

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer Fairfield Resorts, Inc.
Address 8427 South Park Circle, Suite 500, Orlando, Florida 32819
Project Name(*) THE ROYAL SEA-CLIFF CLUB**
Address 75-6040 Aili Drive, Kailua-Kona, Hawaii 96740

Registration No. 1247

Effective date: December 19, 2002
Expiration date: January 19, 2004

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:

- 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.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
SECOND SUPPLEMENTARY: (pink) This report updates information contained in the:
[X] Preliminary Public Report dated: February 28, 1980
[X] Final Public Report dated: December 15, 1980
[X] Supplementary Public Report dated: July 13, 2001
And [X] Supersedes all prior public reports as to the seventy-seven (77) individual residential condominium apartments and the one (1) commercial apartment covered by this report

(*) Exactly as named in the Declaration. **The total number of apartments in the entire project is 155. However, this report covers only 77 units (76 Residential, 1 Commercial). This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request.

Disclosure Abstract: Separate Disclosure Abstract on the seventy-seven (77) apartments covered by this report:

Required and attached to this report as Exhibit G. 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:

Since the issuance of the First Supplementary Public Report, the following changes have been made:

1. Royal Sea-Cliff, LLC, a "Successor Developer", in September 2002, sold to Fairfield Resorts, Inc. the "Developer" named herein the seventy-six (76) individual residential condominium apartments and the one (1) commercial apartment identified in Exhibit A attached hereto and covered by this report. Only these seventy-seven (77) apartments, or interests in them, including time share interests, may be offered and sold under this report.
2. Since the Developer herein is not the Original Developer or affiliated with the Original Developer, the Developer disclaims all responsibility and liability for the establishment and construction of the Condominium Project itself.
3. The Developer named herein has submitted the seventy six (76) residential apartments to a timeshare plan called the Fairfield Hawaii at Royal Sea-Cliff vacation ownership plan (the "Vacation Ownership Plan"). Each of these time share interests, called Vacation Ownership Interests, includes an undivided interest, called an Ownership Share, in one or more of the 76 residential apartments covered by this report.
4. The Developer is registering the Vacation Ownership Plan with the Department of Commerce and Consumer Affairs ("DCCA"). As part of that Registration, the Developer has filed a current Time Share Disclosure Statement.
5. The Developer, Real Estate Broker, Escrow Company, and Attorney for the Developer of the 77 apartments covered by this report have changed.
6. Pursuant to HRS §514A-62G, it is no longer necessary to deliver a copy of this report to timeshare purchasers or prospective purchasers.

SPECIAL ATTENTION

This project was built about 20 years ago. The Developer has disclosed that the apartments in the project will be offered and sold without warranties as to the habitability, merchantability, fitness for any particular use or purpose, workmanship, materials, or defects of any kind and without any other express or implied warranties with regard to the apartment and any furnishings, fixtures or appliances in apartment, the project or any of the common elements or limited common elements. Each apartment shall be sold by the Developer and accepted by the purchaser strictly in "AS IS" condition. No representations of any kind are made about income potential or financial benefits from ownership.

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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: ** Fairfield Resorts, Inc. (also see Note #1 on page 20) Phone: (407) 370-5200
 Name** (Business)
8427 South Park Circle, Suite 500
 Business Address
Orlando, Florida 32819

Names of officers or general partners 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 and 5b

Real Estate Broker*: Fairfield Resorts, Inc. (a licensed real estate broker) Phone: (407) 370-5200
 Name (Business)
8427 South Park Circle, Suite 500
 Business Address
Orlando, Florida 32819

Escrow : Hawaii Escrow & Title, Inc. Phone: (808) 532-2977
 Company Name (Business)
700 Bishop Street, Suite 1600
 Business Address
Honolulu, Hawaii 96813

General Contractor*: Not Applicable (Construction completed in 1982) Phone: _____
 Name (Business)

 Business Address

Condominium Managing Agent*: Outrigger Hotels Hawaii Phone: (808) 921-6620
2375 Kuhio Avenue (Business)
 Business Address
Honolulu, Hawaii 96815

Attorney for Charles E. Pear, Jr., Esq.
 Nancy N. Grekin, Esq.
 Developer: McCarriston Miller Mukai MacKinnon LLP Phone: (808) 529-7300
 Name (Business)
P.O. Box 2800
 Business Address
Honolulu, HI 96803-2800

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

** The Original Developer (for the entire project) was Business Investment, Ltd. a Hawaii corporation. Royal Sea-Cliff, LLC, a Hawaii limited liability company, is a Successor Developer. Fairfield Resorts, Inc., is not an affiliate of either Business Investment, Ltd. or Royal Sea-Cliff LLC and has no responsibility whatsoever for any acts or omissions by either of them.

FAIRFIELD RESORTS, INC.

(Originally incorporated under the name of Fairfield Land Company)

PRINCIPAL BUSINESS ADDRESS: 8427 South Park Circle, Suite 500, Orlando, Florida 32819
STATE OF INCORPORATION: Delaware
DATE OF INCORPORATION: 10/08/69
ARTICLES RESTATED: 09/08/81, 09/01/92, 04/02/01
REGISTERED AGENT (DEL): CT Corporation, 1209 Orange St.,
 Wilmington, Delaware 19801
 (CT in AZ, AR, CA, CO, DE, FL, GA, HI, ID, IL, IA, KY, LA, MI, MO,
 NV, NY, NC, OH, OK, SC, TN, TX, UT, VA, WA, Puerto Rico)
 Also Secretary of State + CT (in Oklahoma)
 Also Secretary of State + CT (in Nevada)

WHERE QUALIFIED:

Arizona	Hawaii	Maryland	South Carolina
Arkansas	Idaho	Massachusetts	Tennessee
California	Illinois	Missouri	Texas
Colorado	Iowa	Nevada	Utah
Delaware	Kentucky	New York	Virginia
Florida	Louisiana	North Carolina	
Georgia	Michigan	Ohio	
			Puerto Rico

DIRECTORS:

Stephen P. Holmes, Chairman
 James E. Buckman
 David B. Wyshner

OFFICERS

Stephen P. Holmes	Chairman
Franz S. Hanning	President and Chief Executive Officer
Robert Albertson	Executive Vice President and Chief Operating Officer
James E. Buckman	Executive Vice President
Duncan H. Cocroft	Executive Vice President and Treasurer
Robert S. Glinka	Executive Vice President, Business Development
Laurence E. Kinsolving	Executive Vice President, General Counsel & Assistant Secretary
William G. Sell	Executive Vice President and Chief Financial Officer
Eric J. Bock	Senior Vice President and Secretary
Matthew J. Durfee	Senior Vice President, Human Resources
Robert J. Evans	Senior Vice President and Chief Information Officer
Michael Flaskey	Senior Vice President, Operations
Michael A. Hug	Senior Vice President and Corporate Controller
Joseph S. Hutchings	Senior Regional Vice President
Doug Kinsey	Senior Vice President, Real Estate Acquisitions
Gail Mandel	Senior Vice President
Wilson Moore	Senior Vice President, Operations
Bryant Raper	Senior Vice President, Marketing Operations
Bill Schnepf	Senior Vice President, Resort Alliances
Steve Thull	Senior Regional Vice President, Sales
Ralph E. Turner	Senior Vice President and Assistant Treasurer
Vincent Ventura	Senior Vice President
Joe Aylward	Regional Vice President, Sales
Hal Cliff	Regional Marketing Vice President
Ricke Goode	Regional Marketing Vice President
George Green	Regional Vice President, Telesales
Richard G. Kearns	Regional Vice President, Sales
Paul Mastenbroek	Regional Vice President, Telesales
Craig Paxman	Regional Marketing Vice President
Sam Ray	Regional Marketing Vice President
Mary Reinhardt	Regional Vice President, Sales
Ranice Rogers	Regional Vice President, Telesales
Wayne Schilling	Regional Vice President, Sales
Hank SeEVERS	Regional Vice President, Telesales
George Usery	Regional Vice President, Sales

