

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

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

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON
THE HIGHLANDER
98-450 Koauka Loop
Aiea, Hawaii 96701

REGISTRATION NO. 706

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 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: September 6, 1974

Expires: October 6, 1975

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 JULY 29, 1974, AND ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED AS OF SEPTEMBER 5, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT (CHAPTER 514, HAWAII REVISED STATUTES, AS AMENDED).

1. THE HIGHLANDER is a proposed leasehold condominium project consisting of two hundred four (204) residential apartment units located in one 18-story (exclusive of mezzanine) concrete reinforced building, all of which will be sold by the Developer upon and subject to the terms and provisions of Apartment Leases to be issued by the Trustees of the Estate of Bernice Pauahi Bishop, Deceased, "Owner," and Central Oahu Land Corporation, a Hawaii corporation, and Lear Siegler Properties, Inc., a Delaware corporation authorized to do business in the State of Hawaii, "Lessors," pursuant to the terms of that certain Master Lease, being Bishop Estate Lease No. 22,280-A, dated October 10, 1973, and recorded in the Bureau of Conveyances of the State of Hawaii on October 30, 1973, in Book 9569 Page 178, by Lewers & Cooke, Inc., a Hawaii corporation, "Lessee."

There will be two hundred four (204) parking spaces, one for each of the two hundred four (204) residential apartments, and seven (7) guest automobile parking spaces.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Final Public Report.
3. Basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of Approved Floor Plans) have been filed in the Office of the Registrar of Conveyances at the Bureau of Conveyances. The Declaration of Horizontal Property Regime, together with the By-Laws of Association of Apartment Owners attached thereto, was recorded in the Bureau of Conveyances of the State of Hawaii on April 2, 1974, in Book 9807 Page 531, and Condominium Map No. 346 has been designated to the project by said Registrar.
4. The Developer has submitted its program of financing the building of the project and a statement of the estimated costs involved in completing the project. The Developer has secured a commitment from a financial institution to provide both construction financing and long-term mortgage loans to individually qualified purchasers of the apartment units.
5. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, as amended, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.
7. The Final Public Report is made a part of the registration and the Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers.

Securing a signed copy of the Receipt for Horizontal Property Regimes Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

8. This Final Public Report automatically expires October 6, 1975, thirteen (13) months after the date of Issuance, September 6, 1974, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF THE PROJECT: THE HIGHLANDER

LOCATION: 98-450 Koauka Loop, Aiea, City and County of Honolulu, Hawaii 96701. The site, comprising 75,008 square feet, is located between Koauka Loop and interstate highway Federal Aid Project No. I-HI-1 (16).

TAX MAP KEY: First Division, 9-8-12-54

ZONING: Apartment A-3

DEVELOPER: Lewers & Cooke, Inc., a Hawaii corporation, whose place of business is 550 Paiea Street, Honolulu, Hawaii 96819.

ATTORNEYS REPRESENTING DEVELOPER: John J. Hulten, Jr., 550 Paiea Street, Honolulu, Hawaii 96819 (telephone: 847-9911), and Louis Camelora, Suite 1201, Pacific Trade Center, Honolulu, Hawaii 96813 (telephone: 533-4456).

DESCRIPTION: The Declaration of Horizontal Property Regime recorded in the Bureau of Conveyances on April 2, 1974, in Book 9807 Page 531, discloses that the project shall consist of one (1) eighteen (18) story building constructed principally of reinforced concrete. The building shall comprise a ground floor, which includes a mezzanine level, and seventeen (17) floors of apartments. Said Declaration creates and designates two hundred four (204) freehold estates, consisting initially of two hundred four (204) cubic-shaped spaces, within the area between the perimeter walls, ground floor and 18th story ceiling of said building. Said two hundred four (204) spaces, thereafter, in said Declaration called "Apartments," plus one (1) additional apartment designated in said Declaration as the "Manager's Apartment," and which is located on the mezzanine level and constitutes a common element, comprise all of the apartments in the building.

Condominium Map No. 346 filed in the Bureau of Conveyances on April 2, 1974, and referred to in said Declaration, sets forth a typical floor plan which is identical for floors two (2) through twelve (12) and fourteen (14) through nineteen (19). There is no floor numbered thirteen (13) in the building. Said typical floor plan numbers the apartments on each floor 01 through 12, and remains constant for each of the seventeen (17) apartment floors, as the last two digits of every apartment number. The first digit in an apartment number containing 3 digits, or the first 2 digits in an apartment number containing 4 digits, indicates the floor on which the apartment is located.

Each of the seventeen (17) apartment floors contains ten (10) apartments designated as "Plan A" apartments, and two (2) apartments designated as "Plan B" apartments, as shown on said Condominium Map No. 346.

