

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer Kapi'olani Medical Center for Women and Children
Address 55 Merchant Street, 27th Floor, Honolulu, Hawaii 96813

Project Name(*): Kapi'olani Medical Center for Women and Children
Address: 1319 Punahou Street, Honolulu, Hawaii 96826

Registration No. 5393 (Conversion) Effective date: December 27, 2005 Expiration date: January 27, 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:

- X 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
SUPPLEMENTARY: (pink) This report updates information contained in the:
[] Preliminary Public Report dated:
[] Final Public Report dated:
[] Supplementary Public Report dated:
And [] Supersedes all prior public reports.
[] Must be read together with
[] 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-30 286/986/189/1190/892/0197/1098/0800/0203/0104

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report
as Exhibit "P"

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 are as follows:

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Kapi'olani Medical Center for Women and Children Phone: 674-4474
Name (Business)
55 Merchant Street, 27th Floor
Business address
Honolulu, Hawaii 96813

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

See page 5a of this report.

Real Estate Broker*: None selected. See page 20 Phone: _____
Name (Business)

Business Address

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street, 1st Floor
Business Address
Honolulu, Hawaii 96813

General Contractor*: N/A Phone: _____
Name (Business)

Business Address

Condominium Managing Agent*: Self-managed by the Association of Unit Owners Phone: _____
Name (Business)

Business Address

Attorney for Developer: Chun, Rair & Yoshimoto LLP Phone: (808) 528-4200
Name (Business)
Davies Pacific Center, Suite 400
Business Address
841 Bishop Street
Honolulu, HI 96813
Attention: Deborah M. Chun

* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

Names of Officers and Directors of the Developer

<u>Name</u>	<u>Position</u>
<u>Keith Matsumoto, M.D.</u>	<u>Chairman of the Board/Director</u>
<u>Charles Sted</u>	<u>President/Director</u>
<u>Ray Vara</u>	<u>Executive Vice-President/Chief Executive Officer/Director</u>
<u>Steven Ai</u>	<u>Director</u>
<u>Rodney Boychuk, M.D.</u>	<u>Director</u>
<u>Benton Chun, M.D.</u>	<u>Director</u>
<u>Jennifer Goto Sabas</u>	<u>Director</u>
<u>Mark Grief, M.D.</u>	<u>Director</u>
<u>Bryan Matsumoto, M.D.</u>	<u>Director</u>
<u>Nonie Toledo</u>	<u>Director</u>
<u>David Okabe</u>	<u>Executive Vice-President/ Chief Financial Officer/ Treasurer</u>
<u>Dew Anne Langcaon</u>	<u>Executive Vice-President/Chief Strategic Officer</u>
<u>Gail Lerch</u>	<u>Executive Vice-President</u>
<u>Richard Robel</u>	<u>Executive Vice-President</u>
<u>Charles R. Ching</u>	<u>Senior Vice President/Secretary/General Counsel</u>
<u>Virginia Pressler, M.D.</u>	<u>Senior Vice-President</u>
<u>Martha Smith</u>	<u>Vice President /Chief Operating Officer</u>
<u>Bonnie Castongnay</u>	<u>Vice-President</u>
<u>Warren Chaiko</u>	<u>Vice-President</u>
<u>Suzann Filleul</u>	<u>Vice President</u>
<u>Art Gladstone</u>	<u>Vice-President</u>
<u>Jana Hall</u>	<u>Vice-President</u>
<u>Terry Long</u>	<u>Vice President</u>
<u>Willow Morton</u>	<u>Vice-President</u>
<u>Susan Nonaka</u>	<u>Vice-President</u>
<u>Hilton Raethel</u>	<u>Vice-President</u>
<u>Steve Robertson</u>	<u>Vice-President</u>
<u>Betty Kaneshiro</u>	<u>Assistant Secretary</u>

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

Proposed
 Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
 Filed - Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: N/A

- B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyances Condo Map No. _____
 Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of documents, date and recording/filing information]: N/A

- C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances: Document No. _____
Book _____ Page _____
 Filed - Land Court: Document No. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]: N/A

D. **House Rules.** The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:*

Proposed Adopted Developer does not plan to adopt House Rules

* No initial House Rules will be adopted by the Developer prior to issuance of an effective date for the final public report for this Project. The Board of Directors may, however, adopt House Rules subsequent to the issuance of an effective date for the final public report.

E. **Changes to Condominium Documents.** Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>N/A</u>

*The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. **Developer:**

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

To amend the Declaration, the Condominium Map, the Bylaws and any condominium conveyance document: To describe and depict the Land and/or the Project as modified (including the filing of the "as built" verified statement for any additional improvements constructed, or to reflect improvements demolished); to create additional apartments, common elements and limited common elements, and easements as appurtenances to the apartments in the Project; to delete any apartments demolished and not reconstructed; to consolidate apartments (other than apartment unit 2 ("Unit 2"), unless Unit 2 is owned by the Developer); to reflect the adjusted common interest appurtenant to each apartment, provided that the method of calculating such common interest shall be based on the square footage of each apartment as compared to the total square footage of all apartments, calculated by the method described in Section D.1.(b) of the Declaration; and to set forth such other matters and modifications as may be deemed by the Developer to be necessary or desirable to effectuate any such alteration in the Project and the exercise by the Developer of the foregoing rights.

