



REAL ESTATE COMMISSION

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION
P. O. Box 3469
Honolulu, Hawaii 96801

CONDOMINIUM PUBLIC REPORT

Fairway Terrace
68-3831 Lua-Kula Street
Waikoloa, Hawaii

Registration No. 2406

Issued: March 27, 1992
Expires: April 27, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of March 11, 1992, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

 PRELIMINARY: The developer may not as yet have created the condominium but has filed with the
(yellow) Real Estate Commission minimal information sufficient for a Preliminary Public Report.
A Final Public Report will be issued when complete information is filed.

 FINAL: The developer has legally created a condominium and has filed complete information
(white) with the Commission.

- No prior reports have been issued
- Supersedes all prior public reports
- Must be read together with _____

 X **SUPPLEMENTARY:** Updates information contained in the
(pink) Prelim. Public Report dated _____
 Final Public Report dated April 10, 1991
 Supp. Public Report dated _____

And Supersedes all prior public reports
 Must be read together with _____

This report reactivates the _____
public report(s) which expired on _____

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required 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 Commission.

Changes made are as follows:

1. Page 6 of the Final Report. The Real Estate Broker has been changed to: LFC Real Estate Marketing Services, Inc.
Business Address: 75-5706 Kuakini Highway, Suite 107
Kailua-Kona, Hawaii 96740
Business Phone: (808) 329-0900
2. Pages 6 and 15 of the Final Report. The Project initially will not be self-managed. The Condominium Managing Agent will be: Certified Management
3179 Koapaka Street, 2nd Floor
Honolulu, Hawaii 96819-1927
Business Phone: (808) 836-0911
3. Page 7 of the Final Public Report, Section A, Declaration of Condominium Property Regime. An additional amendment to the Declaration is dated June 28, 1991, recorded as Document No. 91-089972.
4. Page 15 of the Final Public Report, Section E, Encumbrances Against Title. Exhibit D describes encumbrances against title contained in a more recent title report dated February 21, 1992, and issued by Title Guaranty of Hawaii, Inc. Exhibit D, entitled "Existing Encumbrances", is deleted in its entirety and the attached Exhibit D is substituted in its place.
5. Exhibit E. The last page of Exhibit E that shows the "Estimate of Maintenance Fees Disbursements", is deleted in its entirety and the attached "Estimate of Maintenance Fee Disbursements", is substituted in its place.

TABLE OF CONTENTS

	page
Report Purpose	1
Type of Report	1
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Summary of the Condominium Project	5
I. PEOPLE CONNECTED WITH THE PROJECT	6
Developer	Managing Agent
Real Estate Sales Agent	Attorney for Developer
Escrow Company	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	7
B. Condominium Map (File Plan)	7
C. Bylaws	7
D. House Rules	8
E. Changes to Condominium Documents	8
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	9
B. Underlying Land	10
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	14
E. Encumbrances Against Title	15
F. Management of the Common Elements	15
G. Maintenance Fees	16
H. Utility Charges	16
I. Construction Warranties	16
J. Status of Construction	17
K. Project Phases	17
L. Sales Documents Filed with the Real Estate Commission	17
IV. ADDITIONAL INFORMATION NOT COVERED ABOVE	18
Buyer's Right to Cancel Sales Contract	19
Signature of Real Estate Commission Chairman	20
EXHIBIT A: Common Elements	
EXHIBIT B: Apartment Types, Parking Stall Assignments, Apartment Access &	
EXHIBIT C: Limited Common Elements	Common Interests
EXHIBIT D: Existing Encumbrances Against Title	
EXHIBIT E: Estimate of Initial Maintenance Fees & Estimate of Maintenance	
EXHIBIT F: Summary of Sales Contract Provisions	Fee Disbursements
EXHIBIT G: Summary of Escrow Agreement Provisions	
EXHIBIT H: Use Restrictions	
EXHIBIT I: Permitted Alterations to Apartments	
EXHIBIT J: Warranties	

GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

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 owner/tenant) 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. The 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 they 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 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 a vote of the owners. Some of these actions may significantly impact the quality of life for all 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 vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

Types of Project:

1. New Building(s) Conversion
 Both New Building(s) and Conversion
2. Residential Commercial Ohana
 Mixed Residential and Commercial Agricultural
 Other _____
3. High Rise (5 stories or more) Low Rise
4. Single or Multiple Buildings

5. Apartment Description (See Exhibit B for an explanation of the areas for each Apartment Type)

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	<u>18</u>	<u>1/1</u>	<u>469</u>	<u>51</u>
A (Upper)	<u>14</u>	<u>1/1</u>	<u>478</u>	<u>52</u>
B	<u>32</u>	<u>1/1</u>	<u>492</u>	<u>44</u>
C (Interior)	<u>61</u>	<u>2/2</u>	<u>785</u>	<u>53</u>
C (End)	<u>74</u>	<u>2/2</u>	<u>793</u>	<u>53</u>

Total Apartments: 199

**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.

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>199</u>
Guest Stalls	<u>77</u>
Unassigned Stalls	<u>0</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: Handicapped Stalls	<u>4</u>
Resident Manager's Stall	<u>1</u>
Total Parking Stalls	<u>281</u>

7. Recreational amenities:

Recreational Building, including swimming pool, spa, exercise room, bathrooms and barbecue area.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Fairway Terrace Associates Hawaii Phone: (808) 521-2818
Name (Business)
1001 Bishop Street, Suite 990
Business Address
Honolulu, Hawaii 96813

Names of officers or general partners of developers who are corporations or partnerships:

Allison Investment Corporation, a Hawaii corporation (general partner)
Highland Village Apartments, a California limited partnership
(general partner)