Revised 5/8/02

Gary Wadsten	Regional Vice President, Sales
Michael P. Walker	Regional Marketing Vice President
Paul Pagano	Area Vice President
Jack Reed	Area Vice President
Thomas Anderson	Vice President
Eric Assam	Vice President, Sales Strategy
Cindi L. Bernloehr	Vice President, Corporate Telesales
Randy Black	Vice President, Sales Development
Robert E. Bland	Vice President, Loan Administration
J.R. Buchanan	Vice President, Sales
Patrick Burk	Vice President, Sales
Robert Burns	Vice President, Internal Audit
Bill Carter	Vice President, Homes (Glade)
Vince Coletta	Vice President, Sales
Don Collins	Vice President, Sales
Ronnie Crawford	Vice President, Sales
Michael Duncan	Vice President, Sales
Lynn A. Feldman	Vice President and Assistant Secretary
Carl Gatti	Vice President, Sales
Terry Harker	Vice President, Sales
Christian Hayes	Vice President, Telesales
George B. Hewes, III	Vice President, Legal
Danny Higdon	Vice President, Sales Training
Sean Hovendon	Vice President, Sales
Joseph Huber	Vice President
Michael Hutto	Vice President, Sales
Julius Cargill Johnson III	Vice President, Database Marketing
Dave LaBelle	Vice President, Sales
Alan Litwack	Vice President, Planning
Maria Margenot	Vice President, Sales
Richard S. Meisner	Vice President and Assistant Secretary
John Monaweck	Vice President, Sales Administration
Jeff Myers	Vice President, Sales
David Olesky	Vice President, Sales
Terri Parnell	Vice President, Operations Planning
John M. Peterson	Vice President and Assistant Treasurer
Geoffrey S. Richards	Vice President, Sales and Site Marketing Programs
Matt Risinger	Vice President, Finance
Wesley Rose	Vice President, Sales
Cindy Ross	Vice President, Registration and Government Relations
Joseph Ruby	Vice President, Marketing Development
Ed Rybar	Vice President, Sales
Sue Scheele	Vice President, Sales
L. Douglas Stuman	Vice President, Sales
Kimberly R. Thompson	Vice President
Michael Turolla	Vice President, Sales
Tony Walker	Vice President, Sales
Pat Wallace	Vice President, Sales
Richard Williams	Vice President, Sales
Marshall Yancey	Vice President, Urban Marketing
James F. Zecchini	Vice President, Resort Planning
Mark Zweifel	Vice President, Sales
Sherry Duran	Assistant Vice President
Donna McElrath	Assistant Vice President - Sales
Sherry Soloff	Assistant Vice President
Daryl Staebell	Assistant Vice President
Rennie Ashcraft	Assistant Secretary
William J. Bennett	Assistant Secretary
Mary Lou DiCola	Assistant Treasurer
David Lemus	Assistant Secretary
Carmen Rivera	Assistant Secretary
Jean Marie Sera	Assistant Secretary
Michael Ussery	Assistant Secretary
Anna L. Walton	Assistant Secretary

**SHARES AUTHORIZED:
SHAREHOLDER(S):**

Common: 1,000 shares \$.01 par value
Cendant Vacation Holdco, Inc. (a subsidiary of a subsidiary of Cendant Corporation). The name changed from RCI General Holdco 1, Inc. to Cendant Vacation Holdco, Inc. on 8/14/01

**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. 2001-098998
(amended and restated) Book _____ Page _____
 Filed - Land Court: Document No. 2717387

The Declaration described above completely amends and restates the original Declaration as amended described below:

	<u>Date</u>	<u>Book/Page</u>	<u>Land Court Doc. No.</u>
Original Declaration	November 5, 1980	15161/66	1043141
First Amendment to Declaration	June 17, 1982	16582/419	1132268
Second Amendment to Declaration	December 8, 1982	16765/526	1145169
Amendment to Second Amendment	February 1, 1983	16859/421	1152432
Third Amendment to Declaration	January 3, 1983	16889/451	1154958
Amendment to Declaration and Bylaws	March 25, 1986	20129/205	1422266
Amendment re parking stalls	June 18, 2001	2001-098998	2717386

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. 772
 Filed - Land Court Condo Map No. 441

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

	<u>Date</u>	<u>Book/Page</u>	<u>Land Court Doc. No.</u>
Third Amendment	January 3, 1983	16889/451	1154958

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. 2001-098999
(amended and restated) Book _____ Page _____
 Filed - Land Court: Document No. 2717388

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

The Bylaws described above completely amends and restates the original Bylaws as amended described below:

	<u>Date</u>	<u>Book/Page</u>	<u>Land Court Doc. No.</u>
Original Bylaws (attached to Declaration)	November 5, 1980	15161/66	1043141
Amendment to Declaration and Bylaws	March 25, 1986	20129/205	1422266

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:

(*referred to as "Rules and Regulations")

Proposed Adopted Developer does not plan to adopt House Rules

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%*	75%
Bylaws	65%	65%
House Rules	---	Majority of Board

* 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 and/or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws and/or House Rules: See attached Exhibit B.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Sub-leasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit __ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____ Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per: Month Year

For Sub-leaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 Canceled Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

- Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Sub-leasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____ Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per: Month Year

[] 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 a new lease of the land with the lessee (apartment owner). The developer may lease 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: 75-6040 Alii Kai Drive
Kailua-Kona, Hawaii 96740

Tax Map Key (TMK): (3) 7-5-20:14 & 27
(3) 7-5-21: 1, 2, & 3
(CPR Nos. See Exhibit A)

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

Land Area: 331,283 [X] square feet [] acre(s) Zoning: Resort V-1.25

Fee Owner: Fairfield Resorts, Inc. (as to the 77 apartments covered by this report)
 Name
8427 South Park Circle, Suite 500
 Address
Orlando, Florida 32819

Lessor: N/A
 Name

 Address

C. Buildings and Other Improvements

1. *New Building(s) *New at time of initial public reports were issued in 1980.
 Conversion of Existing Building(s)
 Both New Building(s) and Conversion

2. Number of Buildings: 1 Floors Per Building 7

Exhibit C contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other: Steel

4. Uses Permitted by Zoning:

	No. of Apts. (entire project) _____	<u>Uses Permitted By Zoning</u>	
<input checked="" type="checkbox"/> Residential	<u>154**</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Commercial	<u>1</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 checked="" type="checkbox"/> Hotel	<u>154**</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Timeshare	<u>154**</u>	<input checked="" 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

**Only 76 residential apartments and 1 commercial apartment are included in this offering.

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes* No

* Subject to use restrictions in Limited Warranty Deed With Covenants from Royal Sea-Cliff LLC to Fairfield Resorts, Inc. dated September 30, 2002, recorded in the Bureau as Document No. 2002-174776, and filed as Land Court Document No. 2846443.

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: Limited to two per apartment (except fish). Only one if a dog. See house rules.
- Number of Occupants
- Other:
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 4 Stairways: 16 Trash Chutes: None

<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>Residential</u>	<u>76</u>	_____	_____	_____	_____
<u>Commercial</u>	<u>1</u>	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
	<u>77</u>	_____	_____	_____	_____

See Exhibit A for details

Total Number of Apartments in entire project: 155 of which 77 (76 residential and 1 commercial) are covered by this Public Report.

***Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter 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. All floor area figures are approximate.

Boundaries of Each Apartment:

See Exhibit A

Permitted Alterations to Apartments:

See Exhibit D

Apartment Designated for Owner-Occupants Only:
 Fifty percent (50%) of **residential** apartment must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has not elected to provide the information in a published announcement or advertisement.

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> </u>	<u>X*</u>	<u> </u>
Lot	<u>X*</u>	<u> </u>	<u> </u>

*To the best of Developer's knowledge, but see section V.C. herein, "Additional Disclosures Concerning the Project."

If a variance has been granted or if uses, improvements or lots 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 E

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 E

as follows:

*Note: Land areas referenced herein are not legally subdivided lots.

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. 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 A

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 F describes the encumbrances against the title contained in the title report dated October 17, 2002 from Hawaii Escrow & Title.

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 seventy-seven (77) individual apartments covered by this report.

[] There are blanket liens which may affect title to the seventy-seven (77) individual apartments covered by this report.

