

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
KU'U MAKANA AT DIAMOND HEAD
3165 Diamond Head Road
Honolulu, Hawaii

REGISTRATION NO. 1240

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 : March 10, 1980
Expires: April 10, 1981

SPECIAL ATTENTION

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

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED ON FEBRUARY 6, 1980, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF MARCH 7, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. KU'U MAKANA AT DIAMOND HEAD is a proposed fee simple condominium project consisting of one two-story building containing a total of 4 residential apartments. Each apartment has an appurtenant garage which will accommodate two cars. In addition, there are twelve unassigned uncovered parking stalls as shown on the plans for the project.

2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, with Bylaws of Association of Apartment Owners attached, and a copy of the approved floor plans) have not yet been recorded in the office of the recording officer.
4. No advertising or promotional matter has been filed with the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Preliminary Public Report is made a part of the registration on KU'U MAKANA AT DIAMOND HEAD condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) and Disclosure Statement in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.
7. This Preliminary Public Report automatically expires thirteen months after date of issuance, March 10, 1980, unless a Final or Supplementary Public Report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KU'U MAKANA AT DIAMOND HEAD

LOCATION: The project is located on a parcel of land comprising an area of approximately 29,731 square feet and situate at 3165 Diamond Head Road, Honolulu, Hawaii. The description of the land is more fully set forth in the proposed Declaration.

TAX KEY: 3-1-36:4, First Division

ZONING: R-6 Residential

DEVELOPER: The Notice of Intention, as amended, reveals the Developer to be JuneAllan, Inc., a Hawaii corporation, and Allan H. Renton, husband of Doris Davis Renton. JuneAllan, Inc. has its principal place of business and post office address at 1910 Financial Plaza of the Pacific, Honolulu, Hawaii 96813 (Telephone (808) 524-5252). The officers of JuneAllan, Inc. are as follows:

Allan H. Renton, President, Treasurer and Director
June R. Offer, Vice-President, Secretary and Director
Winfred Hung Wong, Vice-President and Director
Harry H. Otsuji, Vice-President

JuneAllan, Inc. will own an undivided 75% interest in the property and will sell three out of the four apartments of the project (Apartment Nos. 1, 2 and 4). The remaining undivided 25% interest in the property is owned and will be retained by Allan H. Renton, who will also own and retain title to the Apartment No. 3 of the project. This report covers all four apartments.

ATTORNEY REPRESENTING DEVELOPER: Ashford & Wriston (Galen C. K. Leong and Diane S. Kishimoto), 235 Queen Street, Honolulu, Hawaii 96813 (Phone: 524-4787).

DESCRIPTION OF PROJECT: The proposed Declaration states that there will be one building in the Project of two stories constructed principally of wood, metal and glass. There are no basements. The building will contain a total of 4 residential apartments. There will be four garages and twelve unassigned parking stalls.

The apartments are more particularly described as follows:

(a) Four (4) estates are designated as apartments in the spaces within the perimeter walls, floors and ceilings of each of the apartments as shown on the Condominium Map.

The apartments are numbered, located and described as follows:

Apartment Nos. 1 and 2 are located, respectively, on the eastern and western sides of the first floor of the sole building of the Project.

Apartment Nos. 3 and 4 are located, respectively, on the eastern and western sides of the second floor of the building.

Apartment No. 1 consists of an entry and a gallery, twelve rooms (a living-dining room, a kitchen, a study, a powder room, a master bedroom, a dressing room, a bathroom, a bedroom, a bathroom, a studio with an adjoining bathroom and a utility room), a lanai, an enclosed court off of the master bedroom, dressing room and bathroom and an enclosed court off of the second bedroom. The apartment, exclusive of the lanai and courts, has an approximate gross floor area of 3,286 square feet, the lanai comprises 659 square feet and the two courts comprise 323 square feet, for an aggregate approximate gross floor area for the apartment of 4,268 square feet.

Apartment No. 2 is the mirror-image of Apartment No. 1.

Apartment No. 3 consists of an entry and a gallery, fourteen rooms (a living-dining room, a kitchen, a study, a powder room, a master bedroom with an adjoining solarium, a dressing room, a bathroom, a bedroom with an adjoining bathroom, a bathroom, a utility room, a vestibule and a studio) and a lanai. The apartment, exclusive of the lanai, has an approximate gross floor area of 3,536 square feet and the lanai comprises 674 square feet, for an aggregate approximate gross floor area for the apartment of 4,210 square feet.

