

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 PLAZA
Pualei Circle
Honolulu, Hawaii

REGISTRATION NO. 361

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: May 3, 1971
Expires: June 3, 1972

SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 29, 1970 AND INFORMATION SUBSEQUENTLY FILED AS LATE AS APRIL 29, 1971. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT (CHAPTER 514, HAWAII REVISED STATUTES).

1. Diamond Head Plaza is a proposed leasehold condominium project consisting of twenty-one (21) residential apartment units, contained in two buildings, each building containing one ground floor, three apartment floors and no basement, all of which will be sold by the Developer upon and subject to the terms and provisions of Apartment Leases to be issued by Bishop Trust Company, Ltd., sublessor, pursuant to the terms of the Master Sublease executed April 29, 1958, recorded in the Bureau of Conveyances, State of Hawaii, in Book 3451, Page 137, by Town Development Corporation, a Hawaii Corporation, assignee of said Master Sublease. The Developer advises that the last building of the project was completed some time in 1965, and since completion to present, the apartments have been occupied as residential rental units. Twenty-one (21) parking stalls are available.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of the Preliminary Public Report.
3. Basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the Approved Floor Plans) have not been filed in the Office of the Recording Officer.
4. The Developer has submitted its program of financing the building of the project and a statement of the estimated costs involved in completing the project. The Developer has secured a commitment from a financial institution to provide long-term mortgage loans to individually qualified purchasers of the apartment units.
5. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.
7. This Preliminary Public Report is made a part of the registration of Diamond Head Plaza 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.
8. If the Final Public Report is not issued within one (1) year from the date of this Preliminary Public Report, May 3, 1971, purchasers and prospective purchasers shall be entitled to a refund of all monies without further obligation.

NAME OF PROJECT: DIAMOND HEAD PLAZA

LOCATION: Pualei Circle, Honolulu, Hawaii

The site, comprising 15,000 square feet, is located on Pualei Circle, Diamond Head, Honolulu, Hawaii.

TAX MAP KEY: First Division, 3-1-26:35

ZONING: Apartment A-2

DEVELOPER: Town Development Corp., a Hawaii corporation, 500 Alexander Young Bldg.

Its officers are:

Eugene T. Yoshioka - President/Treasurer
Stanley Y. Mukai, Vice President/Secretary

ATTORNEY REPRESENTING DEVELOPER: Wooddell, Mukai, Wirtz & Ichiki
(Mr. William S. Chillingworth), 500 Alexander Young Building, Honolulu, Hawaii 96813,
phone: 531-6277.

DESCRIPTION: The Declaration of Horizontal Property Regime reflects that two (2) apartment buildings, hereinafter described as Building "A" and Building "B" are situate on the project.

Building "A" is a presently existing apartment building consisting of a ground floor and three (3) apartment floors, containing a total of six (6) two-bedroom apartments (two on each apartment floor). Building "A" is constructed principally of reinforced concrete, concrete hollow block, asphalt tile, wood, and glass, with a roof of pitch and gravel cover. The ground floor contains covered parking spaces for three cars. The first apartment floor contains two apartment units, two stairwells, and one corridor. The second apartment floor contains two apartment units, two stairwells and a balcony corridor. The third apartment floor contains two apartments, two stairwells, and a balcony corridor. Two stairways, one each at the northeast and northwest ends of the building, connect the apartment floors with the ground floor of Building "A".

Building "3" is a present¹ existing apartment building consisting of one ground floor and three apartment floors, and containing a total of fifteen apartment units (five on each apartment floor). Building "3" is constructed principally of reinforced concrete, concrete hollow block, asphalt tile, wood, and glass, with a roof of pitch and gravel cover. The ground floor contains a laundry room, three storage rooms, and covered parking for eight cars. The first apartment floor contains five (5) one-bedroom apartment units, two stairwells, and one corridor. The second and third apartment levels both contain five (5) one-bedroom apartment units, two stairwells, and one balcony corridor. Two stairways, one each at the southeast and southwest ends of the building connect the apartment floors with the ground floor.

Each apartment contains the number of rooms and approximate floor area as follows:

- (1) Type A Apartments: Six (6) apartments in Building "A" each contain five (5) rooms, specifically, two bedrooms, one bath, one living-dining room and one kitchen, with a floor area of approximately 663 square feet, plus a balcony-lanai of approximately 78 square feet.
- (2) Type B Apartments: Fifteen (15) apartments in Building "B" each contain four (4) rooms, specifically, one bedroom, one bath, one living-dining room and one kitchen, with a floor area of approximately 537 square feet, plus a balcony-lanai of approximately 78 square feet.

The apartments will be numbered in the manner shown on the Condominium File Plan. Each apartment will be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein, including refrigerator, range with oven, garbage disposer, and water heater. Each apartment will have immediate access to corridors leading to stairways to the first floor level and leading to walkways connecting each building to the street entrances and parking areas of the project. There will be parking stalls for twenty-one (21) automobiles.