Real Estate Broker: LFC, Real Estate Marketing Services, Inc. Phone: (808) 329-0900
Name (Business)
75-5706 Kuakini Highway, Suite 107
Business Address
Kailua-Kona, Hawaii 96740

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 883-9009
Name (Business)
P.O. Box 3310 WVS
Business Address
Kamuela, Hawaii 96743

General Contractor: N/A Phone: N/A
Name (Business)
Business Address

Condominium Managing Agent: Certified Management Phone: (808) 836-0911
Name (Business)
3179 Koapaka Street, Second Floor
Business Address
Honolulu, Hawaii 96819-1927

Attorney for Developer: Ashford & Wriston (Galen C. K. Leong) Phone: (808) 524-4787
Name (Business)
235 Queen Street, Sixth Floor
Business Address
Honolulu, Hawaii 96813

**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.

- 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. 91-029511
Book _____ Page _____
 Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

First Amendment to Declaration dated April 23, 1991, recorded as Document No. 91-054073.

Confirmation of First Amendment to Declaration dated June 28, 1991, recorded as Document No. 91-089972.

- 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 Conveyance Condo Map No. 1456
 Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

- 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 way in which meetings will be conducted, 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. 91-029512
Book _____ Page _____
 Filed - Land Court - Document No. _____

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to 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.

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt house rules.

E. Changes to Condominium Documents

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

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

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

The percentages for individual condominium projects may be more than the minimum set by law.

2. Developer:

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

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

Developer has reserved the right to make such changes to the documents as may be required by law, any title insurance company, institutional mortgage lender or governmental agency, provided only that such changes shall not substantially impair the prospective use and enjoyment of the apartment, substantially reduce the usable space within the apartment, render unenforceable the purchaser's mortgage loan commitment, increase the purchaser's share of common expense or increase the purchase price. In addition, before conveyance of the first apartment in the project changes to the documents may be made if the changes do not substantially change the Developer's obligations under the sales contract, cause purchaser to lose purchaser's loan commitment, increase purchaser's common interest or reduce Developer's obligation for common expenses on any unsold apartment.

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input type="checkbox"/> Residential	<u>199</u>	<u>Yes</u>	<input type="checkbox"/> Agricultural	_____	_____
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input type="checkbox"/> Other: _____					

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

Yes No

5. Special Use Restrictions:

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

Pets: _____

Number of Occupants: _____

Other: _____

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 0 Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>A</u>	<u>18</u>	<u>1/1</u>	<u>469</u>	<u>51</u>
<u>A (Upper)</u>	<u>14</u>	<u>1/1</u>	<u>478</u>	<u>52</u>
<u>B</u>	<u>32</u>	<u>1/1</u>	<u>492</u>	<u>44</u>
<u>C (Interior)</u>	<u>61</u>	<u>2/2</u>	<u>785</u>	<u>53</u>
<u>C (End)</u>	<u>74</u>	<u>2/2</u>	<u>793</u>	<u>53</u>
_____	_____	_____	_____	_____

Total Apartments: 199

**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.

Boundaries of Each Apartment:

An apartment shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, ducts, conduits or other utility or service lines running through such apartment which are utilized for or serve any other apartment, the same being deemed common elements. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, the storage space located on the lanai of each apartment and all fixtures originally installed therein.

Permitted Alterations to Apartments: See Exhibit I.

7. Parking Stalls:

Total Parking Stalls: 281

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned		199					199
(for individual units) Res. Mgr.		1					1
Guest		77					77
Unassigned		0					0
Extra Available for Purchase		0					0
Other: Handicapped		4					4
Total Covered & Open		<u>281</u>					

Each apartment will have the exclusive use of at least 1 parking stall(s). Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: _____

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years): N/A

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

10. 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	X		
Structures	X		
Lot	X		

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

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

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

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

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit A describes the common elements.

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 may use them are:

described in Exhibit C

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit B describes the common interests for each apartment.

As follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property.

Exhibit D describes the encumbrances against the title contained in the title report dated February 21, 1992 and issued by Title Guaranty of Hawaii, Inc. .

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It 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.

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgage	Buyer will lose right to purchase agreement, however, Buyer's deposit will be refunded.

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

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

The initial managing agent for this condominium is:

[X] not affiliated with the Developer.

[] the Developer or the Developer's affiliate.

[] self-managed by the Association of Apartment Owners.

[] other _____

G. Estimate of Initial Maintenance Fees:

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

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

Exhibit E contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

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

- Not applicable
- Electricity Television Cable
- Gas Water & Sewer
- Other _____

I. 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:
 See Exhibit J.

2. Appliances:
 See Exhibit J.

J. Status of Construction and Estimated Completion Date:

The project was completed in September, 1989.

K. Project Phases:

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

Summary of Developer's Present Plans for Future Development:

L. 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 F contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated March 13, 1991

Exhibit G contains a summary of the pertinent provisions of the escrow contract.

Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

None.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

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

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. 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.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other _____

If these documents are not in final form, the buyer should ask to see the most recent draft.

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 Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is a part of Registration No. 2406 filed with the Real Estate Commission on March 14, 1991.

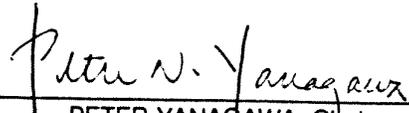
Reproduction of Report. When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.



