

# 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

KINGS GATE  
2718 Kuilei Street  
Honolulu, Hawaii

REGISTRATION NO. 1170

### 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: September 28, 1979  
Expires: October 28, 1980

#### 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 and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 9, 1979. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. KINGS GATE is a proposed leasehold condominium project consisting of one (1) residential building, containing one hundred forty-one (141) apartments, and one hundred sixty-nine (169) parking spaces. The Developer intends to sell the apartments to individual purchasers and to issue condominium conveyance documents, whereby the

Developer conveys the apartment and an undivided interest in the common elements (exclusive of land) to the purchaser and Nosredna Properties, a Hawaii limited partnership, as Lessee of the land under a Master Lease from the fee owner, Harry Seisho Nakasone, subleases an undivided interest in the land to the purchaser.

2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, with By-Laws of Association of Apartment Owners attached) have not been recorded.
4. Advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public dissemination.
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 Horizontal Property Regime.
6. This Preliminary Public Report is made a part of the registration on KINGS GATE condominium project. The Developer has the responsibility of placing a true copy of the 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 Horizontal Property Regime Public Report from each purchaser or prospective purchaser.
7. This Preliminary Public Report automatically expires thirteen (13) months from the date of issuance, September 28, 1979, unless a Supplementary or Final 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: KINGS GATE

LOCATION: The project is located at 2718 Kuilei Street, Honolulu, Hawaii, and contains 32,831 square feet or thereabouts. The description of the land and the reserved easements, rights, powers and privileges of the owners are more fully set forth in the proposed Declaration.

TAX KEY: First Division, 2-7-17: 21 and 5

ZONING: A-4, Apartment

DEVELOPER: The Notice of Intention reveals the Developer to be KINGS GATE ASSOCIATES, a Hawaii joint venture, whose principal place of business and post office address is 1650 Liliha Street, Room 208, Honolulu, Hawaii 96817, Tel. No. 537-6911. The partners of the joint venture are Jim Anderson Development, Inc. and Edwin Kenichi Hayashi.

ATTORNEY REPRESENTING DEVELOPER: OKUMURA TAKUSHI FUNAKI & WEE, ATTORNEYS AT LAW, A LAW CORPORATION (Alfred M. K. Wong), Suite 500, Alexander Young Building, 1015 Bishop Street, Honolulu, Hawaii 96813, Tel. No. 536-1791.

DESCRIPTION OF PROJECT: The proposed Declaration states that the improvements will consist of a 24-story reinforced concrete building located on the corner of Kuilei Street and Kahoaloha Lane, Honolulu, Hawaii, which consists of four floors of parking and twenty floors of residential apartments designated the fifth through twelfth and fourteenth through twenty-fifth floors (number "13" has been omitted) containing 140 residential apartments plus one Music Apartment (Apartment 101) located on the first floor. There will be a recreation area at ground level along Kuilei Street which will consist of a playground, barbecue pits, Jacuzzi pool, swimming pool and a sauna and shower room. The building is further described as follows:

a. The first floor is designated the "A" level and consists of an elevator lobby, the Music Apartment containing 1127 square feet, located in the eastern corner of the building, a shower room with sauna and dressing rooms located in the western corner of the building near the swimming pool and 50 parking stalls. There are 33 regular parking stalls, 8 regular tandem (two in a row) parking stalls, and 9 compact stalls. Adjacent to the first floor of the building along Kuilei Street, there is a Jacuzzi pool, swimming pool, barbecue pits and playground equipment.

b. The second floor is designated the "B" level and consists of an elevator lobby, a main lobby, mail room, lounge, trash room and 39 parking stalls. There are 22 regular parking stalls, 7 regular tandem (two in a row) parking stalls, 3 regular tandem-tandem parking stalls (three stalls in a row), 6 compact parking stalls, and 1 compact tandem stall.

c. The third floor is designated the "C" level and consists of an elevator lobby, two vestibules and 30 parking stalls. There are 22 regular parking stalls and 8 compact parking stalls.

d. The fourth floor is designated the "D" level and consists of an elevator lobby, two vestibules and 50 parking stalls. There are 23 regular stalls, 6 regular tandem stalls, 18 compact parking stalls and 3 compact parking stalls.

e. The fifth through twenty-fourth floors are designated fifth through twelfth and fourteenth through twenty-fifth stories. Each floor is identical and consists of seven (7) apartments. There are four (4) two-bedroom, two (2) one-bedroom and one (1) studio apartment on each floor. All apartments open into a lobby which adjoins two elevators and two stairways.

