

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII

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

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

on

HALEIWA HALE
66-665 Haleiwa Rd., 66-080-, 66-082, 66-084,
66-086 Wana Place and 66-078 Smiley Place
Haleiwa, Hawaii
REGISTRATION NO. 1634 (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: February 6, 1985
Expires: March 6, 1986

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS THE INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED September 17, 1985, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF January 30, 1985, 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. HALEIWA HALE is a proposed fee simple condominium conversion project consisting of six (6) apartment units contained in six (6) existing structures. There will be a total of six (6) detached parking stalls. These parking stalls will be located in proximity of each apartment and assigned to each apartment.
2. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for the registration of the Condominium Conversion Project and the issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, and a copy of the approved Floor Plans) have not yet been recorded in the Bureau of Conveyances of the State of Hawaii.
4. No advertising or promotional matter have 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 is made part of the registration of HALEIWA HALE CONDOMINIUM PROJECT. 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 securing a signed receipt therefor.
7. The Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, February 6, 1985, unless a Final or Supplementary Public Report is published, or the Commission, upon review of the registraton, issues an order extending the effective date of this report.

NAME OF PROJECT: HALEIWA HALE.

LOCATION: The approximately 28,010 sq. ft. of land committed to the Project is located in Haleiwa, City and County of Honolulu, State of Hawaii.

TAX KEY: First division, 6-6-14-12.

ZONING: AG-1, under the ordinances of the City and County of Honolulu.

DEVELOPER: Dayle Leroy Pescaia of 2122 Puna Street, Honolulu, Hawaii, phone 595-4666 and Vivian Leilani Akana, 94-167 Paionia Place, Mililani, Hawaii 96789, phone 625-1766.

ATTORNEY REPRESENTING DEVELOPER: MARIA SOUSA, 220 South King Street, Suite 2000, Honolulu, Hawaii 96813 (Telephone: 808-527-2320). JOSEPH ATANGAN TANEGA, Attorney At Law, A Law Corporation, 98-211 Pali Momi Street, Suite 640A, Aiea, Hawaii 96701.

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime and the plans submitted by the Developer reflect that the Project is to consist of six (6) residential apartments, arranged throughout six (6) separate buildings numbered 1 through 6.

Apartment 1, contained in Building 1, consists of a one-story residence with a living room, kitchen, 3 bedrooms, 1 bathroom and contains a net floor area of approximately 929 square feet.

Apartment 2, contained in Building 2, consists of a one-story residence with a living room, kitchen, 2 bedrooms, 1 bathroom and contains a net floor area of approximately 755 square feet.

Apartment 3, contained in Building 3, consists of a one-story residence with a living room, kitchen, a laundry area, exercise area, 3 bedrooms and 1 bathroom and contains a net floor area of approximately 1023 square feet.

Apartment 4, contained in Building 4, consists of a one-story residence with a living room, kitchen, 2 bedrooms and 1 bathroom and contains a net floor area of approximately 713 square feet.

Apartment 5, contained in Building 5, consists of a one-story residence with a living room, kitchen, 2 bedrooms, 1 bathroom and contains a net floor area of approximately 713 square feet.

Apartment 6, contained in Building 6, consists of a one-story residence with a living room, kitchen, 2 bedrooms and 1 bathroom and contains a net floor area of approximately 713 square feet.

The buildings of apartments 1 and 2 are constructed principally of wood and the buildings of apartments 3, 4, 5 and 6 are constructed principally of hollow block tile.

The respective apartment shall not be deemed to include any pipes, wires, conduits or other utility or service lines running through such 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, door 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.

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 Map, including a carport thereon of approximately 402 square feet, and containing approximately 4,836 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 1;
- (b) All yards, grounds, landscaping, driveways, walkways, steps and other installations included within the boundary designated "Yard 2" on the Condominium File Map, including a carport thereon of approximately 378 square feet, and containing approximately 3,410 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 Map, including undesignated parking thereon, and containing approximately 3,921 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 3;
- (d) All yards, grounds, landscaping, driveways, walkways, steps and other installations included within the boundary designated "Yard 4" on the Condominium File Map, including undesignated parking thereon, and containing approximately 3,693 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 Map, including a carport thereon of approximately 180 square feet and containing approximately 3,440 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 5;
- (f) All yards, grounds, landscaping, driveways, walkways, steps and other installations included within the boundary designated "Yard 6" on the Condominium File Map, including undesignated parking thereon, containing approximately 3,835 square feet of land, shall be appurtenant to and for the exclusive use of Apartment 6; and

- (g) A roadway designated as Wana Place on the Condominium File Map, containing approximately 4,875 square feet shall be for the exclusive use of Apartments 1, 2, 3, 4 and 5.