PETER YANAGAWA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Bureau of Conveyances

Department of Finance, County of Hawaii

Planning Department, County of Hawaii

Federal Housing Administration

EXHIBIT A
COMMON ELEMENTS

The common elements of the project consist of the following:

- a. The land in fee simple;
- b. All foundations, floor slabs, columns, supports, retaining walls, fences, unfinished perimeter walls and load-bearing walls and roofs of the buildings;
- c. All yards, grounds and landscaping, roads, walkways, driveways, stairs, refuse facilities and recreational building;
- d. Apartment A201, being the resident manager's unit;
- e. All ducts, conduits, electrical and mechanical equipment, wiring, pipes and other central and appurtenant transmission facilities and installations for services, such as power, light, sewer, water, drainage, telephone and radio and television signal distribution, over, under and across the project which serve more than one apartment;
- f. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

EXHIBIT "B"

A Unit A apartment contains 6 rooms. The apartment includes a living/dining room, a kitchen, a utility room, a bedroom, a bathroom, a walk-in closet and a lanai with a storage closet.

There are two variations on the Unit A apartment which affect the net living floor area. The Unit A apartments which are ground floor units and the Unit A apartments which are on the second floor of Building G each contains a net living floor area of 468.67 square feet. The Unit A apartments on the second floor of any other building each contains a net living floor area of 478.33 square feet. Each Unit A apartment has a lanai of 51.56 square feet and storage closet of 8.0 square feet.

* * *

A Unit B apartment contains 5 rooms. The apartment includes a living/dining room, a kitchen, a utility room, a bedroom, a bathroom and a lanai with a storage closet. The approximate net living floor area of the apartment is 491.33 square feet, with a lanai of 44.44 square feet and a storage closet of 8.0 square feet.

* * *

A Unit C apartment contains 6 rooms. The apartment includes a living/dining room, a kitchen, 2 bedrooms, 2 bathrooms and a lanai with a storage closet.

There are two variations on the Unit C apartment which affect the net living floor area. The Unit C apartments which are interior units (i.e. not end units) contain a net living floor area of 784.51 square feet. The Unit C apartments which are end units contain a net living floor area of 792.85 square feet. Each Unit C apartment has a lanai of 53.33 square feet and a storage closet of 8.0 square feet.

FAIRWAY TERRACE
 SCHEDULE OF APARTMENTS AND COMMON INTERESTS
EXHIBIT B

Unit #	Model	Approx. Net Living Floor Area (Sq. Ft.)	Lanai Area (Sq. Ft.)	Storage Area (Sq. Ft.)	Total Unit Area (Sq. Ft.)	Parking Stall #	Common Interest
A 101	5	793	53	8	854	273	0.577025%
A 102	5	793	53	8	854	189	0.577025%
A 103	5	793	53	8	854	117	0.577025%
A 104	5	793	53	8	854	114	0.577025%
A 202	5	793	53	8	854	190	0.577025%
A 203	5	793	53	8	854	118	0.577025%
A 204	5	793	53	8	854	115	0.577025%
B 101	5	793	53	8	854	185	0.577025%
B 102	5	793	53	8	854	187	0.577025%
B 103	5	793	53	8	854	163	0.577025%
B 104	5	793	53	8	854	161	0.577025%
B 201	5	793	53	8	854	186	0.577025%
B 202	5	793	53	8	854	188	0.577025%
B 203	5	793	53	8	854	164	0.577025%
B 204	5	793	53	8	854	162	0.577025%
C 101	5	793	53	8	854	265	0.577025%
C 102	4	785	53	8	846	266	0.571204%
C 103	4	785	53	8	846	196	0.571204%
C 104	5	793	53	8	854	263	0.577025%
C 105	4	785	53	8	846	271	0.571204%
C 106	5	793	53	8	854	193	0.577025%
C 107	5	793	53	8	854	269	0.577025%
C 108	4	785	53	8	846	191	0.571204%
C 201	5	793	53	8	854	264	0.577025%
C 202	4	785	53	8	846	267	0.571204%
C 203	4	785	53	8	846	197	0.571204%
C 204	5	793	53	8	854	262	0.577025%
C 205	4	785	53	8	846	270	0.571204%
C 206	5	793	53	8	854	272	0.577025%
C 207	5	793	53	8	854	268	0.577025%
C 208	4	785	53	8	846	192	0.571204%
D 101	5	793	53	8	854	247	0.577025%
D 102	4	785	53	8	846	248	0.571204%
D 103	4	785	53	8	846	250	0.571204%
D 104	5	793	53	8	854	245	0.577025%
D 105	4	785	53	8	846	255	0.571204%
D 106	5	793	53	8	854	256	0.577025%
D 107	5	793	53	8	854	258	0.577025%
D 108	4	785	53	8	846	253	0.571204%
D 201	5	793	53	8	854	246	0.577025%
D 202	4	785	53	8	846	249	0.571204%
D 203	4	785	53	8	846	251	0.571204%
D 204	5	793	53	8	854	244	0.577025%

