

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

LEAHI ESTATES
Diamond Head Road
Honolulu, Hawaii

REGISTRATION NO. 565

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: July 15, 1975
Expires: August 15, 1976

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 MAY 30, 1973, AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 2, 1975. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of November 27, 1973, on LEAHI ESTATES, Registration No. 565, the Developer reports that changes have been made in the plan or setup as presented in the May 30, 1973, notice of intention to sell.

2. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and issuance of this Final Public Report.
3. This Final Public Report is made a part of the registration on Leahi Estates condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers and for securing a signed receipt.
4. The basic documents (Declaration of Horizontal Property Regime, with By-Laws of Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been filed with the office of the recording officer.

The Declaration of Horizontal Property Regime together with the By-Laws dated October 31, 1973, was filed in the Office of the Assistant Registrar of the Land Court as Land Court Document No. 656537, and also recorded in the Bureau of Conveyances in Liber 9581 at Page 336. The Amendment to the Declaration dated May 5, 1975, was filed as Document No. 719620. (Project covered by Condominium Map Nos. 316 and 187).
5. No advertising or promotional matter has been submitted pursuant to the Rules and Regulations promulgated by the Commission.
6. The purchaser and prospective purchasers is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules which relate to Horizontal Property Regimes.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, July 15, 1975, unless a Supplementary Public Report issues or the Commission upon review of the registration, issues an order extending the effective period of this report.

This Final Public Report amends and supercedes in its entirety that Preliminary Public Report, since Section 514-39, Hawaii Revised Statutes, provides that a purchaser or prospective purchaser has a right to cancel if a Final Public Report is not issued within one year from the date of issuance of a Preliminary Public Report.

NAME OF PROJECT: LEAHI ESTATES

LOCATION: Parcel of land located near 3222 Diamond Head Road which lies on the makai side of Diamond Head Road in Honolulu, Hawaii, and contains an approximate area of 85,757 square feet.

TAX KEY: 3-1-35-2

ZONING: R3

DEVELOPERS: Clark Reynolds, Suite 1209, 2222 Kalakaua Avenue, Honolulu, Hawaii; Culphton L. Whetstone, 1146 Koloa St., Honolulu, Hawaii; James S. Romig, 3760 A Old Pali Road, Honolulu, Hawaii; and Michael T. McCormack, P. O. Box 3204, Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPERS: KELSO, SPENCER, SNYDER & STIRLING (Attention: Burt L. Snyder) Suite 1800, 745 Fort Street, Honolulu, Hawaii, 96813. Telephone: 524-5183.

DESCRIPTION: Improvements on the property will consist of five (5) single family residential buildings with any detached carport being considered as part of the building to which it is appurtenant. Dwelling No. 3 and 6 presently exist on the project. Dwellings 2, 4, and 5 are new dwellings under construction. Each building shall contain one single family residential unit.

Dwelling No. 2 consists of three levels and no basement. Dwelling No. 2 shall be constructed principally of concrete block, using double wall construction with gypsum board interior and stucco exterior, wooden interior walls, roofs and upper floors, continuous concrete footings on the ground floor, wooden balconies, stairs and decking, glass and allied building materials. Dwelling No. 3 consists of two levels with a basement with the ground floor of earth supported reinforced concrete and the second and third floors and roof of wood framing. Exterior of walls against the cut bank are of dampproofed reinforced concrete masonite construction. Exposed exterior walls are wood framed with redwood tongue and groove sheathing. Roof construction consists of a stone surfaced builtup asphaltic membrane over a plywood deck. Interior positions are woodstud framed with gypsum board finish. Dwelling No. 4 consists of two levels with no basement with the ground floor of earth supported reinforced concrete the second floor and roof of wood framing. Exterior walls against the cut bank are of dampproofed reinforced masonite construction. Exposed exterior walls are wood framed with red tongue and groove sheathing. The roof construction consists of a stone surface built of asphaltic membrane over a plywood deck. Interior partitions are wood framed with gypsum board finish. Dwelling No. 5 consists of three levels with no basement. Dwelling No. 5 shall be constructed principally of concrete block, using double wall construction with gypsum board interior and plaster exterior, wooden interior walls, roofs and upper floors, continuous concrete footing on the ground floor, wooden balconies, stairs and decking, glass and allied building materials. Dwelling No. 6, the presently existing dwelling unit, consists of two levels and a basement. Dwelling 6 is constructed principally of reinforced concrete, concrete block and redwood siding, tile roofing, continuous concrete footings on ground floor, wooden balconies, stairs and decking, gypsum board, glass and allied building materials.