The apartments in the project are more particularly described as follows:

a. There will be one hundred forty-one (141) freehold estates in the spaces within the perimeter walls, floors and ceilings of the 141 apartments in said buildings. The 141

apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or of the interior loadbearing walls, the floors and perimeter ceilings surrounding each apartment, or any pipes, wires, ducts, conduits, or other utility or service lines running through such apartments which are utilized for or serve more than one apartment, all of which are common elements as provided herein. Each apartment shall be deemed to include the walls and partitions which are not loadbearing and which are within its perimeter walls; doors and door frames; windows and window frames; lanais, if any; and the inner decorated or finished surfaces of walls, floors and ceilings, adjoining or connected thereto. Notwithstanding the designation of the limits of the apartments, the square footage of each respective apartment is measured from the exterior face of exterior walls and the center line of party walls, and no reduction is made to account for interior loadbearing walls, ducts, vent shafts and the like, located within the perimeter walls.

b. All apartments will be numbered and located as shown on the Condominium Map.

c. Each of the 140 residential apartments will have immediate access to a lobby which leads to two elevators and two stairways, and the Music Apartment shall have immediate access to a hallway which leads to a stairway to the public street.

d. Each of the 141 apartments will be one of eight (8) types, as enumerated in Exhibit "A" attached hereto and made a part hereof.

e. The number of rooms, approximate area and total number of each type of apartment in the project are enumerated in said Exhibit "A".

COMMON ELEMENTS: The proposed Declaration states that the owners of apartments will have an undivided interest in the common elements, including specifically but not limited to:

a. Said land in fee simple.

b. All foundations, columns, girders, beams, supports, main walls, roofs, entrances, lobbies, hallways, elevators, stairways and exits of said buildings.

c. All driveways and parking spaces.

d. The yards, gardens, and recreational facilities, including the swimming pool, barbecue pits, sauna, Jacuzzi, restrooms and shower.

e. The main lobby, mail room and lounge on the "B" level.

f. All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities and installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone, radio and television signal distribution.

g. All tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use.

h. Any and all other apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance or safety, and normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called and designated "limited common elements", are set aside and reserved for the exclusive use of certain apartments and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are the parking stalls. Each of the one hundred sixty-nine (169) parking stalls in the project shall be a limited common element appurtenant to and reserved for the exclusive use of Apartment 2506; provided, however, that Developer reserves the right to sell to owners of other apartments any or all of such parking stalls as limited common elements appurtenant to such other apartments and, by way of amendment to the Declaration as provided herein, to redesignate such parking stalls to be appurtenant to other apartments.

INTEREST TO BE CONVEYED TO PURCHASER: Each of the one hundred forty-one (141) apartments shall have appurtenant thereto an undivided percentage interest in all the common elements of the project, such interest being defined and referred to herein as the "common interest" and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting, as follows:

<u>Type of Apartment</u>	<u>Common Interest</u>	<u>Total No.</u>				
"01" apartments	0.696%	x	20	=	13.92%	
"02" apartments	0.339%	x	20	=	6.78%	
"03" apartments	0.691%	x	20	=	13.82%	
"04" apartments	0.724%	x	20	=	14.48%	
"05" apartments	0.724%	x	20	=	14.48%	
"06" apartments	0.887%	x	20	=	17.74%	
"07" apartments	0.892%	x	20	=	17.84%	
Music Apartment	0.940%	x	1	=	0.94%	
						100.00%

