

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
BAYSHORE TOWERS
84 Pukihae Street
Hilo, Hawaii

REGISTRATION NO. 251

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: July 1, 1970
Expires: August 1, 1971

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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JANUARY 6, 1969, AND INFORMATION SUBSEQUENTLY FILED AS LATE AS JULY 1, 1970. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of March 6, 1969 on BAYSHORE TOWERS, Registration No. 251, the Developer has prepared, assembled and forwarded additional information. This Final Public Report is made a part of the registration on the BAYSHORE TOWERS Condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock). The securing of a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also a responsibility of the Developer.
2. The project has been modified in a number of instances.

The basic changes in the Final Public Report as compared to the Preliminary Public Report consist of:

- a. An enlarged ground area of the fee simple lot to be conveyed to the purchasers. Upon resurvey the lot areas have been determined to be 35,714 square feet instead of 34,898 square feet.
 - b. The land is now owned by the Developer in fee simple subject to a construction loan mortgage to American Savings & Loan Association instead of being under an agreement of sale to purchase.
 - c. The Developer has relinquished its ownership of the parking spaces; these will now be deeded at no extra cost, to the apartment purchasers as limited common elements appurtenant to each apartment.
 - d. The Developer has relinquished its right reserved to develop the first floor apartments into commercial uses.
 - e. The Developer has relinquished its right reserved to develop the roof area into any commercial activity allowed by the County of Hawaii.
 - f. A management contract with Condominium Consultants has been entered into. No management contract was furnished for the Preliminary Public Report; the name herewith is submitted.
 - g. An Amended Declaration and Condominium Map No. 154, was recorded in the Bureau of Conveyances in Liber 6998 at Page 195. The only amendments to the Declaration will be the Amended Condominium Map, new description of the land, and modified exhibits reflect changes in the building suggested by prospective buyers and by Hawaii County authorities and incorporated into the detailed plans approved by the proper Hawaii County authorities. Changes in gross areas of apartments have been made from that set forth in the Preliminary Public Report, said change being reflected in the Amended Declaration.
 - h. Since the filing of the above-mentioned Amended Declaration, certain modifications to said Amended Declaration and Condominium Map No. 154 filed therewith have been made by the Developer and a Second Amended Declaration was executed on May 28, 1970 and recorded in the Bureau of Conveyances in Liber 7030 at Page 163. The said Second Amended Declaration substitutes the condominium maps previously filed with that certain amended condominium map dated May 27, 1970. The substitution of condominium map was necessitated as a result of an error in the designation of the parking spaces to the respective apartments. The said Second Amended Declaration also deletes the "washer" from the list of originally installed fixtures in each apartment.
3. The Developer has submitted to the Commission all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.
 4. The basic documents (Declaration of Horizontal Property Regime with By-Laws of the Association of Apartment Owners and Exhibits A through E attached thereto, and the approved Floor Plans) were filed with the Bureau of Conveyances on November 26, 1969, recorded in Liber 6784, pages 80-133. Inasmuch as the Developer's project plan has been amended since the original recordation of those documents, an Amended Declaration of Horizontal Property Regime has been submitted to this Commission and has been recorded in the Bureau of Conveyances in Liber 6998 at Page 195. The Amended Declaration, as submitted, differs from the original Declaration in the approximate square footage of certain Apartments as set forth therein, and assigns different numbers of parking stalls to individual apartments. The floor plans (condominium map) submitted with the recorded Declaration has also been amended to set out the changes in the interior arrangement of apartments and structural modifications approved by the appropriate County of Hawaii authorities. The Amended Declaration was further amended by a Second Amended Declaration and Condominium Map recorded in the Bureau of Conveyances in Liber 7030 at Page 163.

5. All advertising and promotional matter, the Developer has reported, have now been submitted to the Commission. The Developer advises the Commission that in the event any new or different advertising or promotional matter shall be used, it will first be submitted prior to public exposure.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, July 1, 1970, 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: BAYSHORE TOWERS

LOCATION: The approximately 35,714 square feet, in fee simple committed to the regime is situated at 84 Pukihae Street, Hilo, Hawaii, Island and County of Hawaii. The lot is rectangular in shape and fronts on the Pacific Ocean, having approximately 155 feet of ocean frontage along the meandering coastline. The land along the ocean is 40 to 49 feet above highwater mark. The location is about one-half mile to the Hilo Post Office and slightly less than that from the edge of one of the two major shopping areas of Hilo, Hawaii. The land lies in Puuoo, District of South Hilo, Island, County and State of Hawaii.

