

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

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

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
KUAKINI MEDICAL PLAZA
347 North Kuakini Street
Honolulu, Hawaii

REGISTRATION NO. 1017

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 until

- (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: July 27, 1978
Expires: August 27, 1979

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 JULY 11, 1978 AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 20, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. KUAKINI MEDICAL PLAZA is a leasehold condominium project consisting of eight (8) commercial units.
2. The Developer of KUAKINI MEDICAL PLAZA (the "Project") has submitted to the Commission for examination all documents deemed necessary for the registration of this proposed condominium project and the issuance of this Final Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Unit Owners, and a copy of the approved floor plans) have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and recorded in the Bureau of Conveyances of the State of Hawaii. The Declaration of Horizontal Property Regime for the Project, together with the By-Laws of the Association of Unit Owners, was filed in said Office as aforesaid as Document No. 885735 and recorded in said Bureau in Liber 13005 at Page 623. The condominium plans have been filed in said Office as Condominium Map No. 331 and designated by said Bureau as Condominium File Plan No. 551.
4. The Developer has advised the Commission that advertising and promotional materials required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the condominium rules and regulations which relate to horizontal property regimes.
6. This Final Public Report is made a part of the registration of the KUAKINI MEDICAL PLAZA condominium project. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed receipt for said Final Public Report from all purchasers and prospective purchasers is also the responsibility of the Developer.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, July 27, 1978, unless a Supplementary Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KUAKINI MEDICAL PLAZA

LOCATION: The land of the Project, consisting of approximately 24,488 square feet, is situate at 347 North Kuakini Street, Nuuanu, Honolulu, Hawaii.

TAX KEY: First Division, 1-7-17:28

ZONING: A2

DEVELOPER: Kuakini Medical Development Corp., whose principal place of business and post office address is 347 North Kuakini Street, Honolulu, Hawaii 96817.

ATTORNEY REPRESENTING DEVELOPER: Mukai, Ichiki, Raffetto & MacMillan (Attention: Stanley Y. Mukai and Michael R. Garner), 345 Queen Street, Suite 800, Honolulu, Hawaii. Telephone number: 531-6277.

DESCRIPTION OF PROJECT: The Declaration of Horizontal Property Regime describes the Project as follows:

1. Description of Building. The Project shall consist of one building which shall be comprised of eight (8) floors constructed above a one-level basement. Said building shall contain a total of eight (8) commercial condominium units (hereinafter called "units") and shall be constructed principally of reinforced concrete, gypsum board, glass, aluminum and allied building materials. The floors (which are designated in the Declaration and on said Condominium File Plan and Map, hereinafter collectively referred to as the "Condominium File Plan", as the first through eighth floors, inclusive) and basement are more particularly described as follows:

The basement of the Project shall consist of one commercial unit, designated in the Declaration and on said Condominium File Plan as Unit "B-1", and certain common or limited common elements more specifically described below.

The ground or first floor of the Project shall consist of one commercial unit, designated in the Declaration and on said Condominium File Plan as Unit "101", and certain common or limited common elements more specifically described below.

Each of the second and third floors of the Project shall consist of one commercial unit, designated in the Declaration and on said Condominium File Plan as Units "201" and "301", respectively, and certain common or limited common elements more specifically described below.

The fourth floor of the Project, designated in the Declaration and on said Condominium File Plan as the "Common

Floor", shall contain all of the commercial area(s) which may be leased pursuant to the Declaration, and shall include the elevator lobby, two stairways, restrooms, maintenance supply room and electrical room located therein.

Each of the fifth through eighth floors of the Project shall consist of one commercial unit, designated in the Declaration and on said Condominium File Plan as Units "501", "601", "701" and "801", respectively, and certain common or limited common elements more specifically described below.

The building will be immediately adjacent to a parking structure (hereinafter called the "Parking Structure") located on the adjoining parcel of property, which Parking Structure shall be owned, operated and maintained by Kuakini Medical Center, the fee owner of the adjacent parcel. Said Parking Structure is not a part of the Project. The basement and first, second and third floors of the building have access to the Parking Structure by way of an entry door located in the makai elevator lobby on each of said floors.

