

CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by: Developer OUTRIGGER HOTELS HAWAII, a Hawaii limited partnership
Address 2375 Kuhio Avenue, Honolulu, Hawaii 96815-2939

Project Name(\*): SEASIDE SUITES
Address: 440 Seaside Avenue, Honolulu, Hawaii 96815

Registration No. 2969 (Conversion)
Effective date: March 31, 1994
Expiration date: April 30, 1995

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

PRELIMINARY: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
(yellow)

X FINAL: The developer has legally created a condominium and has filed complete information with the Commission.
(white)
[ ] No prior reports have been issued.
[X] This report supersedes all prior public reports.
[ ] This report must be read together with

SUPPLEMENTARY: This report updates information contained in the:
(pink)
[ ] Preliminary Public Report dated:
[ ] Final Public Report dated:
[ ] Supplementary Public Report dated:

And [ ] Supersedes all prior public reports
[ ] Must be read together with
[ ] This report reactivates the
public report(s) which expired on

(\* ) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report       Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the developer.

Changes made are as follows:

1. The Total Floor Area of the Project has increased from "35,909" square feet to "36,266.5" square feet due in part to a realignment of railings in the lanai areas of certain Apartments. As a result, new Apartment types have been designated, and small lanai areas have been added to some Apartments.
2. Because of the increase in floor area of certain Apartments, the respective percentages of common interest for each Apartment have also been revised accordingly. Maintenance and utility fee schedules have likewise been revised.
3. A Private Park consisting of approximately 4,709 square feet has been dedicated as a common element appurtenant to the Project.
4. The initial Managing Agent of the Project is now Cadmus Properties Corporation.
5. Certain revisions have been made to the Declaration, Bylaws, Condominium Map, House Rules, Sales Contract to either expand, clarify, or modify the terms set forth therein. It is incumbent upon a prospective Buyer to read the full text of the foregoing documents in their entirety.

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## General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

## Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: **OUTRIGGER HOTELS HAWAII,** Phone: (808) 921-6616  
a Hawaii limited partnership (Business)  
2375 Kuhio Avenue  
Honolulu, Hawaii 96815-2939

Names of officers or general partners of developers who are corporations or partnerships:

General Partner: Hotel Operating Co. of Hawaii, Ltd., a Hawaii corporation

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Real Estate Broker: **McCormack Real Estate, Inc.** Phone: (808) 944-1888  
dba COLDWELL BANKER McCORMACK (Business)  
REAL ESTATE  
440 Seaside Avenue  
Honolulu, Hawaii 96815

Escrow: **Title Guaranty Escrow Services, Inc.** Phone: (808) 521-0211  
235 Queen Street, 1st Floor (Business)  
Honolulu, Hawaii 96813

General Contractor: N/A Phone: \_\_\_\_\_  
Name (Business)  
Business Address

Condominium Managing Agent: **Cadmus Properties Corp.** Phone: (808) 531-6847  
332 N. School Street (Business)  
Honolulu, Hawaii 96817

Attorney for Developer: **Carlsmith Ball Wichman Murray** Phone: (808) 523-2500  
Case & Ichiki (Business)  
Pacific Tower, Suite 2200  
1001 Bishop Street  
Honolulu, Hawaii 96813

Attn: Ronald Y. Shigetani, Esq.  
Mark K. Mukai, Esq. 5

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

- Proposed  
 Recorded - Bureau of Conveyances: Document No. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. 2115047

The Declaration referred to above has been amended by the following instruments (state name of document, date and recording/filing information):

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed  
 Recorded - Bureau of Conveyances Condo Map No. \_\_\_\_\_  
 Filed - Land Court Condo Map No. 1016

The Condominium Map has been amended by the following instruments (state name of document, date and recording/filing information):

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed  
 Recorded - Bureau of Conveyances: Document No. \_\_\_\_\_  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. 2115048

The Bylaws referred to above have been amended by the following instruments (state name of document, date and recording/filing information):

- D. House Rules. The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed                       Adopted                       Developer does not plan to adopt House Rules

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	--	<u>Board of Directors</u>

\* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer:

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

- a. The nonexclusive right to grant, relocate, realign, or cancel easements within the Common Elements (other than the Limited Common Elements) for public utility purposes.
- b. The right to amend the Declaration to assign and reassign parking stalls.
- c. The right to conduct sales activities in the Project until all apartments are sold, including the right to display model apartments.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- X Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- [ ] Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit \_\_\_\_\_ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:            [ ] Monthly                            [ ] Quarterly  
    [ ] Semi-Annually                    [ ] Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year

For Subleaseholds:

