

**REAL ESTATE COMMISSION**  
PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES  
STATE OF HAWAII  
1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

SECOND SUPPLEMENTARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT  
ON

MOKULEIA SURF  
68-101 Waialua Beach Road  
Waialua, Oahu, Hawaii

REGISTRATION NO. 634

**This Report Is Not an Approval or Disapproval of This Condominium Project**

It was prepared as a supplement to an earlier Report dated January 14, 1974, issued by the Real Estate Commission on the above 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: October 8, 1975  
Expires: May 12, 1976

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 NOVEMBER 9, 1973 AND ADDITIONAL INFORMATION SUBMITTED AS OF OCTOBER 2, 1975. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL AND REPORTING CHANGES TO THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Final Public Report dated January 14, 1974, and Supplementary Public Report dated July 12, 1974, on Registration No. 634, the Developer has forwarded additional information reflecting

material changes which have been made in the documents for the project.

2. This Second Supplementary Public Report is made a part of the registration of MOKULEIA SURF condominium project. The Developer is responsible for placing this Second Supplementary Public Report (pink paper stock) in the hands of all purchasers and prospective purchasers receiving the Final Public Report (white paper stock) and the Supplementary Public Report (pink paper stock). Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

3. The Developer of the Project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Second Supplementary Public Report.

4. The Commission, in its Final Public Report of January 14, 1974, noted that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of Association of Apartment Owners attached, and Condominium Map No. 328) were filed of record in the Bureau of Conveyances of the State of Hawaii on December 28, 1973.

Said Declaration and said Condominium File Plan No. 328 were amended by Amendment to Declaration dated May 22, 1974, recorded in the Bureau of Conveyances in Liber 10014, Page 501.

Said Declaration was further amended by Second Amendment to Declaration dated December 6, 1974, recorded in the Bureau of Conveyances in Liber 10307, Page 517.

5. Advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.

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

7. This Second Supplementary Public Report automatically expires on May 12, 1976, unless the Commission upon review of the registration, issues an order extending the effective period of this report.

NOTE: The Developer has requested and the Commission has granted a second extension for six (6) months of the expiration date from November 13, 1975 to May 12, 1976, through the issuance of this Second Supplementary Public Report.

The information in the topical headings of the Final Public Report of January 14, 1974, as amended by the Supplementary Public Report of July 12, 1974, with the exception of DEVELOPER, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, MANAGEMENT OF PROJECT and STATUS OF PROJECT, has not been disturbed.

DEVELOPER: The Developer of the Project is now HAWAIIAN FIRST FINANCIAL CORPORATION, a Hawaii corporation, whose principal place of business and post office address is Apt. 101, Mokuleia Shores, 68-041 Waialua Beach Road, Waialua, Hawaii 96791. The officers of the Developer are:

Warren F. Quan--President  
Dougal C. MacDonald--Secretary/Treasurer  
Fran Nomura--Vice-President

OWNERSHIP OF TITLE: The Developer is now the fee simple owner of all of the apartments of the Project, having received title thereto by way of deed dated August 29, 1975, recorded as aforesaid in Liber 10903, Page 389.

ENCUMBRANCES AGAINST TITLE: Policy of Title Insurance dated September 12, 1975, issued by First American Title Insurance Company, as filed with the Commission, indicates that the following are encumbrances against title:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant No. 239.

2. A 20-foot Setback Line for road widening as delineated on File Plan No. 863.

3. The encumbrances, restrictions, covenants, agreements, obligations, conditions and other provisions set forth in said Declaration, as amended, the By-Laws attached thereto and the above-mentioned Condominium File Plan, as amended, to which reference is hereby made.

4. The obligation of the several mortgages, security agreements and financing statements (assigned as hereinafter set forth), each mortgage encumbering one of the apartments of the Project, as hereinafter set forth:

Mortgagor: Jack Dean Franks and Margaret Catherine Franks, husband and wife

Mortgagee: Kassler & Co., a Colorado corporation

Dated: December 7, 1974

Recorded: December 13, 1974

Liber: Set forth below for each apartment.

Page: Set forth below for each apartment.

To Secure: Set forth below for each apartment.