TAX KEY: THIRD TAXATION DIVISION, STATE OF HAWAII 2-6-1-15

ZONING: Hotel-Apartment

DEVELOPER: NEW VENTURES, LTD.
810 Richards Street, Suite 701
Honolulu, Hawaii 96813 Telephone 531-1356

The developer is a Hawaii corporation registered as such with the office of the Director of Regulatory Agencies, State of Hawaii, on August 5, 1968. The officers are:

Sylvia McMichael	President & Director	4548 Kilauea Avenue Honolulu, Hawaii
Maria Segawa	Vice-President and Director	Mountain View, Hawaii P. O. Box 137 Hilo, Hawaii
Sandford I. Gadiant	Secretary-Treasurer	c/o Suite 701 810 Richards Street Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Mr. L. H. Nevels, Jr., Nevels and Chang, Suite 920, 1441 Kapiolani Boulevard, Honolulu, Hawaii; Telephone 9495305. Hilo Office: Hilo Hotel Building, Hilo, Hawaii. Telephone 9355977.

DESCRIPTION: The Declaration of Horizontal Property Regime, the Amended Declaration and the Second Amended Declaration reflect that the project is to consist of eighty-eight (88) apartments arranged throughout a single fifteen (15) story building situated on the 35,714 square feet of fee simple land hereinbefore described. The apartment building will be constructed of reinforced concrete, steel, glass, aluminium and allied building materials, integrated walls, columns and supports. There will be a first floor with four apartment units, including one or more units for a resident manager or other employees. The second floor consists of six apartments with a different floor plan than those units above the second floor. Apartment 206 may be used as an accommodation for a manager or an employee of the building. The third through fifteenth floors, inclusive, are typical. Each such floor will consist of six apartments, one one-bedroom, one studio, and four two-bedroom units, surrounding a central foyer, stair well and elevator shafts. The square footage of each unit is set

forth below. The last digit in the apartment number indicates the number of the apartment on each floor; the first two digits indicate the floor number; where a zero appears as the second digit, it is omitted as a floor number. For example, Apartment Number 604 is Apartment Number 4 on the sixth floor.

Each apartment will be sold with an appurtenant numbered parking stall, as provided in the Amended Declaration as a limited common element. The Developer will furnish a minimum of four (4) guest parking spaces, without charge, to the Association of Apartment Owners.

There will be a common area in the basement for utilities and storage for all tenants; there shall be two high speed automatic elevators serving the basement and all floors as well as 2 sets of stairs in the stair wells, serving all apartments above the first floor and one set of stairs serving the basement. There will be a master television antenna system. There will be a swimming pool for Apartment Owners, their invited guests and their tenants.

All apartments will be located as shown on the amended condominium map filed in the office of the Registrar of Conveyances.

The following is a brief description of the apartments and also shows the interest of each apartment in the common elements.

<u>Apartment No.</u>	<u>Floor Number</u>	<u>Number of Votes</u>	<u>Apartment Description</u>	<u>Percentage of Common Interest</u>
101	1	113	2 Bedroom	1.13
102	1	115	2 Bedroom	1.15
103	1	70	1 Bedroom	.70
104	1	114	2 Bedroom	1.14
201	2	27	Studio	.27
202	2	116	2 Bedroom	1.16
203	2	118	2 Bedroom	1.18
204	2	73	1 Bedroom	.73
205	2	117	2 Bedroom	1.17
206	2	116	1 Bedroom	1.16
301	3	30	Studio	.30
302	3	119	2 Bedroom	1.19
303	3	121	2 Bedroom	1.21
304	3	76	1 Bedroom	.76
305	3	120	2 Bedroom	1.20
306	3	119	2 Bedroom	1.19
401	4	33	Studio	.33
402	4	122	2 Bedroom	1.22
403	4	124	2 Bedroom	1.24
404	4	79	1 Bedroom	.79
405	4	123	2 Bedroom	1.23
406	4	122	2 Bedroom	1.22
501	5	36	Studio	.36
502	5	125	2 Bedroom	1.25
503	5	127	2 Bedroom	1.27
504	5	82	1 Bedroom	.82
505	5	126	2 Bedroom	1.26
506	5	125	2 Bedroom	1.25
601	6	39	Studio	.39
602	6	128	2 Bedroom	1.28
603	6	130	2 Bedroom	1.30
604	6	85	1 Bedroom	.85
605	6	129	2 Bedroom	1.29
606	6	128	2 Bedroom	1.28