FAIRWAY TERRACE
SCHEDULE OF APARTMENTS AND COMMON INTERESTS
EXHIBIT B

Unit #	Model	Approx. Net Living Floor Area (Sq. Ft.)	Lanai Area (Sq. Ft.)	Storage Area (Sq. Ft.)	Total Unit Area (Sq. Ft.)	Parking Stall #	Common Interest
D 205	4	785	53	8	846	254	0.571204%
D 206	5	793	53	8	854	257	0.577025%
D 207	5	793	53	8	854	259	0.577025%
D 208	4	785	53	8	846	252	0.571204%
E 101	1	469	51	8	528	222	0.341267%
E 102	3	492	44	8	544	240	0.357639%
E 103	3	492	44	8	544	239	0.357639%
E 104	1	469	51	8	528	217	0.341267%
E 105	3	492	44	8	544	224	0.357639%
E 106	1	469	51	8	528	226	0.341267%
E 107	1	469	51	8	528	228	0.341267%
E 108	3	492	44	8	544	237	0.357639%
E 201	2	478	52	8	538	223	0.347818%
E 202	3	492	44	8	544	241	0.357639%
E 203	3	492	44	8	544	238	0.357639%
E 204	2	478	52	8	538	218	0.347818%
E 205	3	492	44	8	544	225	0.357639%
E 206	2	478	52	8	538	227	0.347818%
E 207	2	478	52	8	538	229	0.347818%
E 208	3	492	44	8	544	236	0.357639%
F 101	5	793	53	8	854	206	0.577025%
F 102	4	785	53	8	846	207	0.571204%
F 103	4	785	53	8	846	209	0.571204%
F 104	5	793	53	8	854	203	0.577025%
F 105	4	785	53	8	846	213	0.571204%
F 106	5	793	53	8	854	215	0.577025%
F 107	5	793	53	8	854	242	0.577025%
F 108	4	785	53	8	846	212	0.571204%
F 201	5	793	53	8	854	205	0.577025%
F 202	4	785	53	8	846	208	0.571204%
F 203	4	785	53	8	846	210	0.571204%
F 204	5	793	53	8	854	204	0.577025%
F 205	4	785	53	8	846	214	0.571204%
F 206	5	793	53	8	854	216	0.577025%
F 207	5	793	53	8	854	243	0.577025%
F 208	4	785	53	8	846	211	0.571204%
G 101	1	469	51	8	528	147	0.341267%
G 102	3	492	44	8	544	169	0.357639%
G 103	3	492	44	8	544	151	0.357639%
G 104	1	469	51	8	528	146	0.341267%
G 105	3	492	44	8	544	153	0.357639%
G 106	1	469	51	8	528	155	0.341267%
G 107	1	469	51	8	528	159	0.341267%

FAIRWAY TERRACE
SCHEDULE OF APARTMENTS AND COMMON INTERESTS
EXHIBIT B

Unit #	Model	Approx. Net Living Floor Area (Sq. Ft.)	Lanai Area (Sq. Ft.)	Storage Area (Sq. Ft.)	Total Unit Area (Sq. Ft.)	Parking Stall #	Common Interest
G 108	3	492	44	8	544	158	0.357639%
G 201	2	478	52	8	538	148	0.347818%
G 202	3	492	44	8	544	170	0.357639%
G 203	3	492	44	8	544	152	0.357639%
G 204	2	478	52	8	538	145	0.347818%
G 205	1	469	51	8	528	154	0.341267%
G 206	3	492	44	8	544	156	0.357639%
G 207	3	492	44	8	544	160	0.357639%
G 208	1	469	51	8	528	157	0.341267%
H 101	5	793	53	8	854	139	0.577025%
H 102	4	785	53	8	846	141	0.571204%
H 103	4	785	53	8	846	177	0.571204%
H 104	5	793	53	8	854	137	0.577025%
H 105	4	785	53	8	846	175	0.571204%
H 106	5	793	53	8	854	149	0.577025%
H 107	5	793	53	8	854	172	0.577025%
H 108	4	785	53	8	846	174	0.571204%
H 201	5	793	53	8	854	140	0.577025%
H 202	4	785	53	8	846	142	0.571204%
H 203	4	785	53	8	846	178	0.571204%
H 204	5	793	53	8	854	138	0.577025%
H 205	4	785	53	8	846	176	0.571204%
H 206	5	793	53	8	854	150	0.577025%
H 207	4	785	53	8	846	171	0.571204%
H 208	4	785	53	8	846	173	0.571204%
I 101	1	469	51	8	528	136	0.341267%
I 102	3	492	44	8	544	127	0.357639%
I 103	3	492	44	8	544	129	0.357639%
I 104	1	469	51	8	528	133	0.341267%
I 105	3	492	44	8	544	131	0.357639%
I 106	1	469	51	8	528	135	0.341267%
I 107	1	469	51	8	528	123	0.341267%
I 108	3	492	44	8	544	120	0.357639%
I 201	2	478	52	8	538	126	0.347818%
I 202	3	492	44	8	544	128	0.357639%
I 203	3	492	44	8	544	130	0.357639%
I 204	2	478	52	8	538	134	0.347818%
I 205	3	492	44	8	544	132	0.357639%
I 206	2	478	52	8	538	125	0.347818%
I 207	2	478	52	8	538	122	0.347818%
I 208	3	492	44	8	544	121	0.357639%
J 101	5	793	53	8	854	55	0.577025%
J 102	4	785	53	8	846	56	0.571204%

FAIRWAY TERRACE
 SCHEDULE OF APARTMENTS AND COMMON INTERESTS
EXHIBIT B

Unit #	Model	Approx. Net Living Floor Area (Sq. Ft.)	Lanai Area (Sq. Ft.)	Storage Area (Sq. Ft.)	Total Unit Area (Sq. Ft.)	Parking Stall #	Common Interest
J 103	4	785	53	8	846	58	0.571204%
J 104	5	793	53	8	854	84	0.577025%
J 105	4	785	53	8	846	59	0.571204%
J 106	5	793	53	8	854	61	0.577025%
J 107	5	793	53	8	854	63	0.577025%
J 108	4	785	53	8	846	65	0.571204%
J 201	5	793	53	8	854	54	0.577025%
J 202	4	785	53	8	846	57	0.571204%
J 203	4	785	53	8	846	53	0.571204%
J 204	5	793	53	8	854	83	0.577025%
J 205	4	785	53	8	846	60	0.571204%
J 206	5	793	53	8	854	62	0.577025%
J 207	5	793	53	8	854	64	0.577025%
J 208	4	785	53	8	846	66	0.571204%
K 101	5	793	53	8	854	32	0.577025%
K 102	4	785	53	8	846	38	0.571204%
K 103	4	785	53	8	846	40	0.571204%
K 104	5	793	53	8	854	31	0.577025%
K 105	4	785	53	8	846	44	0.571204%
K 106	4	785	53	8	846	45	0.571204%
K 107	4	785	53	8	846	49	0.571204%
K 108	4	785	53	8	846	51	0.571204%
K 201	5	793	53	8	854	33	0.577025%
K 202	4	785	53	8	846	39	0.571204%
K 203	4	785	53	8	846	41	0.571204%
K 204	5	793	53	8	854	30	0.577025%
K 205	4	785	53	8	846	47	0.571204%
K 206	4	785	53	8	846	46	0.571204%
K 207	4	785	53	8	846	50	0.571204%
K 208	4	785	53	8	846	48	0.571204%
L 101	5	793	53	8	854	77	0.577025%
L 102	4	785	53	8	846	75	0.571204%
L 103	4	785	53	8	846	71	0.571204%
L 104	5	793	53	8	854	78	0.577025%
L 105	4	785	53	8	846	42	0.571204%
L 106	5	793	53	8	854	85	0.577025%
L 107	5	793	53	8	854	87	0.577025%
L 108	4	785	53	8	846	73	0.571204%
L 201	5	793	53	8	854	76	0.577025%
L 202	4	785	53	8	846	74	0.571204%
L 203	4	785	53	8	846	70	0.571204%
L 204	5	793	53	8	854	79	0.577025%
L 205	4	785	53	8	846	43	0.571204%

