

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

1808 WAIOLA
1808 Waiola Street
Honolulu, Oahu, Hawaii

REGISTRATION NO. 1605 (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: June 15, 1984
EXPIRES: July 15, 1985

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 ON THE REQUIRED NOTICE OF INTENTION SUBMITTED MAY 18, 1984 AND INFORMATION SUBSEQUENTLY FILED AS OF JUNE 12, 1984. DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. 1808 WAIOLA is a proposed nine-unit, fee simple residential condominium conversion project consisting of a 4,500 square foot parcel of land, together with the existing improvements thereon, said improvements being one building containing two stories of nine apartments and three (3) covered parking stalls.

2. The Developer of the Project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium Project and the issuance of this Preliminary Public Report.

3. The Developer reports that the Declaration of Horizontal Property Regime, the By-Laws of the Association of Apartment Owners and the Condominium Map will be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii immediately prior to the application for Final Public Report.

4. No advertising or promotional matter has been submitted pursuant to the Rules and Regulations promulgated by the Real Estate 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 promulgated thereunder which relate to Horizontal Property Regimes.

6. This Preliminary Public Report is made a part of the registration of the 1808 WAIOLA Condominium Project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) and disclosure abstract in the hands of all purchasers and prospective purchasers and of securing a signed copy of a receipt therefor.

7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, June 15, 1984, unless a Final or Supplementary Public Report issues or the Commission, upon review of the registration issues an order extending the effective period of this Report.

NAME OF PROJECT: 1808 WAIOLA

LOCATION: The site, consisting of approximately 4,500 square feet, is located at 1808 Waiola Street, Honolulu, Hawaii 96826.

TAX MAP KEY NO.: First Division: 2-3-29-50

ZONING: A-2, Apartment District

DEVELOPER: Abe Lee Development, Inc., a Hawaii corporation, whose principal place of business is 1946 Young Street, Suite 200, Honolulu, Hawaii, 96826; Phone: 524-3055.

The officers of the corporation are:

ABRAHAM W. H. LEE Phone: 533-3304	President/Treasurer 1150A Lunalilo Street Honolulu, Hawaii 96822
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SALLY K. LEE Phone: 533-3304	Vice President/Secretary 1150A Lunalilo Street Honolulu, Hawaii 96822
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ATTORNEYS REPRESENTING DEVELOPER: WOO, KESSNER & DUCA (attention: Vernon Y. T. Woo, Esq. and/or Emma S. Matsunaga, Esq.), 19th Floor, Central Pacific Plaza, 220 South King Street, Honolulu, Hawaii, 96813 (Telephone: (808) 524-0955).

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime and the Condominium Map submitted by the Developer indicate a fee simple project consisting of a 4,500 square foot parcel of land, together with the existing improvements thereon, consisting of one existing concrete and steel residential apartment building of two stories, two stairways and three (3) parking stalls situated on the ground level of the building. There are nine (9) apartments consisting of four (4) apartments on the ground level and five (5) apartments on the second level of the building. In addition, the improvements include a wash area and two stairways.

All the Apartments of the building consist of one bedroom, one bathroom, a living room and kitchen. Only Apartments 5 and 9 have an adjoining lanai area. Each Apartment is furnished with a combination tub and shower, medicine cabinet with mirror, refrigerator, electric range and water heater. Apartments 1 through 4 have linoleum tile flooring throughout the apartments and Apartments 5 through 9 each have wood flooring except for the bathrooms which contain linoleum tile flooring.

The Apartments have immediate access to a corridor leading to two stairways at each end of the building leading to the ground and second levels of the building and to the Project grounds and common elements of the building.

The Project consists of two (2) basic types of Apartments, each Apartment type being typical of all other Apartments of the same type. The Apartment types are designated according to floor level and type, as follows:

Apartments 1, 2, 3, 4, 6, 7 and 8 consist of one bedroom, one bathroom, a living room and kitchen. The net floor area of Apartments 1, 2, 3, 4, 6, 7 and 8 is approximately 382 square feet each.

Apartments 5 and 9 consist of one bedroom, one bathroom, a living room, a kitchen and adjoining lanai area. The net floor area of Apartments 5 and 9 is approximately 382 square feet. The adjoining lanai is approximately 106 square feet. The net floor area of the Apartment and lanai is approximately 488 square feet.

The apartments are located in the manner shown on the said Condominium Map. Each apartment has direct access to the common element areas defined hereinafter.

There is covered parking for three (3) vehicles which shall be assigned for the sole and exclusive use of Apartments 5, 8 and 9.

