

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

LEILEHUA HOMES
1973 and 1975 Alai Place
Wahiawa, Oahu, Hawaii

REGISTRATION NO. 1400 (CONVERSION)

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: November 30, 1981
Expires: December 30, 1982

SPECIAL ATTENTION

A comprehensive reading of this report 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 the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 12, 1981 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF NOVEMBER 24, 1981. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. LEILEHUA HOMES is a proposed fee simple condominium project consisting of ten (10) apartment units contained in twelve (12) existing single-family detached apartments (or dwellings*). There will be a total of twelve (12) open detached parking stalls. These parking stalls will be located in proximity of each apartment and assigned as follows: Apartments 1 thru 8 will have one (1) stall assigned to each apartment, and apartments 9 and 10 will each be assigned two (2) stalls.

*as referred to by definition for such a structure under the Comprehensive Zoning Code (CZC) of the City and County of Honolulu.

2. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for the registration of this 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 yet been recorded in the Bureau of Conveyances of the State of Hawaii.
4. Advertising or promotional matter has been submitted 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 Chapter 514A, Hawaii Revised Statutes, as amended, and the rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. The Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, November 30, 1981, unless a Final or Supplementary Public Report is published, or the Commission, upon review of the registration, issues an order extending the effective date of this report.

This Preliminary Public Report is made a part of the registration of LEILEHUA HOMES condominium project.

7. The Developer shall be responsible for placing this Preliminary Public Report (yellow paper stock) together with Disclosure Abstract in the hands of all purchasers and prospective purchasers, and for securing a signed receipt therefor from each purchaser and prospective purchaser.

NAME OF PROJECT: LEILEHUA HOMES

LOCATION: The approximate 1.99 acres of land committed to the Project is located in Wahiawa, City and County of Honolulu, State of Hawaii.

TAX KEY: First Division, 7-5-10-1.

ZONING: R-6, under the ordinances of the City and County of Honolulu.

DEVELOPER: W.I.M.E. Corporation, a Hawaii corporation, whose principal place of business is 173-C South Kukui Street, Honolulu, Hawaii 96813 (Telephone No. 523-2441). The officers of the corporation are as follows:

President	Winston Mirikitani
Vice President	Irene Mirikitani
Vice President	Eleanor Mirikitani
Secretary/Treasurer	Marian Mirikitani Miura

ATTORNEY REPRESENTING DEVELOPER: THOMAS A. BODDEN, Attorney at Law, A Law Corporation, 1993-200 South Kihei Road, Kihei, Maui, Hawaii 96753 (Telephone: 808-879-7755).

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and the plans submitted by the Developer reflect that the Project is to consist of ten (10) residential apartments, arranged throughout twelve (12) separate buildings numbered 1 through 10.

Apartment 1, contained in Building 1, consists of a living room, kitchen, two bedrooms, one bathroom and a porch, and contains a floor area of approximately 736 square feet.

Apartment 2, contained in Building 2, consists of a living room, kitchen, two bedrooms and one bathroom, and contains a floor area of approximately 617 square feet.

Apartment 3, contained in Building 3, consists of a living room, kitchen, two bedrooms, one bathroom and a washroom, and contains a floor area of approximately 678 square feet.

Apartment 4, contained in Building 4, consists of a living room, kitchen, two bedrooms, one bathroom and a washroom, and contains a floor area of approximately 639 square feet.

Apartment 5, contained in Building 5, consists of a living room, kitchen, two bedrooms and one bathroom, and contains a floor area of approximately 610 square feet.

Apartment 6, contained in Building 6, consists of a living room, kitchen, two bedrooms, one bathroom and a storage room, and contains a floor area of approximately 918 square feet.

Apartment 7, contained in Building 7, consists of a living room, kitchen, two bedrooms and one bathroom, and contains a floor area of approximately 719 square feet.

Apartment 8, contained in Building 8, consists of a living room, kitchen, two bedrooms and one bathroom, and contains a floor area of approximately 596 square feet.