ASSIGNMENT OF MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

Assignor: Kassler & Co., a Colorado corporation  
 Assignee: Home Federal Savings and Loan Association, a California corporation  
 Dated: December 10, 1974  
 Recorded: December 13, 1974  
 Liber: Set forth below for each apartment.  
 Page: Set forth below for each apartment.  
 Re: Assigns the foregoing mortgage.

Liber and Page references and amounts of individual mortgages are as follows:

<u>Apartment No.</u>		<u>Liber</u>	<u>Page</u>	<u>Amount</u>
101	Mortgage Assignment	10307 10307	542 556	\$ 32,800.00
102	Mortgage Assignment	10307 10307	557 570	33,600.00
103	Mortgage Assignment	10307 10307	571 584	33,600.00
104	Mortgage Assignment	10307 10307	585 600	33,600.00
201	Mortgage Assignment	10308 10308	1 29	34,400.00
202	Mortgage Assignment	10308 10308	15 30	34,400.00
203	Mortgage Assignment	10308 10308	31 45	34,400.00
204	Mortgage Assignment	10308 10308	46 60	37,600.00
301	Mortgage Assignment	10308 10308	61 75	34,400.00
302	Mortgage Assignment	10308 10308	76 90	34,400.00
303	Mortgage Assignment	10308 10308	91 105	34,400.00
304	Mortgage Assignment	10308 10308	106 120	38,400.00

5. Real Property Taxes for the fiscal year 1974-1975 have been paid in full. For any taxes that may be due and owing and a lien on the individual apartments, reference is

hereby made to the Office of the Tax Assessor of the First Division, on the Island of Oahu.

6. Improvement District No. 168 - MOKULEIA BEACH  
SUBDIVISION  
Assessment Lot No. 90 - BALANCE: \$2,990.94

Interest (6% for 20 years)	\$ 179.46
13th Installment	373.85
Balance of 12th Installment	<u>.06</u>
TOTAL WAS DUE JULY 5, 1975	\$ 553.36
Penalty	<u>16.60</u>
CALCULATED UP TO OCTOBER 5, 1975	\$ 569.97

7. Terms and provisions of deed dated August 29, 1975, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10903, Page 389.

8. The restrictive covenants contained in that certain deed dated October 9, 1973, recorded as aforesaid in Liber 9544, Page 370.

PURCHASE MONEY HANDLING: The Developer advises that it has entered into a new Escrow Agreement dated October 1, 1975, with First American Title Company of Hawaii, Inc., as Escrow. A copy of the Escrow Agreement has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Sales Contract, are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40 thereof.

The specimen Sales Contract filed with the Commission contains the following provisions:

1. Buyer hereby agrees that until Seller has closed out the sale of all the apartments in the condominium project or until September 30, 1977, whichever shall first occur, that Buyer will not enter into an agreement with any purchaser, lessee or owner of another apartment in the condominium project and/or any third party under which Buyer agrees to share expenses and/or rentals of apartments in the condominium project.

2. It is expressly understood that Buyer's apartment will be conveyed to Buyer as is and that there are no warranties, including any implied warranty of merchantability or fitness of the apartment for a particular purpose.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the sales contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of residential apartments are placed in trust, as well as the retention and disbursement of said trust funds. The specimen Sales Agreement specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

MANAGEMENT OF PROJECT: The form of sales contract filed with the Commission indicates that the Developer will act as Managing Agent for the Project.

NOTE: The Developer advises that it is not offering to provide services relating to the sale or rental of apartments of the project and that no representation or reference to that effect has been made or will be made by or on behalf of the Developer. Rental of the apartments with the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser.

STATUS OF PROJECT: As indicated by Second Amendment to Declaration dated December 6, 1974, recorded as aforesaid in Liber 10307, Page 517, the project has been completed.

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The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the required Notice of Intention submitted November 9, 1973 and additional information subsequently filed as of October 2, 1975.

This SECOND SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 634 filed with the Commission on November 9, 1973.

This report, when reproduced, shall be a true copy of the Commission's public report. The paper stock used in making facsimiles must be pink in color.

  
(for) DOUGLAS R. SODEANI, CHAIRMAN  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION  
BUREAU OF CONVEYANCES  
PLANNING DEPARTMENT, CITY  
AND COUNTY OF HONOLULU  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

October 8, 1975

REGISTRATION NO. 634