

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII

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

SECOND SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

HOBROIN IN WAIKIKI
343 Hobron Lane
Honolulu, Hawaii 96815

REGISTRATION NO. 1001

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

It was prepared as a supplement to ~~an~~ earlier Report ^{dated May 30, 1978, December 27, 1978} and October 31, 1983 ^{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 10, 1984
Expires: July 27, 1985

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MAY 8, 1978, AND INFORMATION SUBSEQUENTLY FILED AS OF SEPTEMBER 5, 1984. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Supplementary Public Report of October 31, 1983, the Developer reports that certain changes have been made in the information which was presented in that Supplementary Public Report.

These changes are determined to be a material revision to the information disclosed earlier. This Second Supplementary Public Report amends and supersedes in its entirety the October 31, 1983 Supplementary Public Report (pink paper stock), the December 27, 1978 Final Public Report (white paper stock) and the May 30, 1978 Preliminary Public Report (yellow paper stock) previously issued by the Commission, and is made a part of the registration of the HOBRON IN WAIKIKI condominium project, Registration No. 1001. The Developer is responsible for placing a true copy of this Second Supplementary Public Report (pink paper stock) and the Updated Disclosure Abstract attached to this Report (dated June 7, 1984) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt therefor. Although the Preliminary Public Report, Final Public Report and October 31, 1983 Supplementary Public Report for the Project have been superseded in their entirety by this Supplementary Public Report, copies of said Public Reports shall be made available by the Developer to all purchasers and prospective purchasers upon their written request.

2. The Developer has submitted to the Commission for examination all documents necessary for the issuance of this Second Supplementary Public Report.

3. The Declaration of Horizontal Property Regime (and By-Laws attached thereto) dated July 20, 1978, was filed as Document No. 910708 in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. The Condominium Map was filed in said Office of the Assistant Registrar as Condominium Map No. 347. The Declaration, the By-Laws and the Condominium Map have been amended by the Developer. The Declaration and the By-Laws have been amended by a First Amendment to Declaration of Horizontal Property Regime filed in said Office of the Assistant Registrar as Document No. 1192332; by a First Amendment to By-Laws of the Association of Apartment Owners filed in said Office of the Assistant Registrar as Document No. 1192333; by a Second Amendment to Declaration of Horizontal Property Regime, dated March 8, 1984, filed in said Office of the Assistant Registrar as Document No. 1223763; by a Third Amendment to Declaration of Horizontal Property Regime and Second Amendment to By-Laws of the Association of Apartment Owners, dated March 22, 1984, filed in said Office of the Assistant Registrar as Document No. 1225923; by a Third Amendment to By-Laws of the Association of Apartment Owners, dated May 31, 1984, filed in said Office of the Assistant Registrar as Document No. 1239485; and by a Fourth Amendment to Declaration of Horizontal Property Regime and Fourth Amendment to By-Laws of the Association of Apartment Owners; Amendment of Condominium Map, dated August 24, 1984, filed in said Office of the Assistant Registrar as Document No. 1254955. Revised sheets for the Condominium Map were filed in said Office of the Assistant Registrar with the Fourth Amendment to Declaration.

4. A summary of the events which have taken place since the issuance of the Commission's October 31, 1983 Supplementary Public Report is as follows:

A. Residential apartments in the Project will no longer be sold as securities, and purchasers will no longer be offered the opportunity to become limited partners in Hobron in Waikiki Partners.

B. Pursuant to the Third Amendment to Declaration, the Developer has reserved the right to consolidate and resubdivide the land on which the Project is presently located, such that the land on which the Project is located shall consist of an area of 44,376 square feet as shown on the map attached to the Third Amendment to Declaration.

C. The Developer reports that certain residential apartments in the Project will be sold from time to time by the Developer to Inter-Time Joint Venture, a joint venture registered as a Hawaii general partnership ("Inter-Time"). Inter-Time is not the developer of the Project, is not responsible for the construction of the Project, and has not prepared the Declaration, the By-Laws or any amendments to the Declaration or the By-Laws. The general partners of Inter-Time are Domain Corporation and Joyensaul Holdings, Limited, both Hawaii corporations. Inter-Time's address is Suite 1101, 130 Merchant Street, Honolulu, Hawaii 96813 (telephone: (808)531-4977).

All sales contracts entered into by Inter-Time and purchasers of the apartments will be subject and subordinate to all of the blanket mortgages (as that term is described in Section 514A-18, Hawaii Revised Statutes, as amended) affecting the apartments. However, Inter-Time will cause each purchaser's interest in an apartment to be released from each of these blanket mortgages at the time title to such interest is conveyed to the purchaser.

Inter-Time initially intends to sell the apartments it acquires or intends to acquire on the basis of an undivided one-sixth interest in an apartment, but may later sell the apartments on a whole-unit basis or in any other manner permitted by law. Each one-sixth interest will be sold either on a cash basis or on the basis of purchase money financing offered by Inter-Time. Each purchaser of a one-sixth interest in an apartment will be entitled to use or occupy the apartment for 60 days per calendar year for each one-sixth interest purchased, and will be subject to a Shared Ownership Declaration which governs the purchaser's rights and obligations with respect to the apartment and the Project. Each purchaser of a one-sixth interest will also automatically be a member of The Hobron in Waikiki Shared Owners Association, a Hawaii non-profit corporation. Copies of the proposed form of sales contract, Shared Ownership Declaration, conveyance document, promissory note and purchase money mortgage applicable to the sale of one-sixth interests, and the Charter of Incorporation and Bylaws of The Hobron in Waikiki Shared Owners Association, have been submitted to the Real Estate Commission and should be carefully reviewed by each purchaser and prospective purchaser before signing a sales contract.

Inter-Time, in its resale program, shall place a true copy of this Second Supplementary Public Report and the Updated Disclosure Abstract attached to this Report in the hands of all purchasers or prospective purchasers of units or fractional interests therein. In addition, copies

of the earlier issued Preliminary Public Report, Final Public Report and October 31, 1983 Supplementary Public Report for the Project shall be made available by Inter-Time to all purchasers and prospective purchasers upon their written request.