At any time prior to the first filing in the Bureau of Conveyances of the State of Hawaii or the Office of the Assistant Registrar of the Land Court of a condominium conveyance document, the Developer may amend the Declaration (including all exhibits), the Bylaws and the Condominium Map in any manner, without the consent of any apartment purchaser; and, at any time thereafter, the Developer may amend the Declaration (and when applicable, the Condominium Map) to file an "As-Built" verified statement required by Section 514A-12 of Hawaii Revised Statutes, as amended, so long as: (a) such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plan thereto filed fully and accurately depicts the layout, location, apartment numbers, and the dimensions of an improvement or change in an apartment as built; or (b) the plans filed therewith involve only immaterial changes to the layout, location, or dimensions of the apartments as built or any change in any apartment number.

[] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 1319 Punahou Street Tax Map Key (TMK): (1) 2-8-011-004
Honolulu, Hawaii 96826 and (1) 2-8-011-013

[] Address [] TMK is expected to change because _____

Land Area: 154,044* [x] square feet [] acre(s) Zoning: A-2

*Based on the recorded description of the underlying land. Note that the total area assessed under the above-referenced tax keys, however, is 153,365 square feet.

Fee Owner: Kapi'olani Medical Center for Women and Children, a Hawaii nonprofit corporation
 Name
55 Merchant Street, 27th Floor
 Address
Honolulu, HI 96826

Lessor: N/A
 Name

 Address

C. Buildings and Other Improvements:

1. New Building(s)
 Conversion of Existing Building(s)
 Both New Building(s) and Conversion
2. Number of Buildings: 3 Floors Per Building varies for building
 Exhibit C contains further explanations.
3. Principal Construction Material:
 Concrete Hollow Tile Wood
 Other gypsum board, glass, steel and allied building materials
4. Uses Permitted by Zoning:

	<u>No. of Apts.</u>	<u>Use Permitted By Zoning</u>
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Commercial	<u>5</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Other: _____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
 Yes* No

*Commercial use is permitted in accordance with the Plan Review Use (Permit No. 95/PRU-1) approved by Resolution of the City Council of the City and County of Honolulu and, therefore, is a permitted use pursuant to the Declaration.

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

[] Pets: _____

[] Number of Occupants: _____

[x] Other: The apartments may be used only in accordance with the uses permitted under the CCD, and as consistent with and appropriate to the design of the buildings containing the apartments.

[] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 10 Stairways: 15 Trash Chutes: 0

<u>Apt. Type*</u>	<u>Quantity</u>	<u>BR/BATH**</u>	<u>Net Living Area (sf)***</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>1</u>	<u>1</u>	<u>N/A</u>	<u>64,211</u>	<u>N/A</u>	<u>_____</u>
<u>2</u>	<u>1</u>	<u>N/A</u>	<u>94,162</u>	<u>N/A</u>	<u>_____</u>
<u>3</u>	<u>1</u>	<u>N/A</u>	<u>333,193</u>	<u>N/A</u>	<u>parking stalls</u>
<u>4</u>	<u>1</u>	<u>N/A</u>	<u>18,145</u>	<u>N/A</u>	<u>_____</u>
<u>5</u>	<u>1</u>	<u>N/A</u>	<u>3,517</u>	<u>N/A</u>	<u>_____</u>

Total Number of Apartments: 5

* See Exhibit "D" for a further description of the apartment types.

** The Project consists entirely of commercial Units. The interior configurations of these Units are constantly being altered to meet the various needs of the commercial occupants of such space. Accordingly, information regarding number of bedrooms and baths are not applicable to this Project.

*** Notwithstanding that Units 3, 4 and 5 include the entirety of the perimeter walls of the such apartment units, for consistency the square footage of each apartment, as shown above, represents the approximate area of the space within the interior finished surfaces of the perimeter walls of the apartment, including all partitions and walls (load-bearing and nonload-bearing), all air shafts, and all plumbing, mechanical and electrical chases within such perimeter and party walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

See Exhibit E

Permitted Alterations to Apartments:

See Exhibit F

7. Parking Stalls:

Total Parking Stalls: 581

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>Total</u>
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Assigned (for each unit)	_____	_____	_____	_____	_____	_____	_____
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other*:	<u>140</u>	<u>82</u>	<u>257</u>	<u>100</u>	<u>0</u>	<u>0</u>	<u>579</u>
Total Covered & Open:	<u>222</u>		<u>357</u>		<u>0</u>		<u>579</u>

*Apartment 3 contains all of the parking stalls within the Project. Accordingly, only the Owner of apartment 3 will have the exclusive use of all parking stalls; however, the Owner of apartment 3 shall provide: (a) the Owner of Unit 2 up to three (3) parking stalls for its use at no charge, one of which shall be a dedicated stall for easy access by an equipment truck; and (b) parking on a non-reserved basis to apartment owners and their tenants in accordance with Section 10.02 of the CCD.

Section 10.02 of the CCD (Parking) should be read with care by prospective buyers.

Commercial parking garage permitted in condominium project.

Exhibit G contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute/Enclosure(s)

Other: _____

9. Compliance With Building Code and Municipal Regulations: Cost to Cure Violations

There are no violations.

Violations will not be cured.

Violations and cost to cure are listed below.

Violations will be cured prior to issuance of a final public report.

(Date)

*The project is currently operating under a Plan Review Use (Permit No. 95/PRU-1) ("PRU") approved by Resolution of the City Council of the City and County of Honolulu. The PRU, together with the minor modification approval letter dated May 23, 2004 and the letter regarding extension of time dated June 14, 2005 from the City and County of Honolulu's Director of Planning and Permitting ("DPP"), requires that the Project implement the parking improvements approved under Permit No. 95/PRU-1 or other improvements that achieve a similar result by December 30, 2005, unless an extension of the deadline is requested of and granted by the DPP. The developer has submitted a written request to the DPP for an extension of the deadline. There is no cost to cure because the violation will be cured upon issuance of a special permit for parking by the DPP.