Apartment 9, contained in Buildings 9A and 9B: Building 9A being a one-story dwelling unit, consists of a living room, kitchen, two bedrooms and one bathroom, and contains a floor area of approximately 607 square feet; Building 9B being a one-story dwelling unit, consists of a living room, kitchen, two bedrooms and one bathroom, and contains a floor area of approximately 595 square feet.

Apartment 10, contained in Buildings 10A and 10B: Building 10A being a one-story dwelling unit, consists of a living room, dining room, kitchen, three bedrooms and one bathroom, and contains a floor area of approximately 1,002 square feet; Building 10B being a one-story dwelling unit, consists of a combined living room, dining room and kitchen, a family room, one bedroom and one bathroom, and contains a floor area of approximately 598 square feet.

The respective apartments shall not be deemed to include 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 hereinafter provided. Each apartment shall be deemed to include all interior and exterior walls and partitions, all foundations, supports, floors, ceilings and roofs, halls, stairways, doors and door frames, windows and window frames, entrances and exits, the appurtenant decks, the deck air space, the appurtenant garage, if any, all service lines or utility installations for the sole use of said apartment, and all fixtures originally installed therein. Each building is constructed principally of wood.

COMMON ELEMENTS: The proposed Declaration reflects that the common elements shall include all remaining portions of the Project other than the apartments, including specifically but not limited to:

- (a) The land in fee simple;
- (b) All yards, grounds and landscaping;
- (c) All roads, driveways, easements, accessways and parking areas;
- (d) 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;
- (e) 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 the "limited common elements," are hereby 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) All yards, grounds, landscaping, driveways, walkways, steps and other installations included within the boundary designated "Yard 1" on the Condominium File Plan, including Parking Space No. P-1, and containing approximately 7,655 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 1;
- (b) All yards, grounds, landscaping, roads, driveways, walkways, steps and other installations included within the boundary designated "Yard 2" on the Condominium File Plan, including Parking Space No. P-2, and containing approximately 9,320 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 2;
- (c) All yards, grounds, landscaping, driveways, walkways, steps and other installations included within the boundary designated "Yard 3" on the Condominium File Plan, including Parking Space No. P-3, and containing approximately 10,129 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 3;
- (d) All yards, grounds, landscaping, roads, driveways, walkways, steps and other installations included within the boundary designated "Yard 4" on the Condominium File Plan, including Parking Space No. P-4, and containing approximately 7,233 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 4;
- (e) All yards, grounds, landscaping, driveways, walkways, steps and other installations included within the boundary designated "Yard 5" on the Condominium File Plan, including Parking Space No. P-5, and containing approximately 10,702 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 5;
- (f) All yards, grounds, landscaping, roads, driveways, walkways, steps and other installations included within the boundary designated "Yard 6" on the Condominium File Plan, including Parking Space No. P-6, and containing approximately 7,404 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 6;
- (g) All yards, grounds, landscaping, driveways, walkways, steps and other installations included within the boundary designated "Yard 7" on the Condominium File Plan, including Parking Space No. P-7, and containing approximately 6,680 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 7;
- (h) All yards, grounds, landscaping, roads, driveways, walkways, steps and other installations included within

the boundary designated "Yard 8" on the Condominium File Plan, including Parking Space No. P-8, and containing approximately 3,720 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 8;

- (i) All yards, grounds, landscaping, roads, driveways, walkways, steps and other installations included within the boundary designated "Yard 9" on the Condominium File Plan, including two (2) parking spaces no. P-9, and containing approximately 5,280 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 9;
- (j) All yards, grounds, landscaping, roads, driveways, walkways, steps and other installations included within the boundary designated "Yard 10" on the Condominium File Plan, including two (2) parking spaces no. P-10, and containing approximately 7,564 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 10;