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The purposes for which said buildings and other improvements and each of the apartments are intended and shall be restricted as to use are as follows:

a. The common interest and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby and Lessor and Sublessor as expressed in an amendment to the Declaration duly recorded, shall not be separated from such apartment and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument. PROVIDED, that any exclusive easement for the use

of a parking stall may be conveyed to another apartment owner by a written instrument expressly identifying the apartment to which the parking stall is appurtenant as well as the apartment to which the parking stall will become appurtenant, which written instrument shall be denominated as an amendment of the Declaration. Such amendment need only be executed by lessees directly affected, their Mortgagees and Sublessor.

b. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Horizontal Property Act.

c. The residential apartments shall be used for residential purposes only, and the owners of such apartments shall not use or allow the use of their apartments as a tenement or boarding house or for or in connection with the carrying on of any business or trade whatsoever.

The Music Apartment may be occupied and used for any purposes that are permitted from time to time under applicable statutes, ordinances, rules and regulations, governmental determinations and restrictions of the appropriate agencies of the City and County of Honolulu and State of Hawaii.

The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and By-Laws of the project.

The proposed House Rules states in part: (a) No livestock, poultry, rabbits or other animals whatsoever, including dogs, cats and other household pets, shall be allowed or kept in any part of the project; (b) All residential apartments shall be occupied by no more than two (2) persons per bedroom in each apartment and studio apartments shall be occupied by no more than two (2) persons; (c) No water beds of any nature shall be allowed in any apartment of the project without prior written approval of the Board of Directors.

OWNERSHIP OF TITLE: Title to the land is vested in Harry Seisho Nakasone. Said land is leased to Nosredna Properties, a Hawaii limited partnership, and the development rights to said land is held by Developer. The Preliminary Title Report dated September 5, 1979 by American Abstract & Escrow, Inc. confirms such ownership, leasehold and development rights.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report reports that title to the land is subject to the following:

1. For real property taxes that may be due and owing, reference is made to the Tax Assessor, First Taxation Division.

AS TO PARCEL FIRST:

2. An easement in favor of the City and County of Honolulu for sanitary sewer purposes over and across Easement "A" (said Easement "A" situate over and across the Northerly portion of Lot 1), as shown on Map 1 of Land Court Application No. 1541.

3. A grant in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, for utility purposes, dated October 2, 1956, filed as Land Court Document No. 195145.

AS TO PARCEL SECOND:

4. The reservation in favor of the State of Hawaii of all mineral and metallic mines.

AS TO PARCEL THIRD:

5. Sewer Easement over and across Land Court Application No. 733, as shown on Map 3, as set forth by Land Court Order No. 14935, filed October 31, 1956.

6. A Grant in favor of the City and County of Honolulu, granting easement to construct an underground sewer pipe line under and across Sewer Easement across Land Court Application No. 733, and Right of Way, dated October 9, 1956, filed as Land Court Document No. 195708.

AS TO ALL PARCELS:

7. The terms, covenants and conditions of that certain Master Lease entered into by and between HARRY SEISHO NAKASONE, unmarried, Lessor, and NOSREDNA PROPERTIES, a registered Hawaii limited partnership, Lessee, dated June 28, 1979, filed as Land Court Document No. 950477 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13831, Page 126. Said Master Lease was amended by instrument dated August 24, 1979, filed as Land Court Document No. 961792 and recorded in Liber 13967, Page 260.

8. Short Form Development Agreement by and between NOSREDNA PROPERTIES, a Hawaii limited partnership, Sublessor, and KINGS GATE ASSOCIATES, a Hawaii joint venture, Developer, dated August 29, 1979, filed as Land Court Document No. 961793 and recorded in Liber 13967, Page 263. Consent thereto by HARRY SEISHO NAKASONE, unmarried, dated August 24, 1979, filed as Land Court Document No. 961794 and recorded in Liber 13967, Page 264.

PURCHASE MONEY HANDLING. A copy of the Specimen Sales Contract and the executed Escrow Agreement dated August 29, 1979 have been submitted as part of the registration. The Escrow Agreement identifies King Escrow Services Corporation as the Escrow. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement.

