

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

DIAMOND HEAD SEAS
3187 Diamond Head Road
Honolulu, Hawaii

REGISTRATION NO. 217

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 22, 1968

Expires: November 22, 1969

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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JULY 29, 1968 AND INFORMATION SUBSEQUENTLY FILED AS LATE AS OCTOBER 18, 1968. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THERETO BY ACT 244 (L. 1967) EFFECTIVE JUNE 6, 1967.

1. The DIAMOND HEAD SEAS is a proposed leasehold condominium project consisting of six (6) buildings containing eleven (11) single-family condominium units, one (1) garage structure containing twenty-seven (27) inside automobile parking and one (1) general purpose utility building containing five (5) visitor parking, maintenance storage area, and the security and management offices.
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 Plan) have not been filed in the office of the recording officer.

4. Advertising matter has been submitted pursuant to rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 170A, Revised Laws of Hawaii 1955 (as amended, particularly Act 244, L. 1967, effective June 6, 1967) and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, October 22, 1968, unless a Supplementary Public Report issues or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: DIAMOND HEAD SEAS

LOCATION: The approximate 55,894 square feet in leasehold, to be committed to the regime is situated on the makai (southwest) side in the thirty-one hundred block of Diamond Head Road, at Kaluahole, City and County of Honolulu, State of Hawaii.

TAX KEY: First Division 3-1-36-1

ZONING: Residential A

DEVELOPER: D H S Corporation, 1109 Bethel Street, Honolulu, Hawaii. Telephone 510-356. A Hawaii corporation registered with the Department of Regulatory Agencies, State of Hawaii, on May 31, 1968. The officers are:

Kenneth W. Harris	President	33/ Kawaihae Street Honolulu, Hawaii
Akira Otani	Vice President	4320 Amau Street Honolulu, Hawaii
Peter P. T. Song	Secretary-Treasurer	3849 Poka Street Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: John Harvey Robinson, Suite 502, Dean Witter Building, 119 Merchant Street, Honolulu, Hawaii. Telephone 587-641.

DESCRIPTION: The specimen Declaration of Horizontal Property Regime reflects that the project generally consists of eight (8) buildings; six (6) containing eleven (11) single-family dwelling units. One (1) garage structure and one (1) general purpose utility building containing the visitor parking, maintenance storage area, and the security and management offices. In addition, there will be a swimming pool, and 3 structures containing eleven (11) cabana units located adjacent to the swimming pool.

The six (6) buildings containing the single-family dwelling units are of several types as follows: two (2) two-story buildings designated "A" and "D", each containing two (2) dwelling units; two (2) two-story buildings designated "B" and "C", each containing two (2) dwelling units; one (1) single-story building designated "E", containing two (2) dwelling units; one (1) single-story building designated "F" containing one (1) dwelling unit.

The ground floors of all buildings have concrete foundations and floor slabs, with concrete block partition walls. Second floors are concrete block walls with various facings, such as wood, used brick, lava rock, etc., with concrete block partition walls.

Buildings "A" and "D" are two-story "Townhouse" structures without basements, constructed on the ground level.

Buildings "B" and "C" are also two-story "Townhouse" structures, constructed on concrete slabs on top of the garage structure, the roof of which is specifically designed to have these buildings constructed thereon.

The garage structure designated as Building "G" is constructed of concrete foundations, walls, supporting columns and a prestressed concrete roof framing and slab structure specifically designed to have Buildings "B" and "C" erected thereon. The garage floor is asphalt concrete and provides for twenty-seven (27) inside automobile parking stalls.

The general purpose utility building is constructed of concrete foundations, walls, concrete slab roof over visitor parking area which accommodates five (5) automobiles, and concrete block walls for the security and management offices.

The three (3) cabana structures are constructed of concrete wall and slab roof. Each of the eleven cabana units will contain a floor area of approximately 96 square feet.

The dwelling units are numbered as follows:

<u>Building</u>	<u>Unit No.</u>	<u>Living Space Area (sq. ft.)</u>
A	1	2520
A	2	2520
B	3	2481
B	4	2481
C	5	2481
C	6	2481
D	7	2520
D	8	2520
E	9	2582
E	10	2555
F	11	2295

Each of the units in Buildings "A" and "D" contains a two-story "Townhouse" type design with one (1) covered lanai, one (1) entrance hall and stairs and twelve (12) rooms consisting of a living room, dining room, kitchen, one (1) half-bath, one (1) full bath-dressing room and one (1) bedroom on the first floor, and two (2) bedrooms, one (1) sitting room, and three (3) combination dressing room-baths on the second floor. The living space area of each of these units, #1, #2, #7, and #8, is 2,520 square feet.