(a) Dwelling No. 2 shall contain 10 rooms on three levels with a carport area storage space and entry court on the first level, said first floor containing 728 square feet; a living room, dining room, combination breakfast nook/kitchen, powder room, laundry area and two decks on the second level, said second level consisting of 1,144 square feet; a master bedroom, a master study and a second bedroom along with a master bath and second bath plus closet space and storage area with decking on the third floor, said third floor containing 1,144 square feet. The dwelling shall contain a carport, which may be detached. Dwelling No. 2 contains a total enclosed floor area (inclusive of carport and decking) of approximately 3,016 square feet, and shall contain two balcony decks on the second floor and three balcony decks on the third floor.

(b) Dwelling No. 3 shall contain 12 rooms on three levels with a garage area, two bedrooms, two dressing rooms and one bath on the first level, said first level containing approximately 1,147 square feet; a living/dining room, a family/dining room, a guest room/study, kitchen and a bathroom on the second level, said second level containing approximately 1,147 square feet; the master bedroom, dressing room and one bathroom are located on the third level, said third level containing approximately 713 square feet. Dwelling No. 3 contains a garage which is attached and shall have a total enclosed floor area (inclusive of garage and decking) of approximately 3,007 square feet, and shall contain one balcony deck on the second floor.

(c) Dwelling No. 4 shall contain 11 rooms on two levels with the garage area, laundry, kitchen, family/dining room, living room and one bath on the first level, said first level containing approximately 2,436 square feet; the second level contains three bedrooms and three dressing rooms, said second level containing approximately 1,088 square feet; Dwelling No. 4 shall have a total enclosed floor area (inclusive of garage and lanai) of approximately 3,524 square feet, with a lanai of approximately 252 square feet located on the first level.

(d) Dwelling No. 5 shall contain 14 rooms on three levels with the laundry, playroom, two bedrooms and one bath on the first level, said first level containing approximately 933 square feet; the second level contains a combination breakfast/kitchen area, a dining room, living room, powder room, entry and open terrace, said second level containing approximately 1,651 square feet; the

third level contains a master bedroom, dressing area and bathroom, said third level contains approximately 636 square feet. Dwelling No. 5 shall have a total enclosed floor area (exclusive of garage and decking) of approximately 3,210 square feet, with a decking area of approximately 210 square feet located on the third level.

(e) Dwelling No. 6 contains 11 rooms on two levels with the garage area on the first level, said first level containing approximately 694 square feet; a storage area, laundry area, kitchen, dining room, enclosed lanai, living room, guest bedroom, master bedroom and three bathrooms are located on the second level consisting of approximately 2,271 square feet. Dwelling No. 6 contains a total enclosed floor area (includes the garage and decking) of approximately 2,965 square feet, and contains a balcony deck on the second level.

(f) All Dwellings, 2 through 6, shall be deemed to include the footings or slab on which they are constructed, the exterior walls and roof, all interior walls, ceilings and partitions and the finished surface thereof, and all fixtures originally installed therein. However, said dwellings shall not include any structural or service elements thereof which are utilized or serve more than one dwelling, the same being deemed common elements as hereinafter provided.