- [ ] Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
  - [ ] Canceled      [ ] Foreclosed
- [ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

[ ] Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit \_\_\_\_\_ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_

Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:            [ ] Monthly                            [ ] Quarterly  
    [ ] Semi-Annually                    [ ] Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year



[ ] Other:

**IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS**

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

**B. Underlying Land:**

Address: 440 Seaside Avenue Honolulu, Hawaii 96815 Tax Map Key: 1-2-6-20:1  
(TMK)

[ ] Address [ ] TMK is expected to change because N/A

Land Area: 23,607 [X] square feet [ ] acre(s) Zoning: A-3

Lessor

(Fee Owner): **OUTRIGGER HOTELS HAWAII,**  
a Hawaii limited partnership  
2375 Kuhio Avenue  
Honolulu, Hawaii 96815-2939

Sublessor:

\_\_\_\_\_

Name

\_\_\_\_\_

Address

\_\_\_\_\_

C. Buildings and Other Improvements:

1.  New Building(s)  Conversion of Existing Building(s)  Both New Building(s) and Conversion

2. Number of Buildings: One (1) Floors Per Building Eleven (11)

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other Glass

4. Permitted Uses by Zoning:

	No. of <u>Apts.</u>	Use Permitted <u>By Zoning</u>	No. of <u>Apts.</u>	Use Determined <u>By Zoning</u>
<input checked="" type="checkbox"/> Residential	<u>62</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other: _____	___	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes  No

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

- Pets: One dog (less than 25 pounds, adult weight) and two cats (neutered if female). Parakeets, canaries or fish are permitted.
- Number of Occupants: Not more than three (3) permanent residents for each one-bedroom and studio, and not more than five (5) permanent residents for each two-bedroom.
- Other: Uses other than residential are prohibited.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 2

Stairways: 2

Trash Chutes: 1

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)	Lanal/Patio (sf)
A-1	4	2 Br 1 Ba	626	13
A-2	4	2 Br 1 Ba	626	None
A-2	6	2 Br 1 Ba	630	None
B	6	1 Br 1 Ba	621	None
C-1	6	1 Br 1 Ba	610	55
C-2	1	1 Br 1 Ba	652	6.5
D-1	2	1 Br 1 Ba	620	55
D-1	6	1 Br 1 Ba	624	55
D-2	1	1 Br 1 Ba	666	6.5
D-3	5	1 Br 1 Ba	624	48.5
E-1	2	1 Br 1 Ba	613	55
E-2	5	1 Br 1 Ba	613	42
F	1	1 Br 2 Ba	623	None
G	1	1 Br 2 Ba	599	None
H-1	8	STUDIO	309	6.5
H-2	4	STUDIO	309	None
<b>Total Apartments:</b>	<b>62</b>			

\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

**Boundaries of Each Apartment:**

The Apartments consist of the spaces within the perimeter walls, floors, and ceilings of each of the sixty-two (62) Apartments of the Project. The Apartments shall not be deemed to include: (i) the undercoated or unfinished surfaces of the perimeter (including party) walls or interior load bearing walls, (ii) the undercoated or unfinished surface of the floors and ceilings surrounding each Apartment, (iii) any pipes, shafts, wires, conduits, or other utility or service lines which are utilized for or serve more than one Apartment, the same being deemed Common Elements as hereinafter provided, or (iv) any tinted windows including any film or other coating thereon. Each Apartment shall be deemed to include i) all the walls and partitions which are not load-bearing within its perimeter walls, ii) all pipes, shafts, ducts, pumps, conduits, wires, and other utility or service lines running through such Apartment which are utilized for and serve only that Apartment, iii) the inner decorated or finished surfaces of all walls, floors, and ceilings, iv) any doors or panels along the perimeters, v) all cracks, frames, and other window or sliding door hardware, and vi) all appliances and fixtures installed therein and replacements thereof.

**Permitted Alterations to Apartments:**

Each owner of an Apartment shall have the right at any time and from time to time at his sole cost and expense, and without the necessity of the consent or joinder of any other Apartment Owner or the amendment of the Declaration (but with the prior approval of the Board and with the presentation of such plans and specifications and other materials as the Board may require as is more fully set forth in the Bylaws) to install, maintain, remove and rearrange partitions and other structures from time to time within such Apartments, and to paint, paper, panel, plaster, tile, finish and do or cause to do such other work on the interior surfaces of the ceilings, floors and walls within any such Apartment and to finish, alter or substitute any plumbing, electrical or other fixtures attached to said ceilings, floors, and walls as shall be appropriate for the utilization of such Apartment by such Owner or the tenants or lessees thereof; provided, however, that nothing shall authorize any work or alteration which would jeopardize the soundness or safety of any part of the Project, reduce the value therefor, adversely affect any other Apartment, alter the uniform external appearance of the Project, or affect or impair any easement or right of any other Apartment Owner.



11. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

1. App. No. 87/ZBA-129. Approval for encroachment of driving ramp.
2. App. No. 92/VAR-047. Approval to retain a driveway ramp which encroaches into a required yard.

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	<u>          </u>	<u>          </u>
Structures	<u>          </u>	<u>X</u>	<u>          </u>
Lot	<u>X</u>	<u>          </u>	<u>          </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit \_\_\_\_\_.

as follows:

- a. The land in fee simple, which includes the Private Park;
- b. All unfinished, undecorated portions of all perimeter (including party) and interior load-bearing walls, the undercoated or unfinished surfaces of floors and ceilings, all structural components, foundations, floor slabs, columns, girders, beams, supports, ceilings and spaces between the ceiling and the floor slab or roof above, tinted windows including any film or other coating thereon, and roofs;
- c. All yards, grounds planters, trellises and landscaping and all refuse facilities, if any, whether within or appurtenant to the Project;
- d. All roads, parking areas, driveways, ramps, loading areas and walkways which are rationally of common use by Owners of more than one Apartment;
- e. All ducts, sewer lines, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution;
- f. Elevators, open storage areas designated at the parking levels, hallways, corridors, interior and exterior stairs, stairways, the lobby, equipment rooms, roof equipment enclosures and other similar areas which are not part of an Apartment;
- g. Sixty-two (62) mailboxes; one for each dwelling;
- h. Any central air conditioning equipment or apparatus, including equipment or apparatus within an Apartment including, without limitation the control unit console, thermostats, switches, vents and ducts; and
- i. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

[ ] There are no limited common elements in this project.

[X] The limited common elements and the apartments which use them, as described in the Declaration, are:

[ ] described in Exhibit \_\_\_\_\_.

[X] as follows:

a. Each wall between two (2) adjoining Apartments when (a) both such Apartments are owned by the same Apartment Owner and (b) the Board has approved the designation of a portion of such wall for access between the two (2) Apartments pursuant to the Declaration; and

b. One (1) or more parking stalls as designated in the Declaration and as shown on the Condominium Map. Subject to Hawaii Revised Statutes Section 514A-14, each Owner shall have the right from time to time to assign and reassign the Limited Common Interest in parking stalls as set forth in the Declaration to another Apartment in the Project.

c. One (1) lanai planter and one (1) lanai railing (if applicable). The costs and expenses of each lanai planter and lanai railing, including but not limited to the cost of maintenance, repair, or replacement, shall be the responsibility of the Owner of the Apartment appurtenant to such lanai planter and/or lanai railing.

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

Percentage		Percentage		Percentage		Percentage		Percentage		Percentage		Percentage	
Apt. No.	Common Interest	Apt. No.	Common Interest	Apt. No.	Common Interest	Apt. No.	Common Interest	Apt. No.	Common Interest	Apt. No.	Common Interest	Apt. No.	Common Interest
301	1.84	401	1.84	501	1.81	601	1.81	701	1.81	801	1.81	901	1.81
302	1.88	402	1.88	502	1.85	602	1.85	702	1.85	802	1.85	902	1.85
303	1.85	403	1.86	503	1.88	603	1.87	703	1.86	803	1.88	903	1.87
304	1.82	404	1.83	504	1.83	604	1.83	704	1.83	804	1.83	904	1.83
305	1.76	405	1.76	505	1.73	605	1.74	705	1.74	805	1.74	905	1.73
306	0.87	406	0.87	506	0.85	606	1.71	706	1.71	806	1.71	906	1.72
307	0.87	407	0.87	507	0.85	607	1.71	707	1.71	807	1.71	907	1.65
308	0.87	408	0.87	508	0.85	608	1.74	708	1.74	808	1.74	908	1.73
309	0.87	409	0.87	509	0.85								
310	1.76	410	1.76	510	1.73								

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit A describes the encumbrances against the title contained in the title report dated February 4, 1994 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[ X ] There are no blanket liens affecting title to the individual apartments.

[ ] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Not Applicable	Not Applicable

F. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

The Apartments have been previously constructed and occupied. The Apartments are sold "as is" and the Developer makes no warranties, express or implied, regarding the Apartments.

2. Appliances:

The appliances are sold "as is" and the Developer makes no warranties, express or implied, regarding the appliances.