<u>Apartment No.</u>	<u>Floor Number</u>	<u>Number of Votes</u>	<u>Apartment Description</u>	<u>Percentage of Common Interest</u>
701	7	42	Studio	.42
702	7	131	2 Bedroom	1.31
703	7	133	2 Bedroom	1.33
704	7	88	1 Bedroom	.88
705	7	132	2 Bedroom	1.32
706	7	131	2 Bedroom	1.31
801	8	45	Studio	.45
802	8	134	2 Bedroom	1.34
803	8	136	2 Bedroom	1.36
804	8	91	1 Bedroom	.91
805	8	135	2 Bedroom	1.35
806	8	134	2 Bedroom	1.34
901	9	57	Studio	.57
902	9	137	2 Bedroom	1.37
903	9	139	2 Bedroom	1.39
904	9	94	1 Bedroom	.94
905	9	138	2 Bedroom	1.38
906	9	137	2 Bedroom	1.37
1001	10	57	Studio	.57
1002	10	140	2 Bedroom	1.40
1003	10	142	2 Bedroom	1.42
1004	10	97	1 Bedroom	.97
1005	10	141	2 Bedroom	1.41
1006	10	140	2 Bedroom	1.40
1101	11	54	Studio	.54
1102	11	143	2 Bedroom	1.43
1103	11	145	2 Bedroom	1.45
1104	11	100	1 Bedroom	1.00
1105	11	145	2 Bedroom	1.45
1106	11	143	2 Bedroom	1.43
1201	12	57	Studio	.57
1202	12	146	2 Bedroom	1.46
1203	12	148	2 Bedroom	1.48
1204	12	103	1 Bedroom	1.03
1205	12	147	2 Bedroom	1.47
1206	12	146	2 Bedroom	1.46
1301	13	60	Studio	.60
1302	13	149	2 bedroom	1.49
1303	13	151	2 Bedroom	1.51
1304	13	106	1 Bedroom	1.06
1305	13	150	2 Bedroom	1.50
1306	13	149	2 Bedroom	1.49
1401	14	63	Studio	.63
1402	14	152	2 Bedroom	1.52
1403	14	154	2 Bedroom	1.54
1404	14	109	1 Bedroom	1.09
1405	14	153	2 Bedroom	1.53
1406	14	152	2 Bedroom	1.52
Penthouse 1	15	66	Studio	.66
Penthouse 2	15	157	2 Bedroom	1.57
Penthouse 3	15	161	2 Bedroom	1.61
Penthouse 4	15	114	1 Bedroom	1.14
Penthouse 5	15	157	2 Bedroom	1.57
Penthouse 6	15	157	2 Bedroom	1.57
88		10,000		100%

<u>Apartment Number</u>	<u>Approximate Square Footage*</u>	<u>Total Number of Rooms</u>
101	1,216	6
102	1,339	6
103	720	4
104	1,392	6
201	722	2
202	1,047	6
203	1,047	6
204	1,026	4
205	1,269	6
206	564	6

TYPICAL - FLOORS THREE to and including FIFTEEN

01	412	2
02	975	6
03	975	6
04	648	4
05	1,053	6
06	1,053	3

*The square footage of all lanais is included in the "APPROXIMATE SQUARE FOOTAGE". Purchasers should review the Condominium Map to ascertain the size of the living area and lanai.

All apartments will have access to the lobby area on the first floor either directly (in the case of apartments on the first floor) or via foyers, elevators and stairs (in the case of apartments on the second through fifteenth floors), all such foyers being common elements and the elevators, stairs and lobby areas being common elements, each Apartment Owner owning the individual interest shown above in all common elements.

COMMON ELEMENTS: The Declaration and Amended Declarations reflect that the common elements will include the limited common elements described in the Declaration and all other portions of the land and improvements other than the apartments themselves as described in said Declarations.

