

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer SunStone Realty Partners XIV LLC
Address 1001 Bishop Street, Pauahi Tower Suite 1250, Honolulu, Hawaii 96813
Project Name(*): THE FAIRWAY VILLAS AT WAIKOLOA BEACH RESORT (This report covers the 108 Apartments in Buildings A, B, C, D, E, F, G, H and I)
Address: Waikoloa Beach Drive, Waikoloa, Hawaii

Registration No. 4879

Effective date: September 10, 2003

Expiration date: October 10, 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.
CONTINGENT FINAL: (green) The developer has legally created a condominium and has filed information with the Commission for this report which EXPIRES NINE (9) MONTHS after the above effective date.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
X SUPPLEMENTARY: (pink) This report updates information contained in the: [X] Preliminary Public Report dated: June 13, 2001, for Reg. No. 4635, as it relates to the 108 Apartments in Buildings A, B, C, D, E, F, G, H and I [X] Final Public Report dated: April 1, 2003, for Reg. No. 4879 [X] Supplementary Public Report dated: November 14, 2002
And [] Supersedes all prior public reports. [X] Must be read together with the Final Public Report for Reg. No. 4879, which has an effective date of April 1, 2003, and an expiration date of May 1, 2004. A Final Public Report for Reg. No. 4635, with an effective date of February 8, 2002, and a Supplementary Public Report for Reg. No. 4635 with an effective date of November 14, 2002, cover the 57 Apartments in Buildings J, K, L, M, N and O, and still apply to said 57 Apartments. [] This report reactivates the public report(s) which expired on

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request. FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report 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:

1. **Change of Parking Stalls.** Pursuant to rights reserved to it in the Declaration, the Developer has, by Amendment to Declaration of Condominium Property Regime of The Fairway Villas at Waikoloa Beach Resort dated July 3, 2003, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2003-143345, changed the parking stalls appurtenant to certain apartments, as follows:

<u>Apartment</u>	<u>Parking stall that WAS appurtenant to the Apartment:</u>	<u>Parking stall(s) that is (are) NOW appurtenant to the Apartment:</u>
E1	99	113
E24	120	120 and 99
F3	107	114
F5	114	107
F6	104	104 and 80
F32	113	116

SEE EXHIBIT "K" ATTACHED TO THIS REPORT

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**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. 2002-004021
Book _____ Page _____
 Filed - Land Court Document Number _____

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

1. Amendment to Declaration of Condominium Property Regime of The Fairway Villas at Waikoloa Beach Resort dated October 25, 2002, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2002-193764.
2. Amendment to Declaration of Condominium Property Regime of The Fairway Villas at Waikoloa Beach Resort dated July 3, 2003, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2003-143345.

- 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 Condominium Map No. 3390
 Filed - Land Court Condominium Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date 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 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. 2002-004022
Book _____ Page _____
 Filed - Land Court Document Number _____

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

7. Parking Stalls*:

Total Parking Stalls: 135

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Assigned (for each unit)	<u>22</u>	<u>88**</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>110</u>
Guest	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unassigned	<u> </u>	<u>25</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>25</u>
Extra for Purchase	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other: <u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Covered & Open:	<u>135</u>	<u> </u>	<u>0</u>	<u> </u>	<u>0</u>	<u> </u>	<u>135</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.

- * These figures reflect the 9 buildings and 108 apartments covered by this report (there being a total of 165 apartments in the entire project).
- ** 3 are oversized for the handicapped
- *** The Developer has reserved the right to designate parking stalls not otherwise designated as limited common elements to be appurtenant to and for the exclusive use of any apartment in the project, or as guest parking stalls for the project. See Exhibit J to this public report.

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/Enclosure(s)

Other: Barbeque area; Trash receptacle areas; Common mail room

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

There are no violations. Violations will not be cured.

Violations and cost to cure are listed below: Violations will be cured by
(Date)

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

(Not Applicable.)

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 D.

as follows:

Pursuant to the rights reserved to it in the Declaration, the Developer has, by Amendment to Declaration of Condominium Property Regime of The Fairway Villas at Waikoloa Beach Resort dated July 3, 2003, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2003-143345, changed the parking stalls appurtenant to certain apartments, as follows:

<u>Apartment</u>	<u>Parking stall that WAS appurtenant to the Apartment:</u>	<u>Parking stall(s) that is (are) NOW appurtenant to the Apartment:</u>
E1	99	113
E24	120	120 and 99
F3	107	114
F5	114	107
F6	104	104 and 80
F32	113	116

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 E.