2. Description of Units. The Project is divided into eight (8) separately designated condominium units, as more particularly described in the Declaration and on said Condominium File Plan. The location, numbering, approximate gross area in square feet and appurtenant common interest of each unit in the common elements are as follows:

<u>Location</u>	<u>Unit No.</u>	<u>Approx. Area In Sq. Ft.</u>	<u>Percentage Common Interest</u>
Basement	B-1	7,638	9.86937
First Floor	101	5,909	7.63526
Second Floor	201	12,414	16.04062
Third Floor	301	10,286	13.29095
Fifth Floor	501	10,286	13.29095
Sixth Floor	601	10,286	13.29095
Seventh Floor	701	10,286	13.29095
Eighth Floor	801	10,286	13.29095

3. Access. Unit 101 has immediate access to the grounds of the Project. Unit B-1, and each of the units located above the first floor (including the Common Floor), have immediate access to corridors leading to the stairways and elevators which connect such unit with the grounds of the Project.

4. Limits of Units. Each unit consists of: (i) the volumes or cubicles of space enclosed by and measured horizontally and vertically from the unfinished inner surfaces of the perimeter walls, ceilings and floors of the unit, including any doors, windows and vents along its perimeter walls; (ii) all interior dividing walls and partitions located within the unit (including the space occupied by such walls and partitions) excepting load-bearing walls; (iii) the decorated inner surfaces of said perimeter walls (including any load-bearing interior walls located within the unit); and (iv) any fixtures or equipment originally installed therein, including suspended ceiling and vinyl asbestos floor covering; provided, however, that a unit shall not be deemed to include any pipes, wires, conduits, vents and other service and utility lines, including without limitation elevator shafts, running through such unit which are utilized for or serve more than one unit, the same being deemed common elements as hereinafter provided.

COMMON ELEMENTS. The Declaration states that the common elements shall include, but shall not be limited to:

1. All of the land of the Project;
2. All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surface within each unit), roofs, stairways, walkways, entrances and exits of the building;
3. All yards, grounds, sidewalks, landscaping, refuse facilities, loading zones, driveway and vehicular entry and exit ramps;
4. The elevators and their appurtenant housings and equipment;
5. All makai elevator lobbies and electrical rooms;
6. All existing and future shafts, ducts and air-conditioning equipment, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one unit for services such as power, light, water, gas, refuse, telephone, radio and television signal reception and distribution; and
7. The trash receptacle and storage areas, transformer and pump rooms, the main lobby and reception

area, elevator lobbies, restrooms, mail room, manager's office and interior access corridor on the first floor;

8. The open deck area on the third floor;

9. The Common Floor; and

10. Any and all other apparatus and installations of common use and all other parts of the Project necessary and convenient to its existence, maintenance or safety, and normally in common use.

LIMITED COMMON ELEMENTS. The Declaration provides that certain parts of the common elements, designated as "limited common elements", are set aside and reserved for the exclusive use of certain units, and such units shall have appurtenant thereto exclusive easements for the use of such limited common elements. Unless otherwise provided in the Declaration, all costs of every kind pertaining to each limited common element, including but not limited to costs of security, maintenance, repair, replacements, additions and improvements, shall be borne entirely by the unit or units to which they are appurtenant. If any cost is charged to more than one unit, each such unit shall bear that portion of the cost equal to the ratio which its common interest bears to the total common interests of all units responsible for such cost. The limited common elements so set aside and reserved are as follows:

1. The men's and women's locker rooms and restroom, the storage room, the maintenance supply room, the interior access corridor and the elevator lobby in the basement shall be appurtenant to and for the exclusive use of Unit B-1;

2. The maintenance supply room on the first floor shall be appurtenant to and for the exclusive use of Unit 101; and

3. The interior access corridor, restrooms, maintenance supply room and mauka elevator lobby on each of the second, third and fifth through eighth floors of the building shall be appurtenant to and for the exclusive use of the unit on such floor.

INTEREST TO BE CONVEYED TO PURCHASERS: Developer shall, by means of a condominium conveyance document, convey the unit and the undivided percentage interest in the common elements (exclusive of land) appurtenant thereto, and demise an undivided percentage interest, equal to the above-stated percentage interest, in the land described in the Declaration. The percentage interest appurtenant to each unit is set forth hereinabove under the heading "Description of Project" and shall be the same proportionate share in all common

profits and expenses of the project, and for all other purposes including voting.