Five (5) freehold estates are designated in the spaces enclosed by and within the outside surfaces of the exterior walls and roof, and the bottom surfaces of the footings and foundations of each of the five (5) dwellings of the project.

Each dwelling has immediate access to its entries and to the walkways connecting its building to the road and any sidewalks of the Project. The dwellings shall be numbered 2 through 6 inclusive, with Dwellings 2 and 3 situated on the western end of the project having as access, the roadway marked "A" on the Condominium File Plan, and Dwellings 4, 5, and 6 situated on the eastern portion of the Project having as its access, roadway marked "B" on the Condominium File Plan. Dwellings 2 through 6 by their respective roadways will have access to Diamond Head Road.

All dwellings shall be deemed to include the footings or slab on which they are constructed, the exterior walls and roof, all interior walls, ceilings and partitions and the finished surfaces thereof, and all fixtures originally installed therein. However, said dwellings shall not include any structural or service elements thereof which are utilized or serve more than one dwelling, the same being deemed common elements.

DEVELOPER'S OPTION TO BUILD ADDITIONAL UNITS: The Declaration provides that the Developer shall have the right at his sole option to amend the Project at any time by adding up to 1 additional dwelling with supporting and servicing common elements; provided, however, that Developer shall not require alteration or destruction of any existing dwelling. Developer shall have the right to amend this Declaration to accomplish the addition of the said dwellings and common elements without the consent or joinder of any person, and said Developer shall be deemed the "apartment owner" for the purposes of Chapter 514, Hawaii Revised Statutes, and for all other purposes in connection with amending this Declaration and related condominium floor plans to add the said dwelling units and common elements. To implement the creation of said additional dwellings and common elements, the Developer shall have the right to decrease the common interest appurtenant to each existing dwelling established hereby, including its proportionate share in all common profits and expenses of the Project and for all other purposes including voting. Upon the completion of the additional dwelling unit, the common interest appurtenant to the existing dwellings and the one additional dwelling shall be 16.6666+ percentage which will represent 1/6 ownership of the common interest for each of the dwellings. Developer shall also be authorized and entitled, without limitation, to: remove, amend or add common elements provided that the existing dwellings shall not be removed or modified; to enter upon the Project with employees, agents and contractors and do all things reasonably necessary for or useful to constructing and completing said additional dwelling and common elements according to plans and specifications or amended plans and specifications approved by the officer of the City and County of Honolulu having jurisdiction over the issuance of building permits, after having first recorded amendments to the Declaration and condominium plans, and obtained a performance and payment bond in a sum of 100 per cent of the cost of construction naming Fee Owner (or its successors in interest) all dwelling owners and mortgagees, as their interest may appear, as obligees; to connect the said dwelling and additional common elements to utilities of the Project; to file amendments to the Declaration for purposes of certifying condominium maps filed as reflecting the improvements shown therein to be "as built"; and to lease or designate lessees of the said additional dwelling and its appurtenant common elements.

Each and every conveyance, lease and mortgage or other lien made or created on any dwelling and all common interests and appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a dwelling of the Project shall reserve to the Developer the rights set forth in this paragraph.

In the event of any amendment to this Declaration to reflect the additional dwellings, each owner of an added dwelling shall be required to deposit with the Association, upon the filing of the final Amended Declaration and the "as built" certification of an architect or engineer, an amount equal to the average existing dwelling's share of funds on deposit with the Association for operation of the Project including the Maintenance Reserve Fund and one-third of all expenses relating to Roadway A of the project expenses as of the date of the Amended Declaration reflecting the additional dwelling.

COMMON ELEMENTS: The common elements shall consist of all parts of the property other than the dwellings, including the following: (a) Said land in fee simple described in Exhibit "A" attached to the Declaration; (b) All roadways of the Project; (c) All central and appurtenant installations for common services, including power, gas, light, water, telephone and trash disposal; (d) All other elements and facilities rationally and commonly used and necessary to the upkeep and safety of the Project.

