

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

## SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON

WAIKIKI TOWNHOUSE  
2421 Tusitala Street  
Waikiki, Oahu, Hawaii

REGISTRATION NO. 932

### **This Report Is Not an Approval or Disapproval of This Condominium Project**

It was prepared as a supplement to an earlier Report dated November 1, 1977, issued by the Real Estate Commission on the above 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: March 8, 1979  
Expires: June 1, 1980

### 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 TO SELL SUBMITTED AUGUST 26, 1977 AND INFORMATION SUBSEQUENTLY FILED AS OF MARCH 6, 1979. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Final Public Report of November 1, 1977 on WAIKIKI TOWNHOUSE, Registration No. 932, which Report was extended to June 1, 1979, the Developer reports that changes have been made in the plan or setup as presented in the August 27, 1977 Notice of Intention to Sell.

The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report (pink paper stock) amends the Final Public Report (white paper stock), becoming a part of the WAIKIKI TOWNHOUSE registration. The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers and prospective purchasers along with a copy of the Final Public Report. The buyer shall sign the required receipt signifying that he has had an opportunity to read both reports.

2. The Developer of the project has submitted to the Commission all documents deemed necessary for the registration of the condominium project and the issuance of this Supplementary Public Report.

3. The basic documents have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. The Declaration of Horizontal Property Regime with By-Laws attached was filed as aforesaid as Document No. 835023. Condominium Map No. 313 has been assigned to the project. Said Declaration was amended by instruments dated January 20, 1979 filed as Document No. 920239 and dated February 9, 1979 filed as Document No. 924762.

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

5. The Developer has requested and the Commission has approved another twelve (12) month extension of the Final Public Report to expire June 1, 1980.

6. Advertising material has been submitted in accordance with rules and regulations of the Commission.

Except for the information in the topical headings DEVELOPER, DESCRIPTION, COMMON ELEMENTS, INTEREST TO BE CONVEYED TO PURCHASERS, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, MANAGEMENT OF THE PROJECT and STATUS OF PROJECT, information under all other topical headings in the Final Public Report has not been disturbed.

DEVELOPER: WESTWOOD DEVELOPMENT, INC., a Hawaii corporation, the principal place of business and post office address of which is Suite 505, 677 Ala Moana Boulevard, Honolulu, Hawaii; Phone: 923-4936. The officers of the Developer are:

Stanley Cook  
William W. Becker

President/Treasurer  
Vice-President/Secretary

DESCRIPTION: The Developer has submitted to the Commission a Second Amendment to the Declaration for the Project revising the statement of the areas contained in all of the apartments

of the Project except apartment 101. By said Second Amendment to Declaration, subparagraphs A 1(c)(ii) and A 1(c)(iii) are amended in their entirety to read as follows:

(ii) Each of apartments 301, 302; 401, 402; 501, 502; 601, 602; 701, 702; 801, 802; 901, 902; 1001, 1002; 1101, 1102; 1201, 1202; 1301, 1302; 1401, 1402; 1501, 1502; 1601, 1602; 1701, 1702; 1801, 1802; 1901, 1902; 2001, 2002; 2101, 2102; 2201, 2202; 2301, 2302; 2401, 2402; 2501, 2502; 2601, 2602; 2701, 2702; 2801, 2802; 2901 and 2902 contains one bedroom, one bathroom, a kitchenette, living room and lanai, and a total area of approximately 590 square feet. Each such apartment shall have appurtenant thereto a common interest of .91%.

(iii) Each of apartments 303, 304; 403, 404; 503, 504; 603, 604; 703, 704; 803, 804; 903, 904; 1003, 1004; 1103, 1104; 1203, 1204; 1303, 1304; 1403, 1404; 1503, 1504; 1603, 1604; 1703, 1704; 1803, 1804; 1903, 1904; 2003, 2004; 2103, 2104; 2203, 2204; 2303, 2304; 2403, 2404; 2503, 2504; 2603, 2604; 2703, 2704; 2803, 2804; 2903 and 2904 contains one bedroom, one bathroom, a kitchen, living room and lanai, and a total area of approximately 682 square feet. Each such apartment shall have appurtenant thereto a common interest of .91%.

NOTE: The above changes in the respective areas of the apartments are due to the fact that the areas have been recalculated by the architect for the project.

COMMON ELEMENTS: The Developer has submitted to the Commission an Amendment to the Declaration of Horizontal Property Regime for the Project which amends the Condominium Map for the Project to the extent that the layout of the parking stalls contained on the site has been revised in such a manner that only thirty-three (33) stalls (six of which are compact) are now delineated, as compared to sixty-eight (68) which were described within that same space (first and second floors) on the Condominium Map as originally filed.

