

MINUTES OF THE ANNUAL MEETING  
ASSOCIATION OF APARTMENT OWNERS  
FAIRWAY VILLA, INC.  
MARCH 12, 2015

DETERMINATION OF A QUORUM

A quorum was established with 65.992% of the owners represented in person or by proxy.

CALL TO ORDER

President Gary Yoshimi called the 2015 Annual Meeting of the Association of Apartment Owners of Fairway Villa, Inc. to order at 6:30 PM. at the Royal Kuhio Condominium.

PROOF OF NOTICE OF MEETING

A notice of the annual meeting was sent to all owners of record on January 27, 2015.

INTRODUCTION OF BOARD MEMBERS AND GUESTS

President Yoshimi welcomed all owners present and introduced the Board of Directors and invited guests:

Gary Yoshimi, President  
John Baleix, Vice President  
Carlyn Dasinger, Secretary  
Julie Handley, Treasurer  
Peggy Grant, Director  
Terry Klapakis, Director  
Thomas Hinkle, Resident Manager  
Debi Balmilero, Management Executive and Recording Secretary, Hawaiiiana Management Co.  
Sheri Ishida, Kacie Gouveia, Terry Lorenzana, Jackie McClellan and Carol Oyama, Tally Clerks

PARLIAMENTARY AUTHORITY

Robert's Rules of Order, Newly Revised, was the governing authority for this meeting in any instances not covered by the Association Bylaws or Hawaii Revised Statute 514B.

APPROVAL OF MINUTES

The minutes of the 2014 annual meeting were approved by the Board of Directors and mailed to all owners prior to the meeting. There being no corrections, the minutes were approved as written.

REPORTS OF OFFICERS

A. President's Report: President Yoshimi presented a written report on the Board's accomplishments.

ELECTION OF DIRECTORS

There were three (3) vacancies on the Board to be elected for three-year terms, one (1) vacancy to complete a two-year term and one (1) vacancy to complete a one-year term. The election results are as follows:

Brian Jahnke	-	51.113%	3 year term
Carlyn Dasinger	-	48.994%	3 year term
Gary Yoshimi	-	47.867%	3 year term
Ernie Anton	-	47.648	2 year term
Diana Novoselic	-	47.172%	1 year term
Robert Zabriskie	-	10.694%	not elected

### QUORUM COUNT & DISCLOSURE OF BOARD VOTES

In accordance with Article II, Section 6A of the Bylaws, the following votes being cast by proxy and by the Board:

The total percentage present in person or by proxy at this meeting is 65.992%. Of this total, 6.6% of the proxies were assigned to the Directors present at the meeting. 24.476 % of the proxies were given to the Board as a whole.

### NEW BUSINESS

- A. Resolution on Assessments: The following tax resolution was adopted by unanimous consent:  
RESOLVED, by the owners of Fairway Villa, Association of Apartment Owners, that the amount by which members' assessments in 2015 exceeds the total expenses of the Association for the purpose of managing, operating, maintaining and replacing the common elements of the Association shall be applied against 2016 operating expenses.
- B. Approval of Property Management Contract: The property management contract with Hawaiiana Management Company was adopted by unanimous consent.
- C. Approval of Auditor: The Board's selection of Terry Wong CPA, as auditor was approved by unanimous consent.
- D. Approval of the Board Appreciation Dinner: In appreciation for their efforts and hard work on behalf of the Association, the appreciation dinner for approximately \$1,700 for the Board members, a guest, and management was approved by unanimous consent.

### ADJOURNMENT

There being no further business, the annual meeting of the Owners of Fairway Villa, Inc. was adjourned at 7:07 PM.

Submitted by:

Debi Balmilero CMCA<sup>®</sup>, AMS<sup>®</sup>, PCAM<sup>®</sup>  
Recording Secretary

**Fairway Villa, Inc.**  
**Board of Directors Meeting**  
**MINUTES**  
**January 14, 2015**  
**Onsite, P-6 Conference Room**

I. CALL TO ORDER

President Gary Yoshimi called the regularly scheduled meeting of the Board of Directors of AOA Fairway Villa to order at 6 PM.

II. ESTABLISH A QUORUM

A quorum was established.

Members Present: President Gary Yoshimi, Vice President John Baleix, Treasurer Julie Handley, Directors Terry Klapakis, Peggy Grant, Diana Novoselic and Margaret Lefton

Excused: Secretary Carlyn Dasinger

Also Present: Debi Balmilero, Management Executives, Hawaiiana Management Company, Inc.; Resident Manager Thom

Guests: Unit 2117, Robert Zabriskie, Unit 2208, Gregg Karsnick

III. OWNERS FORUM

Unit 2208: Mr. Karsnick noted that the barbeque grills on the 29<sup>th</sup> floor don't heat properly. He requested that the hot tub should be cleaned and maintained regularly and the sauna temperature control knob should be replaced.

IV. MINUTES

a. Regular Board of Directors Meeting Minutes

A **motion** was made by Treasurer Handley and seconded by Director Grant to approve the regular meeting minutes of October 8, 2014 as presented. The motion carried unanimously.

A **motion** was made by Director Klapakis and seconded by Director Novoselic to approve the regular meeting minutes of December 16, 2014 as corrected. The motion carried unanimously.

TREASURER'S REPORT

A. Financial Statements

By general consent, the Board reviewed and filed the September, October, November and December 2014 Financial Statements, subject to audit.

V. RESIDENT MANAGER'S REPORT

Mr. Hinkle provided written reports for October, November and December 2014. A copy of each report is on file in the Resident Manager's office and also in the Managing Agent's office.

VI. COMMITTEE REPORTS

A. Legal Committee (*Chair Terry Klapakis*)

1. Fine Policy/Process

Deferred.

VII. MANAGEMENT EXECUTIVE REPORT

President Yoshimi noted that the Management Executive Checklist and Calendar have been updated for the Board's review.

VIII. COMMITTEE REPORTS (cont.)

B. Executive Committee (Chair: Gary Yoshimi)

None.

C. Newsletter, Events and Owner Relations Committee (Chair: Peggy Grant)

None.

D. Building & Grounds Committee (Chair: Margaret Lefton)

1. Capital Projects

a. 29<sup>th</sup> Floor Restroom Renovation Status (Chair: John Baleix, members Gary Yoshimi & Ernie Anton)

Deferred until after the Painting Project.

b. Painting/Spall Committee (Chair John Baleix, members, Gary Yoshimi)

i. Color Placement Approval

The Board, by general consent with the abstention of Treasurer Handley, approved the color placement as reviewed by the contractor and Paint Committee. The motion carried.

2. Security Services (Chair Terry Klapakis)

Deferred.

3. Pool Heater (Chair Margaret Lefton; members Carlyn Dasinger, Ernie Anton, Thom Hinkle)

Deferred.

4. Recreation Deck Furniture (Chair Diana Novoselic)

Chair Novoselic noted that she is soliciting numerous proposals for new recreation furniture and will be visiting various buildings to obtain further ideas. John Baleix, Gary Yoshimi and Terry Klapakis volunteered to be on the committee.

IX. UNFINISHED BUSINESS

None.

X. NEW BUSINESS

A. Lanai Storage

A **motion** was made by Director Novoselic and seconded by Treasurer Handley to accept the request from Vacations Internationale to install a temporary barrier during their unit renovations. There were six votes in favor with President Yoshimi abstaining. The motion carried.

B. Louver Replacement with Awning Windows for Lanais

A **motion** was made by Vice President Baleix and seconded by Director Klapakis to develop an architectural standard to change any lanai window to bronzed-colored, glass windows with aluminum or aluminum-colored frames, the same dimensions as the existing bank of louvered windows subject to review by the architect and the

recommendation and approval by the Honolulu Department of Planning and Permitting.

There were three votes in favor with President Yoshimi, Treasurer Handley, Directors Lefton and Novoselic opposed. The motion failed.

C. Fire Extinguisher

A **motion** was made by Treasurer Handley and seconded by Director Grant to accept the proposal from Oahu Fire Protection Inc. for the purchase of 54 5lb. fire extinguishers for \$3,873.30. There were six votes in favor with Director Klapakis opposed. The motion carried unanimously.

D. Camera Replacement

A **motion** was made by Treasurer Handley and seconded by Director Klapakis to accept the proposal from In Control for \$2,214.38 to replace the existing camera on P-1 Parking Level upon submittal of a revised proposal. The motion carried unanimously.

E. Annual Meeting

The Board thanks Mrs. Hinkle for coordinating the refreshments for the upcoming annual meeting on March 12, 2015.

F. Unit 2803, Replacement Window

A **motion** was made by Treasurer Handley and seconded by Director Novoselic to approve the installation of a venting picture window for unit 2803 with bronze tinted glass to conform to the Fairway Villa Building Design Plans pending approval by the Building Department if required. There were six votes in favor with Vice President Baleix abstaining. The motion carried.

XI. EXECUTIVE SESSION

President Yoshimi adjourned the meeting into executive session at 7:52 PM and resumed the regular session at 8 PM. The following items were determined:

A. Delinquency Report

ME Balmilero provided the delinquent account information for the Board's review.

- a. Account 1676-217-001: The Board, by unanimous general consent, authorized the outstanding balance on the prior owner account to be written off as a bad debt expense.

XII. DATE, TIME, AND PLACE OF NEXT MEETING

The next Board of Directors Meeting will be held at the call of the President on **Wednesday, March 12, 2015, for the Annual Meeting at the Royal Kuhio Conference Room, 6:30 PM.**

XII. 2015 MEETING SCHEDULE

March 12, 2015 (*Annual Meeting*)

XIII. ADJOURNMENT

There being no further business President Yoshimi adjourned the meeting at 8 PM.

Submitted by:  
Debi Balmilero, CMCA<sup>®</sup>, AMS<sup>®</sup>, PCAM<sup>®</sup>  
Recording Secretary

Approved by:

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Carlyn D. Dasinger  
Board Secretary

**Fairway Villa, Inc.**  
**Board of Directors Meeting**  
**Onsite, P-6 Conference Room**  
**May 12, 2015**  
**MINUTES**

I. CALL TO ORDER

President Gary Yoshimi called the regularly scheduled meeting of the Board of Directors of AOA Fairway Villa to order at 6 PM.

II. ESTABLISH A QUORUM

A quorum was established.

Members Present: President Gary Yoshimi, Vice President John Baleix, Secretary Carlyn Dasinger Treasurer Julie Handley, Directors Ernie Anton, Peggy Grant, Brian Jahnke, and Terry Klapakis

Excused: Director Diana Novoselic

Also Present: Debi Balmilero, Management Executives, Hawaiiana Management Company, Inc.; Resident Manager Thom

Guests: None

III. OWNERS FORUM

None.

IV. MINUTES

a. Regular Board of Directors Meeting Minutes

A **motion** was made by Secretary Dasinger and seconded by Treasurer Handley to approve the regular meeting minutes of January 14, 2015 as presented. The motion carried unanimously.

A **motion** was made by Secretary Dasinger and seconded by Treasurer Handley to approve the annual meeting minutes of March 12, 2015 as presented for form and content. The motion carried unanimously.

A **motion** was made by Secretary Dasinger and seconded by Treasurer Handley to approve the organizational meeting minutes of March 12, 2015 as presented. The motion carried unanimously.

TREASURER'S REPORT

A. Financial Statements

By general consent, the Board reviewed and filed the February, March and April 2015 financial statements, subject to audit.

V. RESIDENT MANAGER'S REPORT

Mr. Hinkle provided written reports for January, February and March 2015. A copy of each report is on file in the Resident Manager's office and also in the Managing Agent's office.

VI. MANAGEMENT EXECUTIVE REPORT

President Yoshimi noted that the Management Executive Checklist and Calendar have been updated for the Board's review.

VII. COMMITTEE REPORTS

A. Executive Committee (Chair: Gary Yoshimi)

1. Calendar and Committee Assignments

President Yoshimi reviewed the committee assignments with the Board.

B. Newsletter, Events and Owner Relations Committee (Chair: Peggy Grant)

Chair Grant noted that the next newsletter will be published in mid June 2015.

C. Legal Committee (Chair Terry Klapakis)

None.

D. Building & Grounds Committee (Chair: Brian Jahnke, Member Carlyn Dasinger)

1. Capital Projects

a. 29<sup>th</sup> Floor Restroom Renovation Status (Chair: John Baleix, members Gary Yoshimi & Ernie Anton)

Deferred until after the Painting Project.

b. Painting/Spall Repair (Chair John Baleix, members, Gary Yoshimi)

Chair Baleix recommended that the parking entrance stanchion and gate arm be painted to match the building's new paint colors.

A **motion** was made by Vice President Baleix to change the parking entrance stanchion and gate as recommended. There were seven votes in favor with Treasurer Handley opposed. The motion carried.

2. Security Services (Chair Terry Klapakis)

Deferred.

3. Pool Heater (Chair Brian Jahnke; members Carlyn Dasinger, Ernie Anton, Thom Hinkle)

a. Pipe Insulation– Review Proposal (\$621.30)

A **motion** was made by Vice President Baleix and seconded by Director Jahnke to accept the pipe materials for insulation of the solar heating device not to exceed \$800. There were four votes in favor with Secretary Dasinger, Treasurer Handley and Director Klapakis opposed. The motion carried.

4. Recreation Deck Furniture (Chair Diana Novoselic, Brian Jahnke, John Baleix)

None.

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

A. Teleconference Phone

A **motion** was made by Vice President Baleix and seconded by Treasurer Handley to purchase a teleconference phone for an amount not to exceed \$350.00. There were



three votes in favor with Secretary Dasinger, Directors Klapakis, Anton and Grant opposed. The motion failed.

X. EXECUTIVE SESSION

President Yoshimi adjourned the meeting into executive session at 7:16 PM and resumed the regular session at 7:34 PM. The following items were determined:

A. Delinquency Report

ME Balmilero provided the delinquent account information for the Board's review.

- a. Account 1676-271: The Board, by unanimous general consent, authorized legal counsel to proceed with their recommended judicial foreclosure.
- b. Account 1676-215: The Board, by unanimous general consent, authorized the unit to be cleaned and rented at the recommendation of legal counsel. All proceeds will be used to pay the outstanding debt.
- c. Account 1676-360: The Board, by unanimous general consent, authorized legal counsel to proceed with their recommended judicial foreclosure..

XI. DATE, TIME, AND PLACE OF NEXT MEETING

The next Board of Directors Meeting will be held at the call of the President on **Wednesday, July 22, 2015, Conference Room, 6 PM.**

XII. 2015/2016 MEETING SCHEDULE

October 20, December \* (*Board Appreciation Dinner*), February 17, 2016, March 9, 2016 (*Annual Meeting*)

XIII. ADJOURNMENT

There being no further business President Yoshimi adjourned the meeting at 7:34 PM.

Submitted by:  
Debi Balmilero, CMCA®, AMS®, PCAM®  
Recording Secretary

Approved by:

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Carlyn D. Dasinger  
Board Secretary

**Fairway Villa, Inc.**  
**Board of Directors Meeting**  
**MINUTES**  
**December 16, 2014**  
**Onsite, P-6 Conference Room**

I. CALL TO ORDER

President Gary Yoshimi called the special meeting of the Board of Directors of AOA Fairway Villa to order at 6 PM.

II. ESTABLISH A QUORUM

A quorum was established.

Members Present: President Gary Yoshimi, Vice President John Baleix, Secretary Carlyn Dasinger; Treasurer Julie Handley; Directors Terry Klapakis, and Margaret Lefton

Excused: Directors Peggy Grant and Diana Novoselic

Also Present: Debi Balmilero, Management Executives, Hawaiiana Management Company, Inc.; Resident Manager Thom Hinkle

Guests: None.

III. OWNERS FORUM

None.

COMMITTEE REPORTS

A. Building & Grounds Committee *(Chair: Margaret Lefton)*

1. Capital Projects

a. Painting/Spall Committee *(Chair John Baleix, members, Gary Yoshimi)*

i. Paint Color

A **motion** was made by President Yoshimi to paint the Association building as 'Kilim Beige' & 'Herbal Wash'. There were four votes in favor with Director Klapakis opposed. The motion carried.

ii. Garage Parapet Walls

A **motion** was made by President Yoshimi to paint the garage parapet walls 'Herbal Wash'. There were four votes in favor with Treasurer Handley opposed. The motion carried.

iii. Architectural Features

A **motion** was made by President Yoshimi to paint the architectural features on only the mauka and makai ends of the building the 'Herbal Wash' color. There were three votes in favor with Treasurer Handley opposed and Director Lefton abstaining. The motion carried.

iv. Top Parapet Wall

A **motion** was made by President Yoshimi to paint the exterior surface of the 29<sup>th</sup> floor parapet wall 'Herbal Wash'. There were three votes in favor with Treasurer Handley opposed and Director Lefton abstaining. The motion carried.

IV. UNFINISHED BUSINESS

None.

V. NEW BUSINESS

1. Account 1676-133

The Board, by unanimous general consent, accepted the attorney's recommended short sale settlement with the stipulation that the owner pay the full amount he agreed to pay prior to the closing of the sale.

VI. EXECUTIVE SESSION

None.

VII. DATE, TIME, AND PLACE OF NEXT MEETING

The next Board of Directors Meeting will be held at the call of the President on **Wednesday, January 14, 2015, 6<sup>th</sup> floor Conference Room.**

XII. 2015 MEETING SCHEDULE

January 14, 2015, March 12, 2015 (*Annual Meeting*)

XIII. ADJOURNMENT

There being no further business President Yoshimi adjourned the meeting at 6:45 PM.

Submitted by:  
Debi Balmilero, CMCA<sup>®</sup>, AMS<sup>®</sup>, PCAM<sup>®</sup>  
Recording Secretary

Approved by:

\_\_\_\_\_  
Name:

Its:

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

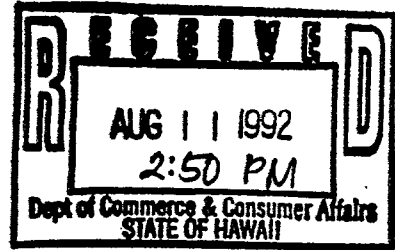
STATE OF HAWAII

In the Matter of the Incorporation )

of )

THE ASSOCIATION OF APARTMENT OWNERS )  
OF FAIRWAY VILLA, INC. )

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ARTICLES OF INCORPORATION

of

THE ASSOCIATION OF APARTMENT OWNERS OF  
FAIRWAY VILLA, INC.

IWAI, MOTOOKA & GOTO  
Attorneys at Law  
A Law Corporation

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JOHN A. MORRIS, ESQ.  
Suite 502, Haseko Center  
820 Mililani Street  
Honolulu, Hawaii 96813

Attorneys for THE ASSOCIATION OF  
APARTMENT OWNERS OF FAIRWAY VILLA

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
STATE OF HAWAII

In the Matter of the Incorporation )  
  ) )  
                                  of         ) )  
THE ASSOCIATION OF APARTMENT OWNERS ) )  
OF FAIRWAY VILLA, INC.                    ) )  
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ARTICLES OF INCORPORATION  
of  
THE ASSOCIATION OF APARTMENT OWNERS OF  
FAIRWAY VILLA, INC.

The undersigned, desiring to form a nonprofit corporation under the laws of the State of Hawaii, certify as follows:

I.

NAME

The name of the Corporation shall be THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC.

II.

OFFICES

The street address of the initial or principal office of the Corporation is 2345 Ala Wai Boulevard, Honolulu, Hawaii 96815. The Corporation may have such other offices within and without the State of Hawaii as the Board of Directors may designate.

III.

PERIOD OF DURATION

The period of its duration is perpetual.

IV.

PURPOSES AND POWERS

The Corporation is organized for the following specific purposes and powers:

(a) To: (i) operate and manage the condominium project known as "FAIRWAY VILLA" located in Honolulu, Hawaii; and (ii) transact any other lawful activities for nonprofit corporations permitted by law, all in compliance with Chapter 514A, Hawaii Revised Statutes, the Declaration, the Bylaws and all other documents governing the project and its operation and management; and

(b) To exercise all of the powers, rights, privileges and immunities conferred by law on nonprofit corporations.

(c) To undertake any and all action required to negotiate the acquisition of the leased fee interest from the Lessor of the Fairway Villa to the Corporation or to the individual apartment owners of the Fairway Villa, including but not limited to retaining any professionals to represent the Corporation or the individual apartment owners in said negotiations.

(d) To purchase, on behalf of the Corporation, the leased fee interest of all apartments, whose owners were unwilling or unable to purchase the leased fee interest to their apartment from the Lessor of the Fairway Villa, provided that not less than seventy-five percent (75%) of the leased fee interest has been purchased by the apartment owners of the Fairway Villa.

(e) To undertake any and all action to administer the leased fee interest acquired.

V.

BOARD OF DIRECTORS

The business and affairs of the Corporation shall be managed by a Board of Directors, which shall consist of nine (9) members, whose qualifications shall be as stated in the Bylaws. At least one (1) member of the Board of Directors shall be a resident of the State of Hawaii. The members of the Board of Directors shall be elected or appointed at such times, in such manner, and for such terms as may be prescribed by the Bylaws.

The following persons shall act as the initial Directors of the Corporation until their successors are elected or appointed and qualified as provided for in the Bylaws:

<u>Name</u>	<u>Residence Address</u>
Mrs. Mary Ananian	2345 Ala Wai Blvd., #2301 Honolulu, HI 96815
Mr. Roberto Esta	2345 Ala Wai Blvd., #2112 Honolulu, HI 96815
Mr. Richard Yamaoka	2345 Ala Wai Blvd., #2512 Honolulu, HI 96815
Ms. Mignon Hickey	2233 Ala Wai Blvd., #2B Honolulu, HI 96815
Mr. George Ananian	2345 Ala Wai Blvd., #2301 Honolulu, HI 96815
Ms. Mary Matsuyama	832 Queen Street Honolulu, HI 96813
Mr. Elias Kaprielian	2345 Ala Wai Blvd., #2413 Honolulu, HI 96815
Dr. Huntington Porter	2345 Ala Wai Blvd., #1507 Honolulu, HI 96815
Mr. George Sasano	2345 Ala Wai Blvd., #2107 Honolulu, HI 96815

VI.

OFFICERS

The Officers of the Corporation shall be a President, a Vice-President, a Secretary, and a Treasurer. The Board may also appoint an Assistant Treasurer and an Assistant Secretary. The President shall be elected from among the members of the Board of Directors. The Officers shall be elected or appointed at such times, in such manner, and for such terms as may be prescribed by the Bylaws.

The following persons shall act as the initial Officers of the Corporation until their successors are elected or appointed and qualified as provided for in the Bylaws:

<u>Office</u>	<u>Name</u>	<u>Residence Address</u>
PRESIDENT	MARY ANIANAN	2345 Ala Wai Blvd., #2301 Honolulu, HI 96815
VICE-PRESIDENT	ROBERTO ESTA	2345 Ala Wai Blvd., #2112 Honolulu, HI 96815
SECRETARY	RICHARD YAMAOKA	2345 Ala Wai Blvd., #2512 Honolulu, HI 96815
TREASURER	MIGNON HICKEY	2233 Ala Wai Blvd., #2B Honolulu, HI 96815

VII.

MEMBERS

The Corporation shall have Members. Their number and qualifications; their property, voting and other rights and privileges; and their liabilities for dues and assessments and the method of collection of those charges shall be as stated in Chapter 514A, Hawaii Revised Statutes, the Declaration, the Bylaws and related documents.



VIII.

NONPROFIT CORPORATION

This Corporation shall be a nonprofit corporation within the meaning of Chapter 415B of the Hawaii Revised Statutes. The Corporation will not authorize nor issue any stock. No dividends shall be paid and no part of its assets, income or earnings shall be distributed to any Director, Officer, Member or employee, except that reasonable compensation may be paid for services rendered to the Corporation effecting one or more of its objects and purposes or for reimbursement of expenses incurred in behalf of the Corporation. No Director, Officer, Member or employee of the Corporation, shall be entitled to share in the distribution of any of the Corporation's assets on dissolution of the Corporation, except to the extent permitted by law. No part of the activities of the Corporation shall include (i) carrying on propaganda, (ii) attempting in any manner to influence legislation, except that members of the Corporation's Board of Directors and personnel of the Corporation may testify or make other appropriate communications where formally requested to do so by a legislative body or a committee or a member thereof in matters concerning legislation relating to the public purposes of the Corporation or public appropriations to programs and activities of the Corporation, or (iii) participating or intervening in (including the publication or distribution of statements), or contributing to, any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision herein, the Corporation shall have all of the powers of a condominium owners' association as defined in Section 528 of the Internal Revenue Code of 1986, and shall not carry on any activities not permitted to be carried on by a corporation entitled to an exemption from federal income tax on certain income under Section 528 of the Internal Revenue Code of 1986, or the corresponding provision of any subsequent federal laws.

IX.

BYLAWS

The initial Bylaws of the Corporation shall be the existing Bylaws of the Association of Apartment Owners of Fairway Villa, as amended, which shall be adopted by the Board of Directors. The Bylaws may be altered, amended or repealed, and new Bylaws may be adopted, subject to repeal or change by the Members, as prescribed in the Bylaws and Chapter 514A, Hawaii Revised Statutes.

X.

LIABILITIES

All of the property of the Corporation shall be liable for the debts of the Corporation. The members, directors, officers and employees of the Corporation shall not be liable personally for the Corporation's obligations, except to the extent they are subject to assessment under Chapter 514A, Hawaii Revised Statutes, the Declaration, and the Bylaws. In accordance with Section 415B-158.5, Hawaii Revised Statutes, the members of the Board shall not be liable to the Apartment Owners for any mistake of judgment or otherwise except for Board members' own gross negligence or wilful misconduct.

We certify, under the penalties of Section 415B-158 of the Hawaii Revised Statutes, that we have read the above statements and that they are true and correct.

Witness our hands this 4th day of August, 1992.

Mary Ananian  
MARY ANANIAN

Richard Yamoka  
RICHARD YAMOKA

Incorporators

3816c

CALL AND WAIVER OF NOTICE OF A  
MEETING OF THE INCORPORATORS  
OF  
THE ASSOCIATION OF APARTMENT OWNERS OF  
FAIRWAY VILLA, INC.

We, the undersigned, being all of the Incorporators of  
THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., do  
hereby:

(a) call a meeting of the Incorporators of the  
Corporation to be held at 2345 Ala Wai Blvd., Honolulu, Hawaii,  
at 11:15 a.m. on August 4, 1992, for the purpose of organizing  
the Corporation and transacting such other business as may be  
presented at the meeting; and

(b) waive notice of said meeting.

DATED: Honolulu, Hawaii, August 4, 1992

Mary Ananian  
MARY ANANIAN

Richard Yamoka  
RICHARD YAMOKA

MINUTES OF A MEETING  
OF THE INCORPORATORS  
OF  
THE ASSOCIATION OF APARTMENT OWNERS OF  
FAIRWAY VILLA, INC.

Pursuant to the Call and Waiver of Notice of a Meeting of the Incorporators filed herewith, a meeting of the Incorporators of THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC. was held at 2345 Ala Wai Blvd., Honolulu, Hawaii, at 11:15 a.m. on August 4, 1992.

The following persons, being all of the Incorporators, were present:

MARY ANANIAN  
RICHARD YAMAOKA

PRESIDING MEMBER AND SECRETARY OF THE MEETING

On motion duly made, seconded and unanimously carried, Mary Ananian was elected to preside at this meeting and Richard Yamaoka was elected to act as Secretary.

CALL TO ORDER

Mary Ananian called the meeting to order.

ADOPTION OF THE ARTICLES OF INCORPORATION

The proposed Articles of Incorporation of the corporation were presented to the meeting and were then executed by each of the Incorporators.

On motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the proposed Articles of Incorporation are hereby approved and adopted as the Articles of Incorporation of the Corporation.

ELECTION OF THE INITIAL BOARD OF DIRECTORS

On motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the initial number of Directors be set at nine (9), and the following are elected as Directors of the Corporation, to serve until the next annual meeting or until their successors are duly elected and qualified:

MARY ANANIAN  
ROBERTO ESTA  
RICHARD YAMAOKA  
MIGNON HICKEY  
GEORGE ANANIAN  
MARY MATSUYAMA  
ELIAS KAPRIELIAN  
HUNTINGTON PORTER  
GEORGE SASANO

ELECTION OF THE INITIAL OFFICERS

On motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the following persons are hereby named as Officers of the Corporation to serve until the next annual meeting or until their successors are duly elected and qualified:

President	MARY ANANIAN
Vice President	ROBERTO ESTA
Secretary	RICHARD YAMAOKA
Treasurer	MIGNON HICKEY

ADJOURNMENT

No other business being presented, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

DATED: Honolulu, Hawaii, August 4, 1992.

  
\_\_\_\_\_  
RICHARD YAMAOKA  
Acting Secretary

**MINUTES OF THE FIRST MEETING OF THE  
BOARD OF DIRECTORS OF THE ASSOCIATION OF  
APARTMENT OWNERS OF FAIRWAY FILLA, INC.  
HELD AUGUST 4, 1992**

More than 74 percent of the Members of the Association of Apartment Owners of Fairway Villa having given their written consent to the incorporation of the Association, and the Incorporators of the Association having previously met, the first meeting of the Board Directors of The Association of Apartment Owners of Fairway Villa, Inc., a Hawaii corporation, was held on Tuesday, August 4, 1992 at 11.30 a.m. at the office of the Corporation, 2345, Ala Wai Boulevard, Honolulu, Hawaii. The first Corporate Board meeting was duly called and held to, among other things: (i) consider and vote upon resolutions relating to the incorporation of the Association; and (ii) affirm the actions of the Incorporators.

The following Directors were present at the meeting:

MARY ANANIAN  
GEORGE ANANIAN

RICHARD YAMAOKA  
HUNTINGTON PORTER

MIGNON HICKEY  
GEORGE SASANO

Upon motion duly made, seconded, and unanimously carried, those directors adopted the following resolutions:

**MEETING OF THE INCORPORATORS**

RESOLVED, that the actions of the Incorporators of the Corporation taken at the meeting of the Incorporators, held on August 4, 1992, are hereby ratified, confirmed and adopted.

**ADOPTION OF THE BYLAWS**

RESOLVED, that the proposed Bylaws are adopted, and that the Secretary shall execute a certificate of adoption, insert the Bylaws as so certified in the Minute Book, and keep a copy of the Bylaws, so certified, at the principal office for the transaction of business of the Corporation.

**ELECTION OF THE INITIAL OFFICERS**

RESOLVED, that the following persons are hereby named as the initial Officers of the Corporation to serve until the next annual meeting or until their successors are duly elected and qualified:

President  
Vice President  
Secretary  
Treasurer

MARY ANANIAN  
ROBERTO ESTA  
RICHARD YAMAOKA  
MIGNON HICKEY

CORPORATE BANK ACCOUNT

RESOLVED, that Mignon Hickey is hereby authorized to change the name on the bank accounts of the Association and make such other changes as are necessary to reflect that the Association has incorporated; a copy of the resolution authorizing the changes shall be attached hereto and is incorporated herein by reference.

FISCAL YEAR

RESOLVED, that the fiscal year of the Corporation shall be the year ending December 31, 1992.

FEES AND EXPENSES

RESOLVED, that the Officers are authorized to pay all fees and expenses incident to and necessary for the organization of the Corporation, whether such expenses were incurred prior to or after the date of this consent.

OTHER BUSINESS

The Directors also considered the other matters referred to in the attached pages, which are incorporated by reference into these minutes.

ADJOURNMENT

No other business being presented, on motion duly made, seconded and unanimously carried, the meeting was adjourned.

DATED: Honolulu, Hawaii, August 4, 1992.

  
\_\_\_\_\_  
RICHARD YAMAOKA  
Secretary

3816c

CORPORATE RESOLUTION OF AUTHORITY

RESOLVED, that Mignon Hickey, Treasurer, of this corporation is authorized on behalf of this corporation and in its name to change the names on the bank accounts of the Association of Apartment Owners of Fairway Villa and make any other changes required to reflect the Association's change in status from an unincorporated to an incorporated association, the Association of Apartment Owners of Fairway Villa, Inc.

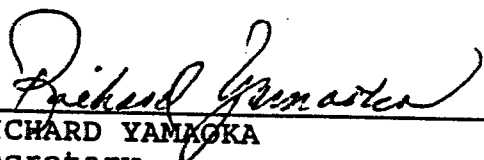
FURTHER RESOLVED, that Mignon Hickey or the secretary be and is authorized and directed to deliver a certified copy of the foregoing resolution to the bank, if requested.



CERTIFICATE

I hereby certify that the foregoing Bylaws of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a non-profit corporation, incorporated under the laws of the State of Hawaii, Chapter 415B, Hawaii Revised Statutes, were adopted by the Board of Directors of the Association of Apartment Owners of Fairway Villa, Inc., by unanimous written consent in lieu of a meeting, effective \_\_\_\_\_.

DATED: Honolulu, Hawaii, this 4th day of August, 1992.

  
\_\_\_\_\_  
RICHARD YAMAGATA  
Secretary

STATE OF HAWAII  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
Business Registration Division  
1010 Richards Street  
Mailing Address: P. O. Box 40, Honolulu, Hawaii 96810.

**INFORMATION FOR DOMESTIC NONPROFIT CORPORATIONS**

**Account Books and Records**

Section 415B-45 provides that each corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and any committee having any of the authority of the board of directors; and shall keep at its registered office or principal office in this State, a record of the names and addresses of its members entitled to vote. All books and records of a corporation may be inspected by any member or member's agent or attorney, for any proper purpose, at any reasonable time.

**Annual Report**

Section 415B-11 provides that every nonprofit corporation, shall deliver to the director for filing, an annual report. Section 415B-12 provides that such report shall reflect the state of affairs of the corporation as of December 31 of the year preceding the year of filing. The annual report shall be delivered to the director for filing between January 1 and March 31 of each year. However, the first annual report of a domestic nonprofit corporation shall be filed between January 1 and March 31 of the year next succeeding the calendar year in which its articles of incorporation were filed by the director. A \$1.00 fee must be paid upon filing the report.

The annual report forms will be mailed to all corporations in January of each year and, in order to assure receipt of the same, this department shall be notified in writing of any change of address. The notification must be signed by a corporate officer and his corporate title stated below his signature.

Failure to file the report within the prescribed time will subject the corporation to a penalty of \$25. If the annual reports are not filed for a period of two years, the corporation may be involuntarily dissolved by the director pursuant to the provisions of Section 415B-97.

**ByLaws**

Section 415B-41 provides that the initial bylaws of a corporation shall be adopted by its board of directors. The power to alter, amend, or repeal the bylaws or adopt new bylaws shall be vested in the board of directors unless otherwise provided in the articles of incorporation or the bylaws.

## Federal Tax Obligations of Nonprofit Corporations

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Corporations organized under the not-for-profit statutes of the various states or territories of the U.S. do not automatically qualify for exemption from Federal income tax. Exemption is provided by section 501(a) of the Internal Revenue Code to those organizations described in sections 501(c), 501(d), and 401(a). Organizations which claim to be exempt from tax because of their charitable, educational, religious or other activities of the kind described in section 501(c)(3) are usually required to submit Form 1023 within 15 months from the end of the month they were created to request recognition of that status. If they do not apply, they may not be recognized as exempt and will lose the benefits that recognition confers such as, for example, advance assurance to donors that contributions are deductible. If they apply late, recognition of exemption will usually be effective only from the date of application rather than from the date the organization was created.

With some exceptions, organizations qualifying under some provision other than 501(c)(3) are not required to apply for recognition of exemption. But the Internal Revenue Service regularly receives requests for determination letters on Forms 1024 from organizations described in section 501(c), other than 501(c)(3). Determination letters which are issued to organizations clarify their Federal tax and information return filing obligations.

The Internal Revenue Service is required to collect a fee for processing these exemption applications. Generally the fee is \$150 for smaller organizations and \$300 for others. Form 8718, User Fee for Exempt Organization Determination Letter Request, describes the fee structure and gives other information about user fees.

Several forms and publications are available to assist in explaining the requirements of and procedures for obtaining recognition of tax-exempt status. Publication 557, Tax-Exempt Status for Your Organization, describes the various types of organizations which may qualify for tax-exempt status, and provides information on what forms to file, and where to file them. Forms 1023 and 1024, mentioned above, are the application forms which provide guidance for assembling the information needed by the IRS to determine whether an organization qualifies for exempt status. Form 8718, is used to determine the correct fee to be paid with the application. This form and the appropriate fee must be submitted with the application.

These forms and publications can be obtained by telephoning the IRS's forms only number, 1-800-424-FORM. Taxpayer service technicians in each IRS district are also available to provide information and assistance about tax-exempt status.



Department of the Treasury  
Internal Revenue Service  
Notice 844 (10-88)

For further information  
please call the Federal Tax  
Information Office at  
541-1040.



STATE OF HAWAII  
DEPARTMENT OF TAXATION

PO BOX 259  
HONOLULU, HAWAII 96809

May 15, 1991

# TAX INFORMATION RELEASE NO. 91-4

RE: Hawaii Tax Obligations of Nonprofit Organizations

This tax information release is intended to provide taxpayers with information regarding the Hawaii tax obligations of nonprofit organizations.

Organizations organized under the Hawaii not-for-profit statute (chapter 415B, Hawaii Revised Statutes) do not automatically qualify for exemption from Hawaii's income tax and general excise tax.

Hawaii has adopted the federal provisions of Internal Revenue Code (IRC) section 501, except for IRC section 501(c)(12), (15), and (16). IRC section 501(a) provides an exemption from federal income taxes to organizations described in IRC sections 501(c), 501(d), and 401(a). Organizations organized and operated exclusively for religious, charitable, scientific, or educational purposes as described in IRC section 501(c)(3), are usually required to submit an application to the Internal Revenue Service (IRS) to request recognition of exemption from federal income taxes. If the IRS issues a determination letter granting the organization exemption from federal income taxes, the organization is also exempt from Hawaii income taxes. The effective date for the exemption from Hawaii income taxes is the same as the effective date for federal purposes. Certain organizations are not required to file an application for recognition of exemption with the IRS and, therefore, will not receive a determination letter recognizing federal tax exemption. In these cases, the organization is exempt from Hawaii income taxes if it meets the requirements of the IRC section under which it is claiming to be exempt.

The nonprofit organization will be subject to Hawaii income tax on any unrelated business taxable income under section 235-2.4(f), Hawaii Revised Statutes. Form N-70NP, Exempt Organization Business Income Tax Return, should be filed for each taxable year that the organization has gross income of \$1,000 or more included in computing unrelated business taxable income.

In order to obtain an exemption from the payment of general excise taxes, the nonprofit organization must file Form G-6, Application for Exemption from the Payment of General Excise Taxes with the Hawaii Department of Taxation. A one-time \$20 registration fee must be paid with Form G-6. The approval for exemption from the payment of general excise taxes does not apply to the gross income derived from any activity the primary purpose of which is to produce income even though such income is to

Tax Information Release No. 91-4

Page 2

May 15, 1991

be used for or in furtherance of the exempt purposes or activities of the organization. Consequently, gross income received from the conduct of any fundraising activity is subject to the general excise tax. For information concerning the effective date of applications for exemption from the payment of general excise taxes, please refer to Tax Information Release No. 89-13, Application for Exemption from the Payment of General Excise Taxes for Nonprofit Organizations.

A nonprofit organization should request nonprofit treatment under Hawaii's Income Tax and General Excise Tax Laws at the earliest possible date in order to prevent taxation of otherwise nontaxable income.

  
RICHARD F. KAHLE, JR.  
Director of Taxation

For further information, please call:

Technical Review Office - (808) 548-4011

Or write to:

Department of Taxation  
Technical Review Office  
P. O. Box 259  
Honolulu, HI 96809

1301266

LAND OFFICE  
OFFICE OF ASSISTANT ATTORNEY GENERAL  
RECEIVED

1985 MAY 28 PM 2:53

ASSISTANT ATTORNEY GENERAL  
NOTE ON CERTIFICATE 153715  
BOOK \_\_\_\_\_ PAGE \_\_\_\_\_

RECORDATION REQUESTED BY:

IRENE A. ANZAI, ESQ.

AFTER RECORDATION, RETURN TO:

DINMAN, NAKAMURA, ELISHA & NAKATANI  
1850 Grosvenor Center  
737 Bishop Street  
Honolulu, Hawaii 96813  
Telephone: (808) 523-7021

RETURN BY: MAIL ( ) PICKUP ( X )

AMENDMENT OF BY-LAWS OF ASSOCIATION OF  
APARTMENT OWNERS OF FAIRWAY VILLA CONDOMINIUM  
PROJECT, A HORIZONTAL PROPERTY REGIME

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated November 5, 1973 (hereinafter referred to as the "Declaration"), filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (hereinafter referred to as "Land Court"), as Document No. 685603, noted on Transfer Certificate of Title No. 153,715, Theodore Hilton Smyth, as Trustee for the benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, the fee owner (hereinafter referred to as "Fee Owner"), and The Carwin Corporation and Fee Owner, doing business as Fairway Villa Venture, a joint venture registered to do business in the State of Hawaii, the holders of a lease dated October 31, 1972, filed in said Land Court as Document No. 612310, noted on Transfer Certificate of Title No. 153,715, and the developers, did submit the property described in said Declaration to the provisions of Chapter 514, Hawaii Revised Statutes 1968, now known as Chapter 514A, Hawaii Revised Statutes; and

WHEREAS, said Declaration provided for the organization of the Association of Apartment Owners of Fairway Villa and established the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime (hereinafter referred to as the "By-Laws"), which said By-Laws were attached to said Declaration and incorporated therein by reference; and,

WHEREAS, Article X, Section 14 of the By-Laws provides that the By-Laws may be amended by affirmative vote of the owners of apartments to which are appurtenant more than seventy-five percent (75%) of the common interests; and

WHEREAS, at a meeting of the Association of Apartment Owners, which meeting was duly held at the Outrigger West Hotel Conference Room, 2330 Kuhio Avenue, Honolulu, Hawaii, on March 12, 1985, and was adjourned to April 25, 1985, at Fairway Villa, 2345 Ala Wai Boulevard, Honolulu, Hawaii, for the purpose of enacting the amendment set forth below, it was voted by the owners of apartments to which are appurtenant more than seventy-five percent (75%) of the common interests, to amend the By-Laws as hereinafter set forth; and

NOW, THEREFORE, the By-Laws of Fairway Villa are hereby amended as follows:

Article X, Section 14 of the By-Laws is amended to read as follows:

SECTION 14. Amendment. The provisions of these By-Laws may be amended by the Owners of at least 65% of the Apartments, by vote or written consent, which amendment shall be effective upon filing in the Office of the Assistant Registrar of the Land Court of an instrument in writing, signed and acknowledged by such Owners or by the proper officers of the Association; provided, however, each one of the particulars set forth in Section 514A-82, Hawaii Revised Statutes, as amended, shall always be embodied in these By-Laws.



In all other respects, the By-Laws, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

The undersigned officers of the Association hereby certify that the foregoing amendment was adopted at a duly held meeting of the Association of Apartment Owners called for such purpose, on April 25, 1985, by a vote of the owners of apartments to which are appurtenant more than seventy-five percent (75%) of the common interests.

IN WITNESS WHEREOF, the parties hereto have executed these presents this 16<sup>th</sup> day of May, 1985.

ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA

By Frank W. Owens  
Its PRESIDENT

By Dorothy Barrett  
Its Treasurer

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 16<sup>th</sup> day of May, 1985, before me appeared Frank M. Auernig, to me personally known, who being by me duly sworn, did say that he is President of the Board of Directors of the Association of Apartment Owners of FAIRWAY VILLA; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that he executed the same as the free act and deed of said Association. Said Association has no seal.

Maria Elena J. Rapues  
Notary Public, State of Hawaii  
My commission expires: 11/15/88

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 16<sup>th</sup> day of May, 1985, before me appeared Donothy Barrett, to me personally known, who being by me duly sworn, did say that she is Treasurer of the Board of Directors of the Association of Apartment Owners of FAIRWAY VILLA; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that she executed the same as the free act and deed of said Association. Said Association has no seal.

Maria Elena J. Rapues  
Notary Public, State of Hawaii  
My commission expires: 11/15/88

1370262

LAND COURT  
OFFICE OF ASSISTANT REGISTRAR  
RECEIVED FOR REGISTRATION

86 MAY 7 PM 12:56

ASSISTANT REGISTRAR  
NOTION CERTIFICATE 153,715  
BOOK \_\_\_\_\_ PAGE \_\_\_\_\_

RECORDATION REQUESTED BY:

MARK N. HENRY, ESQ.

AFTER RECORDATION, RETURN TO:

DINMAN, NAKAMURA, ELISHA & NAKATANI  
1850 Grosvenor Center  
737 Bishop Street  
Honolulu, Hawaii 96813  
Telephone: (808) 523-7021

RETURN BY: MAIL ( ) PICKUP ( X )

AMENDMENT OF BY-LAWS OF ASSOCIATION OF  
APARTMENT OWNERS OF FAIRWAY VILLA CONDOMINIUM  
PROJECT, A HORIZONTAL PROPERTY REGIME

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated November 5, 1973 (hereinafter referred to as the "Declaration"), filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (hereinafter referred to as "Land Court"), as Document No. 685603, noted on Transfer Certificate of Title No. 153,715, Theodore Hilton Smyth, as Trustee for the benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, the fee owner (hereinafter referred to as "Fee Owner"), and The Carwin Corporation and Fee Owner, doing business as Fairway Villa Venture, a joint venture registered to do business in the State of Hawaii, the holders of a lease dated October 31, 1972, filed in said Land Court as Document No. 612310, noted on Transfer Certificate of Title No. 153,715, and the developers, did submit the property described in said Declaration to the provisions of Chapter 514, Hawaii Revised Statutes 1968, now known as Chapter 514A, Hawaii Revised Statutes; and

WHEREAS, said Declaration provided for the organization of the Association of Apartment Owners of Fairway Villa and established the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime (hereinafter referred to as the "By-Laws"), which said By-Laws were attached to said Declaration and incorporated therein by reference; and,

WHEREAS, Article X, Section 14 of the By-Laws provides that the By-Laws may be amended by affirmative vote of the owners of apartments to which are appurtenant more than sixty-five percent (65%) of the common interests; and

WHEREAS, at a meeting of the Association of Apartment Owners, which meeting was duly held at the Outrigger West Hotel Conference Room, 2330 Kuhio Avenue, Honolulu, Hawaii, on March 20, 1986, for the purpose of enacting the amendment set forth below, it was voted by the owners of apartments to which are appurtenant more than sixty-five percent (65%) of the common interests, to amend the By-Laws as hereinafter set forth; and

NOW, THEREFORE, the By-Laws of Fairway Villa are hereby amended as follows:

Article X, Section 5 of the By-Laws is amended to read as follows:

SECTION 5. Additions or Alterations by Board of Directors. Whenever in the judgment of the Board of Directors the common elements shall require additions or alterations costing less than five thousand (\$5,000), the Board of Directors may proceed with such additions or alterations and shall assess all owners for the cost thereof as a common expense. Any additions or alterations costing in excess of five thousand dollars (\$5,000) may be made by the Board of Directors only after obtaining approval of the owners of at least fifty percent (50%) of the apartments. If such approval shall be obtained, the cost thereof shall constitute part of the common expenses.

In all other respects, the By-Laws, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

The undersigned officers of the Association hereby certify that the foregoing amendment was adopted at a duly held meeting of the Association of Apartment Owners called for such purpose, on March 20, 1986, by a vote of the owners of apartments to which are appurtenant more than sixty-five percent (65%) of the common interests.

IN WITNESS WHEREOF, the parties hereto have executed these presents this 23<sup>rd</sup> day of April, 1986.

ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA

By Frank M. Auerbach  
Its PRESIDENT

By Mary Anamion  
Its SECRETARY

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 29<sup>th</sup> day of April, 1986, before me appeared Frank M. Auernig, to me personally known, who being by me duly sworn, did say that he is President of the Board of Directors of the Association of Apartment Owners of FAIRWAY VILLA; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that he executed the same as the free act and deed of said Association. Said Association has no seal.

Maria Elena J. Rapuu  
Notary Public, State of Hawaii

My commission expires: 11/15/88

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 23<sup>rd</sup> day of April, 1986, before me appeared Mary Anenier, to me personally known, who being by me duly sworn, did say that he is Secretary of the Board of Directors of the Association of Apartment Owners of FAIRWAY VILLA; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that he executed the same as the free act and deed of said Association. Said Association has no seal.

Maria Elena J. Rapuu  
Notary Public, State of Hawaii

My commission expires: 11/15/88

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091  
1995-101

STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

JUL 10. 1995 08:02 AM

Doc No(s) 2248121

on Cert(s) AS LISTED HEREIN

/s/ CARL T. WATANABE  
ASSISTANT REGISTRAR

LAND COURT SYSTEM

REGULAR SYSTEM

*mkf*

AFTER RECORDATION, RETURN BY MAIL (  ) PICKUP (  ) TO:

*Okane*  
MILTON M. MOTOOKA  
STEPHEN S. HOLMES  
LOVE YAMAMOTO & MOTOOKA  
Suite 2350, Pacific Tower  
1001 Bishop Street  
Honolulu, Hawaii 96813  
Tel. No. 531-1384

*cm*  
*2/14*

R:\FAIRWAY\AMEND\AMENDMT.DOC

FIRST AMENDMENT OF THE FIRST RESTATEMENT OF THE BY-LAWS  
OF THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153715 (the "Declaration"), THEODORE HILTON SMYTH, whose post office address is 4234 Cresta Avenue, Santa Barbara,



California, as Trustee under various trusts (the "Fee Owner"), and the Carwin Corporation, doing business together as Fairway Villa Venture (the "Developer"), submitted the property described in the Declaration to the Horizontal Property Regime (now known as the Condominium Property Regime, Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the Declaration, as amended, provided for the organization and operation of the Association of Apartment Owners of Fairway Villa (the "Association"), in accordance with the By-Laws attached to said Declaration and incorporated therein by reference; and

WHEREAS, the Fee Owner subsequently conveyed the fee interest in the property to Otaka, Inc., by a deed filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 18035-33 and noted on Transfer Certificate of Title No. 309,536; and

WHEREAS, Otaka, Inc., subsequently conveyed the fee interest to the Association for certain owners by deeds filed in the Office of the Assistant Registrar of the Land Court and noted on the Transfer Certificates of Title shown on the attached Exhibit A; and

WHEREAS, pursuant to Section 514A-82.2, Hawaii Revised Statutes, the Board of Directors of the Association of Apartment Owners of Fairway Villa voted to record a restated version of the By-Laws that would set forth the provisions of the By-Laws, as amended by instruments dated May 30, 1984, May 16, 1985, April 23, 1986, May 16, 1988, January 10, 1992, May 20, 1993, and filed as aforesaid as Document

Nos. 1244122, 1301266, 1370262, 1551314, 1885153, and 2047939, respectively, and which would conform to Chapter 514A, Hawaii Revised Statutes and the Fair Housing Act, as amended. Said First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa Condominium Project, a Condominium Property Regime (the "First Restatement of By-Laws"), was dated July 18, 1994, and filed in the Office of the Assistant Registrar of the Land Court as Document No. 2169791; and

WHEREAS, pursuant to Section 514A-82(b)(2) of the Hawaii Revised Statutes, more than 65 percent of all apartment owners of the project have given their written consent to amend the First Restatement of By-Laws in the manner shown below.

NOW, THEREFORE, the second paragraph of Article VI, Section I of the First Restatement of By-Laws is hereby amended as follows:

The Board of Directors may establish and maintain a General Operating Reserve by monthly assessment against and payment by all Owners in proportion to their respective common interests, of such additional amount, as the Board of Directors determines to be adequate to provide financial stability in the administration of the project, which additional amount shall be deemed conclusively to be common expenses. Said Reserve shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of, or fully guaranteed as to principal by, an agency of the United States of America. Said Reserve at the discretion of the Board of Directors may be used to meet any deficiencies in operating funds from time to time resulting from delinquency by Owners in the payment of assessments for common expenses but shall not operate to exempt any Owner from liability to contribute his proportionate share of such expenses or to pay any such assessments therefor, and any funds withdrawn from said Reserve for that purpose shall be reimbursed upon payment of such delinquent assessments. The proportionate interest of each Owner in said Reserve shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though not mentioned or described expressly in the instrument of

transfer. If the Condominium Property Regime established hereby is terminated or waived, said Reserve remaining after payment of all common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Condominium Property Regime in proportion to their respective common interest.

In all other respects, the By-Laws of the Association, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The undersigned officers of the Association of Apartment Owners of Fairway Villa, Inc., hereby certify that the foregoing amendments were adopted with the written consent of more than 65 percent of the members of the Association of Apartment Owners of Fairway Villa, Inc.

IN WITNESS WHEREOF, the undersigned have executed this instrument on this 8<sup>th</sup> day of June, 1995.

THE ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA, INC.

By Mary Anonson  
Its President

By Mary T Goble  
Its Treasurer

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

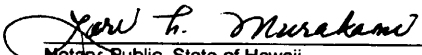
On this 8<sup>th</sup> day of June, 1995, before me appeared Mary ANANIAN, to be personally known, who being by me duly sworn, did say she is the President of the Board of Directors of the Association of Apartment Owners of Fairway Villa, Inc.; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that she executed the same as the free act and deed of said Association. Said Association has no seal.

  
\_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires: MAR 22 1996

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 13<sup>th</sup> day of June, 1995, before me appeared Mary T. Goble, to be personally known, who being by me duly sworn, did say she is the Treasurer of the Board of Directors of the Association of Apartment Owners of Fairway Villa, Inc.; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that she executed the same as the free act and deed of said Association. Said Association has no seal.

  
\_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires: 6/5/98

LS.

FAIRWAY VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
701	404451 ✓
702	409350 ✓
703	309536 ✓
704	404452 ✓
705	309536 ✓
706	404453 ✓
707	450,688
708	443,669 ✓
709	453,415 ✓
710	409351 ✓
711	309536 ✓
712	309536 ✓
713	404457 ✓
714	404458 ✓
715	404459 ✓
716	409352 ✓
717	"Manager's apt. no TCT issued."
718	404460 ✓
801	404617 ✓
802	404461 ✓
803	404462 ✓
804	450,453 ✓
805	409353 ✓
806	404464 ✓
807	404637 ✓

EXHIBIT "A"

75

FAIRWAY VILLA

PAGE 2

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
808	309536
809	404465
810	404466
811	404620
812	309536
813	409354
814	430434
815	429586
816	410224
817	404469
818	309536
901	404470
902	309536
903	450,262
904	409357
905	416391
906	404471
907	409359
908	404472
909	404627
910	309536
911	442,938
912	404473
913	412763
914	309536

## FAIRWAY VILLA

PAGE 3

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
915	409360
916	404474
917	404475
918	418149
1001	404476
1002	457,681
1003	309536
1004	404478
1005	409361
1006	420515
1007	309536
1008	309536
1009	404621
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	404481
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485

## FAIRWAY VILLA

PAGE 4

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	404618
1106	457180
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	404493
1115	404494
1116	447665
1117	404495
1118	431021
1201	309536
1202	410544
1203	404496
1204	404497
1205	404498
1206	428684
1207	404500
1208	410545
1209	309536
1210	404501



FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1211	309596 ✓
1212	409366 ✓
1213	404502 ✓
1214	404503 ✓
1215	404504 ✓
1216	409367 ✓
1217	404505 ✓
1218	404506 ✓
1401	409368 ✓
1402	404632 ✓
1403	409369 ✓
1404	404507 ✓
1405	448986 ✓
1406	431376 ✓
1407	448986 ✓
1408	404509 ✓
1409	448986 ✓
1410	404510 ✓
1411	448986 ✓
1412	408188 ✓
1413	448986 ✓
1414	404512 ✓
1415	309536 ✓
1416	409370 ✓
1417	404513 ✓

20

## FAIRWAY VILLA

PAGE 6

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1418	443057
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	446074
1508	404520
1509	441038
1510	410547
1511	404521
1512	309536
1513	409371
1514	441312
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	309536
1605	404526
1606	404527

FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	429366 ✓
1608	404529 ✓
1609	404530 ✓
1610	404531 ✓
1611	309536 ✓
1612	309536 ✓
1613	409375 ✓
1614	409376 ✓
1615	409377 ✓
1616	409378 ✓
1617	404532 ✓
1618	420462 ✓
1701	409421 ✓
1702	404533 ✓
1703	309536 ✓
1704	404534 ✓
1705	409380 ✓
1706	409381 ✓
1707	404535 ✓
1708	409382 ✓
1709	404536 ✓
1710	309536 ✓
1711	404537 ✓
1712	309536 ✓
1713	404538 ✓
1714	404539 ✓

21

FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1715	404540 ✓
1716	409383 ✓
1717	404541 ✓
1718	404542 ✓
1801	412765 ✓
1802	410548 ✓
1803	417322 ✓
1804	309536 ✓
1805	404543 ✓
1806	409384 ✓
1807	404544 ✓
1808	441691 ✓
1809	409385 ✓
1810	404546 ✓
1811	409386 ✓
1812	404547 ✓
1813	404548 ✓
1814	412294 ✓
1815	409388 ✓
1816	409389 ✓
1817	409390 ✓
1818	309536 ✓
1901	456231 ✓
1902	404633 ✓
1903	404550 ✓

FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1904	404551
1905	443046
1906	411968
1907	410550
1908	404552
1909	404553
1910	404554
1911	404555
1912	309536
1913	404556
1914	309536
1915	404557
1916	309536
1917	408842
1918	404559
2001	409393
2002	419965
2003	404561
2004	309536
2005	409394
2006	409395
2007	309536
2008	404562
2009	404563
2010	447018

FAIRWAY VILLA

PAGE 10

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	309536
2013	404564
2014	404565
2015	309536
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	309536
2105	404568
2106	404569
2107	404570
2108	404571
2109	404572
2110	417184
2111	404574
2112	404576
2113	404577
2114	404578
2115	309536
2116	404579
2117	404580

20

## FAIRWAY VILLA

PAGE 11

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2118	409399
2201	404581
2202	409400
2203	409401
2204	309536
2205	453219 ✓
2206	431392
2207	404626
2208	404582
2209	435941
2210	445693 ✓
2211	309536
2212	404584
2213	412766
2214	404585
2215	409403
2216	404586
2217	428665
2218	420947
2301	404589
2302	404590
2303	404634
2304	404591
2305	441059 ✓
2306	309536

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2307	404592
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	424295
2315	404597
2316	309536
2317	404598
2318	309536
2401	404599
2402	404600
2403	309536
2404	454252
2405	404601
2406	441356
2407	409408
2408	409409
2409	404602
2410	309536
2411	404603
2412	404604
2413	404605

20



FAIRWAY VILLA

PAGE 13

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2414	404606
2415	409698
2416	406925
2417	409411
2418	404623
2501	445590
2502	404624
2503	404608
2504	309536
2505	441690
2506	309536
2507	433279
2508	309536
2509	435184
2510	309536
2511	443086
2512	404609
2513	431376
2514	404610
2515	309536
2516	309536
2517	409413
2518	433951
2601	309536
2602	309536

## FAIRWAY VILLA

PAGE 14

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2603	309536
2604	309536
2605	309536
2606	309536
2607	309536
2608	309536
2609	410552
2610	309536
2611	309536
2612	309536
2613	309536
2614	309536
2615	309536
2616	309536
2617	309536
2618	309536
2701	404628
2702	404611
2703	404612
2704	309536
2705	404613
2706	409414
2707	404625
2708	309536
2709	424296

FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	309536
2714	404615
2715	309536
2716	309536
2717	409417
2718	441,325
AUX1	309536
PH2801	409418
PH2802	409419
PH2803	458264

STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

MAY 27 1998 08:01 AM

Doc No(s) 2459274

on Cert(s) AS LISTED HEREIN

/s/ CARL T. MATANABE  
ASSISTANT REGISTRAR

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL (Y)  PICKUP ( ) TO

MILTON MOTOOKA  
Love Yamamoto & Motooka  
1000 Bishop Street, Suite 801  
Honolulu, Hawaii 96813  
Tel No (808) 532-7900

T.F.P. 250323

2

**SECOND AMENDMENT OF THE FIRST RESTATEMENT OF THE BY-LAWS  
OF THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA**

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153,715 (the "Declaration"), THEODORE HILTON SMYTH, whose post office address is 4234 Cresta Avenue, Santa Barbara, California, as Trustee under various trusts (the "Fee Owner"), and the Carwin Corporation, doing business together as Fairway Villa Venture (the "Developer"), submitted the property described in the Declaration to the Horizontal Property Regime

(now known as the Condominium Property Regime, Chapter 514A, Hawaii Revised Statutes), and

WHEREAS, the Declaration, as amended, provided for the organization and operation of the Association of Apartment Owners of Fairway Villa (the "Association"), in accordance with the By-Laws attached to said Declaration and incorporated therein by reference, and

WHEREAS, the Fee Owner subsequently conveyed the fee interest in the property to Otaka, Inc. by a deed filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1803533 and noted on Transfer Certificate of Title No. 309,536, and

WHEREAS, Otaka, Inc., subsequently conveyed the fee interest to the Association for certain owners by deeds filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and noted on Transfer Certificates of Title shown on the attached Exhibit A, and

WHEREAS, pursuant to Section 514A-82.2, Hawaii Revised Statutes, the Board of Directors of the Association of Apartment Owners of Fairway Villa voted to record a restated version of the By-Laws that would set forth the provisions of the By-Laws, as amended by instruments dated May 30, 1984, May 16, 1985, April 23, 1986, May 16, 1988, January 10, 1992 and May 20, 1993, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document Nos. 1244122, 1301266, 1370262, 1551314, 1885153 and 2047939, respectively, and which would conform to Chapter 514A, Hawaii Revised Statutes and the Fair Housing Act, as amended. Said First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa Condominium Project, a Condominium Property Regime (the "First Restatement of By-Laws"), was dated July 18, 1994, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2169791, and

WHEREAS, the First Restatement of By-Laws was amended by instrument dated June 8, 1995 and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2248121.

WHEREAS, pursuant to Section 514A-82(b)(2) of the Hawaii Revised Statutes, more than 65 percent (65%) of all apartment owners of the project have given their written consent to amend the First Restatement of By-Laws in the manner shown below

NOW, THEREFORE, the First Restatement of the By-Laws is hereby amended as follows

Article III, Section 14, is hereby amended to read as follows

**SECTION 14. Liability and Indemnity of the Board of Directors and Officers.** The members of the Board of Directors and Officers shall not be liable to the Apartment Owners for any mistake of judgment or otherwise except for their own individual gross negligence or willful misconduct. The Association of Owners shall indemnify each Director and Officer of the Association against all costs, expenses and liabilities, including the amount of judgment amounts paid in compromise settlements and amounts paid for services of counsel and other related expenses which may be incurred by or imposed on him in connection with any claims, action, suit, proceeding, investigation or inquiry hereafter made, instituted, or threatened in which he may be involved as a party or otherwise by reason of his being or having been such Director or Officer, or by reason of any past or future action taken or authorized or approved by him or any omission to act as such Director or Officer, whether or not he continues to be such Director or Officer, at the time of the incurring or imposition of such costs, expenses or liabilities, except such costs, expenses or liabilities as shall relate to matters as to which he shall in such action, suit or proceeding be finally adjudged to be, or shall be, liable by reason of his gross negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer. As to whether or not a Director or Officer was liable by reason of gross negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer, in the absence of such final adjudication of the existence of such liability, the Board of Directors and each Director and Officer may conclusively rely upon an opinion of counsel selected by or in the manner designated by the Board of Directors. The foregoing right of indemnification shall not be exclusive of other rights to which any such Director or Officer may be entitled as a matter of law or

otherwise, and shall inure to the benefit of the heirs, executors, administrators and assigns of each such Director and Officer.

Article V, Section 2(a) is hereby amended to read as follows:

(a) The owner of each apartment within the building shall use such apartment only as living accommodations for hotel or apartment use, provided, however, that no owner shall permit his or her apartment to be included in a time share plan or otherwise time shared, provided, further, that this prohibition on time sharing shall not apply to any owner of an apartment that is included in a registered time share plan as of the date these By-Laws are amended to prohibit time sharing. The owner of each commercial area in the building shall use such commercial area only for office purposes, sale of food, merchandise or services or any other commercial undertaking permitted by law.

A new Article V, Section 2(h) is hereby added to read as follows:

(h) The maximum number of persons residing in any apartment shall not exceed that allowable under the Housing Code, Section 25-4.3(b) of the Revised Ordinances of Honolulu, as amended from time to time.

In all other respects, the Restated By-Laws of the Association, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties thereto and to their respective successors and permitted assigns. The undersigned officers of the Association hereby certify that the foregoing amendments were adopted with the written consent of more than sixty-five (65%) of the members of the Association.





THE STATE OF HAWAII )  
 ) SS  
CITY AND COUNTY OF HONOLULU )

On this 11<sup>th</sup> day of March 1998 before me  
appeared MARY T. GIBBLE to me personally known, who, being by  
me duly sworn, did say that he/she is the Treasurer  
of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC.; that the  
foregoing instrument was signed in behalf of said association by authority of its Board  
of Directors as the free act and deed of said association. Said Association has no seal

[Signature]  
Notary Public, State of Hawaii

My commission expires June 12, 1999

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WILSON VILLA

DATE

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
701	404451
702	459962
703	309536
704	404452
705	309536
706	471769
707	450688
708	443669
709	481459
710	465362
711	309536
712	309536
713	404457
714	404458
715	404459
716	409352
717	"Manager's apt. no TCT issued
718	404460
801	404617
802	476323
803	404462
804	450453
805	409353
806	482086
807	404637

EXHIBIT A

## FAIRWAY VILLA

PAGE 2

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
808	309536
809	404465
810	404466
811	404620
812	309536
813	471957
814	470474
815	429596
816	453939
817	404469
818	309536
901	404470
902	504538
903	476411
904	409357
905	416391
906	404471
907	409359
908	404472
909	404627
910	309536
911	503141
912	404473
913	412763
914	504049

## FAIRWAY VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT. NO.</u>
915	409360
916	404474
917	404475
918	418149
1001	404476
1002	404477
1003	309536
1004	474843
1005	501278
1006	428,000
1007	309536
1008	309536
1009	463992
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	498594
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485

## FAIRWAY VILLA

PAGE 4

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	505411
1106	457180
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	487437
1115	404494
1116	447665
1117	404495
1118	431021
1201	482579
1202	410544
1203	485324
1204	479792
1205	404498
1206	428684
1207	404500
1208	410545
1209	309536
1210	404501

## FAIRWAY VILLA

PAGE 5

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1211	309536
1212	409366
1213	461335
1214	404503
1215	404504
1216	409367
1217	404505
1218	404506
1401	409368
1402	404632
1403	409369
1404	404507
1405	448986
1406	309536
1407	448986
1408	404509
1409	448986
1410	404510
1411	448986
1412	408188
1413	448986
1414	404512
1415	309536
1416	409370
1417	404513

## FAIRWAY VILLAGES

PAGE 6

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1418	476353
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	446074
1508	404520
1509	460627
1510	410547
1511	404521
1512	309536
1513	409371
1514	441312
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	469955
1605	404526
1606	404527

FAIRWAY VILLA

PAGE 7

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	429366
1608	470259
1609	404530
1610	463121
1611	309536
1613	409375
1614	409376
1615	409377
1616	409378
1617	404532
1618	420462
1701	409421
1702	500888
1703	309536
1704	404534
1705	409380
1706	409381
1707	404535
1708	469057
1709	404536
1710	309536
1711	404537
1712	309536
1713	404538
1714	404539



FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1715	404540
1716	409383
1717	404541
1718	404542
1801	412765
1802	476673
1803	417322
1804	309536
1805	404543
1806	409384
1807	404544
1808	441691
1809	409385
1810	404546
1811	479110
1812	404547
1813	404548
1814	412294
1815	409388
1816	409389
1817	409390
1818	309536
1901	456231
1902	404633
1903	404550

## FAIRWAY VILLA

PAGE

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1904	404551
1905	441046
1906	411968
1907	495957
1908	466115
1909	404553
1910	404554
1911	404555
1912	472474
1913	404556
1914	309536
1915	404557
1916	495876
1917	408842
1918	404559
2001	409393
2002	419965
2003	404561
2004	469,030
2005	460910
2006	476792
2007	469,030
2008	404562
2009	404563
2010	447018

## FAIRWAY VILLA

PAGE 10

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	469278
2013	404564
2014	404565
2015	504864
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	481144
2105	499187
2106	404569
2107	404570
2108	404571
2109	404572
2110	417184
2111	465390
2112	404576
2113	404577
2114	404578
2115	463077
2116	404579
2117	481430

FAIRWAY VILLA

PAGE 11

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2118	409399
2201	404581
2202	409400
2203	409401
2204	470,157
2205	453219
2206	431992
2207	404626
2208	404582
2209	435941
2210	445693
2211	475087
2212	404584
2213	463566
2214	404585
2215	409403
2216	404586
2217	428665
2218	420947
2301	404589
2302	404590
2303	494634
2304	404591
2305	441059
2306	479700

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2307	509,284
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	424295
2315	505887
2316	481333
2317	445513
2318	309536
2401	404599
2402	404600
2403	486,827
2404	454252
2405	404601
2406	441356
2407	409408
2408	409409
2409	404602
2410	309536
2411	460835
2412	462143
2413	404605

## FAIRWAY VILLA

PAGE 13

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2414	404606
2415	409698
2416	406925
2417	409411
2418	469050
2501	445590
2502	<del>404624</del>
2503	450989
2504	469343
2505	441690
2506	479457
2507	433279
2508	481222
2509	435184
2510	469321
2511	443086
2512	404609
2513	431376
2514	404610
2515	469279
2516	464623
2517	409413
2518	477056
2601	309536
2602	440285

## FAIRWAY VILLA

PAGE 14

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2603	464627
2604	464631
2605	464630
2606	464680
2607	464681
2608	464681
<del>2609</del>	475052
2610	488404
2611	475347
2612	471167
2613	464628
2614	464679
2615	464679
2616	508,326
2617	472,961
2618	309536
2701	404628
2702	404611
2703	404612
2704	492426
2705	404613
2706	409414
2707	404625
2708	309536
2709	424296

FAIRWAY VILLA

PAGE 15

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	508,325
2714	404615
2715	464623
2716	464682
2717	409417
2718	441325
AUX1	487613
PH2801	409418
PH2802	409419
PH2803	458264



OFFICE OF THE  
ASSISTANT REGISTRAR, LAND COURT  
STATE OF HAWAII  
(Bureau of Conveyances)

The original of this document was  
recorded as follows:

DOCUMENT NO. 2477187

DATE 8-10-98 TIME

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( XX ) TO:

MILTON MOTOOKA  
Love Yamamoto & Motooka  
1000 Bishop Street, Suite 801  
Honolulu, Hawaii 96813  
Tel. No. (808) 532-7900

THIRD AMENDMENT OF THE FIRST RESTATEMENT OF THE BY-LAWS  
OF THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153,715 (the "Declaration"), THEODORE HILTON SMYTH, whose post office address is 4234 Cresta Avenue, Santa Barbara, California, as Trustee under various trusts (the "Fee Owner"), and the Carwin Corporation, doing business together as Fairway Villa Venture (the "Developer"), submitted the property described in the Declaration to the Horizontal Property Regime

(now known as the Condominium Property Regime, Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the Declaration, as amended, provided for the organization and operation of the Association of Apartment Owners of Fairway Villa (the "Association"), in accordance with the By-Laws attached to said Declaration and incorporated therein by reference; and

WHEREAS, the Fee Owner subsequently conveyed the fee interest in the property to Otaka, Inc., by a deed filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1803533 and noted on Transfer Certificate of Title No. 309,536; and

WHEREAS, Otaka, Inc., subsequently conveyed the fee interest to the Association for certain owners by deeds filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and noted on Transfer Certificates of Title shown on the attached Exhibit A; and

WHEREAS, pursuant to Section 514A-82.2, Hawaii Revised Statutes, the Board of Directors of the Association of Apartment Owners of Fairway Villa voted to record a restated version of the By-Laws that would set forth the provisions of the By-Laws, as amended by instruments dated May 30, 1984, May 16, 1985, April 23, 1986, May 16, 1988, January 10, 1992 and May 20, 1993, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document Nos. 1244122, 1301266, 1370262, 1551314, 1885153 and 2047939, respectively, and which would conform to Chapter 514A, Hawaii Revised Statutes and the Fair Housing Act, as amended. Said First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa Condominium Project, a Condominium Property Regime (the "First Restatement of By-Laws"), was dated July 18, 1994, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2169791; and

WHEREAS, the First Restatement of By-Laws was amended by instruments dated June 8, 1995 and March 6, 1998 and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document Nos. 2248121 and 2459274, respectively; and

WHEREAS, pursuant to Section 514A-82(b)(2) of the Hawaii Revised Statutes, more than 65 percent (65%) of all apartment owners of the project have given their written consent to amend the First Restatement of By-Laws in the manner shown below.

NOW, THEREFORE, the First Restatement of the By-Laws is hereby amended as follows:

Article III, Section 4, is hereby amended to read as follows:

**SECTION 4. Election and Term of Office.** At the first annual meeting of Apartment Owners, three (3) Directors shall be elected for the term of three (3) years, three (3) Directors shall be elected for the term of two (2) years, and three (3) Directors shall be elected for the term of one (1) year. At the expiration of the initial term of office of each Director, his successor shall be elected to serve a term of three years. If the election involves different term lengths, the candidate(s) who receive the highest number of votes shall be elected for the (3) year term(s). The remaining candidate(s) who receive the next highest number of votes shall be elected for the two (2) year term(s) and/or one (1) year term(s) respectively. Each member of the Board of Directors shall continue to exercise the powers and duties of the Office until his successor shall have been elected by the Apartment Owners in case of delay in the election of a successor.

Article III, Section 6, is hereby amended to read as follows:

**SECTION 6. Vacancies.** Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the Apartment Owners, shall be filled by a vote of a majority of the remaining members at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of

Directors until a successor shall be elected at the next annual meeting of the Apartment Owners. Death, incapacity, or resignation of any Director, or his continuous absence from the State of Hawaii for more than six (6) months, or his ceasing to be an Owner or Co-Owner of an Apartment, shall cause his office to become vacant.

In all other respects, the Restated By-Laws of the Association, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties thereto and to their respective successors and permitted assigns. The undersigned officers of the Association hereby certify that the foregoing amendments were adopted with the written consent of more than sixty-five (65%) of the members of the Association.

IN WITNESS WHEREOF, the undersigned have executed this instrument, this 14<sup>th</sup> day of July, 1998.

THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA

By Mary Anononi  
Its President

By Mary J. Gohly  
Its Treasurer

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 14th day of July, 1998, before me appeared Mary Ananian, to me personally known, who, being by me duly sworn, did say that he/she is the President of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC.; that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.

Dinah M. Hayashi  
Notary Public, State of Hawaii

My commission expires: July 16, 2000

LS

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 20th day of July, 1998, before me appeared Mary T. Goble, to me personally known, who, being by me duly sworn, did say that he/she is the Treasurer of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC.; that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.

Jesse H. Schmeck  
Notary Public, State of Hawaii

My commission expires: 12-16-2000

LS.

701	404451
702	459962
703	309536
704	404452
705	309536
706	471769
707	450688
708	443669
709	481459
710	465362
711	309536
712	309536
713	404457
714	404458
715	404459
716	409352
717	"Manager's apt. no TCT issue
718	404460
801	404617
802	476323
803	404462
804	450453
805	409353
806	482086
807	404637

**EXHIBIT A**

APARTMENT NO.

TCT NO.

808	309536
809	404465
810	404466
811	404620
812	309536
813	471957
814	430434
815	429586
816	453939
817	404469
818	309536
901	404470
902	504538
903	476411
904	409357
905	416391
906	404471
907	409359
908	404472
909	404627
910	309536
911	503141
912	404473
913	412763
914	504049

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
915	409360
916	404474
917	404475
918	418149
1001	404476
1002	457681
1003	309536
1004	474843
1005	501278
1006	420515
1007	309536
1008	309536
1009	463992
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	498594
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485



<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	505411
1106	457180
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	487437
1115	404494
1116	447665
1117	404495
1118	431021
1201	482579
1202	410544
1203	485324
1204	479792
1205	404498
1206	428684
1207	404500
1208	410545
1209	309536
1210	404501

DEPARTMENT NO.TOT NO.

1211	309536
1212	409366
1213	461335
1214	404503
1215	404504
1216	409367
1217	404505
1218	404506
1401	409368
1402	404632
1403	409369
1404	404507
1405	448986
1406	309536
1407	448986
1408	404509
1409	448986
1410	404510
1411	448986
1412	408188
1413	448986
1414	404512
1415	309536
1416	409370
1417	404513

1418	476353
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	446074
1508	404520
1509	460627
1510	410547
1511	404521
1512	309536
1513	409371
1514	441312
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	469955
1605	404526
1606	404527

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	429366
1608	470259
1609	404530
1610	483121
1611	309536
1612	309536
1613	409375
1614	409376
1615	409377
1616	509191
1617	404532
1618	420462
1701	409421
1702	500888
1703	309536
1704	404534
1705	409380
1706	409381
1707	404535
1708	469057
1709	404536
1710	309536
1711	404537
1712	309536
1713	404538
1714	404539

<u>PARTMENT NO.</u>	<u>ACT NO.</u>
1715	404540
1716	409383
1717	404541
1718	404542
1801	412765
1802	476673
1803	417322
1804	309536
1805	404543
1806	409384
1807	404544
1808	441691
1809	409385
1810	404546
1811	4791T0
1812	404547
1813	404548
1814	412294
1815	409388
1816	409389
1817	409390
1818	309536
1901	456231
1902	404633
1903	404550

1904	404551
1905	443046
1906	411968
1907	495957
1908	466115
1909	404553
1910	404554
1911	450390
1912	472474
1913	404556
1914	309536
1915	404557
1916	495876
1917	408842
1918	404559
2001	409393
2002	419965
2003	404561
2004	469030
2005	460910
2006	476792
2007	309536
2008	404562
2009	404563
2010	447018

<u>DEPARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	469278
2013	404564
2014	404565
2015	504864
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	481144
2105	499183
2106	404569
2107	404570
2108	404571
2109	404572
2110	417184
2111	465390
2112	404576
2113	404577
2114	404578
2115	463077
2116	404579
2117	481430

<u>PARIMENT NO.</u>	<u>.T NO.</u>
2118	409399
2201	404581
2202	409400
2203	409401
2204	470157
2205	453219
2206	431392
2207	404626
2208	404582
2209	435941
2210	445693
2211	475087
2212	404584
2213	463566
2214	404585
2215	409403
2216	404586
2217	428665
2218	420947
2301	404589
2302	404590
2303	404634
2304	404591
2305	441059
2306	479700



2307	509284
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	424295
2315	505887
2316	481333
2317	445513
2318	309536
2401	404599
2402	404600
2403	486627
2404	454252
2405	404601
2406	441356
2407	409408
2408	409409
2409	404602
2410	309536
2411	460835
2412	462143
2413	404605

2414	404606
2415	409698
2416	406925
2417	409411
2418	469050
2501	445590
2502	404624
2503	450989
2504	469343
2505	441690
2506	479457
2507	433279
2508	481222
2509	435184
2510	469321
2511	443086
2512	404609
2513	431376
2514	404610
2515	469279
2516	464623
2517	409413
2518	477056
2601	309536
2602	440285

2603	464627
2604	464631
2605	464630
2606	464680
2607	464681
2608	464683
2609	475052
2610	488404
2611	475347
2612	471167
2613	464628
2614	464679
2615	464679
2616	508326
2617	472861
2618	309536
2701	404628
2702	404611
2703	404612
2704	492426
2705	404613
2706	409414
2707	404625
2708	309536
2709	424296

<u>PARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	508325
2714	404615
2715	464623
2716	464682
2717	409417
2718	441325
AUX1	487613
PH2801	409418
PH2802	409419
PH2803	458264

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08/07 L-322

STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

AUG 04. 1994 02:30 PM

Doc No(s) 2169791

on Cert(s) AS LISTED HEREIN

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

LAND COURT SYSTEM REGULAR SYSTEM  
AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( X ) TO:

JOHN A. MORRIS, ESQ.  
Iwai, Motooka, Goto & Morris  
Suite 502, Haseko Center  
820 Mililani Street  
Honolulu, HI 96813-2935  
Tel: (808) 537-1935

MORRISUDCSFAIRVILL.DTL

FIRST RESTATEMENT OF THE BY-LAWS OF ASSOCIATION OF  
APARTMENT OWNERS OF FAIRWAY VILLA CONDOMINIUM PROJECT.  
A CONDOMINIUM PROPERTY REGIME (See Endnote 1)

WHEREAS, THEODORE HILTON SMYTH, as Trustee For The Benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, a short form of which was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document 606183, whose post office address is 4234 Cresta Avenue, Santa Barbara, California (hereinafter called the "Fee Owner"), was the Owner of the land described herein; and

WHEREAS, Fee Owner and THE CARWIN CORPORATION, a Hawaii corporation, having its principal place of business and post office address at Suite 923, The Davies Pacific Center, 841 Bishop Street, Honolulu, City and County of Honolulu, State of Hawaii, doing business as FAIRWAY VILLA VENTURE, a joint venture, registered to do business in the State of Hawaii, (hereinafter called "Developer"), entered into a Development Agreement with said Fee Owner dated June 1, 1972, and erected an apartment building upon said property; and

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153715, and the TCT Nos. shown on the attached Exhibit A, the Fee Owner and the Developer submitted the property described in the Declaration to provisions of the Horizontal Property Regime (now known as the Condominium Property Regimes, Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime, were attached to said Declaration; and

WHEREAS, said Declaration and By-Laws were amended by instruments dated March 13, 1975, May 30, 1984, May 16, 1985, April 23, 1986, May 16, 1988, November 5, 1990, January 1, 1992, and May 20, 1993, and filed as aforesaid as Document Nos. 713792, 1244122,

1301266, 1370262, 1551314, 1885153, 2047939, and 2047940, respectively; and

WHEREAS, Section 514A-82.2, Hawaii Revised statutes, empowers the Board of Directors of the Association established by said By-Laws to restate the By-Laws to include therein any amendments thereto, and to conform the provisions thereof to the provisions of Chapter 514A, Hawaii Revised Statutes, and any other statute, ordinance, rules, or regulation enacted by any governmental authority, by a resolution adopted by the Board of Directors; and

WHEREAS, at a meeting duly held on the \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_, said Board of Directors resolved to restate the By-Laws, pursuant to Section 514A-82.2, Hawaii Revised Statutes, in the manner set forth herein;

NOW, THEREFORE, the By-Laws are hereby restated to read as follows:

#### ARTICLE I

##### INTRODUCTORY PROVISIONS

SECTION 1. Definitions. The terms used herein shall have the meanings given to them in said Chapter 514A (See Endnote 2), except as expressly otherwise provided herein. The term "common elements" means those elements designated in the aforesaid Declaration as common elements and limited common elements. The term "Property" shall include the land, the buildings and all other improvements thereon (including the Apartments and the common elements) and all easements, rights and appurtenances belonging

thereto, and all other property affixed thereto and intended for use in connection therewith. The term "Rules and Regulations" refers to the Rules and Regulations or House Rules for the conduct of occupants of the buildings adopted by the Board of Directors as hereafter provided. "Owner" means a person owning severally or as a co-tenant an Apartment and the common interest appertaining thereto, to the extent of such interest so owned; provided, that to such extent and for such purposes, including the exercise of voting rights, as shall be provided by lease filed with the Board of Directors, a lessee of an Apartment or interest therein shall be deemed to be the Owner of such Apartment or interest therein. "Apartment" as used herein has the same meaning and definition as contained in Chapter 514A, Hawaii Revised Statutes, and is sometimes hereafter called a condominium unit or units and includes each of the residential apartments and auxiliary unit of the project. The terms "Apartment Owners, Association of Owners, Association" and similar terms mean and refer to (except where such meaning would be clearly repugnant to the context) the Association of Apartment Owners.