D. An Updated Disclosure Statement (dated as of June 7, 1984) has been prepared by the Developer for the Project and is attached to this Public Report. The attached Updated Disclosure Abstract supersedes the September 14, 1983 Disclosure Statement previously prepared by the Developer.

E. The Condominium Map has been revised to reflect the Project "as-built", and the architect's as-built certificate has been filed with the Fourth Amendment to Declaration.

5. Advertising and promotional materials have been submitted to the Commission pursuant to the rules and regulations of the Commission.

6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the condominium rules and regulations which relate to horizontal property regimes.

7. This Second Supplementary Public Report, the October 31, 1983 Supplementary Public Report, the Final Public Report and the Preliminary Public Report for the Project will all expire on July 27, 1985 unless the Commission, upon review of the registration, issues an order extending the effective period of such reports.

8. This Second Supplementary Public Report is for the purpose of continued sales by the developer, SAJE VENTURES II as well as disclosure of Inter-Time's intention to sell undivided one-sixth interests in condominium units of the project.

THE INFORMATION CONTAINED IN THE PRELIMINARY PUBLIC REPORT OF MAY 30, 1978, THE FINAL PUBLIC REPORT OF DECEMBER 27, 1978 AND THE SUPPLEMENTARY PUBLIC REPORT OF OCTOBER 31, 1983, ARE AMENDED IN ENTIRETY TO PROVIDE FOR COMPILATION OF PAST INFORMATION AND CURRENT CHANGES IN ONE REPORT. THE FOLLOWING INFORMATION SUPERSEDES ALL PRIOR INFORMATION SUBMITTED BY DEVELOPER AND DISCLOSED BY THE COMMISSION.

NAME OF PROJECT: HOBROON IN WAIKIKI.

LOCATION: The land of the Project, consisting of approximately 46,376 square feet, is situated at 343 Hobron Lane, Honolulu, Hawaii. This area is subject to consolidation and resubdivision as provided in paragraph 24 of the Declaration as amended on March 22, 1984 (Third Amendment).

TAX MAP KEY: First Division, 2-6-12: 47, 49, 50, 51, 52 and an undivided 1/2 interest in 43.

ZONING: The prior zoning was H-2 and by the enactment of the Waikiki Special Design District Ordinance, the zoning for the Project was changed to an Apartment Precinct.

DEVELOPER: Waikiki Hobron Associates, the former Developer, was adjudicated a bankrupt and SAJE VENTURES II acquired the property through a joint development agreement which was approved by the Bankruptcy Court on January 9, 1983 and is the present Developer. The Developer, SAJE VENTURES II, is a joint venture registered as a Hawaii general partnership, whose general partners are ASF, INC. and SJT, INCORPORATED, both Hawaii corporations. The address of the Developer is Suite 1101, 130 Merchant Street, Honolulu, Hawaii 96813. Telephone Number: 537-4977.

ATTORNEY REPRESENTING DEVELOPER: Cades Schutte Fleming & Wright (Attention: Stanley M. Kuriyama), Suite 1200, 1000 Bishop Street, P. O. Box 939, Honolulu, Hawaii 96808 (telephone: (808) 521-9200).

DESCRIPTION OF PROJECT: The Project is a leasehold condominium project consisting of a 43-story building containing 606 condominium units consisting of 596 residential apartments and 10 commercial apartment units. The Declaration, as amended, describes the Project as follows:

1. Description of Project.

(a) General Description. The Project consists of a forty-three (43) story building containing six hundred six (606) condominium units, consisting of five hundred ninety-six (596) residential apartment units (referred to as "Apartments" or "Residential Apartments"), ten (10) commercial apartment units (referred to as "Commercial Units"), together with integrated parking areas and recreational facilities. The upper forty-two (42) levels are designated as "floors" and are numbered in ascending order from 2 through 44 (excluding the number 13). The first level of the building is designated as the "Lower Lobby" and the level between the lower lobby and the second floor is designated as the "Mezzanine Level".

(b) Building Description. The first or Lower Lobby level of the Project includes three (3) Commercial Units (C-1, C-2 and C-3) suitable for shops, restaurant/bar and Hotel operation facilities. The Lower Lobby level also includes vehicular ramps, driveways and parking areas, pedestrian walkways, the main lobby, an elevator foyer, storage areas, smoke corridors, mechanical, electrical and transformer rooms, a telephone equipment room, lavatory facilities and garden and planting areas.

The Mezzanine Level of the Project contains five (5) Commercial Units (C-4, C-5, C-6, C-7 and C-8), parking areas, vehicular driveways, exit and entry ramps and an elevator foyer.

Each of the second, third and fourth floors of the Project (designated respectively on said Condominium Map as the second, third and fourth floors), contains vehicular driveways, exit and entrance ramps, turn-around areas, parking areas, an elevator foyer and stairways. An electrical

room is located on the third and fourth floors adjoining the elevator foyer.

The fifth floor of the building contains eight (8) Residential Apartments, two (2) Commercial Units (C-9 and C-10), an electrical room, stairways and an elevator foyer. The fifth floor also includes recreational areas and facilities consisting of a sun deck, a jacuzzi, men's and women's sauna baths, lavatory facilities, a trash chute and planting areas.

The sixth floor is the first full residential floor of the Project, and shares a common floor plan with each of the next eighteen (18) ascending floors of the building through the twenty-fourth floor. There is no thirteenth floor. Each of said floors contains sixteen (16) Residential Apartments, interior access corridors, an elevator foyer, an electric room, stairways and a trash chute.

The twenty-fifth and twenty-sixth floors are "stacked" floors containing twelve (12) two-level Residential Apartments which shall have access only by way of the twenty-sixth floor. Each such Residential Apartment shall have an entry on the twenty-sixth floor, and a separate entry and stairway leading to the remaining portion of the Apartment situate on the twenty-fifth floor. The twenty-fifth floor will be without interior access corridors or elevator or stairway access. In addition to the upper portions of said Apartments located on the twenty-sixth floor, the twenty-sixth floor also contains an elevator foyer, stairways, an electrical room and a trash chute.

