

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

## PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on  
KAPIOLANI MEDICAL-DENTAL CENTER  
Corner of Kaheka and Makaloa Streets  
Honolulu, Hawaii

REGISTRATION NO. 573

### 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 but may only take reservations therefore after

- (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 10, 1974  
Expires: February 10, 1975

#### 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 SUBMITTED JUNE 8, 1973 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF JANUARY 10, 1974. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514, HAWAII REVISED STATUTES.

1. KAPIOLANI MEDICAL-DENTAL CENTER is a condominium consisting of nine (9) condominium units, eight (8) of which are commercial and office units, and one (1) of which is a parking garage. The owner intends to sell some or all of these condominium units together with an undivided interest in the common elements of the improvements (exclusive of the land) by an

APARTMENT DEED, and to lease an undivided interest in the land to each purchaser by means of a GROUND LEASE. Purchasers are particularly advised to study these documents, with particular reference to what happens upon expiration of each Ground Lease. Each Ground Lease will be for an approximate term of sixty-five (65) years from the date of completion of construction of the project. No parking is specifically provided. However, the developer presently intends (but does not bind himself) to retain ownership of the parking garage condominium unit and to operate it as a commercial parking operation open to the public.

2. The developer has filed all documents and exhibits deemed necessary by the Commission for the registration of the Horizontal Property Regime and the issuance of a Preliminary Public Report.
3. No promotional or advertising materials have been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and the approved floor plans) have not been filed with the office of the recording officer.
5. The developer has not submitted a program of financing with the Real Estate Commission nor has he executed a construction contract for the project.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
7. This Preliminary Report automatically expires thirteen (13) months after date of issuance, January 10, 1974, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.
8. This Preliminary Public Report is made a part of the registration of Kapiolani Medical-Dental Center condominium project. The developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers, and of securing a signed copy of the receipt for the Preliminary Public Report from each purchaser.

NAME OF PROJECT: KAPIOLANI MEDICAL-DENTAL CENTER

LOCATION: The land submitted to the Regime, approximately 25,747 square feet, is situated on the corner of Kaheka and Makaloa Streets, Honolulu, Island of Oahu, Hawaii.

TAX MAP KEY: FIRST DIVISION 2-3-21:13 and 14.

ZONING: B-2 Community Business District

DEVELOPER: DR. ERNEST SCHWARTZ, 2243 Van Ness Avenue, San Francisco, California 94109.

ATTORNEY REPRESENTING DEVELOPER: Carlsmith, Carlsmith, Wichman and Case, Suite 2200 Pacific Trade Center, Honolulu, Hawaii 96813 (Attention: Thomas D. Welch, Jr.), Telephone 524-5112.

DESCRIPTION: The land will be improved, according to the developer's plans and intention to sell, by constructing thereon a single commercial building containing a parking garage (a single separate condominium unit), two (2) separate commercial units on the ground floor and one separate office unit on each of the second through seventh floors of the building. The condominium plans for the garage space reflect a split level spiral ramp type parking system on twenty-three (23) half story levels to provide for two hundred twenty-nine (229) parking stalls. The office units and the ground floor commercial units are loft space, with no built-in fixtures, partitions or finish work. With respect to each office or commercial unit sold, the purchaser will install his own internal partitioning, fixtures and finish work provided that such work does not interfere with any other condominium units or the common elements of the project. The project will be constructed in accordance with plans being prepared and later to be placed on file in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, where a condominium map number will be assigned by the recording officer. The ground floor of the building contains, in addition to the apartments, a main entrance plaza, main lobby, two (2) passenger elevators, corridors, a truck station, a vehicular entrance driveway providing access to the parking garage, two (2) stairways, duct space, public phone booth, electrical switch room, 390 square foot utility room, storage room next to public phone booth, and other common facilities. Each of the second through seventh floors of the building contains, in addition to the apartments, two (2) passenger elevators, corridors, two (2) stairways, duct space, a men's toilet and a women's toilet, electrical switch room, and other common facilities. Each condominium unit includes all walls and partitions (if any) within its perimeter walls, all glass windows and panels along the perimeter, the interior half of all perimeter walls, the inner decorated or finished surfaces of all floors and ceilings, and all air space within said unit; except that the portion of each perimeter wall and each load bearing wall or column within the perimeter of a unit is a limited common element appurtenant to said unit (except for the inner decorated or finished surface of said wall or said column within said apartment, which is not a limited common element).