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration states that each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the project (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting, as set forth in the Commission's Final Public Report. Each purchaser will secure a Condominium Conveyance Document conveying an apartment, together with said undivided percentage interest in the common elements of the building of the project, and subleasing said undivided percentage interest in the land upon which the project is located.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report dated March 1, 1979 issued by Title Guaranty of Hawaii, Inc. states the following encumbrances against title to the property:

1. Real property taxes that are due and owing. Reference is made to the Office of the Tax Assessor, First Division.
2. As to Lot 61-A only; A perpetual right of way in favor of the owner of Lot 61-C of Land Court Application No. 350.
3. As to Lots 61-C-1 and 61-C-2 only: The covenant set forth in that certain deed dated April 6, 1920 and filed as Land Court Document No. 2213.
4. Grant in favor of the City and County of Honolulu dated July 9, 1930 filed as Land Court Document No. 22521; granting the right, privilege and authority to construct, operate and perpetually maintain a sewer main, as part of a sanitary sewer system, through, under, over and across Lots 59-B, 61-C-2 and 60-B.
5. Covenants, conditions, restrictions, easements, reservations and all other provisions set forth in Declaration of Horizontal Property Regime dated August 3, 1977 filed in the Office of the Assistant Registrar of the Land Court as Document No. 835023 and the By-Laws attached thereto. (Project covered by Condominium Map No. 313.) Said Declaration was amended by instruments dated January 20, 1979 filed as Document No. 920239 and dated February 9, 1979 filed as Document No. 924762.
6. That certain Master Lease dated May 1, 1974 filed as Document No. 677979 as amended on March 5, 1977 and filed as Land Court Document No. 810132.
7. Terms, agreements, reservations, covenants, conditions and provisions contained in Sublease dated August 2, 1977 filed as Land Court Document No. 835022.
8. Mortgage and Security Agreement dated December 22, 1978 filed as Land Court Document No. 924417 made by Westwood Development, Inc. in favor of City Bank, a Hawaii corporation.
9. Additional Security Mortgage dated December 22, 1978 filed as Land Court Document No. 924418, made by Calgary Development, Inc. a Hawaii corporation, to City Bank, a Hawaii corporation.

PURCHASE MONEY HANDLING: The purchaser's attention is called to the fact that the Developer has submitted an Addendum to the Condominium Reservation Agreement, Deposit Receipt & Contract (herein referred to as the "Sales Contract") wherein it agrees, among other things, to waive certain provisions giving it the right to cancel the Sales Contract upon the occurrence or non-occurrence of certain contingencies

and in the event it should fail to sell eighty percent (80%) of the apartments prior to December 31, 1978. The Addendum further specifies subordination of purchaser's rights under the sales contract to the interim loan for the project which has been made by City Bank to the Developer. It is incumbent upon purchaser to review said Addendum carefully before executing it because it becomes a part of purchasers' contract with the Developer.

A copy of a new executed Escrow Agreement dated July 24, 1978, between Security Title Corporation and the Developer has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Condominium Reservation Agreement, Deposit Receipt and Contract, filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

The new 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 Twenty Dollar (\$20.00) cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

1. Escrow receives a written request from the Seller to return to purchaser the funds of such purchaser then held hereunder by Escrow; or
2. 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 or acceptance of the change; or
3. If the request is prior to the time the Final Public Report is issued, or if after such time, 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 differences; or
4. If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report.

Upon refund of said funds to purchaser as aforesaid, Escrow shall return to Seller such purchaser's Sales Contract and any apartment deed theretofore delivered to Escrow, and thereupon purchaser shall be deemed no longer obligated thereunder.

If at any time the Seller shall certify in writing to Escrow that a purchaser, whose funds are being held hereunder by Escrow, has defaulted under the terms of his Sales

Contract and that the Seller has terminated said Contract pursuant to the terms hereof, Escrow shall notify said purchaser of said default and shall thereafter treat all funds such purchaser paid under such Contract, less Escrow's Twenty Dollar (\$20.00) cancellation fee, as the escrowed funds of said Seller and not of purchaser.

All funds received by Escrow shall be deposited in an interest bearing account or accounts in a federally insured bank or savings and loan institution, to be held therein subject to all the terms and provisions hereof and to be subject to being drawn only upon written approval or signature by Escrow. All interest earned from such account or accounts shall be credited to the account of Seller pursuant to agreement between Seller and purchasers as set forth in said Contract of Sale.

It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Condominium Reservation Agreement, Deposit Receipt and Contract and the Addendum thereto, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchaser's funds. The specimen Sales Agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided.

MANAGEMENT AND OPERATIONS: The Declaration provides that the operation of the project shall be conducted for the Association of Apartment Owners by a responsible managing agent who shall be appointed by the Association in accordance with the By-Laws. DILLINGHAM LAND CORPORATION has been appointed managing agent of the project. The previous agreement with Pacific Islands Management, Ltd., has been cancelled.

STATUS OF PROJECT: The Developer has entered into a contract for construction of the project with Hawaiian Dredging and Construction Company, a division of the Dillingham Corporation. The Developer estimates that the project shall be completed on or about September, 1979.

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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 26, 1977, and additional information subsequently filed as of March 6, 1979.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 932 filed with the Commission on April 27, 1977. This report when reproduced shall be a true copy of the Commission's

Public Report. The paper stock used in making facsimiles must be pink.

*Ah Kau Young*

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AH KAU YOUNG, 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. 932

March 8, 1979