

# ★ Sheraton

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rental renegotiation every 10 years.

Sheraton also had agreed to improve the property with \$5 million worth of buildings including beach club facilities for both the Outrigger Canoe Club and the Uluniu Women's Swimming Club and a 10-story apartment house fronting on Lewers St.

(Sheraton also is giving the Bishop Estate half of a 4.3 acre parcel of land at Waialae Golf Course for estate approval of the lease transfer to Sheraton by Matson.)

**BUT ATHERTON** also asked an additional percentage sum — estimated by Schubert at \$100,000 annually — beginning in 1975 on the value of Sheraton's improvements.

This is when negotiations broke off yesterday.

Schubert said he is leaving tonight for the mainland. No further talks with the estate were scheduled as of last night.

Sheraton plans to build on a 32,500 square foot fee simple lot at Kalakaua Ave. and Seaside Ave., now occupied by a gasoline station, Schubert said.

**THE FIRM IS** negotiating with a national chain store and expects to start construction this summer.

Matson officials have told Sheraton the \$17.6 million sale can be completed by June 1.

The hotel chain also plans to build a 300 room hotel on fee simple land behind the Royal on Kalia Road, possibly within the next two or three years, Schubert said. The land is a parking lot now.

Accompanying Schubert in his talks with Atherton were R. M. Hayne of Haas & Haynie, San Francisco firm which has a 10 per cent interest with Sheraton in the Matson purchase, and David Lapore, staff architect for the chain.

**SCHUBERT TOLD** newsman that John Hancock Mutual Life Insurance Co. has agreed to an \$8.5 million mortgage on the Matson purchase. The financing won't be affected by the breakdown with the estate, however, he said.