G. Status of Construction and Estimated Completion Date:

The Project is a conversion to condominium ownership of a building originally constructed in 1980. Renovations and construction of six additional units was completed in December, 1993.

H. Project Phases:

The developer [ ] has [X] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

Not Applicable



IV. CONDOMINIUM MANAGEMENT

A. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> not affiliated with the Developer        | <input type="checkbox"/> the Developer or the Developer's affiliate.  |
| <input type="checkbox"/> self-managed by the Association of Apartment Owners | <input checked="" type="checkbox"/> Cadmus Properties Corp.<br>332 N. School Street<br>Honolulu, Hawaii 96817 |

B. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit B contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- |   |  |   |   |
|---|--|---|---|
| <input type="checkbox"/> None             | <input checked="" type="checkbox"/> Electricity      | <input checked="" type="checkbox"/> Gas | <input checked="" type="checkbox"/> Water |
| <input checked="" type="checkbox"/> Sewer | <input checked="" type="checkbox"/> Television Cable | <input type="checkbox"/> Other _____    |   |

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

- [X] Notice to Owner Occupants
- [X] Specimen Sales Contract  
Exhibit C contains a summary of the pertinent provisions of the sales contract.
- [X] Escrow Agreement dated September 27, 1993  
Exhibit E contains a summary of the pertinent provisions of the escrow agreement.
- [X] Other Final Reservation List and Affidavit of Susan Cadabes dated October 28, 1993.

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The Developer delivers to the buyer a copy of:
  - 1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;
- AND
- 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); AND
- C) One of the following has occurred:
  - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
  - B) Declaration of Condominium Property Regime.
  - C) Bylaws of the Association of Apartment Owners.
  - D) House Rules.
  - E) Condominium Map.
  - F) Escrow Agreement.
  - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other Specimen Developer's Inventory Addendum and Specimen Agreement of Sale.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2969 filed with the Real Estate Commission on October 1, 1993

Reproduction of Report. When reproduced, this report must be on:

yellow paper stock                       white paper stock                       pink paper stock

C. Additional Information Not Covered Above

See Exhibit D, attached hereto and incorporated herein by reference.

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

**OUTRIGGER HOTELS HAWAII.**

a Hawaii limited partnership

By Its General Partner

HOTEL OPERATING CO. OF HAWAII, LTD.,

a Hawaii corporation

\_\_\_\_\_  
Name of Developer

By: Jean E. Rolles  
Duly Authorized Signatory

2/9/94  
Date

Jean E. Rolles, Secretary

\_\_\_\_\_  
print name & title of person signing above

Distribution:

Department of Finance, City & County of Honolulu

Planning Department, City & County of Honolulu

Federal Housing Administration

Exhibit A  
Condominium Public Report  
Seaside Condominiums

Encumbrances Against Title

1. Real Property Taxes, if any, which may from time to time be due and owing.

Tax Key: 2-6-020-001 (1) Area Assessed: 23,607 sq. ft.

2. Final Order of Condemnation dated May 2, 1970, filed as Land Court Document No. 502726, in favor of the City and County of Honolulu; re: easement for public use to construct, etc., underground sewer pipelines as part of a sewer pipelines as part of a sewer system.

3. DESIGNATION OF EASEMENT

PURPOSE : sanitary sewer  
SHOWN : on Map 5, as set forth by Land Court Order No. 31887, filed July 2, 1970

4. GRANT

TO : HAWAIIAN ELECTRIC COMPANY, INC. and GTE  
HAWAIIAN TELEPHONE COMPANY INCORPORATED

DATED : July 29, 1981  
FILED : Land Court Document No. 1081069  
GRANTING : a perpetual right and easement for electrical purposes

ABOVE AMENDED BY INSTRUMENT

DATED : March 5, 1984  
FILED : Land Court Document No. 1226228  
RE : easement granted shall be within Easement "3" as shown on Map 2 of Land Court Consolidation No. 157  
CONSENT : Given by Hawaiian Trust Company, Limited, Trustee, by instrument dated March 5, 1984, filed as Land Court Document No. 1226229

5. DESIGNATION OF EASEMENT "3" (635 square feet)  
    SHOWN       :     on Map 2, as set forth by Land Court Order  
                              No. 66551, filed July 18, 1983
  
6. Any and all recorded and unrecorded tenant leases which  
    have been purposely omitted herefrom.
  
7. Discrepancies, conflicts in boundary lines, shortage in  
    area, encroachments, or any other facts which a correct  
    boundary and improvement survey would disclose.
  
