

PUBLIC REPORT

Prepared & Issued by:

Developer ANEKONA ROYAL LLC, a Hawaii limited liability company
Address 75-5801 Alii Drive Suite AU2, Kailua-Kona, Hawaii 96740

Project Name(\*): The Regency on BeachWalk (formerly The Waikiki Royal)
Address: 255 Beach Walk, Honolulu, Hawaii 96815

Registration No. 1237 (conversion)

Effective date: January 24, 2006
Expiration date: February 13, 2007

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

PRELIMINARY: (yellow)

The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.

FINAL: (white)

The developer has legally created a condominium and has filed complete information with the Commission.

- No prior reports have been issued.
This report supersedes all prior public reports.
This report must be read together with

XX FOURTH SUPPLEMENTARY: (pink)

- This report updates information contained in the:
[X] Preliminary Public Report dated: February 22, 1980
[X] Final Public Report dated: March 31, 1980
[X] Supplementary Public Reports dated: March 10, 1981, July 8, 1983 and January 13, 2006

- And
[X] Supersedes all prior public reports.
[X] Must be read together with Third Supplementary Report
[X] This report reactivates the public report(s) which expired on

(\* ) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request. FORM: RECO-30 286/986/189/1 190/892/0197/1098/0800/0203/0104

**Disclosure Abstract:** Separate Disclosure Abstract on this condominium project:\*

Required and attached to this report                       Not Required - disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the developer.

Changes made since the last public report was issued on January 13, 2006 1983 are as follows: by an error, one paragraph of Exhibit "A" RESERVED RIGHTS OF DEVELOPER did not contain an accurate quotation of the relevant paragraph of the specimen Apartment Deed. The attached Exhibit "A" supersedes the Exhibit "A" attached to the third Supplementary Public Report and the Exhibit "A" attached to the third Supplementary Public Report should be disregarded. This fourth Supplementary Public Report contains only pages 1, 2, 19, 21 and Exhibit "A".

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules, if any.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other \_\_

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: [www.capitol.hawaii.gov](http://www.capitol.hawaii.gov)  
Website to access unofficial copy of laws: [www.hawaii.gov/dcca/hrs](http://www.hawaii.gov/dcca/hrs)  
Website to access rules: [www.hawaii.gov/dcca/har](http://www.hawaii.gov/dcca/har)


This Public Report is part of Registration No. 1237 filed with the Real Estate Commission on January 30, 1980.

Reproduction of Report. When reproduced, this report must be on:

YELLOW paper stock  WHITE paper stock  PINK paper stock

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other County permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-A-1.6]. (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

ANEKONA ROYAL LLC, a Hawaii limited liability company  
 Printed Name of Developer

By:  January 20, 2006  
 Duly Authorized Signatory\* Date

Brian A. Anderson, Its Manager  
 Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, \_\_\_\_\_ County of Honolulu

Planning Department, \_\_\_\_\_ County of Honolulu

***\*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.***

## EXHIBIT A: DEVELOPER'S RESERVED RIGHTS

Developer as grantor under apartment deeds of apartments in the Project has reserved the following rights. Grantor refers to Developer and Grantee refers to the purchaser of the apartment conveyed by the apartment deed:

1. The Grantee hereby acknowledges and agrees for the benefit of the Grantor that the Grantor shall have the right, for so long as the Grantor retains any interest in an apartment in the Project, including, but not limited to, the interest of a mortgagee or holder of any security interest in an apartment, the right (but not the obligation) to vote to amend the Declaration and the Bylaws (and the Condominium Map, if appropriate) in the name of Grantee for the following purposes:

(i) the purpose of meeting any requirement imposed by (1) any applicable law, (2) the Real Estate Commission of the State of Hawaii, (3) any title insurance company issuing a title insurance policy on the Project or any of the apartments, (4) any institutional lender lending funds on the security of the Project or any of the apartments, or (5) any other governmental or quasi-governmental agency including, without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the U.S. Department of Housing and Urban Development or the Veterans Administration; provided, however, that no amendment which would change the common interest appurtenant to the Apartment or materially change the design, location or size of the Apartment shall be made without the consent of the Grantee and any mortgagee of the Apartment;

(ii) to grant easements, alter or consent to the alteration of common elements, limited common elements and apartments, other than the Apartment and limited common elements granted by this instrument;

(iii) to alter the layout of any apartment owned by Grantor or with the consent of the owner and any mortgagee of any apartment not owned by Grantor.

Grantee and each and every person acquiring an interest in the Apartment, by such acquisition, consents to the exercise of such rights described in this paragraph 2 and agrees to execute and deliver such documents and instruments and do such other things as may be necessary or convenient to effect the same, and appoints the Grantor and its assigns as his or her attorney-in-fact with full power of substitution to execute and deliver such proxies, ballots, documents and instruments and to do such things on his or her behalf, which grant of such power, being coupled with an interest, is irrevocable for the duration of such reserved rights, and shall not be affected by the disability of such party or parties.

(Section 2, (d) and final paragraph of the specimen Apartment Deed)

2 Reservation of Easements by Grantor. Grantor reserves the following easements over the Project and Grantee agrees to Grantor's reservation of the easements and Grantor's exercise of the easements:

(a) Grantor's Easement for Sales Activities. The Grantor, its agents, employees, contractors, and licensees shall have the right to conduct extensive sales activities in the Project, including the common elements, including the use of model apartments, sales and management offices, and extensive sales displays and activities, including sales events, and placing of signs in elevators, lobbies, entrances and driveways, until the Project Sell-Out Date.

(b) Grantor's Easement for Repair and Renovation. Until twenty-four (24) months after the Project Sell-Out Date, Grantor its agents, employees, contractors and licensees shall have an easement over, under and upon the Project or any portion of the Project as may be necessary or useful in the opinion of the Grantor for the completion of repairs and renovations to the Project.

(c) Easement to Create Noise etc. Grantor, its agents, employees, contractors and licensees shall have an easement over, under and upon the Project or any portion of the Project, to create and cause noise, vibration, dust and other nuisances created by or resulting from any work connected with or incidental to the renovation, repair or sale of any Apartment or other improvements in the Project, and each Apartment owner, lessee, Mortgagee, lien holder or other person with an interest in the Project waives any right, claim or action which such person may have or acquire against Grantor, its agents, employees, contractors, licensees, successors and assigns as a result of such activity or activities.

(d) Grantor's Rights to Grant Easements. The Grantor reserves the right to designate, grant, convey, transfer, cancel, relocate and otherwise deal with any easements over, under, across, or through the common elements (including any limited common elements appurtenant to the apartments other than the commercial apartments) for any purpose the Grantor considers necessary or appropriate in the Grantor's sole discretion, which may include, but shall not be limited to, those purposes which are necessary to the operation, care, upkeep, maintenance or repair of any apartment or the common elements or any easements for utilities benefiting the Project or any adjacent property or for any public purpose, including the grant of designated easements over, under, across and through the land for the pipeline transmission of water and other utilities; and other designated easements; provided, however, that in exercising its rights under this paragraph (d), the Grantor shall not do anything or permit anything to be done which shall unreasonably interfere with the use of the affected common or limited common element for its originally intended purpose, unless such action is required to ensure the public health, safety or welfare or to comply with any governmental rule, regulation, law or ordinance. The rights set out in this paragraph (d) shall continue for a period of

twenty-four (24) months following the Project Sell-Out Date. Grantor, by a recorded instrument, may transfer some or all of the rights under this paragraph (d) to the Association of Apartment Owners of The Regency on BeachWalk, to be exercised as determined by the Board of Directors.

(Section 3 of the specimen Apartment Deed)