LIMITED COMMON ELEMENTS: Certain parts of the common elements herein called "limited common elements", are designated and set aside for the exclusive use of certain dwellings, and such dwellings shall have appurtenant thereto exclusive easements for the use of such limited common elements. Unless otherwise specified, call costs of every kind pertaining to each limited common element, including but not limited to costs of landscaping, maintenance, repair, replacement and improvement, shall be borne entirely by the dwelling or dwellings to which it is appurtenant. The limited common elements so set aside and reserved are as follows:

- (a) The site of each dwelling, consisting of the land beneath and immediately adjacent thereto as shown and delineated in red on said Condominium File Plan including without limitation, any private yard area, shall be deemed a limited common element for the exclusive use of the dwelling to which it is appurtenant;
- (b) The driveway connecting each dwelling to the roadways and any sidewalks of the Project shall be deemed limited common elements for the exclusive use of the dwelling to which they are appurtenant.

OTHER EASEMENTS: The dwellings also shall have and be subject to the following easements:

- (a) Each dwelling shall have thereto non-exclusive easements for ingress to, egress from, service, support and maintenance for such dwelling, and any encroachment.
- (b) Dwelling 4 shall have appurtenant thereto, an easement on, over and through all other dwellings of the Project for air, light and view, to the extent that no improvement or addition to existing improvement may be erected on or made to any other such dwellings which will exceed the height of the structure or improvement constructed on the Project pursuant to floor plans filed with the Bureau of Conveyances for the original construction of the Project. In addition, the owner of Dwelling 4 shall have an irrevocable license to peacefully enter at any reasonable time other portions of the Project to enforce the easement including the right, without limitation, to cause to cut, trim or otherwise restrain so much of any vegetation, growth or structure which impedes, violates or restricts that easement.

INTEREST TO BE CONVEYED PURCHASER: The Declaration reflects that each dwelling shall have appurtenant thereto an undivided 1/5 fractional (20.000 percentage) interest in all common elements of the Project and the same proportionate share in all common profits and expenses of the Project and for all other purposes including voting.

RESTRICTIONS AS TO USE: The Declaration states the dwellings shall be used as residential dwellings and for no other purpose. The owners of the respective dwellings shall have the absolute right to lease or rent such apartments subject to all provisions of the Declaration, By-Laws of the Association of Apartment Owners, or in the Dwelling Lease.

OWNERSHIP TO TITLE: The Developer in its notice of intention reports that the ownership of title to the land is vested in Bishop Trust Company, Limited, a Hawaii corporation, as Trustee of the Deed of Trust executed by Harry Lea Denison. The Developer has filed with the Commission a Preliminary Report dated March 24, 1975, prepared by Title Guaranty of Hawaii, Inc. which verifies that the title to the land is vested in the above named corporation.

ENCUMBRANCES AGAINST TITLE: The Certificate of Title reflects the land is subject to the following reservations, easements, liens, encumbrances and so forth:

AS TO PARCELS SECOND AND THIRD ONLY:

(1) Reservation in favor of the State of Hawaii of all mineral and metallic mines;

AS TO PARCEL FIRST ONLY:

(2) Reservation under the City and County of Honolulu as easement of way, over and across Lot 7, of the width of ten (10) feet along a portion of the frontage of said Lot 7 on Diamond Head Road, together with the right to enter on said ten (10) foot strip and cut away, dig out and remove the soil or earth therefrom and/or do any act which may become necessary in any project or plan for the widening of said Diamond Head Road whenever the legally constituted authority or authorities of the City and County of Honolulu may deem such widening necessary or proper;

(3) Taxes that may be due and owing and a lien on the land, reference is hereby made to the tax assessor.

(4) Declaration of Horizontal Property Regime for Leahi Estates dated October 31, 1973, together with By-Laws recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9581 at page 336 and filed with Assistant Registrar of the Land Court as Document No. 656537 and Condominium Map filed in said Bureau under Condominium Map Nos. 316 and 187.