Apartment No. 4 is the mirror-image of Apartment No. 3.

(b) Each apartment has immediate access to the grounds of the Project or to stairways leading to the grounds of the Project.

(c) Except as specifically otherwise provided in the Declaration, an apartment shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls, the unfinished surfaces of the floors and ceilings which surround each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as provided in the proposed Declaration. Each apartment shall be deemed to include all of the walls and partitions within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings of the apartment, the lanai, all windows and window frames, doors and door frames, and glass walls at the perimeter of the apartment and all fixtures and appliances originally installed therein for its exclusive use.

(d) Whenever given in the proposed Declaration, "approximate gross floor area" has been determined by measuring the horizontal area of the particular space from the exterior face of an exterior wall to the exterior face of the opposite exterior wall or to the center line of the opposite wall if such wall separates two apartments. Stairways, lanais and courts are included within the total approximate gross floor area of an apartment.

COMMON ELEMENTS: The remaining portions of the proposed Project are designated as "common elements", including specifically but not limited to:

(a) The land in fee simple.

(b) The foundations, floor slabs, supports, unfinished perimeter and load-bearing walls, roofs and stairs of the building.

(c) The yards and grounds, fences, walkways, driveways, pavement and twelve unassigned parking spaces.

(d) Central facilities and appurtenant installations for utility and other common services such as power, light, gas and water.

(e) The restroom adjacent to the garages for Apartment Nos. 3 and 4 and the storage room adjacent to the garages for Apartment Nos. 1 and 2, as shown on the Condominium Map.

(f) All other apparatus and installations existing for common use.

(g) 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 the "limited common elements", are designated and set aside for the use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements as follows:

(a) Each apartment shall have appurtenant thereto an exclusive right to use the garage assigned to such apartment as shown on the Condominium Map. Each garage contains an approximate gross floor area of 567 square feet. Each garage is defined as including the space within the perimeter walls, floors and ceiling of each garage as shown on the Condominium Map. The roll-up door shall be deemed a part of the garage.

(b) Each apartment shall have appurtenant thereto the exclusive right to use the stairs, landings and entries leading to the front door of such apartment.

(c) Each apartment on the second floor shall have the exclusive right to use the dumbwaiter which rises to such apartment from the garage which is appurtenant to such apartment.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided 25% interest in all common elements of the Project (called the "common interest") and the same proportionate share in the common expenses of the Project and for all other purposes, including voting.

EASEMENTS: In addition to any easements designated in the proposed Declaration in the limited common elements, the apartments and common elements shall have and be subject to the following easements:

1. Each apartment shall have appurtenant thereto nonexclusive easements in the common elements designed for such purposes for ingress to, egress from, utility services for and support of such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive or limited use of the limited common elements as provided in the proposed Declaration.

2. 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. If any portion of the Project shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements or apartments due to such construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist.

3. The Association of Apartment Owners of the Project shall have the right, to be exercised by its Board of Directors or Managing Agent, to enter any apartment or limited common element from time to time during reasonable hours as may be necessary for the operation of the Project or for the installation, repair or replacement of any common elements or at any time for making emergency repairs therein required to prevent damage to any apartments or common elements.

PURPOSES AND RESTRICTIONS: The apartments shall be occupied and used as residential dwellings by the respective owners thereof, their tenants, families, domestic servants and guests.

The apartments may not be used for hotel or transient purposes, nor shall any apartment owner enter into or permit, by deed, agreement of sale, lease, license or any other means, the use of his apartment for time-sharing purposes, which shall mean and include, but not be limited to, any plan of ownership wherein particular persons, as owners or otherwise, are permitted to use the apartment and its appurtenances for a particular recurring limited period of time.

Except for the above expressed restrictions, the owners of the respective apartments shall have the absolute right to lease such apartments to the same persons for periods of not less than three consecutive months, subject to all provisions of the

proposed Declaration, provided that such lease is in writing and a signed copy thereof has been filed with the Board of Directors prior to the actual occupancy of the lessee.