The Escrow Agreement establishes how proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds. Among other provisions, the executed Escrow Agreement states that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without

interest, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

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

b. 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

c. If a Purchaser's funds were obtained prior to the issuance of a final public report and the request is prior to the time the final public report is issued; or

d. 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

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

If at any time Developer shall certify in writing to Escrow that a Purchaser whose funds are being held by Escrow has defaulted under the terms of his Sales Contract, Escrow shall notify said Purchaser of his default and shall thereafter treat all funds of such Purchaser paid on account of said Sales Contract as funds of Developer and not as funds of such Purchaser.

Among other provisions, the specimen Sales Contract provides:

(1) That purchaser's rights under the Sales Contract are subordinate to any interim or construction mortgages;

(2) That Seller shall impose a late charge of one per cent (1%) per month on the amount of any payment due under the Sales Contract which is not paid when due;

(3) That payments made under the Sales Contract may be disbursed by the Escrow Agent prior to the designated date of occupancy to pay the costs of the project;

(4) That any interest payable on monies deposited with escrow under the Sales Contract shall belong to and be payable to Seller;

(5) That Seller shall complete construction of the project so as to permit normal occupancy within two (2) years of the date of acceptance by Seller of the Sales Contract, provided, that such two (2) year period shall be extended for any period of time during which Seller is actually and necessarily delayed in beginning or completing construction if said delay is caused by fire, earthquake, acts of god, the elements, war or civil disturbances, strikes or other labor disturbances, or economic



controls making it impossible to obtain the necessary labor or material, litigation concerning the project or other matters or conditions beyond the control of Seller;

(6) That in the event development and construction of the project is delayed due to strikes, extensions of time granted by the Architect to the Contractor, occurrences or events listed above which extend said occupancy date beyond said two-year period, governmental restrictions or regulations enacted after the date of the Sales Contract, or by occurrence of a contingency, the non-occurrence of which was a basic assumption on which the Sales Contract was made, and Seller determines that increases in development and construction costs because of such delays require increases in unit sales prices over and above three per cent (3%) of the sales price to maintain financial feasibility of the project, then and in any such event Seller may at its option terminate the Sales Contract and cause Escrow to refund to Buyer all monies paid, without interest, and Seller shall be released from all liability thereunder, provided, that Seller shall offer to Buyer the first right to execute a new Sales Contract in a form similar to the original Sales Contract at the increased unit price. Said termination and offer by Seller to Buyer shall be in writing, and Buyer shall have fifteen (15) days to notify Seller in writing of his acceptance of such offer. If no response from Buyer is received within said fifteen (15) day period, Seller may offer said unit to any other Buyer at said increased sales price;

(7) That Buyer acknowledges that Seller or its agents have made no representations or references concerning rentals of the apartments and that no rental management arrangements are available by the Association Managing Agent, Seller or any person connected with Seller. Buyer shall be solely responsible for the use of Buyer's unit including the rental thereof. Neither Seller nor its agents make any representation regarding either economic benefits to be derived from rentals or tax treatment of the Buyer of an apartment. The tax treatment and economic benefits vary with individual circumstances and Seller and its agents recommend that the Buyer consult with his or her own attorney, accountant or other tax counsel for advice regarding tax treatment.

(8) Seller expressly reserves the right to sell or lease unsold apartments free from any restrictions on such sale or lease which may under the By-Laws apply to the Buyer.

**MANAGEMENT AND OPERATIONS:** The proposed Declaration discloses that the administration of the project shall be vested in the Association of Apartment Owners. Operation of the project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the By-Laws except that the initial Managing Agent shall be appointed by the Developer. Dillingham Land Corporation, 1441 Kapiolani Boulevard, Honolulu, Hawaii 96814, has been named as the initial Managing Agent. The Developer (Attention: James T. F. Anderson) is designated as the agent to receive service of process until such time as the Board of Directors of the Association is elected.

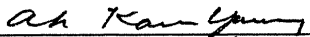
STATUS OF PROJECT: The Developer has not commenced construction of the project. The estimated date of commencement of construction is November 1, 1979.

