

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT ON

KALIA CONDOMINIUM
2164 Kalia Road
Honolulu, Oahu, Hawaii

REGISTRATION NO. 1439 (CONVERSION)

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 until

- (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, 1982
Expires: November 15, 1983

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 TO SELL SUBMITTED JUNE 24, 1981, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF SEPTEMBER 16, 1982. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report of October 2, 1981 and the Commission's Supplementary Public Report of February 16, 1982, on KALIA CONDOMINIUM, Registration No. 1439, the Developer reports that changes have been made in the plan or setup as presented in the June 24, 1981 Notice of Intention to Sell.

The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Final Public Report (white paper stock) amends the Preliminary Public Report (yellow paper stock) and the Supplementary Public Report (pink paper stock), becoming a part of KALIA CONDOMINIUM registration. The Developer is responsible for placing a true copy of this Final Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Preliminary Public Report, Supplementary Public Report and the Amended Disclosure Abstract dated September 1, 1982, and obtaining a receipt therefor.

2. The Developer of the Project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this Final Public Report.

3. The Declaration of Horizontal Property Regime dated September 2, 1982, with By-Laws of the Association of Apartment Owners annexed thereto has been filed in the Bureau of Conveyances of the State of Hawaii in Liber 16564, Page 201, and Liber 16564, Page 276, respectively. The approved floor plans have also been filed in the Bureau of Conveyances of the State of Hawaii and designated as Condominium File Plan No. 856.

4. The prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules & Regulations promulgated thereunder which relate to the Horizontal Property Regime.

5. Advertising and promotional matter has not been submitted to the Commission.

6. This Final Public Report expires on November 15, 1983, unless the Commission upon review of the registration issues an order extending the effective date of this report.

The information contained under the topical headings in the Preliminary Public Report of October 2, 1981 and the Supplementary Public Report of February 16, 1982, with the exception of DESCRIPTION, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING and EASEMENTS have not been disturbed.

DESCRIPTION: The Developer advises that the information under this topical heading on pages 3-8 of the Preliminary Public Report and page 2 of the Supplementary Public Report remain unchanged except for the following and the addition of an Apartment Type "CC":

Apartment Type "H"

Seven (7) apartments, being Apartments 10 on the third through the ninth floors, are

built according to this floor plan, each apartment consisting of two (2) rooms including a living room, a bathroom and a lanai. Each of these apartments contains a floor area of approximately 194 square feet together with a lanai having a floor area of approximately 36 square feet.

Apartment Type "BB"

One (1) apartment, being the "Commercial Apartment" on the lobby level, is built according to this floor plan and consists of a restaurant with a bar, dining area (including the lanai area), entrance way, toilet area, waiting area and kitchen. This apartment contains a floor area of approximately 3,740 square feet.

Apartment Type "CC"

One (1) apartment, being Apartment 10 on the second floor is built according to this floor plan, being an apartment consisting of two (2) rooms, including a living room and a bathroom. This apartment contains a floor area of approximately 194 square feet.

ENCUMBRANCES AGAINST TITLE: A Preliminary Title Report dated July 29, 1982, issued by Aloha Title Co., Inc., discloses that the following are encumbrances against title to the property:

1. Taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of the Tax Assessor of the First Division, City and County of Honolulu.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The restrictive covenants contained in those certain deeds dated September 16, 1914, and December 12, 1923, and recorded in Liber 418, Page 168, and in Liber 378, Page 116, respectively.
4. Mortgage and Security Agreement from BANK OF HAWAII, as Mortgagee, to KALIA HOTEL, INC., as Mortgagor, dated September 13, 1974, recorded in Liber 10140, Page 431.
5. By assignment of Lessor's interest dated September 13, 1974, and recorded in Liber 10140, Page 458, KALIA HOTEL, INC., a Hawaii corporation, assigns to BANK OF HAWAII, a Hawaii banking corporation, all right, title and interest in and to any and all leases of premises in and about the hotel complex.

Said above Mortgage and Security Agreement and Assignment of Lessor's interest were assigned to THE RELIABLE LIFE INSURANCE COMPANY, a Missouri corporation, by instrument dated October 16, 1974, and recorded in Liber 10194, Page 130.

6. Financing Statement made by KALIA HOTEL, INC. to BANK OF HAWAII, recorded on September 17, 1974 in said Bureau of Conveyances in Liber 10140, Page 472.

7. Financing Statement made by KALIA HOTEL, INC. to THE RELIABLE LIFE INSURANCE COMPANY, recorded on August 22, 1979 in said Bureau in Liber 13933, Page 759.

NOTE: Since the issuance of the above title report by Aloha Title Co., Inc., the Developer has submitted to the Real Estate Commission, fully executed, and recorded in the Bureau of Conveyances of the State of Hawaii, the Declaration of Horizontal Property Regime of the KALIA CONDOMINIUM, recorded in Liber 16564, Page 201, with Condominium File Plan designated as No. 856. The Declaration and Condominium File Plan are therefore encumbrances against title.

Additionally, there are unrecorded space leases -

- (a) Between KALIA HOTEL, INC. and PROPARK, INC.
- (b) Between PROPARK, INC. and TROPICAL RENT-A-CAR SYSTEMS, INC.
- (c) Between KALIA HOTEL, INC. and "THE BUCCANEER" RESTAURANT.

PURCHASE MONEY HANDLING: The Developer advises that the information found under this topical heading, more specifically paragraph 5 on pages 14 and 15 of the Preliminary Public Report and page 3 of the Supplementary Public Report, has been amended as follows:

(b) If this Agreement is entered into after the issuance of the Final Public Report on the Project, then the provisions of paragraph 5(a) above shall be of no force or effect subject to the precondition of paragraph "F-5(c)" below, this Agreement shall be a fully binding contract upon Buyer and Seller upon acceptance of this Agreement by Seller as provided in paragraph "G-23" hereof.


(c) Notwithstanding any other provisions herein to the contrary, if Seller has not sold by means of binding sales contracts and is ready to simultaneously close at least fifty (50) units within one hundred eighty (180) days after the issuance of the Final Public

Report on the Project by the Real Estate Commission of the State of Hawaii, then Seller shall have the right at its sole option to either: (i) terminate this Agreement and Seller and Buyer shall then have no further obligations hereunder; or (ii) to waive the condition of this paragraph. In the event of a termination, Buyer will be refunded all payments made to Seller under this Agreement, including interest, and Seller will pay all Escrow cancellation fees. "Ready to simultaneously close" referred to above means that at least fifty (50) units are in escrow with all required cash payments deposited into escrow and ready for final settlement and closing.

EASEMENTS: The Developer advises that the information found under this topical heading on page 10 of the Preliminary Public Report has been amended to include the following: Each apartment on the second floor shall have appurtenant thereto a nonexclusive easement over and across the limited common elements located on the Lobby level which are appurtenant to the Commercial Apartment for the purpose of ingress to and egress from the mauka stairway leading from the Lobby level to the second floor of the building.

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 June 24, 1981, and additional information subsequently filed as of September 16, 1982.

This is a FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 1439 filed with the Commission on June 24, 1981. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.


G. A. "RED" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

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DEPARTMENT OF FINANCE
BUREAU OF CONVEYANCES
PLANNING COMMISSION, CITY
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REGISTRATION NO. 1439