8. The Project is also subject to the condominium documents  
    identified on page 6 of this Final Public Report.

EXHIBIT B

Unit	Estimated Monthly Utilities Fee	Est. Monthly Maintenance Fee	X 12	Estimate of Annual Utility Fee	Estimate of Annual Maintenance
301	\$155.76	\$188.14		\$1,869.07	\$2,257.68
302	\$159.14	\$192.23		\$1,909.70	\$2,306.76
303	\$156.60	\$189.16		\$1,879.23	\$2,269.95
304	\$154.06	\$186.10		\$1,848.76	\$2,233.14
305	\$148.98	\$179.96		\$1,787.81	\$2,159.52
306	\$73.65	\$88.96		\$883.75	\$1,067.49
307	\$73.65	\$88.96		\$883.75	\$1,067.49
308	\$73.65	\$88.96		\$883.75	\$1,067.49
309	\$73.65	\$88.96		\$883.75	\$1,067.49
310	\$148.98	\$179.96		\$1,787.81	\$2,159.52
401	\$155.76	\$188.14		\$1,869.07	\$2,257.68
402	\$159.14	\$192.23		\$1,909.70	\$2,306.76
403	\$157.45	\$190.19		\$1,889.39	\$2,282.22
404	\$154.91	\$187.12		\$1,858.91	\$2,245.41
405	\$148.98	\$179.96		\$1,787.81	\$2,159.52
406	\$73.65	\$88.96		\$883.75	\$1,067.49
407	\$73.65	\$88.96		\$883.75	\$1,067.49
408	\$73.65	\$88.96		\$883.75	\$1,067.49
409	\$73.65	\$88.96		\$883.75	\$1,067.49
410	\$148.98	\$179.96		\$1,787.81	\$2,159.52



Unit	Estimated Monthly Utilities Fee	Est. Monthly Maintenance Fee	X 12	Estimate of Annual Utility Fee	Annual Maintenance
501	\$153.22	\$185.07		\$1,838.60	\$2,220.87
502	\$156.60	\$189.16		\$1,879.23	\$2,269.95
503	\$159.14	\$192.23		\$1,909.70	\$2,306.76
504	\$154.91	\$187.12		\$1,858.91	\$2,245.41
505	\$146.44	\$176.89		\$1,757.33	\$2,122.71
506	\$71.95	\$86.91		\$863.43	\$1,042.95
507	\$71.95	\$86.91		\$863.43	\$1,042.95
508	\$71.95	\$86.91		\$863.43	\$1,042.95
509	\$71.95	\$86.91		\$863.43	\$1,042.95
510	\$146.44	\$176.89		\$1,757.33	\$2,122.71
601	\$153.22	\$185.07		\$1,838.60	\$2,220.87
602	\$156.60	\$189.16		\$1,879.23	\$2,269.95
603	\$158.30	\$191.21		\$1,899.55	\$2,294.49
604	\$154.91	\$187.12		\$1,858.91	\$2,245.41
605	\$147.29	\$177.92		\$1,767.49	\$2,134.98
606	\$144.75	\$174.85		\$1,737.02	\$2,098.17
607	\$144.75	\$174.85		\$1,737.02	\$2,098.17
608	\$147.29	\$177.92		\$1,767.49	\$2,134.98
701	\$153.22	\$185.07		\$1,838.60	\$2,220.87
702	\$156.60	\$189.16		\$1,879.23	\$2,269.95
703	\$157.45	\$190.19		\$1,889.39	\$2,282.22
704	\$154.91	\$187.12		\$1,858.91	\$2,245.41
705	\$147.29	\$177.92		\$1,767.49	\$2,134.98
706	\$144.75	\$174.85		\$1,737.02	\$2,098.17
707	\$144.75	\$174.85		\$1,737.02	\$2,098.17
708	\$147.29	\$177.92		\$1,767.49	\$2,134.98

<b>Unit</b>	<b>Estimated Monthly Utilities Fee</b>	<b>Est. Monthly Maintenance Fee</b>	<b>X 12</b>	<b>Estimate of Annual Utility Fee</b>	<b>Annual Maintenance</b>
801	\$153.22	\$185.07		\$1,838.60	\$2,220.87
802	\$156.60	\$189.16		\$1,879.23	\$2,269.95
803	\$159.14	\$192.23		\$1,909.70	\$2,306.76
804	\$154.91	\$187.12		\$1,858.91	\$2,245.41
805	\$147.29	\$177.92		\$1,767.49	\$2,134.98
806	\$144.75	\$174.85		\$1,737.02	\$2,098.17
807	\$144.75	\$174.85		\$1,737.02	\$2,098.17
808	\$147.29	\$177.92		\$1,767.49	\$2,134.98
901	\$153.22	\$185.07		\$1,838.60	\$2,220.87
902	\$156.60	\$189.16		\$1,879.23	\$2,269.95
903	\$158.30	\$191.21		\$1,899.55	\$2,294.49
904	\$154.91	\$187.12		\$1,858.91	\$2,245.41
905	\$146.44	\$176.89		\$1,757.33	\$2,122.71
906	\$145.60	\$175.87		\$1,747.18	\$2,110.44
907	\$139.67	\$168.71		\$1,676.07	\$2,024.55
908	\$146.44	\$176.89		\$1,757.33	\$2,122.71