FAIRWAY TERRACE
 SCHEDULE OF APARTMENTS AND COMMON INTERESTS
EXHIBIT B

Unit #	Model	Approx. Net Living Floor Area (Sq. Ft.)	Lanai Area (Sq. Ft.)	Storage Area (Sq. Ft.)	Total Unit Area (Sq. Ft.)	Parking Stall #	Common Interest
L 206	5	793	53	8	854	86	0.577025%
L 207	5	793	53	8	854	37	0.577025%
L 208	4	785	53	8	846	72	0.571204%
M 101	1	469	51	8	528	23	0.341267%
M 102	3	492	44	8	544	22	0.357639%
M 103	3	492	44	8	544	21	0.357639%
M 104	1	469	51	8	528	20	0.341267%
M 105	3	492	44	8	544	93	0.357639%
M 106	1	469	51	8	528	24	0.341267%
M 107	1	469	51	8	528	25	0.341267%
M 108	3	492	44	8	544	90	0.357639%
M 201	2	478	52	8	538	94	0.347818%
M 202	3	492	44	8	544	18	0.357639%
M 203	3	492	44	8	544	17	0.357639%
M 204	2	478	52	8	538	19	0.347818%
M 205	3	492	44	8	544	92	0.357639%
M 206	2	478	52	8	538	26	0.347818%
M 207	2	478	52	8	538	27	0.347818%
M 208	3	492	44	8	544	91	0.357639%
N 101	5	793	53	8	854	1	0.577025%
N 102	5	793	53	8	854	3	0.577025%
N 103	5	793	53	8	854	104	0.577025%
N 104	5	793	53	8	854	106	0.577025%
N 201	5	793	53	8	854	2	0.577025%
N 202	5	793	53	8	854	4	0.577025%
N 203	5	793	53	8	854	105	0.577025%
N 204	5	793	53	8	854	107	0.577025%
		<u>137,429</u>	<u>10,209</u>	<u>1,592</u>	<u>149,230</u>		<u>100.0000%</u>

Model
Key

- 1 UNIT PLAN A - 1 BEDROOM (Ground Floor Units and Upper Floor Units in Building G adjacent to the Laundry Facilities.
- 2 UNIT PLAN A - 1 BEDROOM (Upper Floor Units)
- 3 UNIT PLAN B - 1 BEDROOM
- 4 UNIT PLAN C - 2 BEDROOM (All Interior Units)
- 5 UNIT PLAN C - 2 BEDROOM (All End Units)

Note: Unit A201 (Model 5) has been reserved for Manager's Unit. (Parking Stall #274)

EXHIBIT C
LIMITED COMMON ELEMENTS

Certain parts of the common elements, called the "limited common elements", are designated and set aside for the exclusive use of certain apartments and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

Each apartment shall have appurtenant thereto an exclusive right to use the parking stall or stalls assigned to such apartment as set forth in Exhibit B attached to this public report; provided, however, that each apartment shall have at least one parking stall appurtenant to it but otherwise any parking stall may be conveyed and made appurtenant to another apartment by a written instrument which expressly identifies the apartment to which the parking stall is appurtenant as well as the apartment to which the parking stall will become appurtenant, which written instrument shall also be denominated an amendment of this Declaration, shall be executed by the owner of each apartment affected, with the consent of the mortgagee, if any, of each apartment affected, and shall be effective upon the filing of the instrument in the Bureau of Conveyances of the State of Hawaii. A copy of said instrument, together with the filing data, shall be given to the Association by the affected apartment owners within 15 days of the filing thereof.

EXHIBIT D
EXISTING ENCUMBRANCES

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Easements D-8 and S-2, as shown on File Plan 1188.
3. Reservations, covenants, conditions and restrictions set forth in Deed dated February 12, 1988, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 21663, at Page 323.
4. Declaration of Condominium Property Regime of Fairway Terrace dated February 21, 1991, recorded in said Bureau as Document No. 91-029511. The Declaration was amended by instrument dated April 23, 1991, recorded in said Bureau as Document No. 91-054073 and by instrument dated June 28, 1991, recorded in said Bureau as Document No. 91-089972.
5. Bylaws of the Association of Apartment Owners of Fairway Terrace dated February 21, 1991, recorded in said Bureau as Document No. 91-029512.
6. Condominium Map No. 1456.
7. Mortgage, Security Agreement and Financing Statement and Assignment of Rental Agreement in favor of First Hawaiian credit Corporation, Inc., dated September 4, 1990, recorded in said Bureau as Document No. 90-142154.
8. Real property taxes due and payable, refer to Director of Finance, County of Hawaii.