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, 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, roadways, 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 proposed Declaration provides that each apartment shall have appurtenant thereto an undivided percentage interest in all same 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	20.7%
2	15.7%
3	17.4%
4	16.7%
5	15.8%
6	13.7%

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.

The 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 common elements unless otherwise provided in the By-Laws.

OWNERSHIP OF TITLE: A Preliminary Report issued on January 9, 1985 by T. I. of Hawaii, Inc., a Hawaii corporation, certifies that title to the property is held by RICHARD MELANIO TOMISA and CANDELARIA TOMISA, husband and wife, as Tenants by the Entirety as to an undivided two-thirds (2/3) interest and THOMAS C. BAQUIRO, unmarried, as to an undivided one-third (1/3) interest, by Warranty Deed dated February 27, 1979, recorded on February 28, 1979 in Book 13513 Page 78.

By an unrecorded DEPOSIT RECEIPT, OFFER and ACCEPTANCE, Dated June 23, 1984, DAYLE LEROY PESCAIA and VIVIAN LEILANI AKANA, as Buyer and Developer, have agreed to purchase the subject property from RICHARD MELANIO TOMISA and CANDELARIA TOMISA, husband and wife, and THOMAS C. BAQUIRO, unmarried.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated January 9, 1985, and other documents furnished to the Commission, states that the 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.
2. Reservation in favor of the State of Hawaii of all minerals and metallic mines.
3. Right of Way dated October 1, 1884, recorded on October 20, 1884 in Book 90 Page 258, in favor of YOUNG ANIN L. AHUNA, their heirs and assigns forever, granting a right-of-way to dig a ditch and enter a drain, 4 feet wide.
4. Grant dated February 19, 1948, recorded on March 8, 1948 in Book 2110 Page 475, in favor of THE HAWAIIAN ELECTRIC COMPANY, LIMITED, a Hawaii corporation and MUTUAL TELEPHONE COMPANY, also a Hawaii corporation, granting an easement for utility purposes.
5. Mortgage dated February 27, 1979, recorded on February 28, 1979, in Book 13513 Page 87, made by RICHARD MELANIO TOMISA and CANDELARIA TOMISA, husband and wife, and THOMAS C. BAQUIRO, unmarried, as Mortgagor, to FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF HAWAII, a federal corporation organized and existing under the laws of the United States of America (now known as FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF AMERICA), as Mortgagee.

Partial Release of Mortgage dated November 16, 1979 recorded in Bureau of Conveyances on November 20, 1979 in Book 14187, Page 152.

6. Mortgage dated November 16, 1979, recorded on November 20, 1979, in book 14187, Page 156, made by RICHARD MELANIO TOMISA and CANDELARIA TOMISA, husband and wife, and THOMAS C. BAQUIRO, as Mortgagor, to FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF HAWAII, (now known as First Federal Savings and Loan Association of America), as Mortgagee.

Collateral Assignment of Mortgages dated September 14, 1981, recorded on September 29, 1981 in the Bureau of Conveyances in Book 15846, Page 796, made by and between First Federal Savings and Loan Association of Hawaii and Hawaiian Trust Company, Limited, a Hawaii corporation, Trustee. Assigns the foregoing mortgage (besides other mortgages) as collateral security for the payment of the Mortgage-Backed Bonds, Series A.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated August 22, 1984, between the Developer, as "Seller", and Shearson/American Express Escrow, Ltd., 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, 514A-62, 514A-63 and 514A-65.

The provisions of the Escrow Agreement should be carefully read and understood. It provides, among others, that a purchaser shall be entitled to the return of his funds, and Escrow shall pay such funds to such purchaser, without interest, less a cancellation fee of \$50.00 together with the cost of any Credit Reports, Long Distance Telephone Toll charges and other like incidental expense reasonably incurred on behalf of Purchaser (except under (c) and (e)(i) below), promptly after purchaser has requested such return if Escrow shall have received from the purchaser a written notice that any one of the following has occurred:

- (a) Escrow has received a written request from Developer to return to Purchaser the funds of such Purchaser then held by Escrow; or,
- (b) If Purchaser's funds were obtained prior to an issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of the sales contract requiring the approval of an official of the County in which the Project is situated having jurisdiction over the issuance of Construction Permits, unless the Purchaser has given written approval or acceptance of the change; or,
- (c) If a Purchaser's funds were obtained prior to the issuance of a Final Public Report and the Final Public Report differs in any material respect from the Preliminary Public Report, unless the Purchaser has previously given written approval or acceptance of such difference; or
- (d) If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report; PROVIDED, HOWEVER, that if the Final Public Report is issued after the one-year period and a copy of the Final Public Report is delivered to the Purchaser either personally or by registered or certified mail with return receipt requested and at the same time the Purchaser is notified in writing of his right of refund and cancellation of obligation and the waiver of such right upon his failure to act within thirty-day period, the Purchaser shall have

thirty days from the date of delivery of the Final Public Report to exercise his right of refund and cancellation of obligation, after which period such right shall be deemed waived.

