

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 SEASHORE
2450 Koa Avenue
Honolulu, Hawaii

REGISTRATION NO. 1226

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 15, 1980

Expires: March 15, 1981

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 14, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 6, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. THE SEASHORE is a leasehold condominium conversion project consisting of fifty-five (55) residential

apartment units, one (1) commercial unit, one (1) standard size parking space and twelve (12) compact size parking stalls, as shown by the plans prepared by Walter Leong & Associates, Inc., filed in the Bureau of Conveyances of the State of Hawaii as Condominium Map No. 684.

2. The Developer has submitted to the Commission for examination all documents necessary for the issuance of this Final Public Report.
3. No advertising or promotional matter has been submitted pursuant to Chapter 514A of the Hawaii Revised Statutes and the rules and regulations promulgated by the Commission.
4. The Developer advises that the Declaration of Horizontal Property Regime, with By-Laws of Association of Apartment Owners attached, dated January 22, 1980, has been recorded in the Bureau of Conveyances of the State of Hawaii at Liber 14474, Page 673.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes, the Horizontal Property Act and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, February 15, 1980, unless a Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective period of this report.
7. This Final Public Report is made a part of the registration on THE SEASHORE condominium project. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers and for securing a signed copy of the Receipt therefor.

NAME OF PROJECT: THE SEASHORE.

LOCATION: The land submitted to the regime, approximately 5,130 square feet, is located on Koa Avenue, Waikiki, Honolulu, Hawaii.

TAX MAP KEY: FIRST DIVISION 2-6-23-18.

ZONING: Waikiki Special Design District.

DEVELOPER: KRIAC PARTNERS, a Hawaii general partnership, whose office address is 850 Kawaiahao Street, Honolulu, Hawaii, and whose telephone number is 531-6258.

General Partners:

KRIAC, Inc.	Jack Tait, President	850 Kawaiahao St. Honolulu, Hawaii 96815
	Stacey J. Hendrickson, Vice President	2200 Pacific Trade Ctr. Honolulu, Hawaii 96813
	Raymond S. Iwamoto, Secretary	2200 Pacific Trade Ctr. Honolulu, Hawaii 96813
SML, Inc.	Dilip Vora, President	5th Flr. World Bank Bldg. Queens Road, Hong Kong
	Jack Tait, Vice President	850 Kawaiahao St. Honolulu, Hawaii 96815
	Raymond S. Iwamoto, Secretary	2200 Pacific Trade Ctr. Honolulu, Hawaii 96813
UHL, Inc.	Dilip Vora, President	5th Flr. World Bank Bldg. Queens Road, Hong Kong
	Jack Tait, Vice President	850 Kawaiahao St. Honolulu, Hawaii 96815
	Raymond S. Iwamoto, Secretary	2200 Pacific Trade Ctr. Honolulu, Hawaii 96813

ATTORNEY FOR DEVELOPER: Carlsmith, Carlsmith, Wichman and Case, Suite 2200, 190 South King Street, Honolulu, Hawaii 96813 (Attention: Ray Iwamoto or Stacey J. Hendrickson), Telephone 523-2500.

DESCRIPTION: The Project consists of one eleven (11) story building, without basement, containing a total of fifty-five (55) residential apartments, one (1) commercial apartment, twelve (12) partially covered parking stalls and one (1) uncovered parking stall. The building is constructed principally of reinforced steel, concrete and concrete block. The ground floor of the building includes a parking area, a trash enclosure area, a transformer vault, a switch room, elevator shafts, lobby, mail boxes, electric and gas meters, water heaters, powder room and apartment number 11. The Declaration of Horizontal Property Regime describes the Project as follows:

1. The location of the apartments are shown on the Condominium Map and further described and numbered as follows:

<u>Floor</u>	<u>Apartment No.</u>	<u>Type</u>	<u>Percent Common Interest</u>
1	11	E	.87
2	21	B	1.53
	22	A	1.54
	23	A	1.54