The twenty-seventh floor contains sixteen (16) Residential Apartments, interior access corridors, an elevator foyer, an elevator machine room, stairways, an electrical room, and a trash chute and shall have the same floor plan as the sixth through twenty-fourth floors.

The twenty-eighth through the forty-fourth floors, inclusive, each contains sixteen (16) Residential Apartments, interior access corridors, an elevator foyer, stairways, an electrical room and a trash chute.

The roof of the Project contains an elevator foyer, a mechanical room, an elevator room and stairways.

2. Description of Apartments. The Project is divided into six hundred six (606) separately designated condominium units, as more particularly described in the Declaration and on the Condominium Map. The numbering, approximate square footage, number of rooms and appurtenant common interest of each apartment in the common elements are as set forth in Exhibit "A" attached hereto and made a part hereof for all purposes.

EXHIBIT "A" ALSO INDICATES THE APARTMENTS HAVING KITCHENS, KITCHENETTES AND APPLIANCES.

3. Limits of Apartments. Each condominium unit, whether commercial or residential, shall include: (i) all the non-load bearing walls and partitions within its perimeter walls; (ii) all glass windows, louvres, doors, panels and

railings along its perimeter; (iii) the inner decorated surfaces of the perimeter walls or interior load bearing walls; (iv) the interior finished surfaces of the floors and ceilings; (v) all built-in fixtures and appliances originally installed therein; (vi) the adjacent lanai, if any, as shown on the Condominium Map; (vii) any utility system or component thereof which is located within any apartment designed for the exclusive use of such apartment, but specifically excluding (A) cables for the delivery of television signals and (B) any telephones and telephone equipment, lines, cables and apparatus; and (viii) all of the air space encompassed within the condominium unit.

Notwithstanding the foregoing, the condominium units shall not include the following, all of which shall be common elements of the Project: (i) that portion of any load-bearing interior or perimeter wall within or surrounding any unit (except for the inner finished surfaces of any such wall); (ii) the floors and ceilings of any apartment (except for their inner finished surfaces); and (iii) any pipes, shafts, chases, ducts or any other enclosed spaces for wiring, plumbing, air exhaust or ventilation, serving or being utilized by more than one condominium unit.

COMMON ELEMENTS: The Declaration, as amended, states that the common elements of the Project shall include the common elements described under paragraph 3 above and the limited common elements described hereinbelow, and all portions of the Project other than the condominium units, including specifically, but not limited to:

(a) All of the land comprising the Project.

(b) All foundations, columns, girders, beams, floor slabs, supports and load-bearing walls (except for the inner finished surfaces within each unit).

(c) All structural elements, stairways, walkways, retaining walls, fences and railings.

(d) On the Lower Lobby level of the Project, all pedestrian walkways, ramps and entrances and exits to the building, the main lobby and elevator foyer, the lavatory facilities and mechanical, electrical and transformer rooms located on said level, all yards, grounds and landscaped areas (except those which are contained within any Commercial Unit as shown on said Condominium Map), and the main vehicular driveway from the curblineline of the adjoining public street (Hobron Lane) to the exterior surface of the perimeter wall of the building;

(e) On the Mezzanine Level, the elevator foyer and the corridors on said floor.

(f) All elevator foyers and access corridors on the second through fifth floors of the Project.

(g) The central water heater, elevators, elevator machine rooms, stairwells and all ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities and installations which serve all condominium units for service such as power, light, water, gas, refuse and telephone, but expressly excluding

(i) air conditioning, (ii) all transmission facilities, installations and cables for telephone and/or television service, and (iii) all fixtures originally installed in the apartment.

(h) Any and all other structures, apparatus and installations of common use, and all other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called and designated "limited common elements", are set aside and reserved for the exclusive use of certain condominium units, and such units shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are listed below. Unless otherwise provided in the Declaration, as amended, all costs of every kind pertaining to the limited common elements, including, but not limited to, costs of security, maintenance, repair, replacement, additions and improvements ("the limited common elements costs"), shall be borne entirely by the unit or units to which such limited common elements are appurtenant. The Board shall employ such property managers, accountants, engineers and other professionals as the Board shall deem necessary to ensure that the limited common elements costs are determined and allocated in an equitable manner. If any limited common elements cost is charged to more than one unit, each such unit shall bear that portion of such cost equal to the ratio which its common interest bears to the total common interests of all units responsible for such cost, unless the Board, based upon the advice of such property manager, accountant, engineer or other professional retained by the Board for such purpose, shall determine that such allocation between or among said units is inequitable, in which event such cost shall be apportioned between or among said units in an equitable manner, determined by the Board upon the advice of such property manager, accountant, engineer or other professional.

(a) The following limited common elements are appurtenant to and for the exclusive use of the Commercial Units: (i) all ducts, waterlines, electrical equipment, pipes, wiring, or other utility system or components thereof serving more than one Commercial Unit, but excluding the limited common elements appurtenant thereto; and (ii) all other common elements for the Project which are rationally related to only the Commercial Units.

(b) The following limited common elements are appurtenant to and for the exclusive use of all Residential Apartments: (i) the recreational areas and facilities of the Project (such as the swimming pool, sundeck, jacuzzi pool, sauna bath, shuffleboard courts and lavatory), which are shaded in green on Sheets A3 and A8 of the Condominium Map, as amended; (ii) the trash chute and all wires, conduits, ducts, vents and equipment comprising the window air conditioning system for the building, which window air conditioning shall serve the Residential Apartments only; and (iii) all components of the hot and cold water circulation system serving only the Residential Apartments, including heaters, pumps, waste lines, conduits and pipes.