Each apartment shall be deemed to include (i) any adjacent lanais to which such apartment has direct, exclusive access; (ii) all the walls and partitions which are not load bearing within its perimeter walls, (iii) the inner decorated or finished surfaces of all walls, floors and ceilings, (iv) any doors, vestibules, windows or panels along the perimeters, and (v) all fixtures originally installed therein. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls, the interior load bearing walls, or the party walls, the undecorated or unfinished floors and ceilings surrounding each apartment; the foundation, the exterior walls, roof, beams and columns of the building; and all pipes, wires, conduits and other utility or service lines which are utilized for or serve another or more than one apartment, the same being deemed common elements as hereinafter provided.

COMMON ELEMENTS: Common elements shall include the limited common elements described below and all portions of the Property, excluding those items defined as part of any Apartment hereof, but including the portion of land on which the building is located and all elements mentioned in the Act which are actually constructed on the land, and specifically shall include but not be limited to:

- A. The land in fee simple;
- B. All yards, grounds, planters and planting areas and landscaping;
- C. The driveway, access areas, and parking areas which are limited common elements to the assigned apartments;

D. All foundations, floor stalls, columns, girders, beams, support bearing walls, roof, stairs, stairways, landings, walkways, hallways, corridors, entrances and exits;

E. All electrical and mechanical equipment and wiring and other central and appurtenant installations for services, including power, lights, refuse and water;

F. The area designated as a future potential picnic area on the Condominium Map, which shall be used for unassigned parking stalls by the Association owners at the option of the owner of 1814 Waiola Street until such time that said owner of the adjacent property located at 1814 Waiola Street constructs and completes a new structure on said premises;

G. All other parts of the Project existing for the common use where necessary to the existence, maintenance and safety of the Project.

LIMITED COMMON ELEMENTS: Certain parts of the common elements called the "limited common elements" are hereby designated and set aside for the exclusive use of each apartment and each apartment shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

A. Parking stalls numbered 1, 2 and 3 of which are for the sole and exclusive use of Apartments 9, 5 and 8, respectively.

B. The cost and expense for the maintenance and repair of the limited common elements shall be allocated fairly to those Apartment owners enjoying their sole and exclusive use, but their replacement or improvement shall be an expense of the Association.

COMMON INTERESTS: Each apartment shall have appurtenant thereto an undivided percentage interest in all the common elements of the Project as follows:

<u>Apartment No.</u>	<u>Percentage of Common Interest</u>
1	10.466%
2	10.466%
3	10.466%
4	10.466%

<u>Apartment No.</u>	<u>Percentage of Common Interest</u>
5	13.369%
6	10.466%
7	10.466%
8	10.466%
9	13.369%

Each apartment shall have said percentage interest in all common profits and expenses of the Project and for all other purposes, including voting on all matters requiring action by the apartment owners.

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

A. Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, utility services (including but not limited to electricity, water, and sewer) for and in support of such Apartment; in the other common elements for use according to their respective purposes;

B. If any part of the common elements or any part of any Apartment now or thereafter encroaches upon any other Apartment or limited common element thereto, or if any part of any Apartment shall encroach upon any common element or, in either case, if such encroachment shall occur as a result of any settling or shifting of the Project or any part thereof, a valid easement for such encroachment and maintenance thereof, so long as it continues, does and shall exist so long as the building shall stand. If any Apartment or the building shall be partially or totally destroyed and then rebuilt, minor encroachments by any common elements upon any Apartment or limited common element or by any Apartment upon any portion of the common elements due to reconstruction shall be permitted, and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist for so long as the building shall stand. PROVIDED, that in no event shall a valid easement for encroachment be created in favor of the owner of any Apartment or in favor of any owner of the common elements if such encroachment occurred due to the negligence or misconduct of said owner or owners;

C. The Association of Apartment Owners (the "Association") shall have the right to be exercised by its Board of Directors or the managing event, if any, to

enter each apartment and limited common elements, from time to time, during reasonable hours as may be necessary for the operation of the Project, or at any time for making emergency repairs therein necessary to prevent damage to any Apartment or to the common element;

D. The fee owner reserves the right to grant to any public or governmental authority rights of ways and other easements, which are for the sole benefit of the Project, or which do not materially interfere with the use nor materially impair the value of, any Apartment, over, across, under and through the common elements and limited common elements for lines and other transmission facilities and appurtenances for electricity, gas, telephone, water, sewer, drainage and other public services and utilities, and rights to enter for the purpose of installing, repairing, altering and removing such lines and facilities and of trimming any trees in the way thereof; PROVIDED, the Association, through the Board of Directors, with the consent or agreement of any holder of any then-existing easement effective thereby, is authorized to grant, convey, transfer, cancel, relocate deal with any and all such public services and utilities easements now or hereafter located on or affecting the Project;

