



OCEANFRONT PROPERTY ADDENDUM Hawaii Association of REALTORS® Standard Form Revised 12/17 For Release 5/18



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OCEANFRONT PROPERTY ADDENDUM is made a part of Purchase Contract:

Purchase Contract Reference Date:

Property Reference or Address:

Tax Map Key: Div. /Zone /Sec. /Plat /Parcel /CPR (if applicable).

Buyer and Seller agree as follows:

A. Buyer is aware that:

- A-1 Property fronts the ocean and may be in a Special Management Area in accordance with the State and County laws, rules and regulations.
A-2 The location of the shoreline boundary of Property (including both Land Court and Regular System properties) may be subject to change because of coastal processes in adding to or taking away land along the shoreline and is subject to redetermination according to the laws of the State of Hawaii.
A-3 The conveyance document will typically contain a reference to the location of the seaward boundary in accordance with the laws of the State of Hawaii.
A-4 Property is subject to shoreline setback and flood control requirements as determined by Federal, State and County laws, rules and regulations.
A-5 Identification of certified shoreline boundaries is governed by Title 13, Sub-Title 10, Chapter 222 of the Hawaii Administrative Rules, "Shoreline Certifications," and that shoreline certifications by the State can be challenged by the private and/or public sector.

B. Buyer acknowledges that neither Seller nor Brokerage Firm(s) involved in this transaction, have made any representations or warranties concerning the State Shoreline Certification, seaward boundary, and/or square footage of Property. Buyer agrees not to assert any claim against Seller or Brokerage Firm(s) involved in this transaction regarding any matters which concern the shoreline boundary of the Property or the square footage of the Property.

C. Neither Seller nor Brokerage Firm(s) involved in this transaction make any representations or warranties concerning any actions Buyer may take with respect to erosion control. In particular, no representations are made about seawalls, retaining walls, piers, docks or re-vegetation. Buyer is advised to determine the effect of the proximity of the shoreline to the improvements, and should seek professional advice from Buyer's contractors, engineers, attorneys, appropriate governmental agencies, or any other licensed professionals.

D. Properties located in certain flood zones, high wave, and/or tsunami inundation areas, may be subject to damage, additional building, engineering and elevation requirements as well as insurance rates/limits. Buyer should consult with the appropriate County agencies to determine the current elevation requirements. If there is a structure on the Property, the State of Hawaii or County agencies may require surveying to determine if the structure conforms to Federal, State and/or County requirements.

E. Threats to Coastal Properties Due to Sea Level Rise. According to the School of Ocean and Earth Science Technology of the University of Hawaii, island communities in Hawaii are vulnerable to sea level rise and coastal hazards associated with a changing climate. As coastal water levels rise, community populations and infrastructure (hospitals, schools, roads, public utilities, communication systems) are increasingly vulnerable to flooding, inundation and destruction. In addition to the dangers of increased baseline sea level, rising waters increase the risk to neighborhoods and communities that are coastal and in close proximity to the ocean posed by hurricanes, tsunamis, high wave events and coastal erosion. It is difficult to predict how government entities (such as zoning, land use and permitting authorities) and the private sector (such as insurance companies) will respond over time. All of the foregoing could adversely affect the condition, use and value of impacted properties.

F. Existing and future improvements may now be or may become encroachments on State of Hawaii property. Property owners, including the Buyer after closing, may be found to be in violation of the rules and laws governing shorelines. Buyer may be held responsible by the State of Hawaii to remove and/or remedy any encroachments such as, but not limited to, any sign of induced vegetation, any evidence of private use of the land, any structures which may include seawalls, revetments, shoreline hardening, sandbags, or anything else on the ocean side of the anticipated property boundary line. Seller agrees to provide Buyer with all information known to Seller on seawalls, or any other such manmade structures or vegetation.

BUYER'S INITIALS & DATE

SELLER'S INITIALS & DATE



G. A State Shoreline Certification establishes a boundary from which the buildable area may be calculated and setbacks established which may be required to obtain building permits. "Shoreline" as defined in HRS 205A-1 means "the upper reaches of the wash of the waves, other than storm and seismic waves, at high tide during the season of the year in which the highest wash of the waves occurs, usually evidenced by the edge of vegetation growth, or the upper limit of debris left by the wash of the waves."

A State Shoreline Certification does not necessarily establish a seaward boundary of the Property. State Shoreline Certification does not establish the exact square footage of the property. State Shoreline Certification is a lengthy process that may take an extended period of time from six (6) months to several years, and is valid for a limited period of time from the date of certification.

H. Seller agrees to deliver to Buyer copies of all past and existing State Shoreline Certification(s) in Seller's possession as part of Seller's Real Property Disclosure Statement.

I. Buyer and Seller agree that a new State Shoreline Certification [] will or [] will not be obtained and shall be paid by [] Seller or [] Buyer. (Use Paragraph J for Special Terms). State Shoreline Certification shall be completed no later than _____. If the State Shoreline Certification is not obtained within the time frame, Buyer and Seller may elect to extend delivery of such Certification of Shoreline, or Buyer may elect to terminate the Purchase Contract pursuant to Paragraph O-3. If Buyer elects not to terminate the Purchase Contract, then Buyer agrees to proceed to closing without the State Shoreline Certification.

J. Buyer's lender may require flood insurance as a condition of obtaining financing. Buyer is aware that Buyer may be required to obtain a Flood Elevation Certificate in order to obtain flood insurance. Buyer is advised to verify flood designations and consult the National Flood Insurance Program for the availability of flood insurance and flood insurance premiums based on the risk of flooding in the area where the Property is located. Seller agrees to deliver any existing Flood Elevation Certificate(s) in Seller's possession.

[] An Elevation Certificate shall be paid for by [] Seller [] Buyer. The Elevation Certificate shall be delivered to Buyer no later than _____.

K. SPECIAL TERMS (Please number K-1, K-2, etc.)

Property is subject to governmental oversight regarding specific oceanfront requirements, and Buyer is advised to contact governmental agencies to determine specific requirements for the Property.

Buyer and Seller acknowledge that Buyer/Seller have read, understand and agree to the terms and conditions of this OCEANFRONT PROPERTY ADDENDUM, and have not relied upon any advice from Brokerage Firm(s) involved in this transaction, and further acknowledge receipt of a fully executed copy of this Addendum. Buyer is advised to seek legal and other professional advice regarding the complex nature of oceanfront property.

_____ BUYER	_____ DATE	_____ SELLER	_____ DATE
_____ BUYER	_____ DATE	_____ SELLER	_____ DATE
_____ BUYER	_____ DATE	_____ SELLER	_____ DATE

NOTE: THERE IS NO WARRANTY ON PLAIN LANGUAGE. An effort has been made to put this agreement into plain language. But there is no promise that it is in plain language. In legal terms, THERE IS NO WARRANTY, EXPRESSED OR IMPLIED, THAT THIS AGREEMENT COMPLIES WITH CHAPTER 487A OF THE HAWAII REVISED STATUTES. This means that the Hawaii Association of REALTORS® is not liable to any Buyer, Seller, or other person who uses this form for any damages or penalty because of any violation of Chapter 487A. People are cautioned to see their own attorneys about Chapter 487A (and other laws that may apply).