Such common elements shall specifically include, but shall not be limited to, the following: (a) The land, in fee simple, subject to the right of way and easement for Lots 1 and 2 and the reservation of mineral and metallic mines; (b) All foundations, girders, columns, beams, supports, main walls, unfinished perimeter and load-bearing walls, roofs, halls, corridors, foyers, stairs, stairways, fire escapes, lobbies, elevators, elevator shafts, and entrances and exits to and from the building; (c) All basements, yards, landscaping, gardens, recreational facilities, (including swimming pool and its machinery, pool deck, sundecks) driveways, walkways and storage spaces not located within apartments; (d) All outside areas for the use of janitors and other persons employed in the operation of the property; (e) All ducts, conduits, wiring, pipes, electrical equipment, pumps, chutes, lines and other central and appurtenant transmission facilities and installations over, under, across and through the project which serve more than one apartment for services such as power, light, gas, hot and cold running water, swimming pool water and power, sewer, telephone, radio, heating, refrigeration, incinerators, garbage disposal, air-conditioning, television, sprinkler systems, and all other services provided to more than one apartment or to other common elements; (f) Two automatic electric passenger elevators with shafts, housing and all appurtenant equipment, and all tanks, pumps, motors, engines, fans, compressors, machinery and equipment installed in or on said property; and (g) Any and all other apparatus, installations, machinery and space of and in common use and all other parts of the property necessary or convenient to the existence, maintenance and safety thereof and of the occupants thereof, or normally in common use.

Note: Although the original Declaration of Horizontal Property Regimes make mention of laundry room area, the building plans show no laundry rooms in the project.

LIMITED COMMON ELEMENTS: The Declaration and Amended Declaration reflect that certain parts of the common elements will be set aside and reserved for the exclusive use of certain apartments. Such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements.

The limited common elements set aside and reserved are as follows: (a) The foyer and corridors located on each floor of the second (2nd) through fifteenth (15th) floors shall be appurtenant to and for the exclusive use of the apartments on such floor; (b) In the event storage areas within common elements shall at any time be designated as appurtenant to specific apartments by appropriate action of the Association of Apartment Owners in accordance with the By-Laws, such designated storage areas shall be limited common elements; and (c) one parking stall, duly identified with each apartment, for the exclusive use of each apartment.

INTEREST TO BE CONVEYED TO PURCHASER: The percentages of undivided interest in the common elements appertaining to each apartment are as set forth under subject heading of "DESCRIPTION".

PURPOSE OF THE BUILDING AND RESTRICTIONS AS TO USE: The Declaration states that the building shall at all times be primarily occupied and used only as dwellings by the respective owners thereof, their tenants, guests, families and domestic servants.

Developer advises that every apartment owner shall have the absolute right to lease their respective apartments subject to the limitations, restrictions, covenants and conditions set forth and as they may be from time to time duly amended in the Declarations, the By-Laws of the Association of Apartment Owners or in any apartment lease.

OWNERSHIP OF THE LAND: By Warranty Deed dated October 8, 1969, recorded in the Bureau of Conveyances at Honolulu on November 26, 1969 in Liber 6734, at pages 75-79, the property was conveyed to the Developer in fee simple subject to the encumbrances and reservations set forth below.

ENCUMBRANCES AGAINST TITLE: Certificate of Title executed March 16, 1970, prepared by Security Title Corporation certifies that title to the land is subject to the following:

1. Taxes for the fiscal year 1969-1970 are a lien; payable as follows:
1st Installment: \$263.45 PAID
2nd Installment: \$263.44 OPEN (Delinquent after 6/10/70)
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 7780.
3. As to that portion of the land herein described bordering on the ocean: The effect of the decision by the Supreme Court of the State of Hawaii in the case of Application of Ashford (1968) 50H. 314, 440 P. 2d 76.
4. A right-of-way for a roadway for the purposes of ingress and egress to and from Lot No. 1 and Lot No. 2, said right-of-way being a strip of land of the uniform width of sixteen feet and 125 feet in length and containing an area of 2024 square feet, as mentioned in that certain Deed dated September 13, 1962, recorded on October 3, 1962 in the Bureau of Conveyances of the State of Hawaii in Book 4373, Page 492.
5. Condominium Map No. 154, filed in said Bureau of Conveyances on November 26, 1969.
6. BAYSHORE TOWERS DECLARATION OF HORIZONTAL PROPERTY REGIME dated November 25, 1969, recorded on November 26, 1969 in said Bureau of Conveyances in Book 6784, Page 80, and the By-Laws attached thereto, to which reference is hereby made.
7. Easement for roadway purposes in favor of others over, along, across and upon the parcel of land containing an area of 2,011 square feet.

8. Mortgage dated October 29, 1969, recorded on November 26, 1969 in said Bureau of Conveyances in Book 6784, Page 134, made by NEW VENTURES, LTD., a Hawaii corporation, as Mortgagor, to AMERICAN SAVINGS & LOAN ASSOCIATION, a Utah corporation, as Mortgagee, to secure the repayment of the sum of \$2,450,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.
9. Undated Financing Statement recorded on November 26, 1969 in said Bureau of Conveyances in Book 6784, Page 144, a copy of which is attached hereto as Exhibit "C".