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations
 (For conversions of residential apartments in existence for at least five years): N/A

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit H .

as follows:

2. Limited Common Elements: Limited common elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit I.

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project (except as modified by the Bylaws with respect to utilities; expenses related to the boiler, the chillers, the cooling tower and the chilled water pipes; and expenses allocable to Limited Common Elements, and the like). It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit J.

as follows:

E. **Encumbrances Against Title**: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit K describes the encumbrances against the title contained in the title report dated October 26, 2005 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[x] There are no blanket liens affecting title to the individual apartments.

[] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
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F. **Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements: None.

2. Appliances: None.

G. **Status of Construction and Date of Completion or Estimated Date of Completion:**

Based on Sanborn Fire Insurance maps dated historical aerial photographs and the report of the Director of the Department of Land Utilization of the City and County of Honolulu dated October 4, 1995, a portion of Building A appears to have been completed in approximately 1945 with additions to said Building A appearing from time to time in such maps and photographs from 1973, 1977 and 1983.

According to plans on file with the City and County of Honolulu's Department of Planning and Permitting, Building B was completed in approximately 1965, and Building C was completed in approximately 1976.

H. **Project Phases:**

The developer [x] has [] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

The Developer reserves the following rights, to be exercised in its sole and absolute discretion at any time and from time to time, without the approval, consent or joinder of, and without payment of any consideration to, any apartment owner, mortgagee, lender, lien holder or any other person who may have an interest in the Land, the Project or any apartment; provided, however, that the Developer exercises such rights in a manner that does not materially interfere with the amenities of, access to or the use of Unit 2 and that for any work that requires access to or through Unit 2, the Developer coordinates the scheduling and entry with the apartment owner of Unit 2: (a) to subdivide and withdraw from the Project any portion of the Land and Improvements located thereon, provided that the Developer may not withdraw any portion of the Land (or Improvements thereon) located directly above or beneath the air space that Unit 2 will occupy, unless the Developer is the owner of Unit 2; (b) to acquire and submit (or cause the owners thereof to submit) additional real property to the condominium property regime (and, if desired by Developer, consolidate such additional real property with the Land) and/or cause the Association to acquire easements or other rights running in favor of the Land; (c) to merge the Project with any other condominium property regime located on adjacent or nearby lands, with merger documents providing for a single association of apartment owners and board of directors and the sharing of common expenses among all owners of apartments in the merged project; (d) to redevelop the Project by (i) demolishing all or any portion of any apartment (other than Unit 2 unless such Unit is owned by the Developer), (ii) constructing additional improvements on the Land, and/or (iii) constructing improvements on additional land that has been submitted to the condominium property regime and/or on or over easements or other interests acquired by the Association or running in favor of the Land; (e) to obtain permits (including conditional use permits) and enter into any joint development agreement, unilateral declaration, or similar agreement, as may be required by the City and County of Honolulu in order to enable: (i) the subdivision of the Land or the adjoining or nearby properties that may be acquired in fee simple or leased by Developer or the Association, (ii) the construction of improvements on the Land or on adjoining or nearby land, which improvements may be physically connected to or situated near the boundary of the Land, or (iii) any other development by Developer pursuant to any of the other reservations set forth in Section N of the Declaration; and (f) to divide any apartment unit into two or more individual apartments and/or consolidate some or all of such apartment units into fewer apartment units, provided that the Developer may not take such actions with respect to Unit 2 unless Developer is the owner of Unit 2.

IV. CONDOMINIUM MANAGEMENT

A. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

not affiliated with the Developer the Developer or Developer's affiliate
 self-managed by the Association of Apartment Owners Other: _____

B. **Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your apartment and the apartment may be sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit L contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. **Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

None* Electricity (___ Common Elements only ___ Common Elements & Apartments)
 Gas (___ Common Elements only ___ Common Elements & Apartments)
 Water Sewer Television Cable
 Other _____

*Electricity, gas, sewer and water consumed by each apartment will not be included in the maintenance fees and will be billed to the owner of each apartment on a different basis than the utilities listed above. Exhibit "M" describes how charges for the consumption of water, electricity, sewer and gas utility services by each apartment will be determined.

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

Notice to Owner Occupants

Specimen Sales Contract
Exhibit N contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated June 9, 2004.
Exhibit O contains a summary of the pertinent provisions of the escrow agreement.

Other _____

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The Developer delivers to the buyer a copy of:
 - 1) Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;
AND
 - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); **AND**
- C) One of the following has occurred:
 - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

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).
- 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
Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 5393 filed with the Real Estate Commission on June 10, 2004.

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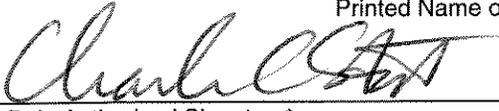
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C. **Additional Information Not Covered Above**

Should developer later choose to use a real estate broker, developer shall first inform the Commission thereof, provide details concerning the firm, and amend its abstract accordingly.

- 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-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.

Kapi'olani Medical Center for Women and Children
 Printed Name of Developer

By:  December 14, 2005
 Duly Authorized Signatory* Date

Charles A. Sted, President of Developer
 Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and 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"

Kapi`olani Medical Center for Women and Children

Renegotiated Lease Rents and Surrender Clause Provisions

No Lease Rent Renegotiations. All lease rent under the Condominium Conveyance Document applicable to Unit 2 (the "CCD") has been negotiated and is set forth in Section 6.01 of the CCD. Accordingly, rent renegotiation will not apply during the term of the CCD.