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:

The apartments are being sold strictly in "as is" condition. The Developer makes no warranties whatsoever, express or implied, as to the condition of the apartments, common elements or any improvements comprising part of the project, as to the habitability or merchantability of any apartment or the project, or as to the fitness of the apartments, the common elements and the project for any particular use or purpose.

2. Appliances:

The Developer makes no warranties whatsoever as to any appliances, fixtures or furnishings conveyed together with an apartment or otherwise used or owned in common by the association or apartment owners of the project.

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

Construction of the project was completed in 1982/3.

H. **Project Phases:**

The developer [] has [X] 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):

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 H contains a summary of the pertinent provisions of the sales contract

Escrow Agreement with Hawaii Escrow & Title dated November 22, 2002.

Exhibit H 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.

**Does not apply to the offer or sale of Vacation Ownership Interests.

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 issues 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).
 - H) Other: For purchasers of time share interests in the Fairfield Hawaii at Royal Sea-Cliff Vacation Ownership Plan, the Hawaii Time Share Disclosure Statement most recently accepted by the Director of the Department of Commerce and Consumer Affairs of the State of Hawaii.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P.O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is part of Registration No. 1247 filed with the Real Estate Commission on February 15, 1980.

Reproduction of Report. When reproduced, this report must be on:

[] YELLOW paper stock [] WHITE paper stock [X] PINK paper stock

C. **Additional Information Not Covered Above**

ADDITIONAL DISCLOSURES CONCERNING THE PROJECT

1. Fairfield Resorts, Inc., is the Developer under this Public Report. It is the developer of the Fairfield Hawaii at Royal Sea-Cliff timeshare plan, and is also the entity offering FairShare Plus[®], which includes Outrigger Resort Club by Fairfield. Fairfield has entered into certain agreements with Outrigger Hotels Hawaii, Outrigger Enterprises, Inc. and other related entities (collectively "Outrigger"). These agreements include a marketing alliance between these companies that provide Fairfield, among other things, with the rights to utilize the name "Outrigger Resort Club" (the "Outrigger Brand") in sales and marketing materials. Each Owner agrees that use by Fairfield of the Outrigger Brand does not make Outrigger: (1) a developer of, or seller of any interest in, or marketing or sales agent for, the condominium project or the Fairfield Hawaii at Royal Sea-Cliff vacation ownership plan, or (2) the entity offering or promoting FairShare Plus[®] or any other Fairfield product, or (3) an affiliate of Fairfield. Each owner waives (gives up) any claims, whether specific or not, that Outrigger is liable or responsible as such developer, seller, and marketing and sales agent with respect to the condominium project or the plan. The terms "developer", "seller", "entity offering" and "marketing" and "sales agent" as used in this paragraph shall have expansive definitions and shall include as many activities, direct or tangential, as may be undertaken in each of these capacities. Nothing in this paragraph negates, modifies or otherwise affects any contractual obligation of Outrigger to Fairfield, or any of their respective affiliates. Neither the "Association", nor any of the owners, nor any person joining FairShare Plus[®] are third party beneficiaries of any such contractual obligations.
2. The Project is oceanfront and located within a Special Management Area ("SMA") designated in accordance with Hawaii's Coastal Zone Management law and county ordinance. Special Management Area Use Permit No. 121 was issued by the Planning Commission of the County of Hawaii on June 12, 1980. This SMA permit may be reviewed at the sales office. If the Project suffered a major casualty, an SMA Permit would probably be required before reconstruction could take place. It is likely that a new shoreline survey and certification would be required. If this showed erosion, there might not be a sufficient shoreline setback for the Project to be rebuilt in its current form without a shoreline setback variance.
3. A portion of the main building (Unit 208) and accessory buildings are located within the 40-foot shoreline setback and a variance would be needed even if there has been no erosion.
4. The Developer has deposited the sum of \$155,000.00 with the Royal Sea Cliff Vacation Owners Association, a Hawaii non-profit corporation, to remove the encroachment described in Paragraph 3 above if required by the County.
5. Since the Project was built in the early 1980s, many changes have been made to the zoning, building and other construction codes. Among other things, parking ratios have increased. If the Project suffered a major casualty, it could not be rebuilt in its current form without variances.
6. The property is within a tsunami inundation area, since it has ocean frontage. The County of Hawaii has recently changed the required seismic zoning for new structures from Zone 3 to Zone 4. The Project is unlikely to meet current Code lateral force resistance and detailing requirements and this could increase costs of rebuilding if there were a major casualty.
7. Royal Sea-Cliff LLC or its lender obtained certain reports on the property including an environmental site assessment, property inspection report, asbestos and lead paint assessment, and barrier identification study under the Americans with Disabilities Act. The reports are available for inspection at the sales office but contain disclaimers that prohibit anyone other than Royal Sea-Cliff LLC or in some cases its lender from relying on the reports. They are therefore provided for informational purposes only. No representation is made as to their accuracy. Prospective purchasers should take into account that the Project is almost twenty years old. No lead based paint was detected. Some linoleum, insulation, sinks, and paint tested positive for asbestos. Whether the asbestos remains in place or is removed, special precautions and maintenance will be required.
8. Some barriers for persons with disabilities were identified by the barrier removal study. The Association may be responsible for the removal of architectural barriers in the common areas, to the extent readily achievable.

D. The Developer declares, to the best of its knowledge and based on the certifications of the architect contained in the original Declaration and the "as built" certificate contained in the Third Amendment to Declaration, and 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-] except the shoreline setback encroachment described in Paragraph 1 above. (The Developer is required to make this declaration for issuance of an effective date for a final report.)

E. The Developer hereby certifies that all 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.

Fairfield Resorts, Inc.
Printed Name of Developer

By: Robert E. Warner
Duly Authorized Signatory*

November 27, 2002
Date

Robert E. Warner/Vice President
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, _____ County of Hawaii _____

Planning Department, _____ County of Hawaii _____

****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***

DESCRIPTION OF THE 77 APARTMENTS COVERED BY THIS REPORT

<i>APT. No.</i>	<i>CPR No.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
104	4	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	85	.670959
105	5	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	86	.670959
110	10	S-1	Two Bedrooms, Entry Corridor, Two and One-Half Bathrooms, Dressing Area, Living Room, Dining Room, and Kitchen	1,917		None	103, 122	1.036446
111	11	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	111	.670959
112	12	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	110	.670959
204	16	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	65	.670959
205	17	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	94	.670959
206	18	B-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,095	924	171	95	.592023
208	20	C-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,601	1,430	171	98, 99	.865598
212	24	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	127	.670959
214	25	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	108	.670959

<i>APT. NO.</i>	<i>CPR NO.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
215	26	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	109	.670959
304	30	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	46	.670959
305	31	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	47	.670959
307	33	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	71	.725026
308	34	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	133	.725026
309	35	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	92	.725026
310	36	A-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,324	1,170	154	78	.715834
311	37	A-2	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	79	.725026
312	38	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	130	.725026
317	42	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	135	.725026

EXHIBIT "A"

<i>APT. NO.</i>	<i>CPR NO.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
318	43	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	136	.725026
319	44	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	137	.725026
320	45	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	138	.725026
321	46	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	153	.670959
322	47	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	154	.670959
323	48	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	155	.670959
402	53	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	54	.725026
403	54	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	55	.725026
407	58	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	41	.670959
409	60	B-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,095	924	171	72	.592023

<i>APT. No.</i>	<i>CPR No.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
410	61	F	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, Foyer, and Lanai	871	700	171	73	.470916
411	62	C	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,601	1,430	171	74	.865598
414	64	B	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,106	952	154	66	.597971
416	66	A-2	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	143	.725026
421	71	C	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,601	1,430	171	169	.865598
422	72	F	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, Foyer, and Lanai	871	700	171	170	.470916
424	74	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	147	.670959
425	75	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	148	.670959
426	76	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	149	.670959
427	77	G-1	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, and Lanai	938	784	154	150	.507139
428	78	G	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, and Lanai	938	784	154	151	.507139

EXHIBIT "A"