EXHIBIT E
ESTIMATE OF INTIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<i>Model #</i>	<i>Monthly Fee</i>	<i>x 12 months</i>	<i>Yearly Total</i>
1	134	12	1,608
2	137	12	1,644
3	141	12	1,692
4	225	12	2,700
5	227	12	2,724

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

EXHIBIT E
ESTIMATE OF INTIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Unit #	Common Interest	Monthly Fee	x 12 months	Yearly Total
A 101	.577025%	\$227	12	\$2,724
A 102	.577025%	227	12	2,724
A 103	.577025%	227	12	2,724
A 104	.577025%	227	12	2,724
A 202	.577025%	227	12	2,724
A 203	.577025%	227	12	2,724
A 204	.577025%	227	12	2,724
B 101	.577025%	227	12	2,724
B 102	.577025%	227	12	2,724
B 103	.577025%	227	12	2,724
B 104	.577025%	227	12	2,724
B 201	.577025%	227	12	2,724
B 202	.577025%	227	12	2,724
B 203	.577025%	227	12	2,724
B 204	.577025%	227	12	2,724
C 101	.577025%	227	12	2,724
C 102	.571204%	225	12	2,696
C 103	.571204%	225	12	2,696
C 104	.577025%	227	12	2,724
C 105	.571204%	225	12	2,696
C 106	.577025%	227	12	2,724
C 107	.577025%	227	12	2,724
C 108	.571204%	225	12	2,696
C 201	.577025%	227	12	2,724
C 202	.571204%	225	12	2,696
C 203	.571204%	225	12	2,696
C 204	.577025%	227	12	2,724
C 205	.571204%	225	12	2,696
C 206	.577025%	227	12	2,724
C 207	.577025%	227	12	2,724
C 208	.571204%	225	12	2,696
D 101	.577025%	227	12	2,724
D 102	.571204%	225	12	2,696
D 103	.571204%	225	12	2,696
D 104	.577025%	227	12	2,724
D 105	.571204%	225	12	2,696
D 106	.577025%	227	12	2,724
D 107	.577025%	227	12	2,724
D 108	.571204%	225	12	2,696
D 201	.577025%	227	12	2,724

EXHIBIT E
ESTIMATE OF INTIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Unit #	Common Interest	Monthly Fee	x 12 months	Yearly Total
D 202	.571204%	225	12	2,696
D 203	.571204%	225	12	2,696
D 204	.577025%	227	12	2,724
D 205	.571204%	225	12	2,696
D 206	.577025%	227	12	2,724
D 207	.577025%	227	12	2,724
D 208	.571204%	225	12	2,696
E 101	.341267%	134	12	1,610
E 102	.357639%	141	12	1,688
E 103	.357639%	141	12	1,688
E 104	.341267%	134	12	1,610
E 105	.357639%	141	12	1,688
E 106	.341267%	134	12	1,610
E 107	.341267%	134	12	1,610
E 108	.357639%	141	12	1,688
E 201	.347818%	137	12	1,642
E 202	.357639%	141	12	1,688
E 203	.357639%	141	12	1,688
E 204	.347818%	137	12	1,642
E 205	.357639%	141	12	1,688
E 206	.347818%	137	12	1,642
E 207	.347818%	137	12	1,642
E 208	.357639%	141	12	1,688
F 101	.577025%	227	12	2,724
F 102	.571204%	225	12	2,696
F 103	.571204%	225	12	2,696
F 104	.577025%	227	12	2,724
F 105	.571204%	225	12	2,696
F 106	.577025%	227	12	2,724
F 107	.577025%	227	12	2,724
F 108	.571204%	225	12	2,696
F 201	.577025%	227	12	2,724
F 202	.571204%	225	12	2,696
F 203	.571204%	225	12	2,696
F 204	.577025%	227	12	2,724
F 205	.571204%	225	12	2,696
F 206	.577025%	227	12	2,724
F 207	.577025%	227	12	2,724
F 208	.571204%	225	12	2,696
G 101	.341267%	134	12	1,610

EXHIBIT E
ESTIMATE OF INTIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Unit #	Common Interest	Monthly Fee	x 12 months	Yearly Total
G 102	.357639%	141	12	1,688
G 103	.357639%	141	12	1,688
G 104	.341267%	134	12	1,610
G 105	.357639%	141	12	1,688
G 106	.341267%	134	12	1,610
G 107	.341267%	134	12	1,610
G 108	.357639%	141	12	1,688
G 201	.347818%	137	12	1,642
G 202	.357639%	141	12	1,688
G 203	.357639%	141	12	1,688
G 204	.347818%	137	12	1,642
G 205	.341267%	134	12	1,610
G 206	.357639%	141	12	1,688
G 207	.357639%	141	12	1,688
G 208	.341267%	134	12	1,610
H 101	.577025%	227	12	2,724
H 102	.571204%	225	12	2,696
H 103	.571204%	225	12	2,696
H 104	.577025%	227	12	2,724
H 105	.571204%	225	12	2,696
H 106	.577025%	227	12	2,724
H 107	.577025%	227	12	2,724
H 108	.571204%	225	12	2,696
H 201	.577025%	227	12	2,724
H 202	.571204%	225	12	2,696
H 203	.571204%	225	12	2,696
H 204	.577025%	227	12	2,724
H 205	.571204%	225	12	2,696
H 206	.577025%	227	12	2,724
H 207	.571204%	225	12	2,696
H 208	.571204%	225	12	2,696
I 101	.341267%	134	12	1,610
I 102	.357639%	141	12	1,688
I 103	.357639%	141	12	1,688
I 104	.341267%	134	12	1,610
I 105	.357639%	141	12	1,688
I 106	.341267%	134	12	1,610
I 107	.341267%	134	12	1,610
I 108	.357639%	141	12	1,688
I 201	.347818%	137	12	1,642