Plan A. One hundred seventy (170) apartments utilize plans identified as Plan A, and consist of one bedroom, one bathroom, one kitchen, one combined living/dining room, one dressing room, having a total floor area of approximately 514 square feet. The apartments include a lanai of approximately 72 square feet. These apartments are located on floors two (2) through eighteen (18), inclusive, and are identified by the last two digits 01, 02, and 05 through 12, inclusive, as shown on said Condominium Map. Apartments with apartment numbers ending with odd digits are reversals of Plan A, as shown on said Condominium Map.

Plan B. Thirty-four (34) apartments utilize plans identified as Plan B and consist of a studio unit, including bathroom, kitchen, combined living/dining room, having a total floor area of approximately 455 square feet. The apartments include a lanai of approximately 56 square feet. These apartments are located on floors two (2) through eighteen (18), inclusive, and are identified by the last two digits 03 and 04 as shown on said Condominium Map. Apartments with apartment numbers ending with even digits are reversals of Plan B, as shown on said Condominium Map.

ACCESS: Each apartment has immediate access to the corridor on its respective floor, and thence to the three elevators serving each of the floors, to the lobby, the stairways, walkways, driveways, ramps, and other appurtenances connecting the building to the street entrances and parking areas of the project.

INCLUSIONS AND EXCLUSIONS: The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls 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 more than one apartment, the same being 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, and all fixtures originally installed therein including refrigerator, range with oven and garbage disposal.

COMMON ELEMENTS: The Declaration designates one freehold estate in all remaining portions and appurtenances of the project, called the "common elements," including specifically, but not limited to:

- (a)- Said land in fee simple.
- (b)- All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter and load-bearing walls, chases, entries, stairways, hallways, lobbies, elevators, elevator shafts and well, and the roof of said building.
- (c)- All yards, grounds, landscaping, saunas, washrooms, meeting room, exercise room, hobby and conference room, manager's office, mail boxes, laundry room, recreation room, the swimming pool and other recreational facilities, all refuse facilities and mail boxes.
- (d)- The driveways, ramps, storage areas, and walkways.
- (e)- All ducts, electrical equipment, wiring, pipes 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, water, gas, sewer, telephone, radio and television signal distribution.
- (f)- Seven (7) guest automobile parking spaces as designated on the Condominium Map.
- (g)- The manager's apartment designated as apartment 101 on the Condominium Map, together with parking space 101 reserved for use by the resident manager of the project.
- (h)- 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 Declaration further provides that certain parts of the common elements, herein called the "limited common elements," are 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 automobile parking space designated on said Condominium Map by the number corresponding to the number of each apartment shall be appurtenant to and for the exclusive use of such apartment upon the original conveyance thereof. For purposes of the foregoing sentence, each parking space, large enough for two cars (end-to-end) shall be considered one parking space.
- (b)- The entry or entries, stairways and elevator lobby on the apartment floors shall be appurtenant to and for the exclusive use of the apartment served thereby.
- (c)- All other common elements of the project which are rationally related to less than all of said apartments or buildings shall be limited to the use of such apartments or buildings.

COMMON INTEREST: 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 follows:

<u>Unit Plan</u>	<u>Number</u>	<u>Common Interest Per Apt.</u>	<u>Total</u>
A	170	.499757	84.9587
B	34	.442392	15.0413

EASEMENTS: In addition to any easements designated in the 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 non-exclusive 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 herein provided; and in all other apartments of its building for support.

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. In the event the building shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements due to such construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist.

ALTERATION AND TRANSFER OF INTEREST: The common interest and easements appurtenant to each apartment shall have a permanent character, and shall not be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to this Declaration duly recorded, or except as otherwise set forth in said Declaration, shall not be separated from such apartment, and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by the Horizontal Property Act.

USE: The apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The apartments shall not be rented for transient or hotel purposes, which are defined in said Declaration as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes, the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of said Declaration.

COMPLIANCE WITH DECLARATION AND BY-LAWS: All apartment owners, their tenants, families, servants and guests, and any other persons who may in any manner use the project, shall be bound by and comply strictly with the provisions of said Declaration, the By-laws of the Association and all agreements, decisions and determinations of the Association as lawfully made or amended from time to time, and failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Board or Managing Agent on behalf of the Association, or in a proper case, by any aggrieved apartment owner.

OWNERSHIP OF TITLE: The Preliminary Report issued by Title Guaranty of Hawaii, Incorporated, dated July 18, 1974, verifies that fee title to the land is vested in the Trustees of the Estate of Bernice Pauahi Bishop, Deceased.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report of Title Guaranty of Hawaii, Incorporated, further indicates that the title to said land is subject to the following seven (7) encumbrances:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Portion of temporary Easement "29" for construction purposes, over and across Lot 1, as shown on File Plan No. 1316.
(Said encumbrance is set forth in Civil No. 26800, filed in the Circuit Court of the First Circuit, State of Hawaii. Lis Pendens recorded in Liber 6335 at Page 189.)
3. Restriction of access rights to and from interstate highway Federal Aid Project No. I-HI-1 (16) over and across the northerly boundary of said Lot 1, as set forth in said File Plan No. 1316.
4. Terms, agreements, reservations, covenants, conditions and provisions contained in Lease No. 22,280-A, being the Lease from the Trustees of Bishop Estate to the Developer.