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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 September 9, 1979.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1170.

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 in color.

  
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AH KAU YOUNG, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

Department of Taxation  
Bureau of Conveyances  
Department of Planning, City and  
County of Honolulu  
Federal Housing Administration  
Escrow Agent

Registration No. 1170

Dated: September 28, 1979

## EXHIBIT "A"

### Location, Description and Area of Apartments

The building is roughly rectangular in shape with the length of the building running along Kahoaloha Lane and the width of the building running along Kuilei Street.

The building contains one hundred forty-one (141) apartments. Except for the Music Apartment on the "A" level, which is designated Apartment No. 1, each apartment has been given a three or four digit number designation by which its location in the building can be determined. The last two digits indicate the type of apartment and location of the apartment on the floor and the digit or digits preceding the last two digits indicate the floor on which the apartment is located. The apartments are numbered "01" through "07" starting from the northeast corner of the building or the corner which is farthest from the corner of Kahoaloha Lane and Kuilei Street and proceeding clockwise. For example, Apartment 501 is located at the end of the building farthest from the corner of Kahoaloha Lane and Kuilei Street on the 5th floor and Apartment 2406 is located at the corner of the building located at the corner of Kahoaloha Lane and Kuilei Street on the 24th floor.

Each of the apartment floors from the 5th through 25th floors (number "13" has been omitted) are identical and contains seven (7) types of apartments designated "01" through "07" preceded by the floor number. Each apartment contains the number of rooms and the approximate floor area according to plans which are a part of the Condominium Map as follows:

Typical "01" Apartment. There are twenty (20) "01" apartments, one on each apartment floor. The "01" Apartments are designated Type "AR" units on the Condominium Map and are identical to the layout of the Type "A" apartments except that such layout is reversed. Each "01" apartment consists of two bedrooms, a living-dining room, two bathrooms and kitchen, containing an area of approximately 823 square feet.

Typical "02" Apartment. There are twenty (20) "02" apartments, one on each apartment floor. The "02" Apartments are designated Type "B" units on the Condominium Map. Each "02" apartment is a studio apartment and consists of a living-dining room, kitchen and bathroom, containing an area of approximately 401 square feet.

Typical "03" Apartment. There are twenty (20) "03" apartments, one on each apartment floor. The "03" Apartments are designated Type "A" units on the Condominium Map. Each "03" apartment consists of two bedrooms, a living-dining room, two bathrooms and kitchen, containing an area of approximately 817 square feet.

Typical "04" Apartment. There are twenty (20) "04" apartments, one on each apartment floor. The "04" Apartments are designated Type "C" units on the Condominium Map. Each "04" apartment consists of a bedroom, a living-dining room,

kitchen and bathroom, containing an area of approximately 791 square feet and a lanai of approximately 66 square feet, for a total area of approximately 857 square feet.

Typical "05" Apartment. There are twenty (20) "05" apartments, one on each apartment floor. The "05" Apartments are designated Type "CR" units on the Condominium Map and are identical to the Type "C" apartments but the layout is reversed. Each "05" apartment consists of a bedroom, a living-dining room, kitchen and bathroom, containing an area of approximately 791 square feet and a lanai of approximately 66 square feet, for a total area of approximately 857 square feet.

Typical "06" Apartment. There are twenty (20) "06" apartments, one on each apartment floor. The "06" Apartments are designated Type "D" units on the Condominium Map. Each "06" apartment consists of two bedrooms, a living-dining room, two bathrooms and kitchen, containing an area of approximately 1049 square feet.

Typical "07" Apartment. There are twenty (20) "07" apartments, one on each apartment floor. The "07" Apartments are designated Type "DR" units on the Condominium Map and are identical to the layout of the Type "D" apartments except that such layout is reversed. Each "07" apartment consists of two bedrooms, a living-dining room, two bathrooms and kitchen, containing an area of approximately 1056 square feet.

Music Apartment. The Music Apartment (Apartment 101) shall consist of one open room, kitchen and bathroom, containing an area of approximately 1127 square feet.