SECTION 2. Conflicts. These By-Laws are set forth to comply with the requirements of Chapter 514A, Hawaii Revised Statutes, as amended. In case any of these By-Laws conflict with the provisions of said Chapter 514A or of the Declaration, the provisions of said Chapter 514A or of the Declaration, as the case may be, shall control.



SECTION 3. Application. All present and future Owners, mortgagees, tenants and occupants of Apartments and their employees, and any other persons who may use the said property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations. The acceptance of an assignment of lease or conveyance or the entering into of a lease or the act of occupancy of an Apartment shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

## ARTICLE II

### ASSOCIATION OF OWNERS

SECTION 1. Voting. Each Apartment Owner shall be entitled to that fraction of the total vote of the Apartment Owners which equals the percentage of the common interest appurtenant to such Apartment as set forth in the Declaration. Votes may be cast in person or by proxy by the respective Apartment Owners. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association, the percentage of vote for any Apartment owned or controlled by him in such capacity, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such Apartment in such capacity. The vote for any Apartment owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of protest by the other or others, and in case of protest each Co-Tenant shall be entitled to only a share of such vote in

proportion to his share of ownership in such Apartment.

SECTION 2. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Owners having one-half (1/2) of the total authorized votes of all Apartment Owners shall constitute a quorum at all meetings of the Apartment Owners.

SECTION 3. Majority Vote. The vote of a majority of Apartment Owners at a meeting at which a quorum shall be present shall be binding upon all Apartment Owners for all purposes except where in the Declaration or these By-Laws or by law, a higher percentage vote is required.

SECTION 4. Majority of Apartment Owners. As used in these By-Laws, the term "majority of Apartment Owners" shall mean those Apartment Owners having more than fifty percent (50%) of the total authorized votes present at any meeting of the Apartment Owners, and any specified percentage of the Owners means Owners having the specified percentage of the total votes.

SECTION 5. Cumulative Voting. If not less than forty-eight (48) hours prior to the time fixed for any meeting of the Association for the election of Directors, not less than ten percent (10%) of the Owners shall deliver to any officer of the Association a request in writing that the election of the Directors to be elected be by cumulative voting, then each Owner shall cumulate his votes, and may cast for any one or more nominees to the Board of Directors a vote equivalent to the votes which such Owner is entitled to multiplied by the number of Directors to be

elected. Each Owner shall be entitled to cumulate his votes and give all thereof to one nominee or to distribute his votes in such manner as he shall determine among any or all of the nominees, and the nominees receiving the highest number of votes on the foregoing basis, up to the total number of Directors to be elected, shall be deemed elected.

SECTION 6. Proxies and Pledges. A proxy, to be valid, must be delivered to the Secretary of the Association or the managing agent, if any, no later than 4:30 p.m. on the second business day prior to the date of the meeting to which it pertains, and must contain at least: the name of the Association, the date of the meeting of the Association, the printed name and signature of the person or persons giving the proxy, the apartment or apartments for which the proxy is given, the printed name of the person or entity to whom the proxy is given, and the date that the proxy is given.

A proxy shall only be valid for the meeting to which the proxy pertains and its adjournments, may designate any person as proxy, and may be limited as the apartment owner desires and indicates; provided that no proxy shall be irrevocable unless coupled with a financial interest in the unit.

Proxies may be given to the Board of Directors; provided that the proxy form shall contain a box wherein the owner may indicate that the owner wishes the vote to be shared with each board member receiving an equal percentage. Proxy forms which are not marked shall be considered a choice by the owner that the vote

be made on the basis of the preference of the majority of the Board.

Nothing in this section shall affect the holder of any proxy under a first mortgage of record encumbering an apartment or under an agreement of sale affecting an apartment.

No officer of the Board shall use Association funds to solicit proxies; provided that this shall not prevent an officer from exercising his right as an apartment owner as hereinafter set forth. (See Endnote 3)

No resident manager, or managing agent shall solicit, for use by the manager or managing agent, any proxies from any apartment owner of the Association which employs the resident manager or managing agent, nor shall the resident manager or managing agent cast any proxy vote at any Association meeting except for the purpose of establishing a quorum. No member of a Board of Directors who uses Association funds to solicit proxies shall cast any of these proxy votes for the election or reelection of the Board members at any Association meeting unless the proxy form specifically authorizes the Board member to vote for the election or reelection of Board Directors and the Board first posts notice of its intent to solicit proxies in prominent locations within the project at least thirty days prior to its solicitation of proxies; provided that if the Board receives within seven (7) days of the posted notice a request by any apartment owner for use of Association funds to solicit proxies accompanied by a statement, the Board shall:

(a) Mail to all apartment owners a proxy form containing either the names of all apartment owners who have requested the use of Association funds for soliciting proxies accompanied by their statements; or

(b) Mail to all apartment owners a proxy form containing no names, but accompanied by a list of names of all apartment owners who have requested the use of Association funds for soliciting proxies and their statements. The statement shall not exceed one hundred words, indicating the apartment owner's qualifications to serve on the Board and reasons for wanting to receive proxies. (See Endnote 4)

SECTION 6.A. Board Proxies. Before voting begins at any Association annual or special meeting, the Board shall disclose the percentage of the total common interests of Fairway Villa represented by proxies given to the Board as an entity, and who will vote those proxies on behalf of the Board. (See Endnote 5)

SECTION 7. Place of Meetings. Meetings of the Apartment Owners shall be held at such suitable place convenient to the Apartment Owners as may be designated by the Board of Directors.

SECTION 8. Annual Meetings. Except as provided in this section, the annual meeting of the Apartment Owners shall be held during the first quarter after the end of the Association's fiscal year, on a day set by the Board of Directors. The Board, in its best judgment, may schedule the annual meeting during the second quarter after the end of the Association's fiscal year, but the

notice for the annual meeting shall inform the owners of the reason for the delay. At the annual meetings, the Apartment Owners shall elect the Board of Directors by ballot in accordance with the requirements of Section 4 of Article III of these By-Laws. The Apartment Owners may transact such other business at such meetings as may properly come before them. (See Endnote 6)

SECTION 9. Regular Meetings. In addition to the annual meetings, the Board of Directors by resolution or a majority of Apartment Owners by petition may establish regular meetings at semiannual, quarter-annual, or other regular intervals.

SECTION 10. Special Meeting. Special meetings of the Owners of the Apartments may be held at any time upon the call of the President or of any five (5) Directors, or upon the written request of not less than twenty-five percent (25%) of the Owners presented to the Secretary.

SECTION 11. Notice of Meetings and Other Notices. Written notice of all meetings, annual or special, stating the place, day and hour of the meeting and whether it is annual or special, the items on the agendas for the meeting and a standard proxy forms authorized by the Association, if any, and any other notices permitted or required to be delivered by these By-Laws shall be given by mailing such notice, postage prepaid, at least fourteen (14) days before the date assigned for the meeting to the Owners of the Apartments at their address at the property or at the address given to the Board for the purpose of service of such notices. Upon written request for notices delivered to the Board,

the holder of any duly recorded mortgage or deed of trust from any Owner of an Apartment may obtain a copy of any and all notices permitted or required to be given to the Owner of an Apartment, whose interest is subject to said mortgage or deed of trust. Upon notice being given in accordance with the provisions hereof, the failure of any Owner of an Apartment to receive actual notice of any meeting shall not in any way invalidate the meeting or proceedings thereat. Each such Owner shall keep the Board informed of any changes in address. (See Endnote 7)

SECTION 12. Adjournment of Meetings. If any meeting of Apartment Owners cannot be held because a quorum has not attended, a majority in common interest of the Apartment Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

SECTION 13. Order of Business. The order of business at all annual (See Endnote 8) meetings of the Apartment Owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of Officers;
- (e) Report of Board of Directors;
- (f) Reports of committees;
- (g) Election of inspectors of election (when so required);

- (h) Election of members of the Board of Directors  
(when so required);
- (i) Unfinished business; and
- (j) New business.

SECTION 14. Rules of Order. All meetings of the Association and the Board of Directors shall be conducted in accordance with the most current edition of Robert's Rules of Order. (See Endnote 9)

### ARTICLE III

#### BOARD OF DIRECTORS

SECTION 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Directors. The Board of Directors shall be composed of nine (9) persons, each of whom shall be an Owner or a Co-Owner, or in the case of corporate Owners, shall be officers, stockholders or employees of such corporations, or in the case of fiduciary Owners, shall be the fiduciaries or officers or employees of such fiduciaries.

SECTION 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Directors by the Apartment Owners. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the common elements;



(b) Determination of the common expenses required for the affairs of the Condominium, including, without limitation the operation, and maintenance of the property;

(c) Collection of the common expenses from the Apartment Owners;

(d) Employment and dismissal of the personnel necessary for the maintenance, operation, repair and replacement of the common elements;

(e) Adoption and amendment of Rules and Regulations covering the details of the operation and use of the property;

(f) Opening of bank accounts on behalf of the Association of Apartment Owners and designating the signatories required therefor;

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all Apartment Owners, Apartments offered for sale or lease;

(h) Purchasing of Apartments at foreclosure or other judicial sales in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners;

(i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise dealing with Apartments acquired by, and subleasing Apartments leased by the Board of Directors or its

designee, corporate or otherwise, on behalf of all Apartment Owners;

(j) Organizing corporations to act as designees of the Board of Directors in acquiring title to or leasing of Apartments on behalf of all Apartment Owners;

(k) Obtaining of insurance for the property, including the Apartments, pursuant to the provisions of ARTICLE VII hereof:

(l) Making of repairs, additions and improvements to or alterations of the property and repairs to and restoration of the property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(m) Procuring legal and accounting services necessary or proper in the operation of the buildings or enforcement of these By-Laws;

(n) Purchasing of any other materials, supplies, furniture, labor and services, the making of repairs and structural alterations, and the payment of all insurance, taxes or assessments and other common expenses which the Board is required to secure, make or pay for pursuant to the terms of these By-Laws or by law or which in its opinion shall be necessary or proper for the operation of the buildings as apartment buildings or for the enforcement of these By-Laws, provided that if any such materials, supplies, furniture, labor, services, repairs, structural alterations, insurance, taxes, or assessments are required because of the particular actions or negligence of the Owners of particular

Apartments, the cost thereof shall be specially assessed to the Owners of such Apartments;

(o) Payment of any amount necessary to discharge any lien or encumbrance levied against the entire property or any part thereof which may in the opinion of the Board constitute a lien against the property or against the common elements or limited common elements rather than merely against the interests therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and costs incurred by the Board by reason of such lien or liens; and

(p) Maintenance and repair of any Apartment if such maintenance or repair is necessary, in the discretion of the Board, to protect the common elements and limited common elements or any other portion of the buildings, and the Owner or Owners of said Apartment have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Owner or Owners, provided that the Board shall levy a special assessment against such Apartment for the cost of said maintenance or repair.

(q) To undertake any and all action required to negotiate the acquisition of the leased fee interest from the Lessor of the Fairway Villa to the Association or to the individual apartment owners of the Fairway Villa, including but not limited to retaining any professionals to represent the Association or the

individual apartment owners in said negotiations.

(r) To purchase, on behalf of the Association, the leased fee interest of all apartments, whose owners were unwilling or unable to purchase the leased fee interest to their apartment from the Lessor of the Fairway Villa, provided that not less than seventy-five percent (75%) of the leased fee interest has been purchased by the apartment owners of the Fairway Villa. The intent of this provision is that the Board is not authorized to purchase more than twenty-five percent (25%) of the leased fee interest in the apartment in the Fairway Villa.

(s) If the Board will be purchasing the leased fee interest to any of the apartments in the Fairway Villa as set forth in subparagraph '(r)' above, the Board, on behalf of the Association, shall have the right:

(1) To own, improve, use, and otherwise deal in and with the leased fee interest or any or all undivided interests appurtenant thereto;

(2) To incur liabilities, borrow money, and secure any of its obligations by mortgage or pledge of all or any portion of the Association's assets, property, assessments, and funds;

(3) To execute and deliver a promissory note and all other necessary documents and undertake all other actions necessary for the Association to borrow money;

(4) To assess, in a fair and equitable manner, the apartment owners for the expenses incurred in acquiring the leased fee interest appurtenant to the apartments in the Fairway Villa, or

to service any debt associated therewith;

(5) To sell the leased fee interest appurtenant to an apartment to the owner of the apartment to which said leased fee interest is appurtenant.

(6) To undertake any and all action as the Board deems necessary or appropriate to administer the leased fee interest acquired, including, but not limited to, conveying said leased fee interest into a land trust, establishing lease rents under the apartment leases, negotiating lease rent increases under the apartment leases, retaining professionals to assist in establishing and/or negotiating the lease rents at the renegotiation dates under the apartment leases and collecting lease rents.

(t) To waive the Association's right of first refusal to purchase the leased fee interest of any of the apartments in the Fairway Villa, provided that the proposed sale of said leased fee interest is to the apartment lessee of the apartment to which said leased fee interest is appurtenant.

(u) Establishment of such penalties and fines as it deems appropriate with respect to enforcement of the provisions of the Declaration, these By-Laws and the Rules and Regulations adopted pursuant to Article X, Section 1. of these By-Laws; provided, such penalties and fines are not inconsistent with the law or the provisions herein, and the unpaid amount of such penalties and fines against any apartment owner shall constitute a lien against his interest in his apartment which may be foreclosed

by the Board of Directors or Managing Agent in the same manner provided in the Horizontal Property Act for common expenses." (See Endnote 10)

SECTION 3. Managing Agent and Manager.

(a) Except as herein otherwise provided with respect to the initial Managing Agent, the Board of Directors shall at all times employ a responsible Hawaii corporation as Managing Agent to manage and control the property, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to said Managing Agent by the Board. The Board or the initial Managing Agent may also employ a Manager. The compensation of the Managing Agent and of the Manager shall be such as shall be specified from time to time by the Board. The initial Managing Agent shall be Aaron M. Chaney, Inc.

(b) The Managing Agent shall have such powers and duties as may be necessary or proper in connection with:

(i) supervision of the immediate management and operation of the project;

(ii) maintenance, repair, replacement and restoration of the common elements and any additions or alteration thereto;

(iii) purchase, maintenance and replacement of any equipment;

(iv) provide for service of all utilities to the buildings and the various apartments;

(v) employment, supervision and dismissal of such personnel as it deems necessary for the maintenance and operation of the project;

(vi) enter into contracts with others for the furnishing of such services as it deems proper for the project

(vii) preparation of a proposed budget and schedule of assessments;

(viii) collection of all assessments and payment of all bills;

(ix) purchase such insurance as is contemplated by these By-Laws; and

(x) custody and control of all funds and maintenance of books and records and preparation of financial reports.

(c) The Board of Directors may in its discretion limit any of the powers herein granted to the Managing Agent or grant additional powers to the Managing Agent.

(d) Upon written request of any Apartment Owner or Lessee of any Apartment Owner the Managing Agent shall deliver a certified statement of the status of the account of such Apartment Owner or Lessee each month to the mortgagee of such Apartment Owner or Lessee.

(e) The appointment and terms of compensation of the Managing Agent shall be submitted to the Apartment Owners at every annual meeting for approval by a majority of the Apartment Owners. Any contract therefor shall be subject to such approval, and, until

first approved by the Apartment Owners, may be terminated by either the Board of Directors or the Managing Agent upon thirty (30) days' written notice thereof to the other, and any contract failing such approval shall terminate thirty (3) days thereafter, and the Board of Directors shall give prompt written notice thereof to the Managing Agent and appoint a qualified successor subject to such approval by the Apartment Owners.

(f) The Managing Agent, subject to the direction of the Board of Directors, may represent the Apartment Owners or any two or more Apartment Owners similarly situated, as a class, in any action, suit, or other proceeding concerning the Apartment Owners, the common elements, or one or more Apartments.

SECTION 3.A. Prohibition of Association's Employees Selling or Renting Apartments in the Project. An Association employee shall not engage in selling or renting apartments in the project, except Association-owned apartments, unless such activity is approved by an affirmative vote of sixty-five per cent (65%) of the apartment owners. (See Endnote 11)

SECTION 4. Election and Term of Office. At the first annual meeting of Apartment Owners, three (3) Directors shall be elected for the term of three (3) years, three (3) Directors shall be elected for the term of two (2) years, and three (3) Directors shall be elected for the term of one (1) year. At the expiration of the initial term of office of each Director, his successor shall be elected to serve a term of three years. Each member of the Board of Directors shall continue to exercise the powers and duties



of the office until his successor shall have been elected by the Apartment Owners in case of delay in the election of a successor.

SECTION 5. Removal of Members of the Board of Directors.

At any regular or special meeting of Apartment Owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the Apartment Owners and a successor shall then and there or thereafter be elected for the remainder of the term to fill the vacancy thus created; provided that an individual Director shall not be removed, unless the entire Board is removed, if ten percent (10%) or more of the Owners present at such meeting shall vote against his removal. Any member of the Board of Directors whose removal has been proposed by the Apartment Owners shall be given an opportunity to be heard at the meeting.

Such removal and replacement shall be in accordance with all applicable requirements and procedures in the By-Laws for the removal and replacement of directors, including, but not limited to, any provisions relating to cumulative voting. If such removal and replacement is to occur at a special Association meeting, the call for such meeting shall be by the President or by a petition to the Secretary or managing agent signed by not less than twenty-five per cent (25%) of the apartment owners as shown in the Association's record of ownership; and provided further that if the Secretary or managing agent shall fail to send out the notices for the special meeting within fourteen (14) days of receipt of the petition, then the petitioners shall have the authority to set the

time, date and place for the special meeting and to send out the notices for the special meeting in accordance with the requirements of these By-Laws. Except as otherwise provided herein, such meeting for the removal and replacement from office of directors shall be scheduled, noticed, and conducted in accordance with these By-Laws. (See Endnote 12)

SECTION 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the Apartment Owners, shall be filled by a vote of a majority of the remaining members at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member whose vacancy he filled and until a successor shall be elected at the next annual meeting of the Apartment Owners. Death, incapacity, or resignation of any Director, or his continuous absence from the State of Hawaii for more than six (6) months, or his ceasing to be an Owner or Co-Owner of an Apartment, shall cease (See Endnote 13) his office to become vacant.

SECTION 7. Organization Meetings. The first meeting of the members of the Board of Directors following the annual meeting of the Apartment Owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the Apartment Owners at the meeting at which such Board of Directors

shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereafter.

SECTION 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least one (1) such meeting shall be held during each calendar quarter of each year. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors personally or by mail, telephone, or telegraph at least three (3) business days prior to the day named for such meeting.

SECTION 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Directors.

SECTION 9.A. Posting of Notice. Whenever practicable, notice of all Board of Directors meetings shall be posted by the Resident Manager or a member of the Board in prominent locations within the project seventy-two (72) hours prior to the meeting or simultaneously with notice to the Board. (See Endnote 14)

SECTION 10. Waiver of Notice. Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

SECTION 12. Fidelity Bonds. The Board of Directors shall secure annually a fidelity bond in the amount of \$100,000, or such amount as may be required by law from time to time, to cover all officers, directors, employees, and Managing Agents who handle the Association's funds. The bond shall protect the Association

against fraudulent or dishonest acts by persons, including the Managing Agent, handling the Association's funds. The premiums on such bonds will be paid by the Association. (See Endnote 15)

SECTION 13. Compensation. No member of the Board of Directors shall expend Association funds for their travel, directors' fees or per diem, unless the apartment owners are informed and a majority approves of those expenses. (See Endnote 16)

SECTION 14. Liability and Indemnity of the Board of Directors and Officers. The members of the Board of Directors and Officers shall not be liable to the Apartment Owners for any mistake of judgment or otherwise except for their own individual negligence or willful misconduct. The Association of Owners shall indemnify each Director and Officer of the Association against all costs, expenses and liabilities, including the amount of judgments, amounts paid in compromise settlements and amounts paid for services of counsel and other related expenses which may be incurred by or imposed on him in connection with any claim, action, suit, proceeding, investigation or inquiry hereafter made, instituted, or threatened in which he may be involved as a party or otherwise by reason of his being or having been such Director or Officer, or by reason of any past or future action taken or authorized or approved by him or any omission to act as such Director or Officer, whether or not he continues to be such Director or Officer at the time of the incurring or imposition of such costs, expenses or liabilities, except such costs, expenses or

liabilities as shall relate to matters as to which he shall in such action, suit or proceeding be finally adjudged to be, or shall be, liable by reason of his negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer. As to whether or not a Director or Officer was liable by reason of negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer, in the absence of such final adjudication of the existence of such liability, the Board of Directors and each Director and Officer may conclusively rely upon an opinion of legal counsel selected by or in the manner designated by the Board of Directors. The foregoing right of indemnification shall not be exclusive of other rights to which any such Director or Officer may be entitled as a matter of law or otherwise, and shall inure to the benefit of the heirs, executors, administrators and assigns of each such Director and Officer.

SECTION 15. Open Meetings/Executive Session. All meetings of the Board of Directors, other than executive sessions, shall be open to all members of the Association, and Association members who are not on the Board may participate in any deliberation or discussion, other than executive sessions, unless a majority of a quorum of the Board votes otherwise. The Board, with the approval of a majority of a quorum of its members, may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters or litigation in which the Association is or may become involved. The nature of any and all business to

be considered in executive session shall first be announced in open session. (See Endnote 17)

SECTION 16. Minutes of Meetings. Minutes of meetings of the Board and the Association shall include the recorded vote of each Board member on all motions except motions voted on in executive session. Minutes shall be approved and made available in compliance with Section 514A-83.4, Hawaii Revised Statutes. (See Endnote 18)

SECTION 17. Documents to be Given to Directors. The Association at its own expense shall provide all Board members with a current copy of the Declaration, By-Laws, House Rules, and, annually, a copy of Chapter 514A, Hawaii Revised Statutes, with amendments. (See Endnote 19)

SECTION 18. Conflict of Interest. A director who has a conflict of interest on any issue before the Board shall disclose the nature of the conflict of interest prior to a vote on that issue at the Board meeting, and the minutes of the meeting shall record the fact that a disclosure was made. (See Endnote 20)

#### ARTICLE IV

##### OFFICERS

SECTION 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and

Vice President shall, but no other officers need be, members of the Board of Directors.

SECTION 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

SECTION 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors, called for such purpose.

SECTION 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Apartment Owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the laws of the State of Hawaii, including but not limited to the power to appoint committees from among the Apartment Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

SECTION 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors



to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

SECTION 6. Secretary. The Secretary shall keep the minutes of all meetings of the Apartment Owners and of the Board of Directors; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the laws of the State of Hawaii.

SECTION 7. Treasurer. The Treasurer shall be responsible for the keeping of full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the laws of the State of Hawaii. The duties of the Treasurer may be delegated to the Managing Agent.

SECTION 8. Auditor. The Apartment Owners shall elect annually a certified public accountant or accounting firm as auditor, who shall not be an officer or own any interest in any Apartment, to audit the books and financial records of the Apartment Owners as required by law or as directed additionally by the Board of Directors.

SECTION 9. Execution of Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two of the President, Vice President, Secretary or Treasurer, or by such other person or persons as may be designated by the Board of Directors.

SECTION 10. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

SECTION 11. Prohibition of Employment of Officers by Managing Agent. An apartment owner shall not act as an officer of the Association and an employee of the Managing Agent, employed by the Association. (See Endnote 21)

#### ARTICLE V

##### REPAIR AND MAINTENANCE AND USE

###### SECTION 1. Repair and Maintenance.

(a) Every Owner from time to time and at all times shall perform promptly all repair, maintenance and alteration work within his Apartment the omission of which would adversely affect any common element or any other Apartment, and shall be responsible for all loss and damage caused by his failure to do so.

(b) All repairs of internal installations within each Apartment such as water, light, gas, power, sewage, telephone, air conditioning, sanitation, doors, windows, lamps, and all other fixtures and accessories belonging to such Apartment, including interior walls and partitions and the inner decorated or finished surfaces of the perimeter walls, floors, and ceilings of such

Apartment shall be at the Owner's expense.

(c) Every Owner shall reimburse the Managing Agent for any expenditures incurred in repairing or replacing any common elements or furniture, furnishings, and equipment thereof damaged or lost through the fault of such Owner or any person using the project under him, and shall give prompt notice to the resident manager or the Managing Agent of any such damage, loss, or other defect when discovered.

(d) All Owners shall be responsible for the care and maintenance of any lanais which are included in their respective apartments. Such Owners may not, however, paint or otherwise decorate their respective lanais without the prior approval of the same by the Board of Directors. It is intended that the exterior of the building shall present a uniform appearance, and to the effect that end the Owners of apartments hereby agree that the Board may require the painting of each lanai and regulate the type and color or paint to be used. The Board is authorized to contract for the painting of all of the residential apartment lanais and to make payment therefor out of the maintenance fund.

SECTION 2. Use.

(a) The Owner of each Apartment within the building shall use such Apartment only as living accommodations for hotel or apartment use. The Owner of each commercial area in the building shall use such commercial area only for office purposes, sale of food, merchandise or services or any other commercial undertaking permitted by law.

(b) No Owner or occupant of an apartment shall post any advertisement, bill, poster, or other sign on or about the project, even if not visible outside of the project, except as authorized by the Board of Directors.

(c) All Owners and occupants shall exercise extreme care about causing or permitting noises that may disturb other occupants, including, without prejudice to the generality of the foregoing, noises caused by any child residing or visiting in Apartments.

(d) No Owner or occupant shall loiter or play in the corridors, elevators, stairways, or lobbies of the project. (See Endnote 22)

(e) No garments, rugs or other objects shall be hung from the lanais, windows, or facades of the project; nor shall they be dusted or shaken from the lanais or windows or cleaned by beating or sweeping on the grounds of the project.

(f) No garbage, refuse, or trash of any kind shall be thrown, placed or kept on any common element other than the disposal facilities provided for such purposes.

(g) No Owner or occupant, except as otherwise permitted by Declaration, shall install any wiring or other device for electrical or telephone installations, television, antenna, machines, or other equipment or appurtenances on the exterior of the project or protruding through the walls, windows, or roof thereof.

(g) (See Endnote 23) Nothing shall be allowed, done, or kept in any Apartment or common element which will overload or impair the floors, walls, or roofs of the project, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Board of Directors with respect thereto, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

#### ARTICLE VI

##### COMMON EXPENSES, APARTMENT EXPENSES AND TAXES

SECTION 1. Common Expenses. The Owner of each Apartment shall be liable for and pay a share of the common expenses in proportion to his interest in the common elements appurtenant to his Apartment. Common expenses shall include all charges, costs and expenses whatsoever incurred by the Association for and in connection with the administration and operation of the project, including without limitation all charges for taxes (except real property taxes and other such taxes which are or may hereafter be assessed separately on each Apartment and the common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner), assessments, insurance, including fire and other casualty and liability insurance, any liability whatsoever for loss or damage arising out of or in connection with the common elements or any fire, accident or nuisance thereon, cost of repair, reinstatement, rebuilding and replacement of the premises, yard, janitorial, and other similar services, wages, accounting and legal fees, management fees, and

other necessary expenses of upkeep, maintenance, management and operation actually incurred on or for the common elements, including limited common elements, and the cost of all utility services, including water, electricity, and gas, garbage disposal and any other similar services, unless separately metered or otherwise separately attributable to an Apartment or group of Apartments in which case the amounts charged or attributable to each Apartment or group of Apartments, as determined by the Board of Directors with the advice of a Certified Public Accountant, shall be payable by the Owner of such Apartment or Apartments. The common expenses may also include such amounts as the Board of Directors may deem proper to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners, of any Apartment whose Owner has elected to sell or lease such Apartment or of any Apartment which is to be sold at a foreclosure or other judicial sale. Payments of common expenses shall be made to the Board, as agent of the Owners of the Apartments, and the Board shall transmit said payments on behalf of each such Owner to the third person entitled to said payments from each Owner, provided, however, that the Board of Directors may not purchase an Apartment and hold the same or lease an Apartment for a period in excess of one (1) year without obtaining the approval of the Owners of at least seventy-five percent (75%) of the Apartments.

The Board of Directors shall establish and maintain a General Operating Reserve by monthly assessment against and payment by all Owners in proportion to their respective common interests, of such additional amount not less than 3% of the total monthly assessment for current common expenses, as the Board of Directors determines to be adequate to provide financial stability in the administration of the project, which additional amount shall be deemed conclusively to be common expenses; provided, however, that whenever said Reserve equals 25% of the total annual assessments for current common expenses, the assessments for said Reserve shall be discontinued until the depletion of said Reserve below said 25% level, whereupon such assessment shall be assumed until the restoration of said Reserve to said 25% level. Said Reserve shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of, or fully guaranteed as to principal by, an agency of the United States of America. Said Reserve at the discretion of the Board of Directors may be used to meet any deficiencies in operating funds from time to time resulting from delinquency by Owners in the payment of assessments for common expenses but shall not operate to exempt any Owner from liability to contribute his proportionate share of such expenses or to pay any such assessments therefor, and any funds withdrawn from said Reserve for that purpose shall be reimbursed upon the payment of such delinquent assessments. The proportionate interest of each Owner in said Reserve shall not be withdrawn or assigned separately

but shall be deemed to be transferred with each Apartment even though not mentioned or described expressly in the instrument of transfer. If the Condominium Property Regime (See Endnote 24) established hereby is terminated or waived, said Reserve remaining after payment of all common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Condominium Property Regime (See Endnote 25), in proportion to their respective common interests.

In compliance with Section 514A-83.6, Hawaii Revised Statutes (See Endnote 26), the Board of Directors shall establish and maintain a Maintenance Reserve Fund by the monthly assessment against and payment by all the Owners in proportion to their respective common interests, of such annual amount as the Board of Directors determines to be adequate to provide for the maintenance, repair, restoration, and replacement of the common elements and the furniture, fixtures, air conditioning and mechanical equipment thereof, and for such other purposes as may be authorized by Owners representing not less than four-fifths of the common interests, which annual amount shall be deemed conclusively to be common expenses. Said Fund shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of or fully guaranteed as to principal by, an agency of the United States of America. Disbursements from said Fund shall be made only upon authorization by the Board of Directors. The Board of Directors also shall keep in full force and effect at all times an elevator contract covering



the maintenance and replacement of parts of all elevators and related equipment or, if such contract is allowed to expire, shall accrue to the Maintenance Reserve Fund such additional amounts as will be sufficient to provide for deferred maintenance and future replacement of said elevator and related equipment. The proportionate interests of each Owner in said Fund shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though not mentioned or described expressly in the instrument of transfer. If the Condominium Property Regime established hereby is terminated or waived, said Fund remaining after full payment of all common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Condominium Property Regime, in proportion to their respective common interests. (See Endnote 27)

SECTION 2. Payment as Agent. The Board will pay or cause to be paid, on behalf of the Owners, all common expenses. The Board, on behalf of all Owners, will maintain or cause to be maintained separate books of account of common expenses in accordance with recognized accounting practices, and will have such books of account available for inspection by each Owner or his authorized representative at reasonable business hours. The Board will annually render or cause to be rendered a statement to each Owner of all receipts and disbursements during the preceding year, which statement shall be certified by an independent certified public accountant. Each Owner, as principal, shall be liable for

and pay his share, determined as aforesaid, of all common expenses and the Board shall be responsible, as agent for each Owner, only to transmit the payments made by the Owner to third persons to whom such payments must be made by the Owner. The Board or Managing Agent collecting the common expenses shall not be liable for payment of said common expenses as a principal but only as the agent of all Owners to transmit said payments to third persons to whom such payments must be made by the Owner.

SECTION 3. Taxes and Assessments. Each Owner of an Apartment shall be obligated to have the real property taxes for his own Apartment and its appurtenant interest in the common elements assessed separately by the proper governmental authority and to pay the amount of all such real property taxes so determined. The foregoing sentence shall apply to all types of taxes which now are or may hereafter be assessed separately by law on each Apartment and the Common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner. Each Owner shall execute such documents and take such action as may be reasonably specified by the Board to facilitate dealing with the proper governmental authority regarding such taxes, other taxes and assessments. Each Owner shall be obligated to pay to the Board his proportionate share of any assessment by the Board for any portion of taxes or assessments, if any, assessed against the entire premises or any part of the common elements as a whole and not separately, such payment to be made as directed by the Board. If, in the opinion of the Board, any taxes

or assessments may be a lien on the entire premises or any part of the common elements, the Board may pay such taxes or assessments and shall assess the same to the Owners in their proportionate share as determined by the Board. Such assessments by the Board shall be secured by the lien created by Section 5 of this ARTICLE VI.

SECTION 4. Ground Rent. Unless the Lessor shall otherwise direct the Owners in writing, all rental payable under the terms of the Ground Leases shall be paid by the Owners to the Board for transmittal to the Lessor, except that the mortgagee of an apartment may pay such rental directly to the Lessor.

SECTION 5. Default in Payment of Assessments. Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner against whom the same are assessed. If the Owner shall fail to pay his assessment when due, then he shall pay an additional assessment for each such failure in such amount as may be reasonably determined by the Board of Directors from time to time. In the event of a default or defaults in payment of any such assessment or assessments and in addition to any other remedies herein or by law provided, the Board of Directors may enforce each such obligation as follows: (See Endnote 28)

(a) By suit or suits at law to enforce each such assessment obligation. Each such action must be authorized by a majority of the Board at a regular or special meeting thereof and any such suit may be instituted by any one member of the Board or

by the Manager if the latter is so authorized in writing. Each such action shall be brought in the name of the Board and the Board shall be deemed to be acting on behalf of all the Owners. Any judgment rendered in any such action shall include, where permissible under any law, a sum for reasonable attorneys' fees in such amount as the Court may adjudge against such defaulting Owner. Upon full satisfaction of any such judgment, it shall be the duty of the Board to authorize any two members thereof, acting in the name of the Board, to execute and deliver to the judgment debtor an appropriate satisfaction thereof.

(b) At any time within ninety (90) days after the occurrence of any such default, the Board (acting upon the authorization of the majority thereof at any regular or special meeting) may give a notice to the defaulting Owner, with a copy to the Mortgagee of such Owner, if such Mortgagee has furnished its name and address to the Board, which said notice shall state the date of the delinquency, the amount of the delinquency and make a demand for payment thereof. If such delinquency is not paid within ten (10) days after delivery of such notice, the Board may elect to file a claim of lien against the Apartment of such delinquent Owner. Such claim of lien shall state: (1) the name of the delinquent Owner or reputed Owner; (2) a description of the Apartment against which claim of lien is made; (3) the amount claimed to be due and owing (with any proper offset allowed); (4) that the claim of lien is made by the Board pursuant to the terms of these By-Laws and of Chapter 514A (See Endnote 29), Hawaii

Revised Statutes, as amended; and (5) that a lien is claimed against said described Apartment in an amount equal to the amount of the stated delinquency.

Any such claims of lien shall be signed and acknowledged by any two or more members of the Board and shall be dated as of the date of the execution by the last such Board member to execute said claim of lien. Upon recordation of a duly executed original or copy of such claim of lien with the Assistant Registrar of the Land Court of the State of Hawaii, the Board shall have all remedies provided in Section 514A-90 (See Endnote 30), Hawaii Revised Statutes, as amended. Each default shall constitute a separate basis for a claim of lien or a lien. In the event the foreclosure is under power of sale, the Board, or any person designated by it in writing, shall be entitled to actual expenses and such fees as may be allowed by law or as may be prevailing at the time the sale is conducted. The certificate of sale shall be executed and acknowledged by any two members of the Board or by the person conducting the sale.

(c) For the purposes of this Section 5, a certificate executed and acknowledged or made under penalty of perjury by any two members of the Board shall be conclusive upon the Board and the Owners in favor of any and all persons who rely thereon in good faith as to the matters therein contained, and any Owner shall be entitled to such a certificate setting forth the amount of any due and unpaid assessments with respect to his Apartment (or the fact that all assessments due are paid if such is the case) within

fifteen (15) days after demand therefor and upon payment of a reasonable fee not to exceed Ten Dollars (\$10). In the event any claims of liens have been recorded and thereafter the Board shall receive payment in full of the amount claimed to be due and owing, then upon demand of the Owner or his successor, and payment of a reasonable fee, not to exceed Ten Dollars (\$10), and all reasonable attorney's fees and costs (See Endnote 31), the Board, acting by any two members, shall execute and acknowledge (in the manner provided above) a release of lien, stating the date of the original claim of lien, the amount claimed, the date, the land court document number of the claim of lien, the fact that the lien has been fully satisfied and that the particular lien is released and discharged, such release of lien to be delivered to the Owner or his successor upon payment of the fee.

SECTION 6. Collection from Subtenant. If the Owner shall at any time rent or lease his Apartment and shall default for a period of thirty (30) days or more in the payment of the Owner's share of the common expenses, the Board may, at its option, so long as such default shall continue, demand and receive from any renter or lessee (hereinafter in this paragraph referred to as "lessee") of the Owner occupying the Apartment, the rent due or becoming due from such lessee to the Owner up to an amount sufficient to pay all sums due from the Owner, including interest, if any, and any such payment of such rent to the Board by the lessee shall be sufficient discharge of such lessee, as between such lessee and the Owner to the extent of the amount so paid; but any such demand or acceptance

of rent from any lessee shall not be deemed to be a consent to or approval of any lease by the Owner or a release or discharge of any of the obligations of the Owner hereunder or an acknowledgment of surrender of any rights or duties hereunder. In the event that the Board makes demand upon the lessee as aforesaid, the lessee shall not have the right to question the right of the Board to make such demand, but shall be obligated to make the said payments to the Board as demanded by the Board with the effect as aforesaid, provided, however, that the Board may not exercise this right if a receiver has been appointed to take charge of the premises pending a mortgage foreclosure or if a Mortgagee is in possession pending a mortgage foreclosure.

SECTION 7. Waiver. The failure of the Board to insist in any one or more instances upon a strict performance of or compliance with any of the covenants of the Owner hereunder or to exercise any right or option herein contained, or to serve any notice, or to institute any action or summary proceeding, shall not be construed as a waiver, or a relinquishment for the future, of such covenant or option or right, but such covenant or option or right shall continue and remain in full force and effect. The receipt by the Board of any sum paid by the Owner hereunder, with or without knowledge by the Board of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver, express or implied by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the President pursuant to authority contained in a resolution of

the Board of Directors.

SECTION 8. Capital Contribution. Any portion of assessments used or to be used by the Board for mortgage amortization payments or for capital improvements or any other capital expenditures, shall not be treated as income to the Association, but shall be treated as a capital contribution by owners to the Association.

#### ARTICLE VII

##### INSURANCE AND RESTORATION

SECTION 1. Fire and Extended Coverage Insurance. The Board shall procure and maintain from a company or companies qualified to do business in Hawaii (and, if necessary, to procure the required coverage from other companies) a policy or policies (herein called the "Policy") of fire insurance, with extended coverage endorsement, for as nearly as practicable to one hundred per cent (100%) of the insurance replacement cost without deduction for depreciation, covering the Apartments and fixtures therein and the buildings and their fixtures and building service equipment, but excluding property of every kind and description while underground (meaning thereby, below the level of contiguous ground and covered by earth, except underground conduit or wiring therein when beneath the buildings), in the name of the Board as insured as trustee for each of the Owners of the Apartments in proportion to their respective common interests in the common elements. Such policy:



(a) shall contain no provision limiting or prohibiting other insurance by the Owner of any Apartment, such right being provided by statute, but if obtainable, shall provide that the liability of the insurer shall not be affected by, nor shall the insurer claim any right of set-off, counter-claim, apportionment, proration, or contribution by reason of any such other insurance;

(b) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Board, or if obtainable, shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board or the Owner or tenant of any Apartment, or by reason of any act or neglect of the Board or the Owner or tenant of any Apartment;

(c) shall provide that the policy may not be canceled (whether or not requested by the Board) except by giving to the Board and to the Owner and/or Mortgagee of each Apartment who shall have requested such notice of the insurer in writing addressed to him at the premises, thirty (30) days' written notice of such cancellation;

(d) shall contain a provision waiving any right of subrogation by the insurer to any right of the Board against the Owner or lessee of any Apartment;

(e) shall contain a provision waiving any right of the insurer to repair, rebuild or replace, if a decision is made pursuant to Section 5 of this Article VII not to repair, reinstate,

rebuild or restore the damage or destruction;

(f) shall provide that any loss shall be adjusted with the Board and the mortgagee of any Apartment directly affected by the loss;

(g) shall contain a standard mortgage clause which:

(i) shall name the holder of any mortgage affecting any Apartment whose name shall have been furnished to the Board;

(ii) shall provide that the insurance as to the interest of the mortgagee shall not be invalidated by any act or neglect of the Board or the owner or tenant of any Apartment;

(iii) shall waive any requirement invalidating such mortgagee clause by reason of the failure of the mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium (provided, however, in case the Board shall fail to pay the premium due or to become due under the policy, the mortgagee may pay the same prior to the effective date of the termination of the policy), any contribution clause, and any right to be subrogated to the right of any mortgagee against the Owner or lessee of any Apartment or the Board or to require an assignment of any mortgage to the insurer, except that the insurer will have the right of subrogation to the extent of insurance proceeds received by and retained by the mortgagee if the insurer shall claim no liability as to the mortgagor or Owner, but without impairing mortgagee's right to sue;

(iv) shall provide that without affecting the protection afforded to the mortgagee by such mortgagee clause, any

proceeds payable under such clause shall be payable to a corporate trustee selected by the Board who shall be a bank or trust company doing business in Honolulu having net assets of not less than Five Million Dollars (\$5,000,000), herein referred to as the "Insurance Trustee" or "Trustee";

(v) shall provide that any reference to a mortgagee in the Policy shall include all mortgagees on any Apartment, in order of preference; and

(h) shall provide for payment of the proceeds to the Insurance Trustee.

SECTION 2. Comprehensive Liability Insurance. The Board shall procure and maintain from a company or companies qualified to do business in Hawaii (and, if necessary, to procure the required coverage from other companies) a policy or policies (herein called the "Policy") of Public Liability Insurance to insure the Board, the owner of the land, each Apartment Owner, and the Managing Agent and other employees of the Association of Apartment Owners against claims for personal injury, death and property damage arising out of the condition of the property or activities thereon or elevators therein or contractors of construction work under a Comprehensive General Liability form to include (1) Water Damage Legal Liability and (2) Fire Damage Legal Liability. Said insurance shall be for such limits as the Board may decide, but not less than those reasonably required by the terms of any leases covering Apartments from the owner of the fee thereof. Such Policy:

(a) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Board, or by any breach of warranty or condition caused by the Owner of any Apartment, or by any act or neglect of the Owner or tenant of any Apartment; and

(b) shall provide that the Policy may not be canceled (whether or not requested by the Board) except by giving to the Board and to the Owner of each Apartment and any mortgagee, who shall have requested such notice of the insurer in writing, thirty (30) days' written notice of such cancellation.

SECTION 3. Insurance Against Additional Risks. The Board may also procure insurance against such additional risks as the Board may deem advisable for the protection of the Apartment Owners of a character normally carried with respect to properties of comparable character and use in the County of Honolulu.

SECTION 4. Miscellaneous Insurance Provisions. The Board shall review not less frequently than annually the adequacy of its insurance program and shall report in writing the Board's conclusions and action taken on such review to the Owner of each Apartment, and to the holder of any mortgage on any Apartment who shall have requested a copy of such report. At the request of any mortgagee of any Apartment, the Board shall furnish to such mortgagee a copy of the Policy described in Section 1 of this Article and of any other Policy to which a mortgagee endorsement shall have been attached. Copies of every policy of insurance

procured by the Board shall be available for inspection by any Apartment Owner (or purchaser holding a contract to purchase an interest in an Apartment) at the office of the Managing Agent. Any coverage procured by the Board shall be without prejudice to the right of the Owners of Apartments to insure such Apartments and the contents thereof for their own benefit at their own expense.

SECTION 5. Damage and Destruction. If the buildings are damaged by fire or other casualty which is insured against and said damage is limited to a single Apartment, the insurance proceeds shall be used by the Trustee for payment of the contractor employed by the Board to rebuild or repair such Apartment, including paint, floor covering and fixtures, in accordance with the original plans and specifications therefor. If such damage extends to two or more Apartments or extends to any part of limited common elements or to the common elements:

(a) The Board shall thereupon contract to repair or rebuild the damaged portions of the building or buildings, including all Apartments so damaged, as well as the common elements, in accordance with plans and specifications therefor, which will restore the same to the design immediately prior to destruction, or if reconstruction in accordance with said design is not permissible under the laws then in force, in accordance with such modified plan as shall be previously approved by the Board and the mortgagee of record of any interest in an Apartment directly affected thereby; provided that in the event said modified plan eliminates any Apartment and such Apartment is not reconstructed

the Insurance Trustee shall pay to the owner of said Apartment the portion of said insurance proceeds allocable to said Apartment (less the proportionate share of said Apartment in the cost of debris removal) and shall disburse the balance of insurance proceeds as hereinafter provided for the disbursement of insurance proceeds. The insurance proceeds shall be paid by the Trustee to the contractor employed for such work, in accordance with the terms of the contract for such construction and in accordance with the terms of this Section 5. If the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding such common elements, the Board is expressly authorized to pay such costs in excess of the insurance proceeds from the maintenance fund, and if the maintenance fund is insufficient for this purpose, the Board shall levy a special assessment on the Owners of Apartments in proportion to their respective common interests. Any costs in excess of the insurance proceeds for the repairing and/or rebuilding of any Apartment shall be specially assessed against such Apartment and said special assessment shall be secured by the lien created under Section 5 of ARTICLE VI hereof.

(b) The cost of the work (as estimated by the Board) shall be paid out from time to time or at the direction of the Board as the work progresses, but subject to the following conditions:

(i) The work shall be in charge of an architect or engineer (who may be an employee of the Board).

(ii) Each request for payment shall be made on seven (7) days' prior notice to the Trustee and shall be accompanied by a certificate to be made by such architect or engineer stating that all of the work completed has been done in compliance with the approved plans and specifications and that the sum requested is justly required to reimburse the Board for payments by the Board to, or is justly due to, the contractor, subcontractors, materialmen, laborers, engineers, architects or other persons rendering services or materials for the work (giving a brief description of such services and materials), and that when added to all sums previously paid out by the Trustee the sum requested does not exceed the value of the work done to the date of such certificate.

(iii) Each request shall be accompanied by waivers of liens satisfactory to the Trustee, covering that part of the work for which payment or reimbursement is being requested and by a search prepared by a title company or licensed abstractor or by other evidence satisfactory to the Trustee, that there has not been filed with respect to the premises any mechanics' or other lien or instrument for the retention of title in respect of any part of the work not discharged of record.

(iv) The request for any payment after the work has been completed shall be accompanied by a copy of any certificate or certificates required by law to render occupancy of the premises legal.

(v) The fees and expenses of the Trustee as

determined by the Board and the Trustee shall be paid by the Association as common expenses, and such fees and expenses may be deducted from any proceeds at any time in the hands of the Trustee.

(vi) Such other conditions not inconsistent with the foregoing as the Trustee may reasonably request.

(c) Upon the completion of the work and payment in full therefor, any remaining proceeds of insurance then or thereafter in the hands of the Board or the Trustee shall be paid or credited to the Owners of the Apartments (or to the holder of any mortgage on an Apartment if there be a mortgage) in proportion to their respective common interests.

(d) To the extent that any loss, damage or destruction to the buildings or other property is covered by insurance procured by the Board, the Board shall have no claim or cause of action for such loss, damage or destruction against any Apartment Owner or lessee. To the extent that any loss, damage or destruction to the property of any Apartment Owner or lessee is covered by insurance procured by such Owner or lessee, such Owner or lessee shall have no claim or cause of action for such loss, damage or destruction against the Board, the Managing Agent, any other Apartment Owner, or the Association. All policies of insurance referred to in this Paragraph (d) shall contain appropriate waivers of subrogation.

#### ARTICLE VIII

##### MORTGAGES

SECTION 1. Notice to Board of Directors. An Apartment Owner who mortgages his interest in an Apartment shall notify the



Board of Directors of the name and address of his mortgagee and within ten (10) days after the execution of the same shall file a conformed copy of the note and mortgage with the Board of Directors; the Board of Directors shall maintain such information in a book entitled "Mortgages of Apartments."

SECTION 2. Notice of Unpaid Common Expenses. The Board of Directors, whenever so requested in writing by a purchaser or mortgagee of an interest in an Apartment, shall promptly report any then unpaid assessments for common expenses due from the Owner of the Apartment involved.

SECTION 3. Notice of Default. The Board of Directors, when giving notice to an Apartment Owner of a default in paying common expenses or other default, shall send a copy of such notice to each holder of a mortgage covering such Apartment or interest therein whose name and address has theretofore been furnished to the Board of Directors.

SECTION 4. Examination of Books. Each Owner and each mortgagee of an Apartment shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

SECTION 5. Mortgage Protection. Notwithstanding all other provisions hereof:

(a) The liens created hereunder upon any Apartment and its appurtenant interests in the common elements shall be subject and subordinate to, and shall not affect the rights of the holder of any indebtedness secured by any recorded mortgage of such

interests made for value, provided that after the foreclosure of any such mortgage there shall be a lien upon the interests of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such Apartment if falling due after acquisition of title by the purchaser at such foreclosure sale, which lien shall have the same effect and be enforced in the same manner as provided in Section 5 of Article VI hereof;

(b) No amendment to this Section 5 shall affect the rights of the holder of any such mortgage filed in the Office of the Assistant Registrar of the Land Court prior to the filing of such amendment who does not join in the execution thereof.

ARTICLE IX  
CONDEMNATION

SECTION 1. Condemnation. In case at any time or times an apartment or the Project or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for or on account of any land shall be payable to the Developers, and all compensation and damages for or on account of any buildings or other improvements on the demised land shall be payable to a condemnation trustee, which shall be a bank or trust company, designated by the Board, doing business in Honolulu, Hawaii, and having net assets of not less than Five Million Dollars (\$5,000,000), as trustee for all apartment owners and mortgagees according to the loss or damage to their respective apartments and appurtenant common interests. The Board of

Directors shall arrange for the repair and restoration of the buildings and other improvements in accordance with the design thereof immediately prior to such condemnation or if such repair and restoration in accordance with said design are not permissible under the laws then in force, in accordance with such modified plan as shall have been previously approved by the Board and the mortgagees of record of any interest in any Apartment directly affected thereby. In the event of a partial taking in which any Apartment is eliminated or not restored, the condemnation trustee shall disburse the portion of the proceeds of such award allocable to said Apartment (exclusive of such portion thereof as shall be allocable to the interest of said Apartment in the land), less the proportionate share of said Apartment in the cost of debris removal, to the Owner of said Apartment in satisfaction of his interest in said Apartment. The condemnation trustee shall disburse the remainder of the proceeds of such award to the contractor engaged in such repair and restoration in appropriate progress payments and in the event such proceeds are insufficient to pay the costs thereof the Board is expressly authorized to pay such excess costs from the maintenance fund and if the maintenance fund is insufficient for this purpose the Board shall levy a special assessment on the Owners of Apartments in proportion to their common interests. In the event sums are received in excess of the cost of repairing and restoring the remaining buildings and improvements, or in the event all the buildings and improvements are so taken or condemned, such excess proceeds or said proceeds,

as the case may be, shall be divided between the Owners of Apartments in accordance with their interests in the common elements.

ARTICLE X

GENERAL PROVISIONS

SECTION 1. Rules and Regulations. The Owner recognizes the right of the Board from time to time to establish and amend such uniform rules and regulations (herein called "Rules and Regulations") as the Board may deem necessary for the management and control of the Apartments and the common elements and limited common elements and the Owner agrees that the Owner's rights under this instrument shall be in all respects subject to the appropriate Rules and Regulations which shall be taken to be a part hereof; and the Owner agrees to obey all such Rules and Regulations as the same now are or may from time to time be amended, and see that the same are faithfully observed by the invitees, guests, employees and under-tenants of the Owner; and the Rules and Regulations shall uniformly apply to and be binding upon all occupants of the Apartments.

SECTION 2. Abatement and Enjoinment of Violations by Apartment Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws:

(a) to enter the Apartment in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Apartment Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, and all costs thereof, including attorneys' fees, shall be borne by the defaulting Apartment Owner.

SECTION 3. Maintenance and Repair of Apartments. All maintenance of and repairs to any Apartment (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the Owner of such Apartment) shall be made by the Owner of such Apartment.

SECTION 4. Maintenance and Repair of Common Elements. All maintenance, repairs and replacements to the common elements, whether located inside or outside of the Apartments, shall be made by the Board of Directors and be charged to all the Owners as a common expense, unless necessitated by the negligence, misuse or neglect of an Apartment Owner, in which case such expense shall be charged to such Apartment Owner.

SECTION 5. Additions or Alterations by Board of Directors. Whenever in the judgment of the Board of Directors the common elements shall require additions or alterations costing less than five thousand dollars (\$5,000), the Board of Directors may

proceed with such additions or alterations and shall assess all owners for the cost thereof as a common expense. Any additions or alterations costing in excess of five thousand dollars (\$5,000) may be made by the Board of Directors only after obtaining approval of the Owners of at least fifty percent (50%) of the Apartments. If such approval shall be obtained, the cost thereof shall constitute part of the common expenses. (See Endnote 32)

SECTION 6. Additions or Alterations by Apartment Owners.

No Owner shall make any addition or alteration in or to his Apartment which may affect the common elements or change the exterior appearance of the buildings, without the prior written consent thereto of the Board of Directors. Notwithstanding the foregoing, the provisions of paragraph 11.(f) of the First Restatement of Declaration of Condominium Property Regime of Fairway Villa shall control on any additions or alterations to the Apartment or common elements. (See Endnote 33) The Board of Directors shall have the obligation to answer any written request by an Apartment Owner for approval of a proposed addition or alteration in such Apartment within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition or alteration.

SECTION 7. Right of Access. An Apartment Owner shall grant a right of access to his Apartment to the Manager and/or the Managing Agent and/or any other person authorized by the Board of Directors, the Manager or the Managing Agent, for the purpose of

making inspections or for the purpose of correcting any condition originating in his Apartment and threatening another Apartment or a common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his Apartment or elsewhere in the buildings, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be deemed granted, to be effective immediately, whether the Owner is present at the time or not.

SECTION 8. Owners May Incorporate. All of the rights, powers, obligations and duties of the Owners imposed hereunder may be exercised and enforced by a non-profit, membership corporation, formed under the laws of the State of Hawaii for the purposes herein set forth by the Owners. Said corporation shall be formed upon the written approval of a majority of the voting Owners. The formation of said corporation shall in no way alter the terms, covenants and conditions set forth herein and the Articles and By-Laws of said corporation shall be subordinated hereto and controlled hereby. Any action taken by said corporation which said action is in violation of any or all of the terms, covenants or conditions contained herein shall be void and of no effect.

SECTION 9. Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Directors c/o the Managing Agent, or if there be no Managing Agent, to the office of the Board of Directors or to such other address as the Board of

Directors may hereafter designate from time to time, by notice in writing to all Owners and to all mortgagees of Apartments. All notices to any Owner shall be sent by registered or certified mail to the building or to such other address as may have been designated by him from time to time, in writing, to the Board of Directors. All notices to mortgagees of Apartments shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Directors. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

SECTION 10. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provisions thereof.

SECTION 11. Gender. The use of any gender in these By-Laws shall be deemed to include either or both of the other genders and the use of the singular shall be deemed to include the plural whenever the context so requires.

SECTION 12. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

SECTION 13. Interpretation. The provisions of these By-Laws shall be liberally construed to effectuate the



purpose of creating a uniform condominium complex whereby the Owners of Apartments shall carry out and pay for the operation and maintenance of the project as a mutually beneficial and efficient establishment.

SECTION 14. Amendment. The provisions of these By-Laws may be amended by the Owners of at least sixty-five percent (65%) of the Apartments, which amendment shall be effective upon filing in the Office of the Assistant Registrar of the Land Court of an instrument in writing, signed and acknowledged by such Owners or by the proper officers of the Association; provided, however, each one of the particulars set forth in Section 514A-82, Hawaii Revised Statutes, shall always be embodied in these By-Laws. (See Endnote 34) Provided further, that any proposed By-Laws with the rationale for the proposal may be submitted by the Board of Directors or by a volunteer apartment owners' committee. If submitted by that committee, it shall be accompanied by a petition signed by not less than twenty-five per cent (25%) of the apartment owners as shown in the Association's record of ownership. The proposed By-Laws, rationale, and ballots for voting on any proposed By-Law shall be mailed by the Board to the apartment owners at the expense of the Association for vote or written consent without change within thirty (30) days of the receipt of the petition by the Board. The vote or written consent required to adopt the proposed By-Law shall be sixty-five per cent (65%) of all apartment owners; provided that the vote or written consent must be obtained within one hundred twenty (120) days after mailing. In the event that the By-Law is

duly adopted, then the Board shall cause the By-Law amendment to be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. The volunteer apartment owners' committee shall be precluded from submitting a petition for a proposed By-Law which is substantially similar to that which has been previously mailed to the owners within one year after the original petition was submitted to the Board. This Section shall not preclude any apartment owner or voluntary apartment owners' committee from proposing any By-Law amendment at any annual Association meeting. (See Endnote 35)

SECTION 15. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or enforceability of any one provision shall not affect the validity or enforceability of any other provision hereof.

SECTION 16. Right of Entry. The apartment owners shall have the irrevocable right, to be exercised by the Board of Directors, to have access to each apartment from time to time during reasonable hours as may be necessary for the operation of the property or for making emergency repairs therein necessary to prevent damage to the common elements or to another apartment or apartments. (See Endnote 36)

IN WITNESS WHEREOF, the undersigned have executed this instrument this 18<sup>th</sup> day of July, 1994.

ASSOCIATION OF APARTMENT OWNERS  
OF FAIRWAY VILLA, INC.

MARY ANANIAN  
PRESIDENT

By Mary Ananian  
Its President

MARY T. GOBLE  
SECRETARY

By Mary T. Goble  
Its Secretary

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 18 day of July, 1994,  
before me appeared Mary Ananian to me personally  
known who, being by me duly sworn, did say that he/~~she~~ is the  
President of the ASSOCIATION OF APARTMENT OWNERS  
OF FAIRWAY VILLA, INC., an incorporated association, that said  
Association has no seal, and that said instrument was executed on  
behalf of said Association by authority of its Board of Directors  
and said Mary Ananian acknowledged that he/~~she~~  
executed said instrument as the free act and deed of the  
ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC.

Loraine M. Kaahua LS  
Notary Public, State of Hawaii  
My commission expires: June 21, 1996

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 22<sup>nd</sup> day of July, 1994,  
before me appeared Mary T. Baker to me personally  
known, who, being by me duly sworn, did say that he/she is the  
President of the ASSOCIATION OF APARTMENT OWNERS  
OF FAIRWAY VILLA, INC., an incorporated association, that said  
Association has no seal, and that said instrument was executed on  
behalf of said Association by authority of its Board of Directors  
and said Mary T. Baker acknowledged that he/she  
executed said instrument as the free act and deed of the  
ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC.

Annette J. Miller LS  
Notary Public, State of Hawaii  
My commission expires: July 30, 1996

#### ENDNOTES

The following endnotes correspond to provisions in the By-Laws which have been restated to conform to Chapter 514A, Hawaii Revised Statutes, and the Federal Fair Housing Act, as amended (42 U.S.C. Sections 3601 et seq.), and to integrate all amendments made to the By-Laws of the Association of Apartment Owners of Fairway Villa. These Restated By-Laws correctly set forth without change the corresponding provisions of the original By-Laws of the Association of Apartment Owners of Fairway Villa, as amended, and supersede the original By-Laws and all prior amendments thereto. This Restatement was made solely for purposes of information and convenience. In the event of a conflict, the Restated By-Laws shall be subordinate to the original By-Laws, amendments or cited statutes.

1. Act 65 (SLH, 1988) redesignated the "Horizontal" Property Act as the "Condominium" Property Act. Therefore, throughout this restatement, references to the previous usage have been amended to reflect present terminology.
2. Act 98 (SLH, 1977) repealed Chapter "514," Hawaii Revised Statutes, ("HRS"), and enacted Chapter "514A," HRS in its place. Therefore, throughout this restatement, references to the previous Chapter have been amended to reflect present terminology.
3. This portion of Article II, Section 6. has been amended to conform to the requirements of Section 514A-83.2 of the Hawaii Revised Statutes.
4. This portion of Article II, Section 6. has been amended to conform to the requirements of Section 514A-82(b)(4) of the Hawaii Revised Statutes.
5. Article II, Section 6A. was added by the Seventh Amendment of the Declaration of Horizontal Property Regime and By-Laws for Fairway Villa dated May 26, 1993, and recorded as Land Court Document No. 2047939.
6. Article II, Section 8. was completely replaced by the Seventh Amendment.
7. Article II, Section 11. has been amended to conform to the requirements of Section 514A-82(b)(3) of the Hawaii Revised Statutes.

8. This portion of Article II, Section 13. was amended by the Amendment to Declaration of Horizontal Property Regime and By-Laws of Fairway Villa dated May 30, 1984, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1244122 (hereinafter called the "Second Amendment").
9. Article II, Section 14. was added by said Second Amendment.
10. Article III, Sections 2(g), (r), (s), (t) and (u). were added by the Sixth Amendment of the Declaration of Horizontal Property Regime dated January 10, 1992, and recorded as Land Court Document No. 1885153.
11. Article III, Section 3.A. has been added to conform to the requirements of Section 514A-82(b)(8) of the Hawaii Revised Statutes.
12. Article III, Section 5. has been amended to conform to the requirements of Section 514A-82(b)(1) of the Hawaii Revised Statutes.
13. Article III, Section 6.: "Cease" is erroneously used in this sentence. The appropriate word is "cause".
14. Article III, Section 9A. has been added to conform to the requirements of Section 514A-82(b)(9) of the Hawaii Revised Statutes.
15. Article III, Section 12. has been amended to conform to the requirements of Section 514A-95.1(a)(1) of the Hawaii Revised Statutes.
16. Article III, Section 13. has been added to conform to the requirements of Section 514A-82(b)(10) of the Hawaii Revised Statutes.
17. Article III, Section 15. has been added to conform to the requirements of Section 514A-83.1 of the Hawaii Revised Statutes.
18. Article III, Section 16. has been added to conform to the requirements of Section 514A-83.4 of the Hawaii Revised Statutes.
19. Article III, Section 17. has been added to conform to the requirements of Section 514A-82(b)(11) of the Hawaii Revised Statutes.

20. Article III, Section 18. has been amended to conform to the requirements of Section 514A-82(b)(5) of the Hawaii Revised Statutes.
21. Article IV, Section 11. has been added to conform to the requirements of Section 514A-82(b)(7) of the Hawaii Revised Statutes.
22. Article V, Section 2.(d) has been amended to conform to the requirements of the Fair Housing Act, as amended, (42 U.S.C. Section 3601, et seq.)
23. Article V, Section 2.(g) [second subparagraph (g)]: It should be noted that there are two subparagraph (g)s in Article V, Section 2.
24. The heading for Chapter 514A was amended by 1988 Hawaii Session Laws, Act 65.
25. The heading for Chapter 514A was amended by 1988 Hawaii Session Laws, Act 65.
26. This paragraph has been amended to recognize the new replacement reserve requirements imposed by the condominium law, Section 514A-83.6, Hawaii Revised Statutes.
27. The heading for Chapter 514A was amended by 1988 Hawaii Session Laws, Act 65.
28. Article VI, Section 5. was amended by Fifth Amendment of the Declaration of Horizontal Property Regime and By-Laws of Fairway Villa dated May 16, 1988 and filed as aforesaid as Land Court Document No. 1551314.
29. This chapter was enacted by 1977 Hawaii Session Laws, Act 98, as a restatement of Chapter 514.
30. Article VI, Section 5.(b): Section 514A-90 was substituted for Section 514-24. Section 514A-90 of the Hawaii Revised Statutes provides for the remedies available for delinquent maintenance fees. Section 514-24 no longer exists.
31. Article VI, Section 5.(c) has been amended to conform to the provisions of Section 514A-94 of the Hawaii Revised Statutes.
32. Article X, Section 5. was amended by Amendment of By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime dated April 23, 1986, and filed as aforesaid as Land Court Document No. 1370262.

33. Article X, Section 6. has been amended to conform to the requirements of said Fair Housing Act, as amended.
34. This portion of Article X, Section 14. was amended by the Amendment of By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime, dated May 16, 1985 and filed as aforesaid as Land Court Document No. 1301266.
35. This portion of Article X, Section 14. has been amended to conform to the requirements of Section 514A-82(b)(2) of the Hawaii Revised Statutes.
36. Article X, Section 16. has been added to conform to the provisions of Section 514A-82(b)(6) of the Hawaii Revised Statutes.



## FAIRWAY VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
701	404451
702	409350
703	309536
704	404452
705	309536
706	404453
707	404454
708	434407
709	413587
710	409351
711	309536
712	309536
713	404457
714	404458
715	404459
716	409352
717	"Manager's apt. no TCT issued."
718	404460
801	404617
802	404461
803	404462
804	435534
805	409353
806	404464
807	404637

EXHIBIT "A"

## FAIRWAY VILLA

PAGE 2

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
808	309536
809	404465
810	404466
811	404620
812	309536
813	409354
814	430434
815	429586
816	410224
817	404469
818	309536
901	404470
902	309536
903	409356
904	409357
905	416391
906	404471
907	409359
908	404472
909	404627
910	309536
911	412762
912	404473
913	412763
914	309536

## FAIRWAY VILLA

PAGE 3

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
915	409360
916	404474
917	404475
918	418149
1001	404476
1002	404477
1003	309536
1004	404478
1005	409361
1006	420515
1007	309536
1008	309536
1009	404621
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	404481
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485

## FAIRWAY VILLA

PAGE 4

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	404618
1106	410597
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	404493
1115	404494
1116	404622
1117	404495
1118	431021
1201	309536
1202	410544
1203	404496
1204	404497
1205	404498
1206	428684
1207	404500
1208	410545
1209	309536
1210	404501

## FAIRWAY VILLA

PAGE 5

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1211	309596
1212	409366
1213	404502
1214	404503
1215	404504
1216	409367
1217	404505
1218	404506
1401	409368
1402	404632
1403	409369
1404	404507
1405	404508
1406	309536
1407	404508
1408	404509
1409	404508
1410	404510
1411	404508
1412	408188
1413	404508
1414	404512
1415	309536
1416	409370
1417	404513

## FAIRWAY VILLA

PAGE 6

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1418	404514
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	404519
1508	404520
1509	404629
1510	410547
1511	404521
1512	309536
1513	409371
1514	404522
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	309536
1605	404526
1606	404527

## FAIRWAY VILLA

PAGE 7

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	429366
1608	404529
1609	404530
1610	404531
1611	309536
1613	409375
1614	409376
1615	409377
1616	409378
1617	404532
1618	420462
1701	409421
1702	404533
1703	309536
1704	404534
1705	409380
1706	409381
1707	404535
1708	409382
1709	404536
1710	309536
1711	404537
1712	309536
1713	404538
1714	404539

FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1715	404540
1716	409383
1717	404541
1718	404542
1801	412765
1802	410548
1803	417322
1804	309536
1805	404543
1806	409384
1807	404544
1808	404545
1809	409385
1810	404546
1811	409386
1812	404547
1813	404548
1814	412294
1815	409388
1816	409389
1817	409390
1818	309536
1901	404549
1902	404633
1903	404550



## FAIRWAY VILLA

PAGE 9

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1904	404551
1905	409391
1906	411968
1907	410550
1908	404552
1909	404553
1910	404554
1911	404555
1912	309536
1913	404556
1914	309536
1915	404557
1916	309536
1917	408842
1918	404559
2001	409393
2002	419965
2003	404561
2004	309536
2005	409394
2006	409395
2007	309536
2008	404562
2009	404563
2010	404575

## FAIRWAY VILLA

PAGE 10

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	309536
2013	404564
2014	404565
2015	309536
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	309536
2105	404568
2106	404569
2107	404570
2108	404571
2109	404572
2110	417184
2111	404574
2112	404576
2113	404577
2114	404578
2115	309536
2116	404579
2117	404580

FAIRWAY VILLA

PAGE 11

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2118	409399
2201	404581
2202	409400
2203	409401
2204	309536
2205	409402
2206	431392
2207	404626
2208	404582
2209	435941
2210	410551
2211	309536
2212	404584
2213	412766
2214	404585
2215	409403
2216	404586
2217	428665
2218	420947
2301	404589
2302	404590
2303	404634
2304	404591
2305	433154
2306	309536

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2307	404592
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	424295
2315	404597
2316	309536
2317	404598
2318	309536
2401	404599
2402	404600
2403	309536
2404	409407
2405	404601
2406	428540
2407	409408
2408	409409
2409	404602
2410	309536
2411	404603
2412	404604
2413	404605

FAIRWAY VILLA

PAGE 13

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2414	404606
2415	409698
2416	406925
2417	409411
2418	404623
2501	404638
2502	404624
2503	404608
2504	309536
2505	409412
2506	309536
2507	433279
2508	309536
2509	435184
2510	309536
2511	433802
2512	404609
2513	431376
2514	404610
2515	309536
2516	309536
2517	409413
2518	433951
2601	309536
2602	309536

FAIRWAY VILLA

PAGE 14

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2603	309536
2604	309536
2605	309536
2606	309536
2607	309536
2608	309536
2609	410552
2610	309536
2611	309536
2612	309536
2613	309536
2614	309536
2615	309536
2616	309536
2617	309536
2618	309536
2701	404628
2702	404611
2703	404612
2704	309536
2705	404613
2706	409414
2707	404625
2708	309536
2709	424296

FAIRWAY VILLA

PAGE 15

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	309536
2714	404615
2715	309536
2716	309536
2717	409417
2718	435452
AUX1	309536
PH2801	409418
PH2802	409419
PH2803	409420

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OFFICE OF ASSISTANT REGISTRAR  
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NOV 15, 2004 08:02 AM  
Doc No(s) 3192852  
on Cert(s) AS LISTED HEREIN



/s/ CARL T. WATANABE  
ASSISTANT REGISTRAR

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ML

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( XX ) TO:

MILTON M. MOTOOKA  
Motooka Yamamoto & Revere  
1000 Bishop Street, Suite 801  
Honolulu, Hawaii 96813  
Tel. No. (808) 532-7900

Fairway Villa

No. of pages: 64

SECOND RESTATEMENT OF THE BY-LAWS OF ASSOCIATION OF  
APARTMENT OWNERS OF FAIRWAY VILLA CONDOMINIUM PROJECT,  
A CONDOMINIUM PROPERTY REGIME (See Endnote 1)

WHEREAS, THEODORE HILTON SMYTH, as Trustee For The Benefit of Theodore H. Smythe, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, a short form of which was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document 606183, whose post office address is 4234 Cresta Avenue, Santa Barbara, California (hereinafter called the "Fee Owner"), was the Owner of the land described herein; and

WHEREAS, Fee Owner and THE CARWIN CORPORATION, a Hawaii corporation, having its principal place of business and post office address at Suite 923, The Davies Pacific Center, 841



Bishop Street, Honolulu, City and County of Honolulu, State of Hawaii, doing business as FAIRWAY VILLA VENTURE, a joint venture, registered to do business in the State of Hawaii (hereinafter called "Developer"), entered into a Development Agreement with said Fee Owner dated June 1, 1972, and erected an apartment building upon said property; and

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514A, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153715, and the TCT Nos. shown on the attached Exhibit A, the Fee Owner and the Developer submitted the property described in the Declaration to provisions of the Horizontal Property Regime (now known as the Condominium Property Regimes, Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime, were attached to said Declaration; and

WHEREAS, said Declaration and By-Laws were amended by instruments dated March 13, 1975, May 30, 1984, May 16, 1985, April 23, 1986, May 16, 1988, November 5, 1990, January 1, 1992, and May 20, 1993, June 8, 1995, March 6, 1988, March 6, 1998, and July 14, 1998, and filed as aforesaid as Document Nos. 713792, 1244122, 1301266, 1370262, 1551314, 1885153, 2047939, and 2047940, 2248121, 2459273, 2459274, and 2477187, respectively and restated by instruments both dated July 18, 1994 and filed as aforesaid as Document Nos. 2169790 and 2169791; and

WHEREAS, Section 514A-82.2, Hawaii Revised Statutes, empowers the Board of Directors of the Association established by said By-Laws to restate the By-Laws to include therein any amendments thereto, and to conform the provisions thereof to the provisions of Chapter 514A, Hawaii Revised Statutes, and any other statute, ordinance, rules, or regulation enacted by any governmental authority, by a resolution adopted by the Board of Directors; and

WHEREAS, at a meeting duly held on July 21, 2004, said Board of Directors resolved to again restate the By-Laws, pursuant to Section 514A-82.2, Hawaii Revised Statutes, in the manner set forth herein;

NOW, THEREFORE, the By-Laws are hereby restated to read as follows:

## ARTICLE I

### INTRODUCTORY PROVISIONS

SECTION 1. Definitions. The terms used herein shall have the meanings given to them in said Chapter 514A (See Endnote 2), except as expressly otherwise provided herein. The term "common elements" means those elements designated in the aforesaid Declaration as common elements and limited common elements. The term "Property" shall include the land, the buildings and all other improvements thereon (including the Apartments and the common elements) and all easements, rights and appurtenances belonging thereto, and all other property affixed thereto and intended for use in connection therewith. The term "Rules and Regulations" refers to the Rules and Regulations or House Rules for the conduct of occupants of the buildings adopted by the Board of Directors as hereafter provided. "Owner" means a person owning severally or as a co-tenant an Apartment and the common interest appertaining thereto, to the extent of such interest so owned; provided, that to such extent and for such purposes, including the exercise of voting rights, as shall be provided by lease filed with the Board of Directors, a lessee of an Apartment or interest therein shall be deemed to be the Owner of such Apartment or interest therein. "Apartment" as used herein has the same meaning and definition as contained in Chapter 514A, Hawaii Revised Statutes, and is sometimes hereafter called a condominium unit or units and includes each of the residential apartments and auxiliary unit of the project. The term "Apartment Owners, Association of Owners, Association" and similar terms mean and refer to (except where such meaning would be clearly repugnant to the context) the Association of Apartment Owners.

SECTION 2. Conflicts. These By-Laws are set forth to comply with the requirements of Chapter 514A, Hawaii Revised Statutes, as amended. In case any of these By-Laws conflict with the provisions of said Chapter 514A or of the Declaration, the provisions of said Chapter 514A or of the Declaration, as the case may be, shall control.

SECTION 3. Application. All present and future Owners, mortgagees, tenants and occupants of Apartments and their employees, and any other persons who may use the said property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations. The acceptance of an assignment of lease or conveyance or the entering into of a lease or the act of occupancy of an Apartment shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

## ARTICLE II

### ASSOCIATION OF OWNERS

SECTION 1. Voting. Each Apartment Owner shall be entitled to that fraction of the total vote of the Apartment Owners which equals the percentage of the common interest appurtenant to such Apartment as set forth in the Declaration. Votes may be cast in person or by proxy by the respective Apartment Owners. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association, the percentage of vote for any Apartment owned or controlled by him in such capacity, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such Apartment in such capacity. The vote for any Apartment owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of protest by the other or others, and in case of protest each Co-Tenant shall be entitled to only a share of such vote in proportion to his share of ownership in such Apartment. The purchaser of an apartment under an agreement of sale filed in the Office of the Assistant Registrar of the Land Court or recorded in the Bureau of Conveyances shall have the right to vote; provided that the seller may retain the right to vote on matters substantially affecting the seller's security interest in the apartment as set forth in Section 514A-83, Hawaii Revised Statutes. (See Endnote 3)

SECTION 2. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Owners having one-half (1/2) of the total authorized votes of all Apartment Owners shall constitute a quorum at all meetings of the Apartment Owners.

SECTION 3. Majority Vote. The vote of a majority of Apartment Owners at a meeting at which a quorum shall be present shall be binding upon all Apartment Owners for all purposes except where in the Declaration or these By-Laws or by law, a higher percentage vote is required.

SECTION 4. Majority of Apartment Owners. As used in these By-Laws, the term "majority of Apartment Owners" shall mean those Apartment Owners having more than fifty percent (50%) of the total authorized votes present at any meeting of the Apartment Owners, and any specified percentage of the Owners means Owners having the specified percentage of the total votes.

SECTION 5. Cumulative Voting. If not less than forty-eight (48) hours prior to the time fixed for any meeting of the Association for the election of Directors, not less than ten percent (10%) of the Owners shall deliver to any officer of the Association a request in writing that the election of the Directors to be elected be by cumulative voting, then each Owner shall cumulate his votes, and may cast for any one or more nominees to the Board of Directors a vote equivalent to the votes which such Owner is entitled to multiplied by the number of Directors to be elected. Each Owner shall be entitled to cumulate his votes and give all thereof to one nominee or to distribute his votes in such manner as he shall determine among any or all of the nominees, and the nominees receiving the highest number of votes on the foregoing basis, up to the total number of Directors to be elected, shall be deemed elected.