(c) All of the roof top area designated in the Condominium Map, as amended, shall be appurtenant to Apartment 506 for the exclusive use of the owner (for itself, its successors and assigns) of Apartment 506 for the purpose of installing and commercially operating transmission and receiving facilities, including antennas, cables, etc., for radio, television, microwave, cablevision and any other type of transmission and receiving facilities. The maintenance and repair of the roof shall remain with the Association; however, the maintenance and repair of such facilities placed on the roof shall be the responsibility of the installer and/or the owner of Apartment 506.

(d) All electrical, plumbing, or other utility systems, or any component thereof (but specifically excluding all transmission facilities, installations and cables for telephone and/or television service), serving or for the exclusive use of only one unit or one or more limited common elements appurtenant to only one unit, to the extent such system is located outside the boundaries of such unit as described in the Declaration, as amended, shall be a limited common element appurtenant to such unit.

(e) The following areas shall be appurtenant to and for the exclusive use of Commercial Unit C-2: (i) all maid and storage rooms located on the fifth through forty-fourth floors of the Project; and (ii) the luggage storage area which is shaded in pink on Sheet A3 and the bell captain/storage area which is shaded in pink on Sheet A2 of the Condominium Map, as amended.

(f) The following areas shall be appurtenant to and for the exclusive use of Apartment 506: (i) all 203 parking stalls located in the Project, including, without limitation, parking stalls numbers 1 through 35, 37 through 48, 50 through 59, 61 through 106, 108 through 118, 120 through 142, 144, 146 through 156, 158 through 179, 181 through 191 and 193 through 213 (there being no parking stalls numbered 36, 49, 60, 107, 119, 143, 145, 157, 180 and 192), as shown on the Condominium Map, as amended; (ii) the lower lobby parking level which is shaded in orange on Sheet A3 of the Condominium Map, as amended; and (iii) the tour desk area which is shaded in orange on Sheet A3 of the Condominium Map, as amended.

(g) The air-conditioning chiller unit located in the mechanical/electrical room on the Lower Lobby level, and the condenser unit and equipment located on the roof of the mechanical/electrical room, shall be appurtenant to and for the exclusive use of Commercial Units C-1 through C-7.

(h) The Commercial Units, and the limited common elements appurtenant thereto, may be used for any purpose permitted by law, notwithstanding any use designated in the Declaration, as amended, or on the Condominium Map, as amended. The owner of any Commercial Unit may from time to time enter into leases with, grant licenses, easements or concessions to, or enter into any other agreement with, third parties covering all or any portion of the limited common elements appurtenant to such Unit, upon such terms and conditions as may be desired by such owner.

(i) Parking stalls may be transferred from apartment to apartment in accordance with the applicable provisions of the Horizontal Property Act.

NOTE: PURCHASERS AND PROSPECTIVE PURCHASERS ARE INFORMED THAT THE PARKING STALLS ASSIGNED TO APARTMENT 506 WILL NOT BE AVAILABLE FOR SALE TO APARTMENT PURCHASERS. THE PARKING STALLS WILL NOT BE OFFERED FOR RENTAL TO OR USE BY APARTMENT PURCHASERS ON TERMS DIFFERENT FROM THOSE OFFERED TO THE PUBLIC.

INTEREST TO BE SOLD TO PURCHASERS: The Developer will, by means of a Condominium Conveyance Document, cause the conveyance of each apartment and the issuance of a Ground Lease of an undivided leasehold percentage interest in the Land described in the Declaration, as amended. The percentage interest appurtenant to each apartment is set forth in Exhibit "A" attached hereto and shall, except as otherwise provided in the Declaration, as amended, or the By-Laws, as amended, be the same proportionate share for all common profits and expenses of the Project, and for all other purposes, including voting.

RESTRICTIONS AS TO USE: The Declaration, as amended, provides that the buildings and other improvements and each of the units shall be restricted to the following uses:

(a) The use of the Commercial Units shall be for such uses that are permitted by law. The use of the Residential Apartments shall be for hotel, transient vacation rental, residential, time-sharing and such uses that are permitted by law. Any apartment may be fractionalized and sold, leased, rented or used for any time period or periods. As to any owner of an apartment that is not committed to hotel operations, he will not be permitted to have any use activity for less than thirty (30) days except that shared ownership and time sharing owners may have use periods for less than thirty (30) days.

(b) The respective apartment owners shall have the absolute right to rent or lease such apartments subject to all provisions of the Declaration, as amended.

(c) The owner of an apartment shall not use the same for any purpose which will injure the reputation of the Project. Such owner shall not suffer anything to be done or kept in said apartment or elsewhere which will jeopardize the soundness of the building, or which will interfere with or unreasonably disturb the rights of other owners, or which will obstruct the public halls or stairways of the building, or which will increase the rate of fire insurance on the building or the contents thereof or which will reduce the value of the building.

(d) No apartment owner shall do any work which could jeopardize the soundness or safety of the Project, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of seventy-five percent of the apartment owners, together with the consent of all apartment owners (as determined by the Board) whose apartments or limited common elements appurtenant thereto

are directly affected, being first obtained; provided that non-material structural additions to the common elements, including, without limitation, the installation of solar energy devices as defined by Section 468B-1, Hawaii Revised Statutes, as amended, or additions to or alterations of an apartment made within such apartment or within a limited common element appurtenant to and for the exclusive use of the apartment shall require approval only by the Board. "Non-material structural additions to the common elements," as used herein, shall have the same meaning set forth in the Horizontal Property Act.

(e) The owner of any Residential Apartment will not, without the prior written consent of the Board of Directors, display any sign or place any other thing in or upon any door, window, wall or other portions of the apartment or common elements, so as to be visible from the exterior.