<i>APT. No.</i>	<i>CPR No.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
430	80	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	172	.725026
431	81	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	173	.725026
432	82	J-2	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,327	1,156	171	139	.717456
508	90	C	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,601	1,430	171	40	.865598
512	94	A-2	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	80	.725026
515	96	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	69	.725026
516	97	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	76	.725026
517	98	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	77	.725026
518	99	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	140	.725026

EXHIBIT "A"

<i>APT. NO.</i>	<i>CPR NO.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
519	100	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	106	.725026
520	101	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	146	.725026
521	102	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	131	.725026
522	103	A-2	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	132	.725026
523	104	J	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,304	1,150	154	187	.705021
526	107	C	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,601	1,430	171	190	.865598
528	109	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	192	.670959
529	110	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	193	.670959
530	111	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	194	.670959

<i>APT. NO.</i>	<i>CPR NO.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
537	115		Commercial apartment	225		None	1, 2, 3, 4, 32, 33, 34, 35, 36, 59, 60, 61, 62, 63, 64, 141, 142, 175, 176, 179	.121649
605	120	E-4	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, Foyer, and Lanai	896	725	171	25	.484432
606	121	E	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, Foyer, and Lanai	896	725	171	24	.484432
607	122	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	23	.725026
608	123	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	37	.725026
609	124	A-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,324	1,170	154	15	.715834
610	125	J-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,319	1,165	154	16	.713131
611	126	A-2	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	39	.725026
612	127	A-2	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	211	.725026

<i>APT. NO.</i>	<i>CPR NO.</i>	<i>APT. TYPE</i>	<i>ROOMS</i>	<i>TOTAL NET LIVING AREA</i>	<i>ENCLOSED APT. AREA</i>	<i>LANAI AREA</i>	<i>PARKING STALL(S)</i>	<i>PERCENT COMMON INTEREST</i>
614	128	J-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,319	1,165	154	212	.713131
615	129	A-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,324	1,170	154	203	.715834
617	131	A	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, Foyer, and Lanai	1,341	1,170	171	205	.725026
619	133	E-4	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, Foyer, and Lanai	896	725	171	207	.484432
620	134	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	208	.670959
621	135	D-1	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	209	.670959
622	136	D	Two Bedrooms, Entry Corridor, Two Bathrooms, Dressing Area, Living-Dining Room, Kitchen, and Lanai	1,241	1,087	154	210	.670959
624	138	G	One Bedroom, Entry Corridor, One Bathroom, Living-Dining Room, Kitchen, and Lanai	938	784	154	202	.507139

Apartment Area. All floor areas listed in this Exhibit are approximate. The total net living area is inclusive of the lanai area. The net living area of the enclosed portion of the apartment is measured from the interior surfaces of the apartment perimeter walls. The lanai area includes the space within the interior face of the lanai walls and railings and the walls of the apartment surrounding the lanai.

The Developer has relied on the floor areas listed in the original Declaration and the "as built" certificate of the original architect and has not independently measured the areas.

18588_4.DOC

**RIGHTS OF DEVELOPER TO CONDUCT EXTENSIVE SALES
ACTIVITIES AND TO AMEND DOCUMENTS**

1. The Developer, its agents, employees, contractors, and licensees, shall have the right to conduct extensive sales activities in the Project, including, without limitation, the use of model Apartments, sales and management offices, and extensive sales displays and activities, until the closing of the sale of the last unsold Apartment in the Project or the transfer of the last time share interest in an Apartment should any Apartment be subject to a time share plan.

2. Any other provision of the Declaration notwithstanding, for so long as the Developer retains any interest in an Apartment in the Project, including, but not limited to, the interest of a mortgagee or holder of any security interest in a unit, the Developer shall have the right (but not the obligation) to amend this Declaration and the Bylaws (and the Condominium Map, if appropriate) without the consent or joinder of any Apartment owner, lienholder or other person or entity, for the purpose of meeting any requirement imposed by (i) any applicable law, (ii) the Real Estate Commission of the State of Hawaii, (iii) any title insurance company issuing a title insurance policy on the Project or any of the Apartments, (iv) any institutional lender lending funds on the security of the Project or any of the Apartments, or (v) any other governmental or quasi-governmental agency including, without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the U.S. Department of Housing and Urban Development or the Veterans Administration; provided, however, that no amendment which would change the common interest appurtenant to an Apartment or materially change the design, location or size of an Apartment shall be made without the consent of all persons having an interest in such Apartment. Each and every party holding or acquiring an interest in the Project, by joining in the Declaration or by such acquisition, consents to the amendments described in this Section and agrees to execute and deliver such documents and instruments and do such other things as may be necessary or convenient to effect the same, and appoints The Developer and its assigns as his or her attorney-in-fact with full power of substitution to execute and deliver such documents and instruments and to do such things on his or her behalf, which grant of such power, being coupled with an interest, is irrevocable for the duration of such reserved rights, and shall not be affected by the disability of such party or parties.

3. No amendment purporting to change any rights of the Developer or the owner of the Commercial Apartment shall be valid without the written consent of the Developer or such owner as the case may be. The Developer may assign or mortgage any rights granted to it in the Declaration by a recorded instrument specifically assigning or mortgaging such rights in connection with the conveyance or mortgaging of one or more Apartments in the Project, but such rights shall be held by only one person or entity at any time.

DESCRIPTION OF BUILDING

The Project has one apartment building (the "Building") as shown on the plans filed in the Land Court as Condominium Map No. 441 and also filed in the Bureau as Condominium File Plan No. 772, as amended (collectively as the "Condominium Map"). The Building is comprised of a center section which is partially bisected by an open mall and six (6) wings (three (3) on each side) extending from the center section. Two (2) of the wings are located at the mauka end of the Building ("mauka wings"), two (2) of the wings are located at about the center of the Building ("center wings") and two (2) wings are located at the makai end of the Building ("makai wings"). The Building has a total of seven (7) stories, plus a basement for parking in the center section and the mauka wings. Although the Building contains a total of seven (7) stories, because the land slopes downward from mauka to makai and the Building is constructed utilizing such slope to provide maximum ocean view, no part of the Building will contain more than four (4) stories. The basement floor in the mauka wings and part of the center section contains parking stalls for one hundred thirty-nine (139) vehicles. The principal materials used in the construction of the Building are reinforced concrete and steel.

PERMITTED ALTERATIONS

1. Any alterations or additions within an Apartment or a limited common element appurtenant thereto which do not affect the structural integrity of the Building or the soundness or safety of the Project, or reduce the value of the Project or impair any easement, shall require only the approvals provided in 3 below.

2. An Apartment owner owning two or more Apartments, which respective Apartments are separated only by common elements which are walls or doors:

(i) may alter or remove all or portions of such intervening walls or doors, if the structural integrity of the Building or the soundness and safety of the Project are not thereby affected, or if such alteration, removal and restoration will not reduce the value of the Project or impair any easement or hereditament thereof, and if the common element then remaining is restored to a condition substantially comparable to that common element prior to such alteration; and, upon the termination of the common ownership of such adjacent Apartments if the intervening walls or door shall have been altered or removed as aforesaid, each of the owners of such Apartments shall be obligated to restore such intervening walls or doors to substantially the condition in which the same existed prior to such alternation or removal;

(ii) and further, if such adjacent Apartments shall remain in common ownership, the owner of such adjacent Apartments which shall have been altered as aforesaid may, at any time, restore such intervening walls or doors as aforesaid;

3. Improvements in accordance with Sections 1 and 2 may be undertaken without an amendment to the Declaration or filing of a complete set of floor plans of the Project as so altered. Such improvements, including the plans thereof which shall be prepared by a licensed architect, shall require the written approval of only the holders of liens affecting such Apartments (if the lien holders require such approval), the Board, and all other Apartment owners thereby directly affected (as determined by the Board); Apartment owners shall be determined to be directly affected only if such improvements are visible from such owners' Apartments or increase the transmission of sound or heat to such owners' Apartments or decrease the transmission of light, all as determined by the Board.