In addition to the above, the land is also subject to an amendment to the Declaration of Horizontal Property Regimes executed April 23, 1970 and recorded in the Bureau of Conveyances of the State of Hawaii in Book 6998, at Page 195. Said Declaration was further amended by a Second Amended Declaration executed May 28, 1970 and recorded in said Bureau of Conveyances in Liber 7030, at Page 163. Condominium Map No. 154, filed on November 26, 1969, was substituted by Floor Plans (5 sheets) prepared by Jo Paul Rognstad and dated May 27, 1970.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated January 3, 1969, between Security Title Corporation, called Escrow, and New Ventures, Ltd., called Seller, has been filed with the Commission. On examination, the Escrow Agreement is found to be in compliance with Section 514-15(6), Hawaii Revised Statutes.

Among other provisions, the Escrow Agreement provides that upon prior approval of the mortgagee, disbursements from the escrow fund shall be made by Escrow from time to time to pay for (1) construction costs in proportion to the valuation of the work completed by the contractor on the apartment building, as certified by a registered architect or professional engineer, and (2) architectural, engineering, finance or legal fees and brokerage commissions and other incidental expenses, upon submission of bills for disbursements approved or certified by a registered architect or professional engineer or registered accountant or interior lender who is not an employee of the Seller. The balance of the moneys remaining in the escrow fund shall be disbursed in accordance with the direction of the Seller only upon completion of the building and when Escrow has received satisfactory evidence that all mechanics' and materialmen's lien have been cleared or sufficient funds have been set aside to cover claims, if a lien is filed, otherwise 45 days after the filing with Escrow of a copy of the Affidavit of Public Notice of Completion.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Escrow Agreement as it establishes how the proceeds from the sale of the apartment units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

FINANCING OR PROJECT: The Developer has submitted a financial statement showing the total project costs and satisfactory evidence of sufficient funds to cover the total project costs from funds derived from an interim construction loan, developer's equity funds, and purchasers' funds. Developer advises that the total building costs will be covered by funds from a construction loan from American Savings and Loan Association. Reservations for more than 70 apartments have been made, and all of these purchasers have qualified for mortgage loans with American Savings and Loan Association, who is both the interim "construction" lender and the permanent "take-out" lender. The Developer further advises that the total of permanent "take-out" loans committed to the individual purchasers combined with the payments made upon reservations, which upon issuance of this Final Public Report, will become purchase agreements, are ample to repay the construction loan and adequate to complete all improvements.

MANAGEMENT AND OPERATIONS: A management contract between the Developer and Condominium Consultants as manager of the project has been submitted to the Commission. This management contract provides that Condominium Consultants, will manage and control the property subject to powers and duties of the Board of Directors of the Association of Apartment Owners which, under the By-Laws recorded, have such powers of appointment and supervision. The management contract with Condominium Consultants is as contemplated and described in the Preliminary Public

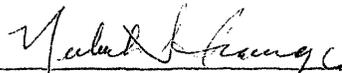
Report and provides therein that the term thereof shall expire one year after at least 50% of the apartments are first occupied by apartment purchasers, their guests or tenants, or at such prior date as said managing agent shall resign and appointment of some other managing agent shall be made by the said Board of Directors.

STATUS OF PROJECT: The Developer has submitted a copy of a Builders' Contract made November 3, 1969 by and between New Ventures Corporation, Limited and Munro-Burns, contractor, for the construction of the condominium building. A copy of a Performance Guarantee dated November 20, 1969, issued by Fritz B. Burns & Son has been submitted. The Builders' Contract specifies a 300 working days completion time from notice to proceed and receipt of building permit. The building is under construction having been commenced on December 9, 1969 and construction is on schedule. Barring strikes and Acts of God, it is anticipated that the building will be completed and ready for occupancy on or before March 31, 1971. Said completion date may be extended for any period of time during which the Developer is actually and necessarily delayed in completing construction if said delay is caused by conditions beyond the control of the Developer.

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 6, 1969, and supplemented by additional information filed as late as July 1, 1970.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 251 filed with the Commission on January 6, 1969.

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.


HERBERT S. ISONAGA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, COUNTY OF HAWAII
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 251
July 1, 1970