(f) Apartment 506 shall be used as an office or residential apartment or for any other purpose permitted by law, and the parking stalls appurtenant thereto shall at all times be used to park motor vehicles or for any other purpose permitted by law. The owner of Apartment 506 shall have the right to establish a system of control by gate, guard, parking cards, stickers, validations, rules and regulations or otherwise for vehicular access to, from and through the parking stalls appurtenant to Apartment 506, to sell, lease or transfer any such parking stalls, to redesignate, eliminate or create parking stalls, and to charge such rates for the parking of vehicles as the owner of Apartment 506 shall determine in his sole discretion; provided, however, that if the owner of Apartment 506 shall transfer any parking stall to another apartment as a limited common element appurtenant to such apartment, the owner of Apartment 506 shall ensure that the Condominium Map correctly shows the location and the parking stall number of the parking stall so transferred, and the owner of Apartment 506 shall have the right to amend the Condominium Map and the Declaration, as amended, without the consent or joinder of any other apartment owner or holder or any other interest in the Project, in order to properly show the location and parking stall number of the parking stall so transferred.

(g) The owner of any Residential Apartment will not, without the prior written consent of either the Board of Directors or the Managing Agent, display any sign or place any other things in or upon any doors, windows, walls or other portions of the apartment or the common elements or residential elements, so as to be visible from the exterior; provided, however, that this restriction shall not apply to signs displayed by (i) the Developer for sales purposes prior to the completion of sales of all Residential Apartments in the Project, or (ii) to the Hotel Operator in connection with the reasonable hotel use of the Residential Apartments and common elements as part of the hotel operation. The owner of any Commercial Apartment and the Hotel Operator may, without prior consent of the Board of Directors or the Managing Agent, so display any sign on the exterior of any Commercial Apartment or limited common element appurtenant thereto.

(h) The interior decoration of the common elements is designed to facilitate a hotel operation and shall not be modified or altered without the consent of the Board of Directors.

OWNERSHIP OF TITLE: A title report dated July 20, 1984, issued by Hawaii Escrow & Title, Inc. indicates that title to the land is vested in SAJE VENTURES II, a joint venture registered as a Hawaii general partnership. SAJE VENTURES II is identified as the owner in Transfer Certificate of Title No. 251729.

ENCUMBRANCES AGAINST TITLE: Said title report dated July 20, 1984, reflects that title to the land is subject to those encumbrances more specifically identified below:

1. Real property taxes as may be due and payable. For further information, check with the Tax Assessor's Office.
2. Assessments or charges levied by municipal or governmental authority or imposed by any other lawfully constituted body authorized by statute to assess, levy and collect the same, if any.
3. Title to all minerals and metallic mines reserved to the State of Hawaii.
4. Matters as shown on Condominium Map No. 347 filed in the Office of the Assistant Registrar of the Land Court.
5. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions and easements set forth in the Declaration of Horizontal Property Regime and By-Laws of the Association of Apartment Owners mentioned on page 2 of this Public Report.
6. A mortgage, to secure an indebtedness of the amount stated herein and any other amounts payable under the terms thereof:

Dated: January 31, 1983.
Amount: \$35,000,000.00.
Mortgagor: William K.M. Chee as Trustee in Bankruptcy of the Estate of Waikiki Hobron Associates, a Hawaii limited partnership, adjudicated a bankrupt on May 19, 1979 in the United States District Court, State of Hawaii, Case No. 79-206, and SAJE Ventures II, a joint venture.
Mortgagee: City Bank, a Hawaii corporation.
Filed: February 4, 1983, as Document No. 1150822, in the Office of the Assistant Registrar of the Land Court.

7. Supplement to mortgage, security agreement and financing statement noting the existence of numerous agreements, subordinations of lien rights,

contract retainage, landscaping contract, etc., dated January 31, 1983, filed February 8, 1983, as Document No. 1151067, in the Office of the Assistant Registrar of the Land Court.

8. A mortgage, to secure an indebtedness of the amount stated therein and any other amounts payable under the terms thereof:

Dated: January 31, 1983.
Amount: \$2,142,448.94.
Mortgagor: William K.M. Chee as Trustee in Bankruptcy of the Estate of Waikiki Hobron Associates, a Hawaii limited partnership, adjudicated a bankrupt on May 19, 1979 in the United States District Court, State of Hawaii, Case No. 79-206, and SAJE Ventures II, a joint venture.
Mortgagee: Charles Pankow Associates, a California corporation.
Filed: February 4, 1983, as Document No. 1150823, in the Office of the Assistant Registrar of the Land Court.

9. Supplement to mortgage, security agreement and financing statement noting the existence of numerous agreements, subordinations of lien rights, contract retainage, landscaping contract, etc., dated February 17, 1983, as Document No. 1152492, in the Office of the Assistant Registrar of the Land Court.

10. Hobron in Waikiki disclosure, ratification and subordination agreement,

By: John Michel, Joint Venture Partner.
Dated: June 23, 1983.
Filed: August 8, 1983, as Document No. 1184772, in the Office of the Assistant Registrar of the Land Court.

11. Hobron in Waikiki disclosure, ratification and subordination agreement,

By: Hitoshi Sasabe, Joint Venture Partner.
Dated: June 14, 1983.
Filed: August 8, 1983, as Document No. 1184773, in the Office of the Assistant Registrar of the Land Court.

12. Hobron in Waikiki disclosure, ratification and subordination agreement,

By: Pedro Dano, Joint Venture Partner.
Dated: June 14, 1983.
Filed: August 8, 1983, as Document No. 1184774, in the Office of the Assistant Registrar of the Land Court.

13. Hobron in Waikiki disclosure, ratification and subordination agreement,
 By: Robert L. H. Ton, Joint Venture Partner.
 Dated: June 14, 1983.
 Filed: June 14, 1983, as Document No. 1184775, in the Office of the Assistant Registrar of the Land Court.

14. Hobron in Waikiki disclosure, ratification and subordination agreement,
 By: Waikiki Partnership Venture.
 Dated: September 8, 1983.
 Filed: September 15, 1983, as Document No. 1191477, in the Office of the Assistant Registrar of the Land Court.

15. Lease between SAJE Ventures II, a Hawaii general partnership, and Inter-Time Joint Venture, a Hawaii general partnership,
 Term: Commencing January 1, 1984 to December 21, 2078.
 Filed: March 19, 1984, as Document No. 1225096, in the Office of the Assistant Registrar of the Land Court.
 (Affects a 0.1351 percentage interest in the land on which the Project is located. Said interest is appurtenant to Apartment No. 3607.)