4. The owner of the Commercial Apartment may from time to time install, maintain, move or rearrange the reception desk, nonloadbearing partitions, and other nonstructural improvements within the Commercial Apartment, the lobby and its other appurtenant limited common elements, provided that adequate access through the lobby is maintained, and such improvements shall not be considered an alteration or addition to the Commercial Apartment or its appurtenant limited common elements.

EXHIBIT "E"

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

1. **COMMON ELEMENTS.** The common elements as described in Section 5 of the Declaration are as follows:

One freehold estate is hereby designated in all common elements of the Project, which include all portions of the Project other than the Apartments (except as herein specifically included), and all other common elements mentioned in the Act which are actually included in the Project, including specifically, without limitation:

- (a) The Land, in fee simple;
- (b) The limited common elements described below;
- (c) All foundations, columns, girders, beams, supports, perimeter walls, load-bearing walls, roofs, hallways, entrances and exits to the Building, stairs and stairways, elevator cars, shafts, doors and related equipment, pumps, ducts, pipes, wires, conduits, or other utility or service lines which are located outside the Apartments and which are utilized for or serve more than one Apartment, generally all equipment, apparatus, and accessory equipment areas, including electrical, telephone and mechanical rooms, and other installations and personal property existing for common use in the Building or located on the Land;
- (d) All pipes, wires, ducts, conduits or other utility or service lines running through an Apartment, which are utilized by or serve more than one Apartment;
- (e) All recreational facilities and other amenities of the Project, including, but not limited to, a salt water swimming pool and a fresh water swimming pool, a tennis court, a recreation building and a restroom building;
- (f) All driveways and other common ways, all parking spaces and areas, all entrances and exits to the Project, all storage areas not located within an Apartment, landscaping, yard areas, fences, gates, retaining walls, mailboxes and trash areas, located on the Land or within the Building; and
- (g) All other improvements on the Land which are not part of any Apartment.

2. **LIMITED COMMON ELEMENTS.** The limited common elements as described in Section 6 of the Declaration are as follows:

Certain of the common elements are hereby designated as “limited common elements” and are set aside and reserved for the use of certain Apartments, which Apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and so reserved are as follows:

(a) **Parking Stalls.** Each of the parking stalls designated on Exhibit A to this Second Supplementary Public Report [Exhibit C to the Declaration] shall be a limited common element appurtenant to and reserved for the exclusive use of the Apartment to which it is assigned, as set forth in Exhibit A, to this Public Report, subject to the right of the Apartment owners to transfer parking stalls from one Apartment to another as set forth in Section 9 (b) of the Declaration, or as provided in the Act.

(b) **Mailboxes.** The mailbox assigned to each Apartment shall be limited to the use of such Apartment.

(c) **Garden Lanais.** The garden lanais adjacent to the Apartments numbered 107, 108, 109 and 110 shall be for the exclusive use of the respective Apartments to which such garden lanais are adjacent.

(d) **Sun Decks and Balconies.** Any sun deck or balcony with direct access thereto from an adjoining Apartment shall be for the exclusive use of such adjoining Apartment.

(e) **Commercial Apartment Limited Common Elements.** The following shall be for the exclusive use of the Commercial Apartment, subject to the easements in favor of the Association and the other Apartment owners described in the Declaration.

	<u>Room No. or Area.</u>	<u>Type</u>	<u>Map Sheet</u>
(i)	Rooms 003, 007 and 010	Storage	A4
(ii)	Areas adjacent to parking stalls 174 and 175; 36 and 37; 176; all shown crosshatched on the attached plan	Access	A4
(iii)	Room 217 (incorrectly shown on the Condominium Map as electrical room)	Storage	A7
(iv)	Rooms 328, 329 and 331	Storage	A8

(v)	Rooms 434, 435, 437, 438, 440, 441 and 442	Storage	A9
(vi)	The lobby and planters shown cross hatched on the attached plan	Lobby	A10
(vii)	Rooms 534, 537, 545 and 546	Storage	A10
(viii)	Room 539 (incorrectly shown on the Condominium Map as telephone room.)	Office	A10
(ix)	Room 540	Reception	A10
(x)	Room 544	Manager's Office	A10
(xi)	Rooms 548, 549, 551 and 552	Storage	A11
(xii)	Rooms 625, 627, 628, 629 and 630	Storage	A12
(xiii)	Rooms 719, 722 and 723	Storage	A13

(f) **Storage Rooms**. Each of the following Storage rooms shall be for the exclusive use of the following Apartments.

<u>Storage Room</u>	<u>For the Use of Apartment No.</u>	<u>Condominium Map Sheet</u>
332	106	A8
333	315	A8
439	405	A9

1. ASSESSMENTS

ASSESSMENTS OR CHARGES LEVIED BY MUNICIPAL OR GOVERNMENTAL AUTHORITY OR IMPOSED BY ANY OTHER LAWFULLY CONSTITUTED BODY AUTHORIZED BY STATUTE TO ASSESS, LEVY AND COLLECT THE SAME, IF ANY.

2. TITLE TO ALL MINERALS AND METALLIC MINES RESERVED TO THE STATE OF HAWAII.
3. THE PROPERTY BORDERS ON THE OCEAN AND IS SUBJECT TO THE PROVISIONS OF THE STATE OF HAWAII REGARDING SHORELINE SETBACK AND PROHIBITIONS ON USE.
4. EXCEPTIONS AND RESERVATIONS AS CONTAINED IN THAT CERTAIN INSTRUMENT DATED NOVEMBER 4, 1980, FILED IN THE OFFICE OF THE ASSISTANT REGISTRAR OF THE LAND COURT OF THE STATE OF HAWAII AS LAND COURT DOCUMENT NO. 1043141, TO WHICH REFERENCE IS HEREBY MADE.
5. MATTERS AS SHOWN ON CONDOMINIUM MAP NO. 441, FILED IN THE OFFICE OF THE ASSISTANT REGISTRAR OF THE LAND COURT, AND CONDOMINIUM FILE PLAN NO. 772, FILED IN THE BUREAU OF CONVEYANCES.
6. COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, AGREEMENTS, OBLIGATIONS, PROVISIONS, EASEMENTS AND BY-LAWS BUT OMITTING ANY COVENANTS OR RESTRICTIONS IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN UNLESS AND ONLY TO THE EXTENT THAT SAID COVENANT (A) IS EXEMPT UNDER CHAPTER 42, SECTION 3607 OF THE UNITED STATES CODE OR HANDICAPPED PERSONS, SET FORTH IN THE DECLARATION OF HORIZONTAL PROPERTY REGIME OF THE ROYAL SEA-CLIFF CLUB,

DATED : NOVEMBER 5, 1980.
FILED AND RECORDED : NOVEMBER 25, 1980, AS DOCUMENT NO. 1043141, IN THE OFFICE OF THE ASSISTANT REGISTRAR OF THE LAND COURT, AND IN LIBER 15161, PAGE 66, IN THE BUREAU OF CONVEYANCES.

EXHIBIT "F"

SAID DECLARATION WAS AMENDED BY THE FOLLOWING
INSTRUMENTS:

<u>DATED</u>	<u>FILED AND RECORDED</u>	<u>DOCUMENT NO.</u>	<u>LIBER</u>	<u>PAGE</u>
JUNE 17, 1982	SEPTEMBER 20, 1982	1132268	16582	419
DECEMBER 8, 1982	DECEMBER 29, 1982	1145169	16765	526
FEBRUARY 1, 1983	FEBRUARY 17, 1983	1152432	16859	421
JANUARY 3, 1983	MARCH 3, 1983	1154958	16889	451
MARCH 5, 1986	DECEMBER 10, 1986	1422266	20129	205

<u>DATED</u>	<u>RECORDED</u>	<u>DOCUMENT NO.</u>	<u>DOCUMENT NO.</u>
JUNE 18, 2001	JUNE 28, 2001	2717386	2001-098997
JUNE 18, 2001	JUNE 28, 2001	2717387	2001-098998 (RESTATED DECLARATION)
JUNE 18, 2001	JUNE 28, 2001	2717388	2001-098999 (RESTATED BY-LAWS)