- (e) If, in accordance with Part VI, Chapter 514A, Hawaii Revised Statutes:
- (i) no sales contract is offered to Purchaser who was placed on the developer's reservation list of owner-occupant applicants; or,
 - (ii) the Purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for his unit within thirty (30) calendar days following the end of the ten (10) calendar day period during which the Seller is limited to selling to owner-occupants; or
 - (iii) the Purchaser desires to cancel the contract on account of hardship circumstances such as those set forth in Section 514A-104(1), Hawaii Revised Statutes; or,
 - (iv) the Purchaser indicates an intent not to become an owner-occupant of such unit.

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

1. Notwithstanding any provisions of the Sales Contract to the contrary, it is expressly understood and agreed that unless and until Developer: (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 Purchaser a fully executed receipt for the Final Public Report; and until Developer has obtained valid and enforceable (as determined by Developer 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 Purchaser and shall not be binding upon Developer, and until such time, said Sales Agreement may be terminated at any time and without cause by Developer in its sole discretion. In the event of such termination, Developer shall cause Escrow to refund to Purchaser all payments previously made by Purchaser, 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 Purchaser and Developer upon Purchaser's signing a receipt of the Final Public Report.
2. Purchaser agrees to subordinate his interest to the lien(s) of any interim mortgage(s) securing loans from any lender for the development of the Project and to any and all advances, whether contractually 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. Purchaser understands and agrees that Purchaser may not and will not assign or transfer the Sales Contract or any of Purchaser's rights thereunder, and that any assignment or

transfer of the Sales Contract by Purchaser shall be null and void and shall constitute a default of the Sales Contract by Purchaser.

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 Purchaser understands that (subject to limitations imposed by the Declaration, By-Laws and House Rules) Purchaser is free to use the Property as Purchaser chooses, and that Purchaser may rent it, either directly or through any agent Purchaser may select.
5. Purchaser understands that the improvements in the Project were originally constructed as follows: Apartment 1 before 1948, Apartments 2 through 5, before 1956; and Apartment 6, before 1943 and that each of the apartments 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 attainable.

MANAGEMENT AND OPERATION: The By-Laws 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 the discretion of the Board. The initial Managing Agent shall be LHI PROPERTY MANAGEMENT GROUP, a division of Liberty Homes, Inc., a Hawaii corporation.

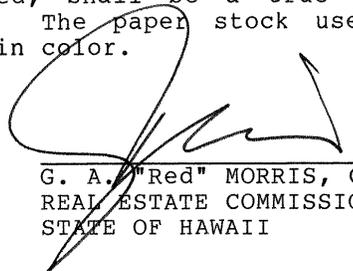
STATUS OF PROJECT: The Buyer should review the Disclosure Abstract and Sales Contract which state that:

1. The buildings were built in compliance with zoning and building codes in effect at the time of their construction. The buildings range in age from 28 years old to 41 years old.
2. All improvements on the Project are sold in "As Is" and "Where Is" condition.
3. NOTE: PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THE IMPROVEMENTS ARE LEGAL BUT NONCONFORMING UNDER PRESENT ZONING CODES. THEREFORE, REPAIRS EXCEEDING 10% OF THE REPLACEMENT VALUE OF THE BUILDING MAY NOT BE MADE WITHIN ANY 12 CONSECUTIVE MONTHS AND ANY BUILDING DEMOLISHED BY ANY MEANS MAY NOT BE REPLACED UNLESS A VARIANCE IS OBTAINED FROM THE ZONING BOARD OF APPEALS. EACH PROSPECTIVE PURCHASER SHOULD REVIEW THE PROVISIONS CONTAINED IN THE CITY AND COUNTY OF HONOLULU'S ORDINANCES RELATING TO NONCONFORMING USES, Section 21-1.7(c).

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 September 17, 1984 and information subsequently filed on January 30, 1985.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made part of REGISTRATION NO. 1634 filed with the Commission on September 17, 1984.

This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimilies 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. 1634

Date: February 16, 1985