16. Notice of implied or constructive trust,
 By: Z-R Corporation, a Hawaii corporation.
 Dated: ---
 Filed: March 27, 1984, as Document No. 1226517, in the Office of the Assistant Registrar of the Land Court.

17. Terms and conditions of that certain Blue Star Piping Allowance gas supply contract, Hobron in Waikiki, dated March 19, 1984, between Gasco, Inc., a Hawaii corporation and SAJE Ventures II, as disclosed and shown in Exhibit "C" to Document No. 1229024 filed April 9, 1984, in the Office of the Assistant Registrar of the Land Court.

18. An easement affecting a portion of said land and for the purposes stated herein, and incidental purposes,
 In favor of: Gasco, Inc., a Hawaii corporation.
 : underground gas pipeline and appurtenances.
 Dated : March 19, 1984.
 Filed : April 9, 1984, as Document No. 1229024, in the Office of the Assistant Registrar of the Land Court.

The Developer reports that with respect to item 16 above, Hawaii Escrow & Title, Inc. had agreed to issue title insurance policies to apartment purchasers either without showing the Notice of Implied or Constructive Trust filed by Z-R Corporation as an encumbrance on the apartments or containing an endorsement insuring the purchaser against any loss resulting from the Notice of Implied or Constructive Trust. This means that the purchasers will be protected by the title insurance policy in the event any loss or damage should be suffered by the purchaser as a result of the Notice of Implied or Constructive Trust.

PURCHASE MONEY HANDLING: The Developer has entered into an Escrow Agreement dated January 11, 1983, with Hawaii Escrow & Title, Inc. for the sale of whole units. A new form of "Hobron in Waikiki Apartment Sales Contract" has been prepared for execution by purchasers (if any) who will be purchasing whole units from the Developer.

Residential apartments in the Project may from time to time be sold by the Developer to Inter-Time Joint Venture, a joint venture registered as a Hawaii general partnership ("Inter-Time"). Inter-Time initially intends to sell the apartments to purchasers on the basis of an undivided one-sixth interest in an apartment, but may later sell the apartments on a whole-unit basis or in any other manner permitted by law.

A new form of "Hobron in Waikiki Deposit Receipt and Sales Contract" has been prepared for execution by purchasers who will be purchasing a one-sixth interest in an apartment. An Escrow Agreement, dated July 31, 1984, has been entered into by Inter-Time with Hawaii Escrow and Title, Inc., a Hawaii corporation, which will act as escrow for the sale of the one-sixth interests. A copy has been provided to the Commission and is available to purchasers of fractional interests for inspection.

The mortgages in favor of City Bank and Charles Pankow Associates which are mentioned under the topical heading "ENCUMBRANCES AGAINST TITLE" above, and any other mortgages given by SAJE or Inter-Time prior to the execution of a Sales Contract with a purchaser, and any renewals or extensions of any such mortgages, shall be and remain at all times a superior lien on the apartments in the Project, and the purchasers intentionally waive, relinquish and subordinate the priority of any lien under their Sales Contracts in favor of said loans. Each purchaser's interest in an apartment will, however, be released from all blanket mortgages (as that term is described in Section 514A-18, Hawaii Revised Statutes, as amended), at the time title to such interest is conveyed to the purchaser.

MANAGEMENT OF PROJECT. A management contract, dated September 14, 1983, has been entered into with Hotel Corporation of the Pacific to act as the managing agent for the Project.

STATUS OF PROJECT: The Developer has informed the Commission that construction of the Project was completed on or

about February 2, 1984, and a certificate of occupancy for the Project was issued by the City Building Department on February 3, 1984.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed in the required Notice of Intention submitted May 8, 1978, and additional information filed by the Developer with the Commission as of September 5, 1984.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1001 filed with the Commission on May 8, 1978. This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimilies must be pink in color.


for G. A. "RED" MORRIS, Chairman
Real Estate Commission
State of Hawaii

Distribution:

Department of Finance
Bureau of Conveyances
Planning Commission,
City and County of Honolulu
Federal Building Administration
Escrow Agent

Registration No. 1001

October 10, 1984

EXHIBIT "A"

DESCRIPTION OF COMMERCIAL UNITS. The ten Commercial Units are described as follows:

1. Commercial Unit C-1 contains approximately 1,455 square feet and is located on the mauka-ewa side of the Lower Lobby level of the Project.
2. Commercial Unit C-2 contains approximately 590 square feet and is located on the makai side of the Lower Lobby level of the Project.
3. Commercial Unit C-3 contains approximately 9,831 square feet and is located on the Diamond Head and makai sides of the Lower Lobby level of the Project.
4. Commercial Unit C-4 contains approximately 1,703 square feet and is located on the ewa-makai side of the Mezzanine Level.
5. Commercial Unit C-5 contains approximately 997 square feet and is located on the ewa side of the Mezzanine Level.
6. Commercial Unit C-6 contains approximately 598 square feet and is located on the Diamond Head side of the Mezzanine Level.
7. Commercial Unit C-7 contains approximately 2,307 square feet and is located on the Diamond Head-makai side of the Mezzanine Level.
8. Commercial Unit C-8 contains approximately 2,952 square feet and located on the Diamond Head-mauka side adjacent to the pool deck at the Mezzanine Level.
9. Commercial Unit C-9 contains approximately 2,958 square feet and is located on the makai side of the 5th floor.
10. Commercial Unit C-10 contains approximately 180 square feet and is located on the mauka-ewa side of the 5th floor.