5. Mortgage and Financing Statement

Mortgagor:	Lewers & Cooke, Inc., a Hawaii corporation
Mortgagee:	First Hawaiian Bank, a Hawaii corporation
Dated:	December 7, 1973
Recorded:	Liber 9654 Page 106
Amount:	\$6,000,000.00

6. Covenants, conditions, restrictions, easements, reservations and all other provisions set forth in Declaration of Horizontal Property Regime dated February 27, 1974 recorded in the Bureau of Conveyances in Liber 9807 Page 531 and by the By-laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or By-Laws. (Project covered by Condominium Map No. 346.)

7. Said Preliminary Report further discloses that as of its date (July 18, 1974), real property taxes for the fiscal year 1973-74 showed:

1st Installment:	\$2,533.19	(Paid December 3, 1973)
2nd Installment:	\$2,533.19	(Open)

PROGRAM OF FINANCING: The Program of Financing statement submitted by the Developer discloses:

(a)- That the total cost of the construction of the building itself will not exceed \$4,404,590.00, as disclosed on page 3 of Standard Form of Agreement Between Owner and Contractor dated October 24, 1973, a copy of which is on file with the Commission.

(b)- That in the best estimate and judgment of the Developer, the total cost of all amenities not included in the aforesaid contract, plus the total cost of all professional and other services, including advertising, promotion, sales expenses, etc., incurred or to be incurred in the construction and final completion of said building, the completion of the project as a whole, and the sale of all apartments therein will not exceed \$3,213,410.00;

(c)- That Developer has obtained a construction mortgage from First Hawaiian Bank in the amount of \$6,000,000.00;

(d)- That the difference between the total estimated cost of developing the project as a whole and the sale of the apartments [(a) plus (b)] in the combined sum of \$7,618,000.00, and the proceeds of said construction mortgage (\$6,000,000.00), will be advanced by Developer as required, from its own funds; and,

(e)- That no part of the deposits or payments of any purchaser(s) of apartments will be used for the payment of the costs of the construction and completion of the project until the issuance by the Real Estate Commission of this Final Public Report.

PURCHASE MONEY HANDLING: An executed Escrow Agreement, dated July 8, 1974 identifies Title Guaranty Escrow Services, Inc., as the Escrow Agent. Upon examination of the Escrow Agreement, it is found to be in consonance with Chapter 514, Hawaii Revised Statutes, as amended, and particularly Sections 514-35 through 514-40, inclusive.

Among other provisions, the Escrow Agreement provides that Escrow Agent shall refund to purchaser all of the purchaser's funds, without interest, if purchaser shall in writing request refund of his funds and one of the following shall have occurred: (a)- Escrow Agent receives the written request from Developer to return to purchaser the funds of purchaser held under the Escrow Agreement by Escrow Agent, or (b)- if there is any change in the building plans requiring the approval of a county officer having jurisdiction over the issuance of permits for construction and purchaser has not given written approval or acceptance of the change.

The Specimen Sales Contract provides, in part, that:

"If the construction of the project in which the above-described apartment is located is not completed within one year from the date hereof, Seller or Buyer may elect to terminate this contract and all payments heretofore made by Buyer shall be returned to Buyer without interest."

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement before executing the Sales Contract, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchaser's funds and the Contract of Sale specifically provides that the purchaser approves said Escrow Agreement and assumes the benefit and obligations therein provided.

MANAGEMENT OF PROJECT: The By-laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association under the direction of its Board of Directors by a responsible corporate managing agent. The Declaration discloses that Tropic Shores Realty, Ltd., has been selected as initial managing agent. The Management Agreement to be executed by the Association has been submitted to the Commission.

STATUS OF PROJECT: A construction contract was executed with Swinerton & Walberg Co., a California corporation, on October 24, 1973. Construction is expected to be completed on or about January 28, 1975. Copies of the Standard Form of Agreement Between Owner and Contractor (construction contract: AIA Document #A111); the Performance Bond (AIA Document #A311); and Labor and Material Payment Bond (AIA Document A311) have been filed with the Commission.

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 July 29, 1974, and additional information submitted as of September 5, 1974.

This FINAL Horizontal Property Regimes (Condominium) Public Report is made a part of Registration No. 706 filed with the Commission on July 29, 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 white.

D. R. Sodevani

(for) DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Department, CSC of Honolulu
Federal Housing Administration
Escrow Agent

September 6, 1974
Registration No. 706