EXHIBIT E
ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Unit #	Common Interest	Monthly Fee	x 12 months	Yearly Total
I 202	.357639%	141	12	1,688
I 203	.357639%	141	12	1,688
I 204	.347818%	137	12	1,642
I 205	.357639%	141	12	1,688
I 206	.347818%	137	12	1,642
I 207	.347818%	137	12	1,642
I 208	.357639%	141	12	1,688
J 101	.577025%	227	12	2,724
J 102	.571204%	225	12	2,696
J 103	.571204%	225	12	2,696
J 104	.577025%	227	12	2,724
J 105	.571204%	225	12	2,696
J 106	.577025%	227	12	2,724
J 107	.577025%	227	12	2,724
J 108	.571204%	225	12	2,696
J 201	.577025%	227	12	2,724
J 202	.571204%	225	12	2,696
J 203	.571204%	225	12	2,696
J 204	.577025%	227	12	2,724
J 205	.571204%	225	12	2,696
J 206	.577025%	227	12	2,724
J 207	.577025%	227	12	2,724
J 208	.571204%	225	12	2,696
K 101	.577025%	227	12	2,724
K 102	.571204%	225	12	2,696
K 103	.571204%	225	12	2,696
K 104	.577025%	227	12	2,724
K 105	.571204%	225	12	2,696
K 106	.571204%	225	12	2,696
K 107	.571204%	225	12	2,696
K 108	.571204%	225	12	2,696
K 201	.577025%	227	12	2,724
K 202	.571204%	225	12	2,696
K 203	.571204%	225	12	2,696
K 204	.577025%	227	12	2,724
K 205	.571204%	225	12	2,696
K 206	.571204%	225	12	2,696
K 207	.571204%	225	12	2,696
K 208	.571204%	225	12	2,696
L 101	.577025%	227	12	2,724

EXHIBIT E
ESTIMATE OF INTIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Unit #	Common Interest	Monthly Fee	x 12 months	Yearly Total
L 102	.571204%	225	12	2,696
L 103	.571204%	225	12	2,696
L 104	.577025%	227	12	2,724
L 105	.571204%	225	12	2,696
L 106	.577025%	227	12	2,724
L 107	.577025%	227	12	2,724
L 108	.571204%	225	12	2,696
L 201	.577025%	227	12	2,724
L 202	.571204%	225	12	2,696
L 203	.571204%	225	12	2,696
L 204	.577025%	227	12	2,724
L 205	.571204%	225	12	2,696
L 206	.577025%	227	12	2,724
L 207	.577025%	227	12	2,724
L 208	.571204%	225	12	2,696
M 101	.341267%	134	12	1,610
M 102	.357639%	141	12	1,688
M 103	.357639%	141	12	1,688
M 104	.341267%	134	12	1,610
M 105	.357639%	141	12	1,688
M 106	.341267%	134	12	1,610
M 107	.341267%	134	12	1,610
M 108	.357639%	141	12	1,688
M 201	.347818%	137	12	1,642
M 202	.357639%	141	12	1,688
M 203	.357639%	141	12	1,688
M 204	.347818%	137	12	1,642
M 205	.357639%	141	12	1,688
M 206	.347818%	137	12	1,642
M 207	.347818%	137	12	1,642
M 208	.357639%	141	12	1,688
N 101	.577025%	227	12	2,724
N 102	.577025%	227	12	2,724
N 103	.577025%	227	12	2,724
N 104	.577025%	227	12	2,724
N 201	.577025%	227	12	2,724
N 202	.577025%	227	12	2,724
N 203	.577025%	227	12	2,724
N 204	.577025%	227	12	2,724
	100.0000%	\$39,338		\$472,055

EXHIBIT "E"
(Last Page)

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS:

	<u>MONTHLY</u>	<u>x 12 months</u>	<u>YEARLY TOTAL</u>
UTILITIES AND SERVICES			
Electricity-common elements	1,300	12	15,600
Gas-pool	1,200	12	14,400
Pest control	625	12	7,500
Refuse collection	803	12	9,636
Sewer	4,200	12	50,400
Water	2,500	12	30,000
MAINTENANCE, REPAIRS and SUPPLIES			
Building	4,000	12	48,000
Grounds	7,000	12	84,000
MANAGEMENT			
Management fee	2,500	12	30,000
Payroll, Taxes & Benefits	4,100	12	49,200
Office Expenses	775	12	9,300
INSURANCE	3,000	12	36,000
RESERVES	6,520	12	78,240
TAXES & GOVERNMENT ASSESSMENTS	125	12	1,500
AUDIT FEES	180	12	2,160
OTHER	800	12	9,600
	<u>39,338</u>		<u>472,056</u>

Fairway Terrace Associates Hawaii, the developer of Fairway Terrace, hereby certifies that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

by: Fairway Terrace Associates Hawaii
 by: Highland Village Apartments, general partner
 by: TFK Development, Inc., general partner



 by: D.A. Morrison, Assistant-Treasurer

End of Exhibit E

EXHIBIT F
SUMMARY OF SALES CONTRACT PROVISIONS

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract says:

(a) What a purchaser must do to qualify for a loan if the purchaser wants a mortgage loan to cover part of the purchase price.

(b) That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(c) That the Seller will pay the purchaser interest on deposits made under the Sales Contract.

(d) That the apartment will be subject to various other legal documents which the purchaser should examine. Some apartments may be sold subject to unexpired tenant leases.

(e) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(f) That the project will be subject to ongoing construction and sales activities which may result in certain annoyances to purchaser.

(g) That there is no rental pool or any management services offered with the Sales Contract, and Seller makes no representations about rentals or other economic benefits in connection with the sale of units.