E. A contingent easement in favor of the fee simple owner of the adjacent property located at 1814 Waiola Street shall be granted for use of the area designated as a future potential picnic area on the Condominium Map. Said grantee of such easement shall, at its option, use the subject area as a picnic area upon the construction and completion of a new structure on the property at 1814 Waiola Street for the mutual benefit of the Association of Apartment Owners of 1808 WAIOLA.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the Apartments of the Project shall be occupied and used only as private residential dwellings by the respective owners thereof, their families, domestic servants, personal guests and tenants, and for no other purposes.

The proposed House Rules provide in part: (1) that no livestock, poultry or other animals or pets whatsoever shall be allowed or kept by any owner or occupant, except for one (1) dog or one (1) cat, aquarium fish and a pair of small birds, subject to conditions more particularly set forth in the House Rules; (2) no inflammable oils or fluids shall be stored in any part of the Project; (3) all Apartments shall be occupied by no more than two (2) persons per bedroom; (4) running, jumping, skateboarding, bicycling, roller skating and playing of any sort is prohibited in the driveway, parking areas and other common areas of the project; and (5) any waterbeds or similar objects of

potential threat to cause extensive damage to other apartments or common areas shall be first registered with the resident manager and/or managing agent.

OWNERSHIP OF TITLE: A Commitment for Title Insurance issued by T.I. of Hawaii, Inc., dated March 29, 1984, indicates that title to the land is vested in Dennis Tooru Ogoshi, Jean Yukie Ogoshi, Tomiye Okahara Nakamura, Paul Taira Nakaura, Margaret Sumiyo Nakaura, George Mitsugi Tokumi and Ruth Shigeyo Tokumi.

Developer has entered into a Purchase Agreement with the Owners of Title, subject to the Developer securing a favorable market study, the issuance of a preliminary condominium Public Report and securing institutional financing for the Project.

ENCUMBRANCES AGAINST TITLE: Said Commitment for Title Insurance dated March 29, 1984, indicates the following encumbrances:

1. Real property taxes that are due and owing; reference is made to the Office of the Director of Finance, City and County of Honolulu.

2. A Mortgage dated February 27, 1976, filed as Land Court Document No. 756054, made by Dennis Tooru Ogoshi and Jean Yukie Ogoshi, husband and wife, Michio Nakamura and Tomiye Okahara Nakamura, husband and wife, Paul Taira Nakaura and Margaret Sumiyo Nakaura, husband and wife, and George Mitsugi Tokumi and Ruth Shigeyo Tokumi, husband and wife, as Mortgagors, to Central Pacific Bank, a corporation organized and existing under the laws of the State of Hawaii, as Mortgagee, in the principal amount of ONE HUNDRED THIRTY-FIVE THOUSAND AND NO/100 DOLLARS (\$135,000.00).

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated May 11, 1984, identifies T.I. of Hawaii, Inc., as the escrow agent. Upon examination, the executed Escrow Agreement and specimen sales contract are found to be in conformance with Chapter 514A, Hawaii Revised Statutes, as amended, and particularly Sections 514A-37, 514A-39, 514A-40, and 514A-63 through 514A-66. Among other provisions, the Escrow Agreement provides that the escrow agent shall refund to purchaser all of the purchaser's funds, without interest, less a cancellation fee of TWENTY-FIVE AND NO/100 DOLLARS (\$25.00), if purchaser shall request refund of his funds and any one of the following shall have occurred:

- a. Developer has requested escrow agent in writing to return to purchaser the funds of purchaser then held under the Escrow Agreement by escrow agent; or

- b. The Final Public Report differs in a material respect and the purchaser's written approval of

such change shall not have been obtained.

It is incumbent upon the purchaser and prospective purchasers to read and understand the Escrow Agreement before executing the sales contract since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds.

Among other provisions, the specimen sales contract provides that the Developer makes NO WARRANTIES AS TO ANY DEFECTS IN THE APARTMENTS AND THE COMMON ELEMENTS OF THE PROJECT. THE PURCHASER IS TO INSPECT THE PROJECT AND UNDERSTAND AND AGREE THAT HE IS BUYING THE UNIT IN AN "AS-IS" CONDITION, WITHOUT WARRANTY OF ANY NATURE FROM THE DEVELOPER.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the Project shall be conducted for the Association of Apartment Owners under the direction of its Board of Directors by a responsible managing agent. No managing agent has been appointed as of the date of this Report.