RESTRICTIONS AS TO USE: The building and each of the units are intended and restricted as to use, and shall be used only for purposes which are consistent with and appropriate to the design of the building and for which adequate elevators, stairs, ventilation, plumbing and similar facilities exists, and in accordance with all applicable laws, ordinances and regulations. In addition to and without limiting the generality of the foregoing:

1. Except for Units B-1 and 101 which may be used for general office purposes, for the sale and/or consumption of food or drinks, and for hospital ancillary services, data processing services and storage, the units shall be used and occupied only as professional office space for licensed physicians, dentists and optical dispensers. Owners may install and operate x-ray and laboratory equipment and facilities; provided, however, that owners who install and operate such equipment and facilities shall endeavor to restrict the offering of such services to their own ambulatory patients.

2. No owner of a unit shall, without the written approval and consent of the Board of Directors, place or suffer to be placed or maintained (a) on any exterior door, wall or window of the unit, or upon any door, wall or window of the common elements, any sign, awning or canopy, or advertising matter or other thing of any kind, or (b) any decoration, lettering or advertising matter on the glass of any window or door of the unit or (c) any advertising matter within the unit which shall be visible from the exterior thereof; provided, that the Board of Directors shall establish reasonable and uniform regulations permitting the placement and maintenance by each owner of identifying signs and insignia of such sizes and materials and in such locations as shall be architecturally suitable and appropriate to the design and function of the Project.

3. Except as otherwise permitted in the Declaration or permitted in the By-Laws, no owner will suffer anything to be done or kept in his unit or elsewhere which will jeopardize the soundness of the building, or which will interfere with or unreasonably disturb the rights of other owners, or which will obstruct the lobbies, corridors or stairways, or walkways of the Project or which will increase the rate of fire insurance on the improvements of the Project, or the contents thereof, or which will reduce the value of any of such improvements.

4. Except as otherwise provided in the Declaration or in the By-Laws, no unit owner will, without the prior written consent of the Board of Directors, make

any structural alterations within his unit or make any alterations in or additions to the exterior of the building or to any other portion or portions of the common elements.

COMMON FLOOR: Subject to the applicable restrictions and conditions set forth in the Declaration and the By-Laws, the Common Floor situate on the fourth floor of the Project shall be used or leased for such purposes and upon such terms and conditions as the Board of Directors shall from time to time determine.

ALTERATIONS OF UNITS: The owner of any unit shall have the right at any time and from time to time, at his sole cost and expense and without the consent or joinder of the Board or any other person or group, to install, maintain, remove, and rearrange partitions and other structures from time to time within his unit, and may paint, paper, panel, plaster, tile, finish, and do such other work on the interior surfaces of the ceilings, floors and walls within any such unit and may finish, alter or substitute any plumbing, electrical or other fixtures attached to said ceilings, floors and walls as shall be appropriate for the utilization of such unit; provided, that such plumbing and electrical alterations and/or substitutions shall not adversely affect the structural integrity of the building or the plumbing and electrical systems contained therein or interfere with the use and enjoyment of the common elements by the other owners. Any owner of a unit which shall be divided by a common element which is a wall shall have the right at any time, and from time to time, to alter or remove all or portions of the intervening wall (whether or not load-bearing) so long as such alteration or removal shall not interfere with the use or enjoyment of any other unit or the Common Floor if the structural integrity of the Project is not thereby affected and if the finish of the common element then remaining is restored to the condition substantially comparable to that of the common element prior to such alterations, and such owner may install in and attach to such opening or openings in such common elements, doors, and other service devices and may remove and retain ownership of the installed equipment; provided, that any alteration of a common element shall be performed under the supervision of a licensed architect. Prior to commencing any alteration of a common element, such owner shall present to the Board of Directors of the Association of Unit Owners the signed statement of a professional engineer certifying that the proposed alteration will not affect the structural integrity of the Project and shall secure a performance and payment bond naming as obligees such owner, the mortgagee of the unit, the Fee Owner and collectively the owners and mortgagees of all other units, as their interests may appear, in a penal sum of not less than one hundred percent (100%) of the cost of the construction, guaranteeing completion of construction free and clear of all mechanic's and materialmen's liens. Upon the completion of any alteration which results in a change in the Project as depicted in the Condominium File Plan, said owner shall have the right, in connection with the alteration, to execute and file an amendment to the Declaration and said Condominium File Plan to accurately describe and depict said alteration.