7. CABLE TELEVISION AND MAINTENANCE AGREEMENT,
 BY : AMERICAN CABLE TV INVESTORS 4, LTD., A
 COLORADO LIMITED PARTNERSHIP; AND
 BETWEEN : ASSOCIATION OF APARTMENT OWNERS OF THE ROYAL
 SEA CLIFF CLUB, AN UNINCORPORATED
 ASSOCIATION.
 DATED : OCTOBER 3, 1991.
 RECORDED : SEPTEMBER 3, 1992, AS INSTRUMENT NO. 92-
 145099, IN THE BUREAU OF CONVEYANCES.
8. ASSIGNMENT OF PERMITS, PROPRIETARY RIGHTS, MISCELLANEOUS
 INTEREST AND OTHER INTANGIBLE PROPERTY,
 BY AND : ROYAL SEA-CLIFF, LLC, A HAWAII LIMITED
 LIABILITY COMPANY.
 BETWEEN : FAIRFIELD RESORTS, INC., A DELAWARE
 CORPORATION.
 DATED : SEPTEMBER 30, 2002 (EFFECTIVE DATE)
 RECORDED : OCTOBER 2, 2002, AS DOCUMENT NO. 2002-174777,
 IN THE BUREAU OF CONVEYANCES.
9. PARTIAL ASSIGNMENT OF RIGHTS,

BY AND : FAIRFIELD RESORTS, INC., A DELAWARE CORPORATION.
BETWEEN : ROYAL SEA-CLIFF, LLC, A HAWAII LIMITED LIABILITY COMPANY.
DATED : SEPTEMBER 30, 2002 (EFFECTIVE DATE)
RECORDED : OCTOBER 2, 2002, AS DOCUMENT NO. 2002-174778, IN THE BUREAU OF CONVEYANCES.

10. GRANT OF LICENSES,

BY AND : FAIRFIELD RESORTS, INC., A DELAWARE CORPORATION.
BETWEEN : ROYAL SEA-CLIFF, LLC, A HAWAII LIMITED LIABILITY COMPANY.
DATED : SEPTEMBER 30, 2002 (EFFECTIVE DATE)
RECORDED : OCTOBER 2, 2002, AS DOCUMENT NO. 2846444, IN THE OFFICE OF THE ASSISTANT REGISTRAR OF THE LAND COURT AND AS DOCUMENT NO. 2002-174779, IN THE BUREAU OF CONVEYANCES.

11. GRANT OF LICENSES,

BY AND : FAIRFIELD RESORTS, INC., A DELAWARE CORPORATION.
BETWEEN : ASSOCIATION OF APARTMENT OWNERS OF THE ROYAL SEA-CLIFF, LLC, AN UNINCORPORATED HAWAII CONDOMINIUM ASSOCIATION FORMED PURSUANT TO CHAPTER 514A OF THE HAWAII REVISED STATUTES, AS AMENDED.
DATED : SEPTEMBER 30, 2002 (EFFECTIVE DATE)
RECORDED : OCTOBER 2, 2002, AS DOCUMENT NO. 2846445, IN THE OFFICE OF THE ASSISTANT REGISTRAR OF THE LAND COURT AND AS DOCUMENT NO. 2002-174780, IN THE BUREAU OF CONVEYANCES.

12. GRANT OF LICENSES,

BY AND : FAIRFIELD RESORTS, INC., A DELAWARE CORPORATION.
BETWEEN : OUTRIGGER HOTELS HAWAII, A HAWAII LIMITED PARTNERSHIP.
DATED : SEPTEMBER 30, 2002 (EFFECTIVE DATE)
RECORDED : OCTOBER 2, 2002, AS DOCUMENT NO. 2846446, IN THE OFFICE OF THE ASSISTANT REGISTRAR OF THE LAND COURT AND AS DOCUMENT NO. 2002-174781, IN THE BUREAU OF CONVEYANCES.

13. ANY AND ALL EASEMENTS ENCUMBERING THE APARTMENT HEREBIN MENTIONED, AND/OR THE COMMON INTEREST APPURTENANT THERETO, AS CREATED BY OR MENTIONED IN SAID DECLARATION, AND/OR IN SAID CONDOMINIUM CONVEYANCE DOCUMENT, AND/OR AS DELINEATED ON SAID CONDOMINIUM MAP AND FILE PLAN.

EXHIBIT "G"

DISCLOSURE ABSTRACT

1. (a) PROJECT: THE ROYAL SEA-CLIFF CLUB
75-6040 Alii Drive, Kona, Hawaii 96740
- (b) DEVELOPER: FAIRFIELD RESORTS, INC.
8427 South Park Circle, Suite 500
Orlando, Florida 32819
Telephone: (407) 370-5200
(As to the 80 apartments covered by this Report)
- (c) MANAGING AGENT: OUTRIGGER HOTELS HAWAII
2375 Kuhio Avenue
Honolulu, Hawaii 96815
Telephone: (808) 921-6600
- (d) REAL ESTATE AGENT: FAIRFIELD RESORTS, INC.
8427 South Park Circle, Suite 500
Orlando, Florida 32819
Telephone: (407) 370-5200
(As to the 80 apartments covered by this Report)

2. MAINTENANCE FEES AND MONTHLY ESTIMATE OF COSTS FOR EACH APARTMENT.

This information follows item 4 below.

3. DESCRIPTION OF ALL WARRANTIES COVERING THE UNITS AND COMMON ELEMENTS.

The Developer is not making any warranties relating to the materials and workmanship of the Project or the common elements.

4. USE OF APARTMENTS.

The Royal Sea-Cliff Club condominium project consists of one hundred fifty-four (154) residential apartments and one (1) commercial apartment. Seventy-six (76) residential apartments and one (1) commercial apartment are covered by this Report. The 76 residential apartments have been submitted to a timeshare plan called Fairfield Hawaii at Royal Sea-Cliff. The one (1) commercial apartment may be used for such purposes as the Apartment owner may determine and as may be permitted by law. The commercial apartment has appurtenant to it as limited common elements a front desk, lobby area and other commercial amenities. There is no other commercial or non-residential

development in the project apart from the uses of ancillary or related to transient vacation, resort or hotel use, including time sharing (model units display, activity desk, sales activity, house-keeping services, etc.).

Outrigger Hotels Hawaii, the condominium managing agent for the Royal Sea-Cliff Club condominium project, hereby certifies that the attached estimates of maintenance fee assessments and maintenance fee disbursements for 2003 were prepared in accordance with generally accepted accounting principles.

Outrigger Hotels Hawaii

By Michelle Burdick
Signature
Its: Assistant Controller

Print Name: Michelle Burdick

Date: 12/12/02

Pursuant to Section 514A-83.61, H.R.S., the Association has completed a reserve study.

Number of Days in the month	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	2003	
Holiday % of wages in the month	0.043332	0.043332	0.003336	0.003336	0.043332	0.043332	0.043332	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.003336	0.043332	0.043332	0.36	
Salary Increase Percentage			0.0%																													3.0%	
Hourly rate Increase Percentage																																	3.0%

Department #7130700

- R E V E N U E -

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
5300 General Assessment	79,650	79,650	79,650	79,650	79,650	79,650	79,650	79,650	79,650	79,650	79,650	79,650	555,800
5700 Interest Income	230	230	230	230	230	230	230	230	230	230	230	230	2,760
5050 Office Rental Income	0	0	0	0	0	0	0	0	0	0	0	0	0
5310 Rental Income (Tour Desk)	0	0	0	0	0	0	0	0	0	0	0	0	0
5510 Vending Income	50	50	50	50	50	50	50	50	50	50	50	50	600
5995 Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	79,930	79,930	79,930	79,930	79,930	79,930	79,930	79,930	79,930	79,930	79,930	79,930	559,160

