

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

LEISURE HERITAGE APARTMENTS
311 Ohua Avenue
Honolulu, Hawaii

REGISTRATION NO. 703

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: July 24, 1974
Expires: August 24, 1975

SPECIAL ATTENTION

A comprehensive reading of the 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 12, 1974, AND ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED ON July 23, 1974. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THERETO, CHAPTER 514, HAWAII REVISED STATUTES.

1. Leisure Heritage Apartments is a leasehold condominium project consisting of 69 residential units. The project will consist of a 16-story building, plus basement

structure, containing 13 one-bedroom units, 52 two-bedroom units, and 4 three-bedroom units. The building and the land on which the building is situated shall be submitted to the horizontal property regime as set forth in detail below. Sixty-nine residential apartment units are being offered for sale.

This Preliminary Public Report is made a part of the registration of Leisure Heritage Apartments condominium project. The Developer is held responsible for placing this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for Horizontal Property Regime Preliminary Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

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 has fulfilled all requirements for the 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 Plans) have not been recorded in the Office of the Recording Officer.
4. No advertising and promotional 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 514, Hawaii Revised Statutes, and the condominium rules and regulations which relate to horizontal property regimes.
6. This Preliminary Public Report automatically expires thirteen months after date of issuance July 24, 1974, unless a Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: LEISURE HERITAGE APARTMENTS

LOCATION: The 21,450 square feet of land which shall be submitted to the Horizontal Property Regime is situated on the Diamond Head corner of Ala Wai Boulevard and Ohua Avenue in Waikiki, at 311 Ohua Avenue, Honolulu, City and County of Honolulu, State of Hawaii.

TAX KEY: First Division 2-6-25-15

ZONING: H-2 (Hotel/Apartment use)

DEVELOPER: Pacific Leisure Enterprises, Inc., whose principal place of business and post office address is 925 Bethel Street,

Honolulu, Hawaii. The officers and directors of the corporation are: Willard M. P. Wong, President; Howard M. Y. Wong, Vice President; Takeshi Kobayashi, Secretary; and William K. C. Dung, Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Arthur S. K. Fong, 334 Alexander Young Building, Honolulu, Hawaii. (Telephone No. 523-1617)

DESCRIPTION: The proposed Declaration of Horizontal Property Regime describes the project as follows:

1. Description of Building. The building will consist of a 16-story, 69 unit, plus basement structure, constructed on a reinforced concrete foundation supported by concrete piles containing 13 1-bedroom units, 52 2-bedroom units and 4 3-bedroom penthouse units, as follows:

The second floor of the apartment building contains the swimming pool and four 2-bedroom, 2 bath units, using PLANS B, C, D and E. Apartments C and D are reverse plans and consist of a living/dining room, kitchen, and 2 bathrooms totaling 955 square feet. It also has 3 lanais with a total area of 131 square feet, or a combined floor area of 1,066 square feet. Apartments B and E are reverse plans and consist of a living/dining room, kitchen and 2 bathrooms totaling 900 square feet. It also has 3 lanais with a total area of 94 square feet, or a combined floor area of 994 square feet.

The third through fourteenth floors are identical with each floor containing five units: four 2-bedroom, 2 bathroom units, as described above, and one 1-bedroom, 1-bathroom unit using Plan A, consisting of a living/dining room, kitchen and 1 bathroom of 720 square feet with a 77 square feet lanai, or a combined floor area of 797 square feet.

The fifteenth floor consists of five apartments. Apartment A-1 has the same layout as the one bedroom "A" apartments on the floors below. The other four apartments on the floor are B-1, C-1, D-1 and E-1, each consisting of two levels on the fifteenth and sixteenth floors, and are designated penthouse apartments.

Apartment B-1 consists of an entry, kitchen, dining room with lanai, living room with lanai, a bedroom with lanai and a bath on the fifteenth floor and an inside staircase connecting to the sixteenth floor consisting of two bedrooms, both with lanais and one with a connecting den, and two baths. This unit has a floor area of 1756 square feet and 171 square feet of lanais for a total combined area of 1927 square feet.

Apartment C-1 consists of an entry, kitchen, dining room with lanai, living room with two lanais and a powder room on the 15th floor, and an inside staircase connecting to the sixteenth floor consisting of three bedrooms with lanais, and two baths. This unit has a floor area of 1886 square feet, and 279 square feet of lanais for a total combined area of 2165 square feet.

Apartment D-1 consists of an entry, kitchen, dining room with lanai, living room with two lanais and a powder room on the 15th floor, and an inside staircase connecting to the sixteenth floor consisting of three bedrooms with lanais, and two baths. This unit has a floor area of 1886 square feet and 279 square feet of lanais for a combined total area of 2165 square feet. (Note: This apartment is similar to apartment C-1 reversed)

Apartment E-1 consists of an entry, kitchen, dining room with lanai, living room with lanai, a bedroom with lanai, and a bath on the fifteenth floor, and an inside staircase connecting to the sixteenth floor consisting of two bedrooms with lanais, and two baths. This unit has a total floor area of 1606 square feet and 171 square feet of lanais for a combined total area of 1777 square feet.