The building is constructed principally of reinforced concrete, aluminum, glass, steel and other allied building materials with integrated walls, columns and supports.

The units are designated A through I inclusive and the area, location and percentage interest of the units are as follows:

| <u>Apt. No.</u> | <u>Description of Apartment</u> | <u>Approximate Floor Area in Square Feet</u> | <u>Location</u>   | <u>Common Interest</u> |
|-----------------|---------------------------------|--|---|------------------------|
| A               | Parking Garage                  | 101,389                                      | Situated in the north-west sector of the building with access to the street through a vehicular entrance and exit on the north-east sector, and extending from the ground floor through the parking level designated on the condominium map as level "12A". | 33.087%                |
| B               | "Coffee Shop"                   | 3,100  | Located on the south side of the ground floor of the building.  | 3.183%                 |
| C               | "Commercial Space"              | 2,300  | Located on the east side of the ground floor of the building.   | 2.358%                 |
| D               | Office Space                    | 11,809                                       | On the south end east sides of the 2nd floor of the building.   | 12.127%                |
| E               | Office Space                    | 11,809                                       | On the south end east sides of the 3rd floor of the building.   | 12.127%                |
| F               | Office Space                    | 9,944  | On the south end east sides of the 4th floor of the building.   | 10.184%                |
| G               | Office Space                    | 9,944  | On the south end east sides of the 5th floor of the building.   | 10.184%                |
| H               | Office Space                    | 8,157  | On the south end east sides of the 6th floor of the building.   | 8.375%                 |
| I               | Office Space                    | 8,157  | On the south end east sides of the 7th floor of the building.   | 8.375%                 |
| TOTAL           |                                 |  |   | 100.000%               |

The Declaration provides that the developer may, without the consent of any purchaser of any unit, amend the condominium map to change the number or placement of doors on the perimeter of any commercial or office unit, provided, however, that each unit above the ground floor shall have not less than two (2) doors.

USE: The Declaration provides that the units may be occupied and used for any lawful commercial purpose. The purchasers shall have the absolute right to rent or lease their units, subject to the limitations, restrictions, covenants and conditions contained in the Declaration or the By-Laws.

PARKING: No parking has been specifically provided for the office or commercial units as a matter of right. However, as stated above, the developer presently intends to operate the parking garage unit as a commercial parking operation open to the public.

COMMON ELEMENTS: The common elements will include the limited common elements described in the next topical heading of the preliminary report, LIMITED COMMON ELEMENTS, and all other portions of the project other than the units themselves, including specifically but not limited to:

(a) Said land in fee simple;

(b) All foundations, floor slabs, beams, supports, bearing walls (except the inner decorated surface within each unit), stairways and entrances and exits of the building (except any portion of the vehicular entrance and exit driveway inside the building line and included within Apartment A as shown on the condominium map);

(c) Central and appurtenant installations, for power, light and ventilation, and all pipes, wires, conduits, ducts, vents and other service and utility lines which are utilized for or serve more than one condominium unit;

(d) The elevators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations not located within any apartment and existing for common use;

(e) The truck station, corridors, elevators, storage areas, utility areas, main lobby, main entrance plaza on the ground floor of the building, public phone booth, and the corridors, storage areas, utility areas, and men's and women's toilets located on each of the second through seventh floors of the building.

