

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

INDUSTRIAL PLAZA
96-1272 Waihona Street
Waiawa, Ewa, Hawaii

REGISTRATION NO. 1255

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 15, 1980
Expires: May 15, 1981

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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 3, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 10, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. INDUSTRIAL PLAZA is a proposed fee simple condominium project consisting of 14 industrial apartments contained in a one-story building.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Preliminary Public Report.
3. The Seller has submitted to the Commission for examination a proposed Declaration of Horizontal Property Regime, proposed By-Laws of the Association of Apartment Owners and the floor plans.
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 provisions of Chapter 514A, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, April 15, 1980, unless a Final or Supplementary Public Report issues or the Commission, upon review of registration, issues an order extending the effective period of this report.
7. This Preliminary Public Report (yellow paper stock) is made a part of the registration of INDUSTRIAL PLAZA condominium project. The Developer is required to provide all purchasers and prospective purchasers a copy of this report and the Disclosure Abstract and secure a signed receipt therefor.

NAME OF PROJECT: INDUSTRIAL PLAZA

LOCATION: The 89,000 square feet of property to be committed to the regime is situated at 96-1272 Waihona Street, Waiawa, District of Ewa, City and County of Honolulu, State of Hawaii.

TAX MAP KEY: 9-6-08-26 (Lot 39)

ZONING: I-1

DEVELOPER: Honolulu Federal Savings and Loan Association, a federal savings and loan association, is vested with legal title to the property. Honolulu Federal Savings and Loan Association, by Deposit Receipt, Offer and Acceptance, agreed to sell its interest in the fee simple land to Michael Sasaki, a principal of X-CEL Realty, Inc., a partner of Industrial Plaza Associates, a Hawaii Registered Joint Venture, the Developer. The partners of the Developer are X-CEL Realty, Inc., a Hawaii corporation, North Pacific Investment Corp., a Hawaii corporation, and MDRB Associates, a Hawaii registered limited partnership. The Developer's address is 99-128 Aiea Heights Drive, Suite 701C, Aiea, Hawaii 96701, and the telephone number is 488-0994.

ATTORNEYS REPRESENTING SELLER: IKAZAKI, DEVENS, LO, YOUTH & NAKANO (Attention: Richard C. Lo and Curtis H. Shiramizu), 1412 Amfac Building, 700 Bishop Street, Honolulu, Hawaii 96813; telephone 521-1456.

DESCRIPTION: The proposed Declaration reflects that the project is to consist of a single-story building containing a total of fourteen (14) industrial apartment units, and ninety-five (95) parking stalls, all constructed in accordance with plans and specifications prepared by Paul Osumi, Jr., AIA.

Type of Apartment: There are a total of fourteen (14) apartments in the project. Each apartment consists of one (1) large room and a lavatory. There are two types of apartments - apartments 1 and 14, each contain 2,100 square feet, more or less; and apartments 2 through 13, inclusive, each contain 1,400 square feet, more or less. Each apartment has immediate access to a parking area leading to a driveway on the grounds of the project and to Waihona Street.

Apartment Location and Numbering: The apartments are numbered 1 through 14 and are located as shown on the proposed Condominium Map.

Limits of Apartments: The respective apartments shall be deemed to include the space and improvements within its perimeter and party walls and chain link fence partitions, floors and ceilings, including all interior walls and partitions which are not load bearing; the inner decorated or finished surface of all walls, floors and ceilings; all doors, windows, glass and screens. The apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter and party walls or interior load-bearing walls, if any,

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. Also, the apartments shall not include those 8' high chain link fence partitions separating individual apartments, which are limited common elements.

COMMON ELEMENTS: The proposed Declaration of Horizontal Property Regime designates all of the remaining portions of the project as "common elements", including specifically, but not limited to:

- (a) Said land in fee simple.
- (b) All foundations, columns, girders, beams, supports, main walls, and the roof of the building.
- (c) All building walkways and sidewalks, planting areas, grounds, driveways and landscaping.
- (d) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone, radio and television signal distribution.
- (e) All tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use.
- (f) Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance, and safety, or normally in common use.

LIMITED COMMON ELEMENTS: The proposed Declaration reflects that certain parts of the common elements, herein called the "limited common elements", are designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements, as follows:

(a) Automobile parking spaces shall be assigned to each of the apartments as designated on Exhibit attached hereto and as shown on the proposed Condominium Map upon the original conveyance thereof and shall be appurtenant to and for the exclusive use of such apartment. Each apartment shall always have at least one parking space appurtenant to it but otherwise any automobile parking space easement may be transferred from apartment to apartment in the Project.

(b) Entry patios, porches, decks and steps, if any, which would be used only for the purposes of ingress and egress for a specific unit.

(c) The 8' high chain link fence partitions separating and dividing individual apartments as indicated on said proposed Condominium Map. The use of each chain link fence partition shall be reserved for the use of the apartments it separates and divides.

(d) All other common elements of the Project which are rationally related to less than all of said apartments shall be limited common elements appurtenant to the apartments to which they are so related.