The owner of each apartment shall be individually responsible for the proper repair and maintenance of such limited common elements appurtenant to his respective apartment and shall at all times keep the same in good order and condition, and maintain and keep the land of such area and all land adjacent thereto in a neat and attractive condition and all trees and shrubs and grass therein in good cultivation and replant the same as may be necessary, and repair and make good all defects in the same of which notice shall be given by the Board of Directors or Managing Agent, within thirty (30) days after the giving of such notice. The owner of each apartment shall make, build, maintain and repair all fences, sewers, drains, roads, curbs, sidewalks and parking areas which may be required by law to be made, built, maintained and repaired upon or adjoining or in connection with or for the use of his individual apartment or the limited common elements appurtenant thereto.

In addition, each apartment owner shall be individually responsible for the proper repair and maintenance of the exterior of his apartment, and may, with the approval of the Board of Directors, make such improvements or alterations in the external appearance as may reasonably be proper and permitted by law.

INTEREST TO BE CONVEYED TO PURCHASER: Each purchaser of an apartment shall receive a Condominium Deed which shall convey to such purchaser fee simple ownership of the apartment purchased by such purchaser together with an undivided interest in the Land included within the Project. The land interest of each purchaser shall be equal to the percentage interest in the common elements appurtenant to such purchaser's apartment.

The proposed Declaration provides that each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the Project as set forth below and the same proportionate share in all common profits and expenses of the Project including voting.

<u>Apt. No.</u>	<u>Percentage of common interest</u>
1	9.25
2	10.75
3	10.75
4	9.25
5	10.75
6	9.25
7	9.25
8	6.25
9	12.25
10	12.25

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The proposed Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, licensees, families, domestic servants and social guests, and for no other purpose. The use of an apartment as the location of a business is expressly prohibited. The respective apartment owners shall have the absolute right to rent or lease their apartments, subject to all provisions of the Declaration, By-Laws, and House Rules.

An apartment owner shall not, without the prior written consent of the Board of Directors of the Association of Apartment Owners, make any structural alterations in or additions to the Apartment visible from the exterior of the Apartment, or make any alterations in or additions to the exterior of the Apartment or to any other portion or portions of the common elements unless otherwise provided in the By-Laws.

The House Rules provide, among others, (1) No pets, livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept on any part of the Project; (2) Bicycles, tricycles, skateboards and similar vehicles shall not be operated on walkways or sidewalks of the Project; and (3) Trailers, boats or abandoned vehicles shall not be parked or stored in the parking areas.

OWNERSHIP OF TITLE: A Preliminary Report issued on August 25, 1981, by American Pacific Title Company, Inc. certifies that title to the property is held by Chiyoko Mirikitani and Winston Mirikitani, Trustees under that certain Revocable Trust of Isami Mirikitani dated July 29, 1977, and Chiyoko Mirikitani, Trustee under that certain Declaration of Revocable Trust of Chiyoko Mirikitani dated September 6, 1977, subject to an Option to Purchase Agreement dated March 19, 1980 and amended May 1, 1981, to W.I.M.E. Corporation, as Optionee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 14845, Page 382, with amendment recorded at said Bureau in Liber 15811, Page 192.

The Developer has advised it intends to exercise the above Option following the issuance of this Preliminary Public Report and prior to the sale of all ten (10) of the residential apartments.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated August 25, 1981, and other documents furnished to the Commission, states that title to the property is subject to the following encumbrances:

1. Any taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of the Tax Assessor of the First Division, City and County of Honolulu, Hawaii.