SECTION 6. Proxies and Pledges. A proxy, to be valid, must be delivered to the Secretary of the Association or the managing agent, if any, no later than 4:30 p.m. on the second business day prior to the date of the meeting to which it pertains, and must contain at least: the name of the Association, the date of the meeting of the Association, the printed name and signature of the person or persons giving the proxy, the apartment or apartments for which the proxy is given, the printed name of the person or entity to whom the proxy is given, and the date that the proxy is given.

A proxy shall only be valid for the meeting to which the proxy pertains and its adjournments, may designate any person as proxy, and may be limited as the apartment owner desires and indicates; provided that no proxy shall be irrevocable unless coupled with a financial interest in the unit.

A proxy, to be valid, must contain boxes wherein the apartment owner has indicated that the proxy is given:

- (a) For quorum purposes only;
- (b) To the individual whose name is printed on a line next to this box;
- (c) To the Board of Directors as a whole and that the vote be made on the basis of the preference of the majority of the Board; or
- (d) To those directors present at the meeting and the vote to be shared with each board member receiving an equal percentage.

Proxy forms which are not marked shall be considered a choice by the owner that the vote be made on the basis of the preference of the majority of the Board.

Nothing in this section shall affect the holder of any proxy under a first mortgage of record encumbering an apartment or under an agreement of sale affecting an apartment.

No Board of Directors or member of the Board shall use Association funds to solicit proxies except for the distribution of proxies as set forth in the following provisions of this section; provided that this shall not prevent an individual member of the Board from soliciting proxies as an apartment owner as hereinafter set forth.

A copy, facsimile telecommunication, or other reliable reproduction of a proxy may be used in lieu of the original proxy for any and all purposes for which the original proxy could be used; provided that any copy, facsimile telecommunication, or other reproduction shall be a complete reproduction of the entire original proxy. (See Endnote 4)

No resident manager, or managing agent employed by the Association shall solicit, for use by the manager or managing agent, any proxies from any apartment owner of the Association which employs the resident manager or managing agent, nor shall the resident manager or managing agent employed by the Association cast any proxy vote at any Association meeting except for the purpose of establishing a quorum. No member of a Board of Directors who uses Association funds to distribute proxies, including the standard proxy form referred to hereinabove, shall cast any of these proxy votes for the election or reelection of the Board members at any Association meeting unless the proxy form specifically authorizes the Board member to vote for the election or reelection of Board Directors and the Board first posts notice of its intent to distribute proxies in prominent locations within the project at least thirty days prior to its distribution of proxies; provided that if the Board receives within seven (7) days of the posted notice a request by an apartment owner for use of Association funds to solicit proxies accompanied by a statement, the Board shall either:

(a) Mail to all apartment owners a proxy form containing the names of all apartment owners who have requested the use of Association funds for soliciting proxies accompanied by their statements; or

(b) Mail to all apartment owners a proxy form containing no names, but accompanied by a list of names of all apartment owners who have requested the use of Association funds

for soliciting proxies and their statements. The statement shall not exceed one hundred words, indicating the apartment owner's qualifications to serve on the Board and reasons for wanting to receive proxies. (See Endnote 5)

SECTION 6.A. Board Proxies. Before voting begins at any Association annual or special meeting, the Board shall disclose the percentage of the total common interests of Fairway Villa represented by proxies given to the Board as an entity, and who will vote those proxies on behalf of the Board. (See Endnote 6)

SECTION 7. Place of Meetings. Meetings of the Apartment Owners shall be held at the address of the Condominium or elsewhere within the State of Hawaii as determined by the Board of Directors. (See Endnote 7)

SECTION 8. Annual Meetings. Except as provided in this section, the annual meeting of the Apartment Owners shall be held during the first quarter after the end of the Association's fiscal year, on a day set by the Board of Directors. The Board, in its best judgment, may schedule the annual meeting during the second quarter after the end of the Association's fiscal year, but the notice for the annual meeting shall inform the owners of the reason for the delay. At the annual meetings, the Apartment Owners shall elect the Board of Directors by ballot in accordance with the requirements of Section 4 of Article III of these By-Laws. The Apartment Owners may transact such other business at such meetings as may properly come before them. (See Endnote 68)

SECTION 9. Regular Meetings. In addition to the annual meetings, the Board of Directors by resolution or a majority of Apartment Owners by petition may establish regular meetings at semiannual, quarter-annual, or other regular intervals.

SECTION 10. Special Meeting. Special meetings of the Owners of the Apartments may be held at any time upon the call of the President or of any five (5) Directors, or upon the written request of not less than twenty-five percent (25%) of the Owners presented to the Secretary.

SECTION 11. Notice of Meetings and Other Notices. Written notice of all meetings, annual or special, stating the place, day and hour of the meeting and whether it is annual or special, the items on the agendas for the meeting and a standard proxy forms authorized by the Association, if any, and any other notices permitted or required to be delivered by these By-Laws shall be given by mailing such notice, postage prepaid, at least fourteen (14) days before the date assigned for the meeting to

the Owners of the Apartments at their address at the property or at the address given to the Board for the purpose of service of such notices. Upon written request for notices delivered to the Board, the holder of any duly recorded mortgage or deed of trust from any Owner of an Apartment may obtain a copy of any and all notices permitted or required to be given to the Owner of an Apartment, whose interest is subject to said mortgage or deed of trust. Upon notice being given in accordance with the provisions hereof, the failure of any Owner of an Apartment to receive actual notice of any meeting shall not in any way invalidate the meeting or proceedings thereat. Each such Owner shall keep the Board informed of any changes in address. (See Endnote 9)

SECTION 12. Adjournment of Meetings. If any meeting of Apartment Owners cannot be held because a quorum has not attended, a majority in common interest of the Apartment Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

SECTION 13. Order of Business. The order of business at all annual (See Endnote 10) meetings of the Apartment Owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meetings;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of Officers;
- (e) Report of Board of Directors;
- (f) Reports of committees;
- (g) Election of inspectors of election (when so required);
- (h) Election of members of the Board of Directors (when so required);
- (i) Unfinished business; and
- (j) New business.

SECTION 14. Rules of Order. All meetings of the Association and the Board of Directors shall be conducted in accordance with the most current edition of Robert's Rules of Order. (See Endnote 11)

### ARTICLE III

#### BOARD OF DIRECTORS

SECTION 1. Number and Qualifications. The affairs of the Condominium shall be governed by a Board of Directors. The Board of Directors shall be composed of nine (9) persons, each of whom shall be an Owner or a Co-Owner, vendees under an agreement

of sale, or in the case of corporate Owners, shall be officers, stockholders or employees of such corporations, or in the case of fiduciary Owners, shall be the fiduciaries or officers or employees of such fiduciaries. The partners in a general partnership and the general partner of a limited partnership shall be deemed to be the owners of an apartment for this purpose. There shall not be more than one representative on the Board from any one apartment. (See Endnote 12) The managing agent or the resident manager of the Condominium shall not serve on the Board. (See Endnote 13)

SECTION 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Directors by the Apartment Owners. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep and maintenance of the common elements;

(b) Determination of the common expenses required for the affairs of the Condominium, including, without limitation the operation, and maintenance of the property;

(c) Collection of the common expenses from the Apartment Owners;

(d) Employment and dismissal of the personnel necessary for the maintenance, operation, repair and replacement of the common elements;

(e) Adoption and amendment of Rules and Regulations covering the details of the operation and use of the property;

(f) Opening of bank accounts on behalf of the Association of Apartment Owners and designating the signatories required therefore;

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all Apartment Owners, Apartments offered for sale or lease;

(h) Purchasing of Apartments at foreclosure or other judicial sales in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners;



(i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise dealing with Apartments acquired by, and subleasing Apartments leased by the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners;

(j) Organizing corporations to act as designees of the Board of Directors in acquiring title to or leasing of Apartments on behalf of all Apartment Owners;

(k) Obtaining of insurance for the property, including the Apartments, pursuant to the provisions of ARTICLE VII hereof;

(l) Making of repairs, additions and improvements to or alterations of the property and repairs to and restoration of the property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(m) Procuring legal and accounting services necessary or proper in the operation of the buildings or enforcement of these By-Laws;

(n) Purchasing of any other materials, supplies, furniture, labor and services, the making of repairs and structural alterations, and the payment of all insurance, taxes or assessments and other common expenses which the Board is required to secure, make or pay for pursuant to the terms of these By-Laws or by law or which in its opinion shall be necessary or proper for the operation of the buildings as apartment buildings or for the enforcement of these By-Laws, provided that if any such materials, supplies, furniture, labor, services, repairs, structural alterations, insurance, taxes, or assessments are required because of the particular actions or negligence of the Owners of particular Apartments, the cost thereof shall be specially assessed to the Owners of such Apartments;

(o) Payment of any amount necessary to discharge any lien or encumbrance levied against the entire property or any part thereof which may in the opinion of the Board constitute a lien against the property or against the common elements or limited common elements rather than merely against the interests therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and costs incurred by the Board by reason of such lien or liens; and

(p) Maintenance and repair of any Apartment if such maintenance or repair is necessary, in the discretion of the Board, to protect the common elements and limited common elements or any other portion of the buildings, and the Owner or Owners of said Apartment have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Owner or Owners, provided that the Board shall levy a special assessment against such Apartment for the cost of said maintenance or repair.

(q) To undertake any and all action required to negotiate the acquisition of the leased fee interest from the Lessor of the Fairway Villa to the Association or to the individual apartment owners of the Fairway Villa, including but not limited to retaining any professionals to represent the Association or the individual apartment owners in said negotiations.

(r) To purchase, on behalf of the Association, the leased fee interest of all apartments, whose owners were unwilling or unable to purchase the leased fee interest to their apartment from the Lessor of the Fairway Villa, provided that not less than seventy-five percent (75%) of the leased fee interest has been purchased by the apartment owners of the Fairway Villa. The intent of this provision is that the Board is not authorized to purchase more than twenty-five percent (25%) of the leased fee interest in the apartment in the Fairway Villa.

(s) If the Board will be purchasing the leased fee interest to any of the apartments in the Fairway Villa as set forth in subparagraph '(r)' above, the Board, on behalf of the Association, shall have the right:

(1) To own, improve, use, and otherwise deal in and with the leased fee interest or any or all undivided interests appurtenant thereto;

(2) To incur liabilities, borrow money, and secure any of its obligations by mortgage or pledge of all or any portion of the Association's assets, property, assessments, and funds;

(3) To execute and deliver a promissory note and all other necessary documents and undertake all other actions necessary for the Association to borrow money;

(4) To assess, in a fair and equitable manner, the apartment owners for the expenses incurred in acquiring the

leased fee interest appurtenant to the apartments in the Fairway Villa, or to service any debt associated therewith;

(5) To sell the leased fee interest appurtenant to the owner of the apartment to which said leased fee interest is appurtenant.

(6) To undertake any and all action as the Board deems necessary or appropriate to administer the leased fee interest acquired, including, but not limited to, conveying said leased fee interest into a land trust, establishing lease rents under the apartment leases, negotiating lease rent increases under the apartment leases, retaining professionals to assist in establishing and/or negotiating the lease rents at the renegotiation dates under the apartment leases and collecting lease rents.

(t) To waive the Association's right of first refusal to purchase the leased fee interest of any of the apartments in the Fairway Villa, provided that the proposed sale of said leased fee interest is to the apartment lessee of the apartment to which said leased fee interest is appurtenant.

(u) Establishment of such penalties and fines as it deems appropriate with respect to enforcement of the provisions of the Declaration, these By-Laws and the Rules and Regulations adopted pursuant to Article X, Section 1, of these By-Laws; provided, such penalties and fines are not inconsistent with the law or the provisions herein, and the unpaid amount of such penalties and fines against any apartment owner shall constitute a lien against his interest in his apartment which may be foreclosed by the Board of Directors or Managing Agent in the same manner provided in the Horizontal Property Act for common expenses. (See Endnote 14)

(v) Authorize the borrowing of money to be used by the Association for the repair, replacement, maintenance, operation, or administration of the common elements of the Condominium, or the making of any additions, alterations, and improvements thereto. The cost of such borrowing, including, without limitation, all principal, interest, commitment fees, and other expenses payable with respect to such borrowing, shall be a common expense of the Condominium; provided that owners representing fifty per cent of the common interest and apartments give written consent to such borrowing, having been first notified of the purpose and use of the funds. (See Endnote 15)

SECTION 3. Managing Agent and Manager.

(a) Except as herein otherwise provided with respect to the initial Managing Agent, the Board of Directors shall at all times employ a responsible Hawaii corporation as Managing Agent to manage and control the property, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to said Managing Agent by the Board. The Board or the initial Managing Agent may also employ a Manager. The compensation of the Managing Agent and of the Manager shall be such as shall be specified from time to time by the Board. The initial Managing Agent shall be Aaron M. Chaney, Inc.

(b) The Managing Agent shall have such powers and duties as may be necessary or proper in connection with:

(i) supervision of the immediate management and operation of the project;

(ii) maintenance, repair, replacement and restoration of the common elements and any additions or alterations thereto;

(iii) purchase, maintenance and replacement of any equipment;

(iv) provide for service of all utilities to the buildings and the various apartments;

(v) employment, supervision and dismissal of such personnel as it deems necessary for the maintenance and operation of the project;

(vi) enter into contracts with others for the furnishing of such services as it deems proper for the project;

(vii) preparation of a proposed budget and schedule of assessments;

(viii) collection of all assessments and payment of all bills;

(ix) purchase such insurance as is contemplated by these By-Laws; and

(x) custody and control of all funds and maintenance of books and records and preparation of financial reports.

(c) The Board of Directors may in its discretion limit any of the powers herein granted to the Managing Agent or grant additional powers to the Managing Agent.

(d) Upon written request of any Apartment Owner or Lessee of any Apartment Owner the Managing Agent shall deliver a certified statement of the status of the account of such Apartment Owner or Lessee each month to the mortgagee of such Apartment Owner or Lessee.

(e) The appointment and terms of compensation of the Managing Agent shall be submitted to the Apartment Owners at every annual meeting for approval by a majority of the Apartment Owners. Any contract therefore shall be subject to such approval, and, until first approved by the Apartment Owners, may be terminated by either the Board of Directors or the Managing Agent upon thirty (30) days' written notice thereof to the other, and any contract failing such approval shall terminate thirty (30) days thereafter, and the Board of Directors shall give prompt written notice thereof to the Managing Agent and appoint a qualified successor subject to such approval by the Apartment Owners.

(f) The Managing Agent, subject to the direction of the Board of Directors, may represent the Apartment Owners or any two or more Apartment Owners similarly situated, as a class, in any action, suit, or other proceeding concerning the Apartment Owners, the common elements, or one or more Apartments.

SECTION 3.A. Prohibition of Association's Employees Selling or Renting Apartments in the Project. An Association employee shall not engage in selling or renting apartments in the project, except Association-owned apartments, unless such activity is approved by an affirmative vote of sixty-five per cent (65%) of the apartment owners. (See Endnote 16)

SECTION 4. Election and Term of Office. At the first annual meeting of Apartment Owners, three (3) Directors shall be elected for the term of three (3) years, three (3) Directors shall be elected for the term of two (2) years, and three (3) Directors shall be elected for term of one (1) year. At the expiration of the initial term of office of each Director, his successor shall be elected to serve a term of three years. If the election involves different term lengths, the candidate(s) who receive the highest number of votes shall be elected for the (3) year term(s). The remaining candidate(s) who receive the next highest number of votes shall be elected for the two (2) year term(s) and/or one (1) year term(s) respectively. (See Endnote 17) Each member of the Board of Directors shall continue to exercise the powers and duties of the office until his

successor shall have been elected by the Apartment Owners in case of delay in the election of a successor.

SECTION 5. Removal of Members of the Board of Directors. At any regular or special meeting of Apartment Owner, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the Apartment Owners and a successor shall then and there or thereafter be elected for the remainder of the term to fill the vacancy thus created; provided that an individual Director shall not be removed, unless the entire Board is removed, if ten percent (10%) or more of the Owners present at such meeting shall vote against his removal. Any member of the Board of Directors whose removal has been proposed by the Apartment Owners shall be given an opportunity to be heard at the meeting.

Such removal and replacement shall be in accordance with all applicable requirements and procedures in the By-Laws for the removal and replacement of directors, including, but not limited to, any provisions relating to cumulative voting. If such removal and replacement is to occur at a special Association meeting, the call for such meeting shall be by the President or by a petition to the Secretary or managing agent signed by not less than twenty-five per cent (25%) of the apartment owners as shown in the Association's record of ownership; and provided further that if the Secretary or managing agent shall fail to send out the notices for the special meeting within fourteen (14) days of receipt of the petition, then the petitioners shall have the authority to set the time, date and place for the special meeting and to send out the notices for the special meeting in accordance with the requirements of these By-Laws. Except as otherwise provided herein, such meeting for the removal and replacement from office of directors shall be scheduled, noticed, and conducted in accordance with these By-Laws. (See Endnote 18)

SECTION 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by vote of the Apartment Owners, shall be filled by a vote of a majority of the remaining members at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors until a successor shall be elected at the next annual meeting of the Apartment Owners. Death, incapacity, or resignation of any Director, or his continuous absence from the State of Hawaii for more than six (6) months, or his ceasing to be an Owner or Co-Owner of an Apartment, shall cause his office to become vacant. (See Endnote 19)

SECTION 7. Organization Meetings. The first meeting of the members of the Board of Directors following the annual meeting of the Apartment Owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the Apartment Owners at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereafter.

SECTION 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least one (1) such meeting shall be held during each calendar quarter of each year. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors personally or by mail, telephone, or telegraph at least three (3) business days prior to the day named for such meeting.

SECTION 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Directors.

SECTION 9.A. Posting of Notice. Whenever practicable, notice of all Board of Directors meetings shall be posted by the Resident Manager or a member of the Board in prominent locations within the project seventy-two (72) hours prior to the meeting or simultaneously with notice to the Board. (See Endnote 20)

SECTION 10. Waiver of Notice. Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board

of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

SECTION 12. Fidelity Bonds. The Board of Directors shall secure annually a fidelity bond in the amount of \$100,000, or such amount as may be required by law from time to time, to cover all officers, directors, employees, and Managing Agents who handle the Association's funds. The bond shall protect the Association against fraudulent or dishonest acts by persons, including the Managing Agent, handling the Association's funds. The premiums on such bonds will be paid by the Association. (See Endnote 21)

SECTION 13. Compensation. No member of the Board of Directors shall expend Association funds for their travel, directors' fees or per diem, unless the apartment owners are informed and a majority approves of those expenses. (See Endnote 22) The directors may expend Association funds, which shall not be deemed to be compensation to the directors, to educate and train themselves in subject areas directly related to their duties and responsibilities as directors; provided that the approved annual operating budget includes these expenses as separate line items. These expenses may include registration fees, books, videos, tapes, other educational materials, and economy travel expenses; provided, however, that except for economy travel expenses within the State, all other travel expenses shall be subject to owner approval. (See Endnote 23)

SECTION 14. Liability and Indemnity of the Board of Directors and Officers. The members of the Board of Directors and Officers shall not be liable to the Apartment Owners for any mistake of judgment or otherwise except for their own individual **gross** negligence or willful misconduct. The Association of Owners shall indemnify each Director and Officer of the Association against all costs, expenses and liabilities, including the amounts of judgments, amounts paid in compromise settlements and amounts paid for services of counsel and other related expenses which may be incurred by or imposed on him in connection with any claims, action, suit, proceeding, investigation or inquiry hereafter made, instituted, or threatened in which he may be involved as a party or otherwise by reason of his being or having been such Director or Officer, or by reason of any past or future action taken or authorized or approved by him or any omission to act as such Director or



Officer, whether or not he continues to be such Director or Officer, at the time of the incurring or imposition of such costs, expenses or liabilities, except such costs, expenses or liabilities as shall relate to matters as to which he shall in such action, suit or proceeding be finally adjudged to be, or shall be, liable by reason of his gross negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer. As to whether or not a Director or Officer was liable by reason of gross negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer, in the absence of such final adjudication of the existence of such liability, the Board of Directors and each Director and Officer may conclusively rely upon an opinion of counsel selected by or in the manner designated by the Board of Directors. The foregoing right of indemnification shall not be exclusive of other rights to which any such Director or Officer may be entitled as a matter of law or otherwise, and shall inure to the benefit of the heirs, executors, administrators and assigns of each such Director and Officer. (See Endnote 24)

SECTION 15. Open Meetings/Executive Session. All meetings of the Board of Directors, other than executive sessions, shall be open to all members of the Association, and Association members who are not on the Board may participate in any deliberation or discussion, other than executive sessions, unless a majority of a quorum of the Board votes otherwise. The Board, with the approval of a majority of a quorum of its members, may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters or litigation in which the Association is or may become involved. The nature of any and all business to be considered in executive session shall first be announced in open session. (See Endnote 25)

SECTION 16. Minutes of Meetings. Minutes of meetings of the Board and the Association shall include the recorded vote of each Board member on all motions except motions voted on in executive session. Minutes shall be approved and made available in compliance with Section 514A-83.4, Hawaii Revised Statutes. (See Endnote 26)

SECTION 17. Documents to be Given to Directors. The Association at its own expense shall provide all Board members with a current copy of the Declaration, By-Laws, House Rules, and, annually, a copy of Chapter 514A, Hawaii Revised Statutes, with amendments. (See Endnote 27)

SECTION 18. Conflict of Interest. A director who has a conflict of interest on any issue before the Board shall disclose the nature of the conflict of interest prior to a vote

on that issue at the Board meeting, and the minutes of the meeting shall record the fact that a disclosure was made. (See Endnote 28)

## ARTICLE IV

### OFFICERS

SECTION 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President shall, but no other officers need be, members of the Board of Directors.

SECTION 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

SECTION 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors, called for such purpose.

SECTION 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Apartment Owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the laws of the State of Hawaii, including but not limited to the power to appoint committees from among the Apartment Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

SECTION 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

SECTION 6. Secretary. The Secretary shall keep the minutes of all meetings of the Apartment Owners and of the Board of Directors; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the laws of the State of Hawaii.

SECTION 7. Treasurer. The Treasurer shall be responsible for the keeping of full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the laws of the State of Hawaii. The duties of the Treasurer may be delegated to the Managing Agent.

SECTION 8. Auditor. The Apartment Owners shall elect annually a certified public accountant or accounting firm as auditor, who shall not be an officer or own any interest in any Apartment, to audit the books and financial records of the Apartment Owners as required by law or as directed additionally by the Board of Directors.

SECTION 9. Execution of Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two of the President, Vice president, Secretary or Treasurer, or by such other person or persons as may be designated by the Board of Directors.

SECTION 10. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

SECTION 11. Prohibition of Employment of Officers by Managing Agent. An apartment owner shall not act as an officer of the Association and an employee of the Managing Agent, employed by the Association. (See Endnote 29)

## ARTICLE V

### REPAIR AND MAINTENANCE AND USE

#### SECTION 1. Repair and Maintenance.

(a) Every Owner from time to time and at all times shall perform promptly all repair, maintenance and alteration work within his Apartment the omission of which would adversely affect any common element or any other Apartment, and shall be responsible for all loss and damage caused by his failure to do so.

(b) All repairs of internal installations within each Apartment such as water, light, gas, power, sewage, telephone, air conditioning, sanitation, doors, windows, lamps, and all other fixtures and accessories belonging to such Apartment, including interior walls and partitions and the inner decorated or finished surfaces of the perimeter walls, floors, and ceilings of such Apartment shall be at the Owner's expense.

(c) Every Owner shall reimburse the Managing Agent for any expenditures incurred in repairing or replacing any common elements or furniture, furnishings, and equipment thereof damaged or lost through the fault of such Owner or any person using the project under him, and shall give prompt notice to the resident manager or the Managing Agent of any such damage, loss, or other defect when discovered.

(d) All Owners shall be responsible for the care and maintenance of any lanais which are included in their respective apartments. Such Owners may not, however, paint or otherwise decorate their respective lanais without the prior approval of the same by the Board of Directors. It is intended that the exterior of the building shall present a uniform appearance, and to the effect that end the Owners of apartments hereby agree that the Board may require the painting of each lanai and regulate the type and color or paint to be used. The Board is authorized to contract for the painting of all of the residential apartment lanais and to make payment therefore out of the maintenance fund.

#### SECTION 2. Use.

(a) The Owner of each Apartment within the building shall use such Apartment only as living accommodations for hotel or apartment use; provided, however, that no Owner shall permit his or her apartment to be included in a time share plan or otherwise time shared; provided, further, that this prohibition on time sharing shall not apply to any owner of an apartment that is included in a registered time share plan as of the date these

By-Laws are amended to prohibit time sharing. (See Endnote 30) The Owner of each commercial area in the building shall use such commercial area only for office purposes, sale of food, merchandise or services or any other commercial undertaking permitted by law.

(b) No Owner or occupant of an apartment shall post any advertisement, bill, poster, or other sign on or about the project, even if not visible outside of the project, except as authorized by the Board of Directors.

(c) All Owners and occupants shall exercise extreme care about causing or permitting noises that may disturb other occupants, including, without prejudice to the generality of the foregoing, noises caused by any child residing or visiting in Apartments.

(d) No Owner or occupant shall loiter or play in the corridors, elevators, stairways, or lobbies of the project. (See Endnote 31)

(e) No garments, rugs or other objects shall be hung from the lanais, windows, or facades of the project; nor shall they be dusted or shaken from the lanais or windows or cleaned by beating or sweeping on the grounds of the project.

(f) No garbage, refuse, or trash of any kind shall be thrown, placed or kept on any common element other than the disposal facilities provided for such purposes.

(g) No Owner or occupant, except as otherwise permitted by Declaration, shall install any wiring or other device for electrical or telephone installations, television, antenna, machines, or other equipment or appurtenances on the exterior of the project or protruding through the walls, windows, or roof thereof.

(g) (See Endnote 32) Nothing shall be allowed, done, or kept in any Apartment or common element which will overload or impair the floors, walls, or roofs of the project, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Board of Directors with respect thereto, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

(i) The maximum number of persons residing in any apartment shall not exceed that allowable under the Housing Code, Section 25-4.3(b) of the Revised Ordinances of Honolulu, as amended from time to time. (See Endnote 33)

## ARTICLE VI

### COMMON EXPENSES, APARTMENT EXPENSES AND TAXES

SECTION 1. Common Expenses. The Owner of each Apartment shall be liable for and pay a share of the common expenses in proportion to his interest in the common elements appurtenant to his Apartment. The Manager or Board of Directors shall notify the Apartment Owners in writing of any maintenance fee increases at least thirty days prior to such an increase. (See Endnote 34) Common expenses shall include all charges, costs and expenses whatsoever incurred by the Association for and in connection with the administration and operation of the project, including without limitation all charges for taxes (except real property taxes and other such taxes which are or may hereafter be assessed separately on each Apartment and the common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner), assessments, insurance, including fire and other casualty and liability insurance, any liability whatsoever for loss or damage arising out of or in connection with the common elements or any fire, accident or nuisance thereon, cost of repair, reinstatement, rebuilding and replacement of the premises, yard, janitorial, and other similar services, wages, accounting and legal fees, management fees, and other necessary expenses of upkeep, maintenance, management and operation actually incurred on or for the common elements, including limited common elements, and the cost of all utility services, including water, electricity, and gas, garbage disposal and any other similar services, unless separately metered or otherwise separately attributable to an Apartment or group of Apartments in which case the amounts charged or attributable to each Apartment or group of Apartments, as determined by the Board of Directors with the advice of a Certified Public Accountant, shall be payable by the Owner of such Apartment or Apartments. The common expenses may also include such amounts as the Board of Directors may deem proper to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners, of any Apartment whose Owner has elected to sell or lease such Apartment or of any Apartment which is to be sold at a foreclosure or other judicial sale. Payments of common expenses shall be made to the Board, as agent of the Owners of the Apartments, and the Board shall transmit said payments on behalf of each such Owner to the third person entitled to said payments from each Owner, provided, however, that the Board of Directors may not purchase an Apartment and hold the same or lease an Apartment for a period in excess of one (1) year without

obtaining the approval of the Owners of at least seventy-five percent (75%) of the Apartments.

The Board of Directors may establish and maintain a General Operating Reserve by monthly assessment against and payment by all Owners in proportion to their respective common interests, of such additional amount, as the Board of Directors determines to be adequate to provide financial stability in the administration of the project, which additional amount shall be deemed conclusively to be common expenses. (See Endnote 35) Said Reserve shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of, or fully guaranteed as to principal by, an agency of the United States of America. Said Reserve at the discretion of the Board of Directors may be used to meet any deficiencies in operating funds from time to time resulting from delinquency by Owners in the payment of assessments for common expenses but shall not operate to exempt any Owner from liability to contribute his proportionate share of such expenses or to pay any such assessments therefore, and any funds withdrawn from said Reserve for that purpose shall be reimbursed upon the payment of such delinquent assessments. The proportionate interest of each Owner in said Reserve shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though not mentioned or described expressly in the instrument of transfer. If the Condominium Property Regime (See Endnote 36) established hereby is terminated or waived, said Reserve remaining after payment of all common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Condominium Property Regime (See Endnote 37), in proportion to their respective common interests.

In compliance with Section 514A-83.6, Hawaii Revised Statutes (See Endnote 38), the Board of Directors shall establish and maintain a Maintenance Reserve Fund by the monthly assessment against and payment by all the Owners in proportion to their respective common interests, of such annual amount as the Board of Directors determines to be adequate to provide for the maintenance, repair, restoration, and replacement of the common elements and the furniture, fixtures, air conditioning and mechanical equipment thereof, and for such other purposes as may be authorized by Owners representing not less than four-fifths of the common interests, which annual amount shall be deemed conclusively to be common expenses. Said Fund shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of or fully guaranteed as to principal by, an agency of the United States of America. Disbursements from said Fund shall be made only upon authorization by the Board of Directors.

The Board of Directors also shall keep in full force and effect at all times an elevator contract covering the maintenance and replacement of parts of all elevators and related equipment or, if such contract is allowed to expire, shall accrue to the Maintenance Reserve Fund such additional amounts as will be sufficient to provide for deferred maintenance and future replacement of said elevator and related equipment. The proportionate interests of each Owner in said Fund shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though not mentioned or described expressly in the instrument of transfer. If the Condominium Property Regime established hereby is terminated or waived, said Fund remaining after full payment of all common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Condominium Property Regime, in proportion to their respective common interests. (See Endnote 39)

SECTION 2. Payment as Agent. The Board will pay or cause to be paid, on behalf of the Owners, all common expenses. The Board, on behalf of all Owners, will maintain or cause to be maintained separate books of account of common expenses in accordance with recognized accounting practices, and will have such books of account available for inspection by each Owner or his authorized representative at reasonable business hours as required by Chapter 514A, Hawaii Revised Statutes. (See Endnote 40) The Board will annually render or cause to be rendered a statement to each Owner of all receipts and disbursements during the preceding year, which statement shall be certified by an independent certified public accountant. Each Owner, as principal, shall be liable for and pay his share, determined as aforesaid, of all common expenses and the Board shall be responsible, as agent for each Owner, only to transmit the payments made by the Owner to third persons to whom such payments must be made by the Owner. The Board or Managing Agent collecting the common expenses shall not be liable for payment of said common expenses as a principal but only as the agent of all Owners to transmit said payments to third persons to whom such payments must be made by the Owner.

SECTION 3. Taxes and Assessments. Each Owner of an Apartment shall be obligated to have the real property taxes for his own Apartment and its appurtenant interest in the common elements assessed separately by the proper governmental authority and to pay the amount of all such real property taxes so determined. The foregoing sentence shall apply to all types of taxes which now are or may hereafter be assessed separately by law on each Apartment and the Common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner. Each Owner shall execute such



documents and take such action as may be reasonably specified by the Board to facilitate dealing with the property governmental authority regarding such taxes, other taxes and assessments. Each Owner shall be obligated to pay to the Board his proportionate share of any assessment by the Board for any portion of taxes or assessments, if any, assessed against the entire premises or any part of the common elements as a whole and not separately, such payment to be made as directed by the Board. If, in the opinion of the Board, any taxes or assessments may be a lien on the entire premises or any part of the common elements, the Board may pay such taxes or assessments and shall assess the same to the Owners in their proportionate share as determined by the Board. Such assessments by the Board shall be secured by the lien created by Section 5 of this ARTICLE VI.

No Apartment Owner shall withhold any assessment claimed by the Association. An Owner who disputes the amount of an assessment may avail himself of the remedies provided in Section 514-90, Hawaii Revised Statutes. (See Endnote 41)

SECTION 4. Ground Rent. Unless the Lessor shall otherwise direct the Owners in writing, all rental payable under the terms of the Ground Leases shall be paid by the Owners to the Board for transmittal to the Lessor, except that the mortgagee of an apartment may pay such rental directly to the Lessor.

SECTION 5. Default in Payment of Assessments. Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner against whom the same are assessed. If the Owner shall fail to pay his assessment when due, then he shall pay an additional assessment for each such failure in such amount as may be reasonably determined by the Board of Directors from time to time. In the event of a default or defaults in payment of any such assessment or assessments and in addition to any other remedies herein or by law provided, the Board of Directors may enforce each such obligation as follows: (See Endnote 42)

(a) By suit or suits at law to enforce each such assessment obligation. Each such action must be authorized by a majority of the Board at a regular or special meeting thereof and any such suit may be instituted by any one member of the Board or by the Manager if the latter is so authorized in writing. Each such action shall be brought in the name of the Board and the Board shall be deemed to be acting on behalf of all the Owners. Any judgment rendered in any such action shall include, where permissible under any law, a sum for reasonable attorneys' fees in such amount as the Court may adjudge against such defaulting Owner. Upon full satisfaction of any such judgment, it shall be the duty of the Board to authorize any two members thereof,

acting in the name of the Board, to execute and deliver to the judgment debtor an appropriate satisfaction thereof.

(b) At any time within ninety (90) days after the occurrence of any such default, the Board (acting upon the authorization of the majority thereof at any regular or special meeting) may give a notice to the defaulting Owner, with a copy to the Mortgagee of such Owner, if such Mortgagee has furnished its name and address to the Board, which said notice shall state the date of the delinquency, the amount of the delinquency and make a demand for payment thereof. If such delinquency is not paid within ten (10) days after delivery of such notice, the Board may elect to file a claim of lien against the Apartment of such delinquent Owner. Such claim of lien shall state: (1) the name of the delinquent Owner or reputed Owner; (2) a description of the Apartment against which claim of lien is made; (3) the amount claimed to be due and owing (with any proper offset allowed); (4) that the claim of lien is made by the Board pursuant to the terms of these By-Laws and of Chapter 514A (See Endnote 43), Hawaii Revised Statutes, as amended; and (5) that a lien is claimed against said described Apartment in an amount equal to the amount of the stated delinquency.

Any such claims of lien shall be signed and acknowledged by any two or more members of the Board and shall be dated as of the date of the execution by the last such Board member to execute said claim of lien. Upon recordation of a duly executed original or copy of such claim of lien with the Assistant Registrar of the Land Court of the State of Hawaii, the Board shall have all remedies provided in Section 514A-90 (See Endnote 44), Hawaii Revised Statutes, as amended. Each default shall constitute a separate basis for a claim of lien or a lien. The lien may be foreclosed by action or by non-judicial or power of sale foreclosure procedures set forth in Chapter 667, Hawaii Revised Statutes, by the Managing Agent or Board of Directors, acting on behalf of the Association. (See Endnote 45) In the event the foreclosure is under power of sale, the Board, or any person designated by it in writing, shall be entitled to actual expenses and such fees as may be allowed by law or as may be prevailing at the time the sale is conducted. The certificate of sale shall be executed and acknowledged by any two members of the Board or by the person conducting the sale.

(c) For the purposes of this Section 5, a certificate executed and acknowledged or made under penalty of perjury by any two members of the Board shall be conclusive upon the Board and the Owners in favor of any and all persons who rely thereon in good faith as to the matters therein contained, and any Owner shall be entitled to such a certificate setting forth the amount of any due and unpaid assessments with respect to his Apartment

(or the fact that all assessments due are paid if such is the case) within fifteen (15) days after demand therefore and upon payment of a reasonable fee not to exceed Ten Dollars (\$10). In the event any claims of liens have been recorded and thereafter the Board shall receive payment in full of the amount claimed to be due and owing, then upon demand of the Owner or his successor, and payment of a reasonable fee, not to exceed Ten Dollars (\$10), and all reasonable attorney's fees and costs (See Endnote 46), the Board, acting by any two members, shall execute and acknowledge (in the manner provided above) a release of lien, stating the date of the original claim of lien, the amount claimed, the date, the land court document number of the claim of lien, the fact that the lien has been fully satisfied and that the particular lien is released and discharged, such release of lien to be delivered to the Owner or his successor upon payment of the fee.

(d) Except as provided in subparagraph (f) below, when the mortgagee of a mortgage of record or other purchaser of an apartment obtains title to the apartment as a result of foreclosure of the mortgage, the acquirer of title and the acquirer's successors and assigns shall not be liable for the share of the common expenses or assessments by the Association chargeable to the apartment which became due prior to the acquisition of title to the apartment by the acquirer. The unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Owners, including the acquirer and the acquirer's successors and assigns. The mortgagee of record or other purchaser of the apartment shall be deemed to acquire title and shall be required to pay the apartment's share of common expenses and assessments beginning:

- (1) thirty-six days after the order confirming the sale to the purchaser has been filed with the court;
- (2) sixty days after the hearing at which the court grants the motion to confirm the sale to the purchaser;
- (3) thirty days after the public sale in a nonjudicial power of sale foreclosure pursuant to Section 667-5, Hawaii Revised Statutes; or
- (4) upon the recording of the instrument of conveyance, whichever occurs first;

provided that the mortgagee of record or other purchaser of the apartment shall not be deemed to acquire title under paragraph (1), (2), or (3), if transfer of title is delayed past the thirty-six days specified in paragraph (1), the sixty days specified in paragraph (2), or the thirty days specified in paragraph (3), when a person who appears at the hearing on the motion or a party to the foreclosure action requests reconsideration of the motion or order to confirm sale, objects to the form of the proposed order to confirm sale, appeals the decision of the court to grant the motion to confirm sale, or the debtor or mortgagor declares bankruptcy or is involuntarily placed into bankruptcy. In any such case, the mortgagee of record or other purchaser of the

apartment shall be deemed to acquire title upon recordation of the instrument of conveyance. (See Endnote 47)

(e) As an alternative to foreclosure proceedings under subparagraph (b) above, where an apartment is owner-occupied, the Association may authorize its Managing Agent or Board to, after sixty days' written notice to the apartment owner and to the apartment's first mortgagee of the nonpayment of the apartment's share of the common expenses, terminate the delinquent apartment's access to the common elements and cease supplying a delinquent apartment with any and all services normally supplied or paid for by the Association. Any terminated services and privileges shall be restored upon payment of all delinquent assessments. Before the Board or Managing Agent may take the actions permitted under this subparagraph, the Board must adopt a written policy providing for such actions and have the policy approved by a majority vote of the apartment owners at an annual or special meeting of the Association or by the written consent of a majority of the owners. (See Endnote 48)

(f) Subject to this subparagraph, and the subparagraphs (g) and (h) below, the Board may specially assess the amount of unpaid regular monthly common assessments for common area expenses against a person who, in a judicial or non-judicial power of sale foreclosure, purchases a delinquent apartment; provided that: (1) a purchaser who holds a mortgage on a delinquent apartment that was recorded prior to the filing of a notice of lien by the Association and who acquires the delinquent apartment through a judicial or non-judicial foreclosure proceeding, including purchasing the delinquent apartment at a foreclosure auction, shall not be obligated to make, nor be liable for, payment of the special assessment as provided for under this subparagraph; and (2) a person who subsequently purchases the delinquent apartment from the mortgagee referred to in subparagraph (1) above shall be obligated to make, and shall be liable for, payment of the special assessment provided for under this subparagraph; provided that the mortgagee or subsequent purchaser may require the Association to provide at no charge a notice of the Association's intent to claim a lien against the delinquent apartment for the amount of the special assessment, prior to the subsequent purchaser's acquisition of title to the delinquent apartment. The notice shall state the amount of the special assessment, how that amount was calculated, and the legal description of the apartment.

(g) The amount of the special assessment assessed under subparagraph (f) above shall not exceed the total amount of unpaid regular monthly common assessments that were assessed during the six months immediately preceding the completion of the

judicial or non-judicial power of sale foreclosure. In no event shall the amount of the special assessment exceed the sum of \$1,800.

(h) For purposes of subparagraphs (f) and (g) above, the following definitions shall apply:

(1) "Completion" means: (A) in a non-judicial power of sale foreclosure, when the affidavit required under Section 667-5 is filed; and (B) in a judicial foreclosure, when a purchaser is deemed to acquire title pursuant to subparagraph (d) above.

(2) "Regular monthly common assessments" shall not include: (a) any other special assessments, except for a special assessment imposed on all apartments as part of a budget adopted pursuant to Section 514A-83.6; (B) late charges, fines or penalties; (c) interest assessed by the Association; (d) any lien arising out of the assessment; or (E) any fees or costs related to the collection or enforcement of the assessment, including attorneys' fees and court costs. (See Endnote 49)

SECTION 6. Collection from Subtenant. (a) If the Owner shall at any time rent or lease his Apartment and shall default for a period of thirty (30) days or more in the payment of the Owner's share of the common expenses, the Board may, at its option, so long as such default shall continue, demand and receive from any renter or lessee (hereinafter in this paragraph referred to as "lessee") of the Owner occupying the Apartment, the rent due or becoming due from such lessee to the Owner up to an amount sufficient to pay all sums due from the Owner, including interest, if any, but the amount shall not exceed the lessee's rent due each month. Any such payment of such rent to the Board by the lessee shall be sufficient discharge of such lessee, as between such lessee and the Owner to the extent of the amount so paid and any contractual provision to the contrary shall be void as a matter of law. However, any such demand or acceptance of rent from any lessee shall not be deemed to be a consent to or approval of any lease by the Owner or a release or discharge of any of the obligations of the Owner hereunder or an acknowledgment of surrender of any rights or duties hereunder. In the event that the Board makes demand upon the lessee as aforesaid, the lessee shall not have the right to question the right of the Board to make such demand, but shall be obligated to make the said payments to the Board as demanded by the Board with the effect as aforesaid.

(b) Prior to taking any action under this section, the Board shall give to the delinquent apartment owner written notice of its intent to collect the rent owed. The notice shall (1) be

sent both by first-class and certified mail; (2) set forth the exact amount the Association claims is due and owing by the owner; and (3) indicate the intent of the Board to collect such amount from the rent, along with any other amounts that become due and remain unpaid.

(c) The Owner shall not take any retaliatory action against the lessee for payments made under this section.

(d) The payment of any portion of the apartment's share of common expenses by the lessee pursuant to a written demand by the Board is a complete defense, to the extent of the amount demanded and paid by the lessee, in an action for nonpayment of rent brought by the Owner against the lessee.

(e) The Board may not demand payment from the lessee pursuant to this section if: (1) a commissioner or receiver has been appointed to take charge of the premises pending a mortgage foreclosure; (2) a mortgagee is in possession pending a mortgage foreclosure; or (3) the lessee is served with a court order directing payment to a third party.

(f) In the event of any conflict between this section and any provision of Chapter 521, the conflict shall be resolved in favor of this section; provided that if the lessee is entitled to an offset of rent under Chapter 521, the lessee may deduct the offset from the amount due to the Association, up to the limits stated in Chapter 521. Nothing herein precludes the Owner or lessee from seeking equitable relief from a court of competent jurisdiction or seeking a judicial determination of the amount owed.

(g) Before the Board may take the actions permitted under subsection (a) above, the Board must adopt a written policy providing for the actions and have the policy approved by a majority vote of the Owners at an annual or special meeting of the Association or by the written consent of a majority of the Owners. (See Endnote 50)

SECTION 7. Waiver. The failure of the Board to insist in any one or more instances upon a strict performance of or compliance with any of the covenants of the Owner hereunder or to exercise any right or option herein contained, or to serve any notice, or to institute any action or summary proceeding, shall not be construed as a waiver, or a relinquishment for the future, of such covenant or option or right, but such covenant or option or right shall continue and remain in full force and effect. The receipt by the Board of any sum paid by the Owner hereunder, with or without knowledge by the Board of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no

waiver, express or implied by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the President pursuant to authority contained in a resolution of the Board of Directors.

SECTION 8. Capital Contribution. Any portion of assessments used or to be used by the Board for mortgage amortization payments or for capital improvements or any other capital expenditures, shall not be treated as income to the Association, but shall be treated as a capital contribution by owners to the Association.

## ARTICLE VII

### INSURANCE AND RESTORATION

SECTION 1. Fire and Extended Coverage Insurance. The Board shall procure and maintain from a company or companies qualified to do business in Hawaii (and, if necessary, to procure the required coverage from other companies) a policy or policies (herein called the "Policy") of fire insurance, with extended coverage endorsement, for as nearly as practicable to one hundred per cent (100%) of the insurance replacement cost without deduction for depreciation, covering the Apartments and fixtures therein and the buildings and their fixtures and building service equipment, but excluding property of every kind and description while underground (meaning thereby, below the level of contiguous ground and covered by earth, except underground conduit or wiring therein when beneath the buildings), in the name of the Board as insured as trustee for each of the Owners of the Apartments in proportion to their respective common interests in the common elements. Such policy:

(a) shall contain no provision limiting or prohibiting other insurance by the Owner of any Apartment, such right being provided by statute, but if obtainable, shall provide that the liability of the insurer shall not be affected by, nor shall the insurer claim any right of set-off, counter-claim, apportionment, proration, or contribution by reason of any such other insurance;

(b) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Board, or if obtainable, shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board or the Owner or tenant of any Apartment, or by reason of any act or neglect of the Board or the Owner or tenant of any Apartment;

(c) shall provide that the policy may not be canceled (whether or not requested by the Board) except by giving to the Board and to the Owner and/or Mortgagee of each Apartment who shall have requested such notice of the insurer in writing addressed to him at the premises, thirty (30) days' written notice of such cancellation;

(d) shall contain a provision waiving any right of subrogation by the insurer to any right of the Board against the Owner or lessee of any Apartment;

(e) shall contain a provision waiving any right of the insurer to repair, rebuild or replace, if a decision is made pursuant to Section 5 of this Article VII not to repair, reinstate, rebuild or restore the damage or destruction;

(f) shall provide that any loss shall be adjusted with the Board and the mortgagee of any Apartment directly affected by the loss;

(g) shall contain a standard mortgage clause which:

(i) shall name the holder of any mortgage affecting any Apartment whose name shall have been furnished to the Board;

(ii) shall provide that the insurance as to the interest of the mortgagee shall not be invalidated by any act or neglect of the Board or the owner or tenant of any Apartment;

(iii) shall waive any requirement invalidating such mortgagee clause by reason of the failure of the mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium (provided, however, in case the Board shall fail to pay the premium due or to become due under the policy, the mortgagee may pay the same prior to the effective date of the termination of the policy), any contribution clause, and any right to be subrogated to the right of any mortgagee against the Owner or lessee of any Apartment or the Board or to require an assignment of any mortgage to the insurer, except that the insurer will have the right of subrogation to the extent of insurance proceeds received by and retained by the mortgagee if the insurer shall claim no liability as to the mortgagor or Owner, but without impairing mortgagee's right to sue;

(iv) shall provide that without affecting the protection afforded to the mortgagee by such mortgagee clause, any proceeds payable under such clause shall be payable to a corporate trustee selected by the Board who shall be a bank or



trust company doing business in Honolulu having net assets of not less than Five Million Dollars (\$5,000,000), herein referred to as the "Insurance Trustee" or "Trustee";

(v) shall provide that any reference to a mortgagee in the Policy shall include all mortgages on any Apartment, in order of preference; and

(h) shall provide for payment of the proceeds to the Insurance Trustee.

SECTION 2. Comprehensive Liability Insurance. The Board shall procure and maintain from a company or companies qualified to do business in Hawaii (and, if necessary, to procure the required coverage from other companies) a policy or policies (herein called the "Policy") of Public Liability Insurance to insure the Board, the owner of the land, each Apartment Owner, and the Managing Agent and other employees of the Association of Apartment Owners against claims for personal injury, death and property damage arising out of the condition of the property or activities thereon or elevators therein or contractors of construction work under a Comprehensive General Liability form to include (1) Water Damage Legal Liability and (2) Fire Damage Legal Liability. Said insurance shall be for such limits as the Board may decide, but not less than those reasonably required by the terms of any leases covering Apartments from the owner of the fee thereof. Such Policy:

(a) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Board, or by any breach of warranty or condition caused by the Owner of any Apartment, or by any act or neglect of the Owner or tenant of any Apartment; and

(b) shall provide that the Policy may not be canceled (whether or not requested by the Board) except by giving to the Board and to the Owner of each Apartment and any mortgagee, who shall have requested such notice of the insurer in writing, thirty (30) days' written notice of such cancellation.

SECTION 3. Insurance Against Additional Risks. The Board may also procure insurance against such additional risks as the Board may deem advisable for the protection of the Apartment Owners of a character normally carried with respect to properties of comparable character and use in the County of Honolulu.

SECTION 4. Miscellaneous Insurance Provisions. The Board shall review not less frequently than annually the adequacy of its insurance program and shall report in writing the Board's

conclusions and action taken on such review to the Owner of each Apartment, and to the holder of any mortgage on any Apartment who shall have requested a copy of such report. At the request of any mortgagee of any Apartment, the Board shall furnish to such mortgagee a copy of the Policy described in Section 1 of this Article and of any other Policy to which a mortgagee endorsement shall have been attached. Copies of every policy of insurance procured by the Board shall be available for inspection by any Apartment Owner (or purchaser holding a contract to purchase an interest in an Apartment) at the office of the Managing Agent. Any coverage procured by the Board shall be without prejudice to the right of the Owners of Apartments to insure such Apartments and the contents thereof for their own benefit at their own expense.

SECTION 5. Damage and Destruction. If the buildings are damaged by fire or other casualty which is insured against and said damage is limited to a single Apartment, the insurance proceeds shall be used by the Trustee for payment of the contractor employed by the Board to rebuild or repair such Apartment, including paint, floor covering and fixtures, in accordance with the original plans and specifications therefore. If such damage extends to two or more Apartments or extends to any part of limited common elements or to the common elements:

(a) The Board shall thereupon contract to repair or rebuild the damaged portions of the building or buildings, including all Apartments so damaged, as well as the common elements, in accordance with plans and specifications therefore, which will restore the same to the design immediately prior to destruction, or if reconstruction in accordance with said design is not permissible under the laws then in force, in accordance with such modified plan as shall be previously approved by the Board and the mortgagee of record of any interest in an Apartment directly affected thereby; provided that in the event said modified plan eliminates any Apartment and such Apartment is not reconstructed the Insurance Trustee shall pay to the owner of said Apartment the portion of said insurance proceeds allocable to said Apartment (less the proportionate share of said Apartment in the cost of debris removal) and shall disburse the balance of insurance proceeds as hereinafter provided for the disbursement of insurance proceeds. The insurance proceeds shall be paid by the Trustee to the contractor employed for such work, in accordance with the terms of the contract for such construction and in accordance with the terms of this Section 5. If the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding such common elements, the Board is expressly authorized to pay such costs in excess of the insurance proceeds from the maintenance fund, and if the maintenance fund is insufficient for this purpose, the Board shall levy a special

assessment on the Owners of Apartments in proportion to their respective common interests. Any costs in excess of the insurance proceeds for the repairing and/or rebuilding of any Apartment shall be specially assessed against such Apartment and said special assessment shall be secured by the lien created under Section 5 of ARTICLE VI hereof.

(b) The cost of the work (as estimated by the Board) shall be paid out from time to time or at the direction of the Board as the work progresses, but subject to the following conditions:

(i) The work shall be in charge of an architect or engineer (who may be an employee of the Board).

(ii) Each request for payment shall be made on seven (7) days' prior notice to the Trustee and shall be accompanied by a certificate to be made by such architect or engineer stating that all of the work completed has been done in compliance with the approved plans and specifications and that the sum requested is justly required to reimburse the Board for payments by the Board to, or is justly due to, the contractor, subcontractors, materialmen, laborers, engineers, architects or other persons rendering services or materials for the work (giving a brief description of such services and materials), and that when added to all sums previously paid out by the Trustee the sum requested does not exceed the value of the work done to the date of such certificate.

(iii) Each request shall be accompanied by waivers of liens satisfactory to the Trustee, covering that part of the work for which payment or reimbursement is being requested and by a search prepared by a title company or licensed abstractor or by other evidence satisfactory to the Trustee, that there has not been filed with respect to the premises any mechanics' or other lien or instrument for the retention of title in respect of any part of the work not discharged of record.

(iv) The request for any payment after the work has been completed shall be accompanied by a copy of any certificate or certificates required by law to render occupancy of the premises legal.

(v) The fees and expenses of the Trustee as determined by the Board and the Trustee shall be paid by the Association as common expenses, and such fees and expenses may be deducted from any proceeds at any time in the hands of the Trustee.

(vi) Such other conditions not inconsistent with the foregoing as the Trustees may reasonably request.

(c) Upon the completion of the work and payment in full therefore, any remaining proceeds of insurance then or thereafter in the hands of the Board or the Trustee shall be paid or credited to the Owners of the Apartments (or to the holder of any mortgage on an Apartment if there be a mortgage) in proportion to their respective common interests.

(d) To the extent that any loss, damage or destruction to the buildings or other property is covered by insurance procured by the Board, the Board shall have no claim or cause of action for such loss, damage or destruction against any Apartment Owner or lessee. To the extent that any loss, damage or destruction to the property of any Apartment Owner or lessee is covered by insurance procured by such Owner or lessee, such Owner or lessee shall have no claim or cause of action for such loss, damage or destruction against the Board, the Managing Agent, any other Apartment Owner, or the Association. All policies of insurance referred to in this Paragraph (d) shall contain appropriate waivers of subrogation.

## ARTICLE VIII

### MORTGAGES

SECTION 1. Notice to Board of Directors. An Apartment Owner who mortgages his interest in an Apartment shall notify the Board of Directors of the name and address of his mortgagee and within ten (10) days after the execution of the same shall file a conformed copy of the note and mortgage with the Board of Directors; the Board of Directors shall maintain such information in a book entitled "Mortgages of Apartments."

SECTION 2. Notice of Unpaid Common Expenses. The Board of Directors, whenever so requested in writing by a purchaser or mortgagee of an interest in an Apartment, shall promptly report any then unpaid assessments for common expenses due from the Owner of the Apartment involved.

SECTION 3. Notice of Default. The Board of Directors, when giving notice to an Apartment Owner of a default in paying common expenses or other default, shall send a copy of such notice to each holder of a mortgage covering such Apartment or interest therein whose name and address has theretofore been furnished to the Board of Directors.

SECTION 4. Examination of Books. Each Owner and each mortgagee of an Apartment shall be permitted to examine the books of account of the Condominium at reasonable times, on business

days as required by Chapter 514A, Hawaii Revised Statutes. (See Endnote 51)

SECTION 5. Mortgage Protection. Notwithstanding all other provisions hereof:

(a) The liens created hereunder upon any Apartment and its appurtenant interests in the common elements shall be subject and subordinate to, and shall not affect the rights of the holder of any indebtedness secured by any recorded mortgage which was recorded prior to the recordation of a notice of lien by the Association (See Endnote 52) of such interests made for value, provided that after the foreclosure of any such mortgage there shall be a lien upon the interests of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such Apartment if falling due after acquisition of title by the purchaser at such foreclosure sale, which lien shall have the same effect and be enforced in the same manner as provided in Section 5 of Article VI hereof;

(b) No amendment to this Section 5 shall affect the rights of the holder of any such mortgage filed in the Office of the Assistant Registrar of the Land Court prior to the filing of such amendment who does not join in the execution thereof.

## ARTICLE IX

### CONDEMNATION

SECTION 1. Condemnation. In case at any time or times an apartment or the Project or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for or on account of any land shall be payable to the Developers, and all compensation and damages for or on account of any buildings or other improvements on the demised land shall be payable to a condemnation trustee, which shall be a bank or trust company, designated by the Board, doing business in Honolulu, Hawaii, and having net assets of not less than Five Million Dollars (\$5,000,000), as trustee for all apartment owners and mortgages according to the loss or damage to their respective apartments and appurtenant common interests. The Board of Directors shall arrange for the repair and restoration of the buildings and other improvements in accordance with the design thereof immediately prior to such condemnation or if such repair and restoration in accordance with said design are not permissible under the laws then in force, in accordance with such modified plan as shall have been previously approved by the Board and the mortgages of record of any interest in any Apartment directly affected thereby. In the event of a partial taking in which any Apartment is eliminated or not restored, the

condemnation trustee shall disburse the portion of the proceeds of such award allocable to said Apartment (exclusive of such portion thereof as shall be allocable to the interest of said Apartment in the land), less the proportionate share of said Apartment in the cost of debris removal, to the Owner of said Apartment in satisfaction of his interest in said Apartment. The condemnation trustee shall disburse the remainder of the proceeds of such award to the contractor engaged in such repair and restoration in appropriate progress payments and in the event such proceeds are insufficient to pay the costs thereof the Board is expressly authorized to pay such excess costs from the maintenance fund and if the maintenance fund is insufficient for this purpose the Board shall levy a special assessment on the owners of Apartments in proportion to their common interests. In the event sums are received in excess of the cost of repairing and restoring the remaining buildings and improvements, or in the event all the buildings and improvements are so taken or condemned, such excess proceeds or said proceeds, as the case may be, shall be divided between the Owners of Apartments in accordance with their interests in the common elements.

## ARTICLE X

### GENERAL PROVISIONS

SECTION 1. Rules and Regulations. The Owner recognizes the right of the Board from time to time to establish and amend such uniform rules and regulations (herein called "Rules and Regulations") as the Board may deem necessary for the management and control of the Apartments and the common elements and limited common elements and the Owner agrees that the Owner's rights under this instrument shall be in all respects subject to the appropriate Rules and Regulations which shall be taken to be a part hereof; and the Owner agrees to obey all such Rules and Regulations as the same now are or may from time to time be amended, and see that the same are faithfully observed by the invitees, guests, employees and under-tenants of the Owner; and the Rules and Regulations shall uniformly apply to and be binding upon all occupants of the Apartments.

SECTION 2. Abatement and Enjoinment of Violations by Apartment Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws:

(a) to enter the Apartment in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Apartment Owner, any

structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, and all costs thereof, including attorneys' fees, shall be borne by the defaulting Apartment Owner.

SECTION 3. Maintenance and Repair of Apartments. All maintenance of and repairs to any Apartment (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the Owner of such Apartment) shall be made by the Owner of such Apartment.

SECTION 4. Maintenance and Repair of Common Elements. All maintenance, repairs and replacements to the common elements, whether located inside or outside of the Apartments, shall be made by the Board of Directors and be charged to all the Owners as a common expense, unless necessitated by the negligence, misuse or neglect of an Apartment Owner, in which case such expense shall be charged to such Apartment Owner.

SECTION 5. Additions or Alterations by Board of Directors. Whenever in the judgment of the Board of Directors the common elements shall require additions or alterations costing less than five thousand dollars (\$5,000), the Board of Directors may proceed with such additions or alterations and shall assess all owners for the cost thereof as a common expense. Any additions or alterations costing in excess of five thousand dollars (\$5,000) may be made by the Board of Director only after obtaining approval of the Owners of at least fifty percent (50%) of the Apartments. If such approval shall be obtained, the cost thereof shall constitute part of the common expenses. (See Endnote 53)

SECTION 6. Additions or Alterations by Apartment Owners. No Owner shall make any addition or alteration in or to his Apartment which may affect the common elements or change the exterior appearance of the buildings, without the prior written consent thereto of the Board of Directors. Notwithstanding the foregoing, the provisions of paragraph 11.(f) of the First Restatement of Declaration of Condominium Property Regime of Fairway Villa shall control on any additions or alterations to the Apartment or common elements. (See Endnote 54) The Board of Directors shall have the obligation to answer any written request by an Apartment Owner for approval of a proposed addition or alteration in such Apartment within thirty (30) days after such

request, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition or alteration.

SECTION 7. Right of Access. An Apartment Owner shall grant a right of access to his Apartment to the Manager and/or the Managing Agent and/or any other person authorized by the Board of Directors, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Apartment and threatening another Apartment or a common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his Apartment or elsewhere in the buildings, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be deemed granted, to be effective immediately, whether the Owner is present at the time or not.

SECTION 8. Owners May Incorporate. All of the rights, powers, obligations and duties of the Owners imposed hereunder may be exercised and enforced by a non-profit, membership corporation, formed under the laws of the State of Hawaii for the purposes herein set forth by the Owners. Said corporation shall be formed upon the written approval of a majority of the voting Owners. The formation of said corporation shall in no way alter the terms, covenants and conditions set forth herein and the Articles and By-Laws of said corporation shall be subordinated hereto and controlled hereby. Any action taken by said corporation which said action is in violation of any or all of the terms, covenants or conditions contained herein shall be void and of no effect.

SECTION 9. Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Directors c/o the Managing Agent, or if there be no Managing Agent, to the office of the Board of Directors or to such other address as the Board of Directors may hereafter designate from time to time, by notice in writing to all Owners and to all mortgages of Apartments. All notices to any Owner shall be sent by registered or certified mail to the building or to such other address as may have been designated by him from time to time, in writing, to the Board of Directors. All notices to mortgagees of Apartments shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Directors. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.



SECTION 10. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provisions thereof.

SECTION 11. Gender. The use of any gender in these By-Laws shall be deemed to include either or both of the other genders and the use of the singular shall be deemed to include the plural whenever the context so requires.

SECTION 12. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

SECTION 13. Interpretation. The provisions of these By-Laws shall be liberally construed to effectuate the purpose of creating a uniform condominium complex whereby the Owners of Apartments shall carry out and pay for the operation and maintenance of the project as a mutually beneficial and efficient establishment.

SECTION 14. Amendment. The provisions of these By-Laws may be amended by the Owners of at least sixty-five percent (65%) of the Apartments, which amendment shall be effective upon filing in the Office of the Assistant Registrar of the Land Court of an instrument in writing, signed and acknowledged by such Owners or by the proper officers of the Association; provided, however, each one of the particulars set forth in Section 514A-82, Hawaii Revised Statutes, shall always be embodied in these By-Laws. (See Endnote 55) Provided further, that any proposed By-Laws with the rationale for the proposal may be submitted by the Board of Directors or by a volunteer apartment owners' committee. If submitted by that committee, it shall be accompanied by a petition signed by not less than twenty-five per cent (25%) of the apartment owners as shown in the Association's record of ownership. The proposed By-Laws, rationale, and ballots for voting on any proposed By-Law shall be mailed by the Board to the apartment owners at the expense of the Association for vote or written consent without change within thirty (30) days of the receipt of the petition by the Board. The vote or written consent required to adopt the proposed By-Law shall be sixty-five per cent (65%) of all apartment owners; provided that the vote or written consent must be obtained within three hundred sixty-five (365) days after mailing for a proposed By-Law submitted by either the Board or a volunteer apartment owner's committee. (See Endnote 56) In the event that the By-Law is duly adopted, then the Board shall cause the By-Law amendment to be filed in the Office of the Assistant Registrar of the Land Court

of the State of Hawaii. The volunteer apartment owners' committee shall be precluded from submitting a petition for a proposed By-Law which is substantially similar to that which has been previously mailed to the owners within one year after the original petition was submitted to the Board. This Section shall not preclude any apartment owner or voluntary apartment owners' committee from proposing any By-Law amendment at any annual Association meeting. (See Endnote 57)

SECTION 15. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or enforceability of any one provision shall not affect the validity or enforceability of any other provision hereof.

SECTION 16. Right of Entry. The apartment owners shall have the irrevocable right, to be exercised by the Board of Directors, to have access to each apartment from time to time during reasonable hours as may be necessary for the operation of the property or for making emergency repairs therein necessary to prevent damage to the common elements or to another apartment or apartments. (See Endnote 58)

SECTION 17. Mediation. If an apartment owner or the Board of Directors requests mediation of a dispute involving the interpretation or enforcement of the Association's Declaration, By-Laws, or House Rules, or involving Sections 514A-82(b)(1) to (13), 514A-82.1, 514A-82.15, 514A-82.3, 514A-82.5, 514A-82.6, 514A-83, 514A-83.1, 514A-83.2, 514A-83.3, 514A-83.4, 514A-83.5, 514A-84, or 514A-84.5, the other party in the dispute shall be required to participate in mediation. Each party shall be wholly responsible for its own costs of participating in mediation; unless at the end of the mediation process, both parties agree that one party shall pay all or a specified portion of the mediation costs. If an owner or the Board refuses to participate in the mediation of a particular dispute, a court may take this refusal into consideration when awarding expenses, costs, and attorney's fees in accordance with Section 514A-94. (See Endnote 59)

SECTION 18. Prior Written Notice of Assessment of the Cost of Providing Information. No apartment owner who requests legal or other information from the Association, the Board, the managing agent, or their employees or agents, shall be charged for the cost of providing the information unless the Association notifies the apartment owner that it intends to charge the apartment owner for the cost. The Association shall notify the apartment owner in writing at least ten days prior to incurring the cost of providing the information, except that no prior notice shall be required to assess the cost of providing

information on delinquent assessments or in connection with proceedings to enforce the law or the Association's governing documents. After being notified of the cost of providing the information, the apartment owner may withdraw the request, in writing. An apartment owner who withdraws a request for information shall not be charged for the cost of providing the information. (See Endnote 60)

SECTION 19. Telecommunications Equipment. (a) Notwithstanding any other provisions to the contrary in Chapter 514A, Hawaii Revised Statutes, in the Declaration or in these By-Laws:

(1) The Board of Directors shall have the authority to install or cause the installation of antennas, conduits, chases, cables, wires, and other television signal distribution and telecommunications equipment upon the common elements; provided that the same shall not be installed upon any limited common element without the consent of the owner or owners of the apartment or apartments for the use of which the limited common element is reserved; and

(2) The installation of antennas, conduits, chases, wires, and other television signal distribution and telecommunications equipment upon the common elements by the Board shall not be deemed to alter, impair, or diminish the common interest, elements, and easements appurtenant to each apartment or to be a structural alteration or addition to any building different in any material respect from the plans of the Project filed in accordance with Section 514A-12; provided that no such installation shall directly affect any nonconsenting apartment owner.

(b) Notwithstanding any other provision to the contrary in Chapter 514A, in the Declaration or in these By-Laws:

(1) The Board shall be authorized to abandon or change the use of any television signal distribution and telecommunications equipment due to technological or economic obsolescence or to provide an equivalent function by different means or methods; and

(2) The abandonment or change of use of any television signal distribution or telecommunications equipment by the Board due to technological or economic obsolescence or to provide an equivalent function by different means or methods shall not be deemed to alter, impair, or diminish the common interest, elements, and easements appurtenant to each apartment or to be a structural alteration or addition to any building different in any material respect from the plans of the Project filed in accordance with Section 514A-12.

(c) As used in this section:

"Directly affect" means the installation of television signal distribution and telecommunications equipment in a manner which would specially, personally, and adversely affect an apartment owner in a manner not common to the apartment owners as a whole.

"Television signal distribution" and "telecommunications equipment" shall be construed in their broadest possible senses in order to encompass all present and future forms of communications technology. (See Endnote 61)

IN WITNESS WHEREOF, the undersigned have executed this instrument this 28 day of July, 2004.

ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC.

By 

Its

PRESIDENT

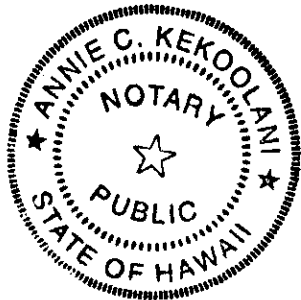
By Colin D. Dearing

Its

Treasurer

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 28<sup>th</sup> day of July, 2004, before me appeared GARY YOSHIMIZU, to me personally known, who, being by me duly sworn, did say that he/~~she~~ is the PRESIDENT of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii nonprofit corporation; that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.

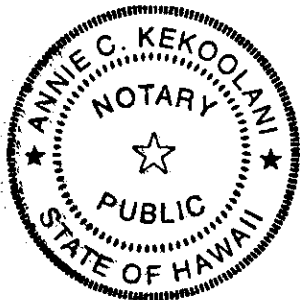


A handwritten signature in cursive script, appearing to read "Annie C. Kekoolani".

Notary Public, State of Hawaii  
Printed name: **Annie C. Kekoolani**  
My commission expires: 02-16-06

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 28<sup>th</sup> day of July, 2004, before me appeared CARLYN D. DASIMAS, to me personally known, who, being by me duly sworn, did say that he/~~she~~ is the Treasurer of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii nonprofit corporation; that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.



A handwritten signature in cursive script, appearing to read "Annie C. Kekoolani".

Notary Public, State of Hawaii  
Printed name: **Annie C. Kekoolani**  
My commission expires: 02-16-06

## ENDNOTES

The following endnotes correspond to provisions in the By-Laws which have been restated to conform to Chapter 514A, Hawaii Revised Statutes, and the Federal Fair Housing Act, as amended (42 U.S.C. Sections 3601 et seq.), and to integrate all amendments made to the By-Laws and First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa. This Second Restatement correctly set forth without change the corresponding provisions of the original By-Laws of the Association of Apartment Owners of Fairway Villa, as amended and restated, and supersede the original By-Laws, as restated, and all prior amendments thereto. This Second Restatement was made solely for purposes of information and convenience. In the event of a conflict, this Second Restatement of the By-Laws shall be subordinate to the original By-Laws, amendments and cited statutes.

1. Act 65 (SLH, 1988) redesignated the Horizontal Property Act as the Condominium Property Act. Therefore, throughout this restatement, references to the previous usage have been amended to reflect present terminology.
2. Act 98 (SLH, 1977) repealed Chapter "514," Hawaii Revised Statutes, ("HRS"), and enacted Chapter "514A," HRS in its place. Therefore, throughout this restatement, references to the previous Chapter have been amended to reflect present terminology.
3. This portion of Article II, Section 1. has been amended to conform to the requirements of Section 514A-83 of the Hawaii Revised Statutes.
4. This portion of Article II, Section 6. has been amended to conform to the requirements of Section 514A-83.2 of the Hawaii Revised Statutes.
5. This portion of Article II, Section 6. has been amended to conform to the requirements of Section 514A-82(b)(4) of the Hawaii Revised Statutes.
6. Article II, Section 6A. was added by the Seventh Amendment of the Declaration of Horizontal Property Regime and By-Laws for Fairway Villa dated May 26, 1993, and recorded as Land Court Document No. 2047939.
7. This portion of Article II, Section 7. has been amended to conform to the requirements of Section 514A-82(a)(17) of the Hawaii Revised Statutes.

8. Article II, Section 8. was completely replaced by the Seventh Amendment.
9. Article II, Section 11. has been amended to conform to the requirements of Section 514A-82(b)(3) of the Hawaii Revised Statutes.
10. This portion of Article II, Section 13. was amended by the Amendment to Declaration of Horizontal Property Regime and By-Laws of Fairway Villa dated May 30, 1984, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1244122 (hereinafter called the "Second Amendment").
11. Article II, Section 14. was added by said Second Amendment.
12. This portion of Article III, Section 1. has been amended to conform to the requirements of Section 514A-82(a)(12) of the Hawaii Revised Statutes.
13. This portion of Article III, Section 1. has been amended to conform to the requirements of Section 514A-82(a)(14) of the Hawaii Revised Statutes.
14. Article III, Sections 2(q), (r), (s), (t) and (u). were added by the Sixth Amendment of the Declaration of Horizontal Property Regime dated January 10, 1992, and recorded as Land Court Document No. 1885153.
15. A new Article III, Section 2.(v) has been added to conform to the requirements of Section 514A-82.3 of the Hawaii Revised Statutes.
16. Article III, Section 3.A. has been added to conform to the requirements of Section 514A-82(b)(8) of the Hawaii Revised Statutes.
17. Article III, Section 4. was amended by the Third Amendment of the First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa dated July 14, 1998, and filed as aforesaid as Land Court Document No. 2477187.
18. Article III, Section 5. has been amended to conform to the requirements of Section 514A-82(b)(1) of the Hawaii Revised Statutes.

19. Article III, Section 6. was amended by the Third Amendment of the First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa dated July 14, 1998, and filed as aforesaid as Land Court Document No. 2477187.
20. Article III, Section 9A. has been added to conform to the requirements of Section 514A-82(b)(9) of the Hawaii Revised Statutes.
21. Article III, Section 12. has been amended to conform to the requirements of Section 514A-95.1(a)(1) of the Hawaii Revised Statutes.
22. Article III, Section 13. has been added to conform to the requirements of Section 514A-82(b)(10) of the Hawaii Revised Statutes.
23. Article III, Section 13. has been amended to conform to the requirements of Section 514A-82(b)(12) of the Hawaii Revised Statutes.
24. Article III, Section 14. was amended by the Second Amendment of the First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa dated March 6, 1998, and filed as aforesaid as Land Court Document No. 2459274.
25. Article III, Section 15. has been added to conform to the requirements of Section 514A-83.1 of the Hawaii Revised Statutes.
26. Article III, Section 16. has been added to conform to the requirements of Section 514A-83.4 of the Hawaii Revised Statutes.
27. Article III, Section 17. has been added to conform to the requirements of Section 514A-82(b)(11) of the Hawaii Revised Statutes.
28. Article III, Section 18. has been amended to conform to the requirements of Section 514A-82(b)(5) of the Hawaii Revised Statutes.
29. Article IV, Section 11. has been added to conform to the requirements of Section 514A-82(b)(7) of the Hawaii Revised Statutes.
30. Article V, Section 2.(a) was amended by the Second Amendment of the First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa dated March 6, 1998, and filed as aforesaid as Land Court Document No. 2459274.



31. Article V, Section 2.(d) has been amended to conform to the requirements of the Fair Housing Act, as amended, (42 U.S.C. Section 3601, et seq.)
32. Article V, Section 2.(g) [second subparagraph (g)]: It should be noted that there are two subparagraph (g)s in Article V, Section 2.
33. A new Article V, Section 2.(h) was added by the Second Amendment of the First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa dated March 6, 1998, and filed as foresaid as Land Court Document No. 2459274.
34. Article VI, Section 1. has been amended to conform to the requirements of Section 514A-92.2 of the Hawaii Revised Statutes.
35. Article VI, Section 1. was amended by the First Amendment of the First Restatement of the By-Laws of the Association of Apartment Owners of Fairway Villa dated June 8, 1995, and filed as aforesaid as Land Court Document No. 2248121.
36. The heading for Chapter 514A was amended by 1988 Hawaii Session Laws, Act 65.
37. The heading for Chapter 514A was amended by 1988 Hawaii Session Laws, Act 65.
38. This paragraph has been amended to recognize the new replacement reserve requirements imposed by the condominium law, Section 514A-83.6, Hawaii Revised Statutes.
39. The heading for Chapter 514A was amended by 1988 Hawaii Session Laws, Act 65.
40. Article VI, Section 2. has been amended to conform to the requirements of Sections 514A-83.3, 83.4 and 83.5 of the Hawaii Revised Statutes.
41. Article VI, Section 3. has been amended to conform to the requirements of Section 514A-90(c) and (d) of the Hawaii Revised Statutes.
42. Article VI, Section 5. was amended by Fifth Amendment of the Declaration of Horizontal Property Regime and By-Laws of Fairway Villa dated May 16, 1988 and filed as aforesaid as Land Court Document No. 1551314.

43. This chapter was enacted by 1977 Hawaii Session Laws, Act 98, as a restatement of Chapter 514.
44. Article VI, Section 5.(b): Section 514A-90 was substituted for Section 514-24. Section 514A-90 of the Hawaii Revised Statutes provides for the remedies available for delinquent maintenance fees. Section 514-24 no longer exists.
45. Article VI, Section 5.(b) has been amended to conform to the provisions of Section 514A-90(a) of the Hawaii Revised Statutes.
46. Article VI, Section 5.(c) has been amended to conform to the provisions of Section 514A-94 of the Hawaii Revised Statutes.
47. Article VI, Section 5.(d) has been added to conform to the provisions of Section 514A-90(b) of the Hawaii Revised Statutes.
48. Article VI, Section 5.(e) has been added to conform to the provisions of Section 514A-90(e) and (f) of the Hawaii Revised Statutes.
49. Article VI, Section 5.(f), (g) and (h) have been added to conform to the provisions of Section 514A-90(g), (h) and (i) of the Hawaii Revised Statutes. Please note that pursuant to Act 80, SLH 2003, the provisions relating to the special assessment shall be repealed on December 31, 2007, unless reenacted.
50. Article VI, Section 6. has been amended to conform to the provisions of Section 514A-90.5 of the Hawaii Revised Statutes.
51. Article VIII, Section 4. has been amended to conform to the provisions of Sections 514A-83.3, 83.4 and 83.5 of the Hawaii Revised Statutes.
52. Article VIII, Section 5.(a) has been amended to conform to the provisions of Section 514A-90 of the Hawaii Revised Statutes.
53. Article X, Section 5. was amended by Amendment of By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime dated April 23, 1986, and filed as aforesaid as Land Court Document No. 1370262.
54. Article X, Section 6. has been amended to conform to the requirements of said Fair Housing Act, as amended.

55. This portion of Article X, Section 14. was amended by the Amendment of By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime, dated May 16, 1985 and filed as aforesaid as Land Court Document No. 1301266.
56. Article X, Section 14 has been amended to conform to the provisions of Section 514A-82(b)92) of the Hawaii Revised Statutes.
57. This portion of Article X, Section 14. has been amended to conform to the requirements of Section 514A-82(b)(2) of the Hawaii Revised Statutes.
58. Article X, Section 16. has been added to conform to the provisions of Section 514A-82(b)(6) of the Hawaii Revised Statutes.
59. Article X, Section 17 has been added to conform to the provisions of Section 514A-121.5 of the Hawaii Revised Statutes.
60. Article X, Section 18 has been added to conform to the provisions of Section 514A-92.5 of the Hawaii Revised Statutes.
61. Article X, Section 19 has been added to conform to the provisions of Section 514A-13.4 of the Hawaii Revised Statutes.

