

**REAL ESTATE COMMISSION**

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET  
P. O. BOX 3409  
HONOLULU, HAWAII 96801

**PRELIMINARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT**

ON

LEHUA NANI  
950 Lehua Street  
Pearl City, Hawaii

REGISTRATION NO. 715

**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: September 23, 1974  
Expires: October 23, 1975

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 prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED AUGUST 30, 1974, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS SEPTEMBER 20, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. LEHUA NANI is a leasehold condominium project consisting of one 9-story building, having a total of forty-nine (49) apartment units. Sixty-three (63) parking stalls are available.
2. The Developer of the project has filed all documents and materials being necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners, and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.

4. No advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, September 23, 1974, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

NAME OF PROJECT: LEHUA NANI.

LOCATION: The site, containing approximately 22,500 square feet is located at 950 Lehua Street, Pearl City, Hawaii.

TAX MAP KEY: 9-7-21-20.

ZONING: A-3

DEVELOPER: Schrader Investment and Development Corporation, a Hawaii corporation, whose address is 2074-C Young Street, Honolulu, Hawaii. The officers of which are: Ralph A. Schrader, President, 2074-C Young Street, Honolulu, Hawaii; James Lang, Secretary, 1082-B Kinau Street; and Charles E. Zimmer, Treasurer, 2033 Nuuanu Avenue, PH-C, Honolulu, Hawaii.

ATTORNEYS REPRESENTING DEVELOPER: Conroy, Hamilton, Gibson, Nickelsen & Rush (Attention: Dwight M. Rush and D. Scott MacKinnon), 20th Floor Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone: 521-2611.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a leasehold condominium project consisting of one 9-story building, including a basement, constructed principally of concrete and concrete block. There will be forty-nine (49) apartments designated in the spaces within the perimeter walls, floors and ceilings of each of the 49 apartment units of the project, which spaces together with appurtenant lanais, if any, are referred to herein as "apartments", and are designated on said plans and described as follows:

(a) The 49 apartments are located on the 3rd through 9th residential floors of the building, which residential floors are situated above two (2) parking levels, the first (basement) and second (ground) floors.

(b) Apartments 301, 302, 303, 304, 305, 306 and 307 are located on the third floor; Apartments 401, 402, 403, 404, 405, 406 and 407 are located on the fourth floor; Apartments 501, 502, 503, 504, 505, 506 and 507 are located on the fifth floor; Apartments 601, 602, 603, 604, 605, 606 and 607 are located on the sixth floor; Apartments 701, 702, 703, 704, 705, 706 and 707 are located on the seventh floor; Apartments 801, 802, 803, 804, 805, 806 and 807 are located on the eighth floor; and Apartments 901, 902, 903, 904, 905, 906 and 907 are located on the ninth floor.

(c) The apartments are constructed according to three (3) different floor plans, designated "A", "B" and "C", respectively on said plans, and each contains the number of rooms and approximate floor areas, according to its respective floor plan, as follows:

(i) Floor Plan "A": Apartments 301, 401, 501, 601, 701, 801, 901, ~~302, 402, 502,~~ 602, 702, 802, 902, 306, 406, 506, 606, 706, 806, 906, 307, 407, 507, 607, 707, 807 and 907 each contains two bedrooms, a bathroom, a living room, kitchen and lanai and a total area of approximately 818 square feet, including the lanai.

(ii) Floor Plan "B": Apartments 304, 404, 504, 604, 704, 804, 904, ~~305, 405, 505,~~ 605, 705, 805 and 905 each contains two bedrooms, a bathroom, a living room, kitchen and a lanai and a total area of approximately 827 square feet, including the lanai.

(iii) Floor Plan "C": Apartments 303, 403, 503, 603, 703, 803 and 903 each contains two bedrooms, a bathroom, a living room, kitchen and a lanai, and each contains a total area of approximately 861 square feet, including the lanai.

(d) The apartments on the 3rd through 9th floors have access to the lobby on each floor leading to an elevator and a stairway which connect with the lobby at the street level.

(e) The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter wall or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve any other apartment, the same being deemed common elements as hereinafter provided. Each apartment shall 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, any adjacent lanai shown on said Condominium File Plan, and all fixtures originally installed therein.

COMMON ELEMENTS: The proposed Declaration states that one freehold estate is designated in all remaining portions of the project, and referred to therein as the "common elements", including specifically but not limited to:

(a) Said land in fee simple;

(b) All foundations, columns, beams, supports, load-bearing walls, roofs, chases, entry halls, stairs, walkways, entrances

and exits of said building;

(c) All yards, grounds, landscaping, laundry and refuse areas;

(d) All parking areas, driveways and ramps.

