

OWNER RESPONSIBILITIES FOR
UPPER LANAI DECKS, SKYLIGHTS AND
OTHER MODIFICATIONS TO THE COMMON ELEMENTS

This document provides historical information for all owners, but it is particularly intended for original and new owners of units on which modifications have been made.

History

In 1979, Paniolo Hale was completed with four different styles of condominium units: 2 bedroom/ 2 bath, 1 bedroom/ 2 bath, 1 bedroom/ 1 bath, and studio. Each of those standard units differed only in location, lanai configuration, and the type of furniture package that was included. As a result, maintenance fees for each owner was based upon the particular style of condominium they purchased.

Over the years, some owners decided that they wanted to customize or upgrade their own units to suit their particular needs. Interior modifications did not affect other owners, but exterior modifications require changes to the common elements and often do impact other owners. As a result, an Architectural Design Review Committee was set up to help guide the procedures an owner is required to follow if he or she desires an exterior modification. Often, these modifications may require a 75% affirmative vote of all Paniolo Hale owners.

Upper Lanai Decks

The first major request for an exterior modification came about in the late 1980's when a proposal was made to add an upper deck above the lanai of some 2 bedroom units. The proposals were relatively costly, but following a vote by all owners, around a dozen 2 bedroom owners chose to have their units modified. The costs, of course, would be borne by each unit owner and not the Association. It was also clearly understood that any problems associated with these modifications, including future maintenance required for the modification, would be borne by those owners and not the Association.

By 1997, 16 owners of 2 bedroom units had chosen to add the upper lanai decks. Around this time, our roofs were almost 20 years old and in bad shape. After a lengthy investigation into many alternatives for a new roof for Paniolo Hale, Oahu Roofing from Honolulu was chosen as the contractor to install a new metal Decra Shake roof over our old shingle roofs. The cost to the Association was around \$500K for the new installation. In planning for the new roof, it was noticed that a structural roof problem has developed in all 16 units that had been modified with the upper lanai decks. The original contractor who installed the decks had failed to adequately support the lanai rafters into which he had cut to install the deck floor joists. As a result, over the years, the rafter tails were almost ready to collapse. Obviously, this had to be corrected before we could install the new Decra Shake roofs. A structural repair was designed and each of the 16 owners of the modified units paid a contractor to install new rafter sections providing adequate strength.

Some owners of the modified units also experienced leaks and other problems associated with the decks. Costs for those repairs and maintenance are borne by each owner and not the Association. In the mid 1990's, Paniolo Hale was repainted. The costs for painting project was borne by the AOA, divided to each owner by their applicable percentage, depending on their style of unit. But again, to be fair to the rest of Paniolo Hale owners,

that portion of the painting of the upper lanai decks was charged directly to the owners of the modified units. Future maintenance and repair costs will continue to be the responsibility of those owners.

Skylights

When planning for the new roof in 1997, we had an opportunity to offer owners a new ventilating skylight that was much superior to the original non-ventilating skylights that came standard with our units. Owners of units with the upper lanai decks found that opening up the ventilation of the second story really helped keep their condos cooler. New Velux skylights would now become available to all owners who wished to improve ventilation as well as add more light to their units. The timing was ideal, because Oahu Roofing could install the skylights as they installed the new roof, making installation easier as well as integrating it as much as possible with the new roof.

27 owners chose to have skylights installed in this initial offering. Because this was not an Association project, each owner purchased his own skylights and had an individual contract with Oahu Roofing. Some owners wanted only one new skylight and others wanted up to four, but all costs associated with the purchase and installation of each skylight was borne by the individual owner and not the Association. Similar to the thinking behind the upper lanai deck modifications, this was fair to everyone since no costs were added to those owners not wishing to participate in the upgrade. By the time the roofing project was finished, four separate orders of skylights were placed, and a total of 42 owners chose to add the new skylights.

In 2002, a fifth order was placed for skylights for 15 additional owners. Oahu Roofing was brought back to Molokai to install the skylights, again with individual contracts between the owner and Oahu Roofing. Again, because this was not an Association project, it was only fair that any problems or maintenance of the skylights or their installation would have to remain the responsibility of the owner.

Other Modifications

While not nearly as significant or extensive as upper lanai decks or skylights, some owners have also chosen to make other exterior modifications that involve the common elements. These may include smaller projects such as adding a window or partially enclosing a lanai. Each of these projects must go through an approval process, but in each case, the responsibility for repairing or maintaining these individual modifications always remains with the owner rather than the Association. In this way, each owner always has the opportunity to tailor his own unit at Paniolo Hale to his own lifestyle, but those decisions will not become a burden to the remainder of the owners.