AS TO PARCEL FIRST:

2. WATER RIGHTS as contained in that certain instrument dated April 18, 1903, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 266, Page 26, to which reference is hereby made.
3. MEMORANDUM OF OPTION

OPTIONOR: CHIYOKO MIRIKITANI and WINSTON MIRIKITANI, TRUSTEES under that certain Revocable Trust of Isami Mirikitani, dated July 29, 1977, and CHIYOKO MIRIKITANI, TRUSTEE under that certain Declaration of Revocable Trust of Chiyoko Mirikitani, dated September 6, 1977

OPTIONEE: W.I.M.E. CORPORATION, a Hawaii corporation

DATED: March 19, 1980

LIBER 14845, PAGE 382

RE: Option to purchase which must be exercised not later than 14 months from March 19, 1980. Therefore it is agreed that if the option to purchase is not exercised by that date, or if the property is not conveyed by Optionor to Optionee or his assignee within 60 days after said date, then this Memorandum, the Option described therein, and all of the Optionee's right, title, interest, or claim to the property shall thereupon immediately become null and void.

NOTE: The option was extended by Memorandum of Extended Option, dated May 1, 1981, between the above optionor and optionee, to extend the period of effectiveness of the Developer's Option to June 30, 1982. This Memorandum of Extended Option was recorded at the Bureau of Conveyances of the State of Hawaii in Liber 15811, Page 192.

4. The TERMS, PROVISIONS, CONDITIONS and RESTRICTIONS, if any, contained in the unrecorded Revocable Trust of Isami Mirikitani, dated July 29, 1977, and in the unrecorded Declaration of Revocable Trust of Chiyoko Mirikitani, dated September 6, 1977, Memorandums of which were recorded in the said Bureau of Conveyances in Liber 15811, Page 197, and in Liber 15811, Page 204, respectively.

AS TO PARCEL SECOND:

5. Rights-of-way over, along and across the 30-Foot Roadway in favor of all the Grantees from Guardian Trust Company, Limited, Trustee, and/or Bishop Trust Company, Limited, Trustee, and their heirs, successors and assigns, of land abutting on or adjoining the Roadway.
6. GRANT OF RIGHT OF WAY

IN FAVOR
OF:

LARRY T. YANAGISAKO (no marital status given),
POK KEE LEE (no marital status given),
CLAYTON D. MCKALUIA and EMMA MCKALUIA, husband
and wife, HARRY COHN and KATHERINE COHN,
husband and wife, and KOICHI EGUCHI and CHIYOME
EGUCHI, husband and wife

DATED: September 8, 1958

LIBER 3719, PAGE 209

GRANTING: A nonexclusive right of way for road purposes
for ingress and egress over, across and upon
Tax Map Key 7-5-10-1
(ALSO AFFECTS OTHER PROPERTY)

NOTE: By Quitclaim Deed recorded in the Bureau of
Conveyances of the State of Hawaii in Liber
14646, Page 346, POK KEE LEE and RUTH LEE,
conveyed their interest in the said
Right-of-Way to Optionor, and this Right-of-Way
is included in the Option Agreement (as
Extended) to Developer.

7. GRANT OF EASEMENT

IN FAVOR
OF:

THE CITY AND COUNTY OF HONOLULU, a municipal
corporation of the State of Hawaii

DATED: April 19, 1967

LIBER 5641, PAGE 87

GRANTING: An easement for sewer purposes.

PURCHASE MONEY HANDLING: A copy of the executed Escrow
Agreement dated December 23, 1980, between the Developer, as
"Seller", and American Pacific Title Company, Inc., as "Escrow",
has been submitted to the Commission as part of the
registration. On examination, the specimen Sales Contract and
the executed Escrow Agreement are found to be in compliance with
Chapter 514A, Hawaii Revised Statutes, as amended, and
particularly Sections 514A-37, 514A-39, 514A-40, and 514A-63
through 514A-66.

The provisions of the Escrow Agreement should be carefully read
and understood. It provides, among others, that a purchaser

shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, without interest, less cancellation fee of \$50.00, promptly after purchaser has requested such return if Escrow shall have received from Developer a written notice that any one of the following has occurred:

1. Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held hereunder by Escrow; or
2. With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a change in the building plans requiring approval of a county officer having jurisdiction over the issuance of building permits unless the purchaser has otherwise consented in writing; or
3. With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change shall not have been obtained; or
4. The Final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report.