PERCENTAGE OF UNDIVIDED INTEREST IN THE COMMON ELEMENTS:
The percentage of undivided interest in the common elements appertaining to each apartment shall be as follows:

Apt. 1	10.000%	10.000%
Apts. 2 - 13, incl.	6.667% x 12 apts.	80.004%
Apt. 14	9.996%	9.996%
		<u>100.000%</u>

For purposes of voting on all matters requiring action by the owners the above percentage shall govern.

PURPOSES FOR WHICH THE BUILDING AND EACH APARTMENT MAY BE USED: The apartments shall be occupied and used for warehouse purposes and for such other purposes permitted by law.

OWNERSHIP OF TITLE: The Preliminary Report dated January 24, 1980, issued by Title Guaranty of Hawaii, Incorporated, reports that title to the land is vested in Honolulu Federal Savings and Loan Association, a federal savings and loan association.

On January 24, 1980, Honolulu Federal Savings and Loan Association by Deposit Receipt, Offer and Acceptance agreed to sell its interest in the fee simple land to Michael Sasaki, who has assigned his interest under the Deposit Receipt, Offer and Acceptance to Industrial Plaza Associates, the Developer. Title to Developer will be issued upon closing, which was originally scheduled for March 30, 1980 but which has been extended for two months, according to the Developer.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated January 24, 1980 reports that title to the land is subject to the following encumbrances:

1. Real property taxes as may be due and owing. For further information on taxes, check with the Tax Assessor, First Division.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Reservation set forth in that certain Declaration of Taking dated July 24, 1945, filed in the District Court of the United States for the District of Hawaii as Civil No. 533, and recorded as aforesaid on July 15, 1947, in Liber 2052 at Page 88.

4. Rights of way, restrictions, reservations and easements now existing or of record, as mentioned in Deed dated June 24, 1964 and recorded as aforesaid in Liber 4872 at Page 301.

5. Declaration of Covenants for Waiawa Industrial Park, dated August 26, 1975 and recorded as aforesaid in Liber 10866 at Page 116, as supplemented by instrument recorded as aforesaid in Liber 13601 at Page 673.

6. Easement 19, 44 feet wide, (formerly known as Easement 2-B), for roadway and utility purposes, situate along the westerly boundary and a portion of the southerly boundary of Lot 39, as shown on File Plan No. 1461.

7. Reserving unto the United States of America, its successors and assigns, said Easement 19 (formerly known as Easement 2-B)

for roadway and utility purposes; as reserved in Deed recorded as aforesaid in Liber 4872 at Page 301.

8. Easement 21 (5 feet wide) for electrical purposes, situate at a portion of the southerly boundary of Lot 39, as shown on File Plan No. 1461.

9. Easement 22 (5 feet wide) for electrical purposes, situate at a portion of the southerly boundary of Lot 39, as shown on File Plan No. 1461.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated February 29, 1980 between King Escrow Services Corporation, as Escrow, and the Developer, has been filed with the Commission. On examination, the executed Escrow Agreement and specimen Sales Contract filed with the Commission are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39, 514A-40, 514A-62 through 514A-66. The Escrow Agreement recites that no purchasers funds will be utilized by the Developer (Seller therein) until it is vested with legal title to the property.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest and less Escrow's cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

(a) Seller requests Escrow Agent to return to Buyer the funds of Buyer then being held hereunder by Escrow Agent; or

(b) Seller notifies Escrow Agent of Seller's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Seller; or

(c) If a Buyer'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 Buyer 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.

The Escrow Agreement also contains the following provisions, among others: that the Escrow Agent shall make no disbursements of Buyer's funds unless and until Developer has acquired title to the real property from Honolulu Federal Savings and Loan Association, and Developer has complied with all the provisions of the Escrow Agreement.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of commercial apartments are placed in trust, as well as the retention and disbursement of said trust funds. The specimen Sales Contract specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided; that such contract is subordinate to the lien of any construction loan, and that the contract is null and void should the Seller not close the DROA referred to under "Ownership of Title" above.

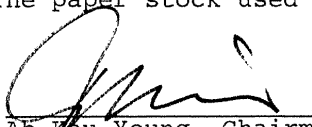
MANAGEMENT OF THE PROJECT: The proposed Declaration provides that the management of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Sales Contract to be signed by purchasers provides the Seller may appoint the initial manager and agent of the project. Certified Management has been selected as the initial managing agent for the project.

STATUS OF PROJECT. The construction of the building will commence on or about April 15, 1980 and is scheduled for completion on or about July 30, 1980.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Seller in the required Notice of Intention submitted March 3, 1980 and information subsequently filed as of April 10, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1255, filed with the Commission on March 3, 1980.

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

 (for)
Ah Kau Young, Chairman
Real Estate Commission
State of Hawaii

DISTRIBUTION:

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

Registration No. 1255
April 15, 1980

EXHIBIT

<u>Apartment No.</u>	<u>Parking Stall Nos.</u>
1	1 - 7
2	8 - 14
3	15 - 21
4	22 - 28
5	29 - 35
6	36 - 42
7	43 - 48
8	49 - 56
9	57 - 63
10	64 - 70
11	71 - 77
12	78 - 84
13	85 - 90
14	91 - 95