

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII  
1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

## SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON

SHERRY WAIKIKI I  
324 Lewers Street  
Honolulu, Hawaii

REGISTRATION NO. 869

IMPORTANT -- READ THIS REPORT BEFORE BUYING

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

It was prepared as a supplement to an earlier Report dated September 8, 1976 and issued February 3, 1978 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: December 14, 1979

EXPIRES: March 3, 1980

### SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JULY 20, 1976, AND SUBSEQUENT INFORMATION FILED AS OF NOVEMBER 28, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSIONER OF ITS INTENTION TO SELL, AND SUBMITTING INFORMATION AND DATA REGARDING MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report dated September 8, 1976 and Final Public Report dated September 8, 1976, and its extensions thereof. The Developer reports that additional changes have been made in the information which were presented in the Preliminary and Final Public Reports.
2. This Supplementary Public Report further amends the Preliminary and Final Public Report, becoming a part of the registration of the SHERRY WAIKIKI I condominium project. The Developer is responsible for placing a true copy of this Supplementary Public Report (pink paper stock) in the hands of all purchasers and prospective purchasers along with a true copy of the Preliminary Public Report (yellow paper stock) and Final Public Report (white paper stock) together with the Declaration Abstract. Securing a signed copy of the Receipt of three Public Reports as well as the Disclosures Abstract is also the responsibility of the Developer.
3. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Supplementary Public Report.

The amendment to the Declaration of Horizontal Property Regime and By Laws of the Association of Apartment Owners dated September 26, 1979 has been filed at the Land Court as Document Number 977025.

4. Advertising or promotion matter has not yet been submitting pursuant to the rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes and the condominium rules and regulations which relate to Horizontal Property Regime.
6. This Supplementary Public Report automatically expires March 3, 1980, unless another Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NOTE: At the date of this Supplementary Public Report and the Amendment to Declaration of Horizontal Property Regime described herein, no leasehold or fee simple interests in any of the apartments has been conveyed or leased.

The information in the topical heading of the Preliminary Report dated September 8, 1976 and the Final Public Report dated February 3, 1978 has not been changed except for COMMON ELEMENTS, LIMITED COMMON ELEMENTS, EASEMENTS, RESTRICTIONS AS TO USE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, and MANAGEMENT OF PROJECT.

COMMON ELEMENTS: The information contained in the Preliminary Public Report remains the same except that the rights of Time interest owners shall be restricted to the Time Interval(s) designated in their Condominium Conveyance Document. (See Restrictions As To Use).

LIMITED COMMON ELEMENTS: The room in the lobby on the first floor of the building, which room may be closed off from the remainder of the lobby by bifold doors as shown on the condominium map is included and designated as a limited common element for the exclusive use of and appurtenant to Commercial Apartment 101.

EASEMENTS: The information contained in the Preliminary Public Report remains the same except that the rights of Time Interest Owners shall be restricted to the Time Interval(s) designated in their Condominium Conveyance Document. (See Restrictions As To Use).

RESTRICTIONS AS TO USE: The information disclosed in the Preliminary Public Report remains the same except to change the following paragraphs:

1. The Amendment of Declaration of Horizontal Property Regime of Sherry Waikiki I, dated and filed as set forth above, provides that the apartments may be occupied, used and conveyed in connection with a time sharing program, under which time interval ownership interests in each of the apartments in such program may be created and sold as set forth in the Condominium Conveyance Document for Time Interval Ownership and Exhibit B, the "RESTRICTIONS", thereto on filed with the Commission.

The Amendment of Declaration further provides that the developer intends to sell 46 residential Apartments either as single owner residential Apartments or as 51 undivided co-tenancy interests ("Time Interests") under the time sharing program.

The residential apartments shall be occupied and used by the respective owners or co-tenants thereof or their tenants, families, domestic servants and quests for residential or hotel purposes pursuant to the Condominium Conveyance Document and "Restrictions", when applicable and to the extent permitted by law.

Time interest owners of an Apartment shall have the exclusive right to occupy their respective Apartments, to use and enjoy the common elements

of the Project and the rights and easements appurtenant thereto during the Time Interval(s) designated in their Condominium Conveyance Document.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated November 9, 1979 issued by Title Guaranty of Hawaii, Incorporated show the encumbrances listed below:

1. The reservation as set forth in that certain Deed made by Alexander Young Estate, Limited, to Iwalani Amelia Robinson, dated July 25, 1927, and filed as Land Court Document No. 13508, to which reference is hereby made.
2. The reservation as set forth in that certain Deed made by Alexander Young Estate, Limited, to Samuel McClay, dated February 21, 1928, and filed as Document No. 15075, to which reference is hereby made.
3. Terms, agreements, reservations, covenants, conditions and provisions contained in that certain lease made by Samuel McClay and Elizabeth McClay to Marion Florence Majit dated July 24, 1957, and filed as Document No. 205095, which lease was assigned by mesne assignments by Seichi Hirai, Jack Hifuo Mizuha and Harold Hisashi Ohama, Commissioners, to Lee Martin, Incorporated on October 19, 1973 and filed as Document No. 654893, which lease was thereafter amended on October 18, 1973 and filed as Document No. 654894, to which documents reference is hereby made.
4. Covenants, conditions, restrictions, easements, reservations and all other provisions set forth in Declaration of Horizontal Property Regime dated November 23, 1977, filed in the Office of the Assistant Registrar of the Land Court as Land Court Document No. 849376 and the By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or By-Laws. (Project covered by Condominium Map No. 319.) Said Declaration was amended by instrument dated May 22, 1979, filed as Document No. 977025. Consents thereto given by Citizens Savings and Loan Association, a California corporation, by instrument dated October 9, 1979, but effective as of November 9, 1979, filed as Document No. 977026, and by United Citizens Mortgage Company, a California corporation, by instrument dated October 9, 1979, but effective as of November 9, 1979, filed as Document No. 977027.
5. That certain mortgage dated January 10, 1978 made by Lee Martin, Incorporated, a Hawaii corporation, as Mortgagor in favor of Citizens Savings and Loan Association, a California corporation, as Mortgagee, and filed as Document No. 854440, which mortgage has been amended on November 9, 1979 and filed as Document No. 977029, in the aforesaid Office.
6. The terms and conditions contained in that certain unrecorded Option Agreement dated October 1, 1973, by and between Samuel McClay and Elizabeth McClay, husband and wife, as Optionors, and Lee Martin, Incorporation, a

Hawaii corporation, as Optionee, of which a memorandum of Option Agreement is dated October 18, 1973 and filed as Land Court Document No. 654895. Said Option Agreement was amended by instruments dated November 4, 1974, July 13, 1976, and May 16, 1979, and filed as Document Nos. 702692, 847790, and 946514, respectively. By instrument dated August 24, 1978, filed as Document No. 894260 and recorded in Liber 13099 at Page 193, said Option Agreement was subordinated to the lien of that certain Mortgage dated January 10, 1978 and filed as Document No. 854440. By instrument dated August 24, 1978 and filed as Document No. 894262, said Option Agreement was assigned by Lee Martin, Incorporated to United Citizens Mortgage Company as Additional Security to that certain Mortgage dated August 24, 1978 and filed as Document No. 894260.

7. That certain Mortgage dated August 24, 1978 made by Lee Martin Incorporated, a Hawaii corporation, as Mortgagor, to United Citizens Mortgage Company, a California corporation, as Mortgagee, and filed as Document No. 894260 and recorded in Liber 13099 at Page 193.

8. That certain Additional Charge Mortgage to the Mortgage dated August 24, 1978, by Lee Martin, Incorporated, a Hawaii corporation, as Mortgagor and United Citizens Mortgage Company, a California corporation, as Mortgagee, and filed as Document No. 977028 and recorded in Liber 14148 at Page 10. Said Additional Charge Mortgage was amended by that instrument dated November 9, 1979 and filed as Document No. 977030 and recorded in Liber 14148 at Page 20.

9. For any taxes that may be due and owing, references is made to the Office of the Tax Assessor, first division.

10. The Developer has informed the Commission that prior to or simultaneously with the conveyance of an Apartment or any Time Interest therein, it will cause to be released from such Apartment and its appurtenant interest in the Common Elements the lien of existing Mortgages and Security Interests against the Projects.

PURCHASE MONEY HANDLING: The information disclosed in the Preliminary Public Report and the Final Public Report remains the same except that an Amendment to Escrow Agreement dated August 10, 1979 has been executed by Title Guaranty Escrow Services, Inc. and Lee Martin, Incorporated. In addition, a specimen sales contract for time interval ownership has been submitted to the Commission. Upon examination of the Amendment to Escrow Agreement and the specimen sales contract for time interval ownership, the documents are found to be in compliance with Chapter 514-A, Hawaii Revised Statutes. The sales contract for time interval ownership states, in part, that the Buyer subordinates his right, title and interest to the lien of any mortgage made by the Seller for the purpose of securing the repayment of certain loans made by lender to Seller as specified,

covering the land and improvements of the project, including Buyer's time interest.

MANAGEMENT OF PROJECT: The By-Laws of the Association of Apartment Owners of Sherry Waikiki I have been amended and are incorporated into the Amended Declaration. The Amended By-Laws provide that the operation of the project shall be conducted for the Association under the direction of its Board of Directors by a responsible corporate managing agent. No formal contract has been entered into but the developer intends to appoint as the initial managing agent Ka'u Realty, Inc. whose post office address is P.O. BOX 596, Naalehua, Hawaii, State of Hawaii, 96772.

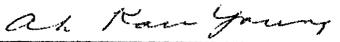
The specimen Sales Contracts authorizes the developer, from time to time prior to closing, to enter into such contracts and arrangements on behalf of the Apartment purchasers as necessary or desirable for the Management, operation or maintenance of the project.

Except for the above, no other provision of the Preliminary Public Report and the Final Public Report has been altered.

-----  
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 July 20, 1976, and subsequent information filed as of November 30, 1979.

THIS SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 869 filed with the Commission on July 20, 1976.

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.

  
\_\_\_\_\_  
AH KAU YOUNG, 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

Registration No. 869

December 14, 1979