DESCRIPTION OF RESIDENTIAL UNITS:

1. Each residential apartment has been given a three or four digit numerical designation by which its location in the building can be determined. The numerical designation of each apartment begins with its respective floor number. The last two digits in the numerical designation indicate the location of the unit on the floor. Apartments on the 5th and 26th floors which end with the numerals "02" are located in the ewa-makai corner of the building. The last two numerals of each apartment on those floors then progressively ascend in a counterclockwise fashion around the periphery of the building, except that those apartments ending with the numerals "01" are located immediately mauka of the

apartments ending with the numerals "02". Apartments on the 6th through 24th and 27th through 44th floors which end in the numeral "03" are located in the ewa-makai corner of the building. The last two numerals of each apartment on those floors progressively ascend in a counter clockwise fashion around the periphery of the building, except that those apartments ending with the numerals "02" are located immediately mauka of the apartments ending with the numerals "03" and those apartments ending with the numerals "01" are located immediately mauka of the apartments ending with the numerals "02".

2. Subject to variations in their respective floor area and layout, each of the residential units described hereinbelow as a "Studio" on the fifth through the twenty-fourth floors, and the twenty-seventh floor shall contain a general purpose room and a bathroom. The general purpose room will contain a 3.4-cubic foot refrigerator, and will not have any sink. Such studios will therefore not have a "kitchen", as described below. Each of the eight (8) studio units on the fifth floor of the Project shall also have and include an adjacent lanai from the recreational areas located on said floor.
3. The eight (8) one-bedroom, two-bath, apartments of the Project (Apartment Nos. 2601, 2603, 2604, 2606, 2607, 2609, 2610 and 2612) are split-level units situate on the twenty-fifth and twenty-sixth floors. Each of said apartments contains a bedroom and a bathroom on the upper level and a living area with a "compact" kitchen or full kitchen and a bathroom on the lower level. Each of the Apartment Nos. 2601, 2606, 2607 and 2612 shall contain "compact" kitchens. A "compact" kitchen shall consist of a two-burner cooktop, an under-the-counter refrigerator (3.4-cubic feet) and a sink. Apartment Nos. 2603, 2604, 2609 and 2610 contain a full kitchen. A full kitchen shall consist of a thirty-inch range/oven (four-burner with oven), a ductless hood, a 12-cubic-foot refrigerator, a disposal, an under-counter dishwasher and a sink.
4. The four (4) three-bedroom, three-bath apartments of the Project (Apartment Nos. 2602, 2605, 2608 and 2611) are corner, split-level units situate on the twenty-fifth and twenty-sixth floors. Each of said apartments contains a living room, bedroom, bathroom and "compact" kitchen in the upper level and two bedrooms and two bathrooms on the lower level. The "compact" kitchen shall consist of a two-burner cooktop, an under-the-counter refrigerator (3.4-cubic feet) and a sink.
5. Subject to variations in their respective floor area and layout, each of the residential units described hereinbelow as "studio" on the twenty-eighth through the forty-fourth floors, shall contain a bathroom and a general purpose room. All of the studio apartments will contain compact kitchens, with the exception of certain studios located on the twenty-eighth through forty-fourth floors (those ending in apartment numbers "08"

and "09") which will have a full kitchen. The full kitchen shall consist of a thirty-inch range/oven (four-burner with oven), a ductless hood, a 12-cubic-foot refrigerator, a disposal and a sink. The compact kitchen will consist of a two-burner cooktop, an under-counter refrigerator (3.4-cubic feet) and a sink.

NOTE: As used in this Exhibit "A", the terms "mauka" means "north"; "makai" means "south"; "Diamond Head" means "east"; and "ewa" means "west".

INFORMATION PERTAINING TO UNITS:

The net living area of each apartment shown in this Exhibit "A" is measured as follows: Each apartment floor area is measured from the interior surface of the apartment's perimeter walls (includes all the walls and partitions within its perimeter walls) and from the interior of any glass windows or panels along the perimeter.

COMMERCIAL UNITS

<u>Unit No.</u>	<u>Net Area Sq. Ft.</u>	<u>Location</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>
C-1	1,455 (727.5)	Lower Lobby	1	.4710
C-2	590 (295)	Lower Lobby	1	.1927
C-3	9,831 (4915)	Lower Lobby	3 + lanais	3.1796
C-4	1,703 (851.5)	Mezzanine	5	.5524
C-5	997 (498.5)	Mezzanine	2	.3242
C-6	598 (299)	Mezzanine	1	.1952
C-7	2,307 (1153.5)	Mezzanine	4	.7476
C-8	2,952 (1476)	Mezzanine	2	.9561
C-9	2,958 (1479)	5th Floor	unenclosed	.9581
C-10	180 (90)	5th Floor	1	.0601

NOTE: 50% of each unit's net area is used to determine the percentage common interest appurtenant to the units.

RESIDENTIAL APARTMENTS

<u>Floor</u>	<u>Apt. No.</u>	<u>Apt. Type/ No. of Rooms</u>	<u>Net Living Area Sq. Ft.</u>	<u>Lanai Area</u>	<u>Percentage Common Interest</u>
5th	01,04,05,08	Studio/2*	228	112	.1473
	02,03,06,07	Studio/2*	254	130	.1642
6th thru 24th (no 13th)	01,08,09,16	Studio/2*	236		.1525
	02,07,10,15	Studio/2*	209		.1351
	03,06,11,14	Studio/2*	239		.1545
	04,05,12,13	Studio/2*	223		.1441
26th	01,06,07,12	1-BR/4	522		.3374
	02,05,08,11	3-BR/8	836		.5404
	03,04,09,10	1-BR/4	605		.3911
27th	01,08,09,16	Studio/2*	236		.1525
	02,07,10,15	Studio/2*	209		.1351
	03,06,11,14	Studio/2*	239		.1545
	04,05,12,13	Studio/2*	223		.1441
28th thru 44th	01,16	Studio/2	236		.1525
	02,07,10,15	Studio/2	209		.1351
	08,09	Studio/2	310		.2004
	03,06,11,14	Studio/2	239		.1545
	04,05,12,13	Studio/2	223		.1441

*Will not contain any kitchen or bar sinks.

NOTE: The percentage common interests set forth above shall be valid and effective, whether or not the Developer's calculations of such interests are accurate or mathematically correct.