(f) All other parts of the property necessary or convenient to its existence, maintenance and safety or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein designated as "limited common elements", are set aside and reserved for the exclusive use of certain apartments.

(a) Portions of perimeter walls and those load bearing walls and columns within each apartment (except for the inner decorated or finished surfaces thereof) are limited common elements appurtenant to the apartment in which they are located.

(b) The central air-conditioning system and all appurtenant equipment shall be limited common elements appurtenant to and for the exclusive use of all apartments except Apartment A and all costs of operating, maintaining, repairing and replacing said air-conditioning system and appurtenant equipment shall be borne by said Apartments B through I only (in proportion to their common interests).

(c) All ducts and ventilation systems providing air circulation exclusively for the parking garage (Apartment A), shall be limited common elements appurtenant to and for the exclusive use of said parking garage, and said parking garage shall bear all costs of operating, maintaining, repairing and replacing said ducts and ventilation systems.

INTEREST TO BE CONVEYED TO PURCHASER: Each unit according to its type and location shall have appurtenant thereto an undivided percentage interest in the improvements (exclusive of land) called the "Common Interest", for all purposes, including voting, as listed above. In addition, each apartment purchaser will hold an undivided percentage leasehold interest in the underlying land equal to his Common Interest.

OWNERSHIP TO TITLE: The November 19, 1973 title search report prepared by Title Guaranty of Hawaii, Inc. reflects that the fee title to the land is vested in Hawaii Thrift and Loan, Inc., a Hawaii corporation, subject to an unrecorded Agreement of Sale dated July 24, 1973 between Hawaii Thrift and Loan, Inc. and the developer. This agreement provides for transfer of title to the developer upon full performance of all terms of the agreement. The Commission has been advised that the developer will acquire said ownership prior to recordation of Declaration of Horizontal Property Regime and the conveyance of any unit to a condominium purchaser.

ENCUMBRANCES AGAINST TITLE: Said title search report as of November 19, 1973 reflects the above-described agreement, assessments under Improvement District No. 153, and real property taxes for 1972-1973, which have been paid in full.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated August 3, 1973, between Title Guaranty Escrow Services, Inc. as escrow agent and developer, has been filed with the Commission. On examination the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes.

It is incumbent upon the purchaser and the prospective purchaser that he reads with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of apartments are placed in escrow pending closing and disbursement of funds to the developer.

MANAGEMENT OF THE PROJECT: The By-Laws of the Association of Apartment Owners vest in the Board of Directors the power and duties necessary for the administration of the overall affairs of the project. The By-Laws of the Association of Apartment Owners specify that the presence at any meeting in person or by proxy of fifty percent (50%) of unit owners shall constitute a quorum and at any meeting in which a quorum is present, action by a majority of the voting power represented at such meeting shall be valid and binding on the Association except as otherwise provided in the By-Laws. Voting shall be on a percentage basis, the percentage of the total vote to which each unit is entitled shall be the same as the percentage of the common interests assigned to such unit in the Declaration; and any percentage of apartment owners specified in the By-Laws means the owners of apartments to which are appurtenant such percentage of the common interest. The Board of Directors of the Association of Apartment Owners may employ necessary personnel to carry out management and operation of the project. The Notice of Intention states that the manager has not yet been determined.

STATUS OF PROJECT: The developer in a letter dated January 7, 1974 has advised the Commission that the Construction Contract for the project is still under negotiation and the estimated completion date for the project is June, 1976.

The specimen Sales Contract states that if construction of the project is not completed by May 31, 1975, either the seller or the buyer may upon fifteen (15) days written notice to the other, terminate the Sales Contract and all sums paid by the buyer thereunder shall be refunded without interest.

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The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the developer in the required Notice of Intention submitted June 8, 1973 and information subsequently filed on January 10, 1974.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 573 filed with the Commission on June 8, 1973.

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

  
(for) DOUGLAS R. SODEVANI, 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. 573  
January 10, 1974