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

OF

WAIKIKI BEACHSIDE
(formerly HALE PALMS)
2556 Lemon Road
Honolulu, Hawaii

REGISTRATION NO. 1215 (CONVERSION)

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: January 19, 1981
Expires: February 19, 1982

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 ON DECEMBER 19, 1979, AND SUBSEQUENT INFORMATION FILED AS OF JANUARY 15, 1981. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report on HALE PALMS condominium dated January 29, 1980, and the issuance of the Commission's Supplementary Public Report on WAIKIKI BEACHSIDE condominium dated November 26, 1980, the Developer reports additional changes have been made to the Project.

2. This Final Report amends the Preliminary Report on HALE PALMS condominium and the Supplementary Public Report on WAIKIKI BEACHSIDE condominium, becoming a part of WAIKIKI BEACHSIDE condominium Registration No. 1215. The developer is responsible for placing a true copy of this Final Public Report (white 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 Supplementary Public Report (pink paper stock). Securing a signed copy of the receipt for these public reports as well as the revised Disclosure Abstract is also the responsibility of the developer.

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

The Declaration of Horizontal Property Regime of Hale Palms dated December 10, 1979 together with the By-Laws attached thereto was recorded on December 19, 1979 in the Bureau of Conveyances of the State of Hawaii, in Liber 14332, page 1. An Amendment To Declaration of Horizontal Property Regime of Hale Palms and By-Laws of the Association of Apartment Owners of Hale Palms, dated October 20, 1980, changing, inter alia, the name of the project from Hale Palms to Waikiki Beachside was recorded on October 31, 1980 as aforesaid in Liber 15112, page 590.

Approved floor plans have been filed as Condominium Map No. 673 in the Bureau of Conveyances of the State of Hawaii, on December 19, 1979. Said Condominium Map was amended by that certain Amendment To Condominium Map of Hale Palms dated November 21, 1980, changing, inter alia, the name of the project from Hale Palms to Waikiki Beachside, and recorded on November 26, 1980, as aforesaid in Liber 15166, page 68.

4. Advertising and promotional matters have been submitted to the Real Estate Commission for review.

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 Final Public Report automatically expires thirteen (13) months after date of issuance, January 19, 1981, unless the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information under the topical headings in the Preliminary Public Report dated January 29, 1980, as amended by the Supplementary Public Report dated November 26, 1980, has not been changed except for OWNERSHIP OF TITLE and ENCUMBRANCES AGAINST TITLE.

OWNERSHIP OF TITLE. The Preliminary Report dated December 4, 1980 issued by Security Title Corporation states that the ownership of the fee title is in Chun Kee, Limited. The Lessee's interest under

that certain Master Lease made effective as of April 15, 1979 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 14159, page 150, as amended by that certain undated instrument, effective as of April 15, 1979, and recorded as aforesaid in Liber 14669, page 728 is now held by A & M INVESTMENTS, a registered Hawaii general partnership, by Assignment of Lease dated October 28, 1980 and recorded as aforesaid in Liber 15112, page 582.

ENCUMBRANCES AGAINST TITLE: The updated Preliminary Title Report dated December 4, 1980 issued by Security Title Corporation shows the following encumbrances against title to the property:

(a) Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent 5667.

(b) A 10 foot setback on Lemon Road, as mentioned in Exchange Deed dated April 1, 1962, recorded on April 26, 1962 in said Bureau of Conveyances in Book 4261, page 477.

(c) Terms and provisions of that certain Master Lease effective as of April 15, 1979 recorded on November 13, 1979 in the Bureau of Conveyances of the State of Hawaii in Book 14159, page 150 by and between CHUN KEE LTD., a Hawaii corporation, as Lessor, to THE WILLASH GROUP, a Hawaii limited partnership, as Lessee; as amended by undated instrument effective as of April 15, 1979, recorded on April 22, 1980 in Book 14669, page 728. Said Lease is now held by A & M INVESTMENTS, a registered Hawaii general partnership, as Lessee, by Assignment of Lease dated October 28, 1980 recorded on October 31, 1980 in said Bureau of Conveyances in Book 15112, page 582.

(d) Mortgage dated August 31, 1979, recorded on November 13, 1979 in the Bureau of Conveyances of the State of Hawaii in Book 14159, page 211, made by THE WILLASH GROUP, a Hawaii limited partnership, as Mortgagor(s), to PROPERTIES UNIVERSAL, INC., a Hawaii corporation, as Mortgagee(s), to secure the repayment of the sum of $800,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

By instrument dated November 8, 1979, recorded on November 13, 1979 in the Bureau of Conveyances of the State of Hawaii in Book 14159, page 219, the foregoing mortgage was assigned to HENRY BERNARD MAU, husband of Violet Tom Mau, as security for the repayment of that certain promissory note dated October 1, 1979 in the principal amount of $570,000.00.

(e) Condominium Map No. 673, filed in said Bureau of Conveyances on December 19, 1979.

By instrument dated November 21, 1980, recorded on November 26, 1980 in said Bureau of Conveyances in Book 15166, page 68, the foregoing Condominium Map was amended to reflect the change of the name of said project to WAIKIKI BEACHSIDE.

(f) The covenants, agreements, obligations, conditions

and other provisions set forth in that certain Declaration of Horizontal Property Regime of Hale Palms dated December 10, 1979, recorded on December 19, 1979, in the Bureau of Conveyances of the State of Hawaii in Book 14332, page 1, and the By-Laws attached thereto.

By instrument dated October 20, 1980, recorded on October 31, 1980 in said Bureau of Conveyances in Book 15112, page 590, the foregoing Declaration was amended, changing the name of said project to WAIKIKI BEACHSIDE.

(g) Security Agreement dated October 27, 1980, recorded on October 31, 1980, in said Bureau of Conveyances in Book 15112, page 657, made by THE WILLASH GROUP, a Hawaii limited partnership, and A & M INVESTMENTS, a Hawaii general partnership, as Debtor(s) to CHUN KEE, LIMITED, a Hawaii corporation, as Secured Party.

(h) Undated Financing Statement covering certain fixtures located on the real property, given as security by THE WILLASH GROUP and A & M INVESTMENTS in favor of CHUN KEE, LIMITED, recorded on October 31, 1980 in said Bureau of Conveyances in Book 15112, page 690.

(i) Mortgage dated October 28, 1980, recorded on October 31, 1980 in the Bureau of Conveyances of the State of Hawaii in Book 15112, page 696, made by A & M INVESTMENTS, a registered Hawaii general partnership, as Mortgagor(s), to THE WILLASH GROUP, a Hawaii limited partnership, as Mortgagee(s), to secure the repayment of the sum of $400,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

By instrument dated October 28, 1980, recorded on November 14, 1980 in said Bureau of Conveyances in Book 15138, page 116, the foregoing mortgage was assigned to PROPERTIES UNIVERSAL, INC., a Hawaii corporation, as security for the repayment of that certain promissory note dated October 28, 1980 in the principal amount of $16,000.00.

(j) Real property taxes due and owing, refer to Tax Assessor, First Division, State of Hawaii.

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 on December 19, 1979, and information subsequently filed as of January 15, 1981.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1215 filed with the Commission on January 29, 1980.

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

for G. A. "RED" MORRIS, 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. 1215

Dated: January 19, 1981