Each of the units in Buildings "B" and "C" contains a two-story "Townhouse" design with one (1) entrance hall and stairs and eleven (11) rooms consisting of a living room, dining room, kitchen, one (1) half-bath, one (1) full bath-dressing room and one (1) bedroom on the first floor, and two (2) bedrooms, three (3) combination dressing room-baths and one (1) covered lanai on the second floor. The living space area of each of these units, #3, #4, #5, and #6, is 2,481 square feet.

Building "E" contains two (2) single story units, each of which has one (1) covered lanai, one (1) entrance hall area and eleven (11) rooms consisting of a living room, dining room, kitchen, three (3) bedrooms, one (1) half bath, four (4) combination dressing room-baths. The living space area of unit #9 is 2,582 square feet and unit #10 is 2,555 square feet.

Building "F" contains one (1) single story unit which has one (1) covered lanai, one (1) entrance hall area and eleven (11) rooms, consisting of a living room, dining room, kitchen, three (3) bedrooms, one (1) half-bath, four (4) combination dressing room-baths. The living space area of this unit #11 is 2,295 square feet.

Each unit shall include any adjacent lanai or terrace, all the walls and partitions which are not loadbearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and built-in fixtures

including ranges, garbage disposal units, dishwashers, refrigerators, and clothes washer-dryers.

Additionally, each unit includes ownership of one (1) "cabana" unit located adjacent to the swimming pool which includes all the walls and partitions which are not loadbearing within the structure perimeter walls, the inner decorated or finish surface of all walls, floors and ceilings, and all the built-in fixtures including but not limited to electric light fixtures, lavatory, water closet and shower stall.

COMMON ELEMENTS: The specimen Declaration reflects that the common elements will include the limited common elements described below and all other portions of the land and improvements other than the units and their respective cabana units, including the unit and cabana buildings, the land on which they are located, and all elements mentioned in the Horizontal Property Act which are actually constructed on the land, and specifically shall include, but shall not be limited to: (a) The land herein described; (b) All foundations, columns, girders, beams, supports, bearing walls, corridors, entry halls, stairs, walkways, the general purpose building with visitor parking located at the project entrance area, and the garage structure; (c) The roofs; (d) All yards and refuse storage areas; (e) All entrance structures, doors and accessways, entrance driveway, paved parking area for five visitor cars, and paved exit driveway and exit structure; (f) Swimming pool; (g) All ducts, electrical equipment, wiring and other central and appurtenant installations for services, such as power, light, water, water and electric mains, refuse and telephone; and (h) All other devices or installations upon the land existing for or rationally of common use to all the owners of units within the project.

LIMITED COMMON ELEMENTS: The specimen Declaration states that the portions of the land included within the project occupied by each of the buildings except "B" and "C" shall be limited common elements reserved for the use of the owners of units within the building occupying a specific portion of the land. The entryways, stairways and other accessways to any building shall be appurtenant to and for the exclusive use of the units in such building.

INTEREST TO BE CONVEYED PURCHASER: The percentage of undivided interest in the common elements appertaining to each unit and its owner for all purposes including sharing of the maintenance costs and voting is 9.90 per cent.

USE: Among other restrictions, the specimen Declaration states that the units shall at all times be used as permanent or temporary residences and for no other purpose.

OWNERSHIP OF TITLE: The Notice of Intention reflects that ownership to title is vested in Market Place, Limited, a registered Hawaii corporation. The Lien Letter Report prepared June 6, 1968 by the Abstractor, Security Title Corporation, a Hawaii corporation, verifies that the above-mentioned vestee has title to the land.

NOTE: Developer advises the Commission that the Master Lease in this transaction has been agreed upon by the principals and will be executed and recorded prior to request by the Developer for a final public report.

ENCUMBRANCES AGAINST TITLE: The Lien Letter Report identifies the property as all of that certain parcel of land (area 55,894 square feet) situated on the southwest side of Diamond Head Road, at Kaluahole, City and County of Honolulu, State of Hawaii, as shown on Map 1, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1739. Being all of the land described in Transfer Certificate of Title No. 82,572.