(h) That occupancy of some apartments may be delayed pending expiration of certain unexpired tenant leases.

(i) That Seller's warranties are limited, and are further conditioned upon whether an apartment is subject to an unexpired tenant lease.

The Sales Contract contains various other provisions with which the purchaser should become acquainted.

EXHIBIT G
SUMMARY OF ESCROW AGREEMENT PROVISIONS

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement, these things will or may happen:

- (a) Escrow will let purchasers know when payments are due.
- (b) Escrow will arrange for purchasers to sign all necessary documents.
- (c) The Escrow Agreement says under what conditions a refund will be made to the purchaser.
- (d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

EXHIBIT H
USE RESTRICTIONS

The apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose.

The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than 6 days, or (b) any rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes, the owners of the respective apartments shall have the absolute right to lease such apartments provided that all leases of such apartments shall be in writing and shall be subject to all provisions of this Declaration and the Bylaws of the Association of apartment Owners filed immediately after the filing of this Declaration.

The following excerpt from the Bylaws contains the restrictions on animals in the project:

"(m) No livestock, poultry, rabbits or other animals or pets whatsoever shall be allowed or kept in any part of the project; provided, however, that 'signal dogs' and 'guide dogs', as defined in Section 515-3, Hawaii Revised Statutes, shall be permitted if the assistance of such dogs is ordinarily required by an owner, occupant or a guest who is blind or deaf, subject to reasonable rules and regulations adopted by the Board. Such dogs shall be allowed on common elements when in transit if on a leash.

"'Signal dogs' and 'guide dogs' as defined in Section 515-3, Hawaii Revised Statutes, shall be permitted if the assistance of such dogs is ordinarily required by an owner, occupant or a guest who is blind or deaf. Any such owner or occupant shall be responsible for the removal and disposal of all evidence of bodily functions in any common areas that are left by his or her signal or guide dog. The owner or occupant of an apartment who has a guest accompanied by a guide or signal dog shall be responsible for cleaning up any common areas that are soiled by a guest's guide or signal dog. To prevent the spread of fleas and ticks to common areas and other apartments, the board of directors may from time to time reasonably require the owner or occupant who uses a guide or signal dog to fumigate his or her apartment.

"A signal or guide dog shall not be allowed on any of the common elements without a leash or harness and shall not be allowed to run free within the common areas at any time.

"Any owner or occupant who uses a signal or guide dog shall indemnify the Association and Board of Directors and hold them harmless against any claims, loss or liability of any kind arising from such dog and shall furnish the Board of Directors with written evidence of adequate liability insurance naming the Association as an additional insured party.

"A signal or guide dog used by an owner or occupant must be registered immediately with the managing agent."

To ensure maximum enjoyment, comfort and security in the project, there are Rules and Regulations to protect occupants of the units against improper use of the project. Among others, the Rules and Regulations provide:

1. Number of occupants limited to three adults or two adults and two children per apartment unit.
2. Occupants are responsible for the conduct of their children at all times, and children are not to play in the walkways, stairways or corridors or in the parking and driveway areas.
3. No shoes, thongs, dry cleaning or other items shall be allowed to remain in view at front entrances of apartments.
4. No waterbeds allowed in project.

End of Exhibit H

EXHIBIT I
Permitted Alterations to Apartments

No apartment owner shall do any work which could jeopardize the soundness or safety of the project, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any basement or cellar, without in every such case the consent of seventy-five per cent (75%) of the apartment owners, together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained, provided, however, that non-material structural additions to the common elements, including without limitation, the installation of solar energy devices as defined in Section 468B-1, Hawaii Revised Statutes, as amended, and as the same may in the future be amended, or additions to or alterations of an apartment made within such apartment or within a limited common element appurtenant to and for the exclusive use of such apartment shall be permitted with the approval of the Board and the consent of all apartment owners determined by the Board to be directly affected by such additions or alterations, and upon completion of any addition or alteration which changes the floor plan of an apartment or limited common element, the Board shall cause a copy of the revised floor plan of the apartment or limited common element affected to be filed, at the expense of the owner of such apartment, as an amendment of this Declaration and said Condominium Map. "Non-material structural additions to the common elements", as used herein, shall mean a structural addition to the common elements which does not jeopardize the soundness or safety of the property, reduce the value thereof, impair any easement or hereditament, detract from the appearance of the project, interfere with or deprive any non-consenting owner of the use or enjoyment of any part of property, or directly affect any non-consenting owner.

Exhibit J

Warranties

All appliances shall be in working order on the Closing Date. The Apartment shall be in clean and habitable condition, subject to reasonable wear and tear and, with respect to any apartment which is encumbered by an unexpired tenant lease at the time of closing, subject to the tenant's use and occupancy thereof. In the event Purchaser is acquiring the Apartment subject to an unexpired tenant lease, Seller makes no representations or warranties of any kind as to the tenant lease, the tenant, or the cleanliness or condition of the Apartment or appliances. Purchaser in any event shall be deemed to have satisfied itself of the Apartment's suitability for purchase through Purchaser's inspection of the Apartment or otherwise at the time of execution of this Sales Contract (or within such other period of time for inspection as otherwise specifically may be agreed upon herein).

Subject to the foregoing, Seller MAKES NO WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE Apartment, the property, or the Project (including the common elements of the Project), or about any furnishings, fixtures, appliances, or other consumer products or anything else installed, attached, affixed, or otherwise contained in the Apartment, the property or the Project (including the common elements of the Project), including any warranties or promises of "merchantability", "workmanlike construction", or "fitness for a particular use or purpose".

As such the Apartment is being sold AS IS AND THERE ARE NO WARRANTIES EXPRESS OR IMPLIED WHICH EXTEND BEYOND THE TERMS SET FORTH ABOVE.