Surrender Clause Provisions. Pursuant to Section 12.01 of the CCD, the grantee/lessee thereunder will promptly and peaceably deliver up to the grantor/lessor thereunder possession of the land described in Exhibit "A" attached to the Declaration (the "**Land**") at the end of the term or upon sooner termination of the CCD. The parties to the CCD acknowledge that it is not practical to give the grantee/lessee the right to remove Unit 2 and its undivided interest in the common elements to the Project (excluding the Land) upon termination of the CCD (including any termination as a result of a rejection or deemed rejection of the CCD under the Bankruptcy Code or any successor law having similar effect). Therefore, at the end of the term or sooner termination of the CCD, the Unit and the grantee/lessee's undivided interest will automatically revert to grantor/lessor. The grantee/lessee may, at the grantee/lessee's sole option, elect to vote in favor of causing such demolition. So long as the Association votes in favor of demolition and actually demolishes the Project (or so much thereof as may be determined by the Association), the grantee/lessee shall pay its proportionate share of the expense incurred by the Association for such demolition. If the Association fails to vote in favor of demolition or to perform any agreed upon demolition, Unit 2 and the grantee/lessee's undivided interest in the common elements of the Project (excluding the Land) shall automatically revert to the grantor/lessor free and clear of all claims of "Mortgagees" (as such term is defined in Section 15.01 of the CCD) or others claiming by, through or under the grantee/lessee (other than tenants to which the grantor/lessor has provided a non-disturbance agreement, if any) unless the grantor/lessor has otherwise agreed in writing without any further action on the part of the grantee/lessee, provided however that the grantee/lessee shall, upon the grantor/lessor's request, deliver a document, in form satisfactory to the grantor/lessor, acknowledging the termination of the CCD.

Pursuant to Section 12.02 of the CCD, if the grantee/lessee shall, at the expiration or other termination of the term of the CCD, fail to yield possession of Unit 2, the undivided interest in the common elements (excluding the Land), and the undivided interest in the Land (or so much thereof as has not been demolished) to the grantor/lessor, the grantee/lessee shall be liable to the grantor/lessor for rent pursuant to Article 5 of the CCD for the period beyond expiration or termination that the grantee/lessee fails to surrender possession, plus all damages and costs caused thereby, including, without limitation, any lost rent or revenue from any replacement tenant due to the grantee/lessee's failure to vacate. The grantee/lessee shall indemnify, defend and save harmless the grantor/lessor against any loss, cost, expense, attorneys' fees or liability incurred or suffered by the grantor/lessor as a result of the grantee/lessee's failure or delay in surrendering and/or demolishing the property as provided in Section 12.01 of the CCD.

Exhibit "B"

Kapi`olani Medical Center for Women and Children

Schedule of Annual Lease Rent

The CCD will only apply to Unit 2. The remaining apartments in the Project will be owned by the Developer at least until the expiration date of this final public report. Accordingly, the following schedule of annual lease rent will only apply to lease rent for Unit 2.

Annual ground lease rent for Unit 2 pursuant to Section 6.01 of the CCD is as follows:

1. The annual lease rent for the twelve (12) months of the term of the CCD commencing on January 1, 2005 and ending on December 31, 2005 shall be \$180,540.00.
2. The annual lease rent for the twelve (12) months of the term of the CCD commencing on January 1, 2006 and ending on December 31, 2006 shall be \$184,150.80.
3. Annual lease rent for each subsequent twelve-month period will be the annual lease rent payable for the immediately preceding twelve-month period, increased by two percent (2%). Accordingly, by way of example, the annual lease rent for the fourth full calendar year of the term of the CCD shall be \$187,833.82 and the annual lease rent for the fifth full calendar year of the term of the CCD will be \$191,590.50.
4. Notwithstanding the foregoing, the annual ground rent payable for the 2014 calendar year will be reduced to \$170,659.00, and subsequent annual two percent (2%) increases shall be calculated based on such reduced amount of rent.

Exhibit "C"

Kapi`olani Medical Center for Women and Children

Description of the Buildings

The Project consists of three (3) detached buildings, designated as "Building A", "Building B", and "Building C" (each, a "**Building**" and collectively the "**Buildings**") containing a total of five (5) commercial units. Building A is a multi-level building, varying from eleven (11) stories constructed above a one-level basement to two (2) stories constructed above a one-level basement. Building B is comprised of four (4) stories above a one-level basement. Building C is comprised of one (1) story. The locations of Buildings A, B and C are as shown on the Condominium Map. (See Section C.1. of the Declaration.)

Exhibit "D"

Kapi`olani Medical Center for Women and Children

Description of Apartment Types

Five (5) apartment units have been established (each unit, a "**Unit**", or collectively, the "**Units**") pursuant to Section D. of the Declaration, which are designated as Unit 1, Unit 2, Unit 3, Unit 4 and Unit 5.

The layout, location and number of each Unit is as shown on the Condominium Map. Each Unit consists of multiple stories. Unit 1 is located in portions of the basement and the first through fourth stories of Building A; Unit 2 is located on the fifth through eleventh stories of Building A; Unit 3 is located within portions of the basement and the first through fourth stories of Building A plus the above-ground walkway between Buildings A and B and the parking areas on the fifth through seventh floors of Building A; Unit 4 is Building B, and Unit 5 is Building C. Should the descriptions and divisions of the Units set forth in the Declaration conflict with the depictions and divisions shown on the Condominium Map, the Condominium Map shall control; provided the Condominium Map is intended only to show the layout, location and dimensions of the Units and the elevations of the Buildings and is not intended and shall not be deemed to contain or make any other representation or warranty.

Although there are currently existing partitions within each Unit as reflected on the Condominium Map, such partitions change routinely, and each Unit is considered to consist of "loft" space and, as such, to not be divided into definitive rooms.