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
701	568135
702	459962
703	514669
704	692147
705	546888
706	471769
707	638365
708	443669
709	481459
710	616573
711	672086
712	546888
713	404457
714	404458
715	404459
716	703713
718	404460
801	404617
802	550884
803	696781
804	450453
805	564125
806	675031
807	552725
808	546888
809	712904
810	404466
811	713135
812	546888
813	552086
814	430434

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
815	574311
816	711422
817	534254
818	546888
901	607934
902	720314
903	511240
904	540026
905	609644
906	404471
907	587966
908	404472
909	564579
910	546888
911	625632
912	404473
913	549306
914	671402
915	409360
916	404474
917	404475
918	418149
1001	404476
1002	598524
1003	546888
1004	474843
1005	501278
1006	420515
1007	700163
1008	546888
1009	463992

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1010	404479
1011	601688
1012	410543
1013	710510
1014	595401
1015	589865
1016	658882
1017	710511
1018	582957
1101	541185
1102	678207
1103	404485
1104	615567
1105	677475
1106	457180
1107	583141
1108	615566
1109	404488
1110	404489
1111	404490
1112	618374
1113	557591
1114	587437
1115	539169
1116	447665
1117	404495
1118	540855
1201	482579
1202	410544
1203	485324
1204	479784

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1205	404498
1206	428684
1207	404500
1208	410545
1209	546888
1210	404501
1211	546888
1212	554443
1213	628139
1214	701752
1215	662176
1216	409367
1217	683122
1218	404506
1401	409368
1402	687754
1403	703531
1404	646537
1405	665484
1406	546888
1407	665484
1408	693138
1409	665484
1410	574399
1411	665484
1412	710508
1413	665484
1414	693969
1415	546888
1416	646802
1417	404513

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1418	476353
1501	546888
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	446074
1508	540025
1509	690137
1510	648747
1511	629478
1512	546888
1513	409371
1514	689867
1515	409372
1516	566275
1517	713179
1518	666826
1601	599810
1602	404525
1603	404636
1604	469955
1605	404526
1606	404527
1607	429366
1608	641544
1609	705458
1610	685596
1611	546888
1612	546888



Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1613	409375
1614	409376
1615	409377
1616	509191
1617	404532
1618	420462
1701	409421
1702	500888
1703	546888
1704	696179
1705	547727
1706	677474
1707	510016
1708	469057
1709	404536
1710	546888
1711	650049
1712	546888
1713	692342
1714	404539
1715	404540
1716	409383
1717	404541
1718	404542
1801	588229
1802	675852
1803	692860
1804	678787
1805	404543
1806	715749
1807	404544

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1808	441691
1809	409385
1810	652323
1811	647869
1812	404547
1813	581421
1814	621273
1815	409388
1816	409389
1817	542103
1818	546888
1901	456231
1902	404633
1903	404550
1904	540024
1905	612139
1906	719220
1907	596260
1908	466115
1909	404553
1910	702382
1911	450390
1912	617610
1913	689709
1914	546888
1915	544567
1916	495876
1917	543461
1918	557842
2001	539287
2002	668514

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2003	404561
2004	620017
2005	460910
2006	697357
2007	546888
2008	404562
2009	565194
2010	702041
2011	658022
2012	687219
2013	525440
2014	404565
2015	686851
2016	409396
2017	643034
2018	546888
2101	404566
2102	561770
2103	404567
2104	718061
2105	499183
2106	589168
2107	404570
2108	404571
2109	527717
2110	667640
2111	551295
2112	404576
2113	404577
2114	404578
2115	520125

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2116	404579
2117	481430
2118	409399
2201	404581
2202	409400
2203	628632
2204	470157
2205	610622
2206	537794
2207	404626
2208	404582
2209	677489
2210	690159
2211	555920
2212	404584
2213	463566
2214	404585
2215	409403
2216	404586
2217	627685
2218	710669
2301	404589
2302	555863
2303	404634
2304	654855
2305	441059
2306	479700
2307	639610
2308	546888
2309	404593
2310	718593

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2311	559202
2312	648410
2313	404596
2314	424295
2315	592099
2316	481333
2317	445513
2318	546888
2401	539640
2402	404600
2403	486827
2404	651531
2405	605838
2406	441356
2407	409408
2408	616167
2409	531556
2410	546888
2411	642433
2412	462143
2413	612220
2414	404606
2415	409698
2416	627168
2417	409411
2418	469050
2501	540296
2502	404624
2503	515155
2504	469343
2505	441690

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2506	479457
2507	588204
2508	616574
2509	435184
2510	469321
2511	443086
2512	694548
2513	637087
2514	404610
2515	649437
2516	639346
2517	517572
2518	477056
2601	546888
2602	440285
2603	661340
2604	662988
2605	526194
2606	664667
2607	464681
2608	666312
2609	475052
2610	488404
2611	475347
2612	471167
2613	626294
2614	713787
2615	659385
2616	508326
2617	472861
2618	546888

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2701	404628
2702	637017
2703	592098
2704	492426
2705	404613
2706	688709
2707	404625
2708	546888
2709	640315
2710	404614
2711	409416
2712	553671
2713	508325
2714	404615
2715	700348
2716	662989
2717	409417
2718	441325
AUX1	487613
PH2801	409418
PH2802	409419
PH2803	661102

L-85

STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

MAR 15. 1993 08:01 AM

Doc No(s) 2005780

on Cert(s) 309,536

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

CONVEYANCE TAX: \$0.00

REGULAR SYSTEM

Return by Mail ( ) Pickup (✓)

Title Guaranty Escrow Service

Kimo Branch

41 W. Lapeer St., Ste 29

Kihei, HI 96753

To:

TG-123828P

FIRST AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR

THE FAIRWAY VILLA CONDOMINIUM PROJECT

Declarant: OTAKA, INC., a Hawaii corporation

Property Description: Lot 48A as shown on Map 32 filed with  
Land Court Application 571 (amended)

TCT No. 309,356

Tax Map Key (1) 2-6-21-21



R E C I T A L S :

A. Otaka, Inc., a Hawaii corporation (the "Declarant"), executed that certain Declaration of Covenants, Conditions and Restrictions for The Fairway Villa Condominium Project dated December 16, 1992 (the "Declaration"), filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1981925, and which was executed and acknowledged by The Association of Apartment Owners of Fairway Villa, Inc., a Hawaii corporation (the "Association").

B. All defined terms used herein but not defined herein shall have the meanings ascribed to them as set forth in the Declaration.

C. Paragraph 11 of the Declaration provides that if, after the date of execution and recordation of the Declaration, the Declarant agrees to sell, and the Association agrees to purchase, the lessor/grantor's interests in any of the CCD's covering the Unsold Residential Units, then Declarant and the Association shall execute and record an amendment to the Declaration.

D. Pursuant to Paragraph 11 of the Declaration, the Declarant and the Association desire to execute this Amendment to amend (a) Exhibit B to the Declaration to add the CCD's with respect to which the lessor/grantor's interests are being purchased by the Association, and (b) Exhibit

D to the Declaration by deleting the CCD's with respect to which the lessor/grantor's interests are being purchased by the Association, such that upon execution and recordation of this Amendment, (i) the term "Association Residential Units" as used in the Declaration shall mean and refer to the Residential Apartments described in Exhibit B as so amended, together with the limited common elements appurtenant to each of the respective Association Residential Units, and (ii) the term "Unsold Residential Units" as used in the Declaration shall mean and refer to the Residential Apartments described in Exhibit D as so amended, together with the limited common elements appurtenant to each of the Unsold Residential Units.

**W I T N E S S E T H :**

NOW, THEREFORE, Declarant hereby declares the following:

1. Amendments to Declaration. Declarant hereby amends the Declaration as follows:

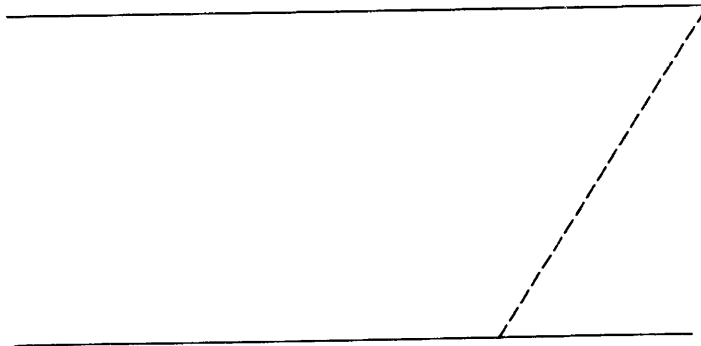
a. Exhibit B. The Exhibit B attached to the Declaration is hereby deleted, and the Exhibit B attached hereto is hereby substituted therefor.

b. Exhibit D. The Exhibit D attached to the Declaration is hereby deleted, and the Exhibit D attached hereto is hereby substituted therefor.

2. Ratification and Confirmation. As hereby amended, the Declaration is hereby ratified and confirmed and shall remain in full force and effect, subject to all of the terms, covenants, and conditions therein and herein set forth.

3. Counterparts. The parties hereto agree that this instrument may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding on all parties hereto, notwithstanding all of the parties are not signatory to the original or the same counterparts. Duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

IN WITNESS WHEREOF, the undersigned have executed



these presents on this \_\_\_\_\_ day of MAR 09 1993, 1993.

Declarant:

OTAKA, INC.,  
a Hawaii corporation

By *J. Uye*  
Its President

By *W. K. Ota*  
Its Senior Vice President

AGREED AND ACKNOWLEDGED:

THE ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA, INC.

(Sew)

By *May Ananian*  
Its President

By *Richard Kamae*  
Its Secretary

Association

Dated: MAR 09 1993, 1993

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 9th day of March, 1993, before  
me appeared A Kawaguchi and  
T. Kalaaka, to me personally known,  
who being by me duly sworn, did say that they are the  
President and Senior Vice President,  
respectively, of OTAKA, INC., a Hawaii corporation; that said  
instrument was signed in behalf of said corporation by  
authority of its Board of Directors; and said officers  
acknowledged said instrument to be the free act and deed of  
said corporation.

L.S.

Patricia M. Tanaka  
Notary Public, State of Hawaii  
My commission expires: 11/3/93

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 3rd day of March, 1993, before me appeared MARY ANANIAN, to me personally known, who being by me duly sworn, did say that she is the duly authorized President of THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii corporation; that said instrument was signed in behalf of said Association by authority of its Board of Directors; and said officer acknowledged said instrument to be the free act and deed of said Association.

LS

Arthur K. Ito  
Notary Public, State of Hawaii  
My commission expires: 8/27/94

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 3rd day of March, 1993, before me appeared RICHARD YAMAOKA, to me personally known, who being by me duly sworn, did say that he is the duly authorized Secretary of THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii corporation; that said instrument was signed in behalf of said Association by authority of its Board of Directors; and said officer acknowledged said instrument to be the free act and deed of said Association.

LS

Arthur K. Ito  
Notary Public, State of Hawaii  
My commission expires: 8/27/94

EXHIBIT B

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
<u>First Closing</u>			
701	0.432	January 31, 1975	713794
704	0.219	January 9, 1975	713803
706	0.219	January 30, 1975	715597
707	0.219	February 4, 1975	713809
708	0.219	February 10, 1975	713812
709	0.219	January 9, 1975	713814
713	0.219	December 17, 1974	713818
714	0.347	January 7, 1975	713821
715	0.219	February 10, 1975	713824
718	0.342	January 7, 1975	713829
801	0.432	January 7, 1975	713832
802	0.342	January 20, 1975	713835
803	0.219	January 15, 1975	715603
804	0.219	January 8, 1975	713838
806	0.219	February 11, 1975	713841
807	0.219	January 6, 1975	713844
809	0.219	January 28, 1975	722608
810	0.219	January 6, 1975	713849
811	0.219	February 26, 1975	715607
814	0.347	January 9, 1975	713858
815	0.219	February 13, 1975	713861

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
817	0.432	February 21, 1975	713867
901	0.432	January 7, 1975	713873
906	0.219	January 15, 1975	713879
908	0.219	February 12, 1975	713885
909	0.219	February 13, 1975	713888
912	0.336	April 10, 1975	720254
916	0.219	January 9, 1975	713904
917	0.432	February 6, 1975	717523
918	0.342	January 7, 1975	713907
1001	0.432	April 21, 1975	720257
1002	0.342	February 5, 1975	713910
1004	0.219	January 10, 1975	713916
1009	0.219	April 22, 1975	720260
1010	0.219	January 9, 1975	713922
1013	0.219	January 13, 1975	713931
1015	0.219	February 26, 1975	713937
1016	0.219	January 17, 1975	713940
1017	0.432	February 13, 1975	715614
1101	0.432	January 30, 1975	713946
1103	0.219	February 21, 1975	713949
1105	0.219	February 27, 1975	717532
1106	0.219	January 10, 1975	713954
1107	0.219	March 19, 1975	715617



<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1108	0.219	February 7, 1975	713957
1109	0.219	January 17, 1975	713960
1110	0.219	January 27, 1975	713963
1111	0.219	January 13, 1975	713966
1112	0.336	March 13, 1975	720263
1113	0.219	February 6, 1975	713969
1114	0.347	January 31, 1975	713972
1115	0.219	January 31, 1975	715619
1116	0.219	April 7, 1975	720266
1117	0.432	January 31, 1975	713975
1118	0.342	January 30, 1975	713978
1203	0.219	January 23, 1975	717536
1204	0.219	February 5, 1975	713986
1205	0.219	January 30, 1975	715622
1206	0.219	February 26, 1975	715624
1207	0.219	January 30, 1975	713989
1210	0.219	May 12, 1975	722611
1213	0.219	May 19, 1975	722614
1214	0.347	January 13, 1975	714001
1215	0.219	March 10, 1975	715627
1217	0.432	January 23, 1975	714007
1218	0.342	April 3, 1975	720269
1402	0.342	February 13, 1975	717539

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCP")</u>	<u>Land Court Document No. of CCP</u>
1404	0.219	January 14, 1975	714013
1405	0.219	March 17, 1975	715630
1407	0.219	March 17, 1975	715633
1408	0.219	January 16, 1975	714019
1409	0.219	March 17, 1975	715636
1410	0.219	February 3, 1975	715639
1411	0.219	March 17, 1975	715642
1412	0.336	March 21, 1975	717605
1413	0.219	March 17, 1975	717542
1414	0.347	March 31, 1975	717545
1417	0.432	May 2, 1975	720272
1418	0.342	February 11, 1975	715644
1502	0.342	March 13, 1975	717548
1503	0.219	January 16, 1975	714028
1505	0.219	March 7, 1975	715647
1506	0.219	January 24, 1975	714034
1507	0.219	January 30, 1975	720275
1508	0.219	March 21, 1975	717551
1509	0.219	February 28, 1975	714037
1511	0.219	January 18, 1975	714043
1514	0.347	December 11, 1974	715653
1516	0.219	February 24, 1975	714049
1601	0.432	January 20, 1975	714052

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1602	0.342	February 5, 1975	714055
1603	0.219	January 24, 1975	715659
1605	0.219	February 6, 1975	714058
1606	0.219	March 4, 1975	715662
1607	0.219	February 7, 1975	715665
1608	0.219	March 31, 1975	717554
1609	0.219	February 13, 1975	714061
1610	0.219	March 4, 1975	714064
1617	0.432	February 28, 1975	714076
1702	0.342	February 26, 1975	717557
1704	0.219	January 20, 1975	714079
1707	0.219	January 20, 1975	714084
1709	0.219	February 6, 1975	714087
1711	0.219	March 7, 1975	715668
1713	0.219	January 30, 1975	714096
1714	0.347	March 7, 1975	715671
1715	0.219	February 14, 1975	714099
1717	0.432	April 29, 1975	720290
1718	0.342	April 28, 1975	721524
1805	0.219	March 21, 1975	715677
1807	0.219	March 21, 1975	715683
1808	0.219	April 28, 1975	722623
1810	0.219	March 31, 1975	717569

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1812	0.336	March 10, 1975	715686
1813	0.219	February 5, 1975	714108
1901	0.432	February 13, 1975	714117
1902	0.342	January 21, 1975	714120
1903	0.219	February 20, 1975	715689
1904	0.219	January 30, 1975	715692
1908	0.219	January 22, 1975	715695
1909	0.219	January 24, 1975	714129
1910	0.219	February 14, 1975	714132
1911	0.219	February 11, 1975	714135
1913	0.219	February 6, 1975	715698
1915	0.219	March 11, 1975	715701
1917	0.432	March 12, 1975	715704
1918	0.342	February 7, 1975	714144
2002	0.342	January 27, 1975	714150
2003	0.219	January 27, 1975	714153
2008	0.219	February 5, 1975	714165
2009	0.219	January 28, 1975	714168
2010	0.219	February 21, 1975	720296
2011	0.219	February 5, 1975	715707
2013	0.219	February 6, 1975	714171
2014	0.347	January 27, 1975	714174
2101	0.432	March 13, 1975	714186

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2103	0.219	January 27, 1975	714189
2105	0.219	February 10, 1975	714192
2106	0.219	February 13, 1975	715710
2107	0.219	February 15, 1975	715713
2108	0.219	January 29, 1975	714195
2109	0.219	January 27, 1975	714198
2110	0.219	February 7, 1975	714201
2111	0.219	January 28, 1975	714204
2112	0.336	March 3, 1975	715716
2113	0.219	January 31, 1975	714207
2114	0.347	March 13, 1975	715719
2116	0.219	January 27, 1975	714213
2117	0.432	February 24, 1975	717581
2201	0.432	May 13, 1975	722644
2207	0.219	February 4, 1975	714225
2208	0.219	April 1, 1975	717584
2209	0.219	February 3, 1975	714228
2212	0.336	March 7, 1975	715728
2214	0.347	May 29, 1975	731703
2216	0.219	February 10, 1975	714239
2217	0.432	February 17, 1975	714236
2218	0.342	March 4, 1975	714242
2301	0.432	February 3, 1975	715731

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2302	0.342	January 31, 1975	715734
2303	0.219	April 21, 1975	720301
2304	0.219	January 31, 1975	714245
2307	0.219	January 20, 1975	714251
2309	0.219	February 13, 1975	714254
2310	0.219	January 31, 1975	717587
2312	0.336	February 14, 1975	714257
2313	0.219	February 3, 1975	714261
2315	0.219	January 31, 1975	714264
2317	0.432	March 15, 1975	715740
2401	0.432	April 7, 1975	720307
2402	0.342	April 15, 1976	771131
2405	0.219	July 31, 1975	731706
2409	0.219	September 29, 1975	736686
2411	0.219	September 29, 1975	736694
2412	0.336	May 9, 1975	722626
2413	0.219	September 29, 1975	736698
2414	0.347	June 7, 1977	824790
2416	0.219	March 31, 1975	717590
2418	0.342	March 31, 1975	717596
2501	0.432	August 5, 1975	732848
2502	0.342	March 11, 1975	715743
2503	0.219	May 14, 1975	722629

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2512	0.336	April 14, 1975	722635
2514	0.347	May 19, 1975	722638
2701	0.432	February 18, 1975	720313
2702	0.342	February 28, 1975	714278
2703	0.219	September 29, 1975	736798
2705	0.219	September 29, 1975	736806
2707	0.219	September 29, 1975	736814
2710	0.219	September 29, 1975	736826
2714	0.347	July 8, 1977	825089
2718	0.342	August 1, 1975	731709

Second Closing

702	0.342	January 6, 1975	713797
710	0.219	February 10, 1975	713816
716	0.219	February 10, 1975	713826
805	0.219	March 27, 1975	720250
813	0.219	February 4, 1975	713855
816	0.219	February 18, 1975	713864
903	0.219	February 26, 1975	717517
904	0.219	January 29, 1975	717520
905	0.219	February 21, 1975	721521
907	0.219	January 31, 1975	713882

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
915	0.219	January 30, 1975	713902
1005	0.219	February 26, 1975	715611
1006	0.219	April 17, 1975	731694
1014	0.347	February 10, 1975	713934
1102	0.342	February 13, 1975	717529
1104	0.219	January 29, 1975	713952
1212	0.336	March 21, 1975	717608
1216	0.219	February 4, 1975	714004
1401	0.432	January 13, 1976	753264
1403	0.219	January 16, 1975	714010
1416	0.219	January 20, 1975	714025
1513	0.219	January 21, 1975	715650
1515	0.219	January 15, 1975	714046
1517	0.432	May 5, 1975	721528
1518	0.342	February 24, 1975	715656
1613	0.219	January 20, 1975	714070
1614	0.347	April 1, 1975	720278
1615	0.219	May 19, 1975	731697
1616	0.219	February 6, 1975	714073
1618	0.342	April 7, 1975	720281
1701	0.432	February 26, 1975	720284
1705	0.219	February 4, 1975	720287
1706	0.219	February 28, 1975	714082



<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1708	0.219	April 3, 1975	717560
1716	0.219	February 13, 1975	715674
1806	0.219	March 7, 1975	715680
1809	0.219	January 21, 1975	714103
1811	0.219	January 21, 1975	714105
1814	0.347	January 17, 1975	714111
1815	0.219	February 13, 1975	717572
1816	0.219	February 14, 1975	717575
1817	0.432	January 21, 1975	714114
1905	0.219	February 10, 1975	717578
1906	0.219	February 5, 1975	714123
2001	0.432	January 27, 1975	714147
2005	0.219	February 21, 1975	722641
2006	0.219	February 7, 1975	714159
2016	0.219	January 31, 1975	714177
2017	0.432	February 6, 1975	714180
2102	0.342	July 7, 1975	726915
2118	0.342	March 4, 1975	714216
2202	0.342	March 10, 1975	715722
2203	0.219	February 3, 1975	715725
2205	0.219	February 12, 1975	714219
2215	0.219	September 29, 1975	736655
2305	0.219	February 4, 1975	714248

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2311	0.219	February 4, 1975	715737
2314	0.347	August 13, 1975	732845
2404	0.219	September 29, 1975	736670
2407	0.219	September 29, 1975	736678
2408	0.219	September 29, 1975	736682
2415	0.219	September 29, 1975	736702
2417	0.432	April 3, 1975	717593
2505	0.219	May 5, 1975	722632
2517	0.432	April 22, 1975	720310
2706	0.219	September 29, 1975	736810
2708	0.219	September 29, 1975	736822
2711	0.219	September 29, 1975	736830
2717	0.432	February 28, 1975	714281
PH- 2801	0.654	December 3, 1975	744017
PH- 2802	0.666	December 15, 1975	745703
PH- 2803	1.306	December 1, 1975	744676

EXHIBIT D

UNSOLD RESIDENTIAL UNITS

<u>Apartment No.</u>	<u>Common Interest</u>
703	0.219%
705	0.219%
711	0.219%
712	0.336%
808	0.219%
812	0.336%
818	0.342%
902	0.342%
910	0.219%
911	0.219%
913	0.219%
914	0.347%
1003	0.219%
1007	0.219%
1008	0.219%
1011	0.219%
1012	0.336%
1018	0.342%
1201	0.432%
1202	0.342%
1208	0.219%
1209	0.219%
1211	0.219%
1406	0.219%
1415	0.219%
1501	0.432%
1504	0.219%
1510	0.219%
1512	0.336%
1611	0.219%
1612	0.336%
1703	0.219%
1710	0.219%
1712	0.336%
1801	0.432%
1802	0.342%
1803	0.219%
1804	0.219%
1818	0.342%

1907  
1912  
1914  
1916  
2007  
2018  
2210  
2213  
2308  
2318  
2410  
2601  
2609  
2618  
2708

0.219%

0.336%

0.347%

0.219%

0.219%

0.342%

0.219%

0.219%

0.219%

0.342%

0.219%

0.432%

0.219%

0.342%

0.219%

11-1-01

L-522 STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

MAR 31. 1993 08:01 AM

Doc No(s) 2011088

on Cert(s) 309,536

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

CONVEYANCE TAX: \$0.00

LAND COURT SYSTEM	REGULAR SYSTEM
Return by Mail ( ) Pickup (x) To: <i>TGES - Kihun Branch</i>	<i>TCT: 122828P</i>

SECOND AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
THE FAIRWAY VILLA CONDOMINIUM PROJECT

Declarant: OTAKA, INC., a Hawaii corporation

Property Description: Lot 48A as shown on Map 32 filed with  
Land Court Application 571 (amended)

TCT No. 309,356

Tax Map Key (1) 2-6-21-21

**R E C I T A L S :**

A. Otaka, Inc., a Hawaii corporation (the "Declarant"), executed that certain Declaration of Covenants, Conditions and Restrictions for The Fairway Villa Condominium Project dated December 16, 1992, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 1981925, and which was executed and acknowledged by The Association of Apartment Owners of Fairway Villa, Inc., a Hawaii corporation (the "Association"), as amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions for The Fairway Villa Condominium Project dated March 9, 1993, filed as aforesaid as Document No. 2005780 (as amended, the "Declaration"), being described in Transfer Certificate of Title No. 309,536.

B. All defined terms used herein but not defined herein shall have the meanings ascribed to them as set forth in the Declaration.

C. Paragraph 11 of the Declaration provides that if, after the date of execution and recordation of the Declaration, the Declarant agrees to sell, and the Association agrees to purchase, the lessor/grantor's interests in any of the CCD's covering the Unsold Residential Units, then Declarant and the Association shall execute and record an amendment to the Declaration.

D. Pursuant to Paragraph 11 of the Declaration, the Declarant and the Association desire to execute this Amendment to amend (a) Exhibit B to the Declaration to add the CCD's with respect to which the lessor/grantor's interests are being purchased by the Association, and (b) Exhibit D to the Declaration by deleting the CCD's with respect to which the lessor/grantor's interests are being purchased by the Association, such that upon execution and recordation of this Amendment, (i) the term "Association Residential Units" as used in the Declaration shall mean and refer to the Residential Apartments described in Exhibit B as so amended, together with the limited common elements appurtenant to each of the respective Association Residential Units, and (ii) the term "Unsold Residential Units" as used in the Declaration shall mean and refer to the Residential Apartments described in Exhibit D as so amended, together with the limited common elements appurtenant to each of the Unsold Residential Units.

W I T N E S S E T H :

NOW, THEREFORE, Declarant hereby declares the following:

1. Amendments to Declaration. Declarant hereby amends the Declaration as follows:

a. Exhibit B. The Exhibit B attached to the Declaration is hereby deleted, and the Exhibit B attached hereto is hereby substituted therefor.

b. Exhibit D. The Exhibit D attached to the Declaration is hereby deleted, and the Exhibit D attached hereto is hereby substituted therefor.

2. Ratification and Confirmation. As hereby amended, the Declaration is hereby ratified and confirmed and shall remain in full force and effect, subject to all of the terms, covenants, and conditions therein and herein set forth.

3. Counterparts. The parties hereto agree that this instrument may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding on all parties hereto, notwithstanding all of the parties are not signatory to the original or the same counterparts. Duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

IN WITNESS WHEREOF, the undersigned have executed

\_\_\_\_\_



these presents on this 24th day of March, 1993.

Declarant: OTAKA, INC.,  
a Hawaii corporation

By [Signature]  
Its Secretary

By [Signature]  
Its President

AGREED AND ACKNOWLEDGED:

THE ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA, INC.

By Mary Roman  
Its President

By [Signature]  
Its Secretary

Association

Dated: March 22, 1993

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 20th day of March, 1922, before me appeared J. Kawaguchi and T. Ohtsuka, to me personally known, who being by me duly sworn, did say that they are the President and Senior Vice President, respectively, of OTAKA, INC., a Hawaii corporation; that said instrument was signed in behalf of said corporation by authority of its Board of Directors; and said officers acknowledged said instrument to be the free act and deed of said corporation.

Patricia A. Goshu  
Notary Public, State of Hawaii  
My commission expires: 11/3/23

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 22nd day of March, 1993, before  
me appeared MARY ANANIAN and  
RICHARD YAMAOKA, to me personally known,  
who being by me duly sworn, did say that they are the duly  
authorized President and  
Secretary, respectively, of THE ASSOCIATION  
OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii corpora-  
tion; that said instrument was signed in behalf of said Asso-  
ciation by authority of its Board of Directors; and said  
officers severally acknowledged said instrument to be the  
free act and deed of said Association.

*Richard W. B...*  
Notary Public, State of Hawaii

My commission expires: 8/27/94

EXHIBIT B

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCP")</u>	<u>Land Court Document No. of CCD</u>
<u>First Closing</u>			
701	0.432	January 31, 1975	713794
704	0.219	January 9, 1975	713803
706	0.219	January 30, 1975	715597
707	0.219	February 4, 1975	713809
708	0.219	February 10, 1975	713812
709	0.219	January 9, 1975	713814
713	0.219	December 17, 1974	713818
714	0.347	January 7, 1975	713821
715	0.219	February 10, 1975	713824
718	0.342	January 7, 1975	713829
801	0.432	January 7, 1975	713832
802	0.342	January 20, 1975	713835
803	0.219	January 15, 1975	715603
804	0.219	January 8, 1975	713838
806	0.219	February 11, 1975	713841
807	0.219	January C, 1975	713844
809	0.219	January 28, 1975	722608
810	0.219	January 6, 1975	713849
811	0.219	February 26, 1975	715607
814	0.347	January 9, 1975	713858
815	0.219	February 13, 1975	713861

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
817	0.432	February 21, 1975	713867
901	0.432	January 7, 1975	713873
906	0.219	January 15, 1975	713879
908	0.219	February 12, 1975	713885
909	0.219	February 13, 1975	713888
912	0.336	April 10, 1975	720254
916	0.219	January 9, 1975	713904
917	0.432	February 6, 1975	717523
918	0.342	January 7, 1975	713907
1001	0.432	April 21, 1975	720257
1002	0.342	February 5, 1975	713910
1004	0.219	January 10, 1975	713916
1009	0.219	April 22, 1975	720260
1010	0.219	January 9, 1975	713922
1013	0.219	January 13, 1975	713931
1015	0.219	February 26, 1975	713937
1016	0.219	January 17, 1975	713940
1017	0.432	February 13, 1975	715614
1101	0.432	January 30, 1975	713946
1103	0.219	February 21, 1975	713949
1105	0.219	February 27, 1975	717532
1106	0.219	January 10, 1975	713954
1107	0.219	March 19, 1975	715617

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1108	0.219	February 7, 1975	713957
1109	0.219	January 17, 1975	713960
1110	0.219	January 27, 1975	713963
1111	0.219	January 13, 1975	713966
1112	0.336	March 13, 1975	720263
1113	0.219	February 6, 1975	713969
1114	0.347	January 31, 1975	713972
1115	0.219	January 31, 1975	715619
1116	0.219	April 7, 1975	720266
1117	0.432	January 31, 1975	713975
1118	0.342	January 30, 1975	713978
1203	0.219	January 23, 1975	717536
1204	0.219	February 5, 1975	713986
1205	0.219	January 30, 1975	715622
1206	0.219	February 26, 1975	715624
1207	0.219	January 30, 1975	713989
1210	0.219	May 12, 1975	722611
1213	0.219	May 19, 1975	722614
1214	0.347	January 13, 1975	714001
1215	0.219	March 10, 1975	715627
1217	0.432	January 23, 1975	714007
1218	0.342	April 3, 1975	720269
1402	0.342	February 13, 1975	717539

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1404	0.219	January 14, 1975	714013
1405	0.219	March 17, 1975	715630
1407	0.219	March 17, 1975	715633
1408	0.219	January 16, 1975	714019
1409	0.219	March 17, 1975	715636
1410	0.219	February 3, 1975	715639
1411	0.219	March 17, 1975	715642
1412	0.336	March 21, 1975	717605
1413	0.219	March 17, 1975	717542
1414	0.347	March 31, 1975	717545
1417	0.432	May 2, 1975	720272
1418	0.342	February 11, 1975	715644
1502	0.342	March 13, 1975	717548
1503	0.219	January 16, 1975	714028
1505	0.219	March 7, 1975	715647
1506	0.219	January 24, 1975	714034
1507	0.219	January 30, 1975	720275
1508	0.219	March 21, 1975	717551
1509	0.219	February 28, 1975	714037
1511	0.219	January 18, 1975	714043
1514	0.347	December 11, 1974	715653
1516	0.219	February 24, 1975	714049
1601	0.432	January 20, 1975	714052

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1602	0.342	February 5, 1975	714055
1603	0.219	January 24, 1975	715659
1605	0.219	February 6, 1975	714058
1606	0.219	March 4, 1975	715662
1607	0.219	February 7, 1975	715665
1608	0.219	March 31, 1975	717554
1609	0.219	February 13, 1975	714061
1610	0.219	March 4, 1975	714064
1617	0.432	February 28, 1975	714076
1702	0.342	February 26, 1975	717557
1704	0.219	January 20, 1975	714079
1707	0.219	January 20, 1975	714084
1709	0.219	February 6, 1975	714087
1711	0.219	March 7, 1975	715668
1713	0.219	January 30, 1975	714096
1714	0.347	March 7, 1975	715671
1715	0.219	February 14, 1975	714099
1717	0.432	April 29, 1975	720290
1718	0.342	April 28, 1975	721524
1805	0.219	March 21, 1975	715677
1807	0.219	March 21, 1975	715683
1808	0.219	April 28, 1975	722623
1810	0.219	March 31, 1975	717569



<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1812	0.336	March 10, 1975	715686
1813	0.219	February 5, 1975	714108
1901	0.432	February 13, 1975	714117
1902	0.342	January 21, 1975	714120
1903	0.219	February 20, 1975	715689
1904	0.219	January 30, 1975	715692
1908	0.219	January 22, 1975	715695
1909	0.219	January 24, 1975	714129
1910	0.219	February 14, 1975	714132
1911	0.219	February 11, 1975	714135
1913	0.219	February 6, 1975	715698
1915	0.219	March 11, 1975	715701
1917	0.432	March 12, 1975	715704
1918	0.342	February 7, 1975	714144
2002	0.342	January 27, 1975	714150
2003	0.219	January 27, 1975	714153
2008	0.219	February 5, 1975	714165
2009	0.219	January 28, 1975	714168
2010	0.219	February 21, 1975	720296
2011	0.219	February 5, 1975	715707
2013	0.219	February 6, 1975	714171
2014	0.347	January 27, 1975	714174
2101	0.432	March 13, 1975	714186

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2103	0.219	January 27, 1975	714189
2105	0.219	February 10, 1975	714192
2106	0.219	February 13, 1975	715710
2107	0.219	February 15, 1975	715713
2108	0.219	January 29, 1975	714195
2109	0.219	January 27, 1975	714198
2110	0.219	February 7, 1975	714201
2111	0.219	January 28, 1975	714204
2112	0.336	March 3, 1975	715716
2113	0.219	January 31, 1975	714207
2114	0.347	March 13, 1975	715719
2116	0.219	January 27, 1975	714213
2117	0.432	February 24, 1975	717581
2201	0.432	May 13, 1975	722644
2207	0.219	February 4, 1975	714225
2208	0.219	April 1, 1975	717584
2209	0.219	February 3, 1975	714228
2212	0.336	March 7, 1975	715728
2214	0.347	May 29, 1975	731703
2216	0.219	February 10, 1975	714239
2217	0.432	February 17, 1975	714236
2218	0.342	March 4, 1975	714242
2301	0.432	February 3, 1975	715731

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2302	0.342	January 31, 1975	715734
2303	0.219	April 21, 1975	720301
2304	0.219	January 31, 1975	714245
2307	0.219	January 20, 1975	714251
2309	0.219	February 13, 1975	714254
2310	0.219	January 31, 1975	717587
2312	0.336	February 14, 1975	714257
2313	0.219	February 3, 1975	714261
2315	0.219	January 31, 1975	714264
2317	0.432	March 15, 1975	715740
2401	0.432	April 7, 1975	720307
2402	0.342	April 15, 1976	771131
2405	0.219	July 31, 1975	731706
2409	0.219	September 29, 1975	736686
2411	0.219	September 29, 1975	736694
2412	0.336	May 9, 1975	722626
2413	0.219	September 29, 1975	736698
2414	0.347	June 7, 1977	824790
2416	0.219	March 31, 1975	717590
2418	0.342	March 31, 1975	717596
2501	0.432	August 5, 1975	732848
2502	0.342	March 11, 1975	715743
2503	0.219	May 14, 1975	722629

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2512	0.336	April 14, 1975	722635
2514	0.347	May 19, 1975	722638
2701	0.432	February 18, 1975	720313
2702	0.342	February 28, 1975	714278
2703	0.219	September 29, 1975	736798
2705	0.219	September 29, 1975	736806
2707	0.219	September 29, 1975	736814
2710	0.219	September 29, 1975	736826
2714	0.347	July 8, 1977	825089
2718	0.342	August 1, 1975	731709

Second Closing

702	0.342	January 6, 1975	713797
710	0.219	February 10, 1975	713816
716	0.219	February 10, 1975	713826
805	0.219	March 27, 1975	720250
813	0.219	February 4, 1975	713855
816	0.219	February 18, 1975	713864
903	0.219	February 26, 1975	717517
904	0.219	January 29, 1975	717520
905	0.219	February 21, 1975	721521
907	0.219	January 31, 1975	713882

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
915	0.219	January 30, 1975	713902
1005	0.219	February 26, 1975	715611
1006	0.219	April 17, 1975	731694
1014	0.347	February 10, 1975	713934
1102	0.342	February 13, 1975	717529
1104	0.219	January 29, 1975	713952
1212	0.336	March 21, 1975	717608
1216	0.219	February 4, 1975	714004
1401	0.432	January 13, 1976	753264
1403	0.219	January 16, 1975	714010
1416	0.219	January 20, 1975	714025
1513	0.219	January 21, 1975	715650
1515	0.219	January 15, 1975	714046
1517	0.432	May 5, 1975	721528
1518	0.342	February 24, 1975	715656
1613	0.219	January 20, 1975	714070
1614	0.347	April 1, 1975	720278
1615	0.219	May 19, 1975	731697
1616	0.219	February 6, 1975	714073
1618	0.342	April 7, 1975	720281
1701	0.432	February 26, 1975	720284
1705	0.219	February 4, 1975	720287
1706	0.219	February 28, 1975	714082

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1708	0.219	April 3, 1975	717560
1716	0.219	February 13, 1975	715674
1806	0.219	March 7, 1975	715680
1809	0.219	January 21, 1975	714103
1811	0.219	January 21, 1975	714105
1814	0.347	January 17, 1975	714111
1815	0.219	February 13, 1975	717572
1816	0.219	February 14, 1975	717575
1817	0.432	January 21, 1975	714114
1905	0.219	February 10, 1975	717578
1906	0.219	February 5, 1975	714123
2001	0.432	January 27, 1975	714147
2005	0.219	February 21, 1975	722641
2006	0.219	February 7, 1975	714159
2016	0.219	January 31, 1975	714177
2017	0.432	February 6, 1975	714180
2102	0.342	July 7, 1975	726915
2118	0.342	March 4, 1975	714216
2202	0.342	March 10, 1975	715722
2203	0.219	February 3, 1975	715725
2205	0.219	February 12, 1975	714219
2215	0.219	September 29, 1975	736655
2305	0.219	February 4, 1975	714248

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
2311	0.219	February 4, 1975	715737
2314	0.347	August 13, 1975	732845
2404	0.219	September 29, 1975	736670
2407	0.219	September 29, 1975	736678
2408	0.219	September 29, 1975	736682
2415	0.219	September 29, 1975	736702
2417	0.432	April 3, 1975	717593
2505	0.219	May 5, 1975	722632
2517	0.432	April 22, 1975	720310
2706	0.219	September 29, 1975	736810
2709	0.219	September 29, 1975	736822
2711	0.219	September 29, 1975	736830
2717	0.432	February 28, 1975	714281
PH- 2801	0.654	December 3, 1975	744017
PH- 2802	0.666	December 15, 1975	745703
FH- 2803	1.306	December 1, 1975	744676

Third Closing

1012	0.336	February 5, 1975	713928
1202	0.342	January 21, 1975	713983
1208	0.219	December 31, 1974	713992

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
1504	0.219	January 14, 1975	714031
1510	0.219	February 11, 1975	714040
1802	0.342	March 21, 1975	717602
1803	0.219	March 25, 1975	717563
1907	0.219	January 15, 1975	714126
2210	0.219	February 3, 1975	714231
2609	0.219	August 8, 1975	732851



EXHIBIT D

UNSOLD RESIDENTIAL UNITS

<u>Apartment No.</u>	<u>Common Interest</u>
703	0.219%
705	0.219%
711	0.219%
712	0.336%
808	0.219%
812	0.336%
918	0.342%
902	0.342%
910	0.219%
911	0.219%
913	0.219%
914	0.347%
1003	0.219%
1008	0.219%
1011	0.219%
1018	0.342%
1107	0.219%
1201	0.432%
1209	0.219%
1211	0.219%
1406	0.219%
1415	0.219%
1501	0.432%
1512	0.336%
1611	0.219%
1612	0.336%
1703	0.219%
1710	0.219%
1712	0.336%
1801	0.432%
1804	0.219%
1818	0.342%
1912	0.336%
1914	0.347%
1916	0.219%
2007	0.219%

2018	0.342%
2213	0.219%
2308	0.219%
2318	0.342%
2410	0.219%
2601	0.432%
2618	0.342%
2708	0.219%

L-3

STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

DEC 22, 1992 08:01 AM

Doc No(s) 1981925

on Cert(s) 309,536

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

CONVEYANCE TAX: \$0.00

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail ( ) Pickup ( ) To:

T.T. Kihuna



77 Fairway  
Villa

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR

THE FAIRWAY VILLA CONDOMINIUM PROJECT

Declarant: OTAKA, INC., a Hawaii corporation

Property Description: Lot 48A as shown on Map 32 filed with  
Land Court Application 571 (amended)

TCT No. 309,356

Tax Map Key (1) 2-6-21-21

R E C I T A L S :

A. Otaka, Inc., a Hawaii corporation (the "Declarant"), currently holds fee simple title to the land described in Exhibit A attached hereto and made a part hereof, by reference (the "Land"), upon which Land is located the Fairway Villa condominium project (the "Project").

B. The Project is comprised of three hundred sixty-two (362) residential apartments ("Residential Apartments") and one (1) Auxiliary Unit ("Auxiliary Unit"), each as more particularly described below. Each Residential Apartment and the Auxiliary Unit has appurtenant limited common elements as well as an appurtenant undivided percentage interest in the common elements of the Project, including the Land.

C. The apartments owners in the Project (the "Apartment Owners") presently lease undivided interests in and to the Land from Declarant pursuant to Condominium Conveyance Documents ("CCD's") issued with respect to each apartment.

D. Declarant offered to permit The Association of Apartment Owners of Fairway Villa, Inc., a Hawaii corporation (the "Association"), to purchase the lessor/grantor's interests in those certain CCD's covering 318 of the Residential Apartments (excluding the Otaka Residential Units described below), together with the respective undivided interests in

the Land equal to the aggregate percentages of the common interests appurtenant to said Residential Apartments, and the Association has agreed to purchase the lessor/grantor's interests in those CCD's covering the Residential Apartments described in Exhibit B attached hereto and made a part hereof by reference (the "Association Residential Units"), together with the respective undivided interests in the Land equal to the aggregate percentages of the common interests appurtenant to said Association Residential Units. Conversely, (1) Declarant has not offered to sell and the Association shall not be permitted to purchase the lessor/grantor's interests in the forty-four (44) Residential Apartments described in Exhibit C attached hereto and made a part hereof by reference (the "Otaka Residential Units"), the limited common elements appurtenant to the Otaka Residential Units, the 10.574% interest in the common elements (including the Land) appurtenant to the Otaka Residential Units, the Auxiliary Unit, the limited common elements appurtenant to the Auxiliary Unit, or the 0.626% interest in the common elements (including the Land) appurtenant to the Auxiliary Unit, and (2) the Association is not purchasing the lessor/grantor's interests in those CCD's covering the Residential Apartments described in Exhibit D attached hereto and made a part hereof by reference (the "Unsold Residential Units"), the limited common elements appurtenant to the Unsold Residential Units, or the undivided

interests in the common elements (including the Land) appurtenant to the Unsold Residential Units.

E. It is hereby declared to be the intention of Declarant to impose upon the Property, as hereinafter defined, the following restrictions which will regulate the manner in which ownership interests in the Property will be held or transferred.

**W I T N E S S E T H :**

NOW, THEREFORE, Declarant hereby declares and the Association acknowledges and agrees that the Property shall be held, conveyed, and administered subject to the following limitations, restrictions, covenants and conditions. All of the limitations, restrictions, covenants and conditions shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in and to the Property (including Declarant, its successors, assigns and transferees, the Association, the individual Apartment Owners, and their respective heirs, personal representatives, successors, successors in trust, and permitted assigns) and shall inure to the benefit of Declarant, its successors, assigns and transferees, the Association, its members, each Apartment Owner, and their respective heirs, personal representatives, successors, successors in trust and permitted assigns.

1. Additional Definitions. The following are the definitions of certain terms used in this Declaration.

a. "Apartment Owners". The term "Apartment Owners" shall mean and refer to the lessees/grantees under the CCD's.

b. "Association". The term "Association" shall mean and refer to The Association of Apartment Owners of Fairway Villa, Inc., a Hawaii corporation.

c. "Association Residential Units". The term "Association Residential Units" shall mean and refer to the Residential Apartments described in Exhibit B attached hereto and made a part hereof by reference, together with the limited common elements appurtenant to each of the respective Association Residential Units.

d. "Auxiliary Unit". The "Auxiliary Unit" shall mean and refer to the Auxiliary Unit as more fully described in the HPR Declaration, together with the limited common elements, if any, appurtenant to the Auxiliary Unit.

e. "CCD's". The term "CCD's" shall mean and refer to those Condominium Conveyance Documents demising undivided leasehold interests in the Land to the Apartment Owners in the Project, and conveying the apartments in the Project, together with undivided interests in the common elements of the Project (exclusive of the Land), to the Apartment Owners

in the Project. Declarant is the current lessor/grantor under all of the CCD's.

f. "Declarant". The term "Declarant" shall mean and refer to Otaka, Inc., a Hawaii corporation, and except where clearly repugnant to the context, Otaka, Inc.'s successors, assigns and transferees.

g. "Declaration". The term "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions (as it may be amended from time to time) which shall encumber the Property.

h. "HPR Declaration". The term "HPR Declaration" shall mean and refer to that certain Declaration of Horizontal Property Regime establishing the Project, dated February 26, 1974, filed in the Office of the Assistant Registrar as Document No. 685603 and noted on Transfer Certificate of Title No. 309,536, as now or hereafter amended.

i. "Land". The term "Land" shall mean and refer to the Land described in Exhibit A.

j. "Office of the Assistant Registrar". The term "Office of the Assistant Registrar" shall mean and refer to the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

k. "Otaka Residential Units". The term "Otaka Residential Units" shall mean and refer to the forty-four (44) Residential Apartments described in Exhibit C attached



hereto and made a part hereof by reference, together with the limited common elements appurtenant to each of the respective Otaka Residential Units.

l. "Project". The term "Project" shall mean and refer to the Fairway Villa condominium project located on the Land.

m. "Property". The term "Property" shall mean and refer to the Land, all rents, issues and profits thereof and all right and appurtenances thereunto appertaining, including, without limitation, the rights and interests of the lessor/grantor under the CCD's.

n. "Residential Apartments". The term "Residential Apartments" shall mean and refer to the three hundred sixty-two (362) apartments in the Project which are to be used for residential purposes, as more precisely and fully defined and described in the HPR Declaration, together with the limited common elements appurtenant to each of the respective Residential Apartments.

o. "Unsold Residential Units". The term "Unsold Residential Units" shall mean and refer to the Residential Apartments described in Exhibit D attached hereto and made a part hereof by reference, together with the limited common elements appurtenant to each of the respective Unsold Residential Units.

2. Status of Ownership Following Purchase. Upon the purchase by the Association described above, the Association shall acquire: (i) an undivided fee simple percentage interest in the Land equal to the aggregate percentages of the common interests appurtenant to the Association Residential Units; and (ii) the lessor/grantor's interest in each of the CCD's described in Exhibit B. Upon such purchase, Declarant shall no longer have any right, title or interest in or to (a) such undivided fee simple percentage interest in the Land; or (b) the lessor/grantor's interest under any of the CCD's described in Exhibit B. At the closing of such sale, the Association shall pay to the Declarant all lease rent (and all other amounts) then due and owing under the CCD's described in Exhibit B. After the closing of such sale to the Association, Declarant shall not be entitled to collect any rent or additional rent under the CCD's described in Exhibit B for the period from and after the closing date. Each Apartment Owner shall thereafter pay rent under his CCD directly to the Association, or its successor in interest, as lessor/grantor under such CCD.

3. Association Shall Have No Rights in Other Apartments. The acquisition by the Association of an undivided fee simple percentage interest in the Land and the

lessor/grantor's interests under the CCD's described in Exhibit B shall not entitle the Association to any rights in or to (i) the Auxiliary Unit, the limited common elements appurtenant to the Auxiliary Unit, or the 0.626% interest in the common elements (including the Land) appurtenant to the Auxiliary Unit, except as otherwise expressly provided in the HPR Declaration, or (ii) the forty-four (44) Otaka Residential Units, the limited common elements appurtenant to the Otaka Residential Units, or the 10.574% interests in the common elements (including the Land) appurtenant to the Otaka Residential Units, except as otherwise expressly provided in the HPR Declaration, or (iii) the Unsold Residential Units, the limited common elements appurtenant to such Unsold Residential Units, or the undivided percentage interests in the common elements of the Project (including the Land) appurtenant to such Unsold Residential Units, except as otherwise expressly provided in the HPR Declaration. The Association shall not be entitled to participate in, and will not interfere with any lease rent negotiations by and between Declarant and (i) the lessee/grantee of the Auxiliary Unit, or (ii) the lessees/grantees of the Otaka Residential Units, or (iii) the lessees/grantees of the Unsold Residential Units, nor shall the Association be entitled to a share in, or any portion of, any lease rent or other compensation received by

Declarant as lessor/grantor under the CCD covering the Auxiliary Unit, any CCD covering an Otaka Residential Unit, or any CCD covering an Unsold Residential Unit. The Association further agrees and acknowledges for itself and on behalf of all of its present and future members, all Apartment Owners, and their respective heirs, personal representatives, successors, successors in trust, and assigns, that by acquiring the particular interests described more fully in this Declaration, neither the Association, its present or future members, the Apartment Owners, nor their respective heirs, personal representatives, successors, successors in trust, or assigns, shall acquire or obtain any right by way of easement, prescription, license or otherwise to use the Auxiliary Unit or the limited common elements appurtenant thereto, except as herein or in the HPR Declaration expressly set forth. Furthermore, nothing set forth in this Declaration shall prohibit or be deemed to prohibit Declarant from selling the Auxiliary Unit and/or the Otaka Residential Units in leasehold or in fee simple, or the leased fee interest appurtenant to the Auxiliary Unit, the Otaka Residential Units, and/or the Unsold Residential Units to any third party or parties, and the Association, on its own behalf and on behalf of its present and future members, all Apartment Owners, and their respective heirs, personal representatives, successors, successors in trust, and assigns, hereby waives, to the fullest

extent permitted by law, any right of first refusal under Chapter 514C, Hawaii Revised Statutes, or any successor or similar statute or ordinance, with respect to the leased fee interests appurtenant to the Auxiliary Unit and/or the Otaka Residential Units.

4. Possible Future Merger of Interests. If, after acquiring the undivided fee simple percentage interest in the Land equal to the aggregate percentages of the common interests appurtenant to the Association Residential Units, and the lessor/grantor's interests under the CCD's described in Exhibit B, the Association thereafter sells and conveys portions of such undivided fee simple interests and the lessor/grantor's interests under the CCD's described in Exhibit B to the respective Apartment Owners, then, as to each Apartment Owner who purchases the leased fee interest appurtenant to his apartment, it is contemplated that the interest of the lessee/grantee under such CCD will merge with and into the interest of the lessor/grantor under such CCD, and the lease provisions of such CCD will be considered canceled and of no further force or effect; EXCEPT that the above described "merger" and lease cancellation of such CCD shall not occur: (i) so long as any mortgage or lien encumbers the Apartment Owner's leasehold interest as lessee/grantee under the CCD or the lessor/grantor's interest in the CCD; or (ii) if the purchaser of the lessor/grantor's interest from the Association

is a designee of the Apartment Owner and not the Apartment Owner.

5. Continuation of CCD's. Until such time as an Apartment Owner acquires the leased fee interest in the Land appurtenant to his apartment: (i) he shall continue to own the leasehold interest which he presently owns pursuant to his CCD; (ii) he shall continue to have all obligations under the CCD, including, without limitation, the obligation to pay rent to the holder of the lessor/grantor's interest under his CCD, whether Declarant, the Association or a third party; and (iii) at the end of the term of his CCD, he shall peaceably deliver up to the holder of the lessor/grantor's interest under his CCD possession of his undivided percentage interest in the Land in accordance with the terms of his CCD.

6. Release; Indemnification. The Association, for itself and on behalf of all of its present and future members and all Apartment Owners, hereby releases Declarant, its officers, directors, employees, agents, attorneys, successors and assigns, from any and all claims, liabilities, actions, demands and/or causes of action in connection with the Project, all apartments in the Project (including the Association Residential Units, the Unsold Residential Units, the Otaka Residential Units and the Auxiliary Unit), the Land, the leased fee interests described herein and all CCD's, including without limitation (i) any claims, liabilities, actions,

demands and/or causes of action arising under any law, ordinance or regulation regulating hazardous waste or hazardous substances, and (ii) any claims, liabilities, actions, demands and/or causes of action arising in connection with the development or construction of the Project. The Association, for itself and on behalf of all of its present and future members and all Apartment Owners, also acknowledges and confirms that (i) Declarant did not exercise any control over the development or construction of the Project, and (ii) Declarant was not a partner or joint venturer with the developer of the Project. The Association, for itself and on behalf of all of its present and future members and all Apartment Owners, also hereby agrees to defend, indemnify, and hold harmless Declarant from any claims, liabilities, actions, demands, and/or causes of action which may be asserted after closing by any person or party in connection with the Project, any apartment in the Project (including the Association Residential Units, the Unsold Residential Units, the Otaka Residential Units and the Auxiliary Unit), the Land, the leased fee interests described herein and any CCD, including without limitation, any claim, liability, action, demand or cause of action arising (i) under any law, ordinance or regulation regulating hazardous waste or hazardous substances, or (ii) in connection with the development or construction of the Project. The release and indemnification

provisions of this Section 6 shall not apply to (a) any claims, liabilities, actions, demands or causes of action arising out of any grossly negligent or willful acts or omissions of Declarant which occur after the date of execution of this Declaration or (b) any claims, liabilities, actions, demands or causes of action arising out of Declarant's breach (as owner of the Auxiliary Unit and the Otaka Residential Units) of any obligation of such owner described in HRS Chapter 514A, the HPR Declaration, or the By-Laws attached thereto, which breach occurs after the date of execution of this Declaration.

7. "AS IS" Condition; Disclaimer of Warranties.

Declarant shall convey the leased fee interests described herein to the Association, and the Association shall accept such leased fee interests in AS IS condition and the Association hereby assumes all risks associated with the Project, the Association Residential Units, the Unsold Residential Units, the Auxiliary Unit, the Otaka Residential Units, the Land, the leased fee interests described herein and the CCD's. The Association understands and acknowledges for itself and on behalf of all of its present and future members and all Apartment Owners, that Declarant expressly disclaims any and all warranties, whether express or implied, with respect to the Project, all apartments in the Project, the Land, the leased fee interests described herein and all



CCD's, including, without limitation, any warranty of habitability, warranty of merchantability, warranty of fitness for a particular use, any warranties regarding the soil compaction of the subject property, or any warranties as to whether the subject property complies with applicable environmental, hazardous substance and/or hazardous waste laws, ordinances or regulations.

8. Waiver of Right to Initiate Condemnation Proceeding and Certain Rights Regarding Lease Rent Renegotiation. The Association, for itself and on behalf of all of its present and future members and all Apartment Owners, and their respective heirs, personal representatives, successors, successors in trust, and assigns, hereby acknowledges and agrees that a condition of the Declarant's sale of the leased fee interests described herein, is that the Association hereby waives, to the fullest extent permitted by law, for itself and for all members thereof who purchase or participate in the purchase of the leased fee interests appurtenant to the respective Residential Apartments, any right either it or they may have to (i) initiate or otherwise participate in a mandatory leased fee conversion of the leased fee interests described herein, or any portion thereof, under City and County of Honolulu Ordinance No. 91-95 or any successor or similar ordinance or statute, or (ii) proceed under City and County of Honolulu Ordinance No. 91-96, or any successor or

similar ordinance or statute covering apartment lease rent renegotiations, in connection with the rent renegotiation of any CCD in which Declarant is the lessor/grantor.

9. Ownership of Unit and Property Interests. If any Apartment Owner should hereafter acquire title to the leased fee interest appurtenant to his apartment (either in such Apartment Owner's own name or in the name of a designee), then from and after the date of such acquisition, neither such Apartment Owner nor such Apartment Owner's designee shall transfer such leased fee interest separately from such Apartment Owner's leasehold interest in such unit.

10. This Declaration Binding on Future Owners. Declarant, its successors, assigns and transferees, the Association, its members, all Apartment Owners, and their respective heirs, personal representatives, successors, successors in trust, assigns and transferees, and any other person who shall acquire any interest, beneficial or otherwise, in the Property or any apartment in the Project, or the interest of an Apartment Owner under any CCD shall be bound by this Declaration, and all covenants, conditions and restrictions herein contained.

11. Amendment of Declaration to Reflect Purchase by Association of Leased Fee Interests in Certain Unsold Residential Units. If, after the date of execution and recordation of this Declaration, the Declarant agrees to sell, and

the Association agrees to purchase, the lessor/grantor's interests in any of the CCD's covering the Unsold Residential Units, then, immediately prior to the closing of such sale(s), Declarant and the Association shall execute and record an amendment or amendments of this Declaration pursuant to which (a) Exhibit B shall be amended to add the CCD's with respect to which the lessor/grantor's interests are being purchased by the Association, and (b) Exhibit D shall be amended by deleting the CCD's with respect to which the lessor/grantor's interests are being purchased by the Association. Upon execution and recording of such amendment(s), (i) the term "Association Residential Units" as used herein shall mean and refer to the Residential Apartments described in Exhibit B as so amended, together with the limited common elements appurtenant to each of the respective Association Residential Units, and (ii) the term "Unsold Residential Units" as used herein shall mean and refer to the Residential Apartments described in Exhibit D as so amended, together with the limited common elements appurtenant to each of the Unsold Residential Units. Notwithstanding the provisions of Section 12 below or of any other provisions in this Declaration to the contrary, Declarant hereby reserves the right to amend this Declaration in the manner described above in this Section 11, and to cause the Association to execute such amendment(s), without the approval, consent or joinder of any

Apartment Owner, mortgagee, or any other person then owning, leasing or otherwise possessing any interests in the Land, the Project or any apartment in the Project.

12. Other Amendments. Upon the concurrence of "owners" of apartments to which are appurtenant at least seventy-five percent (75%) of the common interests of the Project, the terms of this Declaration may be modified or amended by an instrument which shall be filed with the Office of the Assistant Registrar; provided, however, that, if the term or provision of this Declaration sought to be modified or amended affects the Declarant or the releases or the indemnities in favor of the Declarant hereunder, or if such term sought to be modified or amended affects, directly or indirectly, the Auxiliary Unit or the limited common elements or rights appurtenant to the Auxiliary Unit, the Otaka Residential Units or the limited common elements or rights appurtenant to the Otaka Residential Units, or the CCD's covering the Unsold Residential Units whose appurtenant leased fee interests are not being purchased by the Association hereunder as long as the Declarant owns such interests, then such modification or amendment shall not be effective unless the Declarant votes, in writing, in favor of such modification or amendment, notwithstanding that "owners" of apartments to which are appurtenant seventy-five percent (75%) or more of the common interests of the Project shall have voted in favor

of such modification or amendment; provided further, however, that nothing herein shall limit the right of Declarant to amend this Declaration pursuant to Section 11 above, without the concurrence of any other owners of apartments in the Project. In the case of an apartment owned in fee, the term "owner" shall mean and refer to the fee owner of the apartment. In the case of an apartment which is still held under a CCD, the term "owner" shall mean and refer to the lessee/grantee under the CCD.

13. Declarant's Right to Transfer Auxiliary Unit and Otaka Residential Units. Nothing in this Declaration shall (i) prohibit, or shall be deemed to prohibit, Declarant from, at any time, selling, leasing, conveying or otherwise transferring, either in whole or in part, to any third party, the Auxiliary Unit or the Otaka Residential Units, or (ii) give the Association, its members, any Apartment Owner, or their respective heirs, personal representatives, successors, successors in trust, assigns or transferees, any right, title or interest whatsoever with respect to such property.

14. Severability of Covenants. Each and every one of the covenants, conditions, restrictions, reservations, and servitudes contained herein shall be considered to be an independent and/or separate covenant and agreement, and in the event any one or more of such covenants, conditions,

restrictions, reservations, or servitudes shall for any reason be held to be invalid or unenforceable, all remaining covenants, conditions, restrictions, reservations, and servitudes shall nevertheless remain in full force and effect.

15. Relationship. Declarant, its successors, assigns and transferees, the Association, its members, the Apartment Owners, and their respective heirs, personal representatives, successors, successors in trust, assigns and transferees shall not be construed as joint venturers or partners of each other, and none shall have the right to bind or obligate any other except as expressly set forth herein.

16. Governing Law. This Declaration shall be construed in accordance with, and governed by, the laws of the State of Hawaii.

17. Counterparts. The parties hereto agree that this instrument may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding on all parties hereto, notwithstanding all of the parties are not signatory to the original or the same counterparts. Duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

IN WITNESS WHEREOF, the undersigned have executed  
these presents on this 16 day of DEC, 1992.

Declarant: OTAKA, INC.,  
a Hawaii corporation

By [Signature]  
Its President

By [Signature]  
Its Secretary

AGREED AND ACKNOWLEDGED: THE ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA, INC.

By [Signature]  
Its President

By [Signature]  
Its Secretary

Association

Dated: \_\_\_\_\_, 1992

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 16th day of December, 1992, before me appeared A. Kawaguchi and T. Kalaoka, to me personally known, who being by me duly sworn, did say that they are the President and Secretary, respectively, of OTAKA, INC., a Hawaii corporation; that said instrument was signed in behalf of said corporation by authority of its Board of Directors; and said officers acknowledged said instrument to be the free act and deed of said corporation.

Patricia M. Sarda  
Notary Public, State of Hawaii

My commission expires: 11/3/93

L.S.



STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 14<sup>th</sup> day of Dec., 1992, before me appeared Mary Amalia and Richard Pamaoka, to me personally known, who being by me duly sworn, did say that they are the duly authorized President and Secretary, respectively, of THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii corporation; that said instrument was signed in behalf of said Association by authority of its Board of Directors; and said officers severally acknowledged said instrument to be the free act and deed of said Association.


  
Notary Public, State of Hawaii  
My commission expires: 1/7/95

EXHIBIT A

All of that certain parcel of land situate at Waikiki, District of Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

Lot 48A, area 37,824 square feet, as shown on Map 32, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited.

Being all of the land described in Transfer Certificate of Title 309,536.

SUBJECT, HOWEVER, to the following:

1. Easement "2" (10 feet wide), as shown on Map 31, as set forth by Land Court Order No. 40464, filed August 22, 1974.
2. Grant in favor of the City and County of Honolulu, dated April 13, 1974, filed as Land Court Document No. 690268; granting an easement over said Easement "2".
3. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in the HPR Declaration.
4. The terms, easements, restrictions, agreements, reservations, covenants, conditions and provisions contained in each of the Condominium Conveyance Documents.
5. Any and all real property taxes.

EXHIBIT B

<u>Apartment No.</u>	<u>Percentage Interest</u>	<u>Date of Condo- minimum Conveyance Documents ("CCD")</u>	<u>Land Court Document No. of CCD</u>
701	0.432	January 31, 1975	713794
704	0.219	January 9, 1975	713803
706	0.219	January 30, 1975	715597
707	0.219	February 4, 1975	713809
708	0.219	February 10, 1975	713812
709	0.219	January 9, 1975	713814
713	0.219	December 17, 1974	713818
714	0.347	January 7, 1975	713821
715	0.219	February 10, 1975	713824
718	0.342	January 7, 1975	713829
801	0.432	January 7, 1975	713832
802	0.342	January 20, 1975	713835
803	0.219	January 15, 1975	715603
804	0.219	January 8, 1975	713838
806	0.219	February 11, 1975	713841
807	0.219	January 6, 1975	713844
809	0.219	January 28, 1975	722608
810	0.219	January 6, 1975	713849
811	0.219	February 26, 1975	715607
814	0.347	January 9, 1975	713858
815	0.219	February 13, 1975	713861
817	0.432	February 21, 1975	713867
901	0.432	January 7, 1975	713873
906	0.219	January 15, 1975	713879

908	0.219	February 12, 1975	713885
909	0.219	February 13, 1975	713888
912	0.336	April 10, 1975	720254
916	0.219	January 9, 1975	713904
917	0.432	February 6, 1975	717523
918	0.342	January 7, 1975	713907
1001	0.432	April 21, 1975	720257
1002	0.342	February 5, 1975	713910
1004	0.219	January 10, 1975	713916
1009	0.219	April 22, 1975	720260
1010	0.219	January 9, 1975	713922
1013	0.219	January 13, 1975	713931
1015	0.219	February 26, 1975	713937
1016	0.219	January 17, 1975	713940
1017	0.432	February 13, 1975	715614
1101	0.432	January 30, 1975	713946
1103	0.219	February 21, 1975	713949
1105	0.219	February 27, 1975	717532
1106	0.219	January 10, 1975	713954
1107	0.219	March 19, 1975	715617
1108	0.219	February 7, 1975	713957
1109	0.219	January 17, 1975	713960
1110	0.219	January 27, 1975	713963
1111	0.219	January 13, 1975	713966
1112	0.336	March 13, 1975	720263
1113	0.219	February 6, 1975	713969

1114	0.347	January 31, 1975	713972
1115	0.219	January 31, 1975	715619
1116	0.219	April 7, 1975	720266
1117	0.432	January 31, 1975	713975
1118	0.342	January 30, 1975	713978
1203	0.219	January 23, 1975	717536
1204	0.219	February 5, 1975	713986
1205	0.219	January 30, 1975	715622
1206	0.219	February 26, 1975	715624
1207	0.219	January 30, 1975	713989
1210	0.219	May 12, 1975	722611
1213	0.219	May 19, 1975	722614
1214	0.347	January 12, 1975	714001
1215	0.219	March 10, 1975	715627
1217	0.432	January 23, 1975	714007
1218	0.342	April 3, 1975	720269
1402	0.342	February 13, 1975	717539
1404	0.219	January 14, 1975	714013
1405	0.219	March 17, 1975	715630
1407	0.219	March 17, 1975	715633
1408	0.219	January 16, 1975	714019
1409	0.219	March 17, 1975	715636
1410	0.219	February 3, 1975	715639
1411	0.219	March 17, 1975	715642
1412	0.336	March 21, 1975	717605
1413	0.219	March 17, 1975	717542

1414	0.347	March 31, 1975	717545
1417	0.432	May 2, 1975	720272
1418	0.342	February 11, 1975	715644
1502	0.342	March 13, 1975	717548
1503	0.219	January 16, 1975	714028
1505	0.219	March 7, 1975	715647
1506	0.219	January 24, 1975	714034
1507	0.219	January 30, 1975	720275
1508	0.219	March 21, 1975	717551
1509	0.219	February 28, 1975	714037
1511	0.219	January 18, 1975	714043
1514	0.347	December 11, 1974	715653
1516	0.219	February 24, 1975	714049
1601	0.432	January 20, 1975	714052
1602	0.342	February 5, 1975	714055
1603	0.219	January 24, 1975	715659
1605	0.219	February 6, 1975	714058
1606	0.219	March 4, 1975	715662
1607	0.219	February 7, 1975	715665
1608	0.219	March 31, 1975	717554
1609	0.219	February 13, 1975	714061
1610	0.219	March 4, 1975	714064
1617	0.432	February 28, 1975	714076
1702	0.342	February 26, 1975	717557
1704	0.219	January 20, 1975	714079
1707	0.219	January 20, 1975	714084

1709	0.219	February 6, 1975	714087
1711	0.219	March 7, 1975	715668
1713	0.219	January 30, 1975	714096
1714	0.347	March 7, 1975	715671
1715	0.219	February 14, 1975	714099
1717	0.432	April 29, 1975	720290
1718	0.342	April 28, 1975	721524
1805	0.219	March 21, 1975	715677
1807	0.219	March 21, 1975	715683
1808	0.219	April 28, 1975	722623
1810	0.219	March 31, 1975	717569
1812	0.336	March 10, 1975	715686
1813	0.219	February 5, 1975	714108
1901	0.432	February 13, 1975	714117
1902	0.342	January 21, 1975	714120
1903	0.219	February 20, 1975	715689
1904	0.219	January 30, 1975	715692
1908	0.219	January 22, 1975	715695
1909	0.219	January 24, 1975	714129
1910	0.219	February 14, 1975	714132
1911	0.219	February 11, 1975	714135
1913	0.219	February 6, 1975	715698
1915	0.219	March 11, 1975	715701
1917	0.432	March 12, 1975	715704
1918	0.342	February 7, 1975	714144
2002	0.342	January 27, 1975	714150

2003	0.219	January 27, 1975	714153
2008	0.219	February 5, 1975	714165
2009	0.219	January 28, 1975	714168
2010	0.219	February 21, 1975	720296
2011	0.219	February 5, 1975	715707
2013	0.219	February 6, 1975	714171
2014	0.347	January 27, 1975	714174
2101	0.432	March 13, 1975	714186
2103	0.219	January 27, 1975	714189
2105	0.219	February 10, 1975	714192
2106	0.219	February 13, 1975	715710
2107	0.219	February 15, 1975	715713
2108	0.219	January 29, 1975	714195
2109	0.219	January 27, 1975	714198
2110	0.219	February 7, 1975	714201
2111	0.219	January 28, 1975	714204
2112	0.336	March 3, 1975	715716
2113	0.219	January 31, 1975	714207
2114	0.347	March 13, 1975	715719
2116	0.219	January 27, 1975	714213
2117	0.432	February 24, 1975	717581
2201	0.432	May 13, 1975	722644
2207	0.219	February 4, 1975	714225
2208	0.219	April 1, 1975	717584
2209	0.219	February 3, 1975	714228
2212	0.336	March 7, 1975	715728



2214	0.347	May 29, 1975	731703
2216	0.219	February 10, 1975	714239
2217	0.432	February 17, 1975	714236
2218	0.342	March 4, 1975	714242
2301	0.432	February 3, 1975	715731
2302	0.342	January 31, 1975	715734
2303	0.219	April 21, 1975	720301
2304	0.219	January 31, 1975	714245
2307	0.219	January 20, 1975	714251
2309	0.219	February 13, 1975	714254
2310	0.219	January 31, 1975	717587
2312	0.336	February 14, 1975	714257
2313	0.219	February 3, 1975	714261
2315	0.219	January 31, 1975	714264
2317	0.432	March 15, 1975	715740
2401	0.432	April 7, 1975	720307
2402	0.342	April 15, 1976	771131
2405	0.219	July 31, 1975	731706
2409	0.219	September 29, 1975	736686
2411	0.219	September 29, 1975	736694
2412	0.336	May 9, 1975	722626
2413	0.219	September 29, 1975	736698
2414	0.347	June 7, 1977	824790
2416	0.219	March 31, 1975	717590
2418	0.342	March 31, 1975	717596
2501	0.432	August 5, 1975	732848

2502	0.342	March 11, 1975	715743
2503	0.219	May 14, 1975	722629
2512	0.336	April 14, 1975	722635
2514	0.347	May 19, 1975	722638
2701	0.432	February 18, 1975	720313
2702	0.342	February 28, 1975	714278
2703	0.219	September 29, 1975	736792
2705	0.219	September 29, 1975	736806
2707	0.219	September 29, 1975	736814
2710	0.219	September 29, 1975	736826
2714	0.347	July 8, 1977	825089
2718	0.342	August 1, 1975	731709

EXHIBIT C

OTAKA RESIDENTIAL UNITS

<u>Apartment No.</u>	<u>Common Interest</u>
1604	0.219%
2004	0.219%
2012	0.336%
2015	0.219%
2104	0.219%
2115	0.219%
2204	0.219%
2206	0.219%
2211	0.219%
2306	0.219%
2316	0.219%
2403	0.219%
2406	0.219%
2504	0.219%
2506	0.219%
2507	0.219%
2508	0.219%
2509	0.219%
2510	0.219%
2511	0.219%
2513	0.219%
2515	0.219%
2516	0.219%
2518	0.342%
2602	0.342%
2603	0.219%
2604	0.219%
2605	0.219%
2606	0.219%
2607	0.219%
2608	0.219%
2610	0.219%
2611	0.219%
2612	0.336%
2613	0.219%
2614	0.347%
2615	0.219%
2616	0.219%
2617	0.432%
2704	0.219%
2712	0.336%
2713	0.219%
2715	0.219%
2716	0.219%

EXHIBIT D

UNSOLD RESIDENTIAL UNITS

<u>Apartment No.</u>	<u>Common Interest</u>
702	0.342%
703	0.219%
705	0.219%
710	0.219%
711	0.219%
712	0.336%
716	0.219%
805	0.219%
808	0.219%
812	0.336%
813	0.219%
816	0.219%
818	0.342%
902	0.342%
903	0.219%
904	0.219%
905	0.219%
907	0.219%
910	0.219%
911	0.219%
913	0.219%
914	0.347%
915	0.219%
1003	0.219%
1005	0.219%
1006	0.219%
1007	0.219%
1008	0.219%
1011	0.219%
1012	0.336%
1014	0.347%
1018	0.342%
1102	0.342%
1104	0.219%
1201	0.432%
1202	0.342%
1208	0.219%
1209	0.219%
1211	0.219%

1212	0.336%
1216	0.219%
1401	0.432%
1403	0.219%
1406	0.219%
1415	0.219%
1416	0.219%
1501	0.432%
1504	0.219%
1510	0.219%
1512	0.336%
1513	0.219%
1515	0.219%
1517	0.432%
1518	0.342%
1611	0.219%
1612	0.336%
1613	0.219%
1614	0.347%
1615	0.219%
1616	0.219%
1618	0.342%
1701	0.432%
1703	0.219%
1705	0.219%
1706	0.219%
1708	0.219%
1710	0.219%
1712	0.336%
1716	0.219%
1801	0.432%
1802	0.342%
1803	0.219%
1804	0.219%
1806	0.219%
1809	0.219%
1811	0.219%
1814	0.347%
1815	0.219%
1816	0.219%
1817	0.432%
1818	0.342%
1905	0.219%
1906	0.219%
1907	0.219%
1912	0.336%

1914	0.347%
1916	0.219%
2001	0.432%
2005	0.219%
2006	0.219%
2007	0.219%
2016	0.219%
2017	0.432%
2018	0.342%
2102	0.342%
2118	0.342%
2202	0.342%
2203	0.219%
2205	0.219%
2210	0.219%
2213	0.219%
2215	0.219%
2305	0.219%
2308	0.219%
2311	0.219%
2314	0.347%
2318	0.342%
2404	0.219%
2407	0.219%
2408	0.219%
2410	0.219%
2415	0.219%
2417	0.432%
2505	0.219%
2517	0.432%
2601	0.432%
2609	0.219%
2618	0.342%
2706	0.219%
2708	0.219%
2709	0.219%
2711	0.219%
2717	0.432%
PH2801	0.654%
PH2802	0.666%
PH2803	1.306%

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STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

AUG 04. 1994 02:30 PM

Doc No(s) 2169790

on Cert(s) AS LISTED HEREIN

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

LAND COURT SYSTEM REGULAR SYSTEM  
AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( X ) TO:

JOHN A. MORRIS, ESQ.  
Iwai, Motooka, Goto & Morris  
Suite 502, Haseko Center  
820 Mililani Street  
Honolulu, HI 96813-2935  
Tel: (808) 537-1935

MORRISDOCSFAIRVILL.DOC

FIRST RESTATEMENT OF DECLARATION OF  
HORIZONTAL PROPERTY REGIME OF FAIRWAY VILLA, INC.

WHEREAS, THEODORE HILTON SMYTH, as Trustee For The Benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, a short form of which was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document 606183, whose post office address is 4234 Cresta Avenue, Santa Barbara, California

(hereinafter called the "Fee Owner"), was the Owner of the land described herein; and

WHEREAS, Fee Owner and THE CARWIN CORPORATION, a Hawaii corporation, having its principal place of business and post office address at Suite 923, The Davies Pacific Center, 841 Bishop Street, Honolulu, City and County of Honolulu, State of Hawaii, doing business as FAIRWAY VILLA VENTURE, a joint venture, registered to do business in the State of Hawaii, (hereinafter called "Developer"), entered into a Development Agreement with said Fee Owner dated June 1, 1972, and erected an apartment building upon said property; and

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153715, and the Transfer Certificate of Title Numbers shown on the attached Exhibit A. The Fee Owner and the Developer submitted the property described in the Declaration to provisions of the Horizontal Property Regime (now known as the Condominium Property Regimes, Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime, were attached to said Declaration as Exhibit "A"; and

WHEREAS, said Declaration and By-Laws were amended by instruments dated March 13, 1975, May 30, 1984, May 16, 1985, April



23, 1986, May 16, 1988, November 5, 1990, January 1, 1992, and May 20, 1993, and filed as aforesaid as Document Nos. 713792, 1244122, 1301266, 1370262, 1551314, 1885153, 2047939, and 2047940, respectively; and

WHEREAS, Section 514A-82.2, Hawaii Revised Statutes, empowers the Board of Directors of the Association established by said By-Laws to restate the Declaration to include therein any amendments thereto, and to conform the provisions thereof to the provisions of Chapter 514A, Hawaii Revised Statutes, and any other statute, ordinance, rules, or regulation enacted by any governmental authority, by a resolution adopted by the Board of Directors; and

WHEREAS, at a meeting duly held on \_\_\_\_\_, 199\_\_\_, said Board of Directors resolved to restate the Declaration, pursuant to Section 514A-82.2, Hawaii Revised Statutes, in the manner set forth herein;

NOW, THEREFORE, the Declaration is hereby restated to read as follows:

1. The Condominium (See Endnote 1) Property Regime established hereby shall be known as the FAIRWAY VILLA Condominium Project.

2. Land Description. The land submitted to the Condominium (See Endnote 1) Property Regime is described in Exhibit "A" attached hereto and made a part hereof.

3. Description of Building. The apartment building shall consist of twenty-eight (28) stories with the first floor

7

consisting of two levels, designated the first through twelfth and fourteenth through twenty-ninth floors (number thirteen has been omitted), with a portion of the first floor consisting of parking level designated "Basement", located below ground level, containing three hundred sixty-two (362) apartments and one (1) auxiliary unit, each of which shall constitute an "apartment", as defined and used in Chapter 514A, Hawaii Revised Statutes, and which are sometimes hereafter separately or collectively called condominium unit or units, and each of which shall constitute a separate estate, and in addition thereto, there shall be a resident manager's apartment. The building is constructed principally of reinforced concrete, steel, glass, aluminum and allied building materials with integrated walls, columns, supports and parking facilities. Said building is more particularly described in Exhibit "B" hereunto attached and made a part hereof.

4. Apartments. The individual apartments are described in said Exhibit "B" and Exhibit "C" and on the Condominium Map No. 216 filed in the Office of the Assistant Registrar of the Land Court simultaneously herewith. (See Endnote 2)

5. Limits of Apartments. The respective apartments do not include the undecorated or unfinished surfaces of the perimeter walls, the interior party walls, or the floors and ceiling which surround the apartments or any pipes, shafts, wires, conduits or other utility or service lines, running through such apartments which are utilized for or serve more than one condominium unit, the

same being deemed common elements as hereinafter provided. Subject to the foregoing each apartment shall include the adjacent lanai or lanais shown on said Condominium Map, 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, the exterior of the lanai railing and all air space encompassed within the apartment, together with the built-in fixtures including all electrical and plumbing fixtures, range with hood, refrigerator/freezer, garbage disposal unit, clothes washer and dryer, dishwasher (installed only in one-bedroom and two-bedroom apartments); wall-to-wall carpeting in living room, bedroom and hallway areas; vinyl asbestos tile in kitchens and bathrooms, drapes and drapery rods in living room and bedroom areas. (See Endnote 3)

6. Common Elements. The common elements will include the limited common elements described in Paragraph 7 below and all other portions of the land and improvements other than the apartments, including the apartment building, the land on which it is located, and all elements mentioned in the Condominium Property Act which are actually constructed on the land described herein, and specifically shall include, but shall not be limited to:

- (a) Said land described in Exhibit "A";
- (b) All foundations, columns, girders, beams, supports, load bearing walls, corridors, fire escapes, entry halls, stairs, walkways, entrances and exits of said building;
- (c) The roofs;

- (d) All yards and refuse areas;
- (e) All driveway and parking areas;
- (f) All ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, cold and hot water, television antenna, refuse and telephone;
- (g) Automatic electric passenger elevators with elevator housing and appurtenant equipment;
- (h) Swimming pool with recreation area, the corridor and the elevator lobby situated on the recreation deck;
- (i) The manager's residence on the seventh floor;
- (j) The manager's office on the first floor and parking stall; (See Endnote 4)
- (k) Ten (10) parking stalls for guest parking purposes, as shown in Exhibit "D" attached hereto and made a part hereof; and
- (l) 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, normally in common use.

7. Limited Common Elements. Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (a) One (1) or more parking stalls designated on said Condominium Map by the number corresponding to the number of each apartment shall be appurtenant to and for the exclusive use of such apartment. In addition to the designations on said Condominium Map, certain apartments shall have additional parking stalls appurtenant to said apartments as shown in Exhibit "D". (See Endnote 5) Such

parking stalls may be conveyed with the original lease of an apartment or by amendment of the original lease of an apartment, and shall be appurtenant to and for the exclusive use of each such apartment when so conveyed.

- (b) The lanai and recreation area (containing approximately 3,944 square feet) located at the Ewa side of the twenty-eighth floor and adjacent to the three penthouses shall be restricted for the use of the three penthouse owners (PH 2801, PH 2802 and PH 2803).
- (c) The corridors, storage area, trash room and elevator lobbies on each apartment floor on and above the seventh floor are restricted for the use of the apartment owners living on each floor.

8. Percentage of Undivided Interest. The percentage of undivided interest in the common elements, hereinafter called the "common interest", appertaining to each apartment shall be as set forth in said Exhibit "C" and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

9. Easements. In addition to any exclusive easements hereby established in the limited common elements, the apartments and common elements shall also have and be subject to the following easements:

- (a) Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, and support, maintenance and repair of such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments and limited common elements of its building for support;

- (b) If any part of the common elements now or hereafter encroaches upon any apartment or limited common element, or if any apartment now or hereafter encroaches upon any other apartment or upon any portion of the common elements, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event the apartment building shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements upon any apartment or of any apartment upon any other apartment or upon any portion of the common elements due to construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist;
- (c) The Association of Apartment Owners shall have the right, to be exercised by its Board of Directors or the Managing Agent, to enter such apartment and the limited common elements from time to time during reasonable hours as may be necessary for the operation of the project or for making emergency repairs therein necessary to prevent damage to any apartments or common elements;
- (d) Each apartment owner shall have an easement in common with the owners of all other apartments to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments to use the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other apartments and located in such apartment.