PARKING: Parking for the owners and tenants of the Project, their visitors, patients and other members of the general public is available in the Parking Structure adjacent to the Project upon such conditions and in accordance with such rules and regulations as shall be established from time to time by Kuakini Medical Center, the owner of the Parking Structure; THE PROJECT HAS NO OTHER PARKING. Pursuant to the terms of that certain Parking Easement Agreement dated May 23, 1978 (a copy of which is on file with the Real Estate Commission) and to which the land of the Project is subject, each unit owner shall have a non-exclusive easement over, across and through the Parking Structure for purposes of ingress and egress from the Parking Structure to the Project, provided, however, no unit owner shall receive an easement or license to park in the structure; that there are 276 non-exclusive parking stalls available within the Parking Structure, which may be located on the top three floors of the Parking Structure, for parking by the owners and tenants of the Project, their visitors, patients and other members of the general public. Should the owner of the Parking Structure fail, at any time, to provide parking pursuant to the Parking Easement Agreement at reasonably commercial parking rates, the unit owners may specifically enforce their rights to park in the structure. Each purchaser or prospective purchaser is advised to read with care the Parking Easement Agreement relating to the use of said Parking Structure.

OWNERSHIP OF TITLE: A preliminary title report, dated May 30, 1978, by Title Guaranty of Hawaii, Incorporated, indicates that title to the land is vested in Kuakini Medical Center.

ENCUMBRANCES AGAINST TITLE: A preliminary title report, dated May 30, 1978, issued by Title Guaranty of Hawaii, Incorporated, reports that title to the land is subject to the following:

As to Parcels First and Second (as such parcels are identified in said preliminary title report) only:

1. The reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Five (5) foot easement for footing as per survey of Tadashi Nakahara, Registered Professional Land Surveyor, No. 469, dated October 19, 1977.

As to Parcel Second only:

1. That certain grant of easement for sewer purposes dated June 28, 1950, in favor of the City and County of Honolulu, recorded in the Bureau of Conveyances in the State of Hawaii in Book 2367 at Page 150.

As to Parcel Third only:

1. That certain easement for sanitary purposes as set forth in Land Court Order No. 11273 filed in the Office of the Assistant Registrar of the Land Court of the State of

Hawaii and granted to the City and County of Honolulu by instrument dated September 22, 1952, filed in said Office as Document No. 143546.

2. Easement "A" for building footing purposes over and across said parcel, as set forth by Land Court Order No. 48558, filed October 27, 1977.

3. A right-of-way in favor of Lot 2 for access to the public highway (Kuakini Street) over and across said parcel, as set forth by Land Court Order No. 48558, filed October 27, 1977.

As to Parcels First, Second and Third:

1. For any real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division.

2. That certain Agreement with Respect to Special Use Permit dated January 26, 1977, made by and between Kuakini Medical Center and the City and County of Honolulu, recorded in the Bureau of Conveyances in Book 12064 at Page 152, as amended by instrument dated May 24, 1978, filed as Land Court Document No. 877721 and also recorded in Book 12921 at Page 103.

3. Declaration of Restrictive Covenants dated March 13, 1978, filed as Land Court Document No. 867099 and also recorded in Liber 12802 at Page 350.

4. Declarations, restrictions and conditions set forth in Parking Easement Agreement dated May 24, 1978, filed as Land Court Document No. 877719 and also recorded in Liber 12921 at Page 75.

5. Mortgage dated May 24, 1978, filed as Land Court Document No. 877725 and also recorded in Liber 12921 at Page 189, made by Kuakini Medical Development Corp., to Honolulu Federal Savings and Loan Association, to secure the repayment of the sum of \$6,400,000.00 together with interest thereon all according to the terms of that certain Promissory Note of Mortgagor of even date. Lessor's consent to Mortgage and Estoppel Certificate dated May 24, 1978, filed as Document No. 877724 and also recorded in Liber 12921 at Page 183.

6. Additional Security Mortgage dated May 24, 1978, filed as Document No. 877722 and also recorded in Liber 12921 at Page 120, made by Kuakini Medical Center to Honolulu Federal Savings and Loan Association, mortgaging all right, title and interest as Fee Owner and as Lessor, in and to the premises described therein, as additional security to the Mortgage hereinafter described.

