

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

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

625 12th AVENUE
625 12th Avenue
Honolulu, Hawaii 96816

REGISTRATION NO. 1732 (PARTIAL 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 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: FEBRUARY 20, 1986
EXPIRES: MARCH 20, 1987

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 JANUARY 14, 1986, AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 12, 1986. THE 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. 625 12th AVENUE is a two-unit, fee simple condominium project consisting of one (1) detached, single-family, wood frame dwelling and one (1) detached single-family wood frame dwelling to be constructed as described herein and four 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 Final Public Report.

3. The basic documents (Declaration of Horizontal Property Regime and By-Laws of the Association of Owners) were executed on December 17, 1985, and have been recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 19153, at Page 235 and Liber 19153, at Page 265, respectively. A copy of the floor plans has been filed as Condominium Map No. 981.

4. No advertising or promotional matter has been submitted pursuant to the Rules adopted 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 adopted thereunder which relate to Horizontal Property Regimes.

6. This Final Public Report is made part of the registration of the 625 12th AVENUE condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white 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 Final Public Report automatically expires thirteen (13) months after the date of issuance, February 20, 1986 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 PROJECT: 625 12th AVENUE

LOCATION: The site, consisting of approximately 10,000 square feet, is located at 625 12th Avenue, Honolulu, Hawaii 96816.

TAX MAP KEY NO.: First Division: 3-2-21-18

ZONING: R-6, Residential District

DEVELOPER: ABE LEE DEVELOPMENT, INC., a Hawaii corporation, whose principal place of business and address is 1946 Young

Street, Suite 200, Honolulu, Hawaii 96826. Telephone: (808) 524-3055. The officers are Abraham Lee, President/Treasurer; and Sally Lee, Vice-President/Secretary.

ATTORNEYS REPRESENTING DEVELOPER: LESTER G. L. WONG, ATTORNEY AT LAW, A LAW CORPORATION, 165 South King Street, Suite 1100, Honolulu, Hawaii 96813 Telephone: (808) 526-3033

DESCRIPTION OF PROJECT: The Declaration of Horizontal Property Regime and the plans submitted by the Developer indicate a fee simple project consisting of a 10,000 square foot parcel of land, together with two (2) detached, single-family units, one story in height as hereinafter described.

Unit 1 will be completed in February 1986 and will consist of one (1) detached single-family dwelling, two stories in height. Unit 1 will be elevated and will consist of a living room, dining area, kitchen, two (2) bathrooms and three (3) bedrooms. The net floor of Unit 1 is approximately 1,081 square feet. Unit 1 will have a range, refrigerator, disposal, water heater and carpets. It will also have a 2 car garage

The proposed structure of Unit 1 will consist of wood beams and floor joists supported on hollow tile columns with concrete spot footings. The floors will be of plywood which will be covered with wall to wall carpeting. Resilient floor covering will be used in the kitchen and bathrooms. The walls will be of double wall construction with plywood siding on the exterior and gypsum board on the interior. The ceiling will also be constructed using gypsum board. Windows will consist of fixed and sliding glass, and glass jalousies. The roof will be of wooden beam and rafter construction with composite shingles on plywood sheathing.

Unit 2 is an existing, detached, single-family dwelling, built in 1941 with an addition in November, 1985 and is one story in height and consists of a living room, kitchen, wetbar, two (2) bathrooms and five (5) bedrooms. The net floor area of Unit 2 is 1,288 square feet. Unit 2 has two (2) water heaters. Parking for Unit 2, consisting of two stalls, is located adjacent to said unit (see Condominium Map).

The existing structure of Unit 2, including the addition, consists of wood beams and floor joists supported on posts with concrete spot footings. The walls are of wood frame single wall construction. Windows are of sash type. The roof is comprised of wooden carpenter's trusses with wooden sheathing and asphalt shingle covering. Flooring is hardwood type in all areas.

NOTE: Each unit owner has the right to demolish, reconstruct and renovate his unit as provided in Paragraph 21 of the Declaration. Any new or renovated dwelling shall be built in accordance with the zoning ordinances and rules and regulations of the City and County of Honolulu, and

shall be subject to the Procedures set forth in Paragraph 21 of the Declaration.

