CONDOMINIUM PUBLIC REPORT

		COMPONITION FOR COLUMN
Prepared & Issued by:	Developer Col Address 2895	ony Surf, Ltd. Kalakaua Avenue, Honolulu, Hawaii 96815
		: The Colony Surf Kalakaua Avenue, Honolulu, Hawaii 96815
Preparation o	Registration No. f this Report	Effective date: April 11, 2005 Expiration date: July 30, 2005
Revised Statu	ites, as amended.	by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii This report is not valid unless the Hawaii Real Estate Commission has issued a e date for the report.
the Commissi		ed or issued by the Real Estate Commission or any other government agency. Neither overnment agency has judged or approved the merits or value, if any, of the project or se project.
		d this report carefully, and to seek professional advice before signing a sales n apartment in the project.
months from t	he effective date u	liminary Public Reports and Final Public Reports automatically expire thirteen (13) nless a Supplementary Public Report is issued or unless the Commission issues and to this report, extending the effective date for the report.
		nmission may issue an order, a copy of which shall be attached to this report, that the ment condominium project shall have no expiration date.
Type of Repor	<u>rt:</u>	
PREL (yellov	IMINARY: w)	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.
Final: (white)	The developer has legally created a condominium and has filed complete information with the Commission. [] No prior reports have been issued. [] This report supersedes all prior public reports. [] This report must be read together with
X SUPPI (pink)	LEMENTARY:	This report updates information contained in the: [X] Preliminary Public Report dated:
	And	 Supersedes all prior public reports. Must be read together with Preliminary Public Report dated June 30, 2004 This report reactivates the

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request. FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104

public report(s) which expired on

Disclos	sure Abstract: Separate Disclosure Abs	tract on t	his condominium project:
[]	Required and attached to this report	[X]	Not Required - Disclosures covered in this report.
Summa	ary of Changes from Earlier Public Rep	orts:	
report w	summary contains a general description vas issued. It is not necessarily all inclus eports if they wish to know the specific cl	ive. Pros	nanges, if any, made by the developer since the last public spective buyers should compare this public report with the hat have been made.
[]	No prior reports have been issued by th	e develo	per.
[X] Changes made are as follows:			

- 1. An additional disclosure regarding parking stalls has been made on page 12.
- 2. Item III.C.9 on page 12 has been revised to disclose that the Board of Directors is coordinating efforts to obtain building permits for the enclosing of corridors.
- 3. The Project's structure is non-conforming. Examples regarding the effect of the Revised Ordinances of Honolulu on a non-conforming structure are provided on page 13.

7.	Parking	Stalls:
1.	1 alkiig	Citano.

Total Parking Stalls:	142	***	_				
	Regular Covered	<u>Open</u>	Compact Covered	<u>Open</u>	<u>Tandem</u> <u>Covered</u>	<u>Open</u>	TOTAL
Assigned (for each unit)	0	0	0	0_	0_	0	0
Guest	0	0	0	0	0	0	0
Unassigned	0	0	0	0	0	0	0
Extra for Purchase	0	0	0	0	0	0	0
Other: *	0_	0	112	30_	0	0	142

*The Colony Surf was built in the late 1950s. The parking stalls for the Project are located in a three level parking garage as shown on the Condominium Map. Each of the parking stalls are designated, set aside and reserved for Apartment "D" as Limited Common Elements as shown on Exhibit "D-2". Apartment "D" is located on the lobby floor of the Project and is currently owned by the Developer and used as an office. It will be transferred to the Association. Any or all such Limited Common Element parking stalls may be assigned (permanently or temporarily), encumbered, pledged, sold, leased, transferred or otherwise used or disposed of as the Developer or, as applicable, the Association, acting through the Board, determines from time to time. See Exhibit "A" regarding certain reserved rights, including the reserved right to build additions to, or replace, the existing parking deck.

NOTE: The number of parking stalls at The Colony Surf is fewer than the number of units, though at the current time, due to the combination of certain units, there are 142 stalls and 142 individuals or entities owning the 172 units in the building. Parking policies and procedures in place at The Colony Surf to date have met the parking needs of all owners. Some cooperative unit owners have taken the position that they possess permanent and transferable real property or contractual rights to specific parking stalls (or at a minimum similar rights to a parking stall within the existing parking structure). Others have taken the position that no such rights exist with respect to parking (and that, to the extent any rights exist, those rights are temporary and revocable at any time). It is possible that one or more condominium or cooperative unit holders will threaten or bring litigation with respect to the respective positions noted above. Alternative means of resolving these conflicting positions have been discussed in the past and are likely to be discussed in the future, including but not limited to the building of an additional parking deck via assessment of all unit owners. In connection with the conversion of The Colony Surf from cooperative to condominium status, the Board of Directors of the Developer -- Colony Surf, Limited -- has made no determination as to which position does or should prevail or as to the timing or means of resolving these positions and believes that any final determination of the issue is independent of the process of conversion from cooperative to condominium and should be postponed until such time as is necessary to resolve any dispute as to parking.

