

Sheraton, Estate Talks Collapse

By EDWARD GREANEY

Negotiations between Sheraton Corp. and the Bishop Estate to extend a 17-year lease on 16 acres of Royal Hawaiian Hotel land collapsed yesterday, Irvine J. Schubert, senior Sheraton vice president, said last night.

Estate Trustee Atherton Richards, sole negotiator for the estate, made an additional demand at 10 a.m. yesterday for too much rent on a 60-year lease to follow the lease expiring in 1975, Schubert said.

PREVIOUSLY, the two parties had been close to agreement, he added.

The deadlock won't affect Sheraton's purchase of the Royal and three other Waikiki hotels from Matson Navigation Co., the Sheraton vice president said.

But he said it will stall plans for hotel and commercial development of the Bishop Estate land.

Sheraton had agreed to pay \$100,000 a year rent — \$75,000 more than Matson had been paying — for the 16 acres of land owned by the estate during the remaining 17 years of the current Matson lease.

A MINIMUM rent of \$300,000 a year after 1975 also had been agreed upon. The lease would have been subject to

Continued on Page A-4, Col. 6