10. Alteration and Transfer of Interests. The common interest, elements and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to this Declaration duly recorded, shall not be separated from such apartment and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned

or described in the conveyance or other instrument; excepting, however, the exclusive easements for the use of parking stalls. As long as at all times (or, in the case of an exchange of parking stalls between apartments, immediately subsequent to such an exchange) there shall be at least one parking stall appurtenant to each apartment, any such exclusive easement for the use of a parking stall may be conveyed to another apartment owner by a written instrument expressly identifying 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 be denominated as an amendment of this Declaration and of the leases of each apartment affected. The Lessor's and mortgagees', if any, (See Endnote 6) joinder in such amendment will be necessary, but such joinder will not unreasonably be withheld, although a reasonable service charge may be made therefor. To the extent that the joinder of apartment owners in addition to those directly affected may be required in order to validate the Amendment of Declaration for the limited purpose of transferring such easements, such joinder shall be accomplished by power of attorney from each of the owners not affected to the affected owners, the acceptance of ownership of an apartment subject to this Declaration being a grant of such power and the grant, being coupled with an interest, being irrevocable. The transfer, amendment of declaration and amendment of leases shall be effective upon filing of the same in the Office of the Assistant Registrar of

the Land Court of the State of Hawaii. A copy of said conveyance and amendment of declaration and lease shall be given to both the Lessor and the Association by the affected owners within 15 days of the filing thereof. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Condominium Property Act.

11. Purposes.

- (a) The owner of each apartment within the building hereinabove described shall use such apartment only as living accommodations for hotel or apartment use. The owner of Auxiliary Unit #1 (See Endnote 7) in the building shall use such area only for office purposes, sale of food, Hotel Lobby, merchandise or services or any other commercial undertaking, provided however, auxiliary area 1 shall have the exclusive right to use such area for restaurant and bar operations.
- (b) The owner of a condominium unit shall not use the same for any purpose which will injure the reputation of the building. Such owner shall not suffer anything to be done or kept in his apartment or elsewhere which will jeopardize the soundness of the building, or which will interfere with or unreasonably disturb the rights of other owners, or which will obstruct the public halls or stairways of the building, or which will increase the rate of fire insurance on the building or the contents thereof or which will reduce the value of the apartment building.
- (c) The owner of a condominium unit shall not, without the prior written consent of the Board, make any structural alterations in or additions to the exterior of the apartment or to any other portion or portions of the common elements without the unanimous consent of all of the apartment owners, all as provided in the By-Laws attached hereto.
- (d) The owner of a condominium unit shall not, without the prior written consent of the Board or the Managing Agent, display any sign or any other device in or upon any door, window, wall or other portion of the apartment or common elements, or otherwise so as to be visible from the exterior.



- (e) The owner of (See Endnote 8) Auxiliary Unit #1 shall be permitted to (See Endnote 9) construct, improve or otherwise utilize such condominium unit, as shown on Condominium Map No. 216, for future construction of improvements, provided that (1) said improvements to be constructed in full compliance with all applicable laws, ordinance and regulations, including Building and Fire Codes, (2) said improvements shall be made at the sole cost and expense of such owner and (3) such owner shall protect and hold harmless the other condominium units and their owners and all mortgagees of said units, the common elements, and the limited common elements and the premises from any liens of any kind or character which may arise, for labor performed or material furnished in connection with said improvements, including the carrying of a bond conditioned to protect the aforementioned interests and to indemnify said interests against all actions, suits, damages and claims whomsoever brought or made by reason of said improvements.
- (f) Notwithstanding anything to the contrary contained in this Declaration, the By-Laws, or the House Rules, handicapped occupants shall: (1) be permitted to make reasonable modifications to their apartments and/or the common elements, at their expense, if such modifications are necessary to enable them to use and enjoy their apartments and/or the common elements, as the case may be; and (2) be allowed reasonable exemptions from this Declaration, the By-Laws, and the House Rules, when necessary, to enable them to use and enjoy their apartments and/or the common elements, provided that any handicapped occupant desiring to make such modifications or desiring such an exemption submits a written request to the Board, and the Board consents in writing to said request. The request shall set forth, with specificity, and in detail, the nature of the request and the reason that the handicapped occupant needs to make such modification or to be granted such an exemption. The Board shall not unreasonably withhold or delay its consent to such request, and any such request shall be deemed to be granted if the Board does not respond in writing, within forty-five (45) days of the Board's receipt of said request. The Board may condition its consent upon the handicapped occupant complying with the following conditions:

- (i) That the handicapped occupant provide plans and specifications, including detailed plot plans, if requested, at the handicapped occupant's expense;
- (ii) That the handicapped occupant agree to submit the plans and specifications for the proposed additions or alterations to an engineer or other expert selected by the Board for review and approval, at the handicapped occupant's expense;
- (iii) That the handicapped occupant agree to an inspection of the proposed additions or alterations during the course of construction and/or following completion of construction, by an engineer or other expert selected by the Board at the handicapped occupant's expense;
- (iv) That the handicapped occupant strictly comply with all applicable laws, ordinances, and regulations of any governmental entity; and
- (v) That the handicapped occupant obtain any necessary building permits, at the handicapped occupant's expense. (See Endnote 10)

12. Service of Process. The CARWIN CORPORATION, a Hawaii corporation, whose office is located at 841 Bishop Street, Suite 923, Honolulu, Hawaii, is hereby designated as the person to receive service of process until such time as the Board of Directors of the Association of Apartment Owners of this Condominium Property Regime is elected, at which time and thereafter process may be served upon any member of said Board.

13. Percentage of Votes Required for Rebuilding. Where an election is permissible under the terms of the By-Laws and apartment leases to determine whether or not to rebuild, repair or restore the property, the building shall be rebuilt, repaired or restored unless the owners of at least eighty per cent (80%) of the

interests in the common elements execute an instrument expressing their decision not to rebuild, repair or restore.

14. Reserved Rights. The Fee Owner reserves the right to grant, relocate, cancel and otherwise dispose of any and all utility and other easements now or hereafter located on or affecting the land above described.

15. Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such provision had never been included herein.

16. Operation of Property. The operation of the property shall be governed by By-Laws, which are filed separately in said Office of the Assistant Registrar of the Land Court (See Endnote 11), and the apartment leases demising all of the apartments described hereinabove. Each apartment owner shall comply strictly with the By-Laws and his apartment lease.

17. Amendment. Except as provided in Paragraph 10 and the provisions of Chapter 514A of the Hawaii Revised Statutes, this Declaration of Condominium Property Regime may be amended by the vote or written consent of apartment owners of not less than seventy-five per cent (75%) of the interests in the common elements. The amendment shall be effective upon filing in the

Office of the Assistant Registrar of the Land Court of the State of Hawaii. (See Endnote 12)

IN WITNESS WHEREOF, the undersigned have executed this instrument this 18<sup>th</sup> day of July, 1994.

ASSOCIATION OF APARTMENT OWNERS  
OF THE FAIRWAY VILLA, INC.

MARY ANANIAN  
PRESIDENT

By Mary Ananian  
Its President

MARY T. GOBLE  
SECRETARY

By Mary T. Goble  
Its Secretary

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 18 day of July, 1994, before  
me appeared Mary Ananian and \_\_\_\_\_, to  
me known, who, being by me duly sworn, did say that they are the  
President and \_\_\_\_\_, respectively,  
of the ASSOCIATION OF APARTMENT OWNERS OF THE FAIRWAY VILLA, INC.,  
a Hawaii corporation that said instrument was signed in behalf of  
said Association by authority of its Board of Directors, and said  
Mary Ananian and \_\_\_\_\_ acknowledged said  
instrument to be the free act and deed of said Association.

Wendy K. Adams 28  
Notary Public, State of Hawaii

My commission expires: June 21, 1996

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 22<sup>nd</sup> day of July, 1994, before me appeared Mary T. Stables, to me personally known, who, being by me duly sworn, did say that he/she is the Secretary of The Fairway Villa, Inc. and that ~~the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said officer acknowledged said instrument to be the free act and deed of said corporation.~~ the

Donette J. Jullien  
Notary Public,  
STATE OF HAWAII

My commission Expires July 30, 1996

EXHIBIT "A"

Those certain parcels of land situated at Waikiki, Honolulu, State of Hawaii, described as follows:

FIRST:

Lots 24-C, area 7,500.0 square feet, as shown on Map 8, and Lot 24-N-1, area 1,200.0 square feet, as shown on Map 20, the maps herein referred to by number are filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 of Guardian Trust Company, Limited;

SUBJECT, HOWEVER, to the encumbrances more particularly described in said Transfer Certificate of Title.

SECOND:

Lot 47, area 11,003.0 square feet, as shown on Map 26, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

SUBJECT, HOWEVER, to the following:

1. Delineation of Easement for sanitary sewer, as shown on Maps 14 and 26, as set forth by Land Court Order No. 26484, filed November 23, 1966.
2. A Grant of easement in favor of the City and County of Honolulu for sewer affecting Lot 47, dated November 1, 1966 and filed as Document No. 404641.

THIRD:

Lot 24-E-2-A, area 3,207.0 square feet, as shown on Map 15, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

SUBJECT, HOWEVER, to the following:

1. Delineation of Easement for sanitary sewer affecting Lot 24-E-2-A, as shown on Map 28, as set forth by Land Court Order No. 27447, filed August 29, 1967.
2. A Grant of easement in favor of City and County of Honolulu, for sewer, dated April 21, 1967 and filed as Document No. 425263.

**FOURTH:**

Lots 24-A, area 7,500.0 square feet, as shown on Map 8 and Lot 24-B-2, area 1,500.0 square feet, as shown on Map 12; the maps above referred to by numbers are on file in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

**FIFTH:**

Lot 24-B-1, area 6,000.0 square feet, as shown on Map 12, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

The above parcels first through fifth being all of the land described in Transfer of Certificate of Title Number 153715 issued to Theodore Hilton Smyth, husband of Elizabeth McBride Smyth, Trustee, and the Transfer of Certificate of Title Numbers shown on the following pages.



EXHIBIT "B"

1. Building Description.

The building shall have twenty-eight (28) floors with the first floor through parking level sixth being essentially for parking purposes and the seventh floor through the twenty-eighth floor being essentially for apartment or commercial purposes and the twenty-ninth floor is essentially a recreation deck and swimming pool; and one (1) elevator machinery room and ventilation towers are located on the roof of the building.

The first floor consists of two separate levels, the partial basement level has only parking with access to the ground level portion of the first floor through the stairs. The ground level portion has a mechanical-equipment room, a trash room, telephone switchgear, a transformer vault, three (3) loading areas, the Manager's office, one (1) auxiliary unit, the main lobby and mail room.

The second floor has an elevator lobby, extensions from the first floor of the transformer vault and one of the mechanical rooms, extensions of the lobby and parking.

The third through sixth floors each have an elevator lobby, utility room and parking.

The first six floors, being the basement level of the first floor through parking level six, contain three hundred forty-seven (347) standard parking spaces and one hundred eight (108) compact parking spaces. Twenty-six (26) spaces have been combined with twenty-six (26) spaces to form tandem stalls by placing the two spaces end to end, said tandem stalls being stalls 101-102; 103-104; 105-106; 302 & 2313; 401-402; 508-509; 602-603; 628 through 643; 646 through 667. Thus, after the said combination of spaces, the location of the resulting four hundred fifty-five (455) parking stalls is as follows: the basement level of the first floor contains seventy-one (71) stalls; the second floor contains sixty-three (63) stalls; the third through fifth floor contains seventy-six (76) stalls; and the sixth floor contains ninety-three (93) stalls. Each floor contains access ramps and two (2) stairwells. (See Endnote 13)

The seventh through the twelfth and fourteenth through the twenty-seventh floors contain twelve (12) studio apartments, four (4) one-bedroom apartments and two (2) two-bedroom apartments on each floor. Mechanical-electrical equipment and other service spaces, washer-dryer room, elevators and stairwells are also located on each of the seventh through the twenty-seventh floors.

The twenty-eighth floor contains three (3) penthouses and pool storage room.

The twenty-ninth floor contains the recreation deck with a swimming pool, shower and sauna rooms, and a locker room.

2. Materials.

The principal materials used in the construction of the building are concrete, concrete blocks, aluminum, glass steel, wooden and steel doors and trim.

3. Location, Area, Percentage Interest of Apartments.

The building is rectangular in shape and runs roughly North and South.

The percentage of undivided interest in the common elements pertaining to each apartment shall be as set forth in Exhibit "C" attached hereto and made a part hereof.

The building contains three hundred sixty-two (362) apartments, a resident manager's apartment, and one (1) auxiliary unit. Each apartment has been given a three or four digit number designation by which its location in the building can be determined. The last two digits indicate the location of the apartment on a floor and the digit or digits preceding the last two digits indicate the floor on which the apartment is located. For example, Apartment 701 is located at the Makai end of the building on the 7th floor and Apartment 2618 is located at the Mauka end of the building on the 26th floor.

Auxiliary Unit Number 1 is located on the 1st floor.  
Apartments 701 to 718 are located on the 7th floor.  
Apartments 801 to 818 are located on the 8th floor.  
Apartments 901 to 918 are located on the 9th floor.  
Apartments 1001 to 1018 are located on the 10th floor.  
Apartments 1101 to 1118 are located on the 11th floor.  
Apartments 1201 to 1218 are located on the 12th floor.  
Apartments 1401 to 1418 are located on the 14th floor  
Apartments 1501 to 1518 are located on the 15th floor.  
Apartments 1601 to 1618 are located on the 16th floor.

Apartments 1701 to 1718 are located on the 17th floor.  
Apartments 1801 to 1818 are located on the 18th floor.  
Apartments 1901 to 1918 are located on the 19th floor.  
Apartments 2001 to 2018 are located on the 20th floor.  
Apartments 2101 to 2118 are located on the 21st floor.  
Apartments 2201 to 2218 are located on the 22nd floor.  
Apartments 2301 to 2318 are located on the 23rd floor.  
Apartments 2401 to 2418 are located on the 24th floor.  
Apartments 2501 to 2518 are located on the 25th floor.  
Apartments 2601 to 2618 are located on the 26th floor.  
Apartments 2701 to 2718 are located on the 27th floor.  
Apartments PH 2801 to PH 2803 are located on the 28th floor.

Each apartment contains the number of rooms and the approximate floor area according to plans which are a part of said Condominium Map as follows:

- (1) TYPICAL STUDIO APARTMENT: There are two hundred forty (240) studio apartments, consisting of two basic types: Type A-3 and A-4. Types A-3 and A-4 contain three (3) rooms, including a living room-bedroom-kitchen, a bathroom, a dressing room and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
- (2) TYPICAL ONE-BEDROOM APARTMENT: There are eighty (80) typical one-bedroom apartments, consisting of four basic types: Type A-2; A-5; A-6; and A-7. Types A-2, A-5, A-6, and A-7 contain four (4) rooms, including a living room, a bedroom, a kitchen, a bathroom and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.

- (3) TYPICAL TWO-BEDROOM APARTMENT: There are forty (40) typical two-bedroom apartments, consisting of two basic types: Type A-1 and A-8. Types A-1 and A-8 contain six (6) rooms, a living room, two bedrooms, a kitchen, two bathrooms and a lanai. The number, type area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
- (4) THREE-BEDROOM PENTHOUSE: There are three (3) three-bedroom penthouse apartments, being numbers PH 2801, PH 2802 and PH 2803. PH 2801 and PH 2802 contain seven (7) rooms, a living room, three bedrooms, a kitchen, two bathrooms and a lanai. PH 2803 contains ten (10) rooms, a living room, three bedrooms, a kitchen, three bathrooms, study, dining room and a lanai. The number, type area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof. (See Endnote 14)
- (5) AUXILIARY UNIT: There is one (1) auxiliary (See Endnote 15) unit. Auxiliary unit number 1 is located at the Mauka-Diamond Head corner of the first floor and consists of an area of approximately 1,227 square feet, as delineated on said Condominium Map. The common interest of Auxiliary Unit #1 is shown on Exhibit "C" attached hereto and made a part hereof. (See Endnote 16)

EXHIBIT "C"

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
701	A-1	723	151	874	7	.432‡
702	A-2	560	151	711	7	.342‡
703	A-3	364	77	441	7	.219‡
704	A-4	364	77	441	7	.219‡
705	A-3	364	77	441	7	.219‡
706	A-4	364	77	441	7	.219‡
707	A-3	364	77	441	7	.219‡
708	A-4	364	77	441	7	.219‡
709	A-3	364	77	441	7	.219‡
710	A-4	364	77	441	7	.219‡
711	A-3	364	77	441	7	.219‡
712	A-5	525	151	676	7	.336‡
713	A-3	364	77	441	7	.219‡
714	A-6	555	151	706	7	.347‡
715	A-3	364	77	441	7	.219‡
716	A-3	364	77	441	7	.219‡
718	A-7	560	151	711	7	.342‡
801	A-1	723	151	874	8	.432‡
802	A-2	560	151	711	8	.342‡
803	A-3	364	77	441	8	.219‡

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
804	A-4	364	77	441	8	.219%
805	A-3	364	77	441	8	.219%
806	A-4	364	77	441	8	.219%
807	A-3	364	77	441	8	.219%
808	A-4	364	77	441	8	.219%
809	A-3	364	77	441	8	.219%
810	A-4	364	77	441	8	.219%
811	A-3	364	77	441	8	.219%
812	A-5	525	151	676	8	.336%
813	A-3	364	77	441	8	.219%
814	A-6	555	151	706	8	.347%
815	A-3	364	77	441	8	.219%
816	A-3	364	77	441	8	.219%
817	A-8	723	151	874	8	.432%
818	A-7	560	151	711	8	.342%
901	A-1	723	151	874	9	.432%
902	A-2	560	151	711	9	.342%
903	A-3	364	77	441	9	.219%
904	A-4	364	77	441	9	.219%
905	A-3	364	77	441	9	.219%
906	A-4	364	77	441	9	.219%
907	A-3	364	77	441	9	.219%
908	A-4	364	77	441	9	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
909	A-3	364	77	441	9	.219‡
910	A-4	364	77	441	9	.219‡
911	A-3	364	77	441	9	.219‡
912	A-5	525	151	676	9	.336‡
913	A-3	364	77	441	9	.219‡
914	A-6	555	151	706	9	.347‡
915	A-3	364	77	441	9	.219‡
916	A-3	364	77	441	9	.219‡
917	A-8	723	151	874	9	.432‡
918	A-7	560	151	711	9	.342‡
1001	A-1	723	151	874	10	.432‡
1002	A-2	560	151	711	10	.342‡
1003	A-3	364	77	441	10	.219‡
1004	A-4	364	77	441	10	.219‡
1005	A-3	364	77	441	10	.219‡
1006	A-4	364	77	441	10	.219‡
1007	A-3	364	77	441	10	.219‡
1008	A-4	364	77	441	10	.219‡
1009	A-3	364	77	441	10	.219‡
1010	A-4	364	77	441	10	.219‡
1011	A-3	364	77	441	10	.219‡
1012	A-5	525	151	676	10	.336‡
1013	A-3	364	77	441	10	.219‡

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1014	A-6	555	151	706	10	.347%
1015	A-3	364	77	441	10	.219%
1016	A-3	364	77	441	10	.219%
1017	A-8	723	151	874	10	.432%
1018	A-7	560	151	711	10	.342%
1101	A-1	723	151	874	11	.432%
1102	A-2	560	151	711	11	.342%
1103	A-3	364	77	441	11	.219%
1104	A-4	364	77	441	11	.219%
1105	A-3	364	77	441	11	.219%
1106	A-4	364	77	441	11	.219%
1107	A-3	364	77	441	11	.219%
1108	A-4	364	77	441	11	.219%
1109	A-3	364	77	441	11	.219%
1110	A-4	364	77	441	11	.219%
1111	A-3	364	77	441	11	.219%
1112	A-5	525	151	676	11	.336%
1113	A-3	364	77	441	11	.219%
1114	A-6	555	151	706	11	.347%
1115	A-3	364	77	441	11	.219%
1116	A-3	364	77	441	11	.219%
1117	A-8	723	151	874	11	.432%
1118	A-7	560	151	711	11	.342%



Apt. No.	Type	Apt.	Area Square Feet		Floor Level	Common Interest
			Lanai	Total		
1201	A-1	723	151	874	12	.432%
1202	A-2	560	151	711	12	.342%
1203	A-3	364	77	441	12	.219%
1204	A-4	364	77	441	12	.219%
1205	A-3	364	77	441	12	.219%
1206	A-4	364	77	441	12	.219%
1207	A-3	364	77	441	12	.219%
1208	A-4	364	77	441	12	.219%
1209	A-3	364	77	441	12	.219%
1210	A-4	364	77	441	12	.219%
1211	A-3	364	77	441	12	.219%
1212	A-5	525	151	676	12	.336%
1213	A-3	364	77	441	12	.219%
1214	A-6	555	151	706	12	.347%
1215	A-3	364	77	441	12	.219%
1216	A-3	364	77	441	12	.219%
1217	A-8	723	151	874	12	.432%
1218	A-7	560	151	711	12	.342%
1401	A-1	723	151	874	14	.432%
1402	A-2	560	151	711	14	.342%
1403	A-3	364	77	441	14	.219%
1404	A-4	364	77	441	14	.219%
1405	A-3	364	77	441	14	.219%
1406	A-4	364	77	441	14	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1407	A-3	364	77	441	14	.219%
1408	A-4	364	77	441	14	.219%
1409	A-3	364	77	441	14	.219%
1410	A-4	364	77	441	14	.219%
1411	A-3	364	77	441	14	.219%
1412	A-5	525	151	676	14	.336%
1413	A-3	364	77	441	14	.219%
1414	A-6	555	151	706	14	.347%
1415	A-3	364	77	441	14	.219%
1416	A-3	364	77	441	14	.219%
1417	A-8	723	151	874	14	.432%
1418	A-7	560	151	711	14	.342%
1501	A-1	723	151	874	15	.432%
1502	A-2	560	151	711	15	.342%
1503	A-3	364	77	441	15	.219%
1504	A-4	364	77	441	15	.219%
1505	A-3	364	77	441	15	.219%
1506	A-4	364	77	441	15	.219%
1507	A-3	364	77	441	15	.219%
1508	A-4	364	77	441	15	.219%
1509	A-3	364	77	441	15	.219%
1510	A-4	364	77	441	15	.219%
1511	A-3	364	77	441	15	.219%
1512	A-5	525	151	676	15	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1513	A-3	364	77	441	15	.219‡
1514	A-6	555	151	706	15	.347‡
1515	A-3	364	77	441	15	.219‡
1516	A-3	364	77	441	15	.219‡
1517	A-8	723	151	874	15	.432‡
1518	A-7	560	151	711	15	.342‡
1601	A-1	723	151	874	16	.432‡
1602	A-2	560	151	711	16	.342‡
1603	A-3	364	77	441	16	.219‡
1604	A-4	364	77	441	16	.219‡
1605	A-3	364	77	441	16	.219‡
1606	A-4	364	77	441	16	.219‡
1607	A-3	364	77	441	16	.219‡
1608	A-4	364	77	441	16	.219‡
1609	A-3	364	77	441	16	.219‡
1610	A-4	364	77	441	16	.219‡
1611	A-3	364	77	441	16	.219‡
1612	A-5	525	151	676	16	.336‡
1613	A-3	364	77	441	16	.219‡
1614	A-6	555	151	706	16	.347‡
1615	A-3	364	77	441	16	.219‡
1616	A-3	364	77	441	16	.219‡
1617	A-8	723	151	874	16	.432‡
1618	A-7	560	151	711	16	.342‡

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanal</u>	<u>Total</u>		
1701	A-1	723	151	874	17	.432%
1702	A-2	560	151	711	17	.342%
1703	A-3	364	77	441	17	.219%
1704	A-4	364	77	441	17	.219%
1705	A-3	364	77	441	17	.219%
1706	A-4	364	77	441	17	.219%
1707	A-3	364	77	441	17	.219%
1708	A-4	364	77	441	17	.219%
1709	A-3	364	77	441	17	.219%
1710	A-4	364	77	441	17	.219%
1711	A-3	364	77	441	17	.219%
1712	A-5	525	151	676	17	.336%
1713	A-3	364	77	441	17	.219%
1714	A-6	555	151	706	17	.347%
1715	A-3	364	77	441	17	.219%
1716	A-3	364	77	441	17	.219%
1717	A-8	723	151	874	17	.432%
1718	A-7	560	151	711	17	.342%
1801	A-1	723	151	874	18	.432%
1802	A-2	560	151	711	18	.342%
1803	A-3	364	77	441	18	.219%
1804	A-4	364	77	441	18	.219%
1805	A-3	364	77	441	18	.219%
1806	A-4	364	77	441	18	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1807	A-3	364	77	441	18	.219%
1808	A-4	364	77	441	18	.219%
1809	A-3	364	77	441	18	.219%
1810	A-4	364	77	441	18	.219%
1811	A-3	364	77	441	18	.219%
1812	A-5	525	151	676	18	.336%
1813	A-3	364	77	441	18	.219%
1814	A-6	555	151	706	18	.347%
1815	A-3	364	77	441	18	.219%
1816	A-3	364	77	441	18	.219%
1817	A-8	723	151	874	18	.432%
1818	A-7	560	151	711	18	.342%
1901	A-1	723	151	874	19	.432%
1902	A-2	560	151	711	19	.342%
1903	A-3	364	77	441	19	.219%
1904	A-4	364	77	441	19	.219%
1905	A-3	364	77	441	19	.219%
1906	A-4	364	77	441	19	.219%
1907	A-3	364	77	441	19	.219%
1908	A-4	364	77	441	19	.219%
1909	A-3	364	77	441	19	.219%
1910	A-4	364	77	441	19	.219%
1911	A-3	364	77	441	19	.219%
1912	A-5	525	151	676	19	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1913	A-3	364	77	441	19	.219%
1914	A-6	555	151	706	19	.347%
1915	A-3	364	77	441	19	.219%
1916	A-3	364	77	441	19	.219%
1917	A-8	723	151	874	19	.432%
1918	A-7	560	151	711	19	.342%
2001	A-1	723	151	874	20	.432%
2002	A-2	560	151	711	20	.342%
2003	A-3	364	77	441	20	.219%
2004	A-4	364	77	441	20	.219%
2005	A-3	364	77	441	20	.219%
2006	A-4	364	77	441	20	.219%
2007	A-3	364	77	441	20	.219%
2008	A-4	364	77	441	20	.219%
2009	A-3	364	77	441	20	.219%
2010	A-4	364	77	441	20	.219%
2011	A-3	364	77	441	20	.219%
2012	A-5	525	151	676	20	.336%
2013	A-3	364	77	441	20	.219%
2014	A-6	555	151	706	20	.347%
2015	A-3	364	77	441	20	.219%
2016	A-3	364	77	441	20	.219%
2017	A-8	723	151	874	20	.432%
2018	A-7	560	151	711	20	.342%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2101	A-1	723	151	874	21	.432%
2102	A-2	560	151	711	21	.342%
2103	A-3	364	77	441	21	.219%
2104	A-4	364	77	441	21	.219%
2105	A-3	364	77	441	21	.219%
2106	A-4	364	77	441	21	.219%
2107	A-3	364	77	441	21	.219%
2108	A-4	364	77	441	21	.219%
2109	A-3	364	77	441	21	.219%
2110	A-4	364	77	441	21	.219%
2111	A-3	364	77	441	21	.219%
2112	A-5	525	151	676	21	.336%
2113	A-3	364	77	441	21	.219%
2114	A-6	555	151	706	21	.347%
2115	A-3	364	77	441	21	.219%
2116	A-3	364	77	441	21	.219%
2117	A-8	723	151	874	21	.432%
2118	A-7	560	151	711	21	.342%
2201	A-1	723	151	874	22	.432%
2202	A-2	560	151	711	22	.342%
2203	A-3	364	77	441	22	.219%
2204	A-4	364	77	441	22	.219%
2205	A-3	364	77	441	22	.219%
2206	A-4	364	77	441	22	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2207	A-3	364	77	441	22	.219%
2208	A-4	364	77	441	22	.219%
2209	A-3	364	77	441	22	.219%
2210	A-4	364	77	441	22	.219%
2211	A-3	364	77	441	22	.219%
2212	A-5	525	151	676	22	.336%
2213	A-3	364	77	441	22	.219%
2214	A-6	555	151	706	22	.347%
2215	A-3	364	77	441	22	.219%
2216	A-3	364	77	441	22	.219%
2217	A-8	723	151	874	22	.432%
2218	A-7	560	151	711	22	.342%
2301	A-1	723	151	874	23	.432%
2302	A-2	560	151	711	23	.342%
2303	A-3	364	77	441	23	.219%
2304	A-4	364	77	441	23	.219%
2305	A-3	364	77	441	23	.219%
2306	A-4	364	77	441	23	.219%
2307	A-3	364	77	441	23	.219%
2308	A-4	364	77	441	23	.219%
2309	A-3	364	77	441	23	.219%
2310	A-4	364	77	441	23	.219%
2311	A-3	364	77	441	23	.219%
2312	A-5	525	151	676	23	.336%



<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2313	A-3	364	77	441	23	.219%
2314	A-6	555	151	706	23	.347%
2315	A-3	364	77	441	23	.219%
2316	A-3	364	77	441	23	.219%
2317	A-8	723	151	874	23	.432%
2318	A-7	560	151	711	23	.342%
2401	A-1	723	151	874	24	.432%
2402	A-2	560	151	711	24	.342%
2403	A-3	364	77	441	24	.219%
2404	A-4	364	77	441	24	.219%
2405	A-3	364	77	441	24	.219%
2406	A-4	364	77	441	24	.219%
2407	A-3	364	77	441	24	.219%
2408	A-4	364	77	441	24	.219%
2409	A-3	364	77	441	24	.219%
2410	A-4	364	77	441	24	.219%
2411	A-3	364	77	441	24	.219%
2412	A-5	525	151	676	24	.336%
2413	A-3	364	77	441	24	.219%
2414	A-6	555	151	706	24	.347%
2415	A-3	364	77	441	24	.219%
2416	A-3	364	77	441	24	.219%
2417	A-8	723	151	874	24	.432%
2418	A-7	560	151	711	24	.342%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2501	A-1	723	151	874	25	.432‡
2502	A-2	560	151	711	25	.342‡
2503	A-3	364	77	441	25	.219‡
2504	A-4	364	77	441	25	.219‡
2505	A-3	364	77	441	25	.219‡
2506	A-4	364	77	441	25	.219‡
2507	A-3	364	77	441	25	.219‡
2508	A-4	364	77	441	25	.219‡
2509	A-3	364	77	441	25	.219‡
2510	A-4	364	77	441	25	.219‡
2511	A-3	364	77	441	25	.219‡
2512	A-5	525	151	676	25	.336‡
2513	A-3	364	77	441	25	.219‡
2514	A-6	555	151	706	25	.347‡
2515	A-3	364	77	441	25	.219‡
2516	A-3	364	77	441	25	.219‡
2517	A-8	723	151	874	25	.432‡
2518	A-7	560	151	711	25	.342‡
2601	A-1	723	151	874	26	.432‡
2602	A-2	560	151	711	26	.342‡
2603	A-3	364	77	441	26	.219‡
2604	A-4	364	77	441	26	.219‡
2605	A-3	364	77	441	26	.219‡
2606	A-4	364	77	441	26	.219‡

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2607	A-3	364	77	441	26	.219%
2608	A-4	364	77	441	26	.219%
2609	A-3	364	77	441	26	.219%
2610	A-4	364	77	441	26	.219%
2611	A-3	364	77	441	26	.219%
2612	A-5	525	151	676	26	.336%
2613	A-3	364	77	441	26	.219%
2614	A-6	555	151	706	26	.347%
2615	A-3	364	77	441	26	.219%
2616	A-3	364	77	441	26	.219%
2617	A-8	723	151	874	26	.432%
2618	A-7	560	151	711	26	.342%
2701	A-1	723	151	874	27	.432%
2702	A-2	560	151	711	27	.342%
2703	A-3	364	77	441	27	.219%
2704	A-4	364	77	441	27	.219%
2705	A-3	364	77	441	27	.219%
2706	A-4	364	77	441	27	.219%
2707	A-3	364	77	441	27	.219%
2708	A-4	364	77	441	27	.219%
2709	A-3	364	77	441	27	.219%
2710	A-4	364	77	441	27	.219%
2711	A-3	364	77	441	27	.219%
2712	A-5	525	151	676	27	.336%

Apt. No.	Type	Apt.	Area Square Feet		Floor Level	Common Interest
			Lanai	Total		
2713	A-3	364	77	441	27	.219%
2714	A-6	555	151	706	27	.347%
2715	A-3	364	77	441	27	.219%
2716	A-3	364	77	441	27	.219%
2717	A-8	723	151	874	27	.432%
2718	A-7	560	151	711	27	.342%
PH 2801	PH 2801	1092	224	1316	28	.654%
PH 2802	PH 2802	1092	231	1323	28	.666%
PH 2803	PH 2803	2184	462	2646	28	1.306%
Auxiliary	Unit #1			1227	1	.626%

Each Apartment has immediate access to the hallway on its level and to the stairways and elevators between the floors of the building.

EXHIBIT "D"

There are ten (10) standard parking stalls for guest parking located on the sixth floor, being parking stalls numbered 618 through 627 inclusive.

The following parking stalls shall be appurtenant to the following apartments:

<u>Parking Stall No.</u>	<u>Apartment No.</u>
109 Compact	1201
110 Compact	918
202 Compact	1818
203 Compact	2016
204 Compact	2301
205 Compact	2217
207 Regular	715
301 Compact	912
303 Compact	2201
304 Compact	1906
305 Compact	2105
403 Compact	1901
404 Compact	2401
405 Compact	1717
406 Compact	1718
502 Compact	1601
503 Compact	1617
504 Compact	2317
505 Compact	2317

The following parking stalls shall be appurtenant to Apartment

PH 2801:

101 and 102 Regular Tandem  
107 Compact  
201 Regular  
401 and 402 Compact Tandem  
508 and 509 Compact Tandem  
628 and 629 Compact Tandem  
630 and 631 Compact Tandem  
632 and 633 Compact Tandem  
634 and 635 Compact Tandem  
636 and 637 Compact Tandem  
638 and 639 Compact Tandem

The following parking stalls shall be appurtenant to Apartment  
PH 2802:

103 and 104 Regular Tandem  
302 Compact Tandem  
507 Compact  
604 Compact  
607 Compact  
650 and 651 Regular Tandem  
652 and 653 Regular Tandem  
654 and 655 Regular Tandem  
656 and 657 Regular Tandem  
658 and 659 Regular Tandem  
660 and 661 Regular Tandem  
664 and 665 Regular Tandem

The following parking stalls shall be appurtenant to Apartment  
PH 2803:

105 and 106 Regular Tandem  
108 Compact  
206 Compact  
506 Compact  
602 and 603 Compact Tandem  
640 and 641 Compact Tandem  
542 and 643 Compact Tandem  
645 Compact  
646 and 647 Regular Tandem  
648 and 649 Regular Tandem  
662 and 663 Regular Tandem  
666 and 667 Tandem (666 Compact and 667 Regular)

(See Endnote 17)

#### ENDNOTES

The following endnotes correspond to provisions in the Declaration of Horizontal Property Regime of the Fairway Villa, as restated to conform to Chapter 514A, Hawaii Revised Statutes, and the Federal Fair Housing Act (42 U.S.C. Sections 3601 et seq.), and to integrate all amendments made to the Fairway Villa's Declaration. This restatement was made solely for purposes of information and convenience. The Restated Declaration of Condominium Property Regime under Chapter 514A, Hawaii Revised Statutes, correctly sets forth without change the corresponding provisions of the original Declaration, as amended, and supersedes the original Declaration and all prior amendments thereto. In the event of a conflict, the Restated Declaration shall be subordinate to the original Declaration, amendments and cited statutes.

1. Act 65 (SLH, 1988) redesignated the Horizontal Property Act as the Condominium Property Act. Act 98 (SLH, 1977) repealed Chapter 514, Hawaii Revised Statutes, ("HRS"), and enacted Chapter 514A, HRS in its place. Therefore, throughout this restatement, references to the previous usage and Chapter have been amended to reflect present terminology.
2. Note that the Eighth Amendment of the Declaration of Horizontal Property Regime of Fairway Villa, dated November 5, 1990 and filed as Land Court Document No. 2047940 moved the location of parking stalls 2314 and 2315 and amended the Condominium Map to reflect that change. The new map also shows the location of the emergency generator room which was constructed at the project.
3. Paragraph 5 was amended by the First Amendment to Declaration of Horizontal Property Regime of Fairway Villa dated March 13, 1975, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 153715 (hereinafter called the "First Amendment").
4. Paragraph 6.(j) was amended by the Amendment to Declaration of Horizontal Property Regime and By-laws of Fairway Villa dated May 30, 1984, and filed as aforesaid as Land Court Document No. 1244122 (hereinafter called the "Second Amendment").
5. Paragraph 7.(a) was amended by said First Amendment to Declaration. Note that the Eighth Amendment of the Declaration of Horizontal Property Regime of Fairway Villa, dated November 5, 1990 and filed as Land Court Document No. 2047940 moved the location of parking stalls 2314 and 2315 and amended the Condominium Map to reflect that change. The new map also shows the location of the emergency generator room which was constructed at the project.

6. Paragraph 10. was amended to conform to the requirements of Section 514A-14 of the Hawaii Revised Statutes.
7. Subparagraph 11.(a) was amended by said First Amendment to Declaration.
8. Subparagraph 11.(e) was amended by said First Amendment to Declaration.
9. Subparagraph 11.(e) was amended by said First Amendment to Declaration.
10. Subparagraph 11.(f) was added to conform to the requirements of the Fair Housing Amendments Act, as amended (42 U.S.C. Section 3601, et. seq.)
11. Paragraph 16. was amended to reflect that the By-Laws have been filed separately in said Office of the Assistant Registrar of the Land Court.
12. Paragraph 17. was amended in its entirety by the Eighth Amendment to Declaration of Fairway Villa dated November 5, 1990, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2047940.
13. The fifth paragraph of number 1. of Exhibit "B" was amended by said Second Amendment.
14. Subparagraph (4) was amended by said First Amendment
15. Subparagraph (5) was amended by said First Amendment.
16. Subparagraph (5) was amended by said First Amendment.
17. Exhibit "D" was amended in its entirety by said First Amendment.



FAIRWAY VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
701	404451
702	409350
703	309536
704	404452
705	309536
706	404453
707	404454
708	434407
709	413587
710	409351
711	309536
712	309536
713	404457
714	404458
715	404459
716	409352
717	"Manager's apt. no TCT issued."
718	404460
801	404617
802	404461
803	404462
804	435534
805	409353
806	404464
807	404637

EXHIBIT " A "

## FAIRWAY VILLA

PAGE 2

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
808	309536
809	404465
810	404466
811	404620
812	309536
813	409354
814	430434 /
815	429586 /
816	410224
817	404469
818	309536
901	404470
902	309536
903	409356
904	409357
905	416391 /
906	404471
907	409359
908	404472
909	404627
910	309536
911	412762
912	404473
913	412763
914	309536

## FAIRWAY VILLA

PAGE 3

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
915	409360
916	404474
917	404475
918	418149 /
1001	404476
1002	404477
1003	309536
1004	404478
1005	409361
1006	420515 /
1007	309536
1008	309536
1009	404621
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	404481
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485

## FAIRWAY VILLA

PAGE 4

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	404618
1106	410597
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	404493
1115	404494
1116	404622
1117	404495
1118	431021 /
1201	309536
1202	410544
1203	404496
1204	404497
1205	404498
1206	428684 /
1207	404500
1208	410545
1209	309536
1210	404501

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FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1211	309596
1212	409366
1213	404502
1214	404503
1215	404504
1216	409367
1217	404505
1218	404506
1401	409368
1402	404632
1403	409369
1404	404507
1405	404508
1406	309536
1407	404508
1408	404509
1409	404508
1410	404510
1411	404508
1412	408188
1413	404508
1414	404512
1415	309536
1416	409370
1417	404513

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FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1418	404514
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	404519
1508	404520
1509	404629
1510	410547
1511	404521
1512	309536
1513	409371
1514	404522
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	309536
1605	404526
1606	404527

## FAIRWAY VILLA

PAGE 7

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	429366 /
1608	404529
1609	404530
1610	404531
1611	309536
1613	409375
1614	409376
1615	409377
1616	409378
1617	404532 /
1618	420462 /
1701	409421
1702	404533
1703	309536
1704	404534
1705	409380
1706	409381
1707	404535
1708	409382
1709	404536
1710	309536
1711	404537
1712	309536
1713	404538
1714	404539

## FAIRWAY VILLA

PAGE 8

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1715	404540
1716	409383
1717	404541
1718	404542
1801	412765
1802	410548
1803	417322
1804	309536
1805	404543
1806	409384
1807	404544
1808	404545
1809	409385
1810	404546
1811	409386
1812	404547
1813	404548
1814	412294
1815	409388
1816	409389
1817	409390
1818	309536
1901	404549
1902	404633
1903	404550



## FAIRWAY VILLA

PAGE 9

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1904	404551
1905	409391
1906	411968
1907	410550
1908	404552
1909	404553
1910	404554
1911	404555
1912	309536
1913	404556
1914	309536
1915	404557
1916	309536
1917	408842
1918	404559
2001	409393
2002	419965
2003	404561
2004	309536
2005	409394
2006	409395
2007	309536
2008	404562
2009	404563
2010	404575

## FAIRWAY VILLA

PAGE 10

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	309536
2013	404564
2014	404565
2015	309536
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	309536
2105	404568
2106	404569
2107	404570
2108	404571
2109	404572
2110	417194
2111	404574
2112	404576
2113	404577
2114	404578
2115	309536
2116	404579
2117	404580

## FAIRWAY VILLA

PAGE 11

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2118	409399
2201	404581
2202	409400
2203	409401
2204	309536
2205	409402
2206	431392 /
2207	404626
2208	404582
2209	435941 /
2210	410551
2211	309536
2212	404584
2213	412766
2214	404585
2215	409403
2216	404586
2217	428665 /
2218	420947 /
2301	404589
2302	404590
2303	404634
2304	404591
2305	433154 /
2306	309536

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2307	404592
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	424295 /
2315	404597
2316	309536
2317	404598
2318	309536
2401	404599
2402	404600
2403	309536
2404	409407
2405	404601
2406	428540 /
2407	409408
2408	409409
2409	404602
2410	309536
2411	404603
2412	404604
2413	404605

FAIRWAY VILLA

PAGE 13

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2414	404606
2415	409698
2416	406925
2417	409411
2418	404623
2501	404638
2502	404624
2503	404608
2504	309536
2505	409412
2506	309536
2507	433279 /
2508	309536
2509	435184 /
2510	309536
2511	433802 /
2512	404609
2513	431376 /
2514	404610
2515	309536
2516	309536
2517	409413
2518	433951 /
2601	309536
2602	309536

## FAIRWAY VILLA

PAGE 14

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2603	309536
2604	309536
2605	309536
2606	309536
2607	309536
2608	309536
2609	410552
2610	309536
2611	309536
2612	309536
2613	309536
2614	309536
2615	309536
2616	309536
2617	309536
2618	309536
2701	404628
2702	404611
2703	404612
2704	309536
2705	404613
2706	409414
2707	404625
2708	309536
2709	424296 /

## FAIRWAY VILLA

PAGE 15

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	309536
2714	404615
2715	309536
2716	309536
2717	409417
2718	435452 /
AUX1	309536
PH2801	409418
PH2802	409419
PH2803	409420

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/s/ CARL T. WATANABE  
ASSISTANT REGISTRAR

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LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( XX ) TO:

MILTON M. MOTOOKA  
Motooka Yamamoto & Revere  
1000 Bishop Street, Suite 801  
Honolulu, Hawaii 96813  
Tel. No. (808) 532-7900

Fairway Villa

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SECOND RESTATEMENT OF DECLARATION OF  
CONDOMINIUM PROPERTY REGIME OF FAIRWAY VILLA, INC.

WHEREAS, THEODORE HILTON SMYTH, as Trustee For The Benefit of Theodore H. Smythe, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, a short form of which was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document 606183, whose post office address is 4234 Cresta Avenue, Santa Barbara, California (hereinafter called the "Fee Owner"), was the Owner of the land described herein; and

WHEREAS, Fee Owner and THE CARWIN CORPORATION, a Hawaii corporation, having its principal place of business and post office address at Suite 923, The Davies Pacific Center, 841 Bishop Street, Honolulu, City and County of Honolulu, State of Hawaii, doing business as FAIRWAY VILLA VENTURE, a joint venture, registered to do business in the State of Hawaii (hereinafter



called "Developer"), entered into a Development Agreement with said Fee Owner dated June 1, 1972, and erected an apartment building upon said property; and

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514A, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153715, and the Transfer Certificate of Title Numbers shown on the attached Exhibit D. The Fee Owner and the Developer submitted the property described in the Declaration to provisions of the Horizontal Property Regime (now known as the Condominium Property Regimes, Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project, a Horizontal Property Regime, were attached to said Declaration as Exhibit "A"; and

WHEREAS, said Declaration and By-Laws were amended by instruments dated March 13, 1975, May 30, 1984, May 16, 1985, April 23, 1986, May 16, 1988, November 5, 1990, January 1, 1992, May 20, 1993, June 8, 1995, March 6, 1998, March 6, 1998, and July 14, 1998, and filed as aforesaid as Document Nos. 713792, 1244122, 1301266, 1370262, 1551314, 1885153, 2047939, 2047940, 2248121, 2459273, 2459274, and 2477187, respectively, and restated by instruments both dated July 18, 1994 and filed as aforesaid as Document Nos. 2169790 and 2169791; and

WHEREAS, Section 514A-82.2, Hawaii Revised Statutes, empowers the Board of Directors of the Association established by said By-Laws to restate the Declaration to include therein any amendments thereto, and to conform the provisions thereof to the provisions of Chapter 514A, Hawaii Revised Statutes, and any other statute, ordinance, rules, or regulation enacted by any governmental authority, by a resolution adopted by the Board of Directors; and

WHEREAS, at a meeting duly held on July 21, 2004, said Board of Directors resolved to again restate the Declaration, pursuant to Section 514A-82.2, Hawaii Revised Statutes, in the manner set forth herein;

NOW, THEREFORE, the Declaration is hereby restated to read as follows:

1. The Condominium (See Endnote 1) Property Regime established hereby shall be known as the FAIRWAY VILLA Condominium Project.

2. Land Description. The land submitted to the Condominium (See Endnote 1) Property Regime is described in Exhibit "A" attached hereto and made a part hereof.

3. Description of Building. The apartment building shall consist of twenty-eight (28) stories with the first floor consisting of two levels, designated the first through twelfth and fourteenth through twenty-ninth floors (number thirteen has been omitted), with a portion of the first floor consisting of parking level designated "Basement", located below ground level, containing three hundred sixty-two (362) apartments and one (1) auxiliary unit, each of which shall constitute an "apartment", as defined and used in Chapter 514A, Hawaii Revised Statutes, and which are sometimes hereafter separately or collectively called condominium unit or units, and each of which shall constitute a separate estate, and in addition thereto, there shall be a resident manager's apartment. The building is constructed principally of reinforced concrete, steel, glass, aluminum and allied building materials with integrated walls, columns, supports and parking facilities. Said building is more particularly described in Exhibit "B" hereunto attached and made a part hereof.

4. Apartments. The individual apartments are described in said Exhibit "B" and Exhibit "C" and on the Condominium Map No. 216 filed in the Office of the Assistant Registrar of the Land Court simultaneously herewith. (See Endnote 2)

5. Limits of Apartments. The respective apartments do not include the undecorated or unfinished surfaces of the perimeter walls, the interior party walls, or the floors and ceiling which surround the apartments or any pipes, shafts, wires, conduits or other utility or service lines, running through such apartments which are utilized for or serve more than one condominium unit, the same being deemed common elements as hereinafter provided. Subject to the foregoing each apartment shall include the adjacent lanai or lanais shown on said Condominium Map, 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, the exterior of the lanai railing and all air space encompassed within the apartment, together with the built-in fixtures including all electrical and plumbing fixtures, range with hood, refrigerator/freezer, garbage disposal unit, clothes washer and dryer, dishwasher (installed only in one-bedroom and two-bedroom apartments); wall-to-wall carpeting in living room, bedroom and hallway areas; vinyl asbestos tile in kitchens and bathrooms, drapes and drapery rods in living room and bedroom areas. (See Endnote 3)

6. Common Elements. The common elements will include the limited common elements described in Paragraph 7 below and all other portions of the land and improvements other than the apartments, including the apartment building, the land on which it is located, and all elements mentioned in the Condominium Property Act which are actually constructed on the land described herein, and specifically shall include, but shall not be limited to:

- (a) Said land described in Exhibit "A";
- (b) All foundations, columns, girders, beams, supports, load bearing walls, corridors, fire escapes, entry halls, stairs, walkways, entrances and exits of said building;
- (c) The roofs;
- (d) All yards and refuse areas;
- (e) All driveway and parking areas;
- (f) All ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, cold and hot water, television antenna, refuse and telephone;
- (g) Automatic electric passenger elevators with elevator housing and appurtenant equipment;
- (h) Swimming pool with recreation area, the corridor and the elevator lobby situated on the recreation deck;
- (i) The manager's residence on the seventh floor;
- (j) The manager's office on the first floor and parking stall; (See Endnote 4)
- (k) Ten (10) parking stalls for guest parking purposes, as shown in Exhibit "D" attached hereto and made a part hereof; and
- (l) 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, normally in common use.

7. Limited Common Elements. Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (a) One (1) or more parking stalls designated on said Condominium Map by the number corresponding to the number of each apartment shall be appurtenant to and for the exclusive use of such apartment. In addition to the designations on said Condominium Map, certain apartments shall have additional parking stalls appurtenant to said apartments as shown in Exhibit "D". (See Endnote 5) Such parking stalls may be conveyed with the original lease of an apartment or by amendment of the original lease of an apartment, and shall be appurtenant to and for the exclusive use of each such apartment when so conveyed.
- (b) The lanai and recreation area (containing approximately 3,944 square feet) located at the Ewa side of the twenty-eighth floor and adjacent to the three penthouses shall be restricted for the use of the three penthouse owners (PH 2801, PH 2802 and PH 2803).
- (c) The corridors, storage area, trash room and elevator lobbies on each apartment floor on and above the seventh floor are restricted for the use of the apartment owners living on each floor.

8. Percentage of Undivided Interest. The percentage of undivided interest in the common elements, hereinafter called the "common interest", appertaining to each apartment shall be as set forth in said Exhibit "C" and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

9. Easements. In addition to any exclusive easements hereby established in the limited common elements, the apartments and common elements shall also have and be subject to the following easements:

- (a) Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, and support, maintenance and repair of such

apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments and limited common elements of its building for support;

- (b) If any part of the common elements now or hereafter encroaches upon any apartment or limited common element, or if any apartment now or hereafter encroaches upon any other apartment or upon any portion of the common elements, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event the apartment building shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements upon any apartment or of any apartment upon any other apartment or upon any portion of the common elements due to construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist;
- (c) The Association of Apartment Owners shall have the right, to be exercised by its Board of Directors or the Managing Agent, to enter such apartment and the limited common elements from time to time during reasonable hours as may be necessary for the operation of the project or for making emergency repairs therein necessary to prevent damage to any apartments or common elements;
- (d) Each apartment owner shall have an easement in common with the owners of all other apartments to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments to use the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other apartments and located in such apartment.

10. Alteration and Transfer of Interests. The common interest, elements and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to this Declaration duly recorded,

shall not be separated from such apartment and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument; excepting, however, the exclusive easements for the use of parking stalls. As long as at all times (or, in the case of an exchange of parking stalls between apartments, immediately subsequent to such an exchange) there shall be at least one parking stall appurtenant to each apartment, any such exclusive easement for the use of a parking stall may be conveyed to another apartment owner by a written instrument expressly identifying 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 be denominated as an amendment of this Declaration and of the leases of each apartment affected. The Lessor's and mortgagees', if any, (See Endnote 6) joinder in such amendment will be necessary, but such joinder will not unreasonably be withheld, although a reasonable service charge may be made therefor. To the extent that the joinder of apartment owners in addition to those directly affected may be required in order to validate the Amendment of Declaration for the limited purpose of transferring such easements, such joinder shall be accomplished by power of attorney from each of the owners not affected to the affected owners, the acceptance of ownership of an apartment subject to this Declaration being a grant of such power and the grant, being coupled with an interest, being irrevocable. The transfer, amendment of declaration and amendment of leases shall be effective upon filing of the same in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. A copy of said conveyance and amendment of declaration and lease shall be given to both the Lessor and the Association by the affected owners within 15 days of the filing thereof. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Condominium Property Act.

11. Purposes.

- (a) The owner of each apartment within the building hereinabove described shall use such apartment only as living accommodations for hotel or apartment use; provided, however, that no owner shall permit his or her apartment to be included in a time share plan or otherwise time shared; provided, further, that this prohibition on time sharing shall not apply to any owner of an apartment that is included in a registered time share plan as of the date this Declaration is amended to prohibit time sharing. (See Endnote 7) The owner of Auxiliary Unit #1 (See Endnote 8) in

the building shall use such area only for office purposes, sale of food, Hotel Lobby, merchandise or services or any other commercial undertaking, provided however, auxiliary area 1 shall have the exclusive right to use such area for restaurant and bar operations.

- (b) The owner of a condominium unit shall not use the same for any purpose which will injure the reputation of the building. Such owner shall not suffer anything to be done or kept in his apartment or elsewhere which will jeopardize the soundness of the building, or which will interfere with or unreasonably disturb the rights of other owners, or which will obstruct the public halls or stairways of the building, or which will increase the rate of fire insurance on the building or the contents thereof or which will reduce the value of the apartment building.
- (c) The owner of a condominium unit shall not, without the prior written consent of the Board, make any structural alterations in or additions to the exterior of the apartment or to any other portion or portions of the common elements without the unanimous consent of all of the apartment owners, all as provided in the By-Laws attached hereto.
- (d) The owner of a condominium unit shall not, without the prior written consent of the Board or the Managing Agent, display any sign or any other device in or upon any door, window, wall or other portion of the apartment or common elements, or otherwise so as to be visible from the exterior.
- (e) The owner of (See Endnote 9) Auxiliary Unit #1 shall be permitted to (See Endnote 10) construct, improve or otherwise utilize such condominium unit, as shown on Condominium Map No. 216, for future construction of improvements, provided that (1) said improvements to be constructed in full compliance with all applicable laws, ordinance and regulations, including Building and Fire Codes, (2) said improvements shall be made at the sole cost and expense of such owner and (3) such owner shall protect and hold harmless the other condominium units and their owners and all mortgagees of said units, the common elements, and the limited common elements and the premises from any liens of any kind or character which may

arise, for labor performed or material furnished in connection with said improvements, including the carrying of a bond conditioned to protect the aforementioned interests and to indemnify said interests against all actions, suits, damages and claims whomsoever brought or made by reason of said improvements.

(f) Notwithstanding anything to the contrary contained in this Declaration, the By-Laws, or the House Rules, handicapped occupants shall: (1) be permitted to make reasonable modifications to their apartments and/or the common elements, at their expense, if such modifications are necessary to enable them to use and enjoy their apartments and/or the common elements, as the case may be; and (2) be allowed reasonable exemptions from this Declaration, the By-Laws, and the House Rules, when necessary, to enable them to use and enjoy their apartments and/or the common elements, provided that any handicapped occupant desiring to make such modifications or desiring such an exemption submits a written request to the Board, and the Board consents in writing to said request. The request shall set forth, with specificity, and in detail, the nature of the request and the reason that the handicapped occupant needs to make such modification or to be granted such an exemption. The Board shall not unreasonably withhold or delay its consent to such request, and any such request shall be deemed to be granted if the Board does not respond in writing, within forty-five (45) days of the Board's receipt of said request. The Board may condition its consent upon the handicapped occupant complying with the following conditions:

(i) That the handicapped occupant provides plans and specifications, including detailed plot plans, if requested, at the handicapped occupant's expense;

(ii) That the handicapped occupant agree to submit the plans and specifications for the proposed additions or alterations to an engineer or other expert selected by the Board for review and approval, at the handicapped occupant's expense;



- (iii) That the handicapped occupant agree to an inspection of the proposed additions or alterations during the course of construction and/or following completion of construction, by an engineer or other expert selected by the Board at the handicapped occupant's expense;
- (iv) That the handicapped occupant strictly comply with all applicable laws, ordinances, and regulations of any governmental entity; and
- (v) That the handicapped occupant obtains any necessary building permits, at the handicapped occupant's expense. (See Endnote 11)

12. Service of Process. The CARWIN CORPORATION, a Hawaii corporation, whose office is located at 841 Bishop Street, Suite 923, Honolulu, Hawaii, is hereby designated as the person to receive service of process until such time as the Board of Directors of the Association of Apartment Owners of this Condominium Property Regime is elected, at which time and thereafter process may be served upon any member of said Board.

13. Percentage of Votes Required for Rebuilding. Where an election is permissible under the terms of the By-Laws and apartment leases to determine whether or not to rebuild, repair or restore the property, the building shall be rebuilt, repaired or restored unless the owners of at least eighty per cent (80%) of the interests in the common elements execute an instrument expressing their decision not to rebuild, repair or restore.

14. Reserved Rights. The Fee Owner reserves the right to grant, relocate, cancel and otherwise dispose of any and all utility and other easements now or hereafter located on or affecting the land above described.

15. Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such provision had never been included herein.

16. Operation of Property. The operation of the property shall be governed by By-Laws, which are filed separately in said Office of the Assistant Registrar of the Land Court (See Endnote 12), and the apartment leases demising all of the apartments described hereinabove. Each apartment owner shall comply strictly with the By-Laws and his apartment lease.

17. Amendment. Except as provided in Paragraph 10 and the provisions of Chapter 514A of the Hawaii Revised Statutes, this Declaration of Condominium Property Regime may be amended by the vote or written consent of apartment owners of not less than seventy-five per cent (75%) of the interests in the common elements. The amendment shall be effective upon filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. (See Endnote 13)

IN WITNESS WHEREOF, the undersigned have executed this instrument this 28 day of July, 2004.

ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA, INC.

By

  
Its

President

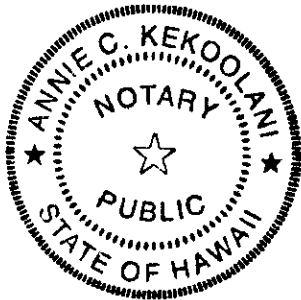
By

  
Its

Treasurer

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 28<sup>th</sup> day of July, 2004, before me appeared GARY YUSHIMI, to me personally known, who, being by me duly sworn, did say that he/she is the President of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii nonprofit corporation; that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.

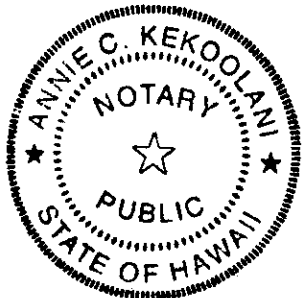


A handwritten signature in cursive script, appearing to read "Annie C. Kekoolani".

Notary Public, State of Hawaii  
Printed name: **Annie C. Kekoolani**  
My commission expires: 02-16-06

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 28<sup>th</sup> day of July, 2004, before me appeared CARLYN D. DASINGER, to me personally known, who, being by me duly sworn, did say that he/she is the Treasurer of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., a Hawaii nonprofit corporation; that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.



A handwritten signature in cursive script, appearing to read "Annie C. Kekoolani".

Notary Public, State of Hawaii  
Printed name: **Annie C. Kekoolani**  
My commission expires: 02-16-06

## ENDNOTES

The following endnotes correspond to provisions in the Declaration of Horizontal Property Regime of the Fairway Villa, as restated to conform to Chapter 514A, Hawaii Revised Statutes, and the Federal Fair Housing Act (42 U.S.C. Sections 3601 et seq.), and to integrate all amendments made to the Fairway Villa's Declaration and First Restatement of the Declaration. This Second Restatement was made solely for purposes of information and convenience. The Second Restatement of the Declaration of Condominium Property Regime under Chapter 514A, Hawaii Revised Statutes, correctly sets forth without change the corresponding provisions of the original Declaration, as amended and restated, and supersedes the original Declaration, as restated, and all prior amendments thereto. In the event of a conflict, the Second Restatement of the Declaration shall be subordinate to the original Declaration, amendments and cited statutes.

1. Act 65 (SLH, 1988) redesignated the Horizontal Property Act as the Condominium Property Act. Act 98 (SLH, 1977) repealed Chapter 514, Hawaii Revised Statutes, ("HRS"), and enacted Chapter 514A, HRS in its place. Therefore, throughout this restatement, references to the previous usage and Chapter have been amended to reflect present terminology.
2. Note that the Eighth Amendment of the Declaration of Horizontal Property Regime of Fairway Villa, dated November 5, 1990 and filed as Land Court Document No. 2047940 moved the location of parking stalls 2314 and 2315 and amended the Condominium Map to reflect that change. The new map also shows the location of the emergency generator room which was constructed at the project.
3. Paragraph 5 was amended by the First Amendment to Declaration of Horizontal Property Regime of Fairway Villa dated March 13, 1975, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 153715 (hereinafter called the "First Amendment").
4. Paragraph 6.(j) was amended by the Amendment to Declaration of Horizontal Property Regime and By-Laws of Fairway Villa dated May 30, 1984, and filed as aforesaid as Land Court Document No. 1244122 (hereinafter called the "Second Amendment").

5. Paragraph 7.(a) was amended by said First Amendment to Declaration. Note that the Eighth Amendment of the Declaration of Horizontal Property Regime of Fairway Villa, dated November 5, 1990 and filed as Land Court Document No. 2047940 moved the location of parking stalls 2314 and 2315 and amended the Condominium Map to reflect that change. The new map also shows the location of the emergency generator room which was constructed at the project.
6. Paragraph 10. was amended to conform to the requirements of Section 514A-14 of the Hawaii Revised Statutes.
7. Paragraph 11.(a) was amended by the First Amendment of the First Restatement of the Declaration of Horizontal Property Regime of Fairway Villa, Inc. dated March 6, 1998, and filed as aforesaid as Land Court Document No. 2459273.
8. Paragraph 11.(a) was amended by said First Amendment to Declaration.
9. Subparagraph 11.(e) was amended by said First Amendment to Declaration.
10. Subparagraph 11.(e) was amended by said First Amendment to Declaration.
11. Subparagraph 11.(f) was added to conform to the requirements of the Fair Housing Amendments Act, as amended (42 U.S.C. Section 3601, et seq.)
12. Paragraph 16. was amended to reflect that the By-Laws have been filed separately in said Office of the Assistant Registrar of the Land Court.
13. Paragraph 17. was amended in its entirety by the Eighth Amendment to Declaration of Fairway Villa dated November 5, 1990, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2047940.
14. The fifth paragraph of number 1. of Exhibit "B" was amended by said Second Amendment.
15. Subparagraph (4) was amended by said First Amendment.
16. Subparagraph (5) was amended by said First Amendment.
17. Subparagraph (5) was amended by said First Amendment.

18. Exhibit "D" was amended in its entirety by said First Amendment.

EXHIBIT "A"

All of that certain parcel of land situate at Waikiki, Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

LOT 48A, area 37, 824 square feet, more or less, as shown on Map 32, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

SUBJECT, HOWEVER, to the following:

1. Designation of Easement "2" (10 feet wide), as shown on May 31, as set forth by Land Court Order No. 40464, filed August 22, 1974.
2. Grant in favor of the City and County of Honolulu, dated April 13, 1974, filed as Land Court Document No. 694268; granting an easement over said Easement "2".

## EXHIBIT "B"

### 1. Building Description.

The building shall have twenty-eight (28) floors with the first floor through parking level sixth being essentially for parking purposes and the seventh floor through the twenty-eighth floor being essentially for apartment or commercial purposes and the twenty-ninth floor is essentially a recreation deck and swimming pool; and one (1) elevator machinery room and ventilation towers are located on the roof of the building.

The first floor consists of two separate levels, the partial basement level has only parking with access to the ground level portion of the first floor through the stairs. The ground level portion has a mechanical-equipment room, a trash room, telephone switchgear, a transformer vault, three (3) loading areas, the Manager's office, one (1) auxiliary unit, the main lobby and mail room.

The second floor has an elevator lobby, extensions from the first floor of the transformer vault and one of the mechanical rooms, extensions of the lobby and parking.

The third through sixth floors each have an elevator lobby, utility room and parking.

The first six floors, being the basement level of the first floor through parking level six, contain three hundred forty-seven (347) standard parking spaces and one hundred eight (108) compact parking spaces. Twenty-six (26) spaces have been combined with twenty-six (26) spaces to form tandem stalls by placing the two spaces end to end, said tandem stalls being stalls 101-102; 103-104; 105-106; 302 & 2313; 401-402; 508-509; 602-603; 628 through 643; 646 through 667. Thus, after the said combination of spaces, the location of the resulting four hundred fifty-five (455) parking stalls is as follows: the basement level of the first floor contains seventy-one (71) stalls; the second floor contains sixty-three (63) stalls; the third through fifth floor contains seventy-six (76) stalls; and the sixth floor contains ninety-three (93) stalls. Each floor contains access ramps and two (2) stairwells. (See Endnote 14)

The seventh through the twelfth and fourteenth through the twenty-seventh floors contain twelve (12) studio apartments, four (4) one-bedroom apartments and two (2) two-bedroom apartments on each floor. Mechanical-electrical equipment and other service spaces, washer-dryer room, elevators and stairwells are also located on each of the seventh through the twenty-seventh floors.



The twenty-eighth floor contains three (3) penthouses and pool storage room.

The twenty-ninth floor contains the recreation deck with a swimming pool, shower and sauna rooms, and a locker room.

2. Materials.

The principal materials used in the construction of the building are concrete, concrete blocks, aluminum, glass steel, wooden and steel doors and trim.

3. Location, Area, Percentage Interest of Apartments.

The building is rectangular in shape and runs roughly North and South.

The percentage of undivided interest in the common elements pertaining to each apartment shall be as set forth in Exhibit "C" attached hereto and made a part hereof.

The building contains three hundred sixty-two (362) apartments, a resident manager's apartment, and one (1) auxiliary unit. Each apartment has been given a three or four digit number designation by which its location in the building can be determined. The last two digits indicate the location of the apartment on a floor and the digit or digits preceding the last two digits indicate the floor on which the apartment is located. For example; Apartment 701 is located at the Makai end of the building on the 7th floor and Apartment 2618 is located at the Mauka end of the building on the 26th floor.

Auxiliary Unit Number 1 is located on the 1st floor.  
Apartments 701 to 718 are located on the 7th floor.  
Apartments 801 to 818 are located on the 8th floor.  
Apartments 901 to 918 are located on the 9th floor.  
Apartments 1001 to 1018 are located on the 10th floor.  
Apartments 1101 to 1118 are located on the 11th floor.  
Apartments 1201 to 1218 are located on the 12th floor.  
Apartments 1401 to 1418 are located on the 14th floor  
Apartments 1501 to 1518 are located on the 15th floor.  
Apartments 1601 to 1618 are located on the 16th floor.

Apartments 1701 to 1718 are located on the 17th floor.  
Apartments 1801 to 1818 are located on the 18th floor.  
Apartments 1901 to 1918 are located on the 19th floor.  
Apartments 2001 to 2018 are located on the 20th floor.  
Apartments 2101 to 2118 are located on the 21st floor.  
Apartments 2201 to 2218 are located on the 22nd floor.  
Apartments 2301 to 2318 are located on the 23rd floor.  
Apartments 2401 to 2418 are located on the 24th floor.  
Apartments 2501 to 2518 are located on the 25th floor.  
Apartments 2601 to 2618 are located on the 26th floor.  
Apartments 2701 to 2718 are located on the 27th floor.  
Apartments PH 2801 to PH 2803 are located on the 28th floor.

Each apartment contains the number of rooms and the approximate floor area according to plans which are a part of said Condominium Map as follows:

- (1) TYPICAL STUDIO APARTMENT: There are two hundred forty (240) studio apartments, consisting of two basic types: Type A-3 and A-4. Types A-3 and A-4 contain three (3) rooms, including a living room-bedroom-kitchen, a bathroom, a dressing room and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
  
- (2) TYPICAL ONE-BEDROOM APARTMENT: There are eighty (80) typical one-bedroom apartments, consisting of four basic types: Type A-2; A-5; A-6; and A-7. Types A-2, A-5, A-6, and A-7 contain four (4) rooms, including a living room, a bedroom, a kitchen, a bathroom and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.

- (3) TYPICAL TWO-BEDROOM APARTMENT: There are forty (40) typical two-bedroom apartments, consisting of two basic types: Type A-1 and A-8. Types A-1 and A-8 contain six (6) rooms, a living room, two bedrooms, a kitchen, two bathrooms and a lanai. The number, type area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
- (4) THREE-BEDROOM PENTHOUSE: There are three (3) three-bedroom penthouse apartments, being numbers PH 2801, PH 2802 and PH 2803. PH 2801 and PH 2802 contain seven (7) rooms, a living room, three bedrooms, a kitchen, two bathrooms and a lanai. PH 2803 contains ten (10) rooms, a living room, three bedrooms, a kitchen, three bathrooms, study, dining room and a lanai. The number, type area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof. (See Endnote 15)
- (5) AUXILIARY UNIT: There is one (1) auxiliary (See Endnote 16) unit. Auxiliary unit number 1 is located at the Mauka-Diamond Head corner of the first floor and consists of an area of approximately 1,227 square feet, as delineated on said Condominium Map. The common interest of Auxiliary Unit #1 is shown on Exhibit "C" attached hereto and made a apart hereof. (See Endnote 17)

EXHIBIT "C"

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
701	A-1	723	151	874	7	.432%
702	A-2	560	151	711	7	.342%
703	A-3	364	77	441	7	.219%
704	A-4	364	77	441	7	.219%
705	A-3	364	77	441	7	.219%
706	A-4	364	77	441	7	.219%
707	A-3	364	77	441	7	.219%
708	A-4	364	77	441	7	.219%
709	A-3	364	77	441	7	.219%
710	A-4	364	77	441	7	.219%
711	A-3	364	77	441	7	.219%
712	A-5	525	151	676	7	.336%
713	A-3	364	77	441	7	.219%
714	A-6	555	151	706	7	.347%
715	A-3	364	77	441	7	.219%
716	<del>A-3</del>	364	77	441	7	.219%
718	<del>A-7</del>	560	151	711	7	.342%
801	A-1	723	151	874	8	.432%
802	A-2	560	151	711	8	.342%
803	A-3	364	77	441	8	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
804	A-4	364	77	441	8	.219%
805	A-3	364	77	441	8	.219%
806	A-4	364	77	441	8	.219%
807	A-3	364	77	441	8	.219%
808	A-4	364	77	441	8	.219%
809	A-3	364	77	441	8	.219%
810	A-4	364	77	441	8	.219%
811	A-3	364	77	441	8	.219%
812	A-5	525	151	676	8	.336%
813	A-3	364	77	441	8	.219%
814	A-6	555	151	706	8	.347%
815	A-3	364	77	441	8	.219%
816	A-3	364	77	441	8	.219%
817	A-8	723	151	874	8	.432%
818	A-7	560	151	711	8	.342%
901	A-1	723	151	874	9	.432%
902	A-2	560	151	711	9	.342%
903	A-3	364	77	441	9	.219%
904	<del>A-4</del>	364	77	441	9	.219%
905	<del>A-3</del>	364	77	441	9	.219%
906	A-4	364	77	441	9	.219%
907	A-3	364	77	441	9	.219%
908	A-4	364	77	441	9	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
909	A-3	364	77	441	9	.219%
910	A-4	364	77	441	9	.219%
911	A-3	364	77	441	9	.219%
912	A-5	525	151	676	9	.336%
913	A-3	364	77	441	9	.219%
914	A-6	555	151	706	9	.347%
915	A-3	364	77	441	9	.219%
916	A-3	364	77	441	9	.219%
917	A-8	723	151	874	9	.432%
918	A-7	560	151	711	9	.342%
1001	A-1	723	151	874	10	.432%
1002	A-2	560	151	711	10	.342%
1003	A-3	364	77	441	10	.219%
1004	A-4	364	77	441	10	.219%
1005	A-3	364	77	441	10	.219%
1006	A-4	364	77	441	10	.219%
1007	A-3	364	77	441	10	.219%
1008	A-4	364	77	441	10	.219%
1009	<del>A-3</del>	364	77	441	10	.219%
1010	<del>A-4</del>	364	77	441	10	.219%
1011	A-3	364	77	441	10	.219%
1012	A-5	525	151	676	10	.336%
1013	A-3	364	77	441	10	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1014	A-6	555	151	706	10	.347%
1015	A-3	364	77	441	10	.219%
1016	A-3	364	77	441	10	.219%
1017	A-8	723	151	874	10	.432%
1018	A-7	560	151	711	10	.342%
1101	A-1	723	151	874	11	.432%
1102	A-2	560	151	711	11	.342%
1103	A-3	364	77	441	11	.219%
1104	A-4	364	77	441	11	.219%
1105	A-3	364	77	441	11	.219%
1106	A-4	364	77	441	11	.219%
1107	A-3	364	77	441	11	.219%
1108	A-4	364	77	441	11	.219%
1109	A-3	364	77	441	11	.219%
1110	A-4	364	77	441	11	.219%
1111	A-3	364	77	441	11	.219%
1112	A-5	525	151	676	11	.336%
1113	A-3	364	77	441	11	.219%
1114	<del>A-6</del>	555	151	706	11	.347%
1115	<del>A-3</del>	364	77	441	11	.219%
1116	A-3	364	77	441	11	.219%
1117	A-8	723	151	874	11	.432%
1118	A-7	560	151	711	11	.342%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1201	A-1	723	151	874	12	.432%
1202	A-2	560	151	711	12	.342%
1203	A-3	364	77	441	12	.219%
1204	A-4	364	77	441	12	.219%
1205	A-3	364	77	441	12	.219%
1206	A-4	364	77	441	12	.219%
1207	A-3	364	77	441	12	.219%
1208	A-4	364	77	441	12	.219%
1209	A-3	364	77	441	12	.219%
1210	A-4	364	77	441	12	.219%
1211	A-3	364	77	441	12	.219%
1212	A-5	525	151	676	12	.336%
1213	A-3	364	77	441	12	.219%
1214	A-6	555	151	706	12	.347%
1215	A-3	364	77	441	12	.219%
1216	A-3	364	77	441	12	.219%
1217	A-8	723	151	874	12	.432%
1218	A-7	560	151	711	12	.342%
1401	<del>A-1</del>	723	151	874	14	.432%
1402	<del>A-2</del>	560	151	711	14	.342%
1403	A-3	364	77	441	14	.219%
1404	A-4	364	77	441	14	.219%
1405	A-3	364	77	441	14	.219%
1406	A-4	364	77	441	14	.219%

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<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1407	A-3	364	77	441	14	.219%
1408	A-4	364	77	441	14	.219%
1409	A-3	364	77	441	14	.219%
1410	A-4	364	77	441	14	.219%
1411	A-3	364	77	441	14	.219%
1412	A-5	525	151	676	14	.336%
1413	A-3	364	77	441	14	.219%
1414	A-6	555	151	706	14	.347%
1415	A-3	364	77	441	14	.219%
1416	A-3	364	77	441	14	.219%
1417	A-8	723	151	874	14	.432%
1418	A-7	560	151	711	14	.342%
1501	A-1	723	151	874	15	.432%
1502	A-2	560	151	711	15	.342%
1503	A-3	364	77	441	15	.219%
1504	A-4	364	77	441	15	.219%
1505	A-3	364	77	441	15	.219%
1506	A-4	364	77	441	15	.219%
1507	<del>A-3</del>	364	77	441	15	.219%
1508	<del>A-4</del>	364	77	441	15	.219%
1509	A-3	364	77	441	15	.219%
1510	A-4	364	77	441	15	.219%
1511	A-3	364	77	441	15	.219%
1512	A-5	525	151	676	15	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1513	A-3	364	77	441	15	.219%
1514	A-6	555	151	706	15	.347%
1515	A-3	364	77	441	15	.219%
1516	A-3	364	77	441	15	.219%
1517	A-8	723	151	874	15	.432%
1518	A-7	560	151	711	15	.342%
1601	A-1	723	151	874	16	.432%
1602	A-2	560	151	711	16	.342%
1603	A-3	364	77	441	16	.219%
1604	A-4	364	77	441	16	.219%
1605	A-3	364	77	441	16	.219%
1606	A-4	364	77	441	16	.219%
1607	A-3	364	77	441	16	.219%
1608	A-4	364	77	441	16	.219%
1609	A-3	364	77	441	16	.219%
1610	A-4	364	77	441	16	.219%
1611	A-3	364	77	441	16	.219%
1612	A-5	525	151	676	16	.336%
1613	<del>A-3</del>	364	77	441	16	.219%
1614	<del>A-6</del>	555	151	706	16	.347%
1615	A-3	364	77	441	16	.219%
1616	A-3	364	77	441	16	.219%
1617	A-8	723	151	874	16	.432%
1618	A-7	560	151	711	16	.342%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1701	A-1	723	151	874	17	.432%
1702	A-2	560	151	711	17	.342%
1703	A-3	364	77	441	17	.219%
1704	A-4	364	77	441	17	.219%
1705	A-3	364	77	441	17	.219%
1706	A-4	364	77	441	17	.219%
1707	A-3	364	77	441	17	.219%
1708	A-4	364	77	441	17	.219%
1709	A-3	364	77	441	17	.219%
1710	A-4	364	77	441	17	.219%
1711	A-3	364	77	441	17	.219%
1712	A-5	525	151	676	17	.336%
1713	A-3	364	77	441	17	.219%
1714	A-6	555	151	706	17	.347%
1715	A-3	364	77	441	17	.219%
1716	A-3	364	77	441	17	.219%
1717	A-8	723	151	874	17	.432%
1718	A-7	560	151	711	17	.342%
1801	<b>A-1</b>	723	151	874	18	.432%
1802	<b>A-2</b>	560	151	711	18	.342%
1803	A-3	364	77	441	18	.219%
1804	A-4	364	77	441	18	.219%
1805	A-3	364	77	441	18	.219%
1806	A-4	364	77	441	18	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1807	A-3	364	77	441	18	.219%
1808	A-4	364	77	441	18	.219%
1809	A-3	364	77	441	18	.219%
1810	A-4	364	77	441	18	.219%
1811	A-3	364	77	441	18	.219%
1812	A-5	525	151	676	18	.336%
1813	A-3	364	77	441	18	.219%
1814	A-6	555	151	706	18	.347%
1815	A-3	364	77	441	18	.219%
1816	A-3	364	77	441	18	.219%
1817	A-8	723	151	874	18	.432%
1818	A-7	560	151	711	18	.342%
1901	A-1	723	151	874	19	.432%
1902	A-2	560	151	711	19	.342%
1903	A-3	364	77	441	19	.219%
1904	A-4	364	77	441	19	.219%
1905	A-3	364	77	441	19	.219%
1906	A-4	364	77	441	19	.219%
1907	A-3	364	77	441	19	.219%
1908	A-4	364	77	441	19	.219%
1909	A-3	364	77	441	19	.219%
1910	A-4	364	77	441	19	.219%
1911	A-3	364	77	441	19	.219%
1912	A-5	525	151	676	19	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
1913	A-3	364	77	441	19	.219%
1914	A-6	555	151	706	19	.347%
1915	A-3	364	77	441	19	.219%
1916	A-3	364	77	441	19	.219%
1917	A-8	723	151	874	19	.432%
1918	A-7	560	151	711	19	.342%
2001	A-1	723	151	874	20	.432%
2002	A-2	560	151	711	20	.342%
2003	A-3	364	77	441	20	.219%
2004	A-4	364	77	441	20	.219%
2005	A-3	364	77	441	20	.219%
2006	A-4	364	77	441	20	.219%
2007	A-3	364	77	441	20	.219%
2008	A-4	364	77	441	20	.219%
2009	A-3	364	77	441	20	.219%
2010	A-4	364	77	441	20	.219%
2011	A-3	364	77	441	20	.219%
2012	A-5	525	151	676	20	.336%
2013	A-3	364	77	441	20	.219%
2014	A-6	555	151	706	20	.347%
2015	A-3	364	77	441	20	.219%
2016	A-3	364	77	441	20	.219%
2017	A-8	723	151	874	20	.432%
2018	A-7	560	151	711	20	.342%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2101	A-1	723	151	874	21	.432%
2102	A-2	560	151	711	21	.342%
2103	A-3	364	77	441	21	.219%
2104	A-4	364	77	441	21	.219%
2105	A-3	364	77	441	21	.219%
2106	A-4	364	77	441	21	.219%
2107	A-3	364	77	441	21	.219%
2108	A-4	364	77	441	21	.219%
2109	A-3	364	77	441	21	.219%
2110	A-4	364	77	441	21	.219%
2111	A-3	364	77	441	21	.219%
2112	A-5	525	151	676	21	.336%
2113	A-3	364	77	441	21	.219%
2114	A-6	555	151	706	21	.347%
2115	A-3	364	77	441	21	.219%
2116	A-3	364	77	441	21	.219%
2117	A-8	723	151	874	21	.432%
2118	A-7	560	151	711	21	.342%
2201	A-1	723	151	874	22	.432%
2202	A-2	560	151	711	22	.342%
2203	A-3	364	77	441	22	.219%
2204	A-4	364	77	441	22	.219%
2205	A-3	364	77	441	22	.219%
2206	A-4	364	77	441	22	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2207	A-3	364	77	441	22	.219%
2208	A-4	364	77	441	22	.219%
2209	A-3	364	77	441	22	.219%
2210	A-4	364	77	441	22	.219%
2211	A-3	364	77	441	22	.219%
2212	A-5	525	151	676	22	.336%
2213	A-3	364	77	441	22	.219%
2214	A-6	555	151	706	22	.347%
2215	A-3	364	77	441	22	.219%
2216	A-3	364	77	441	22	.219%
2217	A-8	723	151	874	22	.432%
2218	A-7	560	151	711	22	.342%
2301	A-1	723	151	874	23	.432%
2302	A-2	560	151	711	23	.342%
2303	A-3	364	77	441	23	.219%
2304	A-4	364	77	441	23	.219%
2305	A-3	364	77	441	23	.219%
2306	A-4	364	77	441	23	.219%
2307	<del>A-3</del>	364	77	441	23	.219%
2308	<del>A-4</del>	364	77	441	23	.219%
2309	A-3	364	77	441	23	.219%
2310	A-4	364	77	441	23	.219%
2311	A-3	364	77	441	23	.219%
2312	A-5	525	151	676	23	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2313	A-3	364	77	441	23	.219%
2314	A-6	555	151	706	23	.347%
2315	A-3	364	77	441	23	.219%
2316	A-3	364	77	441	23	.219%
2317	A-8	723	151	874	23	.432%
2318	A-7	560	151	711	23	.342%
2401	A-1	723	151	874	24	.432%
2402	A-2	560	151	711	24	.342%
2403	A-3	364	77	441	24	.219%
2404	A-4	364	77	441	24	.219%
2405	A-3	364	77	441	24	.219%
2406	A-4	364	77	441	24	.219%
2407	A-3	364	77	441	24	.219%
2408	A-4	364	77	441	24	.219%
2409	A-3	364	77	441	24	.219%
2410	A-4	364	77	441	24	.219%
2411	A-3	364	77	441	24	.219%
2412	A-5	525	151	676	24	.336%
2413	A-3	364	77	441	24	.219%
2414	A-6	555	151	706	24	.347%
2415	A-3	364	77	441	24	.219%
2416	A-3	364	77	441	24	.219%
2417	A-8	723	151	874	24	.432%
2418	A-7	560	151	711	24	.342%



<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2501	A-1	723	151	874	25	.432%
2502	A-2	560	151	711	25	.342%
2503	A-3	364	77	441	25	.219%
2504	A-4	364	77	441	25	.219%
2505	A-3	364	77	441	25	.219%
2506	A-4	364	77	441	25	.219%
2507	A-3	364	77	441	25	.219%
2508	A-4	364	77	441	25	.219%
2509	A-3	364	77	441	25	.219%
2510	A-4	364	77	441	25	.219%
2511	A-3	364	77	441	25	.219%
2512	A-5	525	151	676	25	.336%
2513	A-3	364	77	441	25	.219%
2514	A-6	555	151	706	25	.347%
2515	A-3	364	77	441	25	.219%
2516	A-3	364	77	441	25	.219%
2517	A-8	723	151	874	25	.432%
2518	A-7	560	151	711	25	.342%
2601	A-1	723	151	874	26	.432%
2602	A-2	560	151	711	26	.342%
2603	A-3	364	77	441	26	.219%
2604	A-4	364	77	441	26	.219%
2605	A-3	364	77	441	26	.219%
2606	A-4	364	77	441	26	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Apt.</u>	<u>Area Square Feet</u>		<u>Floor Level</u>	<u>Common Interest</u>
			<u>Lanai</u>	<u>Total</u>		
2607	A-3	364	77	441	26	.219%
2608	A-4	364	77	441	26	.219%
2609	A-3	364	77	441	26	.219%
2610	A-4	364	77	441	26	.219%
2611	A-3	364	77	441	26	.219%
2612	A-5	525	151	676	26	.336%
2613	A-3	364	77	441	26	.219%
2614	A-6	555	151	706	26	.347%
2615	A-3	364	77	441	26	.219%
2616	A-3	364	77	441	26	.219%
2617	A-8	723	151	874	26	.432%
2618	A-7	560	151	711	26	.342%
2701	A-1	723	151	874	27	.432%
2702	A-2	560	151	711	27	.342%
2703	A-3	364	77	441	27	.219%
2704	A-4	364	77	441	27	.219%
2705	A-3	364	77	441	27	.219%
2706	A-4	364	77	441	27	.219%
2707	A-3	364	77	441	27	.219%
2708	A-4	364	77	441	27	.219%
2709	A-3	364	77	441	27	.219%
2710	A-4	364	77	441	27	.219%
2711	A-3	364	77	441	27	.219%
2712	A-5	525	151	676	27	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
2713	A-3	364	77	441	27	.219%
2714	A-6	555	151	706	27	.347%
2715	A-3	364	77	441	27	.219%
2716	A-3	364	77	441	27	.219%
2717	A-8	723	151	874	27	.432%
2718	A-7	560	151	711	27	.342%
PH 2801	PH 2801	1092	224	1316	28	.654%
PH 2802	PH 2802	1092	231	1323	28	.666%
PH 2803	PH 2803	2184	462	2646	28	1.306%
Auxiliary	Unit #1			1227	1	.626%

Each Apartment has immediate access to the hallway on its level and to the stairways and elevators between the floors of the building.