The unit owners also have the right to subdivide or consolidate their units and reapportion the common interest appurtenant thereto upon a duly recorded amendment to the Declaration approved by the vote or written consent of only the unit owners of the subdivided or consolidated units and their mortgagees, all as provided in Paragraph 12 of the Declaration, and provided such subdivision or consolidation is in conformance with County law.

COMMON ELEMENTS: Common elements shall include the limited common elements described below and all other portions of the Property, excluding those items defined as part of any unit, but including the portion of land on which the units are located and all elements mentioned in the Horizontal Property 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 units;
- D. All electrical and mechanical equipment and wiring and other central appurtenant installations for services, including power, lights and water;
- E. 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 designated and set aside for the exclusive use of each unit, and each unit shall have appurtenant thereto exclusive easements for the use of such limited common elements. Unless otherwise specified, all costs of every kind pertaining to each limited common element, including but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne entirely by the unit to which it is appurtenant. The limited common elements so set aside and reserved are as follows:

- A. The site of each unit consisting of the land beneath and immediately adjacent thereto, as shown and delineated on said Condominium Map, including without limitation, any private areas, shall be deemed a limited common element for the sole and exclusive use of the unit to which it is appurtenant.

B. Parking adjacent to each of the respective units as shown on the Condominium Map.

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

<u>Unit No.</u>	<u>Percentage of Common Interest</u>
1	50%
2	50%

Each unit 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 unit owners.

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

A. Each unit shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to and egress from and utility services (including but not limited to electricity, water and sewer) for and in support of such units. The Association of Apartment Owners (the "Association") shall have the right, to be exercised by its Board of Directors, to change the use of the common elements or to lease or otherwise use the common elements for the benefit of the Association, all as provided and limited by the Horizontal Property Act, subject to the exclusive use of the limited common elements as provided in the Declaration.

B. If any common element now or hereafter encroaches upon any unit, a valid easement for such encroachment and maintenance thereof, so long as it continues, does and shall exist. If any building or other improvement shall be partially or totally destroyed and then rebuilt, minor encroachments by any common elements upon any apartment or limited common element due to reconstruction, shall be permitted, and valid easements for such encroachments and the maintenance thereof, so long as they continue, shall exist. PROVIDED, that in no event shall a valid easement for encroachment be created in favor of the owner of any unit 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 shall have the right, to be exercised by its Board of Directors or the managing agent, if any, to enter each unit 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 unit or common element.

D. The Developer 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 unit, 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 affected thereby, is authorized to grant, convey, transfer, cancel, relocate or deal with any and all such public services and utilities easements now or hereafter located on or affecting the Project.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The Declaration provides that the units 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 House Rules provide in part: (1) that no livestock, poultry or other animals or pets whatsoever shall be allowed or kept in any part of the Project, except for one dog or one cat, aquarium fish and a pair of small birds, subject to conditions more particularly set forth in the House Rules; (2) that no inflammable oils or fluids shall be stored in any part of the Project; (3) that all units shall be occupied by no more than five (5) persons for two (2) bedroom units and six (6) persons for three bedroom units; and (4) that 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.

OWNERSHIP OF TITLE: A Preliminary Report issued by Island Title Corporation, dated December 28, 1985, indicates that title to the land is vested in ABE LEE DEVELOPMENT, INC., a Hawaii corporation, the Developer.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated December 28, 1985, indicates the following encumbrances:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

2. Real Property Mortgage dated October 10, 1985, recorded on December 17, 1985, in Book 19153, Page 162, made by ABE LEE DEVELOPMENT, INC., a Hawaii corporation, as Mortgagor, to Margaret A. Moreira, wife of George J. Moreira, Joseph Jesus, husband of Elvera Rita Jesus, Flora Jesus Moench, also known as Flora Moench, unmarried, and Stephen Jesus, unmarried.

3. Real property taxes as may be due. The Developer states that any delinquent real property taxes and all mortgages shall be paid and/or released before conveying units to individual buyers.

4. The restrictions on use and other restrictions and all other covenants, agreements, obligations, conditions, reservations, easements, and other provisions set forth in Declaration of Horizontal Property Regime dated December 17, 1985, were recorded in the Bureau of Conveyances in Liber 19153, Page 235, and the By-Laws were recorded in Liber 19153, Page 265. The Project is covered by Condominium Map No. 981.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated December 17, 1985, identifies Island Title Corporation 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 §§ 514A-37, 514A-39, 514A-40, 514A-63 and 514A-65. 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 such refund is permitted by the Escrow Agreement, sales contract or law.