Exhibit "E"

Kapiolani Medical Center for Women and Children

Boundaries of Each Unit

Section D.1. of the Declaration describes the boundaries of Unit 1, Unit 2, Unit 3, Unit 4 and Unit 5 as follows:

(a) Units 1 and 2. Unit 1 and Unit 2 each consists of that portion of Building A containing the Unit which lies within the boundaries of the Unit as shown on the Condominium Map, exclusive of: any stairways; interior load-bearing walls and pillars; any pipes, wires, conduits, ducts, vents and other communication, service and utility lines which are utilized for or serve more than one Unit; and the concrete floors and concrete ceilings in a Unit, and exterior doors and door frames, exterior windows and window frames, the same being deemed Common Elements as defined and provided in the Declaration. In Unit 1 and Unit 2, any space between a finished ceiling and a concrete ceiling is considered part of the Unit. Units 1 and 2 shall not be deemed to include the undecorated or unfinished surfaces of the following: perimeter walls, party walls (except that the party walls (if any) between Unit 1 and Unit 3 shall be deemed to be part of Unit 1 from the outside decorated surface within Unit 1 to the midline of the party wall), interior load-bearing walls, floors and ceilings in each Unit. Each of Units 1 and 2 shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls; all interior doors and door frames, including the exterior finished surfaces thereof; interior windows and window frames, including the exterior finished surfaces thereof; the lanai air space (if any); the interior decorated or finished surfaces of the following: all perimeter walls, party walls (if any), interior load-bearing walls, floors, and ceilings; elevators and stairways within the boundaries of the Unit and not specifically designated as Common Elements; and all fixtures originally installed or contained therein; wiring, local breaker boxes and air handlers within the Unit; and chilled water lines, water delivery lines, drainage pipes and exhaust vents and fans within the Unit except to the extent such lines, pipes, vents and fans service more than one Unit.

(b) Units 3, 4 and 5. Unit 3, Unit 4 and Unit 5 consist of that portion of Buildings A, B and C, as applicable, containing the Unit which lies within in the boundaries of the Unit as shown on the Condominium Map, inclusive of any elevators, stairways, interior and exterior load-bearing and non load-bearing walls and pillars within the Unit (except that the party walls (if any) between Unit 1 and Unit 3 shall be deemed to be part of Unit 3 from the outside decorated surface within Unit 3 to the midline of the party wall), the roof (or a portion thereof) immediately above the Unit, the concrete floors and concrete ceilings of the Unit, all doors and door frames, including the exterior finished surfaces thereof; windows and window frames, including the exterior finished surfaces thereof; the lanai air space; and all fixtures originally installed or contained therein; wiring, local breaker boxes, air handlers, ducts and fans, and utility rooms within the Unit; and chilled water lines, water delivery lines and drainage pipes within the Unit except to the extent such lines and pipes service more than one Unit. Units 3, 4 and 5 shall not include any pipes, wires, conduits, ducts, vents and other communication, service and utility lines which are utilized for or serve more than one Unit, the same being deemed Common Elements as defined and provided in the Declaration. Where a Unit consists in whole or in part of unenclosed space, the boundary defining such space is the boundary as shown on the Condominium Map. If no ceiling exists (such as those portions of Unit 3 which are the open levels of a parking area), the Unit boundary shall extend vertically to a height of twenty (20) feet.

EXHIBIT "F"

Kapi`olani Medical Center for Women and Children

Permitted Alterations to Units

Any additions to or alterations of a Unit made solely within such Unit may be made without the approval of the Board of Directors of the Association of Unit Owners (the "**Board**") or any other Unit Owner, but consent of the grantor/lessor under the Condominium Conveyance Document may be required. Any additions to or alterations solely within a Limited Common Element appurtenant to and for the exclusive use of a Unit, shall be undertaken by the Owner of such Unit only pursuant to the written approval thereof, including the plans therefore, by the Board and all other Owners thereby directly affected (as determined by the Board in its sole discretion). If required by law, upon completion of such alterations or additions the Owners directly affected shall duly record and file of record in the Bureau of Conveyances an amendment to this Declaration together with the approved plans showing only such alterations or additions within a Unit or within a Limited Common Element as aforesaid, if required by law. Any such amendment to this Declaration need only be executed by the Owners directly affected. (See Article VIII, Section 3.b. of the Declaration).

EXHIBIT "G"

Kapiolani Medical Center for Women and Children

Parking for the Project

There are two (2) parking garages situated within the Project: the parking garage fronting Bingham Street is herein called the "Bingham Garage", and the parking garage located adjacent to Punahou Street is herein called the "Punahou Garage".

The Punahou Garage contains 156 total parking stalls allocated as follows:

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>Total</u>
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Unit 3	6	32	75	43	0	0	156

The Bingham Garage contain 412 total parking stalls allocated as follows:

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>Total</u>
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Unit 3	134	39	182	57	0	0	412

In addition, there are 8 on-grade, short-stay open parking stalls located in front of the Bingham Garage; and 3 on-grade, short-stay open parking stalls located in the ambulance court.