	Total Covered & Open:	0	142		142
			clusive use of at least ut which stall(s) will be a	zero (0) parking vailable for their use.	stall(s).
	[] Commercial parking g	arage permitted	l in condominium project	,	
	[] Exhibitc	ontains addition	al information on parking	stalls for this condomi	nium project.
8.	Recreational and Other	<u>er Common Fac</u>	ilities:		
	[] There are no recreation	nal or common	facilities.		
	[] Swimming pool		[X] Storage Area	[] Recreati	on Area
	[X] Laundry Area		[] Tennis Court	[X] Trash C	hute/Enclosure(s)
	[X] Other: Conferenc	e Room			

9.	Compliance With Building Code and Municipal Re	egulations; Cost to Cure Violations	
	[] There are no violations.	[] Violations will not be cured.	
	[X] Violations and costs to cure are listed below*:	[] Violations will be cured by	(Date)
	*Currently there are no records on file of building per corridors of all floors except the Penthouse levels. T areas by approximately 90 square feet and 150 squa side and Diamond Head side apartment units of the r required by the Department of Planning and Permittir of Directors is currently coordinating efforts to obtain	hese enclosures expanded the floor re feet, respectively, for the Ewa makai wing. Building permits are ng for these enclosures. The Board	(Dute)

10. <u>Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations</u> (For conversions of residential apartments in existence for at least five years):

See the Architectural, Structural, Mechanical and Electrical Observation Reports attached as Exhibit C for a description of the current condition of The Colony Surf's structural components and mechanical and electrical installations. NO REPRESENTATIONS ARE MADE WITH RESPECT TO THE USEFUL LIFE OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS.

11. Conformance to Present Zoning Code

a.	[X]	No variances to zoning code have been granted.
	[]	Variance(s) to zoning code was/were granted as follows.

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 conform to present zoning requirements.

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures		X*	
Lot	X		

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 limitation 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.

NOTE: In the event that the Colony Surf needs to be re-constructed as a result of the destruction or demolition of all or a portion of the building(s), the Colony Surf may be subject to, among other laws, regulations or ordinances, the restrictions provided under the City's Land Use Ordinance, including the following specific Ordinances of Honolulu:

1. Diamond Head Special District, ROH 21-9.40

Description: The purpose of this ordinance is in part to preserve the appearance and prominent public views of Diamond Head. If the Colony Surf makes major exterior repair, alteration or addition to the current structure, then the director has a right to review and modify such projects. If the Colony Surf were destroyed and rebuilt, then a review by a design advisory committee will most likely be required, and a height limitation of 25-feet will be imposed.

2. Shoreline Setbacks, ROH 23-1

Description: The purpose of this ordinance is in part to protect and preserve the natural shoreline. If the Colony Surf is destroyed by any means to an extent of more than 50% of its replacement cost at the time of destruction, then upon reconstruction it probably will be required to have a shoreline setback of 40 feet inland from the certified shoreline.

3. Flood Hazard Districts, ROH 21-9.10

Description: The purpose of this ordinance is in part to protect life and property and to reduce public costs for flood control. If the Colony Surf is demolished to the extent that the cost of restoring the structure to its before-damage condition equals or exceeds 50% of the replacement value of the structure before the demolition occurred, then the Colony Surf must be rebuilt in accordance with the development standards (includes special designs to minimize damage caused by floods, and special drainage and infrastructure).

^{*} Because the project was built in the 1950's, the structure is non-conforming.

D.	Common Elements,	Limited Common	Elements,	Common Interest:
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indiv those para	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						
elem	ents for this project, as	described in the Declaration, are:					
[X]	described in Exhibit	D-1					
[]	as follows:						
	indiv those para elem	individual apartments. Altho those portions of the commo paragraph 2 below) may be elements for this project, as [X] described in Exhibit	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 co elements for this project, as described in the Declaration, are: [X] described in Exhibit D-1				

Rights Under the Sales Contract: Before signing the sale contract, prospective buyers should ask to 2. 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 issued an effective date by the Hawaii Real Estate Commission. Declaration of Condominium Property Regime, as amended. B) Bylaws of the Association of Apartment Owners, as amended. C) D) House Rules, if any. E) Condominium Map, as amended. F) Escrow Agreement. Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii G) Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended). H) Other Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A. HRS) and Hawaii Administrative Rules (Chapter 107) are available online. Please refer to the following sites: Website to access official copy of laws: www.capitol.hawaii.gov Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs Website to access rules: www.hawaii.gov/dcca/har This Public Report is a part of Registration No. 5365 filed with the Real Estate Commission on May 10, 2004

[X] PINK paper stock

[] YELLOW paper stock

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- D. The developer declares subject to the penalties set forth in Section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all 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.

Colony Surf, Ltd., a Hawaii corporation Printed Name of Developer
By: Duly Authorized Signatory* Date
Printed Name & Title of Person Signing Above/

Distribution:

Department of Finance, City & County of Honolulu

Planning Department, City & County of Honolulu

*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.