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
OAHU SURF I
419 Keoniana Street
Honolulu, Hawaii

REGISTRATION NO. 268

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: May 27, 1969
Expires: June 27, 1970

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 MARCH 24, 1969 AND INFORMATION SUBSEQUENTLY FILED AS LATE AS MAY 22, 1969. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. OAHU SURF I is a proposed leasehold condominium project with a total of fifty-eight (58) units consisting of fifty-six (56) 2-bedroom and two (2) 3-bedroom condominium dwelling units, all arranged in a fourteen (14) story residential apartment building served by two (2) 250 feet per minute elevators. Fifty-eight (58) parking stalls, of which forty (40) are covered, are available. There will be a swimming pool on the roof top with men and women rest rooms.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Final Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regimes, executed on March 24, 1969, with the By-Laws attached, was filed in the Office of the Assistant Registrar of Land Court of the State of Hawaii on May 7, 1969 as Document No. 472449.

The Registrar has designated Condominium Map No. 73 to the project on March 24, 1969.

4. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

5. The Developer advises the Commission that Guardian Life Insurance Company of New York will purchase the entire project, including the fee simple title prior to the completion of the construction. The specimen Apartment Lease indicates that the Developer will not be a party to the Apartment Lease, and that Guardian Life Insurance Company of New York will become the Apartment Lessor upon the sale of any unit by the Developer.

6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regime.

7. This Final Public Report automatically expires thirteen (13) months after date of issuance, May 27, 1969, unless a Supplementary Public Report issues or the Commission upon review of registration issues an order extending the effective period of this report.

NAME OF PROJECT: OAHU SURF I

LOCATION: The approximate 14,000 square feet of property to be committed to the regime, as a leasehold condominium project is situated on the kokohead (southeast) side of Keoniana Street between Ala Wai Boulevard and Kalakaua Avenue, at Honolulu, City and County of Honolulu, Oahu, Hawaii.

TAX KEY: FIRST DIVISION 2-6-15: 26, 27 & 28

ZONING: Hotel-Apartment
500% Density (enclosed area)

DEVELOPER: OAHU SURF COMPANY, a joint venture, composed of ALRED J. WERNER of 1805-E Fern Street, Honolulu, Hawaii, ERNEST C. HICKSON, of 1374 Laukahi Street, Honolulu, Hawaii, and JAMES D. HOWE, of Palos Verdes Estates, California, is the Developer. Said Joint Venture was registered with the Department of Regulatory Agencies, State of Hawaii, on October 30, 1968.

ATTORNEY REPRESENTING DEVELOPER: Vernon T. Tashima, Suite 402, 235 Queen Street, Honolulu, Hawaii 96813. Telephone: 537-9901

DESCRIPTION: The specimen Declaration of Horizontal Property Regime reflects that the project is to consist of the lease land located at 419 Keoniana Street and a fourteen (14) story building containing fifty-eight (58) apartments. The building will be constructed of reinforced concrete and will have twelve (12) living levels and two (2) levels of parking. The building, exclusive of parking, will cover approximately 6,100 square feet of land area. However, the ground level parking deck will cover the entire land area of 14,000 square feet. There will be fifty-eight (58) parking stalls (40 covered and 18 open) of which 30 are in the lower parking level and 28 in the upper level. The stalls will be numbered to correspond to the apartment numbers and will be as shown on the Plan, subject, however, to renumbering without notice; provided, however, that the owners shall not be deprived of stalls which have been assigned to them, unless they consent to any change. There will be a swimming pool of approximately 16 feet by 32 feet, which will be located on the roof top, and there will be men and women rest rooms on the roof top.

Access to the living area will be through a lobby into an elevator on the ground level.

Each of the eleven floors, from the second through the twelfth, will have five (5) 2-bedroom units and the thirteenth floor will have one (1) 2-bedroom and two (2) 3-bedroom penthouses. The apartment building will contain the following basic types of apartments:

i) Type "01" two-bedroom, two-bath end apartments. Each "01" type apartment from the seond through the thirteenth floors (penthouse No. 1 being the same as any other "01" type unit) will contain a gross livable area of 1,065 square feet including lanai and each such unit will have the following rooms: Living-Dining area, Kitchen, Bedroom No. 1 (master) with wardrobe and bathroom, Bedroom No. 2 with wardrobe and bathroom, and Lanai.

ii) Type "02" two-bedroom, two-bath, interior apartments. Each "02" type apartment from the second through the twelfth floors will contain a gross livable area of 987 square feet, including lanai, and will contain the following rooms: Living-Dining area, Kitchen, Bedroom No. 1 (master) with wardrobe and bathroom, Bedroom No. 2 with wardrobe and bathroom, and Lanai.

iii) Type "03" two-bedroom, two-bath, interior apartments. Each "03" type apartment from the second through the twelfth floors will contain the same number and kind of rooms listed for a "02" type except that the gross livable area of the "03" type is 964 square feet, including lanai.

