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
Waikiki Sunset
229 Paoakalani Street
Honolulu, Hawaii

Registration No. 1015

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: December 12, 1978
Expires: January 12, 1980

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 JUNE 29, 1978, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF DECEMBER 8, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report dated August 23, 1978, the Developer has submitted additional information reflecting material changes which have been made in the documents and plans for the project. This Final Report reflects these changes and shall become a part of WAIKIKI SUNSET Condominium Project.

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

The Developer reports that the basic documents which included the Declaration of Horizontal Property Regime together with By Laws of the Association of Apartment Owners, a copy of the approved Floor Plans, and an Agreement to Redescribe Area under Lease, have been filed in the Office of the recording officer as follows, to-wit:

a. The Declaration of Horizontal Property Regime, executed on October 13, 1978, together with the By Laws of Association of Apartment Owners, which was filed with the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 91022 and also recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13310, Page 577. The recording office has designated Waikiki Sunset Condominium Plans as Condominium Map No. 348, in the Land Court on October 2, 1978 and as Condominium Map No. 580 by the Registrar of the Bureau of Conveyances.

b. The Agreement to Redescribe Area Under Lease, dated June 8, 1978, effective as of April 15, 1978, by and between the Trustees of the Liliuokalani Trust as Lessor and Waikiki Sunset Venture as Lessee, was filed with the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 899140 and also recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13265, Page 293.

3. Advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

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

5. This Final Public Report is made a part of the registration on WAIKIKI SUNSET condominium project, Registration No. 1015. The Developer is responsible for placing this Final Public Report (white paper stock) together with a copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt for both Public Reports from each purchaser and prospective purchaser.

6. This Final Public Report automatically expires thirteen months after date of issuance, December 12, 1978, unless a Supplementary Public Report is issued or the Commission upon review of the registration, issues an order extending the effective period of this report.

This Final Public Report reflects changes under the topical headings LOCATION, DESCRIPTION, COMMON ELEMENTS, ENCUMBRANCES AGAINST TITLE, MANAGEMENT AND OPERATIONS, PROGRAM OF FINANCING and STATUS OF PROJECT. The Developer reports that the balance of the information in the Preliminary Public Report remains unchanged.

LOCATION: The approximately 49,968 square feet committed to the regime is located at 229 Paoakalani Street, Honolulu, Hawaii.

NOTE: The Agreement to Redescribe Areas Under Lease requires the Lessor to define the exact perimeter boundary of the area agreed to be included in the Master Lease and submitted to the Horizontal Property Regime. The Lessor has undertaken the responsibility to "shave off" the fringe areas to be removed from the lease after a proposed roadway designated by the City and County of Honolulu for the extension of Pualani Way is finalized. The Sales Contract indicate such a reservation to the Lessor to redescribe the area.

DESCRIPTION: The Preliminary Public Report reflects that a frost-free refrigerator-freezer with automatic ice maker was to be included in each apartment unit. The Developer reports that the frost-free refrigerator-freezer will be changed to a model without the ice maker.

Except as noted above, the description of the project and apartments as described in the Preliminary Public Report remains unchanged.

COMMON ELEMENTS: The Declaration of Horizontal Property Regime and the Condominium Map have been amended to reflect the reduction of unassigned parking spaces from 553 to 550 stalls. The remaining portions of the common elements, except the above change, remains unchanged.

ENCUMBRANCES AGAINST TITLE: A Preliminary Title Report and endorsements issued by Long and Melone, Ltd., dated October 25, 1978, reflect that the following encumber the apartments and common elements:

1. AS TO PARCEL OWNED BY LILIUOKALANI TRUST: (Tax Keys: 2-6-28-13, 47, 59, 60, 61 and 78:)

(a) Easement D for sanitary sewer purposes over a 4 square feet portion of said parcel.

2. AS TO BOTH PARCELS:

(a) Title to all mineral and metallic mines reserved to the State of Hawaii.

(b) Real property taxes which may be due and owing.

(c) Master Lease in favor of WAIKIKI SUNSET VENTURE, dated June 8, 1978, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 889993, noted on said Transfer Certificate of Title No. 15410, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13045, Page 572.

(d) SECURITY AGREEMENT dated April 6, 1978, in Liber 7864, Page 1, and dated October 19, 1976, recorded in said Bureau, by and between HKH Ventures, Herbert K. Horita and Oceanview Ventures and Manoa Finance Company, Inc., to secure repayment of those certain mortgages dated October 7, 1971, recorded in Bureau of Conveyances in Liber 12849, Page 736, and Liber 11773, Page 426, respectively.

(e) FINANCING STATEMENT by and between HKH Ventures, Herbert K. Horita and Oceanview Ventures and Manoa Finance Company, Inc., recorded April 24, 1978, in Bureau of Conveyances in Liber 12849, Page 747.

(f) FINANCING STATEMENT by and between Oceanview Ventures and Honolulu Federal Savings and Loan Association recorded April 24, 1978, in Bureau of Conveyances in Liber 12849, Page 761.

(g) Agreement to Redescribe Area Under Lease, dated June 8, 1978, effective as of April 15, 1978, by and between the Trustees of Liliuokalani Trust as Lessor and Waikiki Sunset Venture, a Hawaii corporation, as Lessee, filed with the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 899140 and recorded in the Bureau of Conveyances of the State of Hawaii, Liber 13265, Page 293.

This Agreement obligates the Lessor to take such action as may be necessary to redescribe the perimeter boundaries submitted to the horizontal property regime.

MANAGEMENT AND OPERATIONS: Operation and administration of the project shall be conducted for the Association by a responsible Managing Agent who shall be appointed by the Association in accordance with the By Laws. The Managing Agent is hereby authorized to receive service of legal process in all cases provided in the Horizontal Property Act. The initial Managing Agent shall be Sunset Management, Inc., a Hawaii corporation, with principal office and post office address at 225 Queen Street, Suite 301, Honolulu, Hawaii. A specimen Management Contract with Sunset Management, Inc., has been submitted to the Commission.

PROGRAM OF FINANCING: Both interim construction loan for the Developer and permanent take-out loans for qualified individual buyers have been arranged with Honolulu Federal Savings and Loan Association. Initial funding of the interim mortgage loan was funded on November 8, 1978.

A "set aside" letter dated November 8, 1978, issued by Honolulu Federal Savings and Loan Association agreeing to set aside the balances of the loan upon satisfactory compliance with all of the provisions of the interim mortgage loan document has been submitted to the Commission.

STATUS OF PROJECT: The Developer has advised the Commission that work on the building, commenced in February, 1978, is 65% completed and the date of total completion of construction of the building is estimated to be not later than October, 1979.

The purchaser or prospective purchaser should be cognizant of the fact that this Final Public Report represents information disclosed by the Developer in the required Notice of Intention submitted June 10, 1978, and information subsequently filed as of December 8, 1978.

THIS FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1015 filed with the Commission on June 10, 1978.

The report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be of white paper stock.

Mary V. Sarco for
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. 1015

DATED: December 12, 1978