	24	B	1.53
	25	B	1.53
	26	C	2.76
3	31	B	1.53
	32	A	1.54
	33	A	1.54
	34	B	1.53
	35	B	1.53
	36	C	2.76
4	41	B	1.53
	42	A	1.54
	43	A	1.54
	44	B	1.53
	45	B	1.53
	46	C	2.76
5	51	B	1.53
	52	A	1.54
	53	A	1.54
	54	B	1.53
	55	B	1.53
	56	C	2.76
6	61	B	1.53
	62	A	1.54
	63	A	1.54
	64	B	1.53
	65	B	1.53
	66	C	2.76
7	71	B	1.53
	72	A	1.54
	73	A	1.54
	74	B	1.53
	75	B	1.53
	76	C	2.76
8	81	B	1.53
	82	A	1.54
	83	A	1.54
	84	B	1.53
	85	B	1.53
	86	C	2.76
9	91	B	1.53
	92	A	1.54
	93	A	1.54
	94	B	1.53
	95	B	1.53
	96	C	2.76
10	101	B	1.53
	102	A	1.54
	103	A	1.54
	104	B	1.53

	105	B	1.53
	106	C	2.76
PH	PH	D	5.26
		TOTAL	100.000%

2. There is one apartment on the first floor and there are six apartments on each of the second through tenth floors, with a single penthouse apartment on the PH floor. Each apartment (other than apartment PH and the apartments on the tenth floor) will have a two-digit number with the first number being the number of the floor on which the apartment is located and the second number indicating the number of the apartment on each floor. The apartments on each of the second through tenth floors are numbered 1 to 6, the apartment bearing the number 1 being located nearest to Koa Street. In addition, there is one commercial apartment located on the ground floor, numbered 11, located next to the lobby and one apartment (designated PH) on the eleventh floor (also designated PH).

3. The apartments are further described as follows:

(a) TYPE A. The TYPE A apartment is a studio apartment consisting of two (2) rooms, being a single room/kitchenette and one bathroom, and one lanai for a floor area of approximately 336 square feet, counting the lanai. The lanai has a floor area of approximately 67 square feet.

(b) TYPE B. The TYPE B apartment is a studio apartment consisting of two (2) rooms, being a single room/kitchenette and one bathroom, and one lanai for a floor area of approximately 334 square feet, counting the lanai. The lanai has a floor area of approximately 67 square feet.

(c) TYPE C. The TYPE C apartment consists of four (4) rooms, being one bedroom, two bathrooms, a living room/kitchenette, and two lanais for a floor area of approximately 601.5 square feet, counting the lanais. The two lanais have a total floor area of approximately 134 square feet.

(d) TYPE D. The TYPE D apartment consists of seven (7) rooms, being two bedrooms, two bathrooms and a powder room, a living room/kitchenette and an enclosed lanai for a floor area of approximately 1,147 square feet, counting the enclosed lanai. The enclosed lanai has a floor area of approximately 280.5 square feet.

(e) TYPE E. The TYPE E apartment consists of one room subject to partition and a floor area of approximately 174.5 square feet.

Notwithstanding the limits of the apartments as herein stated, the square footage areas for the respective unit types are computed from and to the center lines of the

apartment perimeter party walls and the exterior surface of all other apartment perimeter walls, including the area to the edge of the lanais.

4. Each apartment on the second through PH floors has immediate access to a corridor which leads to two stairways and two elevators, the stairways and elevators leading to the grounds of the Project or common elements leading to the grounds and parking area and to Koa Street. Apartment 11 has immediate access to the grounds of the Project.

5. 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 lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall 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, with the exception of the Type E apartment, the fixtures installed therein, including air conditioning unit (window or wall-mounted), and a "King" All-In-One Kitchen Center consisting of a refrigerator, freezer, two-burner stove, sink and oven. There are no appliances included in the Type E apartment.