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 purchaser's funds.

Among other provisions, the specimen sales contract provides that the Developer makes NO WARRANTIES AS TO ANY DEFECTS IN THE UNITS AND THE COMMON ELEMENTS OF THE PROJECT.

NOTE: The Disclosure Abstract, which is attached hereto, provides that the units to be built will have a one year contractor's warranty. standard contractor's warranties.

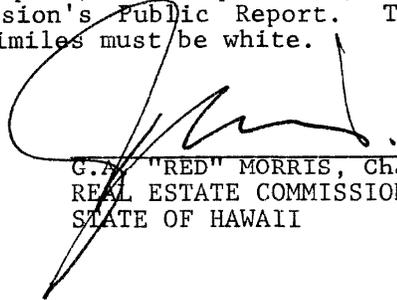
MANAGEMENT OF THE PROJECT: The By-Laws provide that the operation of the Project shall be conducted for the Association of Owners under the direction of its Board of Directors by a responsible managing agent. No managing

agent has been appointed as of the date of this Report and none is contemplated since the Declaration provides that the owner of each unit shall be solely responsible for the maintenance, repair, replacement and restoration of such unit, appurtenant limited common elements and its parking area. The Association shall be responsible for all common elements of the Project which are not limited common in nature and fees will then be assessed as necessary. Thus, monthly maintenance fees are not contemplated at this time.

STATUS OF PROJECT: Unit 2 is already constructed and Unit 1 is scheduled for completion in February, 1986. With respect to Unit 2, which was built in 1941 and renovated in 1985, refer to Exhibits A, B, and C of the Disclosure Abstract. These indicate that the Developer has and will correct certain nonconforming uses cited in a July 23, 1985 letter from the City Building Department. A letter dated December 9, 1985, from the said Department notes that corrective action has been partially completed and a letter from the Developer to the Commission dated December 23, 1985 assures that the remaining corrections will be undertaken.

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 January 14, 1986 and information subsequently filed as of February 12, 1986.

This is the FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT which is made a part of Registration No. 1732 filed with the Commission on January 14, 1986. 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.



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

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

Registration No. 1732

February 20, 1986

DEVELOPER'S DISCLOSURE ABSTRACT

Name and Address of Project:

Name: 625 12th Avenue
Address: 625 12th Avenue

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)

Maintenance Fees: There will be no maintenance fees. All costs of every kind pertaining to each limited common element, including but not limited to, costs of landscaping, maintenance, repair, replacement and improvement shall be borne entirely by the unit to which it is appurtenant. All costs pertaining to each common element shall be borne equally by each owner.

Use; The project will contain 2 fee simple units (one unit with joined cottages). Both units shall be used only for residential purposes and in conformance with the aforesaid Declaration.

Warranties: Unit 1 will be completed in February, 1986. Unit 2 is an existing building constructed in 1941 and renovated in November, 1985. NO WARRANTIES EXIST. NO WARRANTIES FOR FITNESS OR USE OR MERCHANTABILITY OR ANY OTHER IS MADE AS TO EITHER UNITS OR COMMON ELEMENTS OF THE PROJECT. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE UNIT 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 fair 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 wood and concrete spot footings, which appear in fair condition. 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 municipal regulations regarding the project. See Exhibits A, B and C attached, regarding correction of nonconforming uses.

Dated this 17th day of December, 1985.

ABE LEE DEVELOPMENT, INC.

By John Lee
Its President

BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU
HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

FRANK F. FASI
MAYOR



HERBERT K. MURAOKA
DIRECTOR

Ex85-96

July 23, 1985

Mr. Abe Lee
Abe Lee Development Inc.
1946 Young Street, Suite 200
Honolulu, Hawaii 96826

Dear Mr. Lee:

Subject: Condominium Conversion Project
617-A & C, 617-B & D, 623, 623-A & 625-A,
623-B, 625, 625-B and 625-C 12th Avenue
Tax Map Key: 3-2-31: 9, 18 & 25

This is in reference to your letter dated May 23, 1985 requesting verification that the 2 two-story two-family detached dwellings (duplexes) on parcel 9, a two-story two-family detached dwelling (duplex), 2 one-story single-family dwellings on parcel 25 and 3 one-story single-family dwellings on parcel 18 located at 617-A & C, 617-B & D, 623, 623-A & 625-A, 623-B, 625, 625-B and 625-C 12th Avenue met all code requirements at the time of construction.