**SEASIDE SUITES  
ESTIMATE OF  
MAINTENANCE FEE DISBURSEMENTS**

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

**Utilities and Services**

Air Conditioning (Included in electricity below)

Electricity

common elements only

common elements and apartments

	\$5,500	\$66,000
Elevator	1,000	12,000
Gas	800	9,600
Refuse Collection	500	6,000
Telephone	150	1,800
Water and Sewer	875	10,500

**Maintenance, Repair and Supplies**

Building	1,350	16,200
Grounds	400	4,800

**Management**

Management Fee	1,075	12,900
Payroll and Payroll Taxes	2,950	35,400
Office Expenses	425	5,100

Insurance	750	9,000
-----------	-----	-------

Reserves(*)	1,500	18,000
-------------	-------	--------

**Taxes and Government Assessments (Paid individually)**

Audit Fees	125	1,500
------------	-----	-------

Other (Cable television)	1,290	15,480
--------------------------	-------	--------

<b>TOTAL</b>	<b>\$18,690</b>	<b>\$224,280</b>
--------------	-----------------	------------------

**Footnotes:**

Assumptions: Does not reflect initial start-up expenses

Estimate of Initial Maintenance Fees\*

Per Residential Apartment

<u>Monthly Fee</u> x 12 months = <u>Yearly Total</u>
<u>\$301.45</u> x 12 = <u>\$3,617.42</u>

I, Joel W. Hiser as agent and employee of Dutinger Hotels Hawaii the condominium managing agent or the developer, for the condominium project Seaside Suites hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Joel W. Hiser  
Date: 9/24/93

(\*) Mandatory reserves in effect January 1, 1993

Exhibit C  
Condominium Public Report  
Seaside Suites

Summary of the Sales Contract

The specimen Sales Contract, filed with the Commission, provides for, among other things, a description of the apartment to be sold, the purchase price, the closing costs, the time, manner and place of payment, the Buyer's obligations regarding mortgage financing, the Seller's warranties and disclaimers regarding the Condominium Map, the Construction and certain fixtures, and the remedies of the Seller and of the Buyer in the event of a default under the Sales Contract.

Among other provisions, the specimen Sales Contract provides:

1. That said Sales Contract is only a reservation agreement until (i) a true copy of the Final Public Report (with all then issued Supplementary Public Reports, if any) is delivered to the Buyer, (ii) the Buyer has an opportunity to read the report(s), (iii) the Buyer executes and gives the Seller a receipt/notice for the report(s) waiving the Buyer's right to cancel. If the Deemed Acceptance shall have occurred by Purchaser affirmatively accepting a Final Public Report by waiving his right to cancel on the Receipt Form, the execution of a Confirmation Agreement shall not be required and this Sales Contract will become binding in such event as a contract for the purchase and sale of the Apartment on the date of Deemed Acceptance. If the Deemed Acceptance shall have occurred in any manner other than by waiver of the right to cancel on the Receipt Form, this Sales Contract shall not become binding as a contract for the purchase and sale of the Apartment unless and until Purchaser shall have executed a Confirmation Agreement. If (and only if) there is a material change affecting (i) the Buyer's apartment or appurtenant limited common elements, or (ii) amenities of the Project available for the Buyer's use, the Seller is required to provide written notice to the Buyer of such material change and to advise the Buyer of his right of cancellation. The right of cancellation is waived where the Buyer executes and returns to the Seller the written approval or acceptance of the material change. If the Buyer does not execute and return such written approval or acceptance of material change within thirty (30) days of delivery of such written notice, then the Buyer shall be deemed to have accepted and approved such material change, or the Seller may terminate the Sales Contract upon ten (10) days written notice to the Buyer and upon such termination, the

Seller shall cause Escrow Agent to refund to the Buyer all payments previously made by the Buyer without interest earned thereon.