iv) Type "04" two-bedroom, two-bath, interior apartments. Each "04" type apartment from the second through the twelfth floors, will contain the same number and kind of rooms listed for the "02" and "03" types, except that the gross livable area of the "04" type is 970 square feet.

v) Type "05" two-bedroom, two-bath, end apartments. Each "05" type apartment will contain the same number and kind of rooms listed in all of the foregoing "01", "02", "03", and "04" types except that the gross livable area differs as follows: "05" from second through the ninth floors will contain a gross livable area of 1164 square feet including lanai, "05" on the tenth floor will contain a gross livable area of 1158 square feet, including lanai, "05" on the eleventh floor will contain a gross livable area of 1140 square feet, including lanai, and "05" on the twelfth floor will contain a gross livable area of 1122 square feet, including lanai.

vi) Type "PH-1" two-bedroom, two-bath, end penthouse. "PH-1" is similar in all respects with the type "01" apartments, and will contain 1065 square feet of gross livable area, including lanai.

vii) Type "PH-2" and "PH-3" three-bedroom, three-bath penthouses. "PH-2" and "PH-3" will contain the following rooms: Living-Dining area, Kitchen, Bedroom No. 1 with wardrobe and bathroom; Bedroom No. 2 (master) with wardrobe closet-bathroom, Bedroom No. 3 with wardrobe and bathroom, and Lanai. "PH-2" will contain a gross livable area of 1951 square feet, and "PH-3" will contain a gross livable area of 2074 square feet.

Each apartment shall have immediate access to a corridor or hallway leading to the elevator or to a stairway descending to the ground level.

The building will be situated on the kokohead (southeast) side of Keoniana Street between Ala Wai Boulevard and Kalakaua Avenue, and as viewed from Keoniana Street the apartments will be numbered from left to right (mauka-makai) and will be situated as follows:

LEVEL	APARTMENT NO.				
	Left	Middle Left	Middle	Middle Right	Right
(Lower parking level)					
First (upper parking level)					
Second	201	202	203	204	205
Third	301	302	303	304	305
Fourth	401	402	403	404	405
Fifth	501	502	503	504	505
Sixth	601	602	603	604	605

	Left	Middle Left	Middle	Middle Right	Right
Seventh	701	702	703	704	705
Eighth	801	802	803	804	805
Ninth	901	902	903	904	905
Tenth	1001	1002	1003	1004	1005
Eleventh	1101	1102	1103	1104	1105
Twelfth	1201	1202	1203	1204	1205
Thirteenth	PH-1		PH-2		PH-3

Apartments with numbers ending with "01" will be on the extreme left or mauka side, and reading left to right, or mauka to makai, follows apartments ending with "02", "03", "04" and "05" on the extreme right or makai side.

COMMON ELEMENTS: The specimen Declaration reflects that the common elements shall consist of (a) the leasehold land; (b) the foundations, columns, girders, beams, supports, main walls, roofs, halls, stairways, stairs, fire escapes and entrances and exits of the apartment building, elevators, and appurtenances; (c) yards, parking area and driveways, gardens, recreational facilities, including swimming pool; (d) all central and appurtenant installations of electrical, gas, plumbing, air conditioning and like utilities, if installed.

LIMITED COMMON ELEMENTS: According to the specimen Declaration, the limited common elements shall be (a) parking stalls and storage lockers specifically reserved for the exclusive use of a certain apartment; (b) entry hall, balcony, elevator foyer and corridors on each apartment level reserved for the exclusive use of the apartments on each floor.

INTEREST TO BE CONVEYED PURCHASER: The specimen Declaration states that the undivided interest in the common elements appertaining to each apartment will be as follows:

Apartment Numbers	Percentage of Undivided Interest
201, 301, 401, 501, 601, 701, 801, 901, 1001, 1101, 1201, PH-1	1.73%
202, 302, 402, 502, 602, 702, 802, 902, 1002, 1102, 1202	1.6%
203, 303, 403, 503, 603, 703, 803, 903, 1003, 1103, 1203	1.56%
204, 304, 404, 504, 604, 704, 804, 904, 1004, 1104, 1204	1.57%
205, 305, 405, 505, 605, 705, 805, 905, 1005	1.89%
1105	1.85%
1205	1.82%
PH-2	3.16%
PH-3	3.37%

According to the Declaration and By-Laws, each apartment's share of the common expense shall be in proportion to its undivided interest in the common elements; however, for purposes, of voting, each unit shall have one vote.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The specimen Declaration states that each apartment shall be used only as a place of single family dwelling and for no other purpose. Each owner shall comply with the terms of the Apartment Lease, By-Laws of the Association of Apartment Owners and the House Rules.

FINANCING OF PROJECT: The Guardian Life Insurance Company of America, whose address is 201 Park Avenue South, New York, New York, by letter dated February 17, 1968 has agreed to provide leasehold mortgages covering 58 condominium units up to the principal amount of $1,680,000 at an interest rate of 8% per annum. In addition to the commitment of "Guardian Life", the First Hawaiian Bank of Honolulu, Hawaii, has agreed to issue mortgage loans not to exceed the aggregate total of $200,000 for a term of 25 years at 8% per annum and a 3% fee.