- E X P E N S E S -

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
6110.700 Salaries & Wages Administration	3,096	3,096	3,188	3,189	3,189	3,189	3,189	3,189	3,189	3,189	3,189	3,189	38,081
6110.935 Salaries & Wages Accounting	748	748	748	748	748	748	770	770	770	770	770	770	9,108
6110.970 Salaries & Wages Security	3,069	2,772	3,069	2,970	3,069	2,970	3,161	3,161	3,059	3,161	3,059	3,161	36,681
6110.550 Salaries & Wages Maintenance	15,073	13,744	15,090	14,647	15,090	14,647	15,494	15,494	15,089	15,494	15,039	15,494	180,345
6110.551 Salaries & Wages Grounds	5,575	5,035	5,575	5,395	5,575	5,395	5,740	5,740	5,555	5,740	5,555	5,740	66,620
6113 Salaries & Wages Housekeeping	3,933	3,552	3,933	3,806	3,933	3,886	4,049	4,049	3,919	4,049	3,919	4,049	46,997
6130 Vacation Pay	1,691	1,551	1,697	1,650	1,697	1,650	1,740	1,740	1,692	1,740	1,692	1,740	20,280
6147 Holiday	1,332	1,222	1,332	1,300	1,337	1,300	1,371	1,371	1,333	1,371	1,333	1,371	11,014
6148 Sick Pay	615	564	617	600	617	600	633	633	615	633	615	633	7,375
6155 Payroll Taxes & Benefits	0	69	72	72	72	72	72	72	72	72	72	72	789
6170.01 E/B-Housing Allowance	333	333	333	333	333	333	333	333	333	333	333	333	3,996
6182.01 Bonus Accrual H&T	1,200	1,090	1,200	1,164	1,200	1,164	1,234	1,234	1,196	1,234	1,196	1,234	14,346
6182.02 Bonus Accrual GR1-7	113	113	117	117	117	117	118	118	118	118	118	118	1,402
6182.03 Bonus Accrual MIP	283	283	292	292	292	292	292	292	292	292	292	292	3,486
6129 Payroll Recoveries - R&M Reserve	(4,216)	(3,808)	(4,216)	(4,080)	(4,216)	(4,080)	(4,340)	(4,340)	(4,200)	(4,340)	(4,200)	(4,340)	(50,376)
6129 Payroll Recoveries - Billable	(8,680)	(7,840)	(8,680)	(8,400)	(8,680)	(8,400)	(8,928)	(8,928)	(8,640)	(8,928)	(8,640)	(8,928)	(103,672)
Total Payroll & Related	24,165	22,524	23,138	22,603	24,373	23,803	24,928	23,663	24,382	23,663	24,342	24,928	286,472

Department #7130700

ASSOCIATION OF APARTMENT OWNERS -
The Royal Sea-Cliff Club
Budget for the Period 01/01/03 - 12/31/03

	2003												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
UTILITIES -													
7210 Electricity	22,785	20,580	22,785	22,050	22,785	22,050	22,785	22,785	22,050	22,785	22,050	22,785	268,275
7230 Gas	16	14	16	15	16	15	16	16	15	16	15	16	183
7240 Sewer	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	48,360
7250 Water	4,073	3,980	4,073	3,942	4,073	3,942	4,073	4,073	3,942	4,073	3,942	4,073	47,959
7260 Utility Reimbursements	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Utilities	30,904	28,304	30,904	30,037	30,904	30,037	30,904	30,904	30,037	30,904	30,037	30,904	364,777
- OTHER -													
7780 Liability Insurance	718	718	718	718	718	718	718	718	718	718	718	718	8,614
8090 Property Insurance	5,483	5,483	5,483	5,483	5,483	5,483	5,483	5,483	5,483	5,630	5,630	5,630	66,245
8300 Management Fees	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406	28,872
8120 Bank Charges	53	53	53	53	53	53	25	25	25	25	25	25	467
Total Other Expenses	8,659	8,659	8,659	8,659	8,659	8,659	8,632	8,637	8,637	8,779	8,779	8,779	104,199
Total Operating Expenses	81,482	75,333	79,527	79,054	79,782	78,645	82,218	79,050	81,012	81,300	79,004	82,756	559,163
Total Operating Cash Flow	(1,552)	4,597	403	876	148	1,285	(2,288)	880	(1,082)	(1,370)	926	(2,826)	(3)
- NON - CASH -													
8070 Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Cash	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Profit/Loss	(1,552)	4,597	403	876	148	1,285	(2,288)	880	(1,082)	(1,370)	926	(2,826)	(3)

Exhibit H
SUMMARY OF PURCHASE AGREEMENT AND ESCROW AGREEMENT

Copies of the specimen purchase agreement, Statement of Understanding, and the executed escrow agreement have been submitted as part of the registration. The escrow agreement is dated November 22, 2002, and identifies Hawaii Escrow & Title, Inc., as the escrow agent for the handling of purchase money for sales of time share interests in the project.

It is incumbent upon purchasers and prospective purchasers to read these documents with care. The escrow agreement establishes how the proceeds from the sale of time share interests are placed into escrow, and the retention and disbursement of these funds. The specimen purchase agreement also determines the time for and amount of payments on the purchase price, and for the payment of all closing costs.

ESCROW AGREEMENT

ESCROW AGREEMENT

When a buyer signs a purchase agreement, the buyer also adopts the escrow agreement, just as if the buyer had signed it. Buyers should make time to read the escrow agreement. It contains the developer's and buyer's instructions for the handling of the buyer's funds, notes and loan documents, and for closing the buyer's purchase.

Some of the key provisions of the escrow agreement may be summarized as follows:

DEFINITIONS

"Blanket liens" are certain kinds of encumbrances as defined in the Hawaii Time Share Law (Chapter 514E, H.R.S.) that affect two or more vacation ownership interests. For example, a mortgage on two or more vacation ownership interests is a blanket lien.

"Closing" refers to completing the sale of a vacation ownership interest. This normally includes recording the buyer's vacation ownership deed and any mortgage that the buyer signs, and payment to the developer of all sums due under the buyer's purchase agreement.

"Funds" means money.

"Loan Documents" means any "purchase money contract" as defined in the Time Share Law, other than a note. In general, purchase money contract refers to things like a promissory note, an agreement of sale, or other contract in which the buyer agrees to repay a loan made to finance the buyer's purchase of a vacation ownership interest and made to the buyer by the developer or by a lender that is (i) affiliated with the developer or (ii) to whom the developer

referred the Buyer.

"Notes" means any "negotiable instrument" as defined in the Time Share Law. A check is an example of a negotiable instrument. A "negotiable instrument" generally is a document that the Developer could give to someone else who could then force the Buyer to keep his or her promise to pay free from any claim or defense that the Buyer might have against the Developer.

DEPOSIT OF FUNDS

Hawaii Law requires that: (a) Buyer's Funds, Notes, and Loan Documents be put in escrow before closing and that the Buyer's Funds be refunded if the Buyer cancels; (b) Buyer's Funds must be refunded in the other circumstances described later; and (c) Closing cannot occur until the Buyer is protected from Blanket Liens.

The Developer or the sales agent must give each Buyer's Funds, Notes and Loan Documents to the Escrow Agent to hold in this account. But, as permitted by Hawaii Law, the Developer or any sales agent may initially hold all Notes (such as Buyer's check) and Loan Documents (a) that are payable to the Escrow Agent, or (b) that are not negotiable instruments, until: (1) the Seven-Day Cancellation Period expires; and (2) the expiration of any longer period stated in the Purchase Agreement in which a Buyer may cancel.