COMMON ELEMENTS: The Declaration of Horizontal Property Regime reflects that the common elements shall include all other portions of the Project specifically, but not limited to:

- (a) Said land in fee simple.
- (b) All roofs, halls, corridors, foundations, floor slabs, columns, girders, beams, supports, other structural members, and perimeter and load-bearing walls excluding the interior finished surface of such walls.
- (c) All yards, grounds, landscaping, mail boxes, refuse facilities and the other open areas.
- (d) All tanks, pumps, motors, fans, compressors, ducts, sewer lines, electrical equipment, gas tanks, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone and radio and television signal distribution.
- (e) All roadways, sidewalks, stairways, elevators, and driveways, which are rationally of common use.
- (f) The lobby and powder room on the ground floor.
- (g) Any and all other apparatus and installations of common use and all other parts of the Project necessary

or convenient to its existence, maintenance or safety, or normally in common use.

(h) Parking stall number 1 (for use by the Managing Agent as set forth in the Bylaws).

LIMITED COMMON ELEMENTS. The partially-covered parking stalls located on the ground floor, hereinafter called the "limited common elements," are hereby designated and set aside for the exclusive use of the Apartments as set forth in the Parking Stall Assignment sheet attached hereto, and such apartments shall have appurtenant thereto easements for the use of such limited common elements. The Developer has reserved the right in the Declaration, but subject to the restrictions set forth therein, to amend the Declaration to reassign the parking stalls. The parking stalls are numbered and located as shown on the Condominium Map. That portion of the common expenses allocable to the limited common elements as set forth in the Bylaws (hereinafter sometimes referred to as the "parking stall expenses") shall be borne by the apartment owner(s) to whose apartment(s) the limited common elements are appurtenant, one-twelfth (1/12) of all of such parking stall expenses shall be allocated to and paid by the apartment owner for each parking stall appurtenant to his apartment.

INTEREST TO BE CONVEYED TO PURCHASER: The undivided percentage ownership in the common elements (the "Common Interest") appertaining to each apartment and its owner for all purposes including voting shall be as set forth above in paragraph 1 under the topical heading "DESCRIPTION". Each apartment and its appurtenant Common Interest shall be demised to each purchaser by an Apartment Lease.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the building and the apartments may only be used for any permitted purposes under applicable laws and governmental regulations, provided, however, that the Type E apartment may only be used for office or commercial purposes. The owners of apartments have the right to lease or rent their apartments to third parties, subject to all of the provisions of the Declaration and Bylaws which should be reviewed by the Purchaser.

Among other provisions, the House Rules provide that any owner of any apartment containing a pet is required to register their pet with the managing agent and pay a deposit of \$100.00 to hold without interest. The Board may require permanent removal of any pet if such pet is determined by the Board to be a major nuisance to the Project.

OWNERSHIP TO TITLE: The Preliminary Title Report issued January 8, 1980, and prepared by Title Guaranty of Hawaii, Incorporated, states that title to the land is vested in the First Hawaiian Bank, a Hawaii corporation, as trustee under that certain unrecorded Revocable Living Trust Agreement dated January 11, 1978, with full power and authority to

sell, mortgage, lease, etc. By lease dated August 31, 1959 (the "lease"), recorded in Liber 3678 at Page 474, Louise Ah Lan Serrao, as Lessor, demised and leased the land to Sea Shore Hotels, Inc., as Lessee. The lease, by mesne assignments, was assigned to Pacific Leisure Enterprises, Inc., a Hawaii corporation, by instrument dated June 22, 1972, recorded in Liber 8437 at Page 22. The lease is subject to an Agreement of Sale by and between Pacific Leisure Enterprises, Inc., and Developer, dated October 9, 1979 recorded at Liber 14097, Page 761. The lease was amended and extended by instrument dated October 15, 1979, recorded in Liber 14097 at Page 754. The Developer has advised that subsequent to the issuance of said Title Report it has complied with the terms of the Agreement of Sale and has received an Assignment of Lease from Pacific Leisure Enterprises, Inc., dated October 9, 1979, recorded at Liber 14474, Page 665. A copy of this document has been filed with the Commission.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report dated January 8, 1980, prepared by Title Guaranty of Hawaii, Incorporated describes the following encumbrances:

1. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Lease dated August 31, 1959, by and between Louise Ah Lan Serrao and Sea Shore Hotels, Inc., recorded at Liber 3678, Page 474. The lease was amended and extended by instrument dated October 15, 1979, recorded at Liber 14097, Page 754. The lease, as amended, is subject to the following:
 - a. Mortgage in favor of Finance Factors, Limited, dated April 23, 1973, recorded at Liber 9143, Page 448.
 - b. Mortgage in favor of Finance Factors, Limited, dated October 26, 1973, recorded at Liber 9585, Page 126.
 - c. Mortgage in favor of Finance Factors, Limited, dated September 30, 1978, recorded at Liber 13153, Page 354.
 - d. Judgment in favor of Hawaii Laborers' Trust Funds, dated June 14, 1976, recorded at Liber 11817, Page 451.

NOTE: The Developer has advised the Commission that:

- a. A further mortgage of the lease in favor of Pacific Leisure Enterprises, Inc., dated October 9, 1979, was recorded at Liber 14474, Page 761.
- b. It plans to execute and deliver a mortgage in favor of State Savings and Loan Association in accordance

with a loan commitment, a copy of which has been filed with the Commission.

The Developer has advised the Commission that the respective liens of the mortgages described above will be released and discharged of record as to each condominium apartment prior to its being transferred to a purchaser.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated November 9, 1979, between Title Guaranty Escrow Services, Inc., as Escrow Agent, and Developer, has been filed with the Commission. On examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended.

NOTE: Prospective purchasers should be aware that:

1. The Mortgage and other liens which will secure the Developer's first mortgage loan (renewals and extensions) for the renovation of the Project shall be and remain at all times a superior lien on the Project, and purchasers intentionally waive and subordinate their interests under the Sales Contract or any reservation agreement in favor of the priority of all such liens.

2. Purchaser should also note that the Individual Apartment Lease places restrictions on the Apartment Owners, precluding them from entering into any rental pool or time sharing program without the prior written consent of the Lessor. A similar provision appears in the Sales Contract.

3. As provided in Section D.22 of the Sales Contract, the purchaser acknowledges that minor renovation activity may continue on the Project after purchaser has occupied his apartment, which may result in noise, dust or other annoyances. In addition, as further provided in said Section D.22, the Developer's sales activities, including the use of model units and signs for sales displays and related activities, may continue until the last apartment in the Project is sold.

4. The purchaser's attention is directed to paragraph L of the Declaration and Section D.6 of the Sales Contract, all of which reserves to the Developer a right to make certain amendments that may be necessary to comply with the provisions of law, the requirements of certain mortgagees, or to carry out the changes to the Project set forth in said paragraphs.

5. The purchaser should be especially aware of Section D.17 of the Sales Contract which provides that the building and the apartments, which were completed in 1967, are being sold in an "as is" condition. The Developer is not familiar with the structural quality or integrity of the building or the mechanical soundness of any of the systems of the building or the fixtures contained in individual

apartments. Purchasers should, therefore, realize that they assume all risks of defects, whether latent or otherwise, failure or deterioration with respect thereto. The Developer does not warrant the structural quality or integrity of the building or the mechanical soundness of any of the systems of the building or the individual apartments. The Developer intends to install in each apartment the appliances described in the Declaration. Each of these appliances will be warranted by the manufacturer and the Developer makes no warranties with respect to such appliances. Such appliances will have a one-year manufacturer's warranty on defects from date of first occupancy of the apartment.

6. Purchasers further are advised that any and all representations, advice, or discussion of the cash flow, vacancy factors, costs, expenses, or projected income or projected expenses, or similar items regarding the current or prospective operation of the Project or parts thereof by any person in connection with the sale of the condominium units are not authorized by the Developer and the Developer specifically disclaims such representations, if any. Such representations should, therefore, not be relied upon by prospective purchasers. The Developer has not authorized, and prospective purchasers should not rely on, any representations other than those specifically contained in the condominium documentation prepared by the Developer.