The four penthouses have access to a recreation deck and landscaped garden on the roof consisting of a total area of 986 square feet.

The basement level, containing a gross floor area of 19,600 square feet, houses tenant storage rooms, transformer and pump rooms and a pool equipment room. Off-street parking will be provided for 38 cars in the basement with an additional 39 parking spaces located on the lobby floor, five feet above ground level. The lobby floor (first floor) consist of the lobby, mail boxes area, trash room, janitor's room, elevator shaft, planters, hallway, stairwells, and parking as delineated on the proposed Condominium Map. The Condominium Map also reveals that a golf practice range will be installed on the basement level.

The Commission has been informed by the Developer that all units will be carpeted, except for the bathrooms and kitchens.

2. Limits of Units. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each unit or any pipes, wires, conduits or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed

common elements as hereinafter provided. Each apartment shall include any adjacent lanai or lanais shown on said Condominium Map. Each unit shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, window and window frames, the inner decorated or finished surfaces of all walls, floors and ceilings and the air space bounded by the lanai or patio railing and the built-in fixtures, including ranges, garbage disposal units, and refrigerators.

COMMON ELEMENTS. The common elements will include the limited common elements described, herefollowing, and all other portions of the land and improvements other than apartment units, the land on which they are located and all elements mentioned in the Horizontal Property Act which are actually constructed on the land described herein, and specifically which 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 and walkways.
- (c) The roof.
- (d) All yards, grounds, landscaping and refuse storage areas.
- (e) All entrance structures, doors and accessways, entrance driveway, paved exit driveway and exit structure.
- (f) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant installations for services such as power, light, water and electric mains, refuse and telephone.
- (g) Two automatic self-servicing elevators.
- (h) Swimming pool.
- (i) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS. Certain parts of the common elements, herein called and designated as "Limited Common Elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

1. The walkways serving the apartments on each floor shall be appurtenant to and for the exclusive use of such apartments which it serves.
2. Parking Stalls: The parking stalls designated by apartment number similar to the respective apartments shall be offered first for sale to each apartment owner, which stall shall then be appurtenant to and for the exclusive use of such apartment, if purchased by said owner. Extra parking stalls, of which there are 2, shall be sold as additional units to the apartment owners.
3. The recreation deck and landscaped garden shall be for the exclusive use and enjoyment of the owners of the penthouse units.

INTEREST TO BE CONVEYED TO PURCHASER. Each apartment shall have appurtenant thereto an undivided fractional interest called herein its "common interest", in the common elements for all purposes, including voting, as follows:

<u>Apartment Units</u>	<u>Common Interest</u>
1 bedroom, 1 bath units Plan "A" (13 units)	1.108%
2 bedroom, 2 bath units Plan "B" (13 units)	1.482%
2 bedroom, 2 bath units Plan "C" (13 units)	1.482%
2 bedroom, 2 bath units Plan "D" (13 units)	1.382%
2 bedroom, 2 bath units Plan "E" (13 units)	1.382%
3 bedroom, 3 bath PH unit Plan "B-1" (1 unit)	2.701%
3 bedroom, 3 bath PH unit Plan "C-1" (1 unit)	3.069%
3 bedroom, 3 bath PH unit Plan "D-1" (1 unit)	3.069%
3 bedroom, 3 bath PH unit Plan "E-1" (1 unit)	2.493%

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

Other Easements. In addition to any exclusive easements hereby established in the limited common elements, the apartments and common elements shall also have and be subject to the following easements:

- a. Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, utility services for, and support, maintenance and repair of such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments and limited common elements of its building or structure for support.
- b. If any part of the common elements encroaches upon any apartment or limited common element, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall and does exist.
- c. The Association of Apartment Owners shall have the right to be exercised by its Board of Director or the Managing Agent, to enter such apartment and the limited common elements from time to time during reasonable hours as may be necessary for the operation of the project or for making emergency repairs therein necessary to prevent damage to any apartments or common elements.

Alteration and Transfer of Interests. The common interest and easements appurtenant to each apartment shall have a permanent character and shall not be altered without the consent of all the apartment owners affected, expressed in an amendment to this declaration duly recorded. The common interest and easements shall not be separated from the apartment to which they appertain and shall be deemed to be conveyed, leased or encumbered with such apartment even though such interest or easements are not expressly mentioned or described in the conveyance or other instrument.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE. The residential apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests and for no other purposes, unless consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of this Declaration.

OWNERSHIP TO TITLE. The land is owned in fee simple by the Roman Catholic Bishop of Honolulu, a corporation sole. It was leased on April 1, 1961 to William Hin Chee Young and

Violet Choy Young, husband and wife, as joint tenants for a term of 65 years. This lease was assigned by Instrument dated February 28, 1962 to Willard Marn Pui Wong and Mary Song Wong, husband and wife, filed as Document No. 288841-42 and subsequently assigned by Willard Marn Pui Wong and Mary Song Wong, husband and wife, to Pacific Leisure Enterprises, Inc., a Delaware corporation, by Instrument dated September 18, 1970 and filed as Document No. 651423, noted on Transfer Certificate of Title Nos. 56925, 56952, 57040 and 61419.