The provisions of the Sales Contract should also be carefully read and understood. It provides among other things, that:

1. Notwithstanding any other provision of the Sales Contract to the contrary, it is expressly understood and agreed that unless and until Seller: (i) obtains the issuance by the Real Estate Commission of the State of Hawaii of the Final Public Report on the Project; and (ii) has received from Buyer a fully executed receipt for the Final Public Report; and until Seller has obtained valid and enforceable (as determined by Seller in its sole discretion) sales contracts for at least seventy-five percent (75%) of the apartments in the Project, then the Sales Agreement shall represent only a reservation by the Buyer and shall not be binding upon Seller, and until such time, said Sales Agreement may be terminated at any time and without cause by Seller in its sole discretion. In the event of such termination, Seller shall cause Escrow to refund to Buyer all payments previously made by Buyer, and neither party shall have any other or further liability. If the Sales Agreement is entered into after issuance of the Final Public Report, it shall be fully binding upon Buyer and Seller upon Buyer's signing a receipt for the Final Public Report.
2. Buyer agrees to subordinate his interest to the lien(s) of any interim mortgage(s) securing loans obtained from any lender for the development of the Project and to any and all advances, whether contractual or voluntarily made pursuant to said mortgage, and to any and all sums which may become a lien pursuant to the terms of said mortgage or any other agreement relating to said mortgage.

3. Buyer understands and agrees that Buyer may not and will not assign or transfer the Sales Contract or any of Buyer's rights thereunder, and that any assignment or transfer of the Sales Contract by Buyer shall be null and void and shall constitute a default of the Sales Contract by Buyer.
4. Seller and its agents and representatives make no representation or statement as to the rental or investment potential of the Property or income to be derived therefrom or any other economic benefit, including applicability of Federal or State tax laws, that may be derived from ownership or rental of the Property; and Buyer understands that (subject to limitations imposed by the Declaration, By-Laws and House Rules) Buyer is free to use the Property as Buyer chooses, and that Buyer may rent it, either directly or through any agent Buyer may select.
5. Buyer understands that the improvements in the project were originally constructed before 1960 and that the apartment is to be conveyed in an "as is" and "where is" condition and that in the event of destruction, or if construction of modifications or additions to the project or any apartment were desired, no reconstruction or other construction could be undertaken without governmental approval, which approval might not be obtainable.

MANAGEMENT AND OPERATION: The By-Laws annexed to the proposed Declaration state that the Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Project and shall at all times employ a responsible managing agent to manage and control the property, subject at all times to discretion by the Board. The initial Managing Agent shall be Associated Management, subject to the provisions of Section 514A-84(a) of the Hawaii Horizontal Property Act, which states that a Developer can contract for this initial Managing Agent only for a term of one year, and that the contract must be terminable on sixty (60) days written notice by either party.

STATUS OF PROJECT: The Buyer should review the Disclosure Abstract and Sales Contract which state that:

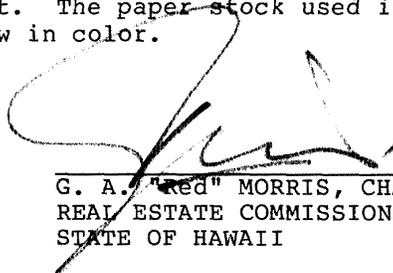
1. The buildings were built in compliance with zoning and building codes in effect at the time of their construction and the development is a non-conforming use of the project's land.
2. In the event of the destruction of any building, reconstruction could not be made without a variance, and would have to comply with existing building and zoning codes.

3. All improvements on the Project are sold in "as is and where is" condition.

The purchaser or prospective purchaser should be cognizant of the fact that this public Report represents information disclosed by the Developer in the required Notice of Intention submitted March 12, 1981 and information subsequently filed on November 24, 1981.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1400 filed with the Commission on March 12, 1981.

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



G. A. "Red" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF FINANCE
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 1400

Date: November 30, 1981