THE HOBRON IN WAIKIKI, REGISTRATION NO. 1001

UPDATED
DISCLOSURE ABSTRACT

1. Name and Address of Project. Hobron in Waikiki, 343 Hobron Lane, Honolulu, Hawaii.

2. Name, Address and Telephone Number of Developer. SAJE Ventures II, a Hawaii general partnership, 130 Merchant Street, Suite 1101, Honolulu, Hawaii 96813, (808) 537-4977.

3. Managing Agent of Project. Hotel Corporation of the Pacific, Inc., 2299 Kuhio Avenue, Honolulu, Hawaii 96815.

4. Maintenance Fees. The breakdown of the annual maintenance fees and the monthly estimated costs for each unit, which is hereby certified to be based on generally accepted accounting principles, is more particularly set forth in Exhibit "A" attached hereto and made a part hereof.

5. Warranties. The units and the common elements of the Project shall have the benefit of a one-year warranty against defects in materials and workmanship, which warranty shall commence as of the date of the issuance of a Certificate of Occupancy for such dwellings and common elements. It is estimated that the commencement date of such warranties will be February 1, 1984. The purchaser is otherwise purchasing the units in "as is" condition without any warranties whatsoever by the Developer.

6. Use. The Project shall consist of six hundred six (606) condominium units of which five hundred ninety-six (596) apartments are residential apartments and ten (10) are commercial units. The residential apartments shall be used for hotel, transient vacation rental, residential apartment, time sharing and such other uses that are permitted by law. As to any owner of an apartment that is not committed to the hotel operations, he will not be per-

mitted to have any use activity for less 30 days except that shared ownership and time sharing owners may have use periods for less than 30 days. The commercial apartments shall be for such uses that are permitted by law.

7. Extent of Non-Residential Development. The Declaration expressly provides for ten (10) Commercial Units in the Project.

8. Note: The figures disclosed in the attached Estimated Operating Expenses are different from the figures disclosed in the previous Estimated Operating Expenses prepared for the Project. The most significant difference is the inclusion of telephone charges for the Project in the sum of \$25,000 per month (\$300,000 per year).

DATED: Honolulu, Hawaii, this 7th day of June, 1984.

SAJE VENTURES II, a Hawaii
general partnership

By Its Managing General Partner,
ASF, INC.

By Edwin W. Fujinaga
Edwin W. Fujinaga
Its President

Subscribed and sworn to before me
this 7th day of June, 1984.

Paulyn J. Cannon
Notary Public, State of Hawaii

My commission expires: 11/7/87

THE HOBRON IN WAIKIKI
ESTIMATED OPERATING EXPENSES

	<u>MONTHLY</u>	<u>ANNUALLY</u>
RECEIPTS:		
Maintenance Fees	\$ 97,243	\$1,166,916
Telephone Income	<u>5,000</u>	<u>60,000</u>
TOTAL RECEIPTS	<u>\$102,243</u> =====	<u>\$1,226,916</u> =====
EXPENSES:		
Utilities		
Electricity	\$ 22,000	\$ 264,000
Gas	4,700	56,400
Sewer	1,400	16,800
Water	2,100	25,200
Television Cable	11,777	141,324
Telephone	25,000	300,000
Building		
Cleaning Services	540	6,480
Communication	250	3,000
Elevator	2,000	24,000
Electric Bulbs	200	2,400
Grounds	700	8,400
Pest Control	1,075	12,900
Pool	400	4,800
Refuse	500	6,000
Repairs & Purchases	900	10,800
Security	6,500	78,000
Administration		
Data Processing	350	4,200
Management Fee	5,050	60,600
Salaries Cleaning	5,000	60,000
Salaries Maintenance	3,000	36,000
Salaries Manager	1,400	16,800
Payroll Taxes	1,156	13,872
Group Insurance	950	11,400
Workmen's Compensation	1,035	12,420
Other		
Insurance	1,950	23,400
Legal & Audit	160	1,920
Office Supplies/Printing	300	3,600
Miscellaneous	150	1,800
Taxes Gross Income	200	2,400
Reserve	<u>1,500</u>	<u>18,000</u>
TOTAL EXPENSES	<u>\$102,243</u> =====	<u>\$1,226,916</u> =====

In addition utility expense as outlined in the Declaration of Horizontal Property Regime are charged directly to the commercial units. The maintenance fees are schedules below pursuant to the HPR.

MAINTENANCE FEES

<u>Unit No.</u>	<u>Location</u>	<u>Maintenance Fee</u>
C-1	Lower Lobby	\$ 173
C-2	Lower Lobby	71
C-3	Lower Lobby	1,167
C-4	Mezzanine	203
C-5	Mezzanine	119
C-6	Mezzanine	72
C-7	Mezzanine	274
C-8	Mezzanine	351
C-9	5th Floor	352
C-10	5th Floor	22

<u>Floor</u>	<u>Apt. No.</u>	<u>Apt. Type/ No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Maintenance Fee</u>
5th	01,04,05,08	Studio/2	.1473	\$151.00
	02,03,06,07	Studio/2	.1642	168.00
6th thru 12th and 14th thru 24th	01,08,09,16	Studio/2	.1525	156.00
	02,07,10,15	Studio/2	.1351	138.00
	03,06,11,14	Studio/2	.1545	158.00
	04,05,12,13	Studio/2	.1441	147.25
26th	01,06,07,12	1-BR/4	.3374	345.00
	02,05,08,11	3-BR/8	.5404	553.00
	03,04,09,10	1-BR/4	.3911	400.00
27th	01,08,09,16	Studio/2	.1525	156.00
	02,07,10,15	Studio/2	.1351	138.00
	03,06,11,14	Studio/2	.1545	158.00
	04,05,12,13	Studio/2	.1441	147.25
28th thru 44th	01,16	Studio/2	.1525	156.00
	02,07,10,15	Studio/2	.1351	138.00
	08,09	Studio/2	.2004	205.00
	03,06,11,14	Studio/2	.1545	158.00
	04,05,12,13	Studio/2	.1441	147.25

These maintenance fees are based upon the interpretation of the Documents dated 4/13/84 received from SAJE VENTURES II.

Revised 6/4/84