(e) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;

(f) Swimming pool and adjacent areas, including Men's and Women's restrooms;

(g) 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: The proposed Declaration states that certain parts of the common elements, therein called the "limited common elements", are thereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

(a) One (1) or more parking stalls designated on said plans shall be appurtenant to and for the exclusive use of such apartment, as described and assigned in Exhibit "C" attached to said Declaration and incorporated herein by reference.

INTEREST TO BE CONVEYED TO PURCHASERS: The proposed Declaration states that each apartment shall have appurtenant thereto an undivided 1/49 fractional interest (2.0408+ percentage interest) in the common elements of the project. Such interest is hereby defined and referred to herein as the "common interest". The proportionate shares of 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.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and personal guests and for no other purpose. The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration.

OWNERSHIP OF TITLE: The Developer, in its Notice of Intention represents that the fee title to the property described in the Declaration for the Project is now held by Hawaiian Trust Company, Limited, a Hawaii corporation, as Trustee under unrecorded Revocable Living Trust Agreement dated August 14, 1973, executed by Henriette E. Austen, as Settlor, IN TRUST, as evidenced by Deed dated August 14, 1973, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9412, Page 199.

Ralph A. Schrader, husband of Jean Walworth Schrader, is the holder of the leasehold interest to said property under that certain Indenture of Lease dated March 10, 1972, recorded as aforesaid in Liber 8177, Page 359. Ralph A. Schrader will issue apartment subleases to lessees designated by Developer.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report issued by Security Title Corporation dated July 19, 1974, discloses the following encumbrances against title to the property:

1. The terms and provisions that certain lease dated March 10, 1972, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 8177, Page 359.
2. Further proceedings in the matter entitled "IN THE MATTER OF THE ESTATE OF EDMUND JOHN MICHAEL AUSTEN, DECEASED", now pending in the Circuit Court of the First Circuit, State of Hawaii, under Probate No. 36213.
3. For any taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor of the district in which the land is situated.

NOTE: The specimen Reservation Agreement includes a provision under which the purchaser agrees that until the Developer has closed out the sale of all of the apartments in the condominium project, or until December 31, 1976, whichever shall first occur, the purchaser will not enter into an agreement with any purchaser, lessee or owner of another apartment in the project and/or any third party under which the purchaser agrees to share expenses and/or rentals of apartments in the project, and that this agreement of the purchaser shall survive the issuance to the purchaser of the apartment lease demising the apartment and shall bind the purchaser's heirs, executors, administrators, successors and assigns during the term thereof.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated August 29, 1974, between Bank of Hawaii, as Escrow and the Developer, as "Seller", has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Reservation Agreement, filed with the Commission are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40, H.R.S. It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Reservation Agreement, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds. The specimen Reservation Agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided.

Among other provisions, the Escrow Agreement states that a purchaser shall be entitled to a refund of his funds 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 Seller to return to purchaser the funds of such

purchaser held by Escrow; or (b) If purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval of acceptance of the change; or (c) If the request is prior to the time the Final Public Report is issued, or if after such time, the final report differs in any material respect from the Preliminary Public Report, unless the purchaser has given written approval or acceptance of the difference; or (d) If the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report. Among other provisions the specimen Reservation Agreement provides that in the event less than twenty-five (25) apartment units are sold prior to December 31, 1975, Seller may at its option cancel this agreement, in which event Seller will cause Escrow to refund to Buyer all monies paid, without interest, and Seller shall be relieved and released of all further liability hereunder.

MANAGEMENT OF THE PROJECT: The proposed By-Laws which are incorporated in the proposed Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible corporate managing agent. The proposed Declaration states that the initial managing agent shall be Schrader Realty, Inc.

NOTE: The prospective purchaser is advised that the Developer of the project is not offering to provide services relating to the sale or rental of apartments of the project and no representation or reference to that effect has been made by or on behalf of the Developer. Rental of the apartments and the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser.

STATUS OF PROJECT: The Developer has entered into a contract with Nordic Construction Ltd. dated April 9, 1974, for construction of the Project. A commitment for interim construction financing has been obtained by the Developer from City Bank. Construction on the Project commenced on or about July 1, 1974, and Developer estimates that construction will be completed in June, 1975.

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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 August 30, 1974, and additional information subsequently filed as of September 20, 1974.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 715 filed with the Commission on August 30, 1974.

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.

*As Han Young*  
(for) DOUGLAS R. SODETANI, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION  
BUREAU OF CONVEYANCES  
PLANNING COMMISSION, CITY AND COUNTY OF HONOLULU  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT  
REGISTRATION NO. 715  
September 23, 1974