EXHIBIT "D"

There are ten (10) standard parking stalls for guest parking located on the sixth floor, being parking stalls numbered 618 through 627 inclusive.

The following parking stalls shall be appurtenant to the following apartments:

<u>Parking Stall No.</u>	<u>Apartment No.</u>
109 Compact	1201
110 Compact	918
202 Compact	1818
203 Compact	2016
204 Compact	2301
205 Compact	2217
207 Regular	715
301 Compact	912
303 Compact	2201
304 Compact	1906
305 Compact	2105
403 Compact	1901
404 Compact	2401
405 Compact	1717
406 Compact	1718
502 Compact	1601
503 Compact	1617
504 Compact	2317
505 Compact	2317

The following parking stalls shall be appurtenant to Apartment

PH 2801:

101 and 102 Regular Tandem  
107 Compact  
201 Regular  
401 and 402 Compact Tandem  
508 and 509 Compact Tandem  
628 and 629 Compact Tandem  
630 and 631 Compact Tandem  
632 and 633 Compact Tandem  
634 and 635 Compact Tandem  
636 and 637 Compact Tandem  
638 and 639 Compact Tandem

The following parking stalls shall be appurtenant to Apartment

PH 2802:

103 and 104 Regular Tandem  
302 Compact Tandem  
507 Compact  
604 Compact  
607 Compact  
650 and 651 Regular Tandem  
652 and 653 Regular Tandem  
654 and 655 Regular Tandem  
656 and 657 Regular Tandem  
658 and 659 Regular Tandem  
660 and 661 Regular Tandem  
664 and 665 Regular Tandem

The following parking stalls shall be appurtenant to Apartment

PH 2803:

105 and 106 Regular Tandem  
108 Compact  
206 Compact  
506 Compact  
602 and 603 Compact Tandem  
640 and 641 Compact Tandem  
542 and 643 Compact Tandem  
645 Compact  
646 and 647 Regular Tandem  
648 and 649 Regular Tandem  
662 and 663 Regular Tandem  
666 and 667 Tandem (666 Compact and 667 Regular)

(See Endnote 18)

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
701	568135
702	459962
703	514669
704	692147
705	546888
706	471769
707	638365
708	443669
709	481459
710	616573
711	672086
712	546888
713	404457
714	404458
715	404459
716	703713
718	404460
801	404617
802	550884
803	696781
804	450453
805	564125
806	675031
807	552725
808	546888
809	712904
810	404466
811	713135
812	546888
813	552086
814	430434

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
815	574311
816	711422
817	534254
818	546888
901	607934
902	720314
903	511240
904	540026
905	609644
906	404471
907	587966
908	404472
909	564579
910	546888
911	625632
912	404473
913	549306
914	671402
915	409360
916	404474
917	404475
918	418149
1001	404476
1002	598524
1003	546888
1004	474843
1005	501278
1006	420515
1007	700163
1008	546888
1009	463992

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Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1010	404479
1011	601688
1012	410543
1013	710510
1014	595401
1015	589865
1016	658882
1017	710511
1018	582957
1101	541185
1102	678207
1103	404485
1104	615567
1105	677475
1106	457180
1107	583141
1108	615566
1109	404488
1110	404489
1111	404490
1112	618374
1113	557591
1114	587437
1115	539169
1116	447665
1117	404495
1118	540855
1201	482579
1202	410544
1203	485324
1204	479784



Fairway Villa  
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<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1205	404498
1206	428684
1207	404500
1208	410545
1209	546888
1210	404501
1211	546888
1212	554443
1213	628139
1214	701752
1215	662176
1216	409367
1217	683122
1218	404506
1401	409368
1402	687754
1403	703531
1404	646537
1405	665484
1406	546888
1407	665484
1408	693138
1409	665484
1410	574399
1411	665484
1412	710508
1413	665484
1414	693969
1415	546888
1416	646802
1417	404513

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Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1418	476353
1501	546888
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	446074
1508	540025
1509	690137
1510	648747
1511	629478
1512	546888
1513	409371
1514	689867
1515	409372
1516	566275
1517	713179
1518	666826
1601	599810
1602	404525
1603	404636
1604	469955
1605	404526
1606	404527
1607	429366
1608	641544
1609	705458
1610	685596
1611	546888
1612	546888

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Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1613	409375
1614	409376
1615	409377
1616	509191
1617	404532
1618	420462
1701	409421
1702	500888
1703	546888
1704	696179
1705	547727
1706	677474
1707	510016
1708	469057
1709	404536
1710	546888
1711	650049
1712	546888
1713	692342
1714	404539
1715	404540
1716	409383
1717	404541
1718	404542
1801	588229
1802	675852
1803	692860
1804	678787
1805	404543
1806	715749
1807	404544

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Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
1808	441691
1809	409385
1810	652323
1811	647869
1812	404547
1813	581421
1814	621273
1815	409388
1816	409389
1817	542103
1818	546888
1901	456231
1902	404633
1903	404550
1904	540024
1905	612139
1906	719220
1907	596260
1908	466115
1909	404553
1910	702382
1911	450390
1912	617610
1913	689709
1914	546888
1915	544567
1916	495876
1917	543461
1918	557842
2001	539287
2002	668514

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Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2003	404561
2004	620017
2005	460910
2006	697357
2007	546888
2008	404562
2009	565194
2010	702041
2011	658022
2012	687219
2013	525440
2014	404565
2015	686851
2016	409396
2017	643034
2018	546888
2101	404566
2102	561770
2103	404567
2104	718061
2105	499183
2106	589168
2107	404570
2108	404571
2109	527717
2110	667640
2111	551295
2112	404576
2113	404577
2114	404578
2115	520125

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2116	404579
2117	481430
2118	409399
2201	404581
2202	409400
2203	628632
2204	470157
2205	610622
2206	537794
2207	404626
2208	404582
2209	677489
2210	690159
2211	555920
2212	404584
2213	463566
2214	404585
2215	409403
2216	404586
2217	627685
2218	710669
2301	404589
2302	555863
2303	404634
2304	654855
2305	441059
2306	479700
2307	639610
2308	546888
2309	404593
2310	718593

Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2311	559202
2312	648410
2313	404596
2314	424295
2315	592099
2316	481333
2317	445513
2318	546888
2401	539640
2402	404600
2403	486827
2404	651531
2405	605838
2406	441356
2407	409408
2408	616167
2409	531556
2410	546888
2411	642433
2412	462143
2413	612220
2414	404606
2415	409698
2416	627168
2417	409411
2418	469050
2501	540296
2502	404624
2503	515155
2504	469343
2505	441690

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Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2506	479457
2507	588204
2508	616574
2509	435184
2510	469321
2511	443086
2512	694548
2513	637087
2514	404610
2515	649437
2516	639346
2517	517572
2518	477056
2601	546888
2602	440285
2603	661340
2604	662988
2605	526194
2606	664667
2607	464681
2608	666312
2609	475052
2610	488404
2611	475347
2612	471167
2613	626294
2614	713787
2615	659385
2616	508326
2617	472861
2618	546888



Fairway Villa  
Land Court Condo Map No. 216

<u>Apartment No.</u>	<u>Transfer Certificate of Title No.</u>
2701	404628
2702	637017
2703	592098
2704	492426
2705	404613
2706	688709
2707	404625
2708	546888
2709	640315
2710	404614
2711	409416
2712	553671
2713	508325
2714	404615
2715	700348
2716	662989
2717	409417
2718	441325
AUX1	487613
PH2801	409418
PH2802	409419
PH2803	661102

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/s/ NICKI ANN THOMPSON  
ASSISTANT REGISTRAR

**LAND COURT SYSTEM**

**REGULAR SYSTEM**

AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( XX ) TO:

MILTON M. MOTOOKA  
Motooka Yamamoto & Revere  
1000 Bishop Street, Suite 801  
Honolulu, Hawaii 96813  
Tel. No. (808) 532-7900

Fairway Villa, Inc.  
Condominium Map No. 216  
Transfer Certificate of Title Numbers: (see Exhibit A attached)

No. of pages: 10

**AMENDMENT TO THE SECOND RESTATEMENT OF DECLARATION OF  
CONDOMINIUM PROPERTY REGIME OF FAIRWAY VILLA, INC.**

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514A, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603, as amended ("Declaration"), and noted on Transfer Certificate of Title No. 153715 and the Transfer Certificate of Title Numbers shown on the attached Exhibit "A," the property described in the Declaration was submitted to the provisions of the Horizontal Property Regime (now known as the Condominium Property Regime, Chapter 514A, Hawaii Revised Statutes, recodified as Chapter 514B, Hawaii Revised Statutes); and

WHEREAS, the Declaration, as amended, provided for the organization and operation of the Association of Apartment Owners of Fairway Villa (the "Association"), in accordance with the By-Laws attached to said Declaration and incorporated therein by reference; and

WHEREAS, said Declaration, as amended, was restated by instrument dated July 18, 1994, filed in the office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2169790 ("First Restated Declaration"), as amended; and

WHEREAS, said restated Declaration, as amended, was further restated by instrument dated July 28, 2004, filed in the office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3192851 ("Second Restated Declaration"), as amended; and

WHEREAS, Section 514B-23, Hawaii Revised Statutes, provides that the Declaration, By-Laws, Condominium Map and other constituent documents of the Project may be amended to achieve any result permitted by Chapter 514B, Hawaii Revised Statutes, by the vote or written consent of a majority of the owners; and

WHEREAS, at the annual meeting held on March 18, 2010, a majority of apartment owners voted in favor of amending the Second Restated Declaration as indicated below;

NOW, THEREFORE, the Second Restated Declaration is hereby amended as follows:

1. A new Section 18 is added to the Second Restated Declaration to read in its entirety as follows:

18. Governing Law. Notwithstanding anything to the contrary in the Project's Declaration, By-Laws, Rules and Regulations, and Condominium Map:

(a) The Project shall be governed by the provisions of Chapter 514B, as amended;

(b) Any apartment deed and the Project's Declaration, By-Laws, Rules and Regulations, and Condominium Map shall be liberally construed to facilitate the operation of the Project under the law (HRS Section 514B-10);

(c) The Board of Directors shall be permitted to restate the Declaration and By-Laws of the Association to include any

amendments and to conform to Chapter 514B, or any other statute, ordinance, or rule enacted by any governmental authority (HRS Section 514B-109);

(d) Amendments to the Declaration, including but not limited to amendments relating to the alteration of the Project, shall require the approval by vote or written consent of the owners of at least 67% of the common interest [HRS Section 514B-32(a)(11)];

(e) Amendments to the By-Laws, including but not limited to amendments relating to the alteration of the Project, shall require the approval by vote or written consent of at least 67% of all owners [HRS Section 514B-108(e)];

(f) Approval requirements of 75% for alterations to the common elements shall be reduced to 67% (HRS Section 514B-140);

(g) Approval requirements for leases or uses of the common elements shall be governed by HRS Section 514B-38;

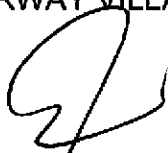
IN ALL OTHER RESPECTS, the Second Restated Declaration of the Association, as amended, is hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties to it and their respective and permitted assigns.


AND the undersigned officers of the Association hereby certify that the foregoing amendment to the Second Restated Declaration was adopted by a vote of more than a majority of the apartment owners of Fairway Villa.

(The remaining portion of this page is intentionally left blank.)

26<sup>th</sup> IN WITNESS WHEREOF, the undersigned have executed this instrument this  
day of May, 2010.

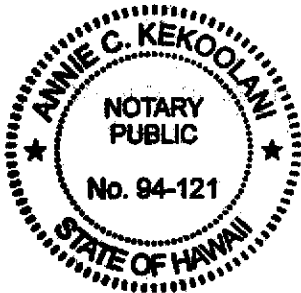
ASSOCIATION OF APARTMENT OWNERS  
OF FAIRWAY VILLA, INC.

By   
Name GARY K. YOSHIMI  
Its PRESIDENT

By   
Name ERNST J. ANTON  
Its VICE PRESIDENT

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

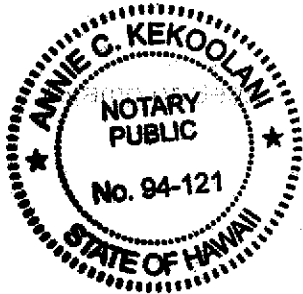
On this 26<sup>th</sup> day of MAY, 2010, before me appeared Gary K. Yoshimi, to me personally known or satisfactorily proved to me to be the person described in and who executed the within instrument, who being by me duly sworn, did say that he is the Pres. dent of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA; that said instrument, a ten (10) page AMENDMENT TO THE SECOND RESTATEMENT OF DECLARATION OF HORIZONTAL PROPERTY REGIME OF FAIRWAY VILLA, INC., dated 5-26-10, was signed on behalf of said Association by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said Association. Said Association has no seal.



AL 5-26-10  
Notary Signature Date  
Typed or Printed Name: Annie C. Kekoolani  
Notary Public, State of Hawaii, First Circuit  
My Commission Expires: 02-16-2014

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 26<sup>th</sup> day of MAY, 2010, before me appeared ERNST J. ANTON, to me personally known or satisfactorily proved to me to be the person described in and who executed the within instrument, who being by me duly sworn, did say that he is the Vice President of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA; that said instrument, a ten (10) page AMENDMENT TO THE SECOND RESTATEMENT OF DECLARATION OF HORIZONTAL PROPERTY REGIME OF FAIRWAY VILLA, INC., dated 5-26-10, was signed on behalf of said Association by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said Association. Said Association has no seal.



[Signature] 5-26-10  
Notary Signature Date  
Typed or Printed Name: Annie C. Kekoolani  
Notary Public, State of Hawaii, First Circuit  
My Commission Expires: 02-16-2014

## Exhibit "A"

Fairway Villa  
Land Court Condo Map No. 216

### Transfer Certificates of Title Numbers

<u>Unit No.</u>	<u>TCT No.</u>
701	568135
702	459962
703	885889
704	692147
705	546888
706	948221
707	638365
708	443669
709	763507
710	616573
711	672086
712	546888
713	853062
714	924103
715	729363
716	703713
717	**Manager's Apartment**
718	963900
801	927922
802	550884
803	968580
804	795117
805	564125
806	847458
807	552725
808	546888
809	712904
810	973293
811	713135
812	546888
813	744480
814	430434
815	574311
816	711422
817	534254
818	546888
901	607934
902	908857
903	511240
904	540026
905	954571
906	404471
907	587966
908	776527
909	564579
910	956637

<u>Unit No.</u>	<u>TCT No.</u>
911	625632
912	404473
913	549306
914	918825
915	865776
916	404474
917	723848
918	418149
1001	404476
1002	801984
1003	546888
1004	760511
1005	501278
1006	420515
1007	700163
1008	546888
1009	463992
1010	404479
1011	882652
1012	410543
1013	710510
1014	916556
1015	589865
1016	917370
1017	710511
1018	746054
1101	541185
1102	865956
1103	962648
1104	973991
1105	747186
1106	457180
1107	790099
1108	856417
1109	404488
1110	404489
1111	837998
1112	831502
1113	557591
1114	893095
1115	539169
1116	447665
1117	404495
1118	540855
1201	482579
1202	410544



**Exhibit "A"**

Fairway Villa  
Land Court Condo Map No. 216

Transfer Certificates of Title Numbers

<u>Unit No.</u>	<u>TCT No.</u>
1203	485324
1204	479792
1205	404498
1206	777146
1207	404500
1208	410545
1209	546888
1210	404501
1211	546888
1212	897415
1213	882654
1214	701752
1215	913598
1216	409367
1217	683122
1218	886095
1401	409368
1402	687754
1403	917389
1404	905326
1405	827227
1406	546888
1407	790468
1408	849840
1409	792778
1410	574399
1411	790468
1412	776230
1413	790468
1414	693969
1415	546888
1416	646802
1417	404513
1418	857766
1501	546888
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	856920
1508	540025
1509	762289
1510	878801
1511	629478
1512	546888

<u>Unit No.</u>	<u>TCT No.</u>
1513	409371
1514	865190
1515	409372
1516	566275
1517	713179
1518	666826
1601	599810
1602	968133
1603	404636
1604	862916
1605	404526
1606	747608
1607	848226
1608	641544
1609	836541
1610	685596
1611	546888
1612	546888
1613	954744
1614	409376
1615	837896
1616	723586
1617	404532
1618	420462
1701	844829
1702	839046
1703	546888
1704	696179
1705	547727
1706	883467
1707	510016
1708	469057
1709	839480
1710	546888
1711	650049
1712	546888
1713	961986
1714	762376
1715	404540
1716	409383
1717	404541
1718	404542
1801	588229
1802	675852
1803	692860
1804	967426

**Exhibit "A"**

Fairway Villa  
Land Court Condo Map No. 216

Transfer Certificates of Title Numbers

<u>Unit No.</u>	<u>TCT No.</u>
1805	808737
1806	784498
1807	767367
1808	929048
1809	893825
1810	652323
1811	845939
1812	404547
1813	953686
1814	839752
1815	409388
1816	409389
1817	542103
1818	546888
1901	456231
1902	404633
1903	404550
1904	540024
1905	979796
1906	949047
1907	596260
1908	466115
1909	859760
1910	864703
1911	450390
1912	976147
1913	689709
1914	546888
1915	544567
1916	778152
1917	543461
1918	557842
2001	539287
2002	668514
2003	826644
2004	772514
2005	460910
2006	697357
2007	546888
2008	404562
2009	923021
2010	867811
2011	658022
2012	820650
2013	871531
2014	404565

<u>Unit No.</u>	<u>TCT No.</u>
2015	686851
2016	409396
2017	643034
2018	546888
2101	404566
2102	890504
2103	404567
2104	850988
2105	837973
2106	589168
2107	404570
2108	742730
2109	875907
2110	667640
2111	901561
2112	404576
2113	744710
2114	404578
2115	520125
2116	404579
2117	481430
2118	409399
2201	922888
2202	908633
2203	628632
2204	470157
2205	610622
2206	537794
2207	856197
2208	762375
2209	677489
2210	724871
2211	975609
2212	404584
2213	463566
2214	404585
2215	409403
2216	404586
2217	627685
2218	710669
2301	766118
2302	729785
2303	404634
2304	919270
2305	894138
2306	479700

**Exhibit "A"**

Fairway Villa  
Land Court Condo Map No. 216

Transfer Certificates of Title Numbers

<u>Unit No.</u>	<u>TCT No.</u>
2307	749493
2308	546888
2309	798200
2310	718593
2311	739786
2312	648410
2313	802859
2314	944848
2315	592099
2316	481333
2317	445513
2318	546888
2401	839314
2402	404600
2403	486827
2404	977118
2405	923441
2406	932677
2407	966780
2408	616167
2409	977659
2410	546888
2411	766420
2412	462143
2413	778685
2414	404606
2415	409698
2416	828022
2417	886095
2418	469050
2501	880899
2502	886095
2503	515155
2504	894920
2505	839170
2506	479457
2507	588204
2508	616574
2509	435184
2510	908655
2511	443086
2512	694548
2513	637087
2514	404610
2515	966422
2516	735215

<u>Unit No.</u>	<u>TCT No.</u>
2517	517572
2518	885879
2601	546888
2602	440285
2603	814775
2604	662988
2605	526194
2606	664667
2607	464681
2608	666312
2609	475052
2610	488404
2611	475347
2612	471167
2613	626294
2614	713787
2615	831317
2616	508326
2617	472861
2618	546888
2701	404628
2702	836536
2703	592098
2704	492426
2705	404613
2706	688709
2707	803924
2708	974322
2709	826735
2710	933599
2711	409416
2712	553671
2713	508325
2714	404615
2715	969061
2716	662989
2717	409417
2718	441325
AUX1	487613
PH2801	805991
PH2802	805991
PH2803	747133

264M  
A 334 CERTS



STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

September 19, 2013 8:02 AM

Doc No(s) T-8662270  
on Cert(s) AS LISTED HEREIN  
Issuance of Cert(s)



9 1/1 DML  
B-32341654

/s/ NICKI ANN THOMPSON  
ASSISTANT REGISTRAR

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP (XX) TO:

MILTON M. MOTOOKA  
Motooka & Yamamoto  
1000 Bishop Street, Suite 801  
Honolulu, Hawaii 96813  
Tel. No. (808) 532-7900

*Attn: Hwa Kyung Song*

Fairway Villa, Inc.  
Condominium Map No. 216  
Transfer Certificate of Title Numbers: (see Exhibit A attached)

No. of pages: 9

**AMENDMENT TO THE SECOND RESTATEMENT OF DECLARATION OF  
CONDOMINIUM PROPERTY REGIME OF FAIRWAY VILLA, INC. AND  
THE SECOND RESTATEMENT OF THE BY-LAWS OF ASSOCIATION OF  
APARTMENT OWNERS OF FAIRWAY VILLA CONDOMINIUM PROJECT**

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514A, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603, as amended ("Declaration"), and noted on Transfer Certificate of Title No. 153715 (current Transfer Certificate of Title Numbers shown on the attached Exhibit "A"), the property described in the Declaration was submitted to the provisions of the Horizontal

Property Regime (now known as the Condominium Property Regime, Chapter 514A, Hawaii Revised Statutes, recodified as Chapter 514B, Hawaii Revised Statutes); and

WHEREAS, the Declaration, as amended, provided for the organization and operation of the Association of Apartment Owners of Fairway Villa (the "Association"), in accordance with the By-Laws attached to said Declaration and incorporated therein by reference; and

WHEREAS, said Declaration, as amended, was restated by instrument dated July 18, 1994, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2169790 ("First Restated Declaration"), as amended; and

WHEREAS, said restated Declaration, as amended, was further restated by instrument dated July 28, 2004, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3192851 ("Second Restated Declaration"), as amended; and

WHEREAS, said Second Restated Declaration was amended by instrument dated May 26, 2010, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3973637; and

WHEREAS, the By-Laws, as amended and restated, were restated for a second time by instrument dated July 28, 2004, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3192852 ("Second Restated By-Laws")

WHEREAS, Hawaii Revised Statutes ("HRS") Section 514B-32(a)(11) provides that the declaration may be amended by the vote or written consent of at least sixty-seven per cent (67%) of the common interest; and

WHEREAS, HRS Section 514B-108(e) provides that amendments to the by-laws shall require the approval by vote or written consent of at least sixty-seven per cent (67%) of the owners; and

WHEREAS, by written consent, more than sixty-seven per cent (67%) of the common interest approved to amend the Second Restated Declaration as hereinafter set forth: and

WHEREAS, by written consent, more than sixty-seven per cent (67%) of the owners approved to amend the Second Restated Bylaws as hereinafter set forth;

NOW, THEREFORE, the Second Restated Declaration is hereby amended as follows:

1. All references to hotel or hotel use are hereby removed.

2. Subsection (m) shall be added to Paragraph 6 to read: "Surf Board & Bike Rack".
3. Subsection (n) shall be added to Paragraph 6 to read: "Recreation Deck BBQ Grills".

AND NOW, THEREFORE, the Second Restated By-Laws is hereby amended as follows:

1. All references to hotel or hotel use are hereby removed.

IN ALL OTHER RESPECTS, the Second Restated Declaration of the Association and the Second Restated By-Laws, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties to it and their respective and permitted assigns.

AND the undersigned officers of the Association hereby certify that the foregoing amendment to the Second Restated Declaration and the Second Restated Bylaws were adopted by the written consent of more than sixty-seven per cent (67%) of the unit owners of Fairway Villa.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 23<sup>rd</sup> day of July, 2013.

ASSOCIATION OF APARTMENT OWNERS  
OF FAIRWAY VILLA, INC.

By

  
Name GARY K. YOSHIMI

Its PRESIDENT

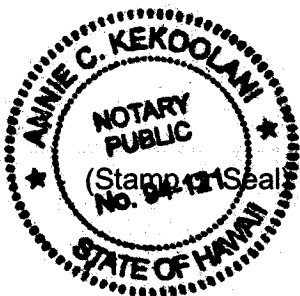
By

  
Name Carolyn D. Desinger

Its Secretary

STATE OF HAWAII )  
(CITY AND) COUNTY OF HONOLULU ) SS.

On this 23 day of July, 2013, before me appeared Gary K. Yoshimi, to me personally known or satisfactorily proved to me to be the person described in and who executed the within instrument, who being by me duly sworn, did say that (s)he is the President of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA; that said instrument, a nine (9) page AMENDMENT TO THE SECOND RESTATEMENT OF DECLARATION OF CONDOMINIUM PROPERTY REGIME OF FAIRWAY VILLA, INC. AND THE SECOND RESTATEMENT OF THE BY-LAWS OF ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA CONDOMINIUM PROJECT, dated July 23, 2013, was signed on behalf of said Association by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said Association. Said Association has no seal.

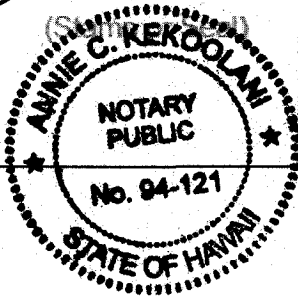


*[Handwritten Signature]*

7-23-13

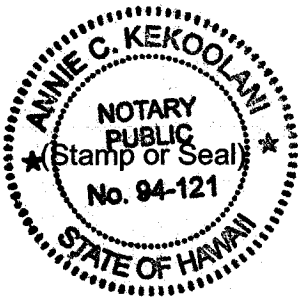
Notary Signature \_\_\_\_\_ Date \_\_\_\_\_  
Typed or Printed Name: Annie C. Kekoolani  
Notary Public, State of Hawaii  
My Commission Expires: 02-16-2014

**Doc. Date:** 7-23-13      **# Pages:** 9  
**Notary Name:** Annie C. Kekoolani      First **Circuit**  
**Doc. Description:** Amendment to the Second Restatement of Declaration of CPR of Fairway Villa, Inc. and the Second Restatement of the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project  
*[Handwritten Signature]*      7-23-13  
Notary Signature \_\_\_\_\_ Date \_\_\_\_\_



STATE OF HAWAII )  
(CITY AND) COUNTY OF HONOLULU ) SS.

On this 19th day of August, 2013, before me appeared Carlyn D. Dasinger, to me personally known or satisfactorily proved to me to be the person described in and who executed the within instrument, who being by me duly sworn, did say that (s)he is the Secretary of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA; that said instrument, a nine (9) page AMENDMENT TO THE SECOND RESTATEMENT OF DECLARATION OF CONDOMINIUM PROPERTY REGIME OF FAIRWAY VILLA, INC. AND THE SECOND RESTATEMENT OF THE BY-LAWS OF ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA CONDOMINIUM PROJECT, dated July 23, 2013, was signed on behalf of said Association by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said Association. Said Association has no seal.



AK 8/19/13  
Notary Signature Date  
Typed or Printed Name: Annie C. Kekoolani  
Notary Public, State of Hawaii  
My Commission Expires: 02-16-2014

<b>Doc. Date:</b> <u>08-19-13</u>	<b># Pages:</b> <u>9</u>
<b>Notary Name:</b> <u>Annie C. Kekoolani</u> <u>First</u> <b>Circuit</b>	
<b>Doc. Description:</b> <u>Amendment to the Second Restatement of Declaration of CPR of Fairway Villa, Inc. and the Second Restatement of the By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project</u>	
<u>AK</u> Notary Signature	<u>8/19/13</u> Date

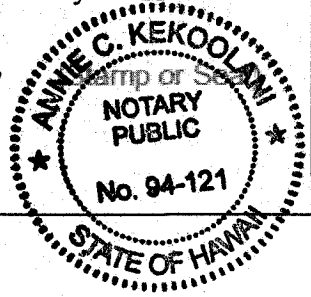




Exhibit "A"

Fairway Villa  
Land Court Condo Map No. 216

List of Current Transfer Certificate of Title Numbers

<u>Unit No.</u>	<u>TCT No.</u>		<u>Unit No.</u>	<u>TCT No.</u>	
AUX1	487,613		911	1,039,389	
701	568,335		912	404,473	
702	459,962		913	1,044,682	
703	885,889		914	985,787	
704	692,147		915	865,776	
705	546,888		916	404,474	
706	1,044,642		917	1,058,645	
707	638,365		918	418,149	
708	1,020,107		1001	1,065,068	
709	763,507		1002	801,984	
710	616,573		1003	1,042,468	
711	1,042,556		1004	1,028,024	
712	546,888	DEREGISTER - T/S UNIT	1005	501,278	
713	853,062		1006	420,515	
714	924,103		1007	1,060,058	
715	1,009,828		1008	546,888	DEREGISTER - T/S UNIT
716	703,713		1009	463,992	
718	963,900		1010	404,479	
801	986,853		1011	882,652	
802	550,884		1012	410,543	
803	968,580		1013	1,057,780	
804	795,117		1014	916,556	
805	564,125		1015	589,865	
806	847,458		1016	917,370	
807	552,725		1017	710,511	
808	546,888	DEREGISTER - T/S UNIT	1018	746,054	
809	712,904		1101	541,185	
810	973,293		1102	1,025,331	
811	713,135		1103	962,648	
812	546,888	DEREGISTER - T/S UNIT	1104	973,991	
813	744,480		1105	747,186	
814	430,434		1106	457,180	
815	1,005,184		1107	1,038,080	
816	711,422		1108	856,417	
817	1,035,108		1109	404,488	
818	546,888	DEREGISTER - T/S UNIT	1110	1,038,336	
901	607,934		1111	837,998	
902	1,059,441		1112	831,502	
903	511,240		1113	557,591	
904	540,026		1114	893,095	
905	1,061,269		1115	1,046,627	
906	404,471		1116	447,665	
907	1,048,573		1117	404,495	
908	776,527		1118	540,855	
909	564,579		1201	482,579	
910	956,637		1202	410,544	

**Exhibit "A"**

**Fairway Villa  
Land Court Condo Map No. 216**

**List of Current Transfer Certificate of Title Numbers**

<u>Unit No.</u>	<u>TCT No.</u>		<u>Unit No.</u>	<u>TCT No.</u>	
1203	485,324		1512	546,888	DEREGISTER - T/S UNIT
1204	479,792		1513	409,371	
1205	404,498		1514	1,031,700	
1206	777,146		1515	1,033,639	
1207	404,500		1516	566,275	
1208	410,545		1517	713,179	
1209	546,888	DEREGISTER - T/S UNIT	1518	666,826	
1210	404,501		1601	599,810	
1211	546,888		1602	968,133	
1212	897,415		1603	1,023,190	
1213	882,654		1604	1,006,729	
1214	1,041,109		1605	404,526	
1215	913,598		1606	986,486	
1216	409,367		1607	848,226	
1217	683,122		1608	1,015,447	
1218	886,095		1609	836,541	
1401	409,368		1610	685,596	
1402	687,754		1611	546,888	DEREGISTER - T/S UNIT
1403	917,389		1612	546,888	DEREGISTER - T/S UNIT
1404	905,326		1613	954,744	
1405	827,227		1614	409,376	
1406	546,888	DEREGISTER - T/S UNIT	1615	837,896	
1407	790,468		1616	723,586	
1408	849,840		1617	404,532	
1409	792,778		1618	1,054,204	
1410	574,399		1701	844,829	
1411	790,468		1702	1,057,250	
1412	776,230		1703	546,888	DEREGISTER - T/S UNIT
1413	790,468		1704	696,179	
1414	693,969		1705	547,727	
1415	546,888		1706	1,028,951	
1416	646,802		1707	510,016	
1417	404,513		1708	469,057	
1418	1,064,503		1709	839,480	
1501	546,888	DEREGISTER - T/S UNIT	1710	546,888	
1502	404,515		1711	650,049	
1503	404,516		1712	546,888	DEREGISTER - T/S UNIT
1504	1,059,024		1713	961,986	
1505	1,057,022		1714	762,376	
1506	404,518		1715	404,540	
1507	856,920		1716	409,383	
1508	540,025		1717	404,541	
1509	1,000,843		1718	404,542	
1510	878,801		1801	588,229	
1511	629,478		1802	675,852	

Exhibit "A"

Fairway Villa  
Land Court Condo Map No. 216

List of Current Transfer Certificate of Title Numbers

<u>Unit No.</u>	<u>TCT No.</u>		<u>Unit No.</u>	<u>TCT No.</u>	
1803	692,860		2013	1,048,417	
1804	1,060,828		2014	404,565	
1805	808,737		2015	686,851	
1806	784,498		2016	409,396	
1807	767,367		2017	643,034	
1808	1,007,559		2018	546,888	DEREGISTER - T/S UNIT
1809	893,825		2101	404,566	
1810	652,323		2102	890,504	
1811	1,030,760		2103	404,567	
1812	1,058,508		2104	850,988	
1813	953,686		2105	837,973	
1814	839,752		2106	589,168	
1815	409,388		2107	404,570	
1816	1,011,830		2108	742,730	
1817	542,103		2109	875,907	
1818	546,888	DEREGISTER - T/S UNIT	2110	667,640	
1901	456,231		2111	901,561	
1902	404,633		2112	1,065,069	
1903	404,550		2113	1,039,553	
1904	540,024		2114	404,578	
1905	979,796		2115	520,125	
1906	949,047		2116	404,579	
1907	993,411		2117	1,037,456	
1908	466,115		2118	409,399	
1909	1,046,011		2201	916,079	
1910	864,703		2202	908,633	
1911	450,390		2203	628,632	
1912	993,219		2204	470,157	
1913	1,046,678		2205	610,622	
1914	546,888	DEREGISTER - T/S UNIT	2206	537,794	
1915	1,037,956		2207	856,197	
1916	778,152		2208	762,375	
1917	543,461		2209	1,028,950	
1918	557,842		2210	1,028,949	
2001	539,287		2211	986,451	
2002	668,514		2212	404,584	
2003	826,644		2213	463,566	
2004	772,514		2214	404,585	
2005	1,044,284		2215	409,403	
2006	697,357		2216	404,586	
2007	546,888	DEREGISTER - T/S UNIT	2217	627,685	
2008	404,562		2218	710,669	
2009	923,021		2301	766,118	
2010	1,062,921		2302	1,004,917	
2011	1,005,246		2303	404,634	
2012	820,650		2304	919,270	

Exhibit "A"

Fairway Villa  
Land Court Condo Map No. 216

List of Current Transfer Certificate of Title Numbers

<u>Unit No.</u>	<u>TCT No.</u>		<u>Unit No.</u>	<u>TCT No.</u>	
2305	894,138		2515	966,422	
2306	479,700		2516	735,215	
2307	1,052,298		2517	517,572	
2308	1,059,368		2518	885,879	
2309	798,200		2601	546,888	
2310	718,593		2602	440,285	
2311	739,786		2603	814,775	
2312	648,410		2604	662,988	
2313	802,859		2605	1,061,186	
2314	944,848		2606	664,667	
2315	1,046,234		2607	464,681	
2316	481,333		2608	666,312	
2317	1,060,950		2609	475,052	
2318	546,888	DEREGISTER - T/S UNIT	2610	488,404	
2401	839,314		2611	475,347	
2402	404,600		2612	471,167	
2403	1,058,644		2613	626,294	
2404	977,118		2614	1,055,927	
2405	923,441		2615	831,317	
2406	932,677		2616	508,326	
2407	966,780		2617	472,861 <sup>1</sup>	
2408	616,167		2618	546,888	DEREGISTER - T/S UNIT
2409	977,659		2701	404,628	
2410	546,888		2702	836,536	
2411	766,420		2703	1,038,674	
2412	462,143		2704	492,426	
2413	1,033,409		2705	404,613	
2414	404,606		2706	688,709	
2415	989,858		2707	803,924	
2416	1,029,758		2708	1,061,275	
2417	886,095		2709	826,735	
2418	469,050		2710	933,599	
2501	880,899		2711	409,416	
2502	886,095		2712	553,671	
2503	515,155		2713	508,325	
2504	894,920		2714	404,615	
2505	839,170		2715	969,061	
2506	479,457		2716	662,989	
2507	588,204		2717	409,417	
2508	616,574		2718	441,325	
2509	435,184		PH2801	805,991	
2510	1,047,840		PH2802	805,991	
2511	443,086		PH2803	747,133	
2512	694,548				
2513	637,087				
2514	1,032,943				

Fairway Villa

**RESOLUTION ADOPTING COLLECTION PROCEDURES**

Adopted by the Board of Directors on 11/16/13

WHEREAS, the Board of Directors of the Fairway Villa is charged with the responsibility of collecting assessments for common expenses from the Association members pursuant to the Project's governing documents; and

WHEREAS, from time to time, Association members become delinquent in their payment of the assessments and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS, the Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer the delinquent accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue; and

WHEREAS, the Board has retained the Association's collection attorneys for their experience in representing community associations in collections matters; and

WHEREAS, the Board has directed the Association's collection attorneys to represent the Association on the terms outlined in this resolution, unless specifically advised otherwise; now, therefore

BE IT RESOLVED, the Association's collection attorneys shall be authorized to conduct the following actions without further Board authorization, if the delinquent account is not brought current within the time stated, or a satisfactory agreement has not been reached to accomplish bringing the account current, the following actions may be taken:

- a. An account is turned over to the Association's collection attorneys and the Association's collection attorneys shall give notice to the delinquent owner(s) providing the owner with 40 (forty) days to respond;
- b. If no payment is received by the deadline, a title report will be ordered and a lien recorded against the delinquent owners' property;
- c. Once the lien is in place, the Association's collection attorneys shall send a second and final notice with a copy of the lien, providing the owner(s) with an additional 10 (ten) days to respond;
- d. If no payment is received and the property is rented, a letter to the tenant or rental agent will be prepared for processing;

- e. Action may be commenced in the District Court to secure a personal judgment for the amounts owed if the balance is under \$5,000.00 (excluding legal fees) and the owner currently resides within the State of Hawaii;
- f. After a judgment is secured, action may be taken to acquire employment information and to proceed with garnishment of wages (i.e. skip trace, employment check, etc);
- g. Foreclosure proceedings may be commenced if the balance is over \$5,000.00 (excluding legal fees) or if the owner resides outside of the State of Hawaii;
- h. Skip trace services may be employed for determination of delinquent owner information including location, employment, assets, social security number, or any other information that the attorneys may deem possibly helpful to collection efforts.

BE IT FURTHER RESOLVED, if a delinquent owner requests an installment payment plan to bring the account current, the Association's collection attorneys shall approve the payment plan in accordance with the Board's policy of:

All payment plans must pay the delinquent balance in full within eighteen (18) months and must include current monthly dues.

Any payment plan not meeting the requirements must receive Board authorization before an agreement is made to enter into such a payment plan with the delinquent owner. Should the owner(s) default with a payment plan, the Association's collection attorney is authorized to proceed with the next action, without further notice, as set above.

The above Resolution shall be read and implemented in conjunction with and as a supplement to the Association's collection policy(s) as set forth in the Association By-Laws, as amended, and in the event of a conflict the Board and its attorneys shall be authorized to use any and all lawful collection procedures.

Honolulu, Hawaii JANUARY 16, 2013

BOARD OF DIRECTORS  
FAIRWAY VILLA

By [Signature]

Its: PRESIDENT

By [Signature]

Its: TREASURER

ITC 41123

E 11047BJ

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LAND REPORT  
OFFICE OF THE ASSISTANT  
REVENUE COMMISSIONER  
ALBANY, N.Y.

87 OCT 21 PM 2:38

*W. C. [Signature]*

ADVISOR  
N. J. [Name] 1937115.  
BOOK [Number]

RECORDATION REQUESTED BY:

AFTER RECORDATION, RETURN TO:

RETURN BY: MAIL ( ) PICKUP ( )

AGREEMENT FOR AMENDMENT OF PARKING SPACES,  
AMENDMENT OF CONDOMINIUM CONVEYANCE  
DOCUMENTS, AMENDMENT OF DECLARATION OF  
HORIZONTAL PROPERTY REGIME AND CONSENTS

THIS AGREEMENT is made by and between:

A. BERNARD LOUIS RECHER and RHODA ARLENE RECHER, husband and wife, whose residence and post office address is 2345 Ala Wai Boulevard, #2801, Honolulu, Hawaii 96815, as Lessee by mesne assignments of record of that certain Condominium Conveyance Document dated December 15, 1975, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 745703, which Condominium Conveyance Document conveys Apartment No. PH 2802 of that certain Condominium Project known as "Fairway Villa" and described in the Declaration of Horizontal Property Regime dated February 26, 1974, and filed as Land Court Document No. 685603, as amended, and as noted on Transfer Certificate of Title No. 153,715, hereinafter referred to collectively as "Recher"; and



B. BERNARD LOUIS RECHER, as Trustee under that certain unrecorded Revocable Living Trust Agreement dated October 7, 1982, made by BERNARD LOUIS RECHER as Settlor, whose residence and post office address is 2345 Ala Wai Boulevard, #2801, Honolulu, Hawaii 96815, said Trustee being the Lessee (by mesne assignments of record) under that certain Condominium Conveyance Document dated February 6, 1975, and filed in said Office of the Assistant Registrar of the Land Court as Document No. 714171, which Condominium Conveyance Document conveys Apartment No. 2013 of that certain Condominium Project known as "Fairway Villa" and described in said Declaration of Horizontal Property Regime and as noted on Transfer Certificate of Title No. 153,715, hereinafter referred to as "Trustee."

W I T N E S S E T H.

RECITALS:

1. Recher holds the Lessee's interest under said Condominium Conveyance Document to said Apartment No. PH 2802 (Land Court Doc. No. 745703), which interest includes an exclusive easement to use Parking Space Nos. 2-2802, 2-2802, 103-104, 302, 507, 604, 607, 650-651, 652-653, 654-655, 656-657, 658-659, 660-661 and 664-665, as shown on Condominium Map No. 216, as amended.

2. Trustee holds the Lessee's interest under said Condominium Conveyance Document to said Apartment No. 2013 (Land Court Doc. No. 714171), which interest includes an exclusive easement to use Parking Space No. 4-2013, as shown on Condominium Map No. 216, as amended

3. Pursuant to Section 514A-14 of the Hawaii Revised Statutes, Recher and Trustee wish to change the designation of the parking stalls that are appurtenant to their respective apartments and wish to make the amendments as stated in this Agreement.

AGREEMENT AND AMENDMENTS:

It is hereby agreed as follows:

A. The said parking spaces for said Apartment Nos. PH 2802 and 2013 shall be and are hereby amended so that said parking space Nos. 103-104, 302, 507, 604, 607, 650-651, 652-653, 654-655, 656-657, 658-659, 660-661 and 664-665 shall be appurtenant to said Apartment No. 2013 as limited common elements and shall not be appurtenant to said Apartment No. PH 2802, resulting in said Apartment No. PH 2802 having Parking Space Nos. 2-2802 and 2-2802 appurtenant thereto and said Apartment No. 2013 having Parking Space Nos. 4-2013, 103-104, 302, 507, 604, 607, 650-651, 652-653, 654-655,

656-657, 658-659, 660-661 and 664-665 appurtenant thereto respectively.

B. Said Condominium Conveyance Document No. 745703 is hereby amended to indicate that only Parking Space Nos. 2-2802 and 2-2802 are appurtenant to said Apartment No. PH 2802 as limited common elements.

C. Said Condominium Conveyance Document No. 714171 is hereby amended to indicate that said Parking Space Nos. 103-104, 302, 507, 604, 607, 650-651, 652-653, 654-655, 656-657, 658-659, 660-661 and 664-665 are now appurtenant to said Apartment No. 2013 as limited common elements in addition to said Parking Space No. 4-2013, which was already appurtenant to said Apartment No. 2013 as a limited common element.

D. Said Declaration of Horizontal Property Regime is hereby amended to reflect the Parking Space amendment made in this Agreement, and in said Declaration said Apartment No. 2802 shall be taken as having appurtenant thereto Parking Space Nos. 2-2802 and 2-2802 as limited common elements and said Apartment No. 2013 shall be taken as having appurtenant thereto Parking Space Nos. 4-2013, 103-104, 302, 507, 604, 607, 650-651, 652-653, 654-655, 656-657, 658-659, 660-661 and 664-665 as limited common elements.

CONSENTS:

THEODORE HILTON SMYTH, as Trustee for the benefit of Theodore H. Smyth, Jr. (four trusts) and Elizabeth T. Smyth (four trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, as Lessor under both said Condominium Conveyance Documents, hereby consents to the parking space amendments, the amendments to said Condominium Conveyance Documents and the amendments to said Declaration of Horizontal Property Regime contained in this Agreement, but such consent shall not be a consent to any other or further parking space amendments or redesignations, to any other amendment of any of the said Condominium Conveyance Documents, or any amendment to any other Condominium Conveyance Documents for other apartments in the said Project known as "Fairway Villa," or as a release, waiver, or modification of any of the rights of such Lessor under any such Condominium Conveyance Documents.

AND Recher and Trustee as to their respective said Condominium Conveyance Documents, hereby ratify and confirm all of the other terms and provisions thereof that are not amended by this Agreement, and ratify and confirm the said Condominium Conveyance Documents, respectively, as amended.

AND HONOLULU FEDERAL SAVINGS AND LOAN ASSOCIATION, a federal savings and loan association, whose principal place

of business and post office address is 138 Merchant Street, Honolulu, Hawaii 96813, the Mortgagee under that certain Mortgage, Security Agreement and Financing Statement, dated February 6, 1975, made in favor of Hawaiian Federal Savings and Loan Association, filed in said Office of the Assistant Registrar of the Land Court as Document No. 714173, which said Mortgage was assigned to said Honolulu Federal Savings and Loan Association by instrument dated 12/31/81, 19\_\_, filed in said Office of the Assistant Registrar of the Land Court as Document No. 1099287, which covers said Apartment No. 2013, hereby consents to the parking space amendments contained in this Agreement, provided that such consent shall not be a consent to any other or further amendment of said Mortgage, Security Agreement and Financing Statement or of the said Condominium Conveyance Documents, or a release, waiver or modification of any of the rights of the said Mortgagee, and shall not impair the lien of the said Mortgage, Security Agreement and Financing Statement upon the parking spaces that are appurtenant to said

Apartment No. 2013 and subject to such Mortgage.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates hereinafter stated.

Dated: October 7, 1987 Bernard Louis Recher  
BERNARD LOUIS RECHER

Dated: October 7, 1987 Rhoda Arlene Recher  
RHODA ARLENE RECHER

Dated: October 7, 1987 Bernard Louis Recher  
BERNARD LOUIS RECHER, Trustee

Dated: October 6, 1987 \_\_\_\_\_  
THEODORE HILTON SMYTH, Trustee

HONOLULU FEDERAL SAVINGS AND  
LOAN ASSOCIATION, A Federal  
Savings and Loan Association

Dated: OCT 20 1987 BY: John C. De  
Its VICE PRESIDENT

Dated: OCT 26 1987 BY: Barbara L. Okamoto  
Its ASSISTANT VICE PRESIDENT

Apartment No. 2013 and subject to such Mortgage.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates hereinafter stated.

Dated: \_\_\_\_\_  
BERNARD LOUIS RECHER

Dated: \_\_\_\_\_  
RHODA ARLENE RECHER

Dated: \_\_\_\_\_  
BERNARD LOUIS RECHER, Trustee

Dated: October 6, 1987  
Theodore Hilton Smyth, Trustee  
THEODORE HILTON SMYTH, Trustee

HONOLULU FEDERAL SAVINGS AND  
LOAN ASSOCIATION, A Federal  
Savings and Loan Association

Dated: OCT 20 1987  
BY: [Signature]  
Its VICE PRESIDENT

Dated: OCT 20 1987  
BY: [Signature]  
Its ASSISTANT VICE PRESIDENT

STATE OF HAWAII )  
 ) ss.:  
CITY AND COUNTY OF HONOLULU )

On this \_\_\_\_\_ day of OCT 7 1987, 19\_\_\_\_,  
before me personally appeared BERNARD LOUIS RECHER, to me  
known to be the person described in and who executed the  
foregoing instrument and acknowledged that he executed the  
same as his free act and deed.

LS

Lily K. Brunke  
Notary Public, State of Hawaii

My commission expires: NOV 1, 1990  
NOV 17 1990

STATE OF HAWAII )  
 ) ss.:  
CITY AND COUNTY OF HONOLULU )

On this \_\_\_\_\_ day of OCT 7 1987, 19\_\_\_\_,  
before me personally appeared RHODA ARLENE RECHER, to me  
known to be the person described in and who executed the  
foregoing instrument and acknowledged that she executed the  
same as her free act and deed.

LS

Lily K. Brunke  
Notary Public, State of Hawaii

My commission expires: NOV 17 1990



STATE OF HAWAII )  
 ) ss.:  
COUNTY OF HONOLULU )

On this \_\_\_\_\_ day of 007 7 1987, 198\_, before me personally appeared BERNARD LOUIS RECHER, Trustee under that certain unrecorded Revocable Living Trust Agreement dated October 7, 1982, to me personally known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed as said Trustee.

*Lily K. Brunke*  
\_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires: NOV 17 1990

STATE OF CALIFORNIA )  
 ) ss.:  
COUNTY OF )

On this \_\_\_\_\_ day of \_\_\_\_\_, 198\_, before me personally appeared THEODORE HILTON SMYTH, Trustee for the benefit of Theodore H. Smyth, Jr. and Elizabeth T. Smyth, under unrecorded trusts of which a Short Form Declaration is filed as Land Court Document No. 606183, to me personally known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed as said Trustee.

\_\_\_\_\_  
Notary Public,  
State of California

My commission expires: \_\_\_\_\_

STATE OF HAWAII  
COUNTY OF HONOLULU

)  
) ss.:  
)

On this \_\_\_\_\_ day of \_\_\_\_\_, 198\_, before me personally appeared BERNARD LOUIS RECHER, Trustee under that certain unrecorded Revocable Living Trust Agreement dated October 7, 1982, to me personally known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed as said Trustee.

\_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires: \_\_\_\_\_

STATE OF CALIFORNIA

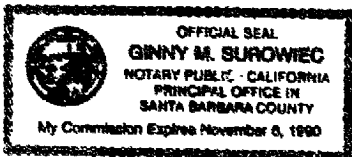
COUNTY OF *Santa Barbara*

)  
) ss.:  
)

On this 6<sup>m</sup> day of October, 1987, before me personally appeared THEODORE HILTON SMYTH, Trustee for the benefit of Theodore H. Smyth, Jr. and Elizabeth T. Smyth, under unrecorded trusts of which a Short Form Declaration is filed as Land Court Document No. 606183, to me personally known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed as said Trustee.

*Mirny M. Surmin*  
\_\_\_\_\_  
Notary Public,  
State of California

My commission expires: 11-6-90



STATE OF HAWAII )  
 ) ss.:  
CITY AND COUNTY OF HONOLULU )

On this            day of OCT 20 1987, 19  ,  
before me personally appeared GAYLE P. ISHIMA,  
and BARBARA S. AKAMINE, to me personally known,  
who being by me duly sworn, did say that they are the  
VICE PRESIDENT and ASSISTANT VICE PRESIDENT,  
respectively, of HONOLULU FEDERAL SAVINGS AND LOAN  
ASSOCIATION, a federal savings and loan association;  
that the seal affixed to the foregoing instrument is the  
seal of said association; that said instrument was signed  
and sealed in behalf of the association by authority of its  
Board of Directors, and the said officers acknowledged the  
instrument to be the free act and deed of said association.

6.9-

Francis Ingers  
Notary Public, State of Hawaii

My Commission Expires: May 28, 1991

TG 149 TG 2, etc.

Return to:

Asford & Winstan

attn: Bruce Winstan

500-4787

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1533211

AND COURT  
Office of Assistant Registrar  
RECEIVED  
2006

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NOTE: 298074

RECORDATION REQUESTED BY:

AFTER RECORDATION, RETURN TO:

RETURN BY: MAIL ( ) PICKUP ( ) \_\_\_\_\_

AMENDMENT OF DECLARATION OF HORIZONTAL PROPERTY  
REGIME OF FAIRWAY VILLA; AMENDMENT OF  
CONDOMINIUM CONVEYANCE DOCUMENTS  
AFFECTING APARTMENTS PH-2803 and 2617 OF FAIRWAY VILLA

THIS AMENDMENT is made as of the 31 day of February,  
1988 by and among:

1. AMERICAN TRUST CO. OF HAWAII, INC., a Hawaii corporation, Trustee under Trust Agreement dated May 5, 1987, in Land Trust No. 90-01996, whose principal place of business and post office address is 841 Bishop Street, 12th Floor, Honolulu, Hawaii 96813; and

2. THEODORE HILTON SMYTH, as Trustee for the Benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said Trusts having been established on January 29, 1960, and was subsequently amended, a Short Form of which is filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 606183, whose residence and post office address is 4234 Cresta Avenue, Santa Barbara, California 93110.

In this Amendment, American Trust Co. of Hawaii, Inc., Trustee under Trust Agreement dated May 15, 1987, in Land Trust No. 90-1996, is called "American Trust", and Theodore Hilton Smyth, Trustee for the Benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said Trusts having been established January 29, 1960, as amended, a Short Form of which is filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 606183 is called "Smyth Trustee."

## FACTUAL BACKGROUND

A. Fairway Villa was established as a horizontal property regime by Declaration of Horizontal Property Regime dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 298,074. The Declaration of Horizontal Property Regime has been amended by various documents that are filed in said Office.

B. American Trust is the owner of the Apartment Owner's interest under the Condominium Conveyance Document dated December 1, 1975 and filed in said Office as Document No. 744676. That Condominium Conveyance Document covers, among other things, Apartment No. PH-2803 and the exclusive right to use Parking Stalls 2-2803, 2-2803, 105-106, 108, 206, 506, 602-603, 640-641, 642-643, 645, 646-647, 648-649, 662-663, and 666-667.

C. Smyth Trustee is the owner of the Apartment Owner's interest under Condominium Conveyance Document dated February 18, 1975, filed in said Office as Document No. 714272, as amended by instrument dated October 14, 1975, filed in said Office as Document No. 743765. That Condominium Conveyance Document covers, among other things, Apartment No. 2617 and the exclusive right to use Parking Stall 2-2617.

D. American Trust owns the fee simple interest in and to the property subject to the Condominium Conveyance Documents and owns the Master Lessor's interest in, to and under the Condominium Conveyance Documents.

E. The Declaration and the Condominium Conveyance Documents are all noted on Transfer Certificate of Title No. 298,074.

## AGREEMENTS

1. Amendment of Condominium Conveyance Document For Apartment No. PH-2803. American Trust agrees that the Condominium Conveyance Document for Apartment No. PH-2803 is amended by removing all reference in the Condominium Conveyance Document to Parking Stalls 105-106, 108, 206, 506, 602-603, 640-641, 642-643, 645, 646-647, 648-649, 662-663 and 666-667 (hereinafter called the "Parking Stalls").

2. Transfer of Parking Stalls. By this document, American Trust assigns and transfers to Smyth Trustee the Parking Stalls.

3. Amendment of Condominium Conveyance Document for Apartment No. 2617. American Trust and Smyth Trustee agree that the Condominium Conveyance Document for Apartment No. 2617 is amended by adding to the parking stalls listed in the Condominium Conveyance Document the Parking Stalls.

4. Amendment of Declaration of Horizontal Property Regime. American Trust and Smyth Trustee agree that the Declaration of Horizontal Property Regime of Fairway Villa is amended by this document so that the Parking Stalls are appurtenant to Apartment No. 2617 instead of to Apartment PH-2803.

5. Further Amendments and Assignment. American Trust and Smyth Trustee agree that the Declaration of Horizontal Property Regime of Fairway Villa, the Condominium Conveyance Document for Apartment No. PH-2803 and the Condominium Conveyance Document for Apartment No. 2617, all as amended by this Amendment and any other prior amendments, are ratified and confirmed.

6. Smyth Trustee's Obligation to Protect American Trust. For himself, his successors-in-trust and assigns, Smyth Trustee agrees to indemnify and hold harmless American Trust and its respective successors-in-trust and assigns from any loss or expense which it may have as a result of any claim or suit filed against it because of this Amendment and the transfer of the parking stalls made by this Amendment.

AS EVIDENCE OF OUR AGREEMENT WE HAVE SIGNED THIS AMENDMENT AS OF THE DATE WRITTEN ON THE FIRST PAGE.

AMERICAN TRUST CO. OF HAWAII,  
INC., Trustee aforesaid and not  
personally

By [Signature]  
Its Senior Vice-President

By [Signature]  
Its Vice-President

Theodore H. Hilton Smyth Trustee  
Theodore Hilton Smyth, Trustee  
aforesaid

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this \_\_\_\_\_ day of FEBRUARY, 19\_\_\_\_,  
before me appeared CAROL MONROE ✓  
RAY C. DIX, to me personally known,  
who, being by me duly sworn, did say that they are the  
Senior Vice-President ✓ Vice-President

of AMERICAN TRUST CO. OF HAWAII, INC., a Hawaii corporation,  
Trustee under Trust Agreement dated May 15, 1987, and Land  
Trust No. 90-1996, and that the seal affixed to the foregoing *209*  
instrument is the corporate seal of said corporation and that  
said instrument was signed and sealed in behalf of said  
corporation by authority of its Board of Directors, and said  
officer(s) acknowledged said instrument to be the free act and  
deed of said corporation as such Trustee.

*Gene Pross*  
Notary Public, State of Hawaii

My Commission expires: 3/2/89

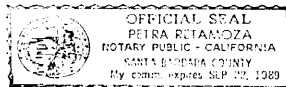


STATE OF CALIFORNIA )  
 )  
COUNTY OF SANTA BARBARA ) SS.

On this 3d day of February, 1988, before me personally appeared THEODORE HILTON SMYTH, Trustee for the Benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed as such Trustee.

Petra Retamozo  
Notary Public in and for the  
above named State and County

My Commission expires: 4-22-89





WHEREAS, Fairway Villa was established as a horizontal property regime by Declaration of Horizontal Property Regime dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 309,536, and has been amended by various documents that are filed in said Office (as amended, the "Declaration"); and

WHEREAS, Otaka is the owner of the Apartment Owner's interest under that certain Condominium Conveyance Document dated February 18, 1975 and filed in said Office as Document No. 714272, as amended by instrument dated October 14, 1975, filed in said Office as Document No. 743765, and further amended by instrument dated February 3, 1988, filed in said Office as Document No. 1533209, assigned to Otaka by Assignment of Condominium Conveyance Document dated February 22, 1988, filed in said Office as Document No. 1533215 and noted on Transfer Certificate of Title No. 309535, and said Condominium Conveyance Document covers, among other things, Apartment No. 2617 and the exclusive right to use Parking Stalls 2-2617, 105-106, 108, 206, 506, 602-603, 640-641, 642-643, 645, 646-647, 648-649, 662-663, and 666-667; and

WHEREAS, Otaka is also the owner of the Apartment Owner's interest under that certain Condominium Conveyance Document filed in said Office as Document No. 736834, assigned to Otaka by Assignment of Condominium Conveyance Document dated February 22, 1988, filed in said Office as Document No. 1533215 and noted on Transfer Certificate of Title No. 309535, and said Condominium Conveyance Document covers, among other things, Apartment No. 2712, and

WHEREAS, Otaka also owns the fee simple interest in and to the property subject to the Condominium Conveyance Documents and owns the Master Lessor's interest in, to and under the Condominium Conveyance Documents; and

WHEREAS, the Declaration and the Condominium Conveyance Documents are all noted on Transfer Certificate of Title No. 309,536;

NOW, THEREFORE, Otaka hereby declares the following:

1. Amendment of Condominium Conveyance Document For Apartment No. 2617. The Condominium Conveyance Document for Apartment No. 2617 is amended by removing all reference in the Condominium Conveyance Document to Parking Stalls 105-106, 108, 206, 506, 602-603, 640-641, 642-643, 645, 646-647, 648-649, 662-663 and 666-667 (hereinafter called the "Parking Stalls").

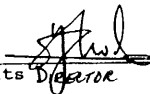
2. Amendment of Condominium Conveyance Document for Apartment No. 2712. The Condominium Conveyance Document for Unit No. 2712 is amended by adding the Parking Stalls to the parking stalls listed in said condominium Conveyance Document.

3. Amendment of Declaration of Horizontal Property Regime. The Declaration of Horizontal Property Regime of Fairway Villa is amended by this document so that the Parking Stalls are appurtenant to Apartment 2712 instead of to Apartment 2617.

4. Further Amendments and Assignment. The Declaration of Horizontal Property Regime of Fairway Villa, the Condominium Conveyance Document for Apartment No. 2617 and the Condominium Conveyance Document for Apartment No. 2712, all as amended by this Amendment and any other prior amendments, are ratified and confirmed.

IN WITNESS WHEREOF, Otaka has executed these presents as of the 20th day of March, 1996.

OTAKA, INC., a Hawaii corporation

By   
Its Director

STATE OF HAWAII )  
 ) ss:  
CITY AND COUNTY OF HONOLULU )

On this 20th day of March, 1996,  
before me appeared Y. Akeda to me personally  
known, who, being by me duly sworn, did say that he is the  
Director of OTAKA, INC., a Hawaii corporation, and  
that said instrument was signed in behalf of said corporation by  
authority of its Board of Directors, and the said Director  
acknowledged said instrument to be the free act and deed of said  
corporation.

Patricia M. Sanaka  
Notary Public, State of Hawaii  
My commission expires: 11/3/97

4.5.

L-438 STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

JUL 31 1998 08:45 AM

Doc No(s) 2475055

on Cert(s) 514.669

/s/ CARL T. WATANABE  
ASSISTANT REGISTRAR

LAND COURT SYSTEM | REGULAR SYSTEM  
Return by Mail ( ) Pickup  To:

OLD REPUBLIC TITLE & TRUST CO. OF HAWAII  
35 HANALEIAN ST. 17th Floor  
Honolulu, Hawaii 96813



683 (3)  
608673

Tax Map Key No.: (1) 2-6-21-21

Number of Pages: 6

**AMENDMENT OF DECLARATION OF HORIZONTAL  
PROPERTY REGIME OF FAIRWAY VILLA:  
AMENDMENT OF CONDOMINIUM CONVEYANCE  
DOCUMENTS AND DEEDS AFFECTING APARTMENT  
NO. 2712 AND APARTMENT NO. 703 OF FAIRWAY VILLA**

WHEREAS, Fairway Villa (the "Project") was established as a horizontal property regime by Declaration of Horizontal Property Regime dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 309,536, and has been amended by various documents that are filed in said Office (as amended, the "Declaration"); and

WHEREAS, the First Restatement of By-Laws of Association of Apartment Owners of Fairway Villa Condominium Project dated July 18, 1994, was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2169791 and noted on Transfer Certificate of Title No. 309,536 and the

condominium map for the Project was filed as Condominium Map No. 216 (the "Condominium Map"), and

WHEREAS, section 514A-14 of the Hawaii Revised Statutes provides in part that notwithstanding any provision of the declaration, apartment owners shall have the right to change the designation of parking stalls which are appurtenant to their respective apartments by amendment of the declaration and respective condominium conveyance documents involved; and

WHEREAS, OTAKA, INC., a Hawaii corporation ("Otaka"), whose post office address is 2571 Lemon Road, Honolulu, Hawaii 96815, is the owner of Apartment No. 2712, pursuant to that certain Condominium Conveyance Document dated September 29, 1975, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 736834, as assigned to Otaka by mesne assignments by instrument dated February 22, 1988, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1533215 ("Apartment 2712 CCD"), and that certain Deed dated February 22, 1988, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1533216 ("Apartment 2712 Deed"); and

WHEREAS, Apartment No. 2712 has appurtenant to it the exclusive right to use Parking Stalls 6-2712, 105-106, 108, 206, 506, 602-603, 640-641, 642-643, 645, and 646-647, as designated on the Condominium Map; and

WHEREAS, MEHRDAD ELIE, unmarried ("Elie"), whose post office address is 2345 Ala Wai Boulevard, #703, Honolulu, Hawaii 96815, is the owner of Apartment No. 703, pursuant to that certain Condominium Conveyance Document dated February 21, 1975, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 713800, as assigned to Elie by mesne assignments by instrument dated 7-17, 1998, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2475053 ("Apartment 703 CCD"), and that certain Limited Warranty Deed dated 7-27, 1998, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2475054, and noted on Transfer Certificate of Title No. 514,669, ("Apartment 703 Deed"); and

WHEREAS, pursuant to section 514A-14 of the Hawaii Revised Statutes, the parties hereto desire to amend the Declaration, the Apartment 2712 CCD, the Apartment 2712 Deed, the Apartment 703 CCD, and the Apartment 703 Deed as hereinafter provided;

NOW, THEREFORE, the parties hereto hereby amend the Declaration, the Apartment 2712 CCD, the Apartment 2712 Deed, the Apartment 703 CCD, and the Apartment 703 Deed as follows:

1. The Apartment 2712 CCD and the Apartment 2712 Deed are amended by removing all reference therein to Parking Stalls 105, 106, 108, and 206 (hereinafter called the "Parking Stalls").

2. The Apartment 703 CCD and the Apartment 703 Deed are amended by adding the Parking Stalls to the parking stalls listed in said documents.

3. The Declaration of Horizontal Property Regime of Fairway Villa is amended by this document so that the Parking Stalls are appurtenant to Apartment No. 703 instead of to Apartment No. 2712.

4. The Declaration of Horizontal Property Regime of Fairway Villa, the Apartment 2712 CCD, the Apartment 2712 Deed, the Apartment 703 CCD, and the Apartment 703 Deed, all as amended by this Amendment and any other prior amendments, are ratified and confirmed.

IN WITNESS WHEREOF, Otaka and Elie have executed these presents as of the 27<sup>th</sup> day of July, 1998.

OTAKA, INC., a Hawaii corporation

By [Signature]  
Its President **TOMIYOSHI KATAOKA**  
**PRESIDENT**

By \_\_\_\_\_  
Its \_\_\_\_\_

Otaka

\_\_\_\_\_  
MEHRDAD ELIE

Elie



NOW, THEREFORE, the parties hereto hereby amend the Declaration, the Apartment 2712 CCD, the Apartment 2712 Deed, the Apartment 703 CCD, and the Apartment 703 Deed as follows:

1. The Apartment 2712 CCD and the Apartment 2712 Deed are amended by removing all reference therein to Parking Stalls 105, 106, 108, and 206 (hereinafter called the "Parking Stalls").
2. The Apartment 703 CCD and the Apartment 703 Deed are amended by adding the Parking Stalls to the parking stalls listed in said documents.
3. The Declaration of Horizontal Property Regime of Fairway Villa is amended by this document so that the Parking Stalls are appurtenant to Apartment No. 703 instead of to Apartment No. 2712.
4. The Declaration of Horizontal Property Regime of Fairway Villa, the Apartment 2712 CCD, the Apartment 2712 Deed, the Apartment 703 CCD, and the Apartment 703 Deed, all as amended by this Amendment and any other prior amendments, are ratified and confirmed.

IN WITNESS WHEREOF, Otaka and Elie have executed these presents as of the 27<sup>th</sup> day of July, 1998.

OTAKA, INC., a Hawaii corporation

By \_\_\_\_\_  
Its

By \_\_\_\_\_  
Its

Otaka

  
MEHRDAD ELIE

Elie

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 27th day of July, 1998, before me appeared Tomiyoshi Kalaoka and \_\_\_\_\_, to me personally known, who, being by me duly sworn, did say that ~~they are~~<sup>is</sup> the President and \_\_\_\_\_ of OTAKA, INC., a Hawaii corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of Directors, and said officers acknowledged said instrument to be the free act and deed of said corporation.

Patricia M. Tanaka  
Notary Public, State of Hawaii

My Commission expires 11/30/2001

L. 5

STATE OF ~~HAWAII~~<sup>S.N.</sup> CALIFORNIA )  
CITY AND COUNTY OF ~~HONOLULU~~<sup>S.N.</sup> (SAN MATEO) ) SS.

On this 27<sup>TH</sup> day of July, 1998, before me personally appeared MEHRDAD ELIE, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.



Sandy W. Ng  
Notary Public, State of ~~Hawaii~~ CALIFORNIA

My Commission expires JULY 1, 2001

6

1005 - 2000 /

1224122

LAND COURT  
OFFICE OF THE CLERK

84 JUN 28 PM 2:55

153715

RECORDATION REQUESTED BY:

IRENE A. ANZAI, ESQ.

AFTER RECORDATION, RETURN TO:

DINMAN AND YOKOYAMA  
1850 Grosvenor Center  
737 Bishop Street  
Honolulu, Hawaii 96813  
Telephone: (808) 523-7021

RETURN BY: MAIL ( ) PICKUP ( X )

AMENDMENT TO THE DECLARATION OF HORIZONTAL  
PROPERTY REGIME AND BY-LAWS OF FAIRWAY VILLA

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated November 5, 1973, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (hereinafter referred to as "Land Court"), as Document No. 685603, noted on Transfer Certificate of Title No. 153,715, Theodore Hilton Smyth, as Trustee for the benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, the fee owner (hereinafter referred to as "Fee Owner"), and The Carwin Corporation and Fee Owner, doing business as Fairway Villa Venture, a joint venture registered to do business in the State of Hawaii, the holders of a lease dated October 31, 1972, filed in said Land Court as Document No. 612310, noted on Transfer Certificate of Title No. 153,715, and the developers, did submit the property described in said Declaration to the provisions of Chapter 514, Hawaii Revised Statutes 1968, now known as Chapter 514A, Hawaii Revised Statutes; and

WHEREAS, said Declaration provided for the organization of the Association of Apartment Owners of Fairway Villa and established By-Laws therefor, which said

By-Laws were attached to said Declaration and incorporated therein by reference; and,

WHEREAS, Paragraph 17 of the Declaration and Article X, Section 14 of the By-Laws, respectively, provide that the Declaration and By-Laws may be amended by affirmative vote of the owners of apartments to which are appurtenant more than seventy-five percent (75%) of the common interests; and

WHEREAS, at a meeting of the Association of Apartment Owners, which meeting was duly held at the Outrigger West Hotel Conference Room, 2330 Kuhio Avenue, Honolulu, Hawaii, on April 19, 1984, for the purpose of enacting the amendments set forth below, it was voted by the owners of apartments to which are appurtenant more than seventy-five percent (75%) of the common interests and including more than seventy-five percent (75%) of all Association members, to amend the Declaration and By-Laws as hereinafter set forth; and

NOW, THEREFORE, the Declaration and By-Laws of Fairway Villa are hereby amended as follows:

Subparagraph (j) of Paragraph 6 of the Declaration is amended to read as follows:

(j) The manager's office on the first floor and parking stall;

The fifth paragraph of Exhibit "B" to the Declaration is amended to read as follows:

The first six floors, being the basement level of the first floor through parking level six, contain three hundred forty-seven (347) standard parking spaces and one hundred eight (108) compact parking spaces. Twenty-six (26) spaces have been combined with twenty-six (26) spaces to form tandem stalls by placing the two spaces end to end, said tandem stalls being designated stalls 101-102; 103-104; 105-106; 302 &

2313; 401-402; 508-509; 602-603; 628 through 643; 646 through 667. Thus, after the said combination of spaces, the location of the resulting four hundred fifty-five (455) parking stalls is as follows: the basement level of the first floor contains seventy-one (71) stalls; the second floor contained sixty-three (63) stalls; the third through fifth floor contains seventy-six (76) stalls; and the sixth floor contains ninety-three (93) stalls. Each floor contains access ramps and two (2) stairwells.

Article II, Section 13 of the By-Laws is amended to read as follows:

SECTION 13. Order of Business. The order of business at all annual meetings of the Apartment Owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of Officers;
- (e) Report of Board of Directors;
- (f) Reports of committees;
- (g) Election of inspectors of election (when so required);
- (h) Election of members of the Board of Directors (when so required);
- (i) Unfinished business; and
- (j) New business.

Article II of the By-Laws is amended by adding a new Section 14 to read as follows:

SECTION 14. Rules of Order. All meetings of the Association and the Board of Directors shall be conducted in accordance with the most current edition of Robert's Rules of Order.

In all other respects, the Declaration and By-Laws, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

The undersigned President and Secretary of the Association hereby certify that the foregoing amendments were adopted at a duly held meeting of the Association of Apartment Owners called for such purpose, on April 19, 1984, by a vote of the owners of apartments to which are appurtenant more than seventy-five percent (75%) of the common interests, including more than seventy-five percent (75%) of all Association members and further certify that they have been authorized to sign and acknowledge, as attorneys-in-fact for said apartment owners, the instant instrument setting forth the foregoing amendments.

IN WITNESS WHEREOF, the parties hereto have executed these presents this 30<sup>th</sup> day of May, 1984.

ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA

By Frank M. Auerbach  
Its President

By Margaret E. Hickey  
Its Secretary



THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 30<sup>th</sup> day of May, 1984, before me appeared Frank M. Auerbach, to me personally known, who being by me duly sworn, did say that he is President of the Board of Directors of the Association of Apartment Owners of FAIRWAY VILLA; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that he executed the same as the free act and deed of said Association. Said Association has no seal.

James M. Kilpatrick  
Notary Public, State of Hawaii

My commission expires: 10/11/86  
LS

THE STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

On this 30<sup>th</sup> day of May, 1984, before me appeared Miguel M. Hickey, to me personally known, who being by me duly sworn, did say that he is Secretary of the Board of Directors of the Association of Apartment Owners of FAIRWAY VILL that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that he executed the same as the free act and deed of said Association. Said Association has no seal.