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 February 11, 2003 and issued by Hawaii Escrow and Title, Inc.

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

Construction is currently in progress, and is anticipated to be completed by approximately January 1, 2004.

H. Project Phases:

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

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

The 108 Apartments (Buildings A, B, C, D, E, F, G, H and I) covered by this supplementary final public report are being, and may continue to be, developed pursuant to rights reserved to the developer to develop incrementally (see Exhibit J to this public report).

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

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

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

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended..
- D) House Rules, if any.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other:

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. 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, Hawaii 96809, at a nominal cost.

This Public Report is a part of Registration No. 4879 filed with the Real Estate Commission on May 29, 2002.

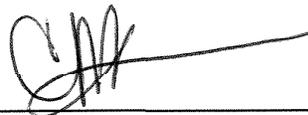
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YELLOW paper stock WHITE paper stock PINK paper stock GREEN paper stock

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

SunStone Realty Partners XIV LLC
Printed Name of Developer

By: SunStone Realty Partners XIV LLC

By: 
Duly Authorized Signatory*

8/28/03
Date

Curtis D. DeWeese, Manager
Print Name and 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.**

EXHIBIT B

PARKING STALLS (for the 108 apartments covered by this report)

Each apartment shall have appurtenant to it, as a limited common element, the exclusive right to use the uncovered parking stall(s) designated below, located as shown on the Condominium Map.

APT. #	STALL #1	STALL #2
A1	9(H)	
A2	12	
A3	5	
A4	8	
A21	11	
A22	6	
A31	10	
A32	7	
B1	39	
B2	44	
B3	43	
B4	13	
B5	24	
B6	33	
B21	42	
B22	41	
B23	35	
B24	34	
B31	38	
B32	40	
B33	37	
B34	36	
C1	79(H)	
C2	71	
C3	73	
C4	66	
C21	75	
C22	69	
C31	74	

APT. #	STALL #1	STALL #2
C32	70	
D1	97	
D2	85	
D3	84	
D4	83	
D5	82	
D6	90	
D21	95	
D22	94	
D23	92	
D24	93	
D31	88	
D32	91	
D33	96	
D34	89	
E1	113	
E2	124	
E3	123	
E4	122	
E5	121	
E6	98	
E21	119	
E22	87	
E23	86	
E24	120	99
E31	100	
E32	117	
E33	118	
E34	101	

APT. #	STALL #1	STALL #2
F1	111	
F2	108	
F3	114	
F4	115	
F5	107	
F6	104	80
F21	110	
F22	109	
F23	105	
F24	106	
F31	112	
F32	116	
F33	103	
F34	102	
G1	146	
G2	143	
G3	142	
G4	159	
G5	160	
G6	139	
G21	145	
G22	144	
G23	140	
G24	141	
G31	147	
G32	148	

APT. #	STALL #1	STALL #2
G33	138	
G34	137	
H1	198(H)	
H2	195	
H3	151	
H4	154	
H21	196	
H22	152	
H31	197	
H32	153	
I1	208	
I2	205	
I3	210	
I4	211	
I5	212	
I6	201	
I21	207	
I22	206	
I23	203	
I24	204	
I31	209	
I32	200	
I33	202	
I34	199	

Note: A parking stall marked with a number designation only, as shown on the list above and on the Condominium Map, indicates a parking stall that is "standard" in size. A parking stall marked with an "(H)" indicates a parking stall that is oversized for the handicapped. The additional "(H)" markings appearing on the list above and/or the Condominium Map are for informational purposes only and do not constitute part of the legal identification of a parking stall, the sole means of legal identification being the numerical designation of the parking stall.

The Developer has reserved the right, by amendment to the Declaration in accordance with Section T.2 of the Declaration, to convey or otherwise designate any parking stall not designated above as a limited common element to be appurtenant to and for the exclusive use of any apartment in the Project, or to be used as a guest parking stall for the Project.

EXHIBIT K

CHANGE OF PARKING STALLS

Pursuant to rights reserved to it in the Declaration, the Developer has, by Amendment to Declaration of Condominium Property Regime of The Fairway Villas at Waikoloa Beach Resort dated July 3, 2003, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2003-143345, changed the parking stalls appurtenant to certain apartments, as follows:

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