7. If the development of the Project is delayed due to governmental restrictions or regulations, or if said delay is caused by fire, earthquake, acts of God, the elements, war or civil disturbances, strikes or other labor disturbances, or economic controls making it impossible to obtain the necessary labor or material, or any other event, matters or conditions beyond the control of Seller, including any litigation or threat of litigation concerning the Project, and Seller determines that increases in development and construction costs have or will occur because of such delay, then and in any such event, Seller may increase the Total Purchase Price for the Property by an amount not in excess of the Property's proportionate share of the total amount of such increase in development and costs and Purchaser hereby acknowledges that this Contract will be deemed to be amended to incorporate the increased Total Purchase Price (the "New Price") upon Seller's giving notice, as provided in Section D.20 of the Sales Contract, of the amount of the New Price, and Purchaser shall be deemed to have approved and accepted this Contract, as amended, with the New Price and hereby agrees to pay such New Price; provided, however, upon receipt of the notice from the Seller of the amount of the New Price, Purchaser shall have thirty (30) days from the date of the notice to cancel this Contract by written notice to Seller and upon such notice to receive a refund of deposits in the amounts and manner as provided in Section D.31 of said Sales Contract. If notice of cancellation is not received from Purchaser within said thirty (30) day period, Purchaser shall be bound to fulfill all of Purchaser's obligations pursuant to the terms of this

contract as amended with the New Price and as follows. This Contract will be deemed to have been also amended so as to increase Payment B set forth in Section C of the Sales Contract by the respective new amounts for such payments to be set forth in the notice from Seller. Purchaser will, within thirty (30) days of the date of the notice from Seller, provide evidence to Seller that Purchaser's mortgage loan commitment has been revised in accordance with the increase in Payment B.

8. If by March 31, 1980, less than thirty (30) apartments in the Project have been sold to qualified purchasers, Seller, at its option, may cancel the Sales Contract upon written notice to Purchaser.

It is incumbent upon the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of apartments are placed in trust, as well as the retention and disbursement of the proceeds of said trust fund.

MANAGEMENT OF THE PROJECT: The Bylaws vest in the Board of Directors the power and duties necessary for the administration of the overall affairs of the Project. The Bylaws submitted to the Commission permit the Developer to appoint the initial managing agent for the Project. The Developer has entered into a Management Agreement dated December 12, 1979 with Develco Management Corporation as the initial managing agent.

STATUS OF PROJECT: The Developer has advised the Commission that the building was completed in 1967 as evidenced by the Certificate of Occupancy issued by the Building Department of the City and County of Honolulu on September 22, 1967.

NOTE: To the best of Seller's information and belief, the building presently built on the subject premises, is in compliance with all ordinances, codes, rules, regulations or other requirements in force at the time of its construction thereof, and no variance was granted from any ordinance, code, rule, regulation, or other requirements in force at the time of the construction thereof or from any current ordinance, code, rule, regulation or other requirement.

There are no current outstanding notices to the owners of the improvements of uncured violations of building codes or of other municipal violations.

The existing building is a non-conforming structure, defined as a structure which was previously lawful but which does not now comply with the present regulations. Additional improvements, including alterations, on the Project is subject to Ordinance 4573 and the Comprehensive Zoning Code, Section 21-107, which relates to non-conformities.

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, 1980 and information subsequently filed as of February 6, 1980.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1226 filed with the Commission on January 14, 1980.

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 in color.



(for)

AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

Registration No. 1226

February 15, 1980

EXHIBIT

PARKING STALL ASSIGNMENT

Parking Stalls

2C
3C
4C
5C
6C
7C
8C
9C
10C
11C
12C
13C

Apartment

104
104
104
104
104
104
104
104
Penthouse
Penthouse
104
104
106