James M. Kilpatrick  
Notary Public, State of Hawaii

My commission expires: 10/11/86  
LS

Dimma, Nakemwa, Eusha, Nakitari + Nececy  
April 19, 1901

1551314

LAND COURT  
OFFICE OF ASSISTANT REGISTRAR  
RECEIVED 11.22.00 EX 111111

1901 MAY 19 AM 8:01

*[Signature]*  
ASSISTANT REGISTRAR  
NOTE ON CERTIFICATE 309532

RECORDATION REQUESTED BY:

M. ANNE ANDERSON-METCALF, ESQ.

AFTER RECORDATION, RETURN TO:

DINMAN, NAKAMURA, ELISHA,  
NAKATANI & NEELEY  
Suite PH-1, OCT Ocean View Center  
707 Richards Street  
Honolulu, Hawaii 96813

THE ORIGINAL OF THIS DOCUMENT WAS  
FILED IN THE OFFICE OF THE ASSISTANT  
REGISTRAR OF THE LAND COURT, STATE  
OF HAWAII, on the \_\_\_\_\_ day of  
\_\_\_\_\_, 19\_\_\_\_, as Document  
No. \_\_\_\_\_

RETURN BY: MAIL ( ) PICKUP ( X )

AMENDMENT OF THE DECLARATION OF HORIZONTAL  
PROPERTY REGIME AND BY-LAWS OF FAIRWAY VILLA

WHEREAS, by Declaration of Horizontal Property Regime dated November 5, 1973, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603, noted on Transfer Certificate of Title No. 153,715, Theodore Hilton Smyth, as Trustee for the benefit of Theodore H. Smyth, Jr. (Four Trusts), and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, as fee owner (hereinafter referred to as the "Fee Owner"), and The Carwin Corporation, a Hawaii corporation, and Fee Owner doing business as Fairway Villa Venture, a joint venture registered to do business in the State of Hawaii, as developers, did submit the property described in said Declaration to the provisions of the Horizontal Property Act, Chapter 514, Hawaii Revised Statutes, as amended (now known as Chapter 514A, Hawaii Revised Statutes);

WHEREAS, said Declaration, as amended (hereinafter referred to as the "Declaration"), provided for the organization of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY

VILLA (hereinafter referred to as the "ASSOCIATION") and established By-Laws therefor, which said By-Laws were attached to the Declaration and incorporated therein by reference;

WHEREAS, Section 514A-82(b)(2), Hawaii Revised Statutes, provides that the by-laws of condominium associations may be amended by the vote or written consent of sixty-five percent (65%) of the apartment owners;

WHEREAS, at an annual meeting of the ASSOCIATION duly called and held on April 7, 1988, it was voted by more than sixty-five percent (65%) of the owners to amend the Declaration and By-Laws as hereinafter set forth.

NOW, THEREFORE, the first paragraph of Article VI, Section 5 of the By-Laws is hereby amended to read as follows:

SECTION 5. Default in Payment of Assessments. Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner against whom the same are assessed. If the Owner shall fail to pay his assessment when due, then he shall pay an additional assessment for each such failure in such amount as may be reasonably determined by the Board of Directors from time to time. In the event of a default or defaults in payment of any such assessment or assessments and in addition to any other remedies herein or by law provided, the Board of Directors may enforce each such obligation as follows:

In all other respects, the Declaration and By-Laws of Fairway Villa, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

The undersigned officers of the ASSOCIATION hereby certify that the foregoing amendment was adopted at a duly held meeting of the ASSOCIATION by more than sixty-five

percent (65%) of the Fairway Villa owners.

IN WITNESS WHEREOF, the undersigned have executed  
this instrument on this 16<sup>th</sup> day of May, 1988.

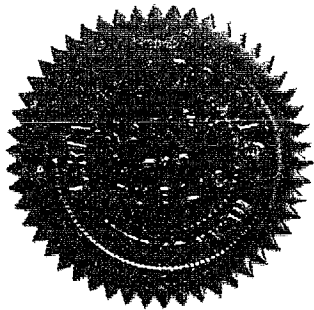
ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA

By Mary Annand  
Its President S.O.D.

By Mignon Hickey  
Its Treasurer B.O.B.

STATE OF Hawaii )  
 ) SS.  
City and COUNTY OF Honolulu )

On this 16<sup>th</sup> day of May, 1988, before me appeared Mary Ananion, to me personally known, who being by me duly sworn, did say that She is the President of the Board of Directors of the Association of Apartment Owners of Fairway Villa; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that She executed the same as the free act and deed of said Association. Said Association has no seal.



Haria Elina J. Rapues  
Notary Public, State of Hawaii

My commission expires: 11/15/88

STATE OF Hawaii )  
 ) SS.  
COUNTY OF Honolulu )

On this 16<sup>th</sup> day of May, 1988, before me appeared Mignon Mickey, to me personally known, who being by me duly sworn, did say that she is the Treasurer of the Board of Directors of the Association of Apartment Owners of Fairway Villa; that the foregoing instrument was signed on behalf of said Association by authority of its Board of Directors, and acknowledged that she executed the same as the free act and deed of said Association. Said Association has no seal.

Loni L. Anthony  
Notary Public, State of Hawaii

My commission expires: 10-26-90

10 L-369 STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

JAN 29, 1992 02:31 PM

Doc No(s) 1885153

Noted on Cert(s) 399,536

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

CONVEYANCE TAX: \$0.00

LAND COURT SYSTEM REGULAR SYSTEM  
AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( ) TO:

IWAI, MOTOOKA & GOTO  
820 Mililani St., Suite 502  
Hasegawa Komuten Building  
Honolulu, Hawaii 96813  
537 1935

0064J

SIXTH AMENDMENT OF THE  
DECLARATION OF HORIZONTAL PROPERTY REGIME  
FOR FAIRWAY VILLA

WHEREAS, by Declaration of Horizontal Property Regime dated November 5, 1973, (the "Declaration") filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603, noted on Transfer Certificate of Title No. 153,715, Theodore Hilton Smyth, as Trustee under various trusts, (the "fee owner"), and The Carwin Corporation, doing business together as Fairway Villa Venture, (the

"developer"), submitted the property described in the Declaration to the provisions of the Horizontal Property Act, Chapter 514, Hawaii Revised Statutes, as amended (now known as Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the fee owner subsequently sold the fee interest in the property to Otaka, Inc., by a deed filed in the Office of the Assistant Registrar as Land Court Document No. 1803533 and noted on Transfer Certificate of Title No. 309,536; and

WHEREAS, the Declaration, as amended, provided for the organization and operation of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA (the "Association") in accordance with the By-Laws which were attached to the Declaration and incorporated therein by reference; and

WHEREAS, pursuant to §514A-82(b)(2) of the Hawaii Revised Statutes, more than sixty-five percent (65%) of all apartment owners of the project voted to amend the By-Laws of Fairway Villa at a meeting duly called on June 20, 1991, for the purpose of considering the amendments of the By-Laws;

NOW THEREFORE, the By-Laws incorporated with the Declaration are hereby amended as follows:

1. Article III, Section 2, of the By-Laws of the Association of Apartment Owners of the Fairway Villa is amended by adding subparagraphs "(q)", "(r)", "(s)", and "(t)" to read as follows:



"(q) To undertake any and all action required to negotiate the acquisition of the leased fee interest from the Lessor of the Fairway Villa to the Association or to the individual apartment owners of the Fairway Villa, including but not limited to retaining any professionals to represent the Association or the individual apartment owners in said negotiations.

(r) To purchase, on behalf of the Association, the leased fee interest of all apartments, whose owners were unwilling or unable to purchase the leased fee interest to their apartment from the Lessor of the Fairway Villa, provided that not less than seventy-five percent (75%) of the leased fee interest has been purchased by the apartment owners of the Fairway Villa. The intent of this provision is that the Board is not authorized to purchase more than twenty-five percent (25%) of the leased fee interest in the apartment in the Fairway Villa.

(s) If the Board will be purchasing the leased fee interest to any of the apartments in the Fairway Villa as set forth in subparagraph '(r)' above, the Board, on behalf of the Association, shall have the right:

- (1) To own, improve, use, and otherwise deal in and with the leased fee interest or any or all undivided interests appurtenant thereto;
- (2) To incur liabilities, borrow money, and secure any of its obligations by mortgage or pledge of all or any portion of the Association's assets, property, assessments, and funds;
- (3) To execute and deliver a promissory note and all other necessary documents and undertake all other actions necessary for the Association to borrow money;
- (4) To assess, in a fair and equitable manner, the apartment owners for the expenses incurred in acquiring the leased fee interest appurtenant to the apartments in the Fairway Villa, or to service any debt associated therewith;
- (5) To sell the leased fee interest appurtenant to an apartment to the owner

of the apartment to which said leased fee interest is appurtenant.

- (6) To undertake any and all action as the Board deems necessary or appropriate to administer the leased fee interest acquired, including, but not limited to, conveying said leased fee interest into a land trust, establishing lease rents under the apartment leases, negotiating lease rent increases under the apartment leases, retaining professionals to assist in establishing and/or negotiating the lease rents at the renegotiation dates under the apartment leases and collecting lease rents.

(t) To waive the Association's right of first refusal to purchase the leased fee interest of any of the apartments in the Fairway Villa, provided that the proposed sale of said leased fee interest is to the apartment lessee of the apartment to which said leased fee interest is appurtenant."

4. Article III, Section 2 of those By-Laws is also amended by adding the following subparagraph "(u)":

"u. Establishment of such penalties and fines as it deems appropriate with respect to enforcement of the provisions of the Declaration, these By-Laws and the Rules and Regulations adopted pursuant to Article X, Section 1, of these By-Laws; provided, such penalties and fines are not inconsistent with the law or the provisions herein, and the unpaid amount of such penalties and fines against any apartment owner shall constitute a lien against his interest in his apartment which may be foreclosed by the Board of Directors or Managing Agent in the same manner provided in the Horizontal Property Act for common expenses."

In all other respects, the Declaration and By-Laws of the Fairway Villa, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

The undersigned officers of the Association of Apartment Owners of the Fairway Villa hereby certify that the foregoing amendments were adopted at a duly held meeting of the Association of Apartment Owners of the Fairway Villa by more than sixty-five percent (65%) of the Fairway Villa owners.

IN WITNESS WHEREOF, the undersigned have executed this instrument on this 10th day of January, 1992.

ASSOCIATION OF APARTMENT OWNERS  
OF THE FAIRWAY VILLA

By Mary Amosian  
Its President BOD

By Richard J. ...  
Its SECRETARY (BOD)

STATE OF HAWAII )  
 ) SS.  
CITY & COUNTY OF HONOLULU )

On this 13<sup>th</sup> day of JANUARY, 19 92,  
before me personally appeared RICHARD VANAKA,  
to me known to be the person described in and who executed  
the foregoing instrument and acknowledged that he executed  
the same as his free act and deed.

Witness my hand and seal

Betty G. Jensen  
Notary Public, 1st Judicial Circuit,  
State of Hawaii  
My commission expires: 7/15/94

STATE OF HAWAII )  
 )  
CITY AND COUNTY OF HONOLULU ) ss.

On this 10<sup>th</sup> day of January, 1992, before me appeared Mary Ananion and \_\_\_\_\_, to me personally known, who being by me duly sworn, did say that ~~she is~~ <sup>they are</sup> the President and \_\_\_\_\_, respectively, of the ASSOCIATION OF APARTMENT OWNERS OF THE FAIRWAY VILLA, an unincorporated association, that said Association has no seal, and that said instrument was executed on behalf of said Association by authority of its Board of Directors and said Mary Ananion and \_\_\_\_\_ acknowledged that they executed said instrument as the free act and deed of the ASSOCIATION OF APARTMENT OWNERS OF THE FAIRWAY VILLA.

Donald W. Kaei  
Notary Public, State of Hawaii

My commission expires: 10/20/93 .5

272-2111 (A)

L-326 STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

JUL 26, 1993 01:41 PM

Doc No(s) 2047939

on Cert(s) AS LISTED HEREIN

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

CONVEYANCE TAX: \$0.00

✓

LAND COURT SYSTEM | REGULAR SYSTEM  
AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( ) TO:

JOHN A. MORRIS, ESQ.  
Iwai Motooka, Goto & Morris  
Suite 502, Haseko Center  
820 Mililani Street  
Honolulu, HI 96813-2935  
Tel: (801) 537-1935

*John A. Morris*

Morris\Docs\Fairway.7th

SEVENTH AMENDMENT OF THE DECLARATION OF  
HORIZONTAL PROPERTY REGIME AND BY-LAWS FOR FAIRWAY VILLA

WHEREAS, by Declaration of Horizontal Property Regime dated November 5, 1973, (the "Declaration") filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603, noted on Transfer Certificate of Title No. 153,715, Theodore Hilton Smyth, as Trustee under various trusts, (the "fee owner"), and The Carwin Corporation, doing business together as Fairway Villa Venture (the "developer"), submitted the

property described in the Declaration to the provisions of the Horizontal Property Act, Chapter 514, Hawaii Revised Statutes, as amended (now known as Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the Declaration, as amended, provided for the organization and operation of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA (the "Association") in accordance with the By-Laws which were attached to the Declaration and incorporated therein by reference; and

WHEREAS, the fee owner subsequently conveyed the fee interest in the property to Otaka, Inc., by a deed filed in the Office of the Assistant Registrar as Land Court Document No. 1803533 and noted on Transfer Certificate of Title No. 309,536; and

WHEREAS, Otaka, Inc., subsequently conveyed the fee interest to the Association for certain owners by deeds filed in the Office of the Assistant Registrar and noted on the Transfer Certificates of Title shown on the attached Exhibit A; and

WHEREAS, pursuant to §514A-82(b)(2) of the Hawaii Revised Statutes, more than sixty-five percent (65%) of all apartment owners of the project have given their written consent to amend the By-Laws of Fairway Villa.

NOW THEREFORE, the By-Laws are hereby amended as follows:

1. BY-LAWS AMENDMENT CONCERNING BOARD PROXIES.

The By-Laws of the Association of Apartment Owners of Fairway Villa, Inc., shall be amended by adding the following section to Article II:

Section 6A. Board Proxies. Before voting begins at any Association annual or special meeting, the Board shall disclose the percentage of the total common interests of Fairway Villa represented by proxies given to the Board as an entity, and who will vote those proxies on behalf of the Board.

2. BY-LAWS AMENDMENT REGARDING ANNUAL MEETING DATE.

The By-Laws of the Association of Apartment owners of Fairway Villa, Inc., shall be amended by completely deleting Article II, Section 8 and replacing it with the following:

Section 8. Annual Meetings. Except as provided in this section, the annual meeting of the Apartment Owners shall be held during the first quarter after the end of the Association's fiscal year, on a day set by the Board of Directors. The Board, in its best judgment, may schedule the annual meeting during the second quarter after the end of the Association's fiscal year, but the notice for the annual meeting shall inform the owners of the reason for the delay. At the annual meetings, the Apartment Owners shall elect the Board of Directors by ballot in accordance with the requirements of Section 4 of Article III of these By-Laws. The Apartment Owners may transact such other business at such meetings as may properly come before them.

In all other respects, the Declaration and By-Laws of the Association, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The undersigned officers of the Association of Apartment Owners of the Fairway Villa, Inc., hereby certify that the foregoing amendments were adopted with the written consent of more than sixty-five percent (65%) of the members of the Association of Apartment Owners of the Fairway Villa, Inc.



IN WITNESS WHEREOF, the undersigned have executed this instrument on this 26<sup>th</sup> day of May, 1993.

ASSOCIATION OF APARTMENT OWNERS OF THE FAIRWAY VILLA, INC.

MARY ANANIAN  
PRESIDENT

By Mary Ananian  
Its President

RICHARD YAMAOKA  
SECRETARY

By Richard Yamaoka  
Its Secretary

STATE OF HAWAII )  
CITY AND COUNTY OF HONOLULU ) ss.

On this 26<sup>th</sup> day of May, 1993, before me appeared Mary Ananian, to me personally known, who, being by me duly sworn, did say that he/she is the President of the ASSOCIATION OF APARTMENT OWNERS OF THE FAIRWAY VILLA, INC., an incorporated association that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and that said officer acknowledged said instrument to be the free act and deed of said corporation.

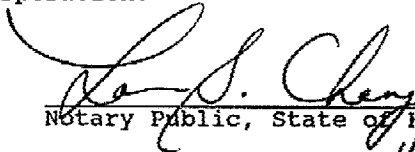
LS

Dinah M. Hoopshi  
Notary Public, State of Hawaii

My Commission expires: 5/1/96

STATE OF HAWAII )  
 )  
CITY AND COUNTY OF HONOLULU ) ss.

On this 24<sup>th</sup> day of May, 1993,  
before me appeared Richard Yamaoka, to me personally  
known, who, being by me duly sworn, did say that he/she is the  
Secretary of the ASSOCIATION OF APARTMENT  
OWNERS OF THE FAIRWAY VILLA, INC., an incorporated association that  
the seal affixed to the foregoing instrument is the corporate seal  
of said corporation and that said instrument was signed and sealed  
in behalf of said corporation by authority of its Board of  
Directors and that said officer acknowledged said instrument to be  
the free act and deed of said corporation.

  
Notary Public, State of Hawaii

My Commission expires: 7/95

## FAIRWAY VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
701	404451
702	409350
703	309536
704	404452
705	309536
706	404453
707	404454
708	404455
709	413587
710	409351
711	309536
712	309536
713	404457
714	404458
715	404459
716	409352
717	"Manager's apt. no TCT issued."
718	404460
801	404617
802	404461
803	404462
804	404463
805	409353
806	404464
807	404637

EXHIBIT " A "

## FAIRWAY VILLA

PAGE 2

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
808	309536
809	404465 .
810	404466
811	404620
812	309536 .
813	409354
814	404467
815	404468
816	410224 .
817	404469 .
818	309536
901	404470 .
902	309536 .
903	409356 .
904	409357 .
905	409358 .
906	404471 .
907	409359 .
908	404472 .
909	404627 .
910	309536 .
911	412762 .
912	404473 .
913	412763 .
914	309536

## FAIRWAY VILLA

PAGE 3

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
915	409360
916	404474
917	404475
918	404630
1001	404476
1002	404477
1003	309536
1004	404478
1005	409361
1006	409362
1007	309536
1008	309536
1009	404621
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	404481
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485

## FAIRWAY VILLA

PAGE 4

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	404618
1106	410597
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	404493
1115	404494
1116	404622
1117	404495
1118	404619
1201	309536
1202	410544
1203	404496
1204	404497
1205	404498
1206	404499
1207	404500
1208	410545
1209	309536
1210	404501

## FAIRWAY VILLA

PAGE 5

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1211	309596
1212	409366
1213	404502
1214	404503
1215	404504
1216	409367
1217	404505
1218	404506
1401	409368
1402	404632
1403	409369
1404	404507
1405	404508
1406	309536
1407	404508
1408	404509
1409	404508
1410	404510
1411	404508
1412	408188
1413	404508
1414	404512
1415	309536
1416	409370
1417	404513

## FAIRWAY VILLA

PAGE 6

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1418	404514
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	404519
1508	404520
1509	404629
1510	410547
1511	404521
1512	309536
1513	409371
1514	404522
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	309536
1605	404526
1606	404527



## FAIRWAY VILLA

PAGE 7

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	404528
1608	404529
1609	404530
1610	404531
1611	309536
1613	409375
1614	409376
1615	409377
1616	409378
1617	404532
1618	409379
1701	409421
1702	404533
1703	309536
1704	404534
1705	409380
1706	409381
1707	404535
1708	409382
1709	404536
1710	309536
1711	404537
1712	309536
1713	404538
1714	404539

## FAIRWAY VILLA

PAGE 8

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1715	404540
1716	409383
1717	404541
1718	404542
1801	412765
1802	410548
1803	417322
1804	309536
1805	404543
1806	409384
1807	404544
1808	404545
1809	409385
1810	404546
1811	409386
1812	404547
1813	404548
1814	412294
1815	409388
1816	409389
1817	409390
1818	309536
1901	404549
1902	404633
1903	404550

## FAIRWAY VILLA

PAGE 9

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1904	404551
1905	409391
1906	411968
1907	410550
1908	404552
1909	404553
1910	404554
1911	404555
1912	309536
1913	404556
1914	309536
1915	404557
1916	309536
1917	408842
1918	404559
2001	409393
2002	404560
2003	404561
2004	309536
2005	409394
2006	409395
2007	309536
2008	404562
2009	404563
2010	404575

## FAIRWAY VILLA

PAGE 10

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	309536
2013	404564
2014	404565
2015	309536
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	309536
2105	404568
2106	404569
2107	404570
2108	404571
2109	404572
2110	417184
2111	404574
2112	404576
2113	404577
2114	404578
2115	309536
2116	404579
2117	404580

## FAIRWAY VILLA

PAGE 11

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2118	409399 .
2201	404581 .
2202	409400 .
2203	409401 .
2204	309536
2205	409402 .
2206	309536
2207	404626 .
2208	404582 .
2209	404583 .
2210	410551
2211	309536 .
2212	404584 .
2213	412766 .
2214	404585 .
2215	409403 .
2216	404586 .
2217	404587 .
2218	404588 .
2301	404589 .
2302	404590 .
2303	404634 ✓
2304	404591 .
2305	409404 .
2306	309536

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2307	404592
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	409406
2315	404597
2316	309536
2317	404598
2318	309536
2401	404599
2402	404600
2403	309536
2404	409407
2405	404601
2406	309536
2407	409408
2408	409409
2409	404602
2410	309536
2411	404603
2412	404604
2413	404605

## FAIRWAY VILLA

PAGE 13

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2414	404606
2415	409698
2416	406925
2417	409411
2418	404623
2501	404638
2502	404624
2503	404608
2504	309536
2505	409412
2506	309536
2507	309536
2508	309536
2509	309536
2510	309536
2511	309536
2512	404609
2513	309536
2514	404610
2515	309536
2516	309536
2517	409413
2518	309536
2601	309536
2602	309536

## FAIRWAY VILLA

PAGE 14

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2603	309536
2604	309536
2605	309536
2606	309536
2607	309536
2608	309536
2609	410552
2610	309536
2611	309536
2612	309536
2613	309536
2614	309536
2615	309536
2616	309536
2617	309536
2618	309536
2701	404628
2702	404611
2703	404612
2704	309536
2705	404613
2706	409414
2707	404625
2708	309536
2709	409415



## FAIRWAY VILLA

PAGE 15

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	309536
2714	404615
2715	309536
2716	309536
2717	409417
2718	404616
AUX1	309536
PH2801	409418
PH2802	409419
PH2803	409420

20  
1993-07-26 1:41

L-327 STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

JUL 26, 1993 01:41 PM

Doc No(s) 2047940

on Cert(s) AS LISTED HEREIN

/s/ S. FURUKAWA  
ASSISTANT REGISTRAR

CONVEYANCE TAX: \$0.00

LAND COURT SYSTEM | REGULAR SYSTEM  
AFTER RECORDATION, RETURN BY MAIL ( ) PICKUP ( ) TO:

JOHN A. MORRIS, ESQ.  
Iwai, Motooka, Goto & Morris  
Suite 502, Haseko Center  
820 Mililani Street  
Honolulu, HI 96813-2935  
Tel: (801) 537-1935

MORRISIDOCFAIRVILL.87H

EIGHTH AMENDMENT OF THE DECLARATION OF  
HORIZONTAL PROPERTY REGIME OF FAIRWAY VILLA

WHEREAS, by Declaration of Horizontal Property Regime dated November 5, 1973, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603, noted on Transfer Certificate of Title No. 153,715, Theodore Hilton Smyth, as Trustee for the benefit of Theodore H. Smyth, Jr. (Four Trusts), and Elizabeth T. Smyth (Four Trusts), as fee owner (hereinafter referred to as the "Fee Owner"), and The Carwin Corporation, a Hawaii corporation, doing business as Fairway Villa Ventura, the developer, submitted the property described in said Declaration to the Horizontal Property Act,

Chapter 514, Hawaii Revised Statutes, as amended (now known as Chapter 514A, Hawaii Revised Statutes); and

WHEREAS, the Fee Owner subsequently conveyed the fee interest in the property to Otaka, Inc., by a deed filed as Land Court Document No. 1803533 and noted on Transfer Certificate of Title No. 309,536, and Otaka, Inc., subsequently conveyed the fee interest to the Association for certain owners by deeds filed in the Office of the Assistant Registrar and noted on the Transfer Certificates of Title shown on the attached Exhibit B; and

WHEREAS, said Declaration, as amended (hereinafter referred to as the "Declaration"), provided for the organization of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA (hereinafter referred to as the "ASSOCIATION") and established By-Laws therefor, which said By-Laws were attached to the Declaration and incorporated therein by reference; and

WHEREAS, Paragraph 17. of the Declaration provides that the Declaration may be amended by the vote of seventy-five percent (75%) of the apartment owners; and

WHEREAS, at a special meeting of the ASSOCIATION duly called and held on March 15, 1990, it was voted by more than seventy-five percent (75%) of the owners of apartments to amend the Declaration as hereinafter set forth; and

WHEREAS, Section 514A-3 provides in part that no amendment to the Declaration affecting any of the limited common elements shall be effective without the consent of the owner or

owners of the apartment or apartments for the use of which such limited common elements are reserved; and

WHEREAS, Paragraph 7.(a) of the Declaration provides in part as follows:

"7. Limited Common Elements. Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (a) One parking stall designated on said Condominium Map with the same designation as an apartment shall be appurtenant to and for the exclusive use of such apartment. . . ."

WHEREAS, at said special meeting of the ASSOCIATION, one of the amendments to the Declaration approved by the owners of apartments relocates parking stalls nos. 2314 and 2315; and

WHEREAS, parking stall no. 2314 is appurtenant to and for the exclusive use of apartment no. 2314 of the Fairway Villa; and

WHEREAS, RAYMOND ROSS GIPSON and JEAN LUCILLE GIPSON, husband and wife, hereinafter called the "GIPSONS", are the owners of apartment no. 2314 of the Fairway Villa; and

WHEREAS, parking stall no. 2315 is appurtenant to and for the exclusive use of apartment 2315 of the Fairway Villa; and

WHEREAS, MEGUMI KOMATSU, unmarried, hereinafter called "KOMATSU", is the owner of apartment no. 2315 of the Fairway Villa; and

WHEREAS, the GIPSONS and KOMATSU consent to the relocation of parking stalls nos. 2314 and 2315, respectively; and

NOW, THEREFORE, the Declaration of Fairway Villa is hereby amended as follows:

1. The existing sheet PK-2 of Condominium Map No. 216 is hereby deleted and replaced with sheet PK-2(A).

2. The verified statement of the professional engineer certifying that PK-2(A) fully and accurately depicts the layout and location of the relocated parking stalls nos. 2314 and 2315 and the room for the emergency generator as built is attached hereto as Exhibit "A" and by reference made a part hereof.

3. Paragraph 17. is deleted in its entirety and replaced with the following text:

"17. Amendment. Except as provided in Paragraph 10. and the provisions of Chapter 514A of the Hawaii Revised Statutes, this Declaration of Horizontal Property Regime may be amended by the vote or written consent of apartment owners of not less than seventy-five percent (75%) of the interests in the common elements. The amendment shall be effective upon filing in the Office of the Assistant Registrar of the Land Court of the State of Hawaii."

In all other respects, the Declaration of Fairway Villa, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

In consideration of TEN DOLLARS (\$10.00) and other valuable consideration, the GIPSONS and KOMATSU consent to the relocation of parking stalls nos. 2314 and 2315 as shown on PK-2(A).

The undersigned officers of the ASSOCIATION hereby certify that the foregoing amendment was adopted at a duly held meeting of the ASSOCIATION by more than seventy-five percent (75%) of the Fairway Villa owners.

IN WITNESS WHEREOF, the undersigned have executed this instrument on this 5th day of November, 1990.

ASSOCIATION OF APARTMENT  
OWNERS OF FAIRWAY VILLA

*Raymond Ross Gipson*  
RAYMOND ROSS GIPSON

By *Mary Anoniam*  
Its

*Jean Lucille Gipson*  
JEAN LUCILLE GIPSON  
"Gipson"

By *Dickard Yamada*  
Its SECRETARY  
"Association"

*Megumi Komatsu*  
MEGUMI KOMATSU  
"Komatsu"

STATE OF HAWAII )  
CITY AND COUNTY OF HONOLULU ) ss.

On this 5<sup>th</sup> day of November, 1990, before me appeared Mary Ananion to me known, who, being by me duly sworn, did say that they are the President and \_\_\_\_\_ of the ASSOCIATION OF APARTMENT OWNERS OF THE FAIRWAY VILLA, an unincorporated association; that said instrument was signed in behalf of said Association by authority of its Board of Directors, and said Mary Ananion and \_\_\_\_\_ acknowledged said instrument to be the free act and deed of said Association. Said Association has no seal.

Omer K. Kuehli  
Notary Public, State of Hawaii  
My Commission Expires: 10/31/93 S.

STATE OF HAWAII )  
CITY & COUNTY OF HONOLULU ) ss.

On this 2<sup>ND</sup> day of NOVEMBER, 1990, before me personally appeared RICHARD VAMAOKA, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Witness my hand and seal

Betty G. Tavares  
Notary Public, 1st Judicial Circuit,  
State of Hawaii  
My commission expires: 7/15/94

STATE OF HAWAII )  
 )  
CITY AND COUNTY OF HONOLULU ) ss.

On this 31<sup>st</sup> day of October, 1990, before me personally appeared RAYMOND ROSS GIPSON and JEAN LUCILLE GIPSON, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

  
\_\_\_\_\_  
Notary Public, State of Hawaii

My Commission Expires: Notary Public, First Judicial Circuit  
State of Hawaii  
My Commission Expires 10/11/94

STATE OF HAWAII )  
 )  
CITY AND COUNTY OF HONOLULU ) ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 1990, before me personally appeared MEGUMI KOMATSU, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that she executed the same as her free act and deed.

  
\_\_\_\_\_  
Notary Public, State of Hawaii

My Commission Expires: April 19, 1991





JR HARRIS  
JR STOCKINGER  
DW PEPPER  
WD WINE  
JR DRY  
PL POPOVIC  
JP WISS (1987)  
JA ANNEY  
RC ELSTNER (1984)

RL BEARLEY  
BA BORTZ  
YZ CHASTAIN  
JD CONNOLLY  
DW DEPO  
LA FRESHMAN  
JW HALL  
MJ HENDERMAN  
GJ KLEN  
DF MERRITT  
WF PONDICHIO  
DT PYLE  
JM SCHARLOW  
JP SEIDENHORN  
JP STROICH  
RAH WIDE  
WE WHITE

JF GUNTERMAN  
RH KING  
DR JOHNSON  
BJ KELLEY  
MJ KIRBY  
RS KILBY  
RJ KIRBY  
V KRESS  
WY KROGEBER  
RW LARSEN  
DLN LEE  
A LINDSEY  
JA MANNING  
PP MAJORSKI  
EL MARUSH  
MS MOORE  
WJ NUGENT  
AEM OSBORN  
DS PATTERSON  
TB PATTY  
L PERRY  
RC REED  
GP REYSCHLER  
TJ RYAN  
CL SEARLS  
LB SHAW  
P. WILSON  
JA WITZ  
RL WOOD  
GL ZWERNER

JM ANDERSON  
RS ANDERSON  
RC ARNOLD  
LA BACHUS  
GT BLAKE  
FW BURGER  
BK BUTLER  
RA CECHEM  
JS COHEN  
DA DENISE  
JP DONNELLY  
LF ESTESSORO  
LD FINE  
WR HANSEN  
SD HENDRICK  
HJ HILL  
JR JOHNSON  
DS KASSE  
BS KATZ  
EE KEHOE  
KV KIM  
PD KOFOED  
PD KRAUSE  
RJ KRISTE  
MR KROGER  
JR LANGRISH  
FR LAIR  
HS LIGAYE  
RA MARTINEK  
TL MANN  
MR MORDEAN  
TF PATTY  
C PAULSON  
LL PNTIS  
R RYAN  
EA RYAN  
M. SCHEFFLER  
MR SCHMIDT  
KR SHULZ  
RD STEINBERG  
RS STEINHAUSER  
PJ STONE  
JM WALASZEK  
B WOHNSCHNIGER

APPLICATED CONSULTANTS  
B BRIDGMAN  
MS GRESHAM  
ZY JAGOVIC  
CB MOON  
E. PERLINE  
M. RYAN  
EE TAPPAZEN  
EE WELLS

CHICAGO  
DALLAS  
DENVER  
HONOLULU  
PRINCETON  
SAN FRANCISCO  
SEATTLE  
WASHINGTON, D.C.

ERL.N. HIME ASSOCIATES DIVISION—AUSTIN AND CHICAGO  
CHASTAIN DIVISION—ATLANTA

June 14, 1993

To: The Registrar, Land Court, State of Hawaii

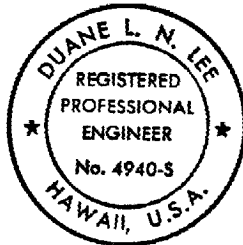
RE: Verification of Plans for the Fairway villa Condominium Project/3rd and 4th Floor Plans - Parking "C and D" Decks

I hereby verify that:

- 1. I am a Registered Professional Engineer licensed to practice in Hawaii under registration number 4940 -S.

The attached drawing was developed to show changes made to the original building. The drawing:

- (i) Accurately depicts the plans for the Fairway Villa project, as filed with and approved by the officer who has jurisdiction to issue permits for construction for the City & County of Honolulu; and
- (ii) Fully and accurately depicts the layout of the two parking decks and the location of the parking stalls, as changed.



*Duane L. N. Lee*  
Duane L.N. Lee  
Registered Professional  
Engineer No. 4940-S

EXHIBIT "A"

## FAIRWAY VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
701	404451
702	409350
703	309536
704	404452
705	309536
706	404453
707	404454
708	404455
709	413587
710	409351
711	309536
712	309536
713	404457
714	404458
715	404459
716	409352
717	"Manager's apt. no TCT issued."
718	404460
801	404617
802	404461
803	404462
804	404463
805	409353
806	404464
807	404637

EXHIBIT " B "

## FAIRWAY VILLA

PAGE 2

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
808	309536
809	404465
810	404466
811	404620
812	309536
813	409354
814	404467
815	404468
816	410224
817	404469
818	309536
901	404470
902	309536
903	409356
904	409357
905	409358
906	404471
907	409359
908	404472
909	404627
910	309536
911	412762
912	404473
913	412763
914	309536

## FAIRWAY VILLA

PAGE 3

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
915	409360
916	404474
917	404475
918	404630
1001	404476
1002	404477
1003	309536
1004	404478
1005	409361
1006	409362
1007	309536
1008	309536
1009	404621
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	404481
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485

## FAIRWAY VILLA

PAGE 4

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	404618
1106	410597
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	404493
1115	404494
1116	404622
1117	404495
1118	404619
1201	309536
1202	410544
1203	404496
1204	404497
1205	404498
1206	404499
1207	404500
1208	410545
1209	309536
1210	404501

## FAIRWAY VILLA

PAGE 5

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1211	309596
1212	409366
1213	404502
1214	404503
1215	404504
1216	409367
1217	404505
1218	404506
1401	409368
1402	404632
1403	409369
1404	404507
1405	404508
1406	309536
1407	404508
1408	404509
1409	404508
1410	404510
1411	404508
1412	408188
1413	404508
1414	404512
1415	309536
1416	409370
1417	404513

## FAIRWAY VILLA

PAGE 6

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1418	404514
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	404519
1508	404520
1509	404629
1510	410547
1511	404521
1512	309536
1513	409371
1514	404522
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	309536
1605	404526
1606	404527

## FAIRWAY VILLA

PAGE 7

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	404528
1608	404529
1609	404530
1610	404531
1611	309536
1613	409375
1614	409376
1615	409377
1616	409378
1617	404532
1618	409379
1701	409421
1702	404533
1703	309536
1704	404534
1705	409380
1706	409381
1707	404535
1708	409382
1709	404536
1710	309536
1711	404537
1712	309536
1713	404538
1714	404539



## FAIRWAY VILLA

PAGE 8

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1715	404540
1716	409383
1717	404541
1718	404542
1801	412765
1802	410548
1803	417322
1804	309536
1805	404543
1806	409384
1807	404544
1808	404545
1809	409385
1810	404546
1811	409386
1812	404547
1813	404548
1814	412294
1815	409388
1816	409389
1817	409390
1818	309536
1901	404549
1902	404633
1903	404550

## FAIRWAY VILLA

PAGE 9

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1904	404551
1905	409391
1906	411968
1907	410550
1908	404552
1909	404553
1910	404554
1911	404555
1912	309536
1913	404556
1914	309536
1915	404557
1916	309536
1917	408842
1918	404559
2001	409393
2002	404560
2003	404561
2004	309536
2005	409394
2006	409395
2007	309536
2008	404562
2009	404563
2010	404575

## FAIRWAY VILLA

PAGE 10

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	309536
2013	404564
2014	404565
2015	309536
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	309536
2105	404568
2106	404569
2107	404570
2108	404571
2109	404572
2110	417184
2111	404574
2112	404576
2113	404577
2114	404578
2115	309536
2116	404579
2117	404580

## FAIRWAY VILLA

PAGE 11

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2118	409399
2201	404581
2202	409400
2203	409401
2204	309536
2205	409402
2206	309536
2207	404626
2208	404582
2209	404583
2210	410551
2211	309536
2212	404584
2213	412766
2214	404585
2215	409403
2216	404586
2217	404587
2218	404588
2301	404589
2302	404590
2303	404634
2304	404591
2305	409404
2306	309536

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2307	404592
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	409406
2315	404597
2316	309536
2317	404598
2318	309536
2401	404599
2402	404600
2403	309536
2404	409407
2405	404601
2406	309536
2407	409408
2408	409409
2409	404602
2410	309536
2411	404603
2412	404604
2413	404605

## FAIRWAY VILLA

PAGE 13

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2414	404606
2415	409698
2416	408925
2417	409411
2418	404623
2501	404638
2502	404624
2503	404608
2504	309536
2505	409412
2506	309536
2507	309536
2508	309536
2509	309536
2510	309536
2511	309536
2512	404609
2513	309536
2514	404610
2515	309536
2516	309536
2517	409413
2518	309536
2601	309536
2602	309536

## FAIRWAY VILLA

PAGE 14

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2603	309536
2604	309536
2605	309536
2606	309536
2607	309536
2608	309536
2609	410552
2610	309536
2611	309536
2612	309536
2613	309536
2614	309536
2615	309536
2616	309536
2617	309536
2618	309536
2701	404628
2702	404611
2703	404612
2704	309536
2705	404613
2706	409414
2707	404625
2708	309536
2709	409415

## FAIRWAY VILLA

PAGE 15

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	309536
2714	404615
2715	309536
2716	309536
2717	409417
2718	404616
AUX1	309536
PH2801	409418
PH2802	409419
PH2803	409420



L-108

STATE OF HAWAII  
OFFICE OF ASSISTANT REGISTRAR  
RECORDED

MAY 27, 1998 08:01 AM

Doc No(s) 2459273

on Cert(s) AS LISTED HEREIN

~~BY~~ **CART. T. WATANABE**  
ASSISTANT REGISTRAR

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL (X)

PICKUP ( ) TO

①

MILTON MOTOOKA

Love Yamamoto & Motooka  
1000 Bishop Street, Ste 801  
Honolulu Hawaii 96813  
Tel No (808) 532-7900

Exp 250323

LL

total pgs 11

FIRST AMENDMENT OF THE FIRST RESTATEMENT OF THE DECLARATION  
OF HORIZONTAL PROPERTY REGIME OF FAIRWAY VILLA, INC.

WHEREAS, by Declaration of Horizontal Property Regime Under Chapter 514, Hawaii Revised Statutes 1968, dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 885603 and noted on Transfer Certificate of Title No. 153 715 (the "Declaration"), THEODORE HILTON SMYTH, whose post office address is 4234 Cresta Avenue, Santa Barbara, California, as Trustee under various trusts (the "Fee Owner"), and the Carwin Corporation, doing business together as Fairway Villa Venture (the "Developer"), submitted the property described in the Declaration to the Horizontal Property Regime

(now known as the Condominium Property Regime, Chapter 514A, Hawaii Revised Statutes), and

WHEREAS, the Declaration as amended, provided for the organization and operation of the Association of Apartment Owners of Fairway Villa (the "Association"), in accordance with the By-Laws attached to said Declaration and incorporated therein by reference, and

WHEREAS, the Fee Owner subsequently conveyed the fee interest in the property to Otaka, Inc., by a deed filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1803533 and noted on Transfer Certificate of Title No. 309,536, and

WHEREAS, Otaka, Inc., subsequently conveyed the fee interest to the Association for certain owners by deeds filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and noted on Transfer Certificates of Title shown on the attached Exhibit "A"; and

WHEREAS, the Declaration was restated by instrument dated July 18, 1994, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2169790 (the "Restated Declaration"), and

WHEREAS, pursuant to Section 514A-11(11) of the Hawaii Revised Statutes, more than seventy-five percent (75%) of all apartment owners of the project gave their written consent to amend the Restated Declaration as indicated below

NOW, THEREFORE, the First Restatement of the Declaration is hereby amended as follows:

Paragraph 11(a) is hereby amended to read as follows.

(a) The owner of each apartment within the building hereinabove described shall use such apartment only as living accommodations for hotel or apartment use, provided, however, that no owner shall permit his or her apartment to be included in a time share plan or otherwise time shared, provided, further, that this prohibition on time sharing shall not apply to any owner of an apartment that is included in a registered time share plan as of the

date this Declaration is amended to prohibit time sharing. The owner of Auxiliary Unit #1 (See Endnote 7) in the building shall use such area only for office purposes, sale of food, Hotel Lobby merchandise or services or any other commercial undertaking, provided however, auxiliary area 1 shall have the exclusive right to use such area for restaurant and bar operations.

In all other respects, the Restated Declaration of the Association, as amended, is hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties thereto and to their respective successors and permitted assigns.

The undersigned officers of the Association hereby certify that the foregoing amendments were adopted with the written consent of more than seventy-five (75%) of the members of the Association.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 21<sup>st</sup> day of March, 1998.

THE ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA

By [Signature]  
Its President

By [Signature]  
Its Secretary

THE STATE OF HAWAII )  
 ) SS  
CITY AND COUNTY OF HONOLULU )

On this 14<sup>th</sup> day of March, 1998, before me appeared Mary T. Bogle to me personally known, who, being by me duly sworn, did say that he/she is the President of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.

(5) Kim M. Hayashi  
Notary Public, State of Hawaii

My commission expires: July 11, 2000

THE STATE OF HAWAII )  
 ) SS  
CITY AND COUNTY OF HONOLULU )

On this 14<sup>th</sup> day of March, 1998, before me appeared Mary T. Bogle to me personally known, who, being by me duly sworn, did say that he/she is the Treasurer of the ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA, INC., that the foregoing instrument was signed in behalf of said association by authority of its Board of Directors as the free act and deed of said association. Said Association has no seal.

(5) Kim M. Hayashi  
Notary Public, State of Hawaii

My commission expires: July 11, 1998

ALHAMBRA VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
701	404451
702	459962
703	309536
704	404452
705	309536
706	471769
707	450688
708	443669
709	481454
710	465362
711	309536
712	309536
713	404457
714	404458
715	404459
715	409352
717	"Manager's apt. no TCT issued
718	404460
801	404617
802	476323
803	404462
804	450453
805	409353
806	482086
807	404637

EXHIBIT A

## FAIRWAY VILLA

PAGE 2

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
808	309536
809	404465
810	404466
811	404620
812	309536
813	471957
814	430434
815	429586
816	453939
817	404469
818	309536
901	404470
902	504538
903	476411
904	409357
905	416391
906	404471
907	409359
908	404472
909	404627
910	309536
911	503141
912	404473
913	412763
914	504049

## FAIRWAY VILLA

PAGE 1

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
915	409360
916	404474
917	404475
918	418149
1001	404476
1002	404477
1003	309536
1004	474843
1005	501278
1006	409,015
1007	309536
1008	309536
1009	463992
1010	404479
1011	412764
1012	410543
1013	408187
1014	409363
1015	498594
1016	404482
1017	408186
1018	309536
1101	404484
1102	409364
1103	404485

## FAIRWAY VILLA

PAGE 4

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1104	409365
1105	505411
1106	457180
1107	404635
1108	404487
1109	404488
1110	404489
1111	404490
1112	404491
1113	404492
1114	487437
1115	404494
1116	447665
1117	404495
1118	431021
1201	482579
1202	410544
1203	485324
1204	479792
1205	404498
1206	428684
1207	404500
1208	410545
1209	309536
1210	404501



## FAIRWAY VILLA

PAGE 5

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1211	309536
1212	409366
1213	461335
1214	404503
1215	404504
1216	409367
1217	404505
1218	404506
1401	409368
1402	404632
1403	409369
1404	404507
1405	448986
1406	309536
1407	448986
1408	404509
1409	448986
1410	404510
1411	448986
1412	408188
1413	448986
1414	404512
1415	309536
1416	409370
1417	404513

## FAIRWAY VILLA

PAGE 6

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1418	476353
1501	309536
1502	404515
1503	404516
1504	410546
1505	404517
1506	404518
1507	446074
1508	404520
1509	460627
1510	410547
1511	404321
1512	309536
1513	409371
1514	441312
1515	409372
1516	404523
1517	409373
1518	409374
1601	404524
1602	404525
1603	404636
1604	469955
1605	404526
1606	404527

FAIRWAY VILLA

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1607	429366
1608	470259
1609	404530
1610	481121
1611	309536
1613	409375
1614	409375
1615	409377
1616	409378
1617	404532
1618	420462
1701	409421
1702	500888
1703	309536
1704	404534
1705	409380
1706	409381
1707	404535
1708	469057
1709	404536
1710	309536
1711	404537
1712	309536
1713	404538
1714	404539

## FAIRWAY VILLA

PAGE 8

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1715	404540
1716	409383
1717	404541
1718	404542
1801	412765
1802	476673
1803	417322
1804	309536
1805	404543
1806	409384
1807	404544
1808	441691
1809	409385
1810	404546
1811	479110
1812	404547
1813	404548
1814	412294
1815	409388
1816	409389
1817	409390
1818	309536
1901	456231
1902	404633
1903	404550

FAIRWAY VILLA

PAGE

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
1904	404551
1905	443046
1906	411968
1907	495957
1908	466115
1909	404553
1910	404554
1911	404555
1912	472474
1913	404556
1914	309536
1915	404537
1916	495876
1917	408842
1918	404539
2001	409393
2002	419965
2003	404561
2004	469,030
2005	460910
2006	476792
2007	469,030
2008	404562
2009	404563
2010	447018

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2011	404631
2012	469278
2013	404564
2014	404565
2015	504864
2016	409396
2017	409397
2018	309536
2101	404566
2102	409398
2103	404567
2104	481144
2105	499183
2106	404569
2107	404570
2108	404571
2109	404572
2110	417184
2111	465390
2112	404576
2113	404577
2114	404578
2115	483077
2116	404579
2117	481430

FAIRWAY VILLA

PAGE 11

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2118	409399
2201	404581
2202	409400
2203	409401
2204	470,157
2205	453219
2206	477392
2207	404626
2208	404582
2209	435941
2210	445693
2211	475087
2212	404584
2213	463566
2214	404585
2215	409403
2216	404586
2217	428665
2218	420947
2301	404589
2302	404590
2303	404634
2304	404591
2305	441059
2306	479700

## FAIRWAY VILLA

PAGE 12

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2307	509,284
2308	309536
2309	404593
2310	404594
2311	409405
2312	404595
2313	404596
2314	424295
2315	505887
2316	481333
2317	445513
2318	309536
2401	404599
2402	404600
2403	486,827
2404	454252
2405	404601
2406	441356
2407	409408
2408	409409
2409	404602
2410	309536
2411	460835
2412	462143
2413	404605



## FAIRWAY VILLAGES

PAGE 13

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2414	404606
2415	409698
2416	406925
2417	409411
2418	409050
2501	445590
2502	404824
2503	450989
2504	469343
2505	441690
2506	479457
2507	433279
2508	481222
2509	435184
2510	469321
2511	443086
2512	404609
2513	431376
2514	404610
2515	469279
2516	464623
2517	409411
2518	477056
2601	109536
2602	440285

FAIRWAY VILLA

PAGE 14

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2603	464627
2604	464637
2605	464630
2606	464,680
2607	464681
2608	464683
2609	<b>475052</b>
2610	488404
2611	475347
2612	471167
2613	464628
2614	464679
2615	464679
2616	508,326
2617	472,961
2618	<b>309536</b>
2701	<b>404628</b>
2702	<b>404611</b>
2703	<b>404612</b>
2704	<b>492426</b>
2705	404613
2706	409414
2707	404625
2708	309536
2709	424296

## FAIRWAY VILLA

PAGE 15

<u>APARTMENT NO.</u>	<u>TCT NO.</u>
2710	404614
2711	409416
2712	309536
2713	508, 324
2714	404615
2715	464623
2716	464682
2717	409417
2718	441325
AUX1	487617
PH2801	409418
PH2802	409419
PH2803	458264

DOC NO 713792

OFFICE OF THE ASSISTANT REGISTRAR  
LAND COURT  
75th FLOOR  
17 FINE BUILDING  
NEW YORK, N.Y. 10022

75th FLOOR 17 FINE BLDG  
NEW YORK, N.Y. 10022

*Walter C. Untermyer*  
ASSISTANT REGISTRAR

NOTED ON CERTIFICATE NO. 153715  
IN REGISTRATION BOOK ..... PAGE .....  
TRANSFER OF CERTIFICATE OF TITLE ISSUED  
AND TRANSFERRED INTO  
REGISTRATION BOOK ..... PAGE .....  
BEING CERTIFICATE NO. .... IN

OFFICE OF THE ASSISTANT REGISTRAR  
LAND COURT

92-10-1

FIRST AMENDMENT TO DECLARATION OF HORIZONTAL  
PROPERTY REGIME OF FAIRWAY VILLA

WHEREAS, by Declaration dated February 26, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 685603 and noted on Transfer Certificate of Title No. 153715, THEODORE HILTON SMYTH, as Trustee for the Benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, a short form of which was filed in said Office of the Assistant Registrar as Document No. 606183, hereinafter called the "Fee Owner", and said THEODORE HILTON SMYTH, Trustee, and THE CARWIN CORPORATION, a Hawaii corporation, both doing business as FAIRWAY VILLA VENTURE, a joint venture registered to do business in the State of Hawaii, hereinafter called "Developer", did submit the property described in said Declaration to the Horizontal Property Regime under the Horizontal Property Regime Act, Chapter 514, Hawaii Revised Statutes, as amended, and contemporaneously therewith filed in said Office of the Assistant Registrar the plans of said project which was designated as Condominium Map No. 216; and

WHEREAS, in Paragraph 17 of said Declaration, Developer reserved the right to amend said Declaration in order (a) to designate the extra parking spaces that shall be appurtenant to certain apartments, and (b) to file the "As Built" verified statement (with plans, if applicable) required by said Chapter 514, (1) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately

depict the layout, location, apartment number, and dimensions of the apartments as built, or (2) so long as any plans filed therewith involve only immaterial changes to the layout, location, apartment numbers, or dimensions of the apartments as built;

NOW, THEREFORE, said Fee Owner and Developer, in order to comply with the provisions of Section 514-13, Hawaii Revised Statutes, as amended, and pursuant to Paragraph 17 of said Declaration for the amendment thereof, do hereby amend said Declaration as follows:

a. Developer hereby amends portions of the Declaration as it pertains to parking as follows:

1. The first two sentences of subparagraph (a) of paragraph 7 appearing on page 5 of said Declaration are hereby amended to read as follows:

" (a) One (1) or more parking stalls designated on said Condominium Map by the number corresponding to the number of each apartment shall be appurtenant to and for the exclusive use of such apartment. In addition to the designations on said Condominium Map, certain apartments shall have additional parking stalls appurtenant to said apartments as shown in Exhibit 'D'."

2. Exhibit "D" attached to and made a part of said Declaration is deleted in its entirety and the following substituted in lieu thereof:

"Exhibit 'D'"

"There are ten (10) standard parking stalls for guest parking located on the sixth floor, being parking

stalls numbered 618 through 627 inclusive.

The following parking stalls shall be appurtenant to the following apartments:

<u>Parking Stall No.</u>		<u>Apartment No.</u>
109	Compact	1201
110	Compact	918
202	Compact	1818
203	Compact	2016
204	Compact	2301
205	Compact	2217
207	Regular	715
301	Compact	912
303	Compact	2201
304	Compact	1906
305	Compact	2105
403	Compact	1901
404	Compact	2401
405	Compact	1717
406	Compact	1718
502	Compact	1601
503	Compact	1617
504	Compact	2317
505	Compact	2317

The following parking stalls shall be appurtenant to Apartment PH 2801:

101 and 102	Regular Tandem
107	Compact
201	Regular
401 and 402	Compact Tandem
508 and 509	Compact Tandem
628 and 629	Compact Tandem
630 and 631	Compact Tandem
632 and 633	Compact Tandem
634 and 635	Compact Tandem
636 and 637	Compact Tandem
638 and 639	Compact Tandem

The following parking stalls shall be appurtenant to Apartment PH 2802:

103 and 104	Regular Tandem
302	Compact Tandem
507	Compact
604	Compact
607	Compact
650 and 651	Regular Tandem
652 and 653	Regular Tandem
654 and 655	Regular Tandem
656 and 657	Regular Tandem
658 and 659	Regular Tandem
660 and 661	Regular Tandem
664 and 665	Regular Tandem

The following parking stalls shall be appurtenant  
to Apartment PH 2803:

105 and 106 Regular Tandem  
108 Compact  
206 Compact  
506 Compact  
602 and 603 Compact Tandem  
640 and 641 Compact Tandem  
642 and 643 Compact Tandem  
645 Compact  
646 and 647 Regular Tandem  
648 and 649 Regular Tandem  
662 and 663 Regular Tandem  
666 and 667 Tandem (666 Compact and 667 Regular)"

B. Developer hereby amends portions of the Declaration as it pertains to Auxiliary Unit #1 in order to reflect that said Auxiliary Unit #1 will be enclosed:

1. Paragraph 5 appearing on pages 3 and 4 of said Declaration is amended by changing the comma after the word "areas" appearing in the sixth line from the top of page 4 to a period and deleting the remainder of said paragraph 5 in its entirety.

2. Subparagraph (a) of Paragraph 11 of said Declaration is amended by deleting the words "the auxiliary area" appearing in the fourth line of said subparagraph (a) and substituting the words "Auxiliary Unit #1" in lieu thereof.

3. Subparagraph (e) of Paragraph 11 of said Declaration is amended by deleting the word "unenclosed" appearing in the first line of said subparagraph (e) and by deleting the word "enclose" appearing in the second line of said subparagraph (e).

4. Paragraph (5) appearing on page 3 of Exhibit "B" is amended by deleting the word "unenclosed" in the first line of said paragraph (5) and adding the following sentence at the end of said paragraph (5):



"The common interest of Auxiliary Unit #1 is shown on Exhibit 'C' attached hereto and made a part hereof."


C. Developer hereby amends paragraph (4) appearing on page 3 of Exhibit "B" in order to reflect that PH 2803 will have ten (10) rooms instead of seven (7) rooms. As amended, paragraph (4) of Exhibit "B" reads as follows:

"(4) THREE-BEDROOM PENTHOUSE: There are three (3) three-bedroom penthouse apartments, being numbers PH 2801, PH 2802 and PH 2803. PH 2801 and PH 2802 contain seven (7) rooms, a living room, three bedrooms, a kitchen, two bathrooms and a lanai. PH 2803 contains ten (10) rooms, a living room, three bedrooms, a kitchen, three bathrooms, study, dining room and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit 'C' attached hereto and made a part hereof."

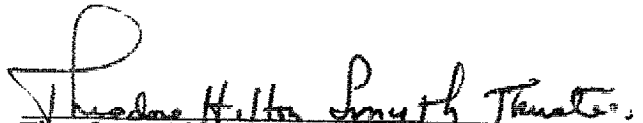
Incorporated herein by reference is a verified statement of a registered professional engineer attached hereto as Exhibit "A", certifying that the final plans of the project, as amended by the revised plans filed herewith, accurately depict the layout, location, apartment numbers and dimensions of the apartments of the project as built.

As herein amended, said Declaration is hereby certified and confirmed.


IN WITNESS WHEREOF, said Fee Owner and Developer have executed these presents this 13<sup>th</sup> day of March, 1975.

  
Theodore Hilton Smyth, Trustee

Fee Owner

  
Theodore Hilton Smyth, Trustee

THE CARWIN CORPORATION

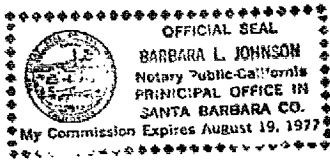
By   
Its Chairman

Doing business as FAIRWAY VILLA VENTURE

Developer

State of California                    )  
County of Santa Barbara            ) ss.

On this 12th day of March, 1975, before me personally appeared THEODORE HILTON SMYTH, Trustee under Indenture of Trusts dated January 29, 1960, as amended, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed as such Trustee.

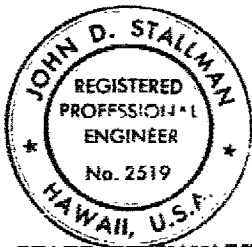


*Barbara L. Johnson*  
\_\_\_\_\_  
Notary Public



CERTIFICATE OF PROFESSIONAL ENGINEER

I HEREBY CERTIFY that the final plans of FAIRWAY VILLA condominium project, heretofore filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Condominium Map No. 216, as amended by the attached sheets, numbered A-1, A-2, A-5, A-5 Supp., A-6, A-7, A-7 Supp., A-8, PK-1, PK-2 and PK-3, filed contemporaneously herewith, fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments of said condominium project as built, and are accurate copies of portions of the plans of the building as filed in and approved by the officer having jurisdiction over issuance of permits for the construction of buildings in the City and County of Honolulu, Hawaii.



*John David Stallman*  
JOHN DAVID STALLMAN  
Registered Professional Engineer  
Hawaii No. 2519

STATE OF HAWAII )  
CITY AND COUNTY OF HONOLULU )

ss.

JOHN DAVID STALLMAN, being first duly sworn on oath, deposes and says: That he is Registered Professional Engineer No. 2519 in the State of Hawaii, has read the foregoing certificate, knows the contents thereof and that the same is true.

*John David Stallman*  
JOHN DAVID STALLMAN

Subscribed and sworn to before  
me this 12th day of  
March, 1975.

Muriel T. Bach  
Notary Public, First Judicial  
Circuit, State of Hawaii.

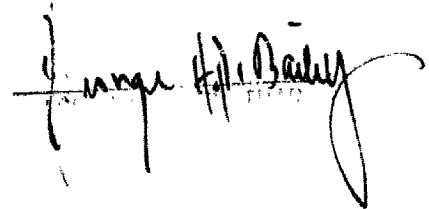
My commission expires MAR 13 1977

25

DOC NO 685603

OFFICE OF THE ASSISTANT REGISTRAR  
LAND COURT

JUL 17 2008



NOTED ON CERTIFICATE NO. 153715  
IN REGISTRATION BOOK ..... PAGE .....

TRANSFER OF CERTIFICATE OF TITLE ISSUED  
AND TRANSFERRED INTO

REGISTRATION BOOK ..... PAGE .....  
BLIND CERTIFICATE NO. .... IN

OFFICE OF THE ASSISTANT REGISTRAR  
LAND COURT

OKUMURA AND TAKUSHI  
ATTORNEYS AT LAW  
SUITE 400 INTERNATIONAL SAVINGS BUILDING  
1022 BETHEL STREET  
HONOLULU, HAWAII, 96813

RECORDATION REQUESTED BY:

AFTER RECORDATION, RETURN TO:

RETURN BY: MAIL ( ) PICKUP ( )

Space above this line for Registrar's use

DECLARATION OF HORIZONTAL PROPERTY REGIME  
UNDER CHAPTER 514  
HAWAII REVISED STATUTES 1968

WHEREAS, THEODORE HILTON SMYTH, As Trustee For The Benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, a short form of which was filed in the office of the Assistant Registrar of the Land Court of the State of Hawaii as Document 606183, whose post office address is 4234 Cresta Avenue, Santa Barbara, California (hereinafter called the "Fee Owner") is the Owner of the land described herein; and

WHEREAS, Fee Owner and THE CARWIN CORPORATION, a Hawaii corporation, having its principal place of business and post office address at Suite 923, The Davies Pacific Center, 841 Bishop Street, Honolulu, City and County of Honolulu, State of Hawaii, doing business as FAIRWAY VILLA VENTURE, a joint venture, registered to do business in the State of Hawaii, (hereinafter called "Developer") have entered into a Development Agreement with said Fee Owner dated June 1, 1972, and will erect an

apartment building upon said property and intend to sell such apartments to third parties.

NOW, THEREFORE, the Fee Owner and the Developer hereby express their desire that the property described herein be submitted to the Horizontal Property Regime established by Chapter 514 Hawaii Revised Statutes 1968, and do hereby submit their respective interests therein to a Horizontal Property Regime, and in furtherance thereof make the following declarations as to divisions, limitations, restrictions, covenants and conditions, and hereby declare that said property is held and shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied and improved subject to the declarations, restrictions and conditions set forth herein and in the By-Laws filed herewith and made a part hereof, as the same may from time to time be amended, which declarations, restrictions and conditions shall constitute covenants running with the land and shall be binding on and for the benefit of the parties hereto, their respective successors, heirs, executors, administrators and assigns, and all subsequent owners and lessees of all or any part of the project and their respective successors, heirs, executors, administrators and assigns.

1. The Horizontal Property Regime established hereby shall be known as the FAIRWAY VILLA Condominium Project.

2. Land Description. The land submitted to the Horizontal Property Regime is described in Exhibit "A" attached hereto and made a part hereof.

3. Description of Building. The apartment building shall consist of twenty-eight (28) stories with the first floor consisting



of two levels, designated the first through twelfth and fourteenth through twenty-ninth floors (number thirteen has been omitted), with a portion of the first floor consisting of parking level designated "Basement", located below ground level, containing three hundred sixty-two (362) apartments and one (1) auxiliary unit, each of which shall constitute an "apartment", as defined and used in Chapter 514, Hawaii Revised Statutes, and which are sometimes hereafter separately or collectively called condominium unit or units, and each of which shall constitute a separate estate, and in addition thereto, there shall be a resident manager's apartment. The building is constructed principally of reinforced concrete, steel, glass, aluminum and allied building materials with integrated walls, columns, supports and parking facilities. Said building is more particularly described in Exhibit "B" hereunto attached and made a part hereof.

4. Apartments. The individual apartments are described in said Exhibit "B" and Exhibit "C" and on the Condominium Map No. \_\_\_\_\_ filed in the Office of the Assistant Registrar of the Land Court simultaneously herewith.

5. Limits of Apartments. The respective apartments do not include the undecorated or unfinished surfaces of the perimeter walls, the interior party walls, or the floors and ceiling which surround the apartments or any pipes, shafts, wires, conduits or other utility or service lines, running through such apartments which are utilized for or serve more than one condominium unit, the same being deemed common elements as hereinafter provided. Subject to the foregoing each apartment shall include the adjacent lanai or lanais shown on said Condominium Map, 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, the exterior of the lanai railing and all air space encompassed within the apartment, together with the built-in fixtures including all electrical and plumbing fixtures,

range with hood, refrigerator/freezer, garbage disposal unit, clothes washer and dryer, dishwasher (installed only in one-bedroom and two-bedroom apartments); wall-to-wall carpeting in living room, bedroom and hallway areas; vinyl asbestos tile in kitchens and bathrooms, drapes and drapery rods in living room and bedroom areas, except that the Auxiliary Unit shall include only the air space enclosed in the unfinished floor, ceiling and perpendicular imaginary lines extending from the floor to ceiling of the unenclosed space as delineated on said Condominium Map.

6. Common Elements. The common elements will include the limited common elements described in Paragraph 7 below and all other portions of the land and improvements other than the apartments, including the apartment building, the land on which it is located, and all elements mentioned in the Horizontal Property Act which are actually constructed on the land described herein, and specifically shall include, but shall not be limited to:

- (a) Said land described in Exhibit "A";
- (b) All foundations, columns, girders, beams, supports, load bearing walls, corridors, fire escapes, entry halls, stairs, walkways, entrances and exits of said building;
- (c) The roofs;
- (d) All yards and refuse areas;
- (e) All driveway and parking areas;
- (f) All ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, cold and hot water, television antenna, refuse and telephone;
- (g) Automatic electric passenger elevators with elevator housing and appurtenant equipment;
- (h) Swimming pool with recreation area, the corridor and the elevator lobby situated on the recreation deck;
- (i) The manager's residence on the seventh floor;
- (j) The manager's office on the first floor and parking stall on the basement level of the first floor;
- (k) Ten (10) parking stalls for guest parking purposes, as shown in Exhibit "D" attached hereto and made a part hereof; and

- (1) 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, normally in common use.

7. Limited Common Elements. Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (a) One parking stall designated on said Condominium Map with the same designation as an apartment shall be appurtenant to and for the exclusive use of such apartment. Additional parking stalls designated on Exhibit "D" will be offered for sale to apartment purchasers on terms and conditions established by the Developer. Such parking stalls may be conveyed with the original lease of an apartment or by amendment of the original lease of an apartment, and shall be appurtenant to and for the exclusive use of each such apartment when so conveyed.
- (b) The lanai and recreation area (containing approximately 3,944 square feet) located at the Ewa side of the twenty-eighth floor and adjacent to the three penthouses shall be restricted for the use of the three penthouse owners (PH 2801, PH 2802 and PH 2803).
- (c) The corridors, storage area, trash room and elevator lobbies on each apartment floor on and above the seventh floor are restricted for the use of the apartment owners living on each floor.

8. Percentage of Undivided Interest. The percentage of undivided interest in the common elements, hereinafter called the "common interest", appertaining to each apartment shall be as set forth in said Exhibit "C" and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

9. Easements. In addition to any exclusive easements hereby established in the limited common elements, the apartments and common elements shall also have and be subject to the following easements:

- (a) Each apartment shall have appurtenant thereto non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, and support, maintenance and repair of such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments and limited common elements of its building for support;
- (b) If any part of the common elements now or hereafter encroaches upon any apartment or limited common element, or if any apartment now or hereafter encroaches upon any other apartment or upon any portion of the common elements, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event the apartment building shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements upon any apartment or of any apartment upon any other apartment or upon any portion of the common elements due to construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist;
- (c) The Association of Apartment Owners shall have the right, to be exercised by its Board of Directors or the Managing Agent, to enter such apartment and the limited common elements from time to time during reasonable hours as may be necessary for the operation of the project or for making emergency repairs therein necessary to prevent damage to any apartments or common elements;
- (d) Each apartment owner shall have an easement in common with the owners of all other apartments to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other apartments and serving his apartment. Each apartment shall be subject to an easement in favor of the owners of all other apartments to use the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other apartments and located in such apartment.

10. Alteration and Transfer of Interests. The common interest, elements and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby as expressed in an amendment to this Declaration duly recorded, shall not be separated from such apartment and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument; excepting, however, the exclusive easements for the use of parking stalls. As long as at all times (or, in the case of an exchange of parking stalls between apartments, immediately subsequent to such an exchange) there shall be at least one parking stall appurtenant to each apartment, any such exclusive easement for the use of a parking stall may be

conveyed to another apartment owner by a written instrument expressly identifying 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 be denominated as an amendment of this Declaration and of the leases of each apartment affected. The Lessor's joinder in such amendment will be necessary, but such joinder will not unreasonably be withheld, although a reasonable service charge may be made therefor. To the extent that the joinder of apartment owners in addition to those directly affected may be required in order to validate the Amendment of Declaration for the limited purpose of transferring such easements, such joinder shall be accomplished by power of attorney from each of the owners not affected to the affected owners, the acceptance of ownership of an apartment subject to this Declaration being a grant of such power and the grant, being coupled with an interest, being irrevocable. The transfer, amendment of declaration and amendment of leases shall be effective upon filing of the same in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. A copy of said conveyance and amendment of declaration and lease shall be given to both the Lessor and the Association by the affected owners within 15 days of the filing thereof. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Horizontal Property Act.

11. Purposes.

- (a) The owner of each apartment within the building herein above described shall use such apartment only as living accommodations for hotel or apartment use. The owner of the auxiliary area in the building shall use such area only for office purposes, sale of food, Hotel Lobby, merchandise or services or any other commercial undertaking, provided however, auxiliary area 1 shall have the exclusive right to use such area for restaurant and bar operations.
- (b) The owner of a condominium unit shall not use the same for any purpose which will injure the reputation of the building. Such owner shall not suffer anything to be done or kept in his apartment or elsewhere which will jeopardize the soundness of the building, or which will interfere with or unreasonably discurb the rights of other owners, or which will obstruct the public halls or stairways of the building, or which will increase the rate of fire insurance on the building or the

contents thereof or which will reduce the value of the apartment building.

- (c) The owner of a condominium unit shall not, without the prior written consent of the Board, make any structural alterations in or additions to the exterior of the apartment or to any other portion or portions of the common elements without the unanimous consent of all of the apartment owners, all as provided in the By-Laws attached hereto.
- (d) The owner of a condominium unit shall not, without the prior written consent of the Board or the Managing Agent, display any sign or any other device in or upon any door, window, wall or other portion of the apartment or common elements, or otherwise so as to be visible from the exterior.
- (e) The owner of unenclosed Auxiliary Unit #1 shall be permitted to enclose, construct, improve or otherwise utilize such condominium unit, as shown on Condominium Map No. \_\_\_\_\_ for future construction of improvements, provided that (1) said improvements to be constructed in full compliance with all applicable laws, ordinance and regulations, including Building and Fire Codes, (2) said improvements shall be made at the sole cost and expense of such owner and (3) such owner shall protect and hold harmless the other condominium units and their owners and all mortgagees of said units, the common elements, and the limited common elements and the premises from any liens of any kind or character which may arise, for labor performed or material furnished in connection with said improvements, including the carrying of a bond conditioned to protect the aforementioned interests and to indemnify said interests against all actions, suits, damages and claims whomsoever brought or made by reason of said improvements.

12. Service of Process. The CARWIN CORPORATION, a Hawaii corporation, whose office is located at 841 Bishop Street, Suite 923, Honolulu, Hawaii, is hereby designated as the person to receive service of process until such time as the Board of Directors of the Association of Apartment Owners of this Horizontal Property Regime is elected, at which time and thereafter process may be served upon any member of said Board.

13. Percentage of Votes Required for Rebuilding. Where an election is permissible under the terms of the By-Laws and apartment leases to determine whether or not to rebuild, repair

or restore the property, the building shall be rebuilt, repaired or restored unless the owners of at least eighty per cent (80%) of the interests in the common elements execute an instrument expressing their decision not to rebuild, repair or restore.

14. Reserved Rights. The Fee Owner reserves the right to grant, relocate, cancel and otherwise dispose of any and all utility and other easements now or hereafter located on or affecting the land above described.

15. Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such provision had never been included herein.

16. Operation of Property. The operation of the property shall be governed by By-Laws, a true copy of which is annexed hereto and hereby made a part hereof, and the apartment leases demising all of the apartments described hereinabove. Each apartment owner shall comply strictly with the By-Laws and his apartment lease.

17. Amendment. Except as provided in Paragraph 10, this Declaration of Horizontal Property Regime may be amended, consistent with the provisions of Chapter 514, Hawaii Revised Statutes (1968) by an instrument in writing, signed and acknowledged by the owners of at least seventy-five per cent (75%) of the apartments, which amendment shall be effective upon filing in the Office of the Assistant Registrar of the Land Court; provided, however, that at any time or times prior to the sale and

conveyance of any of the said apartments by the Developer, the Owner and the Developer may amend this Declaration and notwithstanding that any such sale and conveyance has been made, the Owner and the Developer reserve the right to amend this Declaration (a) to designate the extra parking spaces that shall be appurtenant to certain apartments, and (b) to file the "As Built" verified statement (with plans, if applicable) required by said Chapter 514, (1) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately depict the layout, location, apartment number, and dimensions of the apartments as built, or (2) so long as any plans filed therewith involve only immaterial changes to the layout, location, apartment numbers, or dimensions of the apartments as built.

IN WITNESS WHEREOF, the Fee Owner and Developer have executed this instrument this 26th day of February, 1974.

FAIRWAY VILLA VENTURE, a Joint Venture  
THE CARWIN CORPORATION

By Alfred H. Fustler  
(Its Chairman)

Theodore Hilton Smyth  
Theodore Hilton Smyth, Trustee

Developer

Theodore Hilton Smyth  
Theodore Hilton Smyth, Trustee

Fee Owner



STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

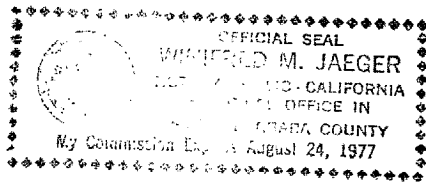
On this 21<sup>st</sup> day of March, 1974, before me appeared CARL L. FINSETH, to me personally known, who, being by me duly sworn, did say that he is the Chairman of THE CARWIN CORPORATION, a Hawaii corporation; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said CARL L. FINSETH acknowledged said instrument to be the free act and deed of said corporation.

Ermine L. Martin  
Notary Public, First Judicial  
Circuit, State of Hawaii.

My commission expires OCTOBER 2, 1977

State of California )  
County of Santa Barbara ) SS.

On this 26<sup>th</sup> day of February, 1974, before me personally appeared THEODORE HILTON SMYTH, Trustee under Trusts dated January 29, 1960, as amended, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed as such Trustee.



Winifred M. Jaeger  
Notary Public,

My commission expires \_\_\_\_\_

EXHIBIT "A"

Those certain parcels of land situated at Waikiki, Honolulu, State of Hawaii, described as follows:

FIRST: Lots 24-C, area 7,500.0 square feet, as shown on Map 8 and Lot 24-N-1, area 1,200.0 square feet, as shown on Map 20, the maps herein referred to by number are filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 of Guardian Trust Company, Limited;

SUBJECT, HOWEVER, to the encumbrances more particularly described in said Transfer Certificate of Title.

SECOND: Lot 47, area 11,003.0 square feet, as shown on Map 26, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

SUBJECT, HOWEVER, to the following:

1. Delineation of Easement for sanitary sewer, as shown on Maps 14 and 26, as set forth by Land Court Order No. 26484, filed November 23, 1966.
2. A Grant of easement in favor of the City and County of Honolulu for sewer affecting Lot 47, dated November 1, 1966 and filed as Document No. 404641.

THIRD: Lot 24-E-2-A, area 3,207.0 square feet, as shown on Map 15, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

SUBJECT, HOWEVER, to the following:

1. Delineation of Easement for sanitary sewer affecting Lot 24-E-2-A, as shown on Map 28, as set forth by Land Court Order No. 27447, filed August 29, 1967.

2. A Grant of easement in favor of City and County of Honolulu, for sewer, dated April 21, 1967 and filed as Document No. 425263.

FOURTH: Lots 24-A, area 7,500.0 square feet, as shown on Map 8 and Lot 24-B-2, area 1,500.0 square feet, as shown on Map 12; the maps above referred to by numbers are on file in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

FIFTH: Lot 24-B-1, area 6,000.0 square feet, as shown on Map 12, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 571 (amended) of Guardian Trust Company, Limited;

The above parcels first through fifth being all of the land described in Transfer of Certificate of Title number 153715 issued to Theodore Hilton Smyth, husband of Elizabeth McBride Smyth, Trustee.

EXHIBIT "B"

1. Building Description.

The building shall have twenty-eight (28) floors with the first floor through parking level sixth being essentially for parking purposes and the seventh floor through the twenty-eighth floor being essentially for apartment or commercial purposes and the twenty-ninth floor is essentially a recreation deck and swimming pool; and one (1) elevator machinery room and ventilation towers are located on the roof of the building.

The first floor consists of two separate levels, the partial basement level has only parking with access to the ground level portion of the first floor through the stairs. The ground level portion has a mechanical-equipment room, a trash room, telephone switchgear, a transformer vault, three (3) loading areas, the Manager's office, one (1) auxiliary unit, the main lobby and mail room.

The second floor has an elevator lobby, extensions from the first floor of the transformer vault and one of the mechanical rooms, extensions of the lobby and parking.

The third through sixth floors each have an elevator lobby, utility room and parking.

The first six floors, being the basement level of the first floor through parking level six, contain three hundred forty-seven (347) standard parking spaces and one hundred eight (108) compact parking spaces. Twenty-six (26) spaces have been combined with twenty-six (26) spaces to form tandem stalls by placing the two spaces end to end, said tandem stalls being designated stalls 101-102; 103-104; 105-106; 302 & 2313; 401-402; 508-509; 602-603; 628 through 643; 646 through 667. Thus, after the said combination of spaces, the location of the resulting four hundred fifty-five (455) parking stalls is as follows: the basement level of the first floor contains seventy-one (71) stalls, including the Manager's stall; the second floor contains sixty-three (63) stalls; the third through fifth floor contains seventy-six (76) stalls; and the sixth floor contains ninety-three (93) stalls. Each floor contains access ramps and two (2) stairwells.

The seventh through the twelfth and fourteenth through the twenty-seventh floors contain twelve (12) studio apartments, four (4) one-bedroom apartments and two (2) two-bedroom apartments on each floor. Mechanical-electrical equipment and other service spaces, washer-dryer room, elevators and stairwells are also located on each of the seventh through the twenty-seventh floors.

The twenty-eighth floor contains three (3) penthouses and pool storage room.

The twenty-ninth floor contains the recreation deck with a swimming pool, shower and sauna rooms, and a locker room.

2. Materials.

The principal materials used in the construction of the building are concrete, concrete blocks, aluminum, glass, steel, wooden and steel doors and trim.

3. Location, Area, Percentage Interest of Apartments.

The building is rectangular in shape and runs roughly North and South.

The percentage of undivided interest in the common elements pertaining to each apartment shall be as set forth in Exhibit "C" attached hereto and made a part hereof.

The building contains three hundred sixty-two (362) apartments, a resident manager's apartment, and one (1) auxiliary unit. Each apartment has been given a three or four digit number designation by which its location in the building can be determined. The last two digits indicate the location of the apartment on a floor and the digit or digits preceding the last two digits indicate the floor on which the apartment is located. For example, Apartment 701 is located at the Makai end of the building on the 7th floor and Apartment 2618 is located at the Mauka end of the building on the 26th floor.

Auxiliary Unit Number 1 is located on the 1st floor.

Apartments 701 to 718 are located on the 7th floor.

Apartments 801 to 818 are located on the 8th floor.

Apartments 901 to 918 are located on the 9th floor.

Apartments 1001 to 1018 are located on the 10th floor.

Apartments 1101 to 1118 are located on the 11th floor.

Apartments 1201 to 1218 are located on the 12th floor.

Apartments 1401 to 1418 are located on the 14th floor.

Apartments 1501 to 1518 are located on the 15th floor.

Apartments 1601 to 1618 are located on the 16th floor.

Apartments 1701 to 1718 are located on the 17th floor.

Apartments 1801 to 1818 are located on the 18th floor.

Apartments 1901 to 1918 are located on the 19th floor.

Apartments 2001 to 2018 are located on the 20th floor.

Apartments 2101 to 2118 are located on the 21st floor.

Apartments 2201 to 2218 are located on the 22nd floor.

Apartments 2301 to 2318 are located on the 23rd floor.

Apartments 2401 to 2418 are located on the 24th floor.

Apartments 2501 to 2518 are located on the 25th floor.

Apartments 2601 to 2618 are located on the 26th floor.

Apartments 2701 to 2718 are located on the 27th floor.

Apartments PH 2801 to PH 2803 are located on the 28th floor.

Each apartment contains the number of rooms and the approximate floor area according to plans which are a part of said Condominium Map as follows:

- (1) TYPICAL STUDIO APARTMENT: There are two hundred forty (240) studio apartments, consisting of two basic types: Type A-3 and A-4. Types A-3 and A-4 contain three (3) rooms, including a living room-bedroom-kitchen, a bathroom, a dressing room and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
- (2) TYPICAL ONE-BEDROOM APARTMENT: There are eighty (80) typical one-bedroom apartments consisting of four basic types: Type A-2; A-5; A-6; and A-7. Types A-2, A-5, A-6, and A-7 contain four (4) rooms, including a living room, a bedroom, a kitchen, a bathroom and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
- (3) TYPICAL TWO-BEDROOM APARTMENT: There are forty (40) typical two-bedroom apartments, consisting of two basic types: Type A-1 and A-8. Types A-1 and A-8 contain six (6) rooms, a living room, two bedrooms, a kitchen, two bathrooms and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
- (4) TYPICAL THREE-BEDROOM PENTHOUSE: There are three (3) typical three-bedroom penthouse apartments, being numbers PH 2801, PH 2802 and PH 2803, which contain seven (7) rooms, a living room, three bedrooms, a kitchen, two bathrooms and a lanai. The number, type, area, floor level and common interest of each apartment is shown on Exhibit "C" attached hereto and made a part hereof.
- (5) AUXILIARY UNIT: There is one (1) unenclosed auxiliary unit. Auxiliary unit number 1 is located at the Mauka-Diamond Head corner of the first floor and consists of an area of approximately 1,227 square feet, as delineated on said Condominium Map.