7. Master Lease dated May 24, 1978, made by Kuakini Medical Center, as lessor, and Kuakini Medical Development Corp., as lessee, filed as Land Court Document No. 877723 and also recorded in Liber 12921 at Page 164.

PURCHASE MONEY HANDLING: An executed Escrow Agreement, dated March 17, 1978, identifies Title Guaranty Escrow Services, Inc., a Hawaii corporation, as the escrow agent. Upon examination, the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly §514A-39 and §514A-63 through §514A-66.

Among other provisions, the Escrow Agreement provides that a purchaser under a Sales Contract shall be entitled to a return of his funds, with interest and less the \$25.00 escrow cancellation fee, after purchaser has requested such return and if Escrow shall have received from Developer a written notice that any one of the following has occurred:

(a) Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

(c) There shall have been a change in the building plans of the Project subsequent to the date of Developer's execution of the Sales Contract which change requires the approval of a county officer having jurisdiction over the issuance of building permits unless the purchaser gives his written approval or acceptance of the specific change.

The specimen Sales Contract provides in part that the construction mortgage (including any renewals, modifications, additional charges and extensions) in favor of Honolulu Federal Savings and Loan Association, to secure the sum of \$6,400,000.00, shall be and remain at all times a lien or charge on the Project prior to and superior to any and all liens or charges on the Project arising under the Sales Contract or any prior reservation agreement. By his execution of the Sales Contract, Buyer: (a) agrees that said mortgage loan shall be and remain at all times a prior lien on the Project superior to any and all liens or charges arising under the Sales Contract; (b) waives, relinquishes and subordinates the priority of any interest of the Sales Contract in favor of the lien or charge of the mortgage loan; (c) agrees to execute any further agreement required by Honolulu Federal to evidence said subordination and appoints Seller as his attorney-in-fact for the purpose of executing any such agreement; and (d) agrees to any assignment

of the Sales Contract to Honolulu Federal as security and to
attorn to Honolulu Federal or its successor-in-interest in
the event Honolulu Federal or its successor-in-interest
acquires Seller's interest in the Sales Contract pursuant
to such assignment.

The specimen Sales Contract further provides that the Buyer
shall be responsible for installing in his unit, at his sole
cost and expense, all interior partitions, air-conditioning
duct work, plumbing and electrical fixtures, plumbing,
electrical and other utility lines from the exterior of
perimeter walls, and wall and floor coverings.

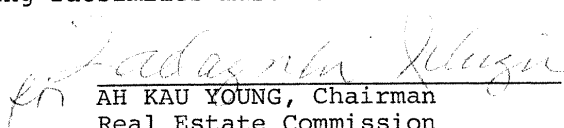
It is incumbent upon the purchaser and prospective purchaser
to read and understand the Escrow Agreement before executing
the Deposit Receipt and Sales Contract, since the Escrow
Agreement describes the procedure for receiving and disbursing
purchasers' funds, and the Deposit Receipt and Sales Contract
specifically provides that the purchaser approves that
Escrow Agreement and assumes the benefit and obligations
therein provided.

MANAGEMENT OF PROJECT: The By-Laws, which are incorporated
in the Declaration, provide that the operation of the Project
shall be conducted for the Association by a responsible
corporate Managing Agent who shall be appointed by the
Association in accordance with the By-Laws. The initial
Managing Agent has not yet been selected; however, the
Developer, is authorized by the Declaration to receive
service of legal process in all cases provided in the
Horizontal Property Act until such time as a Managing Agent
shall be selected.

STATUS OF PROJECT: Construction of the Project has commenced
and it is expected that the Project will be completed on or
about April 1, 1979.

The purchaser or prospective purchaser should be cognizant
of the fact that this published report represents information
disclosed by the Developer in the required Notice of Intention
submitted July 12, 1978 and subsequently filed as of
July 20, 1978.

This is a FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT, which is made a part of REGISTRATION NO. 1017, dated July 12, 1978. This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.


AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution:

Department of Taxation
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Planning Commission, City and
County of Honolulu
Federal Building Administration
Escrow Agent

Registration No. 1017
July 27, 1978