2. The Seller has entered into an Escrow Agreement with the Escrow, covering the deposit with the Escrow of all funds paid by the Buyer under the Sales Contract and the disbursement of the funds by Escrow. Escrow may charge a cancellation fee on account of escrow services performed whether the cancellation occurs before or after the Sales Contract becomes effective. So long as the cancellation or the refund event occurs prior to the Sales Contract becomes effective (following the issuance of the Final Public Report), the escrow cancellation fee and other costs will not exceed \$250.00.

3. The Seller has made no representations and has not authorized any representations to be made by any sales agent concerning any services or arrangements relating to the rental or sale or management of the Buyer's Apartment.

4. The Seller is authorized to act on behalf of the Association of Apartment Owners ("Association"), until the election of the Board and the officers of the Association.

5. The Sales Contract is subject to the provisions of the Declaration, Bylaws, and other condominium documents.

6. The purchase of an Apartment in the Project is subject to ongoing sales activity by the Seller with respect to completing the sales of the Project, which may result in the presence of sales signs, the use of guest parking spaces and other inconveniences.

7. The apartments have been previously constructed and occupied. The apartments are sold "AS IS" and the Seller makes no warranties, express or implied, regarding the apartments.

It is incumbent upon a prospective Buyer to read the full text of the Sales Contract.

Exhibit D  
Condominium Public Report  
Seaside Suites

Miscellaneous Matters; Arbitration of Disputes

The Seller makes the following disclaimers regarding the Project. The fact that the Seller is making the following disclaimers does not relieve the Buyer of the Buyer's obligation to investigate the Project documents and to determine whether the Project is suitable for the Buyer.

a. Emergency Generator. An emergency generator is provided for the Project, the operation of which for emergency and monthly testing causes noise and vibration.

b. Cracks in Concrete. It is in the nature of concrete to develop hairline cracks, which must be accepted as a normal characteristic of the material.

c. Telephone and TV Wiring. Wiring is provided to telephone jacks; wiring is provided for two (2) tv jacks; pulling of wiring to other locations in the Apartment is the responsibility of the Purchaser.

d. Caution to Parents with Young Children. Parents are cautioned that the play of children in the Project must be supervised at all times. In addition to the risks normally associated with a high rise building, the Project may contain foliage containing sharp spines or foliage that is poisonous when ingested.

e. Security System. The Project is to be provided with a professionally designed security system which is intended to discourage access to the Project by unauthorized persons without undue inconvenience to authorized residents and guests. Despite the security system, unauthorized persons and intruders may gain access to the Project with possible result of annoyance, personal injury or property loss.

f. Estimate of Maintenance Fees. Seller's estimate of monthly maintenance fees, as shown on the Public Reports and disclosure abstracts (if any), was prepared based upon information believed to be accurate and correct. However, Seller makes no warranty or promise regarding the accuracy of these amounts.

Under the Sales Contract the Buyer will be required to agree to the foregoing and other conditions as well as any inconvenience or annoyance which the Buyer may suffer as a result of such conditions and the Buyer will be required in the

Sales Contract to expressly waive any rights, claims or actions which the Buyer might otherwise have against the Seller as a result of such conditions.

g. Arbitration.

All disputes by or between the Seller and any Buyer as to any matter concerning the Project, must be submitted to binding arbitration pursuant to American Arbitration Association rules of arbitration in the City and County of Honolulu, State of Hawaii.

h. Sales Prices.

Without limitation, the Seller reserves the right to withdraw one or more apartments in the Project (subject to the terms and conditions of the Brokerage Agreement with McCormack Real Estate, Inc. dba Coldwell Banker McCormack Real Estate dated June 10, 1993) which are to be sold to employees, officers or owners of interests (whether directly or indirectly) in the Seller for a sales price which may be increased or decreased by any amount in the Seller's sole discretion. A copy of the executed Brokerage Agreement between the Seller and Coldwell Banker McCormack Real Estate has been filed with the Commission. It is incumbent upon a prospective Buyer to read the executed Brokerage Agreement with care.

Exhibit E  
Condominium Public Report  
Seaside Suites

Summary of Executed Escrow Agreement

A copy of the executed Escrow Agreement dated September 27, 1993 between Title Guaranty Escrow Services Inc., a Hawaii corporation, as Escrow Agent, and Outrigger Hotels Hawaii, a Hawaii limited partnership, as the Seller, has been filed with the Commission. The Escrow Agreement provides for the deposit of the Buyer's funds pursuant to the Sales Contract and also provides for the retention or disbursement of the funds. The Escrow Agreement provides in part that any interest earned on funds on deposit shall be paid to the Seller. In the event that the Sales Contract or Hawaii Revised Statutes Chapter 514A entitle a Buyer to a refund of the Buyer's deposits held by the Escrow Agent, then Escrow Agent, either automatically or upon instruction from the Buyer and/or the Seller, depending on the reason for the refund, will refund the Buyer's deposits, without interest, less certain cancellation fees and costs (e.g., escrow cancellation fees, loan processing fees, cost of credit reports, etc.) as provided in the Sales Contract and Chapter 514A, Hawaii Revised Statutes, as amended.