COMMON ELEMENTS: The common elements will include the limited common elements hereinafter described and all other portions of the land and improvements other than the apartments and they shall specifically include but not be limited to the above-described land and improvements thereon; all foundations, columns, girders, beams, supports, bearing walls, roofs, chases, entries, stairways, walkways, balconies and entrances of the building; all yards, grounds, landscaping, mail boxes, and refuse facilities; all parking areas, driveways, and walkways; all ducts, electrical equipment, wiring and other central and appurtenant installations including power, light, water, sewer and telephone; the swimming pool, together with all appurtenant pool equipment; the laundry room; and storage rooms and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the buildings of the project.

LIMITED COMMON ELEMENTS: The proposed Declaration reflects that certain parts of the common elements herein called "limited common elements" are designated and set aside for the exclusive use of certain apartments. Such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows: (a) Not less than one parking space for each apartment to be assigned upon the original conveyance thereof; (b) Such of the common elements which are rationally related only to a single building shall be for the exclusive use of the apartments of such building.

INTEREST TO BE CONVEYED TO PURCHASER: Apartment units shall have appurtenant to each the undivided interest in all common elements of the project as follows:

<u>Apartment Type</u>	<u>Common Interest</u>
A	5.62%
B	4.42%

The common interest, proportionate share in all common profits and expenses of the project and proportionate representation for voting purposes in the Association of Apartment Owners shall be in said percentage for each apartment.

USE: The proposed Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their servants and guests. An entire apartment may be rented subject to the limitations, restrictions,

covenants and conditions of the Declaration and By-Laws, provided the occupancy of the rented apartment is only by the lessee, his family, its servants and guests. The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than thirty days, or (b) any rental in which the occupants of the apartment are provided customary hotel services, such as room service for food and beverage, maid service, laundry and linen, or bellboy service.

OWNERSHIP OF TITLE: The title document, executed December 11, 1970 and updated as of April 22, 1971 by the licensed abstractor, Long & Melone, Ltd., verifies that title to the land is vested in Edwin Yee, Ltd., a Hawaii corporation. By assignment dated August 5, 1970 and recorded in the Bureau of Conveyances, State of Hawaii, in Book 7502, Page 468, Edwin Yee, Ltd. assigned all interest in said land and improvements to Town Development Corp., a Hawaii corporation.

The documents submitted by the Developer and Preliminary Reports by Long and Melone show that the fee title is vested in Manuel Gomes, who leased the land to Albert M. Felix, Clyde K. Yamamoto and Hiroo Nakao, dated March 15, 1958, recorded in Liber 3440, Page 298, as amended by instrument dated July 23, 1958, recorded in Liber 3517, Page 46. A trust indenture was made between Albert M. Felix, et al, as Trustors, and Bishop Trust Company as Trustees, dated September 23, 1958, recorded as forepaid in Book 3556 at Page 160. The land was later subleased to Akira Hamaguchi by Albert M. Felix, et al, by sublease dated April 29, 1958, recorded in Liber 3451, Page 137, as amended by instrument dated November 23, 1959, recorded in Liber 3796, Page 7; said Sublease was assigned to Richard A. Cooke, Jr., and Lorraine D. Cooke, husband and wife, under Assignment of Sublease from Akira Hamaguchi dated November 13, 1959, recorded in Liber 3796, Page 1; said Sublease was assigned to Edwin Yee, Ltd., a Hawaii corporation, under Assignment of Sublease from Richard A. Cooke, Jr., and Lorraine D. Cooke dated May 6, 1969, recorded in Liber 6617, Page 423; Said Sublease was assigned to Town Development Corp., a Hawaii corporation, by Edwin Yee, Ltd., by Subagreement of Lease dated August 5, 1970, recorded in Liber 7502, Page 468. Consent thereto dated April 20, 1971, recorded in Liber 7502, Page 475, by Bishop Trust Company, Ltd., Trustee.

ENCUMBRANCES AGAINST TITLE: The Notice of Intention reflects and the December 11, 1970 title search report and updated title search of April 22, 1971 certifies that there are the following encumbrances:

1. Terms and provisions of that certain Lease made by Manuel Gomes to Albert M. Felix, Clyde K. Yamamoto and Hiroo Nakao, dated March 15, 1958, recorded in Liber 3440, Page 298, as amended by instrument dated July 23, 1958, recorded in Liber 3517, Page 46.
2. Terms and provisions of that certain sublease to AKIRA HAMAGUCHI by ALBERT M. FELIX, CLYDE K. YAMAMOTO and HIROO NAKAO dated April 29, 1958, and recorded in said Bureau of Conveyances in Liber 3451, Page 137, for a term of 75 years from July 1, 1958, as amended by instrument dated November 23, 1959, recorded in Liber 3796, Page 7;
3. Sanitary sewer easement, 10 feet wide, as shown on File Plan 613.
4. Restrictive covenants as contained in that certain Agreement dated December 28, 1957, recorded in Liber 3492, Page 106, made by and between Manuel Gomes and Frank A. Koyanagi and wife relative to the development of apartment projects.
5. Grant in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated December 3, 1958, recorded in Liber 3577, Page 227. Easement for vault site and utility purposes over 60 square feet located in the northwest corner of Lot 7.
6. Grant in favor of The City and County of Honolulu dated August 10, 1950, recorded in Liber 3669, Page 128. Easement for underground sewer pipeline or lines over a portion of the land.
7. Terms and provisions of that certain Settlement Agreement dated June 4, 1959, recorded in Liber 3694, Page 120, relative to building height and setback.
8. Final Order of Condemnation by The City and County of Honolulu, dated March 16, 1956, recorded in Liber 3101, Page 26. Easement for sewer purposes.

