

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**

POLYNESIAN SUNSET I
904 Lunalilo Street
Honolulu, Hawaii

REGISTRATION NO. 1040 (CONVERSION)

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

It was prepared as a supplement to an earlier Report dated ^{October 25, 1978 and} ~~October 25, 1978~~ ^{October 30, 1979} ~~October 30, 1979~~ 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: June 10, 1980
Expires: November 30, 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 TO SELL SUBMITTED SEPTEMBER 20, 1978 AND INFORMATION SUBSEQUENTLY FILED AS OF JUNE 5, 1980. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of October 25, 1978 and the Final Public Report on October 30, 1979 on POLYNESIAN

SUNSET I, Registration No. 1040, the Developer reports that changes have been made in the plan or setup as presented in the September 20, 1978 Notice of Intention to Sell.

The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report (pink paper stock) amends the Preliminary Public Report (yellow paper stock) and Final Public Report (white paper stock), becoming a part of the POLYNESIAN SUNSET I registration. The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Preliminary Public Report and Final Public Reports and Disclosure Abstract. The buyer shall sign the required receipt signifying that he has had an opportunity to read such reports.

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

3. This Supplementary Public Report automatically expires November 30, 1980 unless another Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the period of this report.

Except for the information in the topical headings, DEVELOPER, ATTORNEY REPRESENTING DEVELOPER, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE and PURCHASE MONEY HANDLING, all other topical headings have not been disturbed.

DEVELOPER: AMERICAN SUNRISE, LIMITED, a Hawaii corporation, whose principal place of business and post office address is Suite 200, 888 Mililani Street, Honolulu, Hawaii 96813, telephone number 524-8133.

The officers and their respective addresses are:

| | |
|---|--|
| Carl J. Bernhardt President/Treasurer | Suite 200 888 Mililani Street Honolulu, Hawaii 96813 |
| Michael F. McCarthy Vice President/Secretary | Suite 200 888 Mililani Street Honolulu, Hawaii 96813 |

ATTORNEY REPRESENTING DEVELOPER: Hamilton, Gibson, Nickelsen, Rush & Moore, Attention: Stephen K. C. Mau, 20th Floor Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, are the present attorneys for the Developer. Telephone: 521-0400.

OWNERSHIP OF TITLE: The Commitment for Title Insurance issued by First American Title Insurance Company dated May 15, 1980 states that the ownership to the fee title is in American Sunrise, Limited.

ENCUMBRANCES AGAINST TITLE: The Commitment for Title Insurance dated May 15, 1980, shows no encumbrances against title to the property except for the following:

(a) For any taxes that may be due and owing on the land, reference is hereby made to the Office of the Tax Assessor of the First Taxation Division.

(b) Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant No. 3330.

(c) Condominium Map No. 640, filed in the Bureau of Conveyances of the State of Hawaii.

(d) The covenants, agreements, obligations, conditions, easements and other provisions set forth in Declaration of Horizontal Property Regime dated September 7, 1979, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13979, Page 92, and the By-Laws attached thereto.

(e) The provisions of that certain mortgage dated April 24, 1980 recorded as aforesaid in Liber 14683, Page 128.

PURCHASE MONEY HANDLING: A revised copy of the executed Escrow Agreement dated May 6, 1980 between Real Estate Finance Corporation, as "Escrow", and American Sunrise, Limited, as "Seller", has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Condominium Reservation Agreement, Deposit Receipt and Contract filed with the Commission, are found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Condominium Reservation Agreement since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's funds. The specimen Condominium Reservation Agreement specifically provides that the purchaser approve said Escrow Agreement, assume the benefits and obligations therein provided, and agree among other things to the following:

1. Late Charge. In the event any payment to be made by Buyer hereunder is not made when due, Buyer hereby agrees that such late payment shall bear interest at the rate of one percent (1%) per month from its due date until paid in full.

2. Warranties. Seller shall assign to Buyer the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures and appliances in the apartment. Buyer acknowledges that the Seller is only passing through to Buyer any such manufacturer's or dealer's warranties; Seller is not undertaking to adopt any such warranties or to act as co-warrantor with respect to any furnishings, fixtures or appliances covered thereby. The terms of the manufacturer's or dealer's written warranties are available for the Buyer's examination at the Seller's sales office.

3. Reservation Agreement.

(a) Notwithstanding any other provision of this Agreement to the contrary, it is expressly understood and agreed that if at the time of execution of this Agreement by the Buyer and the Seller, a Final Public Report for the Project has not been issued by the Real Estate Commission of the State of Hawaii, this Agreement shall not be legally binding upon either the Buyer or Seller. In such event, this Agreement shall constitute only a "reservation", and not a binding contract. Seller shall have no obligation to sell and Buyer shall have no obligation to buy the Apartment described above. This Agreement will not become a binding sales agreement unless and until: (i) a Final Public Report is issued on the Project, (ii) Buyer has receipted for or is deemed to have receipted for the Final Public Report; and (iii) the Seller and Buyer have executed a separate confirmation letter in which they agree to render this Agreement a fully binding contract. AS LONG AS THIS AGREEMENT CONSTITUTES A RESERVATION, IT MAY BE TERMINATED AT ANY TIME, WITH OR WITHOUT CAUSE, AT THE OPTION OF EITHER PARTY, BY WRITTEN NOTICE OF SUCH TERMINATION TO THE OTHER PARTY. In the event of such termination, the Seller shall cause Escrow to refund all payments previously made by Buyer without interest, and neither party shall have any other or further liability hereunder or with respect to the Project; provided that if Buyer terminates this Agreement, then Escrow shall deduct from the refund to Buyer the escrow cancellation fee and all costs incurred by Seller, Escrow, or any lending institution in processing this Agreement or the loan application; if Seller terminates this Agreement, then Seller shall pay the Escrow cancellation fee.

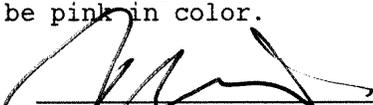
(b) If this Agreement is entered into after the issuance of the Final Public Report on the Project, then the provisions of this paragraph shall be of no force or effect and this Agreement shall be a fully binding contract upon Buyer and Seller upon acceptance of this Agreement by Seller.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information

disclosed by the Developer in the required Notice of Intention submitted September 20, 1978 and information subsequently filed as of June 5, 1980.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1040 filed with the Commission September 20, 1978.

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.



G. A. MORRIS, MEMBER
REAL ESTATE COMMISSION
STATE OF HAWAII

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

REGISTRATION NO. 1040

June 10, 1980