The House Rules provides in part that no animals, including cats and dogs shall be allowed in any part of the Project except that confined common household pets, such as tropical fish or small birds may be kept in the apartments.

NOTE: The project is being developed under Application for a Diamond Head Historic, Cultural and Scenic District Certificate of Appropriateness and Cluster Housing Development (Application Nos. 79/DH-7 and 79/CL-3) filed with the Director of Land Utilization of the City and County of Honolulu pursuant to the Comprehensive Zoning Code of the City and County of Honolulu, as amended. The Findings of Fact, Conclusions and Decision and Order dated April 12, 1979, in Application Nos. 79/DH-7 and 79/CL-3, attached to the proposed Declaration as Exhibit C, relate to the project. Said Decision and Order contains among its provisions certain conditions which have been satisfied, waived or amended; therefore, except to the extent that any portion of said Decision and Order has been satisfied or waived, to the extent that said Decision and Order, as amended, contains any restrictive conditions which may be constituted as restrictive covenants running with the land, such restrictive conditions shall constitute restrictive covenants running with the land.

OWNERSHIP OF TITLE: The Preliminary Report dated January 16, 1980, issued by Title Guaranty of Hawaii, Incorporated, states that title to the land is vested in Allan Hopkins Renton and June Renton Offer, whose address is 3165 Diamond Head Road, Honolulu, Hawaii 96815.

The Developer reports that it has entered into a Deposit, Receipt, Offer and Acceptance to purchase a 75% interest in the land. The remaining 25% interest will be retained by Allan Hopkins Renton.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated January 16, 1980 reports that title to the land is subject to the following:

1. For real property taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor, First Division.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Location of the seaward boundary in accordance with the laws of the State of Hawaii, and shoreline setback line in accordance with County regulation and/or ordinance.

4. Dower interest of Floria L. Renton, widow of Allan Renton, as set forth in Deed recorded in Liber 12431, at Page 281.

5. Any matters that a modern survey may reveal.

PURCHASE MONEY HANDLING: A copy of the specimen Sales Contract and the executed Escrow Agreement dated December 31, 1979, have been submitted as part of the registration. The Escrow Agreement identifies Bank of Hawaii as the Escrow. Upon examination, the Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. It is incumbent upon the purchaser and prospective purchaser that he read with care the specimen Sales Contract and the executed Escrow Agreement. The latter agreement establishes how the proceeds from the sale of apartments and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds.

The executed Escrow provides in part:

A purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, without interest, promptly after request for return by the purchaser if one of the following has occurred:

(a) Developer asks Escrow to return to the purchaser the funds of purchaser then being held by Escrow; or

(b) Developer notifies Escrow of Developer's exercise of the option to rescind the sales contract pursuant to any right of rescission provided therein or otherwise available to Developer.

(c) The conditions provided for a refund under Sections 514A-63, 514A-64, or 514A-66 of the Horizontal Property Act (as amended on the date upon which the Sales Contract becomes binding and effective) have been met, and written notice thereof has been provided to the Seller.

Escrow shall, upon the occurrence of the event described in (a), (b) or (c) above, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee to Escrow of not less than \$25.00 per apartment or a cancellation fee commensurate with the work done by Escrow prior to such cancellation, whichever fee is greater but not more than \$50.00) and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder.

The specimen Sales Contract also provides, in part, that all rights of a Purchaser are and shall be subject and subordinate to the liens of any mortgage(s), advances or sums heretofore or hereafter made to finance the construction and other costs of the project.

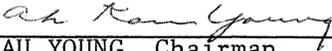
MANAGEMENT AND OPERATIONS: The proposed Declaration provides that the administration of the project shall be vested in the Association of Apartment Owners. Operation of the project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association in accordance with the Bylaws except that the initial Managing Agent shall be appointed by the Developer. It is anticipated that Aaron Chaney, Inc., whose principal place of business and post office address is 841 Bishop Street, Suite 400, Honolulu, Hawaii 96813 (Phone: 521-6971), will be named as the initial Managing Agent.

STATUS OF PROJECT: The estimated date of commencement of the project is July 1, 1980.

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 February 6, 1980, and information subsequently filed as of March 7, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1240.

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



AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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Federal Housing Administration
Escrow Agent

REGISTRATION NO. 1240

March 10, 1980