(5) Amendment to Declaration of Horizontal Property Regime for Leahi Estates dated May 5, 1975 and filed in said Land Court as Document No. 719620.

NOTE: The Developer has filed with the Commission unrecorded Partial Assignments of Development Rights in favor of: Culphton L. Whetstone for Dwelling No. 2, dated August 22, 1973; James S. Romig for Dwelling No. 3, dated August 22, 1973; and Michael T. McCormack for Dwelling No. 5, dated October 31, 1973.

(6) Development Agreement dated November 1, 1973, filed in said Land Court as Document No. 657358 and recorded in said Bureau in Liber 9581 at Page 296 between Bishop Trust Company, Ltd. a Hawaii corporation as Owner and Clark Reynolds, an individual, as Developer.

(7) Trust Deed dated February 15, 1966 filed in said Land Court as Document No. 387579 and recorded in said Bureau in Liber 5272 at page 431 between Harry Lea Denison as Settlor and Bishop Trust Company, Ltd. as Trustee.

PURCHASE MONEY HANDLING: A copy of the specimen sales contract and the escrow agreement have been submitted as part of the registration. The escrow agreement dated July 10, 1973, identifies Long and Melone, Ltd., as the escrow agent. Upon examination, the specimen sales contract and the executed escrow agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-36 through Section 514-40.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds without interest if the purchaser requests in writing a refund of his funds if any one of the following has occurred:

(a) Developer has requested escrow in writing to return to purchaser the funds of purchaser then being held by escrow; or

(b) Purchaser's funds were obtained prior to the issuance of a Final Public Report and there is a change in the Condominium Building Plan subsequent to execution of purchaser's Sales Contract requiring the approval of a County officer having jurisdiction over the issuance of permits for construction of the buildings unless purchaser has given written approval or acceptance of this specific change; or

(c) If purchaser's funds were obtained prior to the issuance of a Final Public Report and purchaser requests a refund and the request is prior to the time the Final Public Report is issued; or

(d) The Final Public Report differs in any material respect from any 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 (1) year from the date of issuance of any Preliminary Public Reports and approved continuance;

(f) If less than 5 dwellings are sold prior to November 1, 1973 and Developer cancels the Sales Contract by written notice to the purchaser.

NOTE: The purchaser should be aware that the mortgage loan (interim, renewals and extensions) used for the construction of the project shall be and remain at all times a superior lien on the project, and the purchaser intentionally waive and subordinate the priority of any lien under the sales contract in favor of the mortgage loan.

It is incumbent upon the prospective purchaser to read and understand the Escrow Agreement and the Sales Agreement before executing the Sales Agreement. The Escrow Agreement established how the proceeds from the sale of the units and all sums from the source are placed in trust, as well as the retention, disbursement and refund of said trust funds.

FINANCING OF PROJECT: The information submitted by the Developer reflects that the total estimated costs for the Dwellings to be constructed is \$373,000, and that the Developer intends to pay such costs from funds obtained through individual construction loans for each new Dwelling on the Project and Developer's own funds.


MANAGEMENT AND OPERATION: The By-Laws of the Association of Apartment Owners, executed October 31, 1973, placed the authority in the Board of Directors to secure the services of a Manager to manage the Project. The Notice of Intention indicates that the Managing Agent for the first year of the Project shall be CLARK REYNOLDS COMPANY, Suite 1209, 2222 Kalakaua Avenue, Honolulu, Hi.

STATUS OF PROJECT: The Developer has advised that commission and construction of the Project has commenced and is expected to be completed by November 1, 1975. Developer has filed copies of the construction contracts and 100% performance bonds for each dwelling.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the developer in the required Notice of Intention submitted May 30, 1973, and information subsequently filed as of July 2, 1975.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 565 filed with the Commission on May 30, 1973.

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


(For) DOUGLAS R. SODETANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
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REGISTRATION NO. 565
July 15, 1975