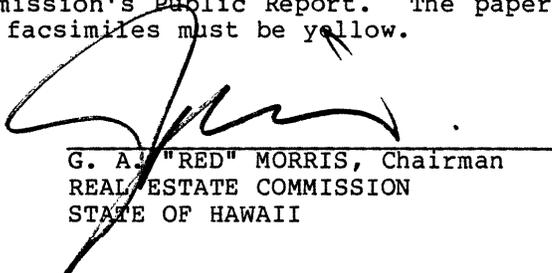
The Declaration provides that the owner of each apartment shall be solely responsible for the maintenance, repair and restoration of such apartment, appurtenant limited common elements and its parking area and the Association shall be responsible for all common elements of the project.

STATUS OF PROJECT: The Developer estimates that the building was constructed in 1958 and is approximately 26 years old. Inspection by the City and County Building Department has confirmed that the building was built in accordance to Code at time of construction and there were no variances or special permits granted to allow deviation from any applicable Code, rule or regulation then existing. The Project is a conversion of fully constructed and existing apartment building to condominium status; said improvements are legal and conforming under present zoning ordinances.

To the best of the Developer's knowledge, information and belief, there are no outstanding notices of uncured violations of the building code or other municipal regulations of the City and County of Honolulu.

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 May 18, 1984, and information subsequently filed as of June 12, 1984.

This is the PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT which is made a part of Registration No. 1605 filed with the Commission on May 18, 1984. This Report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be yellow.



G. A. "RED" MORRIS, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:

Department of Finance, City and County of Honolulu
Bureau of Conveyances
Planning Department, City and County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1605

June 15, 1984

DEVELOPER'S DISCLOSURE ABSTRACT

Name and Address of Project:

Name: 1808 Waiola
Address: 1808 Waiola Street, Honolulu, Hawaii 96826

Name, Address and Telephone Number of Developer and Project Manager:

Developer: ABE LEE DEVELOPMENT, INC.
A Hawaii Corporation
1946 Young Street Suite 200
Honolulu, Hawaii 96826
(808) 524-3055
(Attn.: Abe Lee)

Breakdown of Maintenance Fees: The breakdown of the annual maintenance fees and the monthly estimated costs for each unit, as determined by generally accepted accounting principles, is attached hereto as Exhibit "A."

Use: The project contains 9 fee simple apartment units. All of the units shall be used only for residential purposes consistent and in conformance with the required uses for the zoning of the project and with the aforesaid Declaration.

Warranties: The existing units were constructed in 1958. NO WARRANTIES EXIST. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER ARE MADE AS TO EITHER THE UNITS OR COMMON ELEMENTS OF THE PROJECT. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE UNITS THEY DESIRE TO PURCHASE. THE UNITS ARE SOLD "AS IS."

Disclosure: Based upon the report of an independent registered engineer, the Developer represents that the dwellings and all of their structural components and mechanical and electrical installations material to the use and enjoyment of the condominium project are in accordance with the plans and specifications originally filed with the Building Department of the City and County of Honolulu; are in good condition; and contain the following components: Plumbing and electrical fixtures and related piping and wiring. The developer further represents that the dwellings are constructed of concrete and wood which appear in good condition. The mechanical and electrical installations are expected to last beyond thirty (30) years with proper maintenance. NO OTHER REPRESENTATIONS CAN BE MADE REGARDING THE EXPECTED USEFUL LIFE OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS.

The Developer knows of no outstanding notices of uncured violations of building codes or other municipal regulations regarding the dwellings or the Project.

Dated this 20th day of March, 1984.

ABE LEE DEVELOPMENT INC.

By Abraham Lee
Its President

1808 WAIOLA
PROJECTED ANNUAL MAINTENANCE BUDGET

ESTIMATED OPERATING EXPENSES:

Water & Sewer	\$1200
Insurance for Common Areas	402
Repairs & Maintenance	1000
Management Fee	N/A
Utilities - Common Area	1000
Maintenance Reserve	300
CPA Audit	<u>200</u>

Total \$4102

ESTIMATED MONTHLY EXPENSES: \$ 341.83

ESTIMATED MONTHLY MAINTENANCE FEE FOR EACH UNIT

Unit	Monthly Fee
All Units	\$37.98

ABE LEE DEVELOPMENT INC.

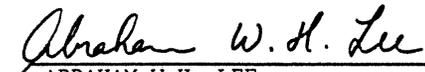

ABRAHAM W.H. LEE
Its President

EXHIBIT "A"