The Lien Letter Report certifies that the records do not reveal any liens or encumbrances against said title, save and except the following: Taxes for the Year 1968 are a lien. Saving and excepting any portion of the land lying makai or seaward of the line established by the Supreme Court of the State of Hawaii in the case of Application of Ashford 50 Hawaii Reports. Easement "A" (Storm Drain Easement, 10 ft. wide) in favor of the City and County of Honolulu

as shown on Map 1 filed with this application. Reservation in favor of the Hawaiian Government of all mineral or metallic mines of every description, as mentioned in Transfer Certificate of Title No. 82,572. Mortgage dated January 12, 1961, filed in the Office of the Assistant Registrar as Document No. 270945, made by Market Place, Limited, a Hawaii corporation, as "Mortgagor," to Jiroichi Otani, whose wife is Elsie Toshiko Otani, as "Mortgagee," to secure the repayment of the sum of \$104,500.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to. Mortgage dated April 20, 1961, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 273071, and also recorded on May 2, 1961 in the Bureau of Conveyances of the State of Hawaii in Book 4047, page 459, made by Market Place, Limited, a Hawaii corporation, as "Mortgagor," to Bank of Hawaii, a Hawaii corporation, as "Mortgagee," to secure the repayment of the sum of \$260,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to. By instrument dated April 20, 1961, filed in said Office of the Assistant Registrar as Document No. 273072, that certain mortgage referred to in Encumbrance No. 6, was subordinated to the lien of the foregoing mortgage.

NOTE: Developer has advised the Real Estate Commission that he has a verbal agreement with Market Place, Limited, the title holder, to enter into a Master Lease to lease the land for seventy-five (75) years; said lease to be executed in the near future.

The specimen Sales Contract reflects that Developer will release an undivided fractional interest in the land covered by the above-mentioned Master Lease and buyer shall lease from the land fee owner an undivided fractional interest in the land according to the terms and conditions of a Unit Ground Lease.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated October 9, 1968, identifies Bank of Hawaii, a Hawaii corporation, as "Escrow." On examination the specimen Sales Contract and executed Escrow Agreement are found to be acceptable under the provisions of Chapter 170A, Revised Laws of Hawaii 1955, and particularly Sec. 170A-33, and Sec. 170A-33.1 through 170A-33.5 as incorporated in the Horizontal Property Act through Act 244 (L. 1967) effective June 6, 1967.

Among other provisions the executed Escrow Agreement states that no money received by Escrow shall be disbursed until the attorneys for Developer advise Escrow that the Sales Contracts have become effective and the requirements of Sections 170A-33.1 through 170A-33.4, Revised Laws of Hawaii 1955, as amended, have been met, all as provided for in Section 170A-33.5 of the Revised Laws.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sale Contract, the executed Escrow Agreement, and Sections 170A-33 through 170A-33.5, Revised Laws of Hawaii 1955, as amended. The Escrow Agreement establishes how the proceeds from the dwelling units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds. Sections 170A-33.2 through 170A-33.4, specify the conditions which entitle purchasers to obtain refund of all moneys paid by the purchasers without further obligation.

MANAGEMENT AND OPERATION: The proposed By-Laws of Association of Home Owners of Diamond Head Seas Condominium Project reflect that except as provided with respect to the initial Managing Agent, the Board of Directors shall at all times employ a responsible Hawaii corporation as Managing Agent to manage and control the property, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to said Managing Agent by the Board. The Board or the initial Managing Agent may also employ a manager. The compensation of the Managing Agent and of the Manager shall be such as shall be specified from time to time by the Board. The proposed By-Laws

specify that the initial Managing Agent shall be Diamond Head Seas Management Corporation.

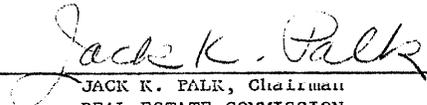
MAINTENANCE FEE ESTIMATE: Developer has submitted to the Commission an annual maintenance fee estimate of \$24,320 for the project. Developer estimates that each unit owner will be assessed 9.09% of the annual maintenance fee which amounts to \$2,211 annually or \$184 per month per unit.

STATUS OF PROJECT: The architect, Louis Pursel and Associates, is working on the building plans. No building contract has been executed. The Developer advises that plans call for bid opening sometime in January 1969 and construction should commence in April 1969.

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 July 29, 1968 and information subsequently filed as late as October 18, 1968.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 217 filed with the Commission on July 29, 1968.

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



JACK K. PALK, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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October 22, 1968
Registration No. 217