Developer has filed an estimated total project cost of $2,501,782. Developer has advised the Commission that the plan is to finance the project with the above mentioned loans from "Guardian Life" and First Hawaiian Bank, proceeds of $260,000 from sale of land to "Guardian Life", developer's funds of $85,000 advanced to date, and the balance of $276,782 from purchasers' funds to be held by escrow.

OWNERSHIP TO TITLE: The Notice of Intention reflects that ownership to fee title is vested in Alfred John Werner, Ernest Charles Hickson and James Darrell Howe, as Joint Tenants.

A copy of a policy of Title Insurance as of January 22, 1969, issued by Title Insurance and Trust Company, a California corporation, certifies that the fee simple title to the land is vested as aforesaid.

ENCUMBRANCES AGAINST TITLE: The Policy of Title Insurance as of January 22, 1969 recites the following defects, liens, encumbrances and other matters: Real Property Taxes for the second half of Fiscal Year - July 1, 1968 through June 30, 1969 are due on June 10, 1969 ($822.42). Mortgage dated January 15, 1969 made by Ernest Charles Hickson, James Darrell Howe, and Alfred John Werner, doing business as Oahu Surf Company, a joint venture, to Capital Mortgage Company, Limited, to secure the repayment of the sum of $150,000.00 together with interest thereon all according to the terms of the promissory note of the mortgagors of even date; filed as Land Court Document No. 464732.

AS TO LOT G-6 ONLY: Easements for utility purposes over and across said Lot G-6 as shown on Map 50, as set forth by Land Court Order No. 28104, filed February 14, 1968. Grant in favor of the City and County of Honolulu, Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated April 30, 1968, filed as Land Court Document No. 454565; granting easement for utility purposes over and across said lot. Reservations and restrictive covenants in that certain Deed dated April 30, 1968, filed as Document No. 454565.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated March 24, 1969 identifies First Hawaiian Bank as "Escrow". On examination, the specimen Sales Contract and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes and particularly Sec. 514-15.

The provisions of the executed Escrow Agreement, as filed with the Commission, provides that (1) disbursements from the escrow fund shall be made by Escrow to pay for construction costs of the building or buildings and other improvements and fixtures in such amounts and at such times and in proportion to the valuation of the work completed by the contractor, as certified by a registered architect or professional engineer, and upon bills approved for payment by Seller's mortgagee or a financially disinterested person; and (2) the balance of all escrow fund shall be paid to Seller, or order, after the laspe of 45 days from the filing of the Affidavit of Publication of Notice of Completion, provided, however, that in the event any Notice of Mechanics' and Materialmen's Lien has been filed against the project, Escrow shall retain a sum equivalent to 1½ times the amount of every such claims for disposition thereof to satisfy and release every such claim, and upon every such release the balance shall be disposed of in accordance with Seller's instructions.

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

MANAGEMENT AND OPERATIONS: The specimen Apartment Lease of OAHU SURF I states that each owner, at his proportionate expense, shall employ a responsible managing agent for the collection, custody and disbursements of all assessments and other charges payable by the Lessee. The managing agent shall also be responsible for the collection, custody and disbursement of all rent and real property taxes and special assessments, provided that such funds shall be kept separate and apart from all payments of common expenses and shall not be commingled.

The specimen Apartment Lease also provides that the owners shall cause the association to establish and maintain a General Operating Reserve Fund and Replacement Reserve Fund to assure that the common expenses and replacements of structural elements, including elevators, respectively, are paid or made. The disbursements for the latter are subject to the control of the association.

The Developer advises the Commission that Guardian Life Insurance Company of New York will purchase the entire project, including the fee simple title prior to the completion of the construction and that "Guardian Life" will become the Apartment Lessor upon the sale of any unit by the Developer. As of the date of this report no managing agent has been designated. Developer advises that "Guardian Life" will select a managing agent prior to building occupancy.

STATUS OF PROJECT: The Developer advises the Real Estate Commission that the construction of the building has not yet been commenced. A building construction contract was executed on March 24, 1969 with Pacific Construction Company, Inc. According to the contract, construction will commence within ten days after contractor's receipt of Owner's Notice to Proceed, and the building shall be completed within 300 working days thereafter. A Performance Bond dated March 24, 1969 has been issued by The Hawaiian Insurance & Guaranty Company, Ltd. of Honolulu, Hawaii, and Seaboard Surety Company, of New York, New York, as Sureties. Said Bond is in the amount of $1,681,544, which is 100% of the construction contract price. A Labor and Material Payment Bond dated March 24, 1969 was also issued by the above named Sureties in the amount of $840,772.

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 March 24, 1969 and information subsequently filed as late as May 22, 1969.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 268 filed with the Commission on March 24, 1969.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be white in color.

Jack K. Palk

JACK K. PALK, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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May 27, 1969
Registration No. 268