ENCUMBRANCES AGAINST TITLE. The Preliminary Title Report issued on June 17, 1974 by Security Title Corporation lists the following encumbrances:

1. Tax Key: 2-6-25-15 Area Assessed: 21,450 Square Feet
Any real property taxes that may be due and owing
2. The terms and provisions of Lease dated April 1, 1961 filed in the said Office of the Assistant Registrar as Doc. No. 272267.
3. Mortgage dated October 26, 1973, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 656795, and also recorded in the Bureau of Conveyances of the State of Hawaii in Book 9585 Page 126, on November 7, 1973, made by PACIFIC LEISURE ENTERPRISES, INC., a Hawaii corporation, as Mortgagor, and WILLARD MARN PUI WONG and MARY SONG WONG, husband and wife, and HOWARD WONG, as Guarantors, to FINANCE FACTORS, LIMITED, a Hawaii corporation, as Mortgagee, to secure the repayment of the sum of \$700,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to. (also affecting other property)

That certain instrument attached to said mortgage recorded in said Bureau of Conveyances in Book 9585 Page 130, to which reference is hereby made. Consent thereto recorded in Book 9585 Page 134.

4. Mortgage and Guaranty dated May 1, 1974, filed in said Office of the Assistant Registrar as Document No. 678478, made by PACIFIC LEISURE ENTERPRISES, INC., a Delaware corporation licensed and authorized to do business in the State of Hawaii, as Mortgagor, and WILLARD MARN PUI WONG, MARY SONG WONG and HOWARD WONG, Guarantors, to FINANCE FACTORS, LIMITED, a Hawaii corporation, as Mortgagee, to secure the repayment of the sum of \$1,000,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

That certain Guaranty attached to said mortgage herein referred to.

5. Undated Financing Statement recorded on May 3, 1974, in the Bureau of Conveyances of the State of Hawaii in Book 9876 Page 133, made by PACIFIC LEISURE ENTERPRISES, INC., as Debtor, and FINANCE FACTORS, LIMITED as Secured Party.

In addition, each apartment shall have appurtenant thereto and shall be subject to such easements pertaining to or affecting the respective apartment as established by and described in the Declaration heretofore indicated in the preceeding paragraphs.

PURCHASE MONEY HANDLING. A copy of the executed Escrow Agreement dated June 28, 1974 by and between American Abstract and Escrow, Inc., as Escrow, and Pacific Leisure Enterprises, Inc., as Seller, has been submitted to the Commission as part of this registration. On examination, the Escrow Agreement and specimen Sales Contract (also submitted to the Commission as a part of this registration) are found to be in compliance with Chapter 514, Hawaii Revised Statutes. The provisions of the Sales Contract should be carefully read by the Purchaser.

The Escrow Agreement provides in part 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 \$15.00 cancellation fee, if Purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

(a) Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser then held hereunder by Escrow; or

(b) If a Purchaser's funds were obtained prior to the issuance of a final public report and if there is any change in the condominium building plans, subsequent to the execution of Purchaser's Sales Contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the Purchaser has given written approval or acceptance of the specific change; or

(c) If a Purchaser'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 Purchaser 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.

However, among other provisions, the specimen Sales Contract provides the following:

"All moneys received as deposits or down payment . . . from Buyer shall be deposited in a savings and loan institution. Interest earned on said monies shall be credited to Buyer up to the date of the issuance of a Final Horizontal Property Regimes (Condominium) Public Report on the Leisure Heritage Apartments as issued by the Real Estate Commission, State of Hawaii. Interest accruing thereafter shall be credited to Seller".

NOTE: The Developer advises the Commission that the latter provision in the specimen Sales Contract is correct, and the Escrow Agreement will be corrected by adopting the above provision of the said Sales Contract and made a part thereof.

The specimen Sales Contract filed as a part of the registration recites the conditions under which the Purchaser acknowledges receipt of this Preliminary Public Report.

It is incumbent upon the purchaser that he reads with care the Sales Contract and Escrow Agreement. The Escrow Agreement establishes how the proceeds and the sale of the apartments and all sums from any source are placed in trust as well as the retention, disbursement and refund of said trust fund.

MANAGEMENT AND OPERATION. The proposed Declaration of Horizontal Property Regime provides that the operation of the project shall be conducted for the Association of Apartment Owners by a managing corporate agent which shall be a responsible Hawaii corporation appointed by the Association in accordance with the By-Laws, subject to written approval by the Trustees, which approval shall not be unreasonably withheld. The initial managing agent has not yet been appointed but its name will be submitted prior to the issuance of the Final Public Report.

STATUS OF PROJECT: The Developer advises the Real Estate Commission that completion of the building is expected on or about July 30, 1974.

The purchaser or prospective purchaser should be cognizant of the fact that this Preliminary Public Report represents information disclosed by the Developer in the required Notice of Intention submitted July 12, 1974, and information subsequently submitted on July 23, 1974.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 703 filed with the Commission on July 12, 1974.

This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimilies must be yellow in color.

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

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ESCROW AGENT

Registration No. 703

July 24, 1974