EXHIBIT "H"

Kapi`olani Medical Center for Women and Children

Common Elements

1. The Land in fee simple.
2. All structural components surrounding or located within the boundaries of Units 1 and 2, such as foundations, girders, beams, supports, concrete floors, concrete ceilings, unfinished perimeter walls, outside columns and load-bearing walls (except for the inner finished surfaces of all such walls within each such Unit).
3. Fire escapes and stairways, located within Units 1 and 2 that service both Units and that portion of the roof of Building A that is located directly above Unit 2.
4. All existing and future central installations for power, emergency power, light, water, cable, sanitary sewer systems, storm water piping, air conditioning and ventilation that are utilized for or service more than one Unit (including the two chillers and a cooling tower, boiler, diesel powered generator, equipment rooms and utility closets), and all pipes, wires, conduits, ducts, vents, fans, and other service and utility lines that are utilized for or serve more than one Unit.
5. Yards, gardens, decorated planters excluding those that are part of the walls located within Unit 3, walkways and driveways.
6. Refuse facilities and loading zones located along Unit 3 between the parking garage and Unit 5.
7. The fire detection and extinguishment system and fire pump room.
8. Any and all other apparatus and installations intended for common use and all devices and other parts of the Land necessary or convenient to the existence, maintenance and safety of the Project, or normally in common use.

(See Section D.2. of the Declaration.)

EXHIBIT "I"

Kapi`olani Medical Center for Women and Children

Limited Common Elements

1. All structural components, such as foundations; girders; beams; supports; exterior windows and doors; unfinished floors, ceilings, perimeter walls, and load-bearing walls (except for the inner finished surfaces of all such walls within each Unit) surrounding or located within the boundaries of Units 1 and 2; elevators and machinery and equipment related thereto within the boundaries of Units 1 and 2 that service both Units 1 and 2; the porte cochere area in front of the lobby between Unit 1 and Unit 3 that services both Units 1 and 2; fire escapes and stairways surrounding or located within the boundaries of Units 1 and 2 that service both Units; that portion of the roof of Building A located directly above Unit 2; the exhaust ducts and fans that service both Units 1 and 2 only; the drainage pipes within Units 1 and 2 or their appurtenant Limited Common Elements from the point where waste water enters a drain serving both Units; the exhaust vents within Units 1 and 2 and their appurtenant Limited Common Elements from the point such vents become part of a common system; the electrical vault including apparatus therein located within Unit 1; two sewer sump pumps; sewer rooms; booster pump room; and the above-ground walls and the exterior windows and exterior doors are Limited Common Elements appurtenant to both of Units 1 and 2, and all expenses in connection with such Limited Common Elements shall be borne 40.2% by Unit 1 and 59.8% by Unit 2. With respect to the roof area above Unit 2, Unit 1 shall have the priority for use of existing space for antenna and the like used from time to time in connection with the hospital operated on the Project, and other uses thereof by Unit 2 (which may be only to service occupants of Unit 2, and not other third parties) may not interfere with such use by Unit 1 and such hospital.
2. The electrical vaults and apparatus therein servicing Units 3, 4 and 5 are Limited Common Elements appurtenant to those Units, and if any of the Units are owned by different Owners, the expenses related thereto shall be apportioned in a fair and equitable manner as reasonably estimated by the Board.
3. The electrical wiring that services both Units 1 and the 5th floor of Unit 2 is a Limited Common Element appurtenant to Units 1 and 2, and all expenses in connection therewith shall be borne 82.3% by Unit 1 and 17.7% by Unit 2.
4. Loading zones along Punahou Street, other than the loading zone located along Unit 3 between the parking garage and Unit 5, are designated as Limited Common Elements appurtenant to Unit 1.
5. The pneumatic tube delivery system is a Limited Common Element appurtenant to Units 1 and 3, and if any of the Units are owned by different owners, the expenses related thereto shall be apportioned in a fair and equitable manner as reasonably estimated by the Board (as hereinafter defined).
6. The existing PBX telephone system is a Limited Common Element appurtenant to Units 1, 3, 4 and 5, and if any of the Units are owned by different owners, the expenses related thereto shall be apportioned in a fair and equitable manner as reasonably estimated by the Board.

7. All other Common Elements of the Project which are rationally related to less than all of the Units shall be limited to the use of such Unit or Units to which the same are related, and the expenses related thereto shall be apportioned in a fair and equitable manner as reasonably estimated in the Board.

(See Section D.3. of the Declaration.)

EXHIBIT "J"

Kapi'olani Medical Center for Women and Children

Common Interest

The Common Interest appurtenant to each Unit is as follows:

Unit Number	Percent Common Interest
1	12.51
2	18.35
3	64.92
4	3.54
5	.68
TOTAL	100.00

(See Section E of the Declaration.)

EXHIBIT "K"

Kapi`olani Medical Center for Women and Children

Encumbrances Against Title

1. Any and all real property taxes that may be due and owing. Check with the City and County of Honolulu, Department of Finance, Real Property Assessment Office for further information, including possible roll back of taxes.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Encroachments or any other matters as shown on survey map be prepared by Miles S. Horie, Land Surveyor, with Engineers Surveyors Hawaii, Inc., dated September 30, 2003.

EXHIBIT "L"

Kapi`olani Medical Center for Women and Children

Estimated Initial Maintenance Fees per Unit

Unit	Sq. Ft. Floor Area	Common Interest %	Estimated Monthly Maintenance Fees
1	64,211	12.51	\$9,705.63
2	94,162	18.35	\$14,236.48
3	333,193	64.92	\$50,366.88
4	18,145	3.54	\$2,746.44
5	3,517	.68	\$527.57

EXHIBIT "M"

Kapi`olani Medical Center for Women and Children

Allocation of Utility Consumption Expenses

Charges for consumption of electricity, gas, sewer and water will be allocated to Unit 2 based on actual metered consumption and rates then in effect, with Units 1, 3, 4 and 5 paying the balance, allocated as reasonably determined by the Board.

EXHIBIT "N"

Kapi`olani Medical Center for Women and Children

Summary of Sales Agreement (Agreement of Sale and Purchase)

A specimen of the Agreement of Sale and Purchase (hereinafter the "Agreement") has been submitted to the Real Estate Commission as part of the registration. The Agreement contains the purchase price, description of the apartment to be conveyed to a buyer, and the terms and conditions under which a buyer will agree to buy an apartment unit in the Project.