By law the total amount of such cancellation fees shall not exceed TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$250.00) so long as the cancellation occurs prior to the time the Sales Contract becomes effective (following issuance of the Final Public Report). Under the Escrow Agreement no disbursement of funds can be made to the Seller until the Sales Contract becomes effective under the provisions of Chapter 514A Residential Landlord Tenant Code, Hawaii Revised Statutes.

It is incumbent upon a prospective Buyer to read the executed Escrow Agreement with care.



Exhibit F

ARCHITECTS' STATEMENT  
ON THE STRUCTURAL/ELECTRICAL/MECHANICAL  
EXISTING ELEMENTS

SEASIDE SUITES CONDOMINIUM PROJECT  
440 Seaside Avenue  
Honolulu  
Hawaii 96815

July 1993

MITCHELL MILLAR ARCHITECTS  
Davies Pacific Center  
841 Bishop Street - Suite 303  
Honolulu, Hawaii 96813

### **Outline description of Structure and Construction.**

The construction of this Apartment Building was begun in 1983. Subsequent to the granting of the original Building Permit, in 1983 there were a series of design changes, some of which were cited as violations of the Building Codes and the conditions of the original permit. Current construction contracts at the time of this report are rectifying the outstanding violations, which are scheduled to be completed by September, 1993.

### **Structure**

The building form is of seven floors of apartments above three of parking. One parking level is at basement level with space dedicated for loading and trash collection. The roof is flat, with a two level mechanical enclosure. The structure is of piled foundations with poured in place reinforced concrete columns and reinforced concrete floor slabs. The system is a "flat slab" type, with few beams. The central elevator tower and two fire exit stairs are shear bracing elements.

### **Condition.**

There are cracks and minor spalling of concrete at isolated locations indicating some thermal movement of the structure, most visibly at roof level, but no signs of cracking or distortion which may indicated structural deterioration, settlement or deflection beyond those which may be expected in a building of this type and form. Current contracts to insulate the roof should reduce roof slab thermal movement to within normal levels. Within the apartment units, the partitions are of one hour rating, being 'solid' 2" plaster walls, of gypsum plaster on metal lath and runners.

Where recent construction and renovations have required access to existing ducts, these alterations and accessible areas of ducts have been constructed with a two hour rated system. The integrity of untouched existing ducts and the possibility of fire damper installations cannot be verified.

The existing structure complied with all codes and practices current at the time of construction, with the exception of those violations listed elsewhere and now rectified under current contracts.

The useful life of the building structure, that is, those elements listed above as of reinforced concrete, may be designated as fifty years. After this time period, assuming regular and competent maintenance, analysis and structural renovation may usefully extend the unrestricted life for a further thirty years. Individual and unique conditions of any building make prediction of useful life impossible beyond such a period. Similar structures in Waikiki, under conditions of salt air infiltration and ground water fluctuation have shown the need for regular corrosion monitoring and structural reviews at ten year interludes, but this location on the Ala Wai side of the Waikiki peninsula offers some additional protection.

The existing roofing and waterproofing has been replaced in the 1993 renovations, and has a guarantee of 3 years.

#### **Electrical System.**

The renovation of 1993 has significantly improved the condition and reliability potential of the electrical installation. However, many cables run in areas not accessed in this renovation, and their condition could not be economically verified. Some junction boxes which were visible, were observed to follow installation practices which, while acceptable at the time of construction, would not pass inspection if installed today. Consequently, no representation can be made on the total integrity of the electrical installations or equipment except for those installed under this current contract. All new work is run in rigid conduit, and is fully accessible per code.

### **Mechanical System**

Each Apartment has the kitchen plumbing brought up to current code. Where bathroom fixtures have been replaced or renovated, current codes apply. It should be noted that shut-off valves and isolator circuits were installed in 1993 to bring the current water supply circuitry into line with modern practice.

Existing fan-coil units, cooling tower and exhaust fans function within their design requirements, but not enough is verifiable as to age and maintenance to predict the useful working life of any individual elements of the AC systems, other than as indicated under the manufacturer's warranty.

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