoining dressing room, a living room, a dining room, a kitchen and two lanais).

Type "H". The apartment of this plan contains 11 rooms with an approximate total floor area of 1,770.84 square feet, including the two lanai areas. The apartment contains 3 bedrooms, 3 bathrooms, each with an adjoining dressing room, a living-dining room, a kitchen and two lanais).

As described above, the plan of each apartment type is the same wherever it may be located within the apartment towers, except that each apartment on the twenty-fourth floor of each apartment tower has a furred ceiling that differs from the typical ceiling found in the respective apartment type.

The resident manager's unit is a Type "G" unit and contains an approximate total floor area of 1,042.92 square feet, including the lanai area. The apartment contains 5 rooms (a bedroom, a bathroom with adjoining dressing room, a living-dining room, a kitchen and a lanai).

The approximate gross floor areas stated above are based on measurements taken to the exterior of all perimeter walls, and to the outside edge of the concrete floor of the lanai, except that, where a perimeter wall separates two apartments, the measurement has been taken to the middle of such perimeter wall, and all air-conditioning duct spaces and other duct spaces have been excluded.

(c) Each residential apartment has immediate access to the corridors, lobby, elevators and stairways located on or servicing its floor and permitting ingress and egress to and from said floor to the first floor lobby of its respective apartment tower and the walkways and driveways connecting the apartment tower to the adjacent public streets.

(d) Except as specifically otherwise provided, a residential apartment shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the unfinished surfaces of the concrete floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, all furred ceilings, the inner decorated or finished surfaces of all walls, floors and ceilings, the adjoining lanai or lanais and all fixtures and appliances originally installed therein for its exclusive use, including range and range

hood, oven, refrigerator/freezer, dishwasher, garbage disposal, carpeting and air-conditioning fan coil units. All windows and glass walls at the perimeter of an apartment and the glass railings of the lanais shall be deemed common elements.

NOTE: In the Declaration, the Developer has reserved the right, prior to the issuance of the first apartment lease to any purchaser, to eliminate any or all of the Type "E", "F" or "H" apartments by redesigning any or all of said apartments and converting the affected apartments into smaller apartments and by reallocating the common interests appurtenant to the affected apartments among the newly created apartments, which right shall be exercised by the filing of an appropriate amendment to the Declaration, together with such amended floor plans as shall be necessary.

3. School Apartment. The first two floors of the building designated on the floor plans as the "Music and Administration Building" contain the spaces to be known as the "School Apartment".

The School Apartment shall be deemed to include the first and second floors of said building in their entirety except for any load-bearing walls, columns, piles or other such elements which are necessary for the support of the parking decks located above said apartment and except for any pipes, wires, conduits or other utility or service lines or facilities running through said apartment which are utilized for or serve more than one apartment in the project, the same being deemed common elements as herein provided.

The School Apartment shall have access to the nearest public street over and across the adjoining property owned by Iolani School.

COMMON ELEMENTS: The proposed Declaration of Horizontal Property Regime reflects that the common elements of the project will include the following:

- (a) The land;
- (b) All foundations, piles, columns, girders, beams, supports and load-bearing walls not exclusively serving a particular apartment;
- (c) The yards and grounds, fences, walkways, loading areas, parking stalls marked for guest parking, driveways and pavement;
- (d) The manager's office on the first floor of the Ewa Tower and resident manager's unit on the second floor of the Diamond Head Tower designated as Apartment No. 205;
- (e) The recreational facilities including the swimming pool, and, on the first floor of the Diamond Head Tower, men's workout room, women's workout room, sauna and toilet facilities;

(f) Central facilities and appurtenant installations for utility and other common services such as power, light, gas and water;

(g) Elevators, tanks, pumps, motors, fans, compressors, ducts and, in general, all other apparatus and installations existing for common use;

(h) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: The proposed Declaration states that certain parts of the common elements, designated as "limited common elements", are designated and set aside for the use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements and shall be charged with the expenses relating thereto as set forth below:

1. All of the ground level area, herein called the "residential apartment site", the perimeter of which will be delineated on the Condominium Map and within which the two apartment towers are located, all common elements situated on or within said residential apartment site, all of the basement shown on the Condominium Map and the third and fourth floors of the music and administration building and the ramps leading thereto are hereby designated as limited common elements appurtenant to and for the exclusive use of all of the residential apartments, except to the extent that the use of said limited common elements may be further limited to certain residential apartments by other provisions of the Declaration.

All expenses which are incurred in connection with said limited common elements reserved for the exclusive use of the residential apartments shall be borne by each residential apartment according to the percentage assigned to its respective apartment type, as follows:

Type "A"	.37063%
"B"	.25591%
"C"	.34790%
"D"	.34991%
"E"	.60770%
"F"	.61845%
"H"	.44001%

2. All of the exterior area immediately adjacent to the first floor of the music and administration building, the outside perimeter which is delineated on the Condominium Map, including the exterior terrace adjacent to the front entrance of said building and the stairway leading to the adjoining property owned by Iolani School, is hereby designated a limited common element appurtenant to and for the

exclusive use of the School Apartment, subject, however, to an easement in favor of the owners of the residential apartments over and across said limited common element for ingress and egress by foot to and from the parking decks above said apartment via the stairs located at the southern corner of said building.

All expenses which are incurred in connection with said area shall be borne exclusively by the School Apartment, except as set forth in the Declaration.

3. Each residential apartment shall have appurtenant thereto an exclusive right to use the parking stall or stalls assigned to such apartment and made appurtenant to such apartment in the initial conveyance of such apartment. The proposed Declaration provides a method by which parking stalls may be transferred from one apartment to another but there must always be at least one parking stall appurtenant to any apartment at all times.