The Agreement provides in part:

1. Closing Date. The terms "Closing Date" or "Closing" as used in the Agreement shall mean the date when the Developer and the buyer have each carried out all of their obligations under the Agreement and escrow is closed by the recording in the Bureau of Conveyances of the State of Hawaii of the Condominium Conveyance Document ("CCD"), and making all payments required from funds received. The projected "Closing Date" will be determined by the Developer and the buyer in accordance with the terms of the Agreement.
2. What the Buyer is Required to Do at Closing. On or prior to the Closing Date, the buyer will sign and deliver to escrow all documents which the buyer must sign in order to effect the closing. The buyer shall also pay to escrow any cash payment required as the "Purchase Price" (as defined in the Agreement) and buyer's closing costs as described in the Agreement and below.
3. Description of Closing Costs. The buyer's closing costs shall include, but shall not be limited to, one-half of the escrow fees, the buyer's notary fees, one-half of the premium for an ALTA extended coverage owner's title insurance policy, plus all premiums for title endorsements desired by the buyer, the conveyance tax attributable to the lease rent payable during the term of the CCD, any environmental report not required to be delivered by Developer, any costs incurred in buyer's inspection of the Property, and the fees of buyer's counsel and other professional fees and expenses. In addition, the buyer agrees to pay the buyer's pro rata share of taxes, assessments, utility service charges and other expenses attributable to the apartment and the appurtenant common interest in the common elements of the Project, which shall be prorated between the buyer and the Developer as of the Closing Date in accordance with the terms of the Agreement.
4. No Representations by Developer. Except for the express representations, warranties and covenants of the Developer set forth in the Agreement, the Developer makes no representations as to the present or future condition, income to be derived from, use, legal compliance, habitability, merchantability, fitness or any other matter pertaining to the "Property" (as defined in the Agreement). The buyer will have conducted its own review, examinations and inspections of the Property and all other matters and materials the buyer deems relevant in connection with its purchase of the Property.

5. The Buyer's Acceptance of the Property "AS IS". The buyer agrees to purchase the Property "**AS IS, WHERE IS**" and "**WITH ALL FAULTS**" without any representations, warranties, promises, covenants, agreements or guaranties, except for the express representations, warranties and covenants of the Developer set forth in the Agreement and except for the representations and warranties of the Developer expressly made in the CCD and other documents delivered at Closing.

6. Interest on the Buyer's Deposits. All funds deposited by the buyer will be deposited in an interest-bearing account at a financial institution doing business in Honolulu, Hawaii. All interest earned on the buyer's deposits shall, unless otherwise provided for in the Agreement, be credited to the buyer at Closing.

7. Events of Termination. The Agreement may, by notice given prior to or at Closing, be terminated: (a) by the buyer if, at any time on or before the expiration of the "Due Diligence Period" (as defined in the Agreement), buyer for any reason in buyer's sole discretion, disapproves or is dissatisfied with any aspect of the buyer's apartment unit and common elements; (b) at the option of the buyer, if delivered within the later of five (5) days after delivery of "Seller's Response Notice" as defined in the Agreement, which notice declined buyer's request to cure an objection of the buyer, or the end of the Due Diligence Period; (c) at the option of either the buyer or the Developer if a failure of a condition under the Agreement results in a breach of any provision in the Agreement by the other party and such breach has not been cured or waived or not otherwise precipitated by the terminating party's actions or default(s); (d) at the option of the buyer, if the Developer is deemed in default under the Agreement and such default continues beyond expiration of the applicable cure period as provided in the Agreement; (e) by the Developer, if the buyer is deemed in default under the Agreement and such default continues beyond expiration of the applicable cure period as provided in the Agreement; (f) at the option of the buyer, and in accordance with the terms of the Agreement, in the event of any material damage to or destruction of the Property or any portion thereof, not the creation of the buyer, its agents or representative accessing the Property in pursuit of buyer's due diligence inspections; and (g) at the option of the buyer, and in accordance with the terms of the Agreement, if all or any "Substantial Portion" (as defined in the Agreement) of the project lands is taken in condemnation, or by conveyance in lieu thereof, or under the power of eminent domain before the Closing Date. If the Agreement is terminated, certain provisions of the Agreement will survive.

THE FOREGOING IS A SUMMARY OF SOME OF THE PERTINENT PROVISIONS OF THE AGREEMENT FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE AGREEMENT. THE FULL TEXT OF THE ORIGINAL DOCUMENT SHOULD BE EXAMINED AND CONTROLS OVER THIS SUMMARY.

EXHIBIT "O"

Kapi`olani Medical Center for Women and Children

Summary of Escrow Agreement

An executed Escrow Agreement has been submitted to the Real Estate Commission as part of this registration. The Escrow Agreement identifies Title Guaranty Escrow Services, Inc. as the escrow agent ("Escrow"). The Escrow Agreement sets up an arrangement under which Escrow will hold deposits that a buyer makes to the Developer under an Agreement of Sale and Purchase (the "Sales Contract") for the purchase of an apartment in the Project. The Escrow Agreement provides in part:

1. Payment of Funds to Escrow. The Developer shall pay over to Escrow any monies received by the Developer from a buyer under a Sales Contract. Escrow shall deposit all funds so received in accordance with written instructions from the Developer in a federally-insured, interest-bearing account at a bank, savings and loan association, or trust company authorized to do business in the State.
2. Return of Funds to a Buyer. Escrow shall refund to the buyer all of the buyer's entire deposit, without interest and less any Escrow cancellation fees, if any one of the following has occurred: (i) the Developer and the buyer request in writing that Escrow return the buyer's funds to the buyer; (ii) the Developer notifies Escrow of the Developer's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission provided therein or otherwise available to the Developer; (iii) the buyer notifies Escrow of buyer's exercise of buyer's right to cancel the Sales Contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or (iv) the buyer notifies Escrow of buyer's exercise of buyer's right to rescind the Sales Contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.
3. Buyer's Default under Sales Contract. If the Developer terminates a Sales Contract due to a default thereunder by the buyer, Escrow shall thereafter treat all funds of the buyer paid on account of such buyer's Sales Contract as funds of the Developer and not as funds of the buyer. Thereafter, such funds shall be free of the escrow established by the Escrow Agreement and shall be held by Escrow for the account of the Developer.

THE FOREGOING IS A SUMMARY OF SOME OF THE PERTINENT PROVISIONS OF THE ESCROW AGREEMENT FOR THE CONVENIENCE OF THE BUYER AND IS NOT INTENDED TO BE AN EXHAUSTIVE LIST OF ALL OF THE TERMS OF THE ESCROW AGREEMENT. THE FULL TEXT OF THE ORIGINAL DOCUMENT SHOULD BE EXAMINED AND CONTROLS OVER THIS SUMMARY.

EXHIBIT "P"

Kapi`olani Medical Center for Women and Children

Disclosure Abstract

Date: December 14, 2005

Name and Address of Project: Kapi`olani Medical Center for Women and Children
1319 Punahou Street
Honolulu, Hawaii 96826

Name and Address of Developer and Seller: Kapi`olani Medical Center for Women and Children
55 Merchant Street, 27th Floor
Honolulu, Hawaii 96813
Telephone No.: (808) 674-4474

Managing Agent: Self-Managed.

Annual Common Expenses and Monthly Estimated Cost for Each Apartment: See Exhibits 1 and 2 attached hereto and made a part hereof.

Description of Warranties: No warranties exist.

Extent of Commercial Development in the Project: The entire Project will be for commercial use.

Non-Conforming Lots, Structures or Uses: None.

KAPI`OLANI MEDICAL CENTER FOR WOMEN
AND CHILDREN

By 
Charles A. Sted
Its President

EXHIBIT "1"

KAPI'OLANI MEDICAL CENTER FOR WOMEN AND CHILDREN

ESTIMATED ANNUAL BUDGET

Receipts	Monthly (\$)	Annual (\$)
Maintenance Fees	\$ 77,583	\$ 931,000
Disbursements		
Utilities and Services (b)		
Electricity (common elements only)	\$ 0	\$ 0
Elevator	\$ 0	\$ 0
Gas (common elements only)	\$ 0	\$ 0
Refuse Collection	\$ 0	\$ 0
Water and Sewer	\$ 0	\$ 0
Common Grounds Landscaping, Building Maintenance & Supplies	\$ 58,333	\$ 700,000
Administrative Supplies and Services	\$ 83	\$ 996
Insurance/Fire/Liability/Flood	\$ 18,750	\$ 225,000
Legal & Audit	\$ 417	\$ 5,004
Taxes & Government Assessments	\$ 0	\$ 0
Reserves (a)	\$ 0	\$ 0
Total Disbursement and Reserve	\$ 77,583	\$ 931,000

- (a) A reserve study (per § 514A-83.6, Hawaii Revised Statutes, and Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules) has not yet been conducted. The reserves are estimates only based upon information obtained by the Developer. Because this is a commercial condominium project and most structural elements are either part of a Unit or a limited common element appurtenant to less than all of the Units, the "Association property", as defined in Section 16-107-62 of the Hawaii Administrative Rules, that the association is obligated to maintain, repair or replace is limited.
- (b) The annual budget does not include amounts charged to fewer than all apartments for expenses related to limited common elements (such as the two elevators that are appurtenant to two apartments only). Amounts charged to fewer than all apartments are allocable to certain apartments on an equitable basis other than in proportion to the Common Interest appurtenant to each owner's apartments. See Section 1 of Article VII of the Bylaws.

The undersigned does hereby certify that the estimated annual budget and maintenance fees set forth in this Exhibit "1" and the monthly estimated maintenance fees per Unit set forth in Exhibit "2" were prepared in accordance with generally accepted accounting principles. The budget and maintenance fees are estimates only and are subject to change at any time.

KAPI'OLANI MEDICAL CENTER FOR WOMEN
AND CHILDREN

By



Charles A. Sted
Its President

EXHIBIT "2"

Kapi`olani Medical Center for Women and Children

Estimated Initial Maintenance Fees per Unit

Unit	Sq. Ft. Floor Area (a)	Common Interest (%)	Total Monthly Maintenance Fees (\$) (Per Budget Exh. 1)	Total Annual Fees (\$)
1	64,211	12.51	\$9,705.63	\$116,467.56
2	94,162	18.35	\$14,236.48	\$170,837.76
3	333,193	64.92	\$50,366.88	\$604,402.56
4	18,145	3.54	\$2,746.44	\$32,957.28
5	3,517	.68	\$527.57	\$6,330.84
Total	513,228	100.0	\$77,583.00	\$930,996.00

(a) Notwithstanding that Units 3, 4 and 5 include the entirety of the perimeter walls of the Units, for consistency the square footage of each Unit, as shown above, represents the approximate area of the space within the interior finished surfaces of the perimeter walls of the Unit, including all partitions and walls (load-bearing and nonload-bearing), all air shafts, and all plumbing, mechanical and electrical chases within such perimeter and party walls.