Investigation revealed that the 5 one-story single-family dwellings and 3 two-story two-family detached dwellings (duplexes) met the code requirements when they were constructed between 1922 and 1941.

For your information, the 2 two-family dwellings on parcel 9 with a lot area of 8,875 square feet; the 3 single-family dwellings on parcel 18 with a lot area of 10,000 square feet; and the 2 single-family dwellings and two-family dwelling on parcel 25 with a lot area of 9,625 square feet, all located in an R-6 residential district, do not meet the current zoning code and are nonconforming uses of structures. Repairs exceeding 10% of the replacement value of the building cannot be made within any 12 consecutive months and any building demolished by any means cannot be replaced unless an existing use permit is obtained from the Department of Land Utilization prior to the demolition.

EXHIBIT A

Mr. Abe Lee
July 23, 1985
Page 2

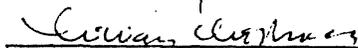
No variances or special permits were granted to allow deviations from any applicable codes.

If you have any questions regarding this matter, please contact Mr. Noboru Taketa or Mr. Robert Yakabe of this office at telephone 523-4573.

Very truly yours,


HERBERT K. MURAOKA
Director and Building
Superintendent

Subscribed and sworn to
before me this 25th day of
July 1985


Notary Public, First Judicial Circuit
State of Hawaii
My commission expires: 12/13/88

BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

FRANK F. FASI
MAYOR



HERBERT K. MURAOKA
DIRECTOR AND BUILDING SUPERINTENDENT

Ex85-167

December 9, 1985

Mr. Abe Lee, President
Abe Lee Development, Inc.
1946 Young Street, Suite 200
Honolulu, Hawaii 96826

Dear Mr. Lee:

Subject: Condominium Conversion Project
625 12th Avenue
Tax Map Key: 3-2-31: 18

This is in reply to your letter dated November 15, 1985 requesting confirmation that the two single-family dwellings on the lot at 625 12th Avenue are now in conformance with the zoning code requirements.

Investigation revealed that two of the three single-family dwellings were joined to form a single-family dwelling with one kitchen. The resulting two single-family dwellings meet the current zoning code requirements.

The lack of paved or all-weather surfaced off-street parking spaces and the straddling of the property line by the 20'x19' steel-framed carport are existing nonconforming conditions.

If you have any questions, please call Mr. Noboru Taketa at 527-6341.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Herbert K. Muraoka".

HERBERT K. MURAOKA
Director and
Building Superintendent

EXHIBIT B

ABE LEE DEVELOPMENT, INC.
AFFORDABLE HOUSING SPECIALISTS

December 23, 1985

Real Estate Commission
1010 Richards Street
Honolulu, Hawaii 96813

RE: PARTIAL CONDO CONVERSION-625 12TH AVENUE
TMK: 3-2-31: 18
Verified Statement by Building Dept. for C & C of Honolulu

Gentlemen:

Letter sent to us by the Building Dept. of the City & County of Honolulu dated July 23, 1985, stated that the three dwellings on parcel 18 met all code requirements at the time of construction. However, the letter further noted that the three single family dwellings on parcel 18 do not meet current zoning code and are nonconforming uses of structures.

We have since corrected the nonconforming uses of structures by joining two of the three single family dwellings into a single-family dwelling with one kitchen. A letter of conformance from the Building Dept. dated December 9, 1985, is attached.

The nonconforming conditions mentioned in the letter of December 9, 1985, (lack of off-street parking spaces and the straddling of the property line by the steel-framed carport) will be corrected once we receive our building permit. We have already applied for the permit and will forward it as soon as we receive it.

Very truly yours,

Abe Lee
Abe Lee

AL:am

Att.

Exhibit C

1946 YOUNG STREET, SUITE 200 • HONOLULU, HI 96826 • TELEPHONE **942-2633**