EXHIBIT "C"

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
701	A-1	723	151	874	7	.432%
702	A-2	560	151	711	7	.342%
703	A-3	364	77	441	7	.219%
704	A-4	364	77	441	7	.219%
705	A-3	364	77	441	7	.219%
706	A-4	364	77	441	7	.219%
707	A-3	364	77	441	7	.219%
708	A-4	364	77	441	7	.219%
709	A-3	364	77	441	7	.219%
710	A-4	364	77	441	7	.219%
711	A-3	364	77	441	7	.219%
712	A-5	525	151	676	7	.336%
713	A-3	364	77	441	7	.219%
714	A-6	555	151	706	7	.347%
715	A-3	364	77	441	7	.219%
716	A-3	364	77	441	7	.219%
718	A-7	560	151	711	7	.342%
801	A-1	723	151	874	8	.432%
802	A-2	560	151	711	8	.342%
803	A-3	364	77	441	8	.219%
804	A-4	364	77	441	8	.219%
805	A-3	364	77	441	8	.219%
806	A-4	364	77	441	8	.219%
807	A-3	364	77	441	8	.219%
808	A-4	364	77	441	8	.219%
809	A-3	364	77	441	8	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
810	A-4	364	77	441	8	.219%
811	A-3	364	77	441	8	.219%
812	A-5	525	151	676	8	.336%
813	A-3	364	77	441	8	.219%
814	A-6	555	151	706	8	.347%
815	A-3	364	77	441	8	.219%
816	A-3	364	77	441	8	.219%
817	A-8	723	151	874	8	.432%
818	A-7	560	151	711	8	.342%
901	A-1	723	151	874	9	.432%
902	A-2	560	151	711	9	.342%
903	A-3	364	77	441	9	.219%
904	A-4	364	77	441	9	.219%
905	A-3	364	77	441	9	.219%
906	A-4	364	77	441	9	.219%
907	A-3	364	77	441	9	.219%
908	A-4	364	77	441	9	.219%
909	A-3	364	77	441	9	.219%
910	A-4	364	77	441	9	.219%
911	A-3	364	77	441	9	.219%
912	A-5	525	151	676	9	.336%
913	A-3	364	77	441	9	.219%
914	A-6	555	151	706	9	.347%
915	A-3	364	77	441	9	.219%
916	A-3	364	77	441	9	.219%
917	A-8	723	151	874	9	.432%
918	A-7	560	151	711	9	.342%



Apt. No.	Type	Area Square Feet			Floor Level	Common Interest
		Apt.	Lanai	Total		
1001	A-1	723	151	874	10	.432%
1002	A-2	560	151	711	10	.342%
1003	A-3	364	77	441	10	.219%
1004	A-4	364	77	441	10	.219%
1005	A-3	364	77	441	10	.219%
1006	A-4	364	77	441	10	.219%
1007	A-3	364	77	441	10	.219%
1008	A-4	364	77	441	10	.219%
1009	A-3	364	77	441	10	.219%
1010	A-4	364	77	441	10	.219%
1011	A-3	364	77	441	10	.219%
1012	A-5	525	151	676	10	.336%
1013	A-3	364	77	441	10	.219%
1014	A-6	555	151	706	10	.347%
1015	A-3	364	77	441	10	.219%
1016	A-3	364	77	441	10	.219%
1017	A-8	723	151	874	10	.432%
1018	A-7	560	151	711	10	.342%
1101	A-1	723	151	874	11	.432%
1102	A-2	560	151	711	11	.342%
1103	A-3	364	77	441	11	.219%
1104	A-4	364	77	441	11	.219%
1105	A-3	364	77	441	11	.219%
1106	A-4	364	77	441	11	.219%
1107	A-3	364	77	441	11	.219%
1108	A-4	364	77	441	11	.219%
1109	A-3	364	77	441	11	.219%
1110	A-4	364	77	441	11	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
1111	A-3	364	77	441	11	.219%
1112	A-5	525	151	676	11	.336%
1113	A-3	364	77	441	11	.219%
1114	A-6	555	151	706	11	.347%
1115	A-3	364	77	441	11	.219%
1116	A-3	364	77	441	11	.219%
1117	A-8	723	151	874	11	.432%
1118	A-7	560	151	711	11	.342%
1201	A-1	723	151	874	12	.432%
1202	A-2	560	151	711	12	.342%
1203	A-3	364	77	441	12	.219%
1204	A-4	364	77	441	12	.219%
1205	A-3	364	77	441	12	.219%
1206	A-4	364	77	441	12	.219%
1207	A-3	364	77	441	12	.219%
1208	A-4	364	77	441	12	.219%
1209	A-3	364	77	441	12	.219%
1210	A-4	364	77	441	12	.219%
1211	A-3	364	77	441	12	.219%
1212	A-5	525	151	676	12	.336%
1213	A-3	364	77	441	12	.219%
1214	A-6	555	151	706	12	.347%
1215	A-3	364	77	441	12	.219%
1216	A-3	364	77	441	12	.219%
1217	A-8	723	151	874	12	.432%
1218	A-7	560	151	711	12	.342%
1401	A-1	723	151	874	14	.432%
1402	A-2	560	151	711	14	.342%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
1403	A-3	364	77	441	14	.219%
1404	A-4	364	77	441	14	.219%
1405	A-3	364	77	441	14	.219%
1406	A-4	364	77	441	14	.219%
1407	A-3	364	77	441	14	.219%
1408	A-4	364	77	441	14	.219%
1409	A-3	364	77	441	14	.219%
1410	A-4	364	77	441	14	.219%
1411	A-3	364	77	441	14	.219%
1412	A-5	525	151	676	14	.336%
1413	A-3	364	77	441	14	.219%
1414	A-6	555	151	706	14	.347%
1415	A-3	364	77	441	14	.219%
1416	A-3	364	77	441	14	.219%
1417	A-8	723	151	874	14	.432%
1418	A-7	560	151	711	14	.342%
1501	A-1	723	151	874	15	.432%
1502	A-2	560	151	711	15	.342%
1503	A-3	364	77	441	15	.219%
1504	A-4	364	77	441	15	.219%
1505	A-3	364	77	441	15	.219%
1506	A-4	364	77	441	15	.219%
1507	A-3	364	77	441	15	.219%
1508	A-4	364	77	441	15	.219%
1509	A-3	364	77	441	15	.219%
1510	A-4	364	77	441	15	.219%
1511	A-3	364	77	441	15	.219%
1512	A-5	525	151	676	15	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
1513	A-3	364	77	441	15	.219%
1514	A-6	555	151	706	15	.347%
1515	A-3	364	77	441	15	.219%
1516	A-3	364	77	441	15	.219%
1517	A-8	723	151	874	15	.432%
1518	A-7	560	151	711	15	.342%
1601	A-1	723	151	874	16	.432%
1602	A-2	560	151	711	16	.342%
1603	A-3	364	77	441	16	.219%
1604	A-4	364	77	441	16	.219%
1605	A-3	364	77	441	16	.219%
1606	A-4	364	77	441	16	.219%
1607	A-3	364	77	441	16	.219%
1608	A-4	364	77	441	16	.219%
1609	A-3	364	77	441	16	.219%
1610	A-4	364	77	441	16	.219%
1611	A-3	364	77	441	16	.219%
1612	A-5	525	151	676	16	.336%
1613	A-3	364	77	441	16	.219%
1614	A-6	555	151	706	16	.347%
1615	A-3	364	77	441	16	.219%
1616	A-3	364	77	441	16	.219%
1617	A-8	723	151	874	16	.432%
1618	A-7	560	151	711	16	.342%
1701	A-1	723	151	874	17	.432%
1702	A-2	560	151	711	17	.342%
1703	A-3	364	77	441	17	.219%
1704	A-4	364	77	441	17	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Unit</u>	<u>Total</u>		
1705	A-3	364	77	441	17	.219%
1706	A-4	364	77	441	17	.219%
1707	A-3	364	77	441	17	.219%
1708	A-4	364	77	441	17	.219%
1709	A-3	364	77	441	17	.219%
1710	A-4	364	77	441	17	.219%
1711	A-3	364	77	441	17	.219%
1712	A-5	525	151	676	17	.336%
1713	A-3	364	77	441	17	.219%
1714	A-6	555	151	706	17	.347%
1715	A-3	364	77	441	17	.219%
1716	A-3	364	77	441	17	.219%
1717	A-8	723	151	874	17	.432%
1718	A-7	560	151	711	17	.342%
1801	A-1	723	151	874	18	.432%
1802	A-2	560	151	711	18	.342%
1803	A-3	364	77	441	18	.219%
1804	A-4	364	77	441	18	.219%
1805	A-3	364	77	441	18	.219%
1806	A-4	364	77	441	18	.219%
1807	A-3	364	77	441	18	.219%
1808	A-4	364	77	441	18	.219%
1809	A-3	364	77	441	18	.219%
1810	A-4	364	77	441	18	.219%
1811	A-3	364	77	441	18	.219%
1812	A-5	525	151	676	18	.336%
1813	A-3	364	77	441	18	.219%
1814	A-6	555	151	706	18	.347%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
1815	A-3	364	77	441	18	.219%
1816	A-3	364	77	441	18	.219%
1817	A-8	723	151	874	18	.432%
1818	A-7	560	151	711	18	.342%
1901	A-1	723	151	874	19	.432%
1902	A-2	560	151	711	19	.342%
1903	A-3	364	77	441	19	.219%
1904	A-4	364	77	441	19	.219%
1905	A-3	364	77	441	19	.219%
1906	A-4	364	77	441	19	.219%
1907	A-3	364	77	441	19	.219%
1908	A-4	364	77	441	19	.219%
1909	A-3	364	77	441	19	.219%
1910	A-4	364	77	441	19	.219%
1911	A-3	364	77	441	19	.219%
1912	A-5	525	151	676	19	.336%
1913	A-3	364	77	441	19	.219%
1914	A-6	555	151	706	19	.347%
1915	A-3	364	77	441	19	.219%
1916	A-3	364	77	441	19	.219%
1917	A-8	723	151	874	19	.432%
1918	A-7	560	151	711	19	.342%
2001	A-1	723	151	874	20	.432%
2002	A-2	560	151	711	20	.342%
2003	A-3	364	77	441	20	.219%
2004	A-4	364	77	441	20	.219%
2005	A-3	364	77	441	20	.219%
2006	A-4	364	77	441	20	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
2007	A-3	364	77	441	20	.219%
2008	A-4	364	77	441	20	.219%
2009	A-3	364	77	441	20	.219%
2010	A-4	364	77	441	20	.219%
2011	A-3	364	77	441	20	.219%
2012	A-5	525	151	676	20	.336%
2013	A-3	364	77	441	20	.219%
2014	A-6	555	151	706	20	.347%
2015	A-3	364	77	441	20	.219%
2016	A-3	364	77	441	20	.219%
2017	A-8	723	151	874	20	.432%
2018	A-7	560	151	711	20	.342%
2101	A-1	723	151	874	21	.432%
2102	A-2	560	151	711	21	.342%
2103	A-3	364	77	441	21	.219%
2104	A-4	364	77	441	21	.219%
2105	A-3	364	77	441	21	.219%
2106	A-4	364	77	441	21	.219%
2107	A-3	364	77	441	21	.219%
2108	A-4	364	77	441	21	.219%
2109	A-3	364	77	441	21	.219%
2110	A-4	364	77	441	21	.219%
2111	A-3	364	77	441	21	.219%
2112	A-5	525	151	676	21	.336%
2113	A-3	364	77	441	21	.219%
2114	A-6	555	151	706	21	.347%
2115	A-3	364	77	441	21	.219%
2116	A-3	364	77	441	21	.219%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanal</u>	<u>Total</u>		
2117	A-8	723	151	874	21	.432%
2118	A-7	560	151	711	21	.342%
2201	A-1	723	151	874	22	.432%
2202	A-2	560	151	711	22	.342%
2203	A-3	364	77	441	22	.219%
2204	A-4	364	77	441	22	.219%
2205	A-3	364	77	441	22	.219%
2206	A-4	364	77	441	22	.219%
2207	A-3	364	77	441	22	.219%
2208	A-4	364	77	441	22	.219%
2209	A-3	364	77	441	22	.219%
2210	A-4	364	77	441	22	.219%
2211	A-3	364	77	441	22	.219%
2212	A-5	525	151	676	22	.336%
2213	A-3	364	77	441	22	.219%
2214	A-6	555	151	706	22	.347%
2215	A-3	364	77	441	22	.219%
2216	A-3	364	77	441	22	.219%
2217	A-8	723	151	874	22	.432%
2218	A-7	560	151	711	22	.342%
2301	A-1	723	151	874	23	.432%
2302	A-2	560	151	711	23	.342%
2303	A-3	364	77	441	23	.219%
2304	A-4	364	77	441	23	.219%
2305	A-3	364	77	441	23	.219%
2306	A-4	364	77	441	23	.219%
2307	A-3	364	77	441	23	.219%
2308	A-4	364	77	441	23	.219%



<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
2309	A-3	364	77	441	23	.219%
2310	A-4	364	77	441	23	.219%
2311	A-3	364	77	441	23	.219%
2312	A-5	525	151	676	23	.336%
2313	A-3	364	77	441	23	.219%
2314	A-6	555	151	706	23	.347%
2315	A-3	364	77	441	23	.219%
2316	A-3	364	77	441	23	.219%
2317	A-8	723	151	874	23	.432%
2318	A-7	560	151	711	23	.342%
2401	A-1	723	151	874	24	.432%
2402	A-2	560	151	711	24	.342%
2403	A-3	364	77	441	24	.219%
2404	A-4	364	77	441	24	.219%
2405	A-3	364	77	441	24	.219%
2406	A-4	364	77	441	24	.219%
2407	A-3	364	77	441	24	.219%
2408	A-4	364	77	441	24	.219%
2409	A-3	364	77	441	24	.219%
2410	A-4	364	77	441	24	.219%
2411	A-3	364	77	441	24	.219%
2412	A-5	525	151	676	24	.336%
2413	A-3	364	77	441	24	.219%
2414	A-6	555	151	706	24	.347%
2415	A-3	364	77	441	24	.219%
2416	A-3	364	77	441	24	.219%
2417	A-8	723	151	874	24	.432%
2418	A-7	560	151	711	24	.342%
2501	A-1	723	151	874	25	.432%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
2502	A-2	560	151	711	25	.342%
2503	A-3	364	77	441	25	.219%
2504	A-4	364	77	441	25	.219%
2505	A-3	364	77	441	25	.219%
2506	A-4	364	77	441	25	.219%
2507	A-3	364	77	441	25	.219%
2508	A-4	364	77	441	25	.219%
2509	A-3	364	77	441	25	.219%
2510	A-4	364	77	441	25	.219%
2511	A-3	364	77	441	25	.219%
2512	A-5	525	151	676	25	.336%
2513	A-3	364	77	441	25	.219%
2514	A-6	555	151	706	25	.347%
2515	A-3	364	77	441	25	.219%
2516	A-3	364	77	441	25	.219%
2517	A-8	723	151	874	25	.432%
2518	A-7	560	151	711	25	.342%
2601	A-1	723	151	874	26	.432%
2602	A-2	560	151	711	26	.342%
2603	A-3	364	77	441	26	.219%
2604	A-4	364	77	441	26	.219%
2605	A-3	364	77	441	26	.219%
2606	A-4	364	77	441	26	.219%
2607	A-3	364	77	441	26	.219%
2608	A-4	364	77	441	26	.219%
2609	A-3	364	77	441	26	.219%
2610	A-4	364	77	441	26	.219%
2611	A-3	364	77	441	26	.219%
2612	A-5	525	151	676	26	.336%

<u>Apt. No.</u>	<u>Type</u>	<u>Area Square Feet</u>			<u>Floor Level</u>	<u>Common Interest</u>
		<u>Apt.</u>	<u>Lanai</u>	<u>Total</u>		
2613	A-3	364	77	441	26	.219%
2614	A-6	555	151	706	26	.347%
2615	A-3	364	77	441	26	.219%
2616	A-3	364	77	441	26	.219%
2617	A-8	723	151	874	26	.432%
2618	A-7	560	151	711	26	.342%
2701	A-1	723	151	874	27	.432%
2702	A-2	560	151	711	27	.342%
2703	A-3	364	77	441	27	.219%
2704	A-4	364	77	441	27	.219%
2705	A-3	364	77	441	27	.219%
2706	A-4	364	77	441	27	.219%
2707	A-3	364	77	441	27	.219%
2708	A-4	364	77	441	27	.219%
2709	A-3	364	77	441	27	.219%
2710	A-4	364	77	441	27	.219%
2711	A-3	364	77	441	27	.219%
2712	A-5	525	151	676	27	.336%
2713	A-3	364	77	441	27	.219%
2714	A-6	555	151	706	27	.347%
2715	A-3	364	77	441	27	.219%
2716	A-3	364	77	441	27	.219%
2717	A-8	723	151	874	27	.432%
2718	A-7	560	151	711	27	.342%
PH 2801	PH 2801	1092	224	1316	28	.654%
PH 2802	PH 2802	1092	231	1323	28	.666%
PH 2803	PH 2803	2184	462	2646	28	1.306%
Auxiliary	Unit #1			1227	1	.626%

Each Apartment has immediate access to the hallway on its level and to the stairways and elevators between the floors of the building.

EXHIBIT "D"

There are ten (10) standard parking stalls for guest parking located on the sixth floor (618 to 627).

There are seventy-eight (78) parking stalls which are available for sale and are designated and located as follows:

"A" Deck - Basement

101 and 102 Regular Tandem  
103 and 104 Regular Tandem  
105 and 106 Regular Tandem  
107 Compact  
108 Compact  
109 Compact  
110 Compact

"B" Deck - 2nd Floor

201 Regular  
202 Compact  
203 Compact  
204 Compact  
205 Compact  
206 Compact  
207 Regular

"C" Deck - 3rd Floor

301 Compact  
302 Compact - Tandem  
303 Compact  
304 Compact  
305 Compact

"D" Deck - 4th Floor

401 and 402 Compact - Tandem  
403 Compact  
404 Compact  
405 Compact  
406 Compact

"E" Deck - 5th Floor

502 Compact  
503 Compact  
504 Compact  
505 Compact  
506 Compact  
507 Compact  
508 and 509 Compact - Tandem

"F" Deck - 6th Floor

602 and 603 Compact - Tandem  
604 Compact  
607 Compact  
628-629 Compact - Tandem  
630-631 Compact - Tandem  
632-633 Compact - Tandem  
634-635 Compact - Tandem  
636-637 Compact - Tandem

638-639 Compact - Tandem  
640-641 Compact - Tandem  
642-643 Compact - Tandem  
645 Compact  
646-647 Regular Tandem  
648-649 Regular Tandem  
650-651 Regular Tandem  
652-653 Regular Tandem  
654-655 Regular Tandem  
656-657 Regular Tandem  
658-659 Regular Tandem  
660-661 Regular Tandem  
662-663 Regular Tandem  
664-665 Regular Tandem  
666-667 Tandem (666 Compact and 667 Regular)

BY-LAWS OF ASSOCIATION OF APARTMENT OWNERS  
OF FAIRWAY VILLA CONDOMINIUM PROJECT,  
A HORIZONTAL PROPERTY REGIME

WHEREAS, THEODORE HILTON SMYTH, as Trustee for the benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, (hereinafter called "Fee Owner"), is the owner of the land described in the Declaration of Horizontal Property Regime to which this document is annexed; and

WHEREAS, Fee Owner has leased the land described herein to THE CARWIN CORPORATION, a Hawaii corporation and THEODORE HILTON SMYTH, as Trustee for the benefit of Theodore H. Smyth, Jr. (Four Trusts) and Elizabeth T. Smyth (Four Trusts), all of said trusts having been established on January 29, 1960, and as subsequently amended, doing business as FAIRWAY VILLA VENTURE, a joint venture registered to do business in the State of Hawaii, hereinafter called "Developers" by lease dated October 31, 1972, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 612310; and

WHEREAS, Developers have entered into a Development Agreement with the Fee Owner-Lessor and intend to erect upon the aforesaid land an apartment building (containing one auxiliary unit) and to sell apartments within said building together with undivided leasehold interest in the common elements of the aforesaid building; and

WHEREAS, the Fee Owner-Lessor and Developers are desirous of submitting the aforesaid land and improvements thereon to a horizontal property regime by filing a Declaration of Horizontal Property Regime and adopting these By-Laws which shall be annexed to the said Declaration all as provided for by Chapter 514, Hawaii Revised Statutes, as amended;

NOW THEREFORE, Fee Owner-Lessor and Developers hereby declare that all of the property hereinabove described is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following By-Laws all of which are declared and agreed to be in furtherance of the plan set forth in the Declaration of Horizontal Property Regime to which these By-Laws are annexed, to constitute said property a Horizontal Property Regime or Condominium under the aforesaid Chapter 514 and are established and agreed upon for said purposes and for the purpose of enhancing and perfecting the

value, desirability and attractiveness of said property. These By-Laws shall run with the aforesaid land and apartments and shall be binding upon all parties having or acquiring any right, title or interest therein.

## ARTICLE I

### INTRODUCTORY PROVISIONS

SECTION 1. Definitions. The terms used herein shall have the meanings given to them in said Chapter 514, except as expressly otherwise provided herein. The term "common elements" means those elements designated in the aforesaid Declaration as common elements and limited common elements. The term "Property" shall include the land, the buildings and all other improvements thereon (including the Apartments and the common elements) and all easements, rights and appurtenances belonging thereto, and all other property affixed thereto and intended for use in connection therewith. The term "Rules and Regulations" refers to the Rules and Regulations or House Rules for the conduct of occupants of the buildings adopted by the Board of Directors as hereafter provided. "Owner" means a person owning severally or as a co-tenant an Apartment and the common interest appertaining thereto, to the extent of such interest so owned; provided, that to such extent and for such purposes, including the exercise of voting rights, as shall be provided by lease filed with the Board of Directors, a lessee of an Apartment or interest therein shall be deemed to be the Owner of such Apartment or interest therein. "Apartment" as used herein has the same meaning and definition as contained in



Chapter 514, Hawaii Revised Statutes, and is sometimes hereafter called a condominium unit or units and includes each of the residential apartments and auxiliary unit of the project. The terms "Apartment Owners, Association of Owners, Association" and similar terms mean and refer to (except where such meaning would be clearly repugnant to the context) the Association of Apartment Owners.

SECTION 2. Conflicts. These By-Laws are set forth to comply with the requirements of Chapter 514, Hawaii Revised Statutes, as amended. In case any of these By-Laws conflict with the provisions of said Chapter 514 or of the Declaration, the provisions of said Chapter 514 or of the Declaration, as the case may be, shall control.

SECTION 3. Application. All present and future Owners, mortgagees, tenants and occupants of Apartments and their employees, and any other persons who may use the said property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations. The acceptance of an assignment of lease or conveyance or the entering into of a lease or the act of occupancy of an Apartment shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

## ARTICLE II

### ASSOCIATION OF OWNERS

SECTION 1. Voting. Each Apartment Owner shall be entitled to that fraction of the total vote of the Apartment

Owners which equals the percentage of the common interest appurtenant to such Apartment as set forth in the Declaration. Votes may be cast in person or by proxy by the respective Apartment Owners. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association, the percentage of vote for any Apartment owned or controlled by him in such capacity, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such Apartment in such capacity. The vote for any Apartment owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of protest by the other or others, and in case of protest each Co-Tenant shall be entitled to only a share of such vote in proportion to his share of ownership in such Apartment.

SECTION 2. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Owners having one-half (1/2) of the total authorized votes of all Apartment Owners shall constitute a quorum at all meetings of the Apartment Owners.

SECTION 3. Majority Vote. The vote of a majority of Apartment Owners at a meeting at which a quorum shall be present shall be binding upon all Apartment Owners for all purposes except where in the Declaration or these By-Laws or by law, a higher percentage vote is required.

SECTION 4. Majority of Apartment Owners. As used in these By-Laws, the term "majority of Apartment Owners" shall mean those Apartment Owners having more than fifty

percent (50%) of the total authorized votes present at any meeting of the Apartment Owners, and any specified percentage of the Owners means Owners having the specified percentage of the total votes.

SECTION 5. Cumulative Voting. If not less than forty-eight (48) hours prior to the time fixed for any meeting of the Association for the election of Directors, not less than ten percent (10%) of the Owners shall deliver to any officer of the Association a request in writing that the election of the Directors to be elected be by cumulative voting, then each Owner shall cumulate his votes, and may cast for any one or more nominees to the Board of Directors a vote equivalent to the votes which such Owner is entitled to multiplied by the number of Directors to be elected. Each Owner shall be entitled to cumulate his votes and give all thereof to one nominee or to distribute his votes in such manner as he shall determine among any or all of the nominees, and the nominees receiving the highest number of votes on the foregoing basis, up to the total number of Directors to be elected, shall be deemed elected.

SECTION 6. Proxies and Pledges. The authority given by any Apartment Owner to another person to represent him at meetings of the Association shall be in writing, signed by such owner and filed with the Secretary, and unless limited by its terms shall continue until revoked by writing filed with the Secretary or by the death or incapacity of such Owner. Voting rights transferred or pledged by mortgage,

deed of trust or agreement of sale of any Apartment or interest therein, a true copy of which is filed with the Board through the Secretary or Managing Agent, shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the Board in like manner.

SECTION 7. Place of Meetings. Meetings of the Apartment Owners shall be held at such suitable place convenient to the Apartment Owners as may be designated by the Board of Directors.

SECTION 8. Annual Meetings. The first annual meeting of the Apartment Owners shall be held as called by the Developers which shall be as soon as practicable after the expiration of forty-five (45) days from the date of filing of the notice of completion of the project. At such meeting the Apartment Owners shall elect a Board of Directors. Thereafter, the annual meetings of the Apartment Owners shall be held on the second Tuesday in the third calendar month following the fiscal year as selected by the Board of Directors. At such meetings the Board of Directors shall be elected by ballot of the Apartment Owners in accordance with the requirements of Section 4 of ARTICLE III of these By-Laws. The Apartment Owners may transact such other business at such meetings as may properly come before them.

SECTION 9. Regular Meetings. In addition to the annual meetings, the Board of Directors by resolution or a majority of Apartment Owners by petition may establish

regular meetings at semiannual, quarterannual, or other regular intervals.

SECTION 10. Special Meeting. Special meetings of the Owners of the Apartments may be held at any time upon the call of the President or of any five (5) Directors, or upon the written request of not less than twenty-five percent (25%) of the Owners presented to the Secretary.

SECTION 11. Notice of Meetings and Other Notices. Written notice of all meetings, annual or special, stating the place, day and hour of the meeting and whether it is annual or special and in case of each special meeting stating briefly the business proposed to be transacted thereat, and any other notices permitted or required to be delivered by these By-Laws shall be given by mailing such notice, postage prepaid, at least ten (10) days before the date assigned for the meeting or by delivery of such notice personally at least two (2) days before the date assigned for the meeting, to the Owners of the Apartments at their address at the property or at the address given to the Board for the purpose of service of such notices. Upon written request for notices delivered to the Board, the holder of any duly recorded mortgage or deed of trust from any Owner of an Apartment may obtain a copy of any and all notices permitted or required to be given to the Owner of an Apartment, whose interest is subject to said mortgage or deed of trust. Upon notice being given in accordance with the provisions hereof, the failure of any Owner of an Apartment to receive actual notice of any meeting shall not in any way invalidate the meeting or proceedings thereat. Each such Owner shall keep the Board informed of any changes in address.

SECTION 12. Adjournment of Meetings. If any meeting of Apartment Owners cannot be held because a quorum has not attended, a majority in common interest of the Apartment Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

SECTION 13. Order of Business. The order of business at all meetings of the Apartment Owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of Officers;
- (e) Report of Board of Directors;
- (f) Reports of committees;
- (g) Election of inspectors of election (when so required);
- (h) Election of members of the Board of Directors (when so required);
- (i) Unfinished business; and
- (j) New business.

### ARTICLE III

#### BOARD OF DIRECTORS

SECTION 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Directors. The Board of Directors shall be composed of nine (9) persons, each of whom shall be an Owner or a Co-Owner, or in the case

of corporate Owners, shall be officers, stockholders or employees of such corporations, or in the case of fiduciary Owners, shall be the fiduciaries or officers or employees of such fiduciaries.

SECTION 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Directors by the Apartment Owners. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the common elements;
- (b) Determination of the common expenses required for the affairs of the Condominium, including, without limitation the operation, and maintenance of the property;
- (c) Collection of the common expenses from the Apartment Owners;
- (d) Employment and dismissal of the personnel necessary for the maintenance, operation, repair and replacement of the common elements;
- (e) Adoption and amendment of Rules and Regulations covering the details of the operation and use of the property;
- (f) Opening of bank accounts on behalf of the Association of Apartment Owners and designating the signatories required therefor;

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all Apartment Owners, Apartments offered for sale or lease;

(h) Purchasing of Apartments at foreclosure or other judicial sales in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners;

(i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise dealing with Apartments acquired by, and subleasing Apartments leased by the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners;

(j) Organizing corporations to act as designees of the Board of Directors in acquiring title to or leasing of Apartments on behalf of all Apartment Owners;

(k) Obtaining of insurance for the property, including the Apartments, pursuant to the provisions of ARTICLE VII hereof:

(1) Making of repairs, additions and improvements to or alterations of the property and repairs to and restoration of the property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(m) Procuring legal and accounting services necessary or proper in the operation of the buildings or enforcement of these By-Laws;



(n) Purchasing of any other materials, supplies, furniture, labor and services, the making of repairs and structural alterations, and the payment of all insurance, taxes or assessments and other common expenses which the Board is required to secure, make or pay for pursuant to the terms of these By-Laws or by law or which in its opinion shall be necessary or proper for the operation of the buildings as apartment buildings or for the enforcement of these By-Laws, provided that if any such materials, supplies, furniture, labor, services, repairs, structural alterations, insurance, taxes, or assessments are required because of the particular actions or negligence of the Owners of particular Apartments, the cost thereof shall be specially assessed to the Owners of such Apartments;

(o) Payment of any amount necessary to discharge any lien or encumbrance levied against the entire property or any part thereof which may in the opinion of the Board constitute a lien against the property or against the common elements or limited common elements rather than merely against the interests therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and costs incurred by the Board by reason of such lien or liens; and

(p) Maintenance and repair of any Apartment if such maintenance or repair is necessary, in the discretion of the Board, to protect the common elements and limited common elements or any other portion of the buildings, and

the Owner or Owners of said Apartment have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Owner or Owners, provided that the Board shall levy a special assessment against such Apartment for the cost of said maintenance or repair.

SECTION 3. Managing Agent and Manager.

(a) Except as herein otherwise provided with respect to the initial Managing Agent, the Board of Directors shall at all times employ a responsible Hawaii corporation as Managing Agent to manage and control the property, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to said Managing Agent by the Board. The Board or the initial Managing Agent may also employ a Manager. The compensation of the Managing Agent and of the Manager shall be such as shall be specified from time to time by the Board. The initial Managing Agent shall be Aaron M. Chaney, Inc.

(b) The Managing Agent shall have such powers and duties as may be necessary or proper in connection with (i) supervision of the immediate management and operation of the project, (ii) maintenance, repair, replacement and restoration of the common elements and any additions or alteration thereto, (iii) purchase, maintenance and replacement of any equipment, (iv) provide for service of all utilities to the buildings and the various apartments, (v) employment, supervision and dismissal of such personnel as it deems necessary

for the maintenance and operation of the project, (vi) enter into contracts with others for the furnishing of such services as it deems proper for the project, (vii) preparation of a proposed budget and schedule of assessments, (viii) collection of all assessments and payment of all bills, (ix) purchase such insurance as is contemplated by these By-Laws, (x) custody and control of all funds and maintenance of books and records and preparation of financial reports.

(c) The Board of Directors may in its discretion limit any of the powers herein granted to the Managing Agent or grant additional powers to the Managing Agent.

(d) Upon written request of any Apartment Owner or Lessee of any Apartment Owner the Managing Agent shall deliver a certified statement of the status of the account of such Apartment Owner or Lessee each month to the mortgagee of such Apartment Owner or Lessee.

(e) The appointment and terms of compensation of the Managing Agent shall be submitted to the Apartment Owners at every annual meeting for approval by a majority of the Apartment Owners. Any contract therefor shall be subject to such approval, and, until first approved by the Apartment Owners, may be terminated by either the Board of Directors or the Managing Agent upon thirty (30) days' written notice thereof to the other, and any contract failing such approval shall terminate thirty (3) days thereafter, and the Board of Directors shall give prompt written notice thereof to the Managing Agent and appoint a qualified successor subject to such approval by the Apartment Owners.

(f) The Managing Agent, subject to the direction of the Board of Directors, may represent the Apartment Owners or any two or more Apartment Owners similarly situated, as a class, in any action, suit, or other proceeding concerning the Apartment Owners, the common elements, or one or more Apartments.

SECTION 4. Election and Term of Office. At the first annual meeting of Apartment Owners, three (3) Directors shall be elected for the term of three (3) years, three (3) Directors shall be elected for the term of two (2) years, and three (3) Directors shall be elected for the term of one (1) year. At the expiration of the initial term of office of each Director, his successor shall be elected to serve a term of three years. Each member of the Board of Directors shall continue to exercise the powers and duties of the office until his successor shall have been elected by the Apartment Owners in case of delay in the election of a successor.

SECTION 5. Removal of Members of the Board of Directors. At any regular or special meeting of Apartment Owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the Apartment Owners and a successor may then and there or thereafter be elected for the remainder of the term to fill the vacancy thus created; provided that an individual Director shall not be removed, unless the entire Board is removed, if ten percent (10%) or more of the Owners present at such meeting shall vote against his removal. Any member

of the Board of Directors whose removal has been proposed by the Apartment Owners shall be given an opportunity to be heard at the meeting.

SECTION 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the Apartment Owners, shall be filled by a vote of a majority of the remaining members at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member whose vacancy he filled and until a successor shall be elected at the next annual meeting of the Apartment Owners. Death, incapacity, or resignation of any Director, or his continuous absence from the State of Hawaii for more than six (6) months, or his ceasing to be an Owner or Co-Owner of an Apartment, shall cease his office to become vacant.

SECTION 7. Organization Meetings. The first meeting of the members of the Board of Directors following the annual meeting of the Apartment Owners shall be held within ten (10) days thereafter, at such time and place as shall be fixed by the Apartment Owners at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

SECTION 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least one (1) such meeting shall be held during each calendar quarter of each year. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors personally or by mail, telephone, or telegraph at least three (3) business days prior to the day named for such meeting.

SECTION 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Directors.

SECTION 10. Waiver of Notice. Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

SECTION 12. Fidelity Bonds. The Board of Directors shall obtain adequate fidelity bonds for all officers and employees of the Condominium handling or responsible for Condominium funds. The premiums on such bonds shall constitute a common expense.

SECTION 13. Compensation. No member of the Board of Directors shall receive any compensation from the Condominium for acting as such.

SECTION 14. Liability and Indemnity of the Board of Directors and Officers. The members of the Board of Directors and Officers shall not be liable to the Apartment

Owners for any mistake of judgment or otherwise except for their own individual negligence or willful misconduct. The Association of Owners shall indemnify each Director and Officer of the Association against all costs, expenses and liabilities, including the amount of judgments, amounts paid in compromise settlements and amounts paid for services of counsel and other related expenses which may be incurred by or imposed on him in connection with any claim, action, suit, proceeding, investigation or inquiry hereafter made, instituted, or threatened in which he may be involved as a party or otherwise by reason of his being or having been such Director or Officer, or by reason of any past or future action taken or authorized or approved by him or any omission to act as such Director or Officer, whether or not he continues to be such Director or Officer at the time of the incurring or imposition of such costs, expenses or liabilities, except such costs, expenses or liabilities as shall relate to matters as to which he shall in such action, suit or proceeding be finally adjudged to be, or shall be, liable by reason of his negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer. As to whether or not a Director or Officer was liable by reason of negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer, in the absence of such final adjudication of the existence of such liability, the Board of Directors and each Director and Officer may conclusively rely upon an opinion of legal counsel selected by or in the manner



designated by the Board of Directors. The foregoing right of indemnification shall not be exclusive of other rights to which any such Director or Officer may be entitled as a matter of law or otherwise, and shall inure to the benefit of the heirs, executors, administrators and assigns of each such Director and Officer.

#### ARTICLE IV

##### OFFICERS

SECTION 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President shall, but no other officers need be, members of the Board of Directors.

SECTION 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

SECTION 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors, called for such purpose.

SECTION 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Apartment Owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the laws of the State of Hawaii, including but not limited to the power to appoint committees from among the Apartment Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

SECTION 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

SECTION 6. Secretary. The Secretary shall keep the minutes of all meetings of the Apartment Owners and of the Board of Directors; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the laws of the State of Hawaii.

SECTION 7. Treasurer. The Treasurer shall be responsible for the keeping of full and accurate financial

records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the laws of the State of Hawaii. The duties of the Treasurer may be delegated to the Managing Agent.

SECTION 8. Auditor. The Apartment Owners shall elect annually a certified public accountant or accounting firm as auditor, who shall not be an officer or own any interest in any Apartment, to audit the books and financial records of the Apartment Owners as required by law or as directed additionally by the Board of Directors.

SECTION 9. Execution of Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two of the President, Vice President, Secretary or Treasurer, or by such other person or persons as may be designated by the Board of Directors.

SECTION 10. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

## ARTICLE V

### REPAIR AND MAINTENANCE AND USE

#### SECTION 1. Repair and Maintenance.

(a) Every Owner from time to time and at all times shall perform promptly all repair, maintenance and alteration

work within his Apartment the omission of which would adversely affect any common element or any other Apartment, and shall be responsible for all loss and damage caused by his failure to do so.

(b) All repairs of internal installations within each Apartment such as water, light, gas, power, sewage, telephone, air conditioning, sanitation, doors, windows, lamps, and all other fixtures and accessories belonging to such Apartment, including interior walls and partitions and the inner decorated or finished surfaces of the perimeter walls, floors, and ceilings of such Apartment shall be at the Owner's expense.

(c) Every Owner shall reimburse the Managing Agent for any expenditures incurred in repairing or replacing any common elements or furniture, furnishings, and equipment thereof damaged or lost through the fault of such Owner or any person using the project under him, and shall give prompt notice to the resident manager or the Managing Agent of any such damage, loss, or other defect when discovered.

(d) All Owners shall be responsible for the care and maintenance of any lanais which are included in their respective apartments. Such Owners may not, however, paint or otherwise decorate their respective lanais without the prior approval of the same by the Board of Directors. It is intended that the exterior of the building shall present a uniform appearance, and to the effect that end the Owners of apartments hereby agree that the Board may require the painting of each lanai and regulate the type and color of paint to be used. The Board is authorized to contract for the painting of all of the residential apartment lanais and to make payment therefor out of the maintenance fund.

SECTION 2. Use. (a) The Owner of each Apartment

within the building shall use such Apartment only as living accommodations for hotel or apartment use. The Owner of each commercial area in the building shall use such commercial area only for office purposes, sale of food, merchandise or services or any other commercial undertaking permitted by law.

(b) No Owner or occupant of an apartment shall post any advertisement, bill, poster, or other sign on or about the project, even if not visible outside of the project, except as authorized by the Board of Directors.

(c) All Owners and occupants shall exercise extreme care about causing or permitting noises that may disturb other occupants, including, without prejudice to the generality of the foregoing, noises caused by any child residing or visiting in Apartments.

(d) No Owner or occupant shall permit any child residing or visiting with him to loiter or play in the corridors, elevators, stairways, or lobbies of the project.

(e) No garments, rugs or other objects shall be hung from the lanais, windows, or facades of the project; nor shall they be dusted or shaken from the lanais or windows or cleaned by beating or sweeping on the grounds of the project.

(f) No garbage, refuse, or trash of any kind shall be thrown, placed or kept on any common element other than the disposal facilities provided for such purposes.

(g) No Owner or occupant, except as otherwise permitted by Declaration, shall install any wiring or other device for electrical or telephone installations, television, antenna, machines, or other equipment or appurtenances on the

exterior of the project or protruding through the walls, windows, or roof thereof.

(g) Nothing shall be allowed, done, or kept in any Apartment or common element which will overload or impair the floors, walls, or roofs of the project, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Board of Directors with respect thereto, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

## ARTICLE VI

### COMMON EXPENSES, APARTMENT EXPENSES AND TAXES

SECTION 1. Common Expenses. The Owner of each Apartment shall be liable for and pay a share of the common expenses in proportion to his interest in the common elements appurtenant to his Apartment. Common expenses shall include all charges, costs and expenses whatsoever incurred by the Association for and in connection with the administration and operation of the project, including without limitation all charges for taxes (except real property taxes and other such taxes which are or may hereafter be assessed separately on each Apartment and the common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner), assessments, insurance, including fire and other casualty and liability insurance, any liability whatsoever for loss or damage arising out of or in connection with the common elements or any fire, accident or nuisance thereon, cost of repair, reinstatement, rebuilding and replacement of the premises, yard, janitorial, and other similar services, wages, accounting and legal fees, management fees, and other necessary expenses of upkeep, maintenance, management and

operation actually incurred on or for the common elements, including limited common elements, and the cost of all utility services, including water, electricity, and gas, garbage disposal and any other similar services, unless separately metered or otherwise separately attributable to an Apartment or group of Apartments in which case the amounts charged or attributable to each Apartment or group of Apartments, as determined by the Board of Directors with the advice of a Certified Public Accountant, shall be payable by the Owner of such Apartment or Apartments. The common expenses may also include such amounts as the Board of Directors may deem proper to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Directors or its designee, corporate or otherwise, on behalf of all Apartment Owners, of any Apartment whose Owner has elected to sell or lease such Apartment or of any Apartment which is to be sold at a foreclosure or other judicial sale. Payments of common expenses shall be made to the Board, as agent of the Owners of the Apartments, and the Board shall transmit said payments on behalf of each such Owner to the third person entitled to said payments from each Owner, provided, however, that the Board of Directors may not purchase an Apartment and hold the same or lease an Apartment for a period in excess of one (1) year without obtaining the approval of the Owners of at least seventy-five percent (75%) of the Apartments.

The Board of Directors shall establish and maintain a General Operating Reserve by monthly assessment against and payment by all Owners in proportion to their respective common interests, of such additional amount not less than 3% of

the total monthly assessment for current common expenses, as the Board of Directors determines to be adequate to provide financial stability in the administration of the project, which additional amount shall be deemed conclusively to be common expenses; provided, however, that whenever said Reserve equals 25% of the total annual assessments for current common expenses, the assessments for said Reserve shall be discontinued until the depletion of said Reserve below said 25% level, whereupon such assessment shall be assumed until the restoration of said Reserve to said 25% level. Said Reserve shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of, or fully guaranteed as to principal by, an agency of the United States of America. Said Reserve at the discretion of the Board of Directors may be used to meet any deficiencies in operating funds from time to time resulting from delinquency by Owners in the payment of assessments for common expenses but shall not operate to exempt any Owner from liability to contribute his proportionate share of such expenses or to pay any such assessments therefor, and any funds withdrawn from said Reserve for that purpose shall be reimbursed upon the payment of such delinquent assessments. The proportionate interest of each Owner in said Reserve shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though not mentioned or described expressly in the instrument of transfer. If the Horizontal Property Regime established hereby is terminated or waived, said Reserve remaining after payment of all



common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Horizontal Property Regime, in proportion to their respective common interests.

The Board of Directors shall establish and maintain a Maintenance Reserve Fund by the monthly assessment against and payment by all the Owners in proportion to their respective common interests, of such annual amount as the Board of Directors determines to be adequate to provide for the maintenance, repair, restoration, and replacement of the common elements and the furniture, fixtures, air conditioning and mechanical equipment thereof, and for such other purposes as may be authorized by Owners representing not less than four-fifths of the common interests, which annual amount shall be deemed conclusively to be common expenses. Said Fund shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of or fully guaranteed as to principal by, an agency of the United States of America. Disbursements from said Fund shall be made only upon authorization by the Board of Directors. The Board of Directors also shall keep in full force and effect at all times an elevator contract covering the maintenance and replacement of parts of all elevators and related equipment or, if such contract is allowed to expire, shall accrue to the Maintenance Reserve Fund such additional amounts as will be sufficient to provide for deferred maintenance and future replacement of said elevator and related equipment. The proportionate interests of each Owner in said

Fund shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though not mentioned or described expressly in the instrument of transfer. If the Horizontal Property Regime established hereby is terminated or waived, said Fund remaining after full payment of all common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Horizontal Property Regime, in proportion to their respective common interests.

SECTION 2. Payment as Agent. The Board will pay or cause to be paid, on behalf of the Owners, all common expenses. The Board, on behalf of all Owners, will maintain or cause to be maintained separate books of account of common expenses in accordance with recognized accounting practices, and will have such books of account available for inspection by each Owner or his authorized representative at reasonable business hours. The Board will annually render or cause to be rendered a statement to each Owner of all receipts and disbursements during the preceding year, which statement shall be certified by an independent certified public accountant. Each Owner, as principal, shall be liable for and pay his share, determined as aforesaid, of all common expenses and the Board shall be responsible, as agent for each Owner, only to transmit the payments made by the Owner to third persons to whom such payments must be made by the Owner. The Board or Managing Agent collecting the common expenses shall not be liable for payment of said common expenses as a principal but only as the agent of all Owners to transmit

said payments to third persons to whom such payments must be made by the Owner.

SECTION 3. Taxes and Assessments. Each Owner of an Apartment shall be obligated to have the real property taxes for his own Apartment and its appurtenant interest in the common elements assessed separately by the proper governmental authority and to pay the amount of all such real property taxes so determined. The foregoing sentence shall apply to all types of taxes which now are or may hereafter be assessed separately by law on each Apartment and the Common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner. Each Owner shall execute such documents and take such action as may be reasonably specified by the Board to facilitate dealing with the proper governmental authority regarding such taxes, other taxes and assessments. Each Owner shall be obligated to pay to the Board his proportionate share of any assessment by the Board for any portion of taxes or assessments, if any, assessed against the entire premises or any part of the common elements as a whole and not separately, such payment to be made as directed by the Board. If, in the opinion of the Board, any taxes or assessments may be a lien on the entire premises or any part of the common elements, the Board may pay such taxes or assessments and shall assess the same to the Owners in their proportionate share as determined by the Board. Such assessments by the Board shall be secured by the lien created by Section 5 of this ARTICLE VI.

SECTION 4. Ground Rent. Unless the Lessor shall otherwise direct the Owners in writing, all rental payable under the terms of the Ground Leases shall be paid by the Owners to the Board for transmittal to the Lessor, except that the mortgagee of an apartment may pay such rental directly to the Lessor.

SECTION 5. Default in Payment of Assessments. Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner against whom the same are assessed. If the Owner shall fail to pay his assessment when due, then he shall pay an additional assessment of \$10.00 for each such failure and all delinquent assessments shall bear interest at the rate of 1% per month from the assessment due date. In the event of a default or defaults in payment of any such assessment or assessments and in addition to any other remedies herein or by law provided, the Board of Directors may enforce each such obligation as follows:

(a) By suit or suits at law to enforce each such assessment obligation. Each such action must be authorized by a majority of the Board at a regular or special meeting thereof and any such suit may be instituted by any one member of the Board or by the Manager if the latter is so authorized in writing. Each such action shall be brought in the name of the Board and the Board shall be deemed to be acting on behalf of all the Owners. Any judgment rendered in any such action shall include, where permissible under any law, a sum for reasonable attorneys' fees in such amount as the Court may adjudge against such defaulting Owner. Upon full satisfaction of any such judgment, it shall be the duty of the Board to authorize any two members thereof, acting in the name of the Board, to execute and deliver to the judgment debtor an appropriate satisfaction thereof.

(b) At any time within ninety (90) days after the occurrence of any such default, the Board (acting upon the authorization of the majority thereof at any regular or special meeting) may give a notice to the defaulting Owner, with a copy to the Mortgagee of such Owner, if such Mortgagee has furnished its name and address to the Board, which said notice shall state the date of the delinquency, the amount of the delinquency and make a demand for payment thereof. If such delinquency is not paid within ten (10) days after delivery of such notice, the Board may elect to file a claim of lien against the Apartment of such delinquent Owner. Such claim of lien shall state (1) the name of the delinquent Owner or reputed Owner, (2) a description of the Apartment against which claim of lien is made, (3) the amount claimed to be due and owing (with any proper offset allowed), (4) that the claim of lien is made by the Board pursuant to the terms of these By-Laws and of Chapter 514, Hawaii Revised Statutes, as amended, and (5) that a lien is claimed against said described Apartment in an amount equal to the amount of the stated delinquency. Any such claims of lien shall be signed and acknowledged by any two or more members of the Board and shall be dated as of the date of the execution by the last such Board member to execute said claim of lien. Upon recordation of a duly executed original or copy of such claim of lien with the Assistant Registrar of the Land Court of the State of Hawaii, the Board shall have all remedies provided in Section 514-24, Hawaii Revised Statutes, as amended. Each default shall constitute a separate basis for

a claim of lien or a lien. In the event the foreclosure is under power of sale, the Board, or any person designated by it in writing, shall be entitled to actual expenses and such fees as may be allowed by law or as may be prevailing at the time the sale is conducted. The certificate of sale shall be executed and acknowledged by any two members of the Board or by the person conducting the sale.

(c) For the purposes of this Section 5, a certificate executed and acknowledged or made under penalty of perjury by any two members of the Board shall be conclusive upon the Board and the Owners in favor of any and all persons who rely thereon in good faith as to the matters therein contained, and any Owner shall be entitled to such a certificate setting forth the amount of any due and unpaid assessments with respect to his Apartment (or the fact that all assessments due are paid if such is the case) within fifteen (15) days after demand therefor and upon payment of a reasonable fee not to exceed Ten Dollars (\$10). In the event any claims of liens have been recorded and thereafter the Board shall receive payment in full of the amount claimed to be due and owing, then upon demand of the Owner or his successor, and payment of a reasonable fee, not to exceed Ten Dollars (\$10), the Board, acting by any two members, shall execute and acknowledge (in the manner provided above) a release of lien, stating the date of the original claim of lien, the amount claimed, the date, the land court document number of the claim of lien, the fact that the lien has been fully satisfied and that the particular lien is released and discharged, such

release of lien to be delivered to the Owner or his successor upon payment of the fee.

SECTION 6. Collection from Subtenant. If the Owner shall at any time rent or lease his Apartment and shall default for a period of thirty (30) days or more in the payment of the Owner's share of the common expenses, the Board may, at its option, so long as such default shall continue, demand and receive from any renter or lessee (hereinafter in this paragraph referred to as "lessee") of the Owner occupying the Apartment, the rent due or becoming due from such lessee to the Owner up to an amount sufficient to pay all sums due from the Owner, including interest, if any, and any such payment of such rent to the Board by the lessee shall be sufficient discharge of such lessee, as between such lessee and the Owner to the extent of the amount so paid; but any such demand or acceptance of rent from any lessee shall not be deemed to be a consent to or approval of any lease by the Owner or a release or discharge of any of the obligations of the Owner hereunder or an acknowledgment of surrender of any rights or duties hereunder. In the event that the Board makes demand upon the lessee as aforesaid, the lessee shall not have the right to question the right of the Board to make such demand, but shall be obligated to make the said payments to the Board as demanded by the Board with the effect as aforesaid, provided, however, that the Board may not exercise this right if a receiver has been appointed to take charge of the premises pending a mortgage foreclosure or if a Mortgagee is in possession pending a mortgage foreclosure.

SECTION 7. Waiver. The failure of the Board to insist in any one or more instances upon a strict performance of or compliance with any of the covenants of the Owner hereunder or to exercise any right or option herein contained, or to serve any notice, or to institute any action or summary proceeding, shall not be construed as a waiver, or a relinquishment for the future, of such covenant or option or right, but such covenant or option or right shall continue and remain in full force and effect. The receipt by the Board of any sum paid by the Owner hereunder, with or without knowledge by the Board of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver, express or implied by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the President pursuant to authority contained in a resolution of the Board of Directors.

SECTION 8. Capital Contribution. Any portion of assessments used or to be used by the Board for mortgage amortization payments or for capital improvements or any other capital expenditures, shall not be treated as income to the Association, but shall be treated as a capital contribution by owners to the Association.

## ARTICLE VII

### INSURANCE AND RESTORATION

SECTION 1. Fire and Extended Coverage Insurance.

The Board shall procure and maintain from a company or companies qualified to do business in Hawaii (and, if necessary, to procure the required coverage from other companies) a policy or policies (herein called the "Policy") of fire insurance, with extended coverage endorsement, for as nearly as practicable to one hundred per cent (100%) of the insurance replacement cost without deduction for depreciation, covering the Apartments and fixtures therein and the buildings and their fixtures



and building service equipment, but excluding property of every kind and description while underground (meaning thereby, below the level of contiguous ground and covered by earth, except underground conduit or wiring therein when beneath the buildings), in the name of the Board as insured as trustee for each of the Owners of the Apartments in proportion to their respective common interests in the common elements. Such policy:

(a) shall contain no provision limiting or prohibiting other insurance by the Owner of any Apartment, such right being provided by statute, but if obtainable, shall provide that the liability of the insurer shall not be affected by, nor shall the insurer claim any right of set-off, counter-claim, apportionment, proration, or contribution by reason of any such other insurance;

(b) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Board, or if obtainable, shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Board or the Owner or tenant of any Apartment, or by reason of any act or neglect of the Board or the Owner or tenant of any Apartment;

(c) shall provide that the policy may not be cancelled (whether or not requested by the Board) except by giving to the Board and to the Owner and/or Mortgagee of each Apartment who shall have requested such notice of the insurer in writing addressed to him at the premises, thirty (30) days' written notice of such cancellation;

(d) shall contain a provision waiving any right of subrogation by the insurer to any right of the Board against the Owner or lessee of any Apartment;

(e) shall contain a provision waiving any right of the insurer to repair, rebuild or replace, if a decision is made pursuant to Section 5 of this Article VII not to repair, reinstate, rebuild or restore the damage or destruction;

(f) shall provide that any loss shall be adjusted with the Board and the mortgagee of any Apartment directly affected by the loss;

(g) shall contain a standard mortgage clause which:

(i) shall name the holder of any mortgage affecting any Apartment whose name shall have been furnished to the Board;

(ii) shall provide that the insurance as to the interest of the mortgagee shall not be invalidated by any act or neglect of the Board or the owner or tenant of any Apartment;

(iii) shall waive any requirement invalidating such mortgage clause by reason of the failure of the mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium (provided, however, in case the Board shall fail to pay the premium due or to become due under the policy, the mortgagee may pay the same prior to the effective date of the termination of the policy), any contribution clause, and any right to be subrogated to the right of any mortgagee against the Owner or lessee of any Apartment or the Board or to require an assignment of any mortgage to the insurer, except that the insurer

will have the right of subrogation to the extent of insurance proceeds received by and retained by the mortgagee if the insurer shall claim no liability as to the mortgagor or Owner, but without impairing mortgagee's right to sue;

(iv) shall provide that without affecting the protection afforded to the mortgagee by such mortgagee clause, any proceeds payable under such clause shall be payable to a corporate trustee selected by the Board who shall be a bank or trust company doing business in Honolulu having net assets of not less than Five Million Dollars (\$5,000,000), herein referred to as the "Insurance Trustee" or "Trustee";

(v) shall provide that any reference to a mortgagee in the Policy shall include all mortgagees on any Apartment; in order of preference; and

(h) shall provide for payment of the proceeds to the Insurance Trustee.

SECTION 2. Comprehensive Liability Insurance. The Board shall procure and maintain from a company or companies qualified to do business in Hawaii (and, if necessary, to procure the required coverage from other companies) a policy or policies (herein called the "Policy") of Public Liability Insurance to insure the Board, the owner of the land, each Apartment Owner, and the Managing Agent and other employees of the Association of Apartment Owners against claims for personal injury, death and property damage arising out of the condition of the property or activities thereon or elevators therein or contractors of construction work under a Comprehensive General Liability form to include (1) Water Damage

Legal Liability and (2) Fire Damage Legal Liability. Said insurance shall be for such limits as the Board may decide, but not less than those reasonably required by the terms of any leases covering Apartments from the owner of the fee thereof.

Such Policy:

(a) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Board, or by any breach of warranty or condition caused by the Owner of any Apartment, or by any act or neglect of the Owner or tenant of any Apartment; and

(b) shall provide that the Policy may not be cancelled (whether or not requested by the Board) except by giving to the Board and to the Owner of each Apartment and any mortgagee, who shall have requested such notice of the insurer in writing, thirty (30) days' written notice of such cancellation.

SECTION 3. Insurance Against Additional Risks. The Board may also procure insurance against such additional risks as the Board may deem advisable for the protection of the Apartment Owners of a character normally carried with respect to properties of comparable character and use in the County of Honolulu.

SECTION 4. Miscellaneous Insurance Provisions. The Board shall review not less frequently than annually the adequacy of its insurance program and shall report in writing the Board's conclusions and action taken on such review to the Owner of each Apartment, and to the holder of any mortgage

on any Apartment who shall have requested a copy of such report. At the request of any mortgagee of any Apartment, the Board shall furnish to such mortgagee a copy of the Policy described in Section 1 of this Article and of any other Policy to which a mortgagee endorsement shall have been attached. Copies of every policy of insurance procured by the Board shall be available for inspection by any Apartment Owner (or purchaser holding a contract to purchase an interest in an Apartment) at the office of the Managing Agent. Any coverage procured by the Board shall be without prejudice to the right of the Owners of Apartments to insure such Apartments and the contents thereof for their own benefit at their own expense.

SECTION 5. Damage and Destruction. If the buildings are damaged by fire or other casualty which is insured against and said damage is limited to a single Apartment, the insurance proceeds shall be used by the Trustee for payment of the contractor employed by the Board to rebuild or repair such Apartment, including paint, floor covering and fixtures, in accordance with the original plans and specifications therefor. If such damage extends to two or more Apartments or extends to any part of limited common elements or to the common elements:

(a) The Board shall thereupon contract to repair or rebuild the damaged portions of the building or buildings, including all Apartments so damaged, as well as the common elements, in accordance with plans and specifications therefor, which will restore the same to the design immediately

prior to destruction, or if reconstruction in accordance with said design is not permissible under the laws then in force, in accordance with such modified plan as shall be previously approved by the Board and the mortgagee of record of any interest in an Apartment directly affected thereby; provided that in the event said modified plan eliminates any Apartment and such Apartment is not reconstructed the Insurance Trustee shall pay to the owner of said Apartment the portion of said insurance proceeds allocable to said Apartment (less the proportionate share of said Apartment in the cost of debris removal) and shall disburse the balance of insurance proceeds as hereinafter provided for the disbursement of insurance proceeds. The insurance proceeds shall be paid by the Trustee to the contractor employed for such work, in accordance with the terms of the contract for such construction and in accordance with the terms of this Section 5. If the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding such common elements, the Board is expressly authorized to pay such costs in excess of the insurance proceeds from the maintenance fund, and if the maintenance fund is insufficient for this purpose, the Board shall levy a special assessment on the Owners of Apartments in proportion to their respective common interests. Any costs in excess of the insurance proceeds for the repairing and/or rebuilding of any Apartment shall be specially assessed against such Apartment and said special assessment shall be secured by the lien created under Section 5 of ARTICLE VI hereof.

(b) The cost of the work (as estimated by the Board) shall be paid out from time to time or at the direction of the Board as the work progresses, but subject to the following conditions:

(i) The work shall be in charge of an architect or engineer (who may be an employee of the Board).

(ii) Each request for payment shall be made on seven (7) days' prior notice to the Trustee and shall be accompanied by a certificate to be made by such architect or engineer stating that all of the work completed has been done in compliance with the approved plans and specifications and that the sum requested is justly required to reimburse the Board for payments by the Board to, or is justly due to, the contractor, subcontractors, materialmen, laborers, engineers, architects or other persons rendering services or materials for the work (giving a brief description of such services and materials), and that when added to all sums previously paid out by the Trustee the sum requested does not exceed the value of the work done to the date of such certificate.

(iii) Each request shall be accompanied by waivers of liens satisfactory to the Trustee, covering that part of the work for which payment or reimbursement is being requested and by a search prepared by a title company or licensed abstractor or by other evidence satisfactory to the Trustee, that there has not been filed with respect to the premises any mechanics' or other lien or instrument for the retention of title in respect of any part of the work not discharged of record.

(iv) The request for any payment after the work has been completed shall be accompanied by a copy of any certificate or certificates required by law to render occupancy of the premises legal.

(v) The fees and expenses of the Trustee as determined by the Board and the Trustee shall be paid by the Association as common expenses, and such fees and expenses may be deducted from any proceeds at any time in the hands of the Trustee.

(vi) Such other conditions not inconsistent with the foregoing as the Trustee may reasonably request.

(c) Upon the completion of the work and payment in full therefor, any remaining proceeds of insurance then or thereafter in the hands of the Board or the Trustee shall be paid or credited to the Owners of the Apartments (or to the holder of any mortgage on an Apartment if there be a mortgage) in proportion to their respective common interests.

(d) To the extent that any loss, damage or destruction to the buildings or other property is covered by insurance procured by the Board, the Board shall have no claim or cause of action for such loss, damage or destruction against any Apartment Owner or lessee. To the extent that any loss, damage or destruction to the property of any Apartment Owner or lessee is covered by insurance procured by such Owner or lessee, such Owner or lessee shall have no claim or cause of action for such loss, damage or destruction against the Board,



the Managing Agent, any other Apartment Owner, or the Association. All policies of insurance referred to in this Paragraph (d) shall contain appropriate waivers of subrogation.

## ARTICLE VIII

### MORTGAGES

SECTION 1. Notice to Board of Directors. An Apartment Owner who mortgages his interest in an Apartment shall notify the Board of Directors of the name and address of his mortgagee and within ten (10) days after the execution of the same shall file a conformed copy of the note and mortgage with the Board of Directors; the Board of Directors shall maintain such information in a book entitled "Mortgages of Apartments."

SECTION 2. Notice of Unpaid Common Expenses. The Board of Directors, whenever so requested in writing by a purchaser or mortgagee of an interest in an Apartment, shall promptly report any then unpaid assessments for common expenses due from the Owner of the Apartment involved.

SECTION 3. Notice of Default. The Board of Directors, when giving notice to an Apartment Owner of a default in paying common expenses or other default, shall send a copy of such notice to each holder of a mortgage covering such Apartment

or interest therein whose name and address has theretofore been furnished to the Board of Directors.

SECTION 4. Examination of Books. Each Owner and each mortgagee of an Apartment shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

SECTION 5. Mortgage Protection. Notwithstanding all other provisions hereof:

(a) The liens created hereunder upon any Apartment and its appurtenant interests in the common elements shall be subject and subordinate to, and shall not affect the rights of the holder of any indebtedness secured by any recorded mortgage of such interests made for value, provided that after the foreclosure of any such mortgage there shall be a lien upon the interests of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such Apartment if falling due after acquisition of title by the purchaser at such foreclosure sale, which lien shall have the same effect and be enforced in the same manner as provided in Section 5 of Article VI hereof;

(b) No amendment to this Section 5 shall affect the rights of the holder of any such mortgage filed in the Office of the Assistant Registrar of the Land Court prior to the filing of such amendment who does not join in the execution thereof.

ARTICLE IX  
CONDEMNATION

SECTION 1. Condemnation. In case at any time or times an apartment or the Project or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for or on account of any land shall be payable to the Developers, and all compensation and damages for or on account of any buildings or other improvements on the demised land shall be payable to a condemnation trustee, which shall be a bank or trust company, designated by the Board, doing business in Honolulu, Hawaii, and having net assets of not less than Five Million Dollars (\$5,000,000), as trustee for all apartment owners and mortgagees according to the loss or damage to their respective apartments and appurtenant common interests. The Board of Directors shall arrange for the repair and restoration of the buildings and other improvements in accordance with the design thereof immediately prior to such condemnation or if such repair and restoration in accordance with said design are not permissible under the laws then in force, in accordance with such modified plan as shall have been previously approved by the Board and the mortgagees of record of any interest in any Apartment directly affected thereby. In the event of a partial taking in which any Apartment is eliminated or not restored, the condemnation trustee shall disburse the portion of the proceeds of such award allocable to said Apartment (exclusive of such portion thereof as shall be allocable to the interest of said Apartment in the land), less the proportionate share of said Apartment in the cost of debris removal, to the Owner of said Apartment in satisfaction of his interest in said apartment. The condemnation trustee shall disburse the remainder of the proceeds of such

award to the contractor engaged in such repair and restoration in appropriate progress payments and in the event such proceeds are insufficient to pay the costs thereof the Board is expressly authorized to pay such excess costs from the maintenance fund and if the maintenance fund is insufficient for this purpose the Board shall levy a special assessment on the Owners of Apartments in proportion to their common interests. In the event sums are received in excess of the cost of repairing and restoring the remaining buildings and improvements, or in the event all the buildings and improvements are so taken or condemned, such excess proceeds or said proceeds, as the case may be, shall be divided between the Owners of Apartments in accordance with their interests in the common elements.

#### ARTICLE X

##### GENERAL PROVISIONS

SECTION 1. Rules and Regulations. The Owner recognizes the right of the Board from time to time to establish and amend such uniform rules and regulations (herein called "Rules and Regulations") as the Board may deem necessary for the management and control of the Apartments and the common elements and limited common elements and the Owner agrees that the Owner's rights under this instrument shall be in all respects subject to the appropriate Rules and Regulations which shall be taken to be a part hereof; and the Owner agrees to obey all such Rules and Regulations as the same now are or may from time to time be amended, and see that the same are faithfully observed by the invitees, guests, employees and under-tenants of the Owner; and the Rules and Regulations

shall uniformly apply to and be binding upon all occupants of the Apartments.

SECTION 2. Abatement and Enjoinment of Violations by Apartment Owners. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws:

(a) to enter the Apartment in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Apartment Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, and all costs thereof, including attorneys' fees, shall be borne by the defaulting Apartment Owner.

SECTION 3. Maintenance and Repair of Apartments. All maintenance of and repairs to any Apartment (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the Owner of such Apartment) shall be made by the Owner of such Apartment.

SECTION 4. Maintenance and Repair of Common Elements. All maintenance, repairs and replacements to the common elements, whether located inside or outside of the

Apartments, shall be made by the Board of Directors and be charged to all the Owners as a common expense, unless necessitated by the negligence, misuse or neglect of an Apartment Owner, in which case such expense shall be charged to such Apartment Owner.

SECTION 5. Additions or Alterations by Board of Directors. Whenever in the judgment of the Board of Directors the common elements shall require additions or alterations costing less than Three Thousand Dollars (\$3,000), the Board of Directors may proceed with such additions or alterations and shall assess all Owners for the cost thereof as a common expense. Any additions or alterations costing in excess of Three Thousand Dollars (\$3,000) may be made by the Board of Directors only after obtaining approval of the Owners of at least seventy-five percent (75%) of the Apartments. If such approval shall be obtained, the cost thereof shall constitute part of the common expenses.

SECTION 6. Additions or Alterations by Apartment Owners. No Owner shall make any addition or alteration in or to his Apartment which may affect the common elements or change the exterior appearance of the buildings, without the prior written consent thereto of the Board of Directors. The Board of Directors shall have the obligation to answer any written request by an Apartment Owner for approval of a proposed addition or alteration in such Apartment within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the proposed addition or alteration.

SECTION 7. Right of Access. An Apartment Owner shall grant a right of access to his Apartment to the Manager and/or the Managing Agent and/or any other person authorized by the Board of Directors, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Apartment and threatening another Apartment or a common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his Apartment or elsewhere in the buildings, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be deemed granted, to be effective immediately, whether the Owner is present at the time or not.

SECTION 8. Owners May Incorporate. All of the rights, powers, obligations and duties of the Owners imposed hereunder may be exercised and enforced by a non-profit, membership corporation, formed under the laws of the State of Hawaii for the purposes herein set forth by the Owners. Said corporation shall be formed upon the written approval of a majority of the voting Owners. The formation of said corporation shall in no way alter the terms, covenants and conditions set forth herein and the Articles and By-Laws of said corporation shall be subordinated hereto and controlled hereby. Any action taken by said corporation which said action is in violation of any or all of the terms, covenants or conditions contained herein shall be void and of no effect.

SECTION 9. Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Directors c/o the Managing Agent, or if there be no Managing Agent, to the office of the Board of Directors or to such other address as the Board of Directors may hereafter designate from time to time, by notice in writing to all Owners and to all mortgagees of Apartments. All notices to any Owner shall be sent by registered or certified mail to the building or to such other address as may have been designated by him from time to time, in writing, to the Board of Directors. All notices to mortgagees of Apartments shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Directors. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

SECTION 10. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provisions thereof.

SECTION 11. Gender. The use of any gender in these By-Laws shall be deemed to include either or both of the other genders and the use of the singular shall be deemed to include the plural whenever the context so requires.

SECTION 12. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of



violations or breaches thereof which may occur.

SECTION 13. Interpretation. The provisions of these By-Laws shall be liberally construed to effectuate the purpose of creating a uniform condominium complex whereby the Owners of Apartments shall carry out and pay for the operation and maintenance of the project as a mutually beneficial and efficient establishment.

SECTION 14. Amendment. The provisions of these By-Laws, other than this paragraph, may be amended by the Owners of at least 75% of the Apartments, which amendment shall be effective upon filing in the Office of the Assistant Registrar of the Land Court of an instrument in writing, signed and acknowledged by such Owners or by the proper officers of the Association; provided, however, each one of the particulars set forth in Section 514-20, Hawaii Revised Statutes, shall always be embodied in these By-Laws.

SECTION 15. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or enforceability of any one provision shall not affect the validity or enforceability of any other provision hereof.

IN WITNESS WHEREOF, the Developers have executed these By-Laws this 26<sup>th</sup> day of February, 1974.

FAIRWAY VILLA VENTURE, a Joint Venture  
THE CARWIN CORPORATION

By Charles Justice  
Its Chairman

Theodore Hilton Smyth  
Theodore Hilton Smyth, Trustee

STATE OF HAWAII )  
 ) ss.  
CITY AND COUNTY OF HONOLULU )

On this 4th day of March, 1974, before me appeared CARL L. FINSETH, to me personally known, who, being by me duly sworn, did say that he is the Chairman of THE CARWIN CORPORATION, a Hawaii corporation; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said CARL L. FINSETH acknowledged said instrument to be the free act and deed of said corporation.

Ermene L. Martin  
Notary Public, First Judicial  
Circuit, State of Hawaii.

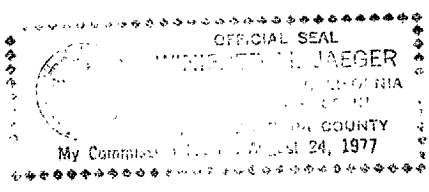
My commission expires OCTOBER 9, 1977

State of California )  
 ) ss.  
County of Santa Barbara )

On this 26th day of February, 1974, before me personally appeared THEODORE HILTON SMYTH, Trustee under Trusts dated January 29, 1960, as amended, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed as such Trustee.

Ernest M. Jaeger  
Notary Public,

My commission expires \_\_\_\_\_



----- PREPARED FOR -----  
 2345 ALA WAI BLVD  
 HONOLULU HI 96815  
 ACCT. NO: 1676  
 PAGE: 1

**FAIRWAY VILLA**  
**STATEMENT OF RECEIPTS AND DISBURSEMENTS**  
**FOR PERIOD ENDED 09/30/2015**

----- PREPARED BY -----  
 HAWAIIANA MANAGEMENT COMPANY, LTD.  
 ACCOUNTANT: MARILYN WRIGHT  
 DATE PRINTED: 10/10/2015

BLD ACCT 1676 DESCRIPTION	CURRENT MONTH				YEAR TO DATE	FISCAL BEG: 1	
	---ACTUAL---	---BUDGET---	---VAR.---	--BUD%--			----ACTUAL----
<b>CASH RECEIPTS:</b>							
5100 MAINTENANCE FEE	162308.21	175458.00	-13149.79	92.5	1579122.00	22635.53	101.4
5130 SPECIAL ASSESSMENT	-18.72	0.00	-18.72		0.00	-61.82	
5190 LEGAL FEE REIMBURSEMENT	0.00	0.00	0.00		0.00	10478.61	
5210 BLDG PRESERVATION PROJ-LANAI	3305.36	0.00	3305.36		0.00	67016.55	
5270 INTEREST INCOME	446.65	100.00	346.65		900.00	2098.47	
5290 INTEREST FROM CHECKING	9.78	1.00	8.78		9.00	71.77	
5360 LATE CHARGES	250.00	0.00	250.00		0.00	4728.31	
5405 RENTAL INCOME-LOCKERS/STORAGE	0.00	0.00	0.00		600.00	0.00	
5411 HO6 INSURANCE REIMBURSEMENT	0.00	0.00	0.00		4029.00	-4029.00	
<b>TOTAL CASH RECEIPTS</b>	<b>166301.28</b>	<b>175559.00</b>	<b>-9257.72</b>	<b>94.7</b>	<b>1584660.00</b>	<b>102938.42</b>	<b>106.5</b>
<b>UTILITIES:</b>							
6010 ELECTRICITY	3588.98	5922.00	-2333.02		53298.00	-14729.31	
6020 CABLE SERVICE	13620.31	13550.00	70.31		121950.00	1024.66	
6030 WATER	4035.88	5832.00	-1796.12		48834.00	-10840.22	
6040 SEWER	20999.35	22097.00	-1097.65		192944.00	-7920.81	
6050 GAS	6240.02	8902.00	-2661.98		80118.00	-21884.05	
6060 TELEPHONE	536.96	1005.00	-468.04		9045.00	-1226.78	
<b>TOTAL UTILITIES</b>	<b>49021.50</b>	<b>57308.00</b>	<b>-8286.50</b>	<b>85.5</b>	<b>506189.00</b>	<b>-55576.51</b>	<b>89.0</b>
<b>CONTRACTS:</b>							
6230 CONTRACT-ELEVATOR	0.00	0.00	0.00		40320.00	467.14	
6242 TREE TRIMMING	0.00	0.00	0.00		4200.00	64.66	
6252 CONTRACT-GENERATORS	0.00	0.00	0.00		2500.00	-2500.00	
6262 P-6 DRAIN LINE FLUSH	0.00	317.00	-317.00		2853.00	-2853.00	
6280 CONTRACT-PEST CONTROL	837.70	480.00	357.70		4320.00	-550.35	
6290 NON AC PUMP & VENTILATION	759.16	0.00	759.16		2700.00	-76.77	
6300 CONTRACT-REFUSE	2172.54	2400.00	-227.46		21600.00	-1848.45	
6301 TRASH CHUTE CLEANING	0.00	0.00	0.00		1700.00	-1700.00	
6310 CONTRACT-SECURITY EQPMT	483.77	0.00	483.77		11400.00	3551.19	
6320 CONTRACT-FIRE SYSTEMS	0.00	662.00	-662.00		1324.00	3102.13	
6371 ASBESTOS INSPECTION	0.00	0.00	0.00		975.00	-975.00	
6373 CONTRACT-BACKFLOW TEST	0.00	0.00	0.00		350.00	-350.00	

----- PREPARED FOR -----  
 2345 ALA WAI BLVD  
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 ACCT. NO: 1676  
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**FAIRWAY VILLA**  
**STATEMENT OF RECEIPTS AND DISBURSEMENTS**  
**FOR PERIOD ENDED 09/30/2015**

----- PREPARED BY -----  
 HAWAIIANA MANAGEMENT COMPANY, LTD.  
 ACCOUNTANT: MARILYN WRIGHT  
 DATE PRINTED: 10/10/2015

DESCRIPTION	CURRENT MONTH			YEAR TO DATE			FISCAL BEG: 1
	---ACTUAL---	---BUDGET---	---VAR.---	---ACTUAL---	---BUDGET---	---VAR.---	--BUD%--
BLD ACCT 1676							
6374 CONTRACT-COLD WATER BOOSTER	0.00	0.00	0.00	0.00	2750.00	-2750.00	
<b>TOTAL CONTRACTS</b>	<b>4253.17</b>	<b>3859.00</b>	<b>394.17</b>	<b>110.2</b>	<b>96992.00</b>	<b>-6418.45</b>	<b>93.4</b>
<b>BUILDING MAINTENANCE:</b>							
6530 CLEANING SUPPLIES	1009.73	825.00	184.73	6562.51	7425.00	-862.49	
6550 MTCE/REPAIR-GROUNDS	90.23	100.00	-9.77	306.29	900.00	-593.71	
6560 ELECTRICAL	122.32	100.00	22.32	1284.48	900.00	384.48	
6570 PLUMBING	2622.01	1845.00	777.01	17407.74	16605.00	802.74	
6580 MNTCE/REPAIR-POOL	783.15	130.00	653.15	1771.99	1170.00	601.99	
6590 PAINT	56.42	50.00	6.42	85.99	450.00	405.99	
6640 MTCE REPAIR/EQUIPMENT	236.49	0.00	236.49	265.98	7500.00	-7234.02	
6670 BUILDING REPAIRS	2838.38	1000.00	1838.38	7421.62	9000.00	-1578.38	
6671 WATER LEAK REPAIRS	0.00	1800.00	-1800.00	1099.48	16200.00	-15100.52	
6681 HEAT PUMP	0.00	57.00	-57.00	0.00	513.00	-513.00	
6690 MISCL REPAIRS & PURCHASES	33.30	675.00	-641.70	4597.12	6075.00	-1477.88	
<b>TOTAL BUILDING MAINTENANCE</b>	<b>7792.03</b>	<b>6582.00</b>	<b>1210.03</b>	<b>41573.20</b>	<b>66738.00</b>	<b>-25164.80</b>	<b>62.3</b>
<b>PROFESSIONAL SERVICES:</b>							
6810 ADMIN SUPPLIES & SVCS	2271.15	2500.00	-228.85	20193.15	22500.00	-2306.85	
6812 ASSOCIATION ADMIN EXPENSE	1007.74	1100.00	-92.26	2583.15	9900.00	-7316.85	
6820 OFFICE EQUIPMENT-RENT/LSE	912.25	350.00	562.25	3653.39	3150.00	503.39	
6830 VEHICLE EXPENSE	75.00	75.00	0.00	675.00	675.00	0.00	
6840 EDUCATION EXPENSE	0.00	125.00	-125.00	1130.00	1125.00	5.00	
6850 MGMT & ACCTG SERVICES	4876.84	4877.00	-0.16	43891.56	43893.00	-1.44	
6870 AUDIT & TAX FEES	0.00	0.00	0.00	1256.54	1200.00	56.54	
6880 LEGAL FEES	703.42	1500.00	-796.58	8013.13	13500.00	-5486.87	
6890 CONSULTING FEES	1413.61	0.00	1413.61	2827.22	0.00	2827.22	
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>11260.01</b>	<b>10527.00</b>	<b>733.01</b>	<b>84223.14</b>	<b>95943.00</b>	<b>-11719.86</b>	<b>87.8</b>
<b>PAYROLL AND BENEFITS:</b>							
7010 PAYROLL-MANAGER	6769.23	6207.00	562.23	63973.29	61798.00	2175.29	
7020 PAYROLL-MAINTENANCE	14396.40	11666.00	2730.40	123063.09	116660.00	6403.09	
7025 PAYROLL-PT MAINTENANCE	0.00	987.00	-987.00	0.00	9871.00	-9871.00	
7050 PAYROLL-WATCHMAN	16309.92	14880.00	1429.92	148375.95	148800.00	-424.05	

----- PREPARED FOR -----  
 2345 ALA WAI BLVD  
 HONOLULU HI 96815

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**FAIRWAY VILLA**  
**STATEMENT OF RECEIPTS AND DISBURSEMENTS**  
**FOR PERIOD ENDED 09/30/2015**

----- PREPARED BY -----  
 HAWAIIANA MANAGEMENT COMPANY, LTD.  
 ACCOUNTANT: MARILYN WRIGHT  
 DATE PRINTED: 10/10/2015

DESCRIPTION	CURRENT MONTH			YEAR TO DATE			FISCAL BEG: 1
	---ACTUAL---	---BUDGET---	---VAR.---	---ACTUAL---	---BUDGET---	---VAR.---	--BUDG--
7051 PAYROLL-PT SECURITY	405.76	1814.00	-1408.24	4520.84	18142.00	-13621.16	
7070 WORKERS COMPENSATION	0.00	0.00	0.00	-16736.00	0.00	-16736.00	
7080 TDI	0.00	0.00	0.00	1261.11	1350.00	-88.89	
7090 MEDICAL PREMIUMS	6542.93	6015.00	527.93	54273.38	54135.00	138.38	
7100 PAYROLL TAXES	3011.16	2859.00	152.16	27576.00	28591.00	-