REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

PRELIMINARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

POLYNESIA CAPRI TOWNHOUSE APARTMENTS
24 Pukihae Road
Hilo, Hawaii

REGISTRATION NO. 424

IMPORTANT — Read This Report Before Buying

This Report Is Not an Approval or Disapproval of This Condominium Project

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project but may only take reservations therefore after

(1) A copy of this Report has been given to the prospective purchaser,
(2) The latter has been given an opportunity to read same, and,
(3) His receipt taken therefor.

Issued: December 27, 1971
Expires: January 27, 1973

SPECIAL ATTENTION

A comprehensive reading of the report by prospective purchasers is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 1, 1971 AND INFORMATION SUBSEQUENTLY FILED AS LATE AS DECEMBER 10, 1971. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514 OF THE HAWAII REVISED STATUTES.

1. POLYNESIA CAPRI TOWNHOUSE APARTMENTS is a proposed fee simple condominium project consisting of twenty-four dwelling units in three two-story apartment buildings. Twenty-four parking stalls will be available.

   Buyers will receive, through an Apartment Deed, a fee simple interest directly from the owner of the fee.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, with By-laws of Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been filed in the office of the Bureau of Conveyances on November 9, 1971, recorded in Liber 7932, Page 212. The Registrar has designated Condominium Map No. 209 to the project.

4. No advertising and promotional matter has been submitted to the Commission. The Developer advises the Commission that in the event any advertising or promotional matter shall be used, it will first be submitted prior to public exposure.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, December 27, 1971, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: POLYNESIA CAPRI TOWNHOUSE APARTMENTS

LOCATION: The approximately 25,605 square feet, in fee simple, committed to the regime is situate at 24 Pukihae Road, in Puueo, South Hilo, Island and County of Hawaii. The property consists of two lots and is roughly rectangular in shape, having approximately 118 feet along the ocean. The location is about 1 mile to the Hilo Post Office and 1/2 mile from the edge of the major shopping district of Hilo.

TAX KEY: THIRD DIVISION 2-6-01-6 and 9

ZONING: Hotel-Apartment

DEVELOPER: Kapri Investment Company, a Limited Partnership, with Oswald W. Shepherd its General Partner, 25 Kahoa Road, Hilo, Hawaii 96720. The Limited Partnership was registered as such on December 29, 1970 with the office of the Director of Regulatory Agencies, State of Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Louis B. Blissard, Suite 1021 First Hawaiian Bank Building, Honolulu, Hawaii 96813, telephone 537-5942.

DESCRIPTION: The proposed development, hereinafter called the "Project," shall consist of three two-story apartment buildings with no basement, constructed of concrete and wood frame and each containing eight apartments.

The three buildings will be similar, each with four one-bedroom, one-bath apartments on each floor, each apartment having a dining-living room, a kitchen and a lanai. Each of the apartments will have a total floor area of approximately 528 square feet, consisting of approximately 484 square feet within the perimeter walls of the apartment and a lanai of approximately 44 square feet.

The layout and location of each building and each apartment are shown on Condominium Map No. 209 filed in the Bureau of Conveyances.

COMMON ELEMENTS: The Declaration of Horizontal Property Regime, a copy of which is filed with the Commission, states that the common elements shall include: (a) the fee simple land, the foundations, supporting columns, main

walls, floors, framing, roof, stairways, and communication ways of the buildings; the compartments or installations of all central services such as power, light, cold and hot water, pumps, drainage pipes, and all utility lines wherever located and all other devices or installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the building.

LIMITED COMMON ELEMENTS: The Declaration states that certain parts of the common elements called and designated as limited common elements will be set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements to be set aside and reserved are as follows: (a) the balconies and stairs of each building which shall be reserved for the use of the apartments on the second floor of the building to which the balcony and stairs are appurtenant; (b) one parking space designated on the condominium file plan by the number corresponding to the number of each apartment shall be appurtenant to and for the exclusive use of such apartment.

INTEREST TO BE CONVEYED PURCHASER: The undivided interest in the common elements appertaining to each apartment and its owner for all purposes, including voting is 4-1/6%, the aggregate of which percentage multiplied by the number of apartments shall at all times equal one hundred percent (100%).

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The building described shall at all times be used as a residential apartment building and each of the apartments located in said building shall be used as single family residence and for no other purpose.

OWNERSHIP TO TITLE: The Notice of Intention submitted to the Commission on December 1, 1971, reflects that the fee title to the parcels of 25,605 square feet is vested in Oswald W. Shepherd as General Partner of Kapri Investment Co., a Limited Partnership. The October 13, 1971 Certificate of Title of the Abstractor, Security Title Corporati n, a Hawaii corporation, verifies that the title to the parcel committed to the Horizontal Property Regime is vested in that fee simple owners.

ENCUMBRANCES AGAINST TITLE: The October 13, 1971 Certificate of Title of Security Title Corporation stating that the said fee simple owner's title is subject to a mortgage dated January 15, 1969, to C. L. Chow and Ida Chow, husband and wife, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 6432 at page 283. Said mortgage was to secure the sum of $56,000 owing to mortgagees. The mortgagees have subordinated the fee to a construction loan up to $200,000. Additional encumbrances are:

(1) Reservation in favor of the State of Hawaii of all mineral and metallic mines;
(2) Condominium Map No. 209 in the Bureau of Conveyances on November 9, 1971;
(3) Declaration of Horizontal Property Regime dated September 30, 1971, and the By-Laws attached thereto, recorded on November 9, 1971, in the said Bureau of Conveyances in Liber 7932 at page 212.

PURCHASE MONEY HANDLING: A copy of the executed escrow agreement, dated December 9, 1971, identifies Title Guaranty Escrow Services, Inc., as "Escrow." On examination, the specimen Deposit Receipt and Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes. The language in the specimen contracts illustrates compliance with the requirements of Sec. 514-36 through 514-40, Hawaii Revised Statutes.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the specimen Deposit Receipt and Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of dwelling units and all sums from any source are placed in trust as well as the retention and disbursement of said trust funds.

FINANCING OF PROJECT: The Developer has advised the Commission that State Savings and Loan Association has made a commitment for both interim and long-term financing.

MANAGEMENT AND OPERATIONS: The project will be managed by the Developer until a Board of Directors is established as provided in the By-Laws.

STATUS OF PROJECT: In the Notice of Intention submitted December 1, 1971, the Developer disclosed to the Commission that construction was 30% completed and estimated that the completion date would be June 30, 1972.

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 December 1, 1971, and additional information filed as late as December 10, 1971.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 424 filed with the Commission on December 1, 1971.

The report, when reproduced, shall be a true copy of the Commission's public report. In making facsimiles the paper stock must be yellow in color.

for DOUGLAS R. SODETANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

YH/f

Distribution:
Department of Taxation
Bureau of Conveyances
Planning Department, County of Hawaii
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 424
December 27, 1971