INTEREST TO BE CONVEYED TO PURCHASERS: Each apartment shall have appurtenant thereto the undivided percentage interest (herein called the "common interest") in all common elements of the project and the same proportionate share in all common expenses of the project, except for expenses related to the limited common elements, and for all other purposes, including voting on issues of common concern, in accordance with its respective apartment plan, as follows:

Type "A"	.3352%
"B"	.2315%
"C"	.3146%
"D"	.3164%
"E"	.5496%
"F"	.5594%
"H"	.3980%
School Apartment	9.5626%

RESTRICTIONS AS TO USE: The apartments shall be occupied and used only as follows:

1. The residential 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.

2. The School Apartment shall be occupied and used for any lawful purposes connected with the activities of Iolani School.

Except for the above expressed restrictions, the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration.

OWNERSHIP OF TITLE: The information submitted to the Commission shows that the fee simple title to the land is owned by Iolani School, a Hawaii eleemosynary corporation.

ENCUMBRANCES AGAINST TITLE: A preliminary title report dated March 11, 1976, issued by Title Guaranty of Hawaii Incorporated reflects that the land is subject to the following encumbrances:

1. The riparian rights in favor of the State of Hawaii through and along ditches delineated on Map 1 of Consolidation No. 11.

2. (a) A right of way in the nature of an easement in favor of the Trustees under the Will and of the Estate of Bernice Pauahi Bishop, Deceased, in perpetuity for all purposes, over, across and upon that portion of the land, delineated on said Map 1 of said Consolidation No. 11.

(b) A right in the nature of an easement in perpetuity in favor of said Trustees, to conduct water through and take water from the ditch delineated on said Map 1 of said Consolidation No. 11.

3. (a) A right of way in the nature of an easement in favor of the State of Hawaii over roads running to land belonging to the State of Hawaii as delineated on said Map 1 of said Consolidation No. 11.

(b) Any riparian rights of the State of Hawaii in the flow of water through ditches delineated on said Map 1 of said Consolidation No. 11.

4. The riparian rights of the State of Hawaii in and to the flow of water through and along the ditches delineated on said Map 1 of said Consolidation No. 11.

5. (a) An easement in favor of the State of Hawaii, consisting of the right to flow water over, through and across the ditches as delineated on said Map 1 of said Consolidation No. 11.

(b) An easement in favor of the City and County of Honolulu, consisting of the right to flow water over, through and across the ditches as delineated on said Map 1 of said Consolidation No. 11.

(c) An easement in favor of said Trustees, as owners of and as an appurtenance to lands owned by said Trustees adjoining said land, for the uninterrupted and unobstructed flowage and drainage of water upon and along that portion of the auwai as delineated on the eastern boundary of Lots F-2 and G-2, as shown on Map 3 of Application No. 1001.

6. That certain Grant in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated July 3, 1953, filed as Land Court Document No. 150970.

7. Terms, agreements, reservations, covenants, conditions and provisions contained in Master Lease from Iolani

School, as Lessor, to the Kamoku Development, as Lessee, dated March 2, 1976, effective as of January 1, 1975, filed as Land Court Document No. 756565.

8. Real property taxes for the fiscal year July 1, 1975-June 30, 1976, have been fully paid up to and including June 30, 1976.

PURCHASE MONEY HANDLING: An executed Escrow Agreement, dated January 23, 1976, identifies Honolulu Mortgage Co., Ltd. as the Escrow Agent. Upon examination of the Escrow Agreement, as amended, it is found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-35 through Section 514-40.

Among other provisions, the executed Escrow Agreement states that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all monies deposited with escrow without interest if any, if the following events shall have occurred.

1. Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser then held hereunder by Escrow; or

2. 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

3. 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

4. If the final public report is not issued within one year from the date of issuance of the preliminary public report.

The executed Escrow Agreement also provides that the purchaser's funds may be used to pay for construction costs of the building and other improvements and fixtures and to other persons for other architectural, engineering, finance, advertising, legal fees and other incidental expenses of the project following the issuance of a Final Report on the project from the Real Estate Commission. No purchaser's funds obtained prior to the issuance of a Final Public Report of the Real Estate Commission shall be disbursed from the escrow fund until the Final Public Report has been issued.

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement before executing

the Sales Contract since the Escrow Agreement, prescribes the procedure for receiving and disbursing purchaser's funds and the Sales Contract specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

The Sales Contract also provides, among other things, that: (1) the Seller may cancel the contract, at its option, if substantial construction has not commenced prior to September 1, 1976, and in such event, Buyer will be refunded all sums paid without interest, and (2) Buyer subordinates any and all interest he may have under the Sale Contract to a building loan mortgage that Seller proposes to give a Construction Lender.

MANAGEMENT OF PROJECT: The Bylaws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association under the direction of its Board of Directors by a responsible corporate managing agent. A formal contract with a Managing Agent has not yet been entered into but the Developer intends to appoint as the initial managing agent Royal International Properties, Limited, doing business as Hawaiiana Management Company, whose principal place of business and post office address is Suite 410, 1860 Ala Moana, Honolulu, Hawaii. The specimen Sales Contract authorizes the Developer, from time to time prior to closing, to enter into such contracts and arrangements on behalf of the apartment purchasers as are necessary or desirable for the management, operation or maintenance of the project.

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 March 23, 1976, and information subsequently filed as of April 9, 1976.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 851, filed with the Commission on March 23, 1976. This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles shall be yellow in color.


Member, REAL ESTATE COMMISSION
STATE OF HAWAII

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Registration No. 851
April 13, 1976