RELEASE OF BUYER'S FUNDS

No matter what else the contract documents say, the Escrow Agent may not release the Buyer's Funds, Notes or Loan Documents to the Developer or a sales

agent, or to someone else for the benefit of the Developer or a sales agent, until the last of these events occurs:

1. The Hawaii Real Estate Commission has issued an effective date for a Supplementary Public Report on the Condominium to the Developer.
2. If the offer and sale is made in Hawaii:
 - a. The Buyer's Purchase Agreement "has become binding, and the requirements of sections 514A-40, 514A-39.5 and 514A-63 have been met" as that phrase is used in the Condominium Property Act.
 - b. The Escrow Agent has received a copy of a Receipt for Disclosure Statement signed by the Buyer whose Funds are being released; and
 - c. The Seven-Day Cancellation Period under section 514E-8, H.R.S., expires as to the Buyer whose Funds are being released; and
 - d. The Escrow Agent has not received from that Buyer a valid notice of cancellation sent or delivered before the end of the Seven-Day Cancellation Period; and
 - e. The Escrow Agent receives a sworn statement from the Developer stating, among other things, that the Developer has not received a valid notice of cancellation from the Buyer.
4. All requirements set by Developer or anyone else loaning money to the Buyer for the purchase have been met, provided that Escrow Agent is notified of those requirements in writing; and
5. The Buyer's Unit is included in the plan described in the Purchase Agreement if it isn't already; and
6. A title insurance company authorized to do business in Hawaii is committed to issue, after the Buyer's Vacation Ownership Deed is recorded, a policy of title insurance on the Buyer's Vacation Ownership Interest insuring that it is subject only to any mortgage signed by the Buyer, the "Permitted Encumbrances", and anything else that doesn't make the Buyer's title unmarketable; and
7. As to each existing Blanket Lien, (i) the Escrow Agent is prepared to record or can confirm that someone else has already recorded a release of the Buyer's Vacation Ownership Interest from the Blanket Lien, or (ii) in the case of mechanics' or materialmen's lien, the Buyer's title policy includes an attachment (in legal terms, an "endorsement") providing coverage against such liens; and
8. The requirements for release of the Buyer's Funds, as described above, have been met or will be met when the Buyer's Vacation Ownership Deed is recorded. The Escrow Agent will Close before the end of the Buyer's Condominium Cancellation Period under Section 514A-62, H.R.S., if the other Closing Conditions are then met. If it does so, this will end the Buyer's right to cancel during the Condominium Cancellation Period.

CLOSING CONDITIONS

The Escrow Agent will close the sale on the closing date if all of the "closing conditions" listed in the Escrow Agreement (including the following, among others) have happened:

1. The Escrow Agent has not received a valid notice of cancellation from the Developer or from the Buyer; and
2. The Escrow Agent has received enough money to pay the Purchase Price stated on the Buyer's Purchase Agreement less (i) any credits allowed by the Developer and (ii) the amount of any loan made by the Developer to the Buyer; and
3. The Escrow Agent has received all necessary closing documents; and

CLOSING

Escrow Agent will close the purchase and sale by recording the Vacation Ownership Deed, any mortgage and any other documents, paying closing costs out of buyer's funds, and paying the balance to the Developer. After closing Escrow Agent will deliver the closing documents to Buyer and Developer and refund any over-payment to Buyer.

FUNDS IN ESCROW

The Escrow Agreement provides that the Escrow Agent will deposit all funds it receives in a federally insured account at a bank, savings and loan association, or trust company authorized to do business in the State of Hawaii in accounts which must pay interest at the prevailing interest rate. Any interest earned on Funds in escrow will belong to the Developer.

REFUNDS

The Escrow Agent will refund the Buyer's Funds (without interest) if and only if:

- 9. The offer and sale is made wholly or partly in Hawaii and either the Buyer or the Developer gives a valid notice of cancellation during the Seven-Day Cancellation Period under Section 514E-8, H.R.S.
- 10. The Buyer gives a valid notice of cancellation under Section 514A-63 of the Condominium Property Act.
- 11. The Developer gives notice to the Escrow Agent that the Buyer has used any right to cancel that the Buyer has under the Purchase Agreement (except the right to under paragraphs 1, 2, 3, or 4, above). In that case, the Escrow Agent will refund the Buyer's funds less any escrow cancellation fee.
- 12. The Buyer gives notice to the Escrow Agent that the Buyer has exercised any right to cancel that the Buyer has under the Purchase Agreement (except the right to under paragraphs 1, 2, or 3, above). In that case, the Escrow Agent will notify the Developer of the Buyer's decision to cancel. If the Developer approves the Buyer's cancellation in writing, then the Buyer's Funds, less any escrow cancellation fee, will be refunded. Otherwise, the Escrow Agent may deposit the Buyer's money in court.
- 13. If the Developer instructs the Escrow Agent to do so, the Escrow Agent will refund the Buyer's Funds.

CANCELLATION BECAUSE THE BUYER DEFAULTS

If the Buyer defaults amid the Developer cancels the Buyer's Purchase Agreement then the

Buyer's Funds will be delivered as provided in the Buyer's Purchase Agreement. If the Purchase Agreement provides that the Buyer's Funds are to be paid to the Developer as liquidated damages, then before doing so the Escrow Agent must give the Buyer notice, by registered or certified mail, stating that the Developer has declared that the Buyer is in default. If the Escrow Agent receives an objection from the Buyer within thirty (30) days after sending the notice to the Buyer, then the Escrow Agent may deposit the Buyer's Funds in court. Otherwise, the Escrow Agent may pay the Buyer's Funds to the Developer.

PROTECTION OF THE ESCROW AGENT

The Escrow Agreement contains various protections for the Escrow Agent such as the following:

- If there is any dispute or conflicting claims, the Escrow Agent may deposit the Buyer's Funds with a court, which would then resolve the dispute or conflict.
- Both the Developer and the Buyer agree to protect and pay (or, in legal terms, "indemnify") the Escrow Agent for losses it suffers as a result of performing its duties. But this indemnity does not include losses due to the Escrow Agent's negligence or misconduct.

PURCHASE AGREEMENT

14. The buyer's Statement of Understanding is part of the purchase agreement.
15. The purchase agreement is a legally binding agreement between the buyer and developer. Under the purchase agreement, the buyer promises to buy the vacation ownership interest from the developer, and the developer promises to sell the vacation ownership interest to the buyer, under certain terms and conditions.
16. The purchase agreement specifies the apartment number or numbers, the reservation and use rights, and the frequency of reservation and use applicable to the vacation ownership interest purchased by the buyer. The purchase agreement also specifies the amount and time for payment of the purchase price, closing costs, and financing terms for any amounts of the purchase price which are financed by the buyer.
17. The developer must pick the day for the closing. That date is called the "closing date". It must occur within 30 days after satisfaction of the closing conditions. The developer, however, can postpone the closing if it wishes to do so. Neither the developer nor the escrow agent have to give the buyer notice of the closing date.
18. The escrow agent may not close until the "closing conditions" stated in the escrow agreement have been met. These are discussed above.
19. Buyers must pay the cash balance on the date shown on the first page of the purchase agreement. If the developer is financing the buyer's purchase, then the buyer must begin making monthly payments on the loan starting on the date stated in the purchase agreement. Payments made before closing will be applied to reduce the loan from the developer.
20. If buyer defaults, the developer can (a) cancel the purchase agreement, or (b) enforce it, or (c) do anything else permitted by the contract or by law. If the developer decides to cancel, then it may keep all amounts paid by the buyer. If the event of a dispute, the losing party must pay the winner's cost and expenses, including reasonable legal fees.
21. Things not written in the purchase agreement or buyer's Statement of Understanding are not part of the purchase agreement, no matter what anyone says.
22. Any lawsuit or other legal proceedings will be handled in Hawaii and without a jury.
23. The developer is making no warranties. Everything is being sold "as is".
24. The buyer is buying a vacation ownership interest in the Fairfield Hawaii Royal Sea-Cliff vacation ownership plan (the "plan"). The plan gives the buyer the right to receive points every year or every other year, and the right to use the points to reserve the use of a vacation unit. Buyers of vacation ownership interests will also have a membership in the Royal Sea-Cliff Vacation Owners Association, a non-profit Hawaii corporation (the "Association").
25. Ownership and use of the vacation ownership interest are subject to the legal documents that govern the vacation ownership plan and the condominium (the "governing documents"). By signing the purchase agreement, each buyer accepts and approves of such documents and the escrow agreement. In addition, the governing documents could change under certain circumstances. By signing the purchase agreement, each buyer agrees to keep all of its promises in the purchase agreement even though some or all of the governing documents may change after the purchase agreement is signed. However, the buyer does not give up its right to cancel under H.R.S. Section 514A-63(a) of the Condominium Property Act.
26. In addition to the initial purchase price for the vacation ownership interest, buyers must pay the regular and any special assessments charged by the Association or the condominium association. These fees are used to pay the cost of operating and maintaining those associations or the properties that they manage.