9. Mortgage dated J 23, 1969, recorded in Liber (), Page 431, from Edwin Yee, Ltd. to Pacific Savings and Loan Association.
TO SECURE: \$190,000.00.
10. Mortgage dated July 31, 1970, recorded in Liber 7119, Page 8, from Edwin Yee, Ltd., a Hawaii corporation, to Amfac Financial Corporation, a Hawaii corporation. TO SECURE: \$155,000.00. Consent dated August 3, 1970, recorded in Liber 7119, Page 16, given by Bishop Trust Company, to foregoing Mortgage.
11. ASSIGNMENT OF SUBAGREEMENT OF LEASE: Edwin Yee, Ltd., a Hawaii corporation, to Town Development Corporation, a Hawaii corporation, dated August 5, 1970, recorded in Liber 7502, Page 478. Consent thereto dated April 20, 1971, recorded in Liber 7502, Page 473, by Bishop Trust Company, Limited, Trustee under Trust Indenture dated September 23, 1958, recorded in Liber 3556, Page 160.

The Title Search reflects that taxes for the Fiscal Year 1970-1971 are a lien; payable as follows:

2nd Installment: \$2,027.31 OPEN (Delinquent after May 20, 1971)

PROGRAM OF FINANCING: The statement of the Program of Financing submitted by the Developer reflects that the total estimated cost involved in developing the project is \$469,790.00 and that the Developer intends to pay such cost from funds available from cash payments made by purchasers of condominium units, from the Developer's own funds, and from individual long-term loans obtained by purchasers secured by mortgages on the condominium units. The Commission has been advised that the Developer has secured from Pacific Savings and Loan Association, a commitment to give 21 long-term mortgage loans to individually qualified purchasers of apartment units.

PURCHASE MONEY HANDLING: Long & Melone, Ltd. identifies as the Escrow Agent. Upon examination of the Escrow Agreement, it is found to be in consonance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-35 through 514-40.

Among other provisions, the Escrow Agreement provides that Escrow Agent shall refund to Purchaser all of Purchaser's funds, without interest, if Purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (a) Escrow Agent receives the written request from Developer to return to Purchaser the funds of Purchaser held under the Escrow Agreement by Escrow Agent, or (b) if the Final Public Report of the Real Estate Commission is not issued within one year from the date of issuance of any Preliminary Public Report, or (c) if Purchaser entered into a Contract of Sale prior to the time the Final Public Report is issued and the Final Public Report differs in any material respect from any Preliminary Public Report, or (d) if there is any change in the building plans requiring the approval of a county officer having jurisdiction over the issuance of permits for construction and Purchaser has not given written approval or acceptance of the change.

Note: The specimen Sales Contract submitted by the Developer states:
"In the event less than 17 apartments in the project are sold prior to May 27, 1971, Seller may at its option cancel this contract, in which event Seller will cause Escrow Agent to refund to Buyer all monies paid without interest and less costs of credit reports and loan applications and Seller shall be relieved and released of all further liability hereunder."

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement before executing the Contract of Sale, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds and the Contract of Sale specifically provides that the purchaser approves said Escrow Agreement and assumes the benefit and obligations therein provided.

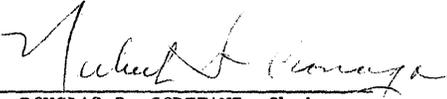
MANAGEMENT OF PROJECT: The By-Laws which are incorporated in the Declaration provides that the operation of the project shall be conducted for the Association under the direction of its Board of Directors by a responsible corporate managing agent. The Developer has advised the Commission that Realty Management Corporation has been selected as initial managing agent.

STATUS OF PROJECT: All improvements on the project have been constructed with completion some time in 1965. The Developer advises that upon release of existing encumbrances, occupancy of the project will commence.

The Developer has advised the Commission that since project completion sometime in 1965, the apartments have been used as rental apartment units.

The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted December 29, 1970 and additional information subsequently filed as late as April 29, 1971.

This is a Preliminary Horizontal Property Regimes Condominium Public Report which is made a part of Registration No. 361, dated May 3, 1971. 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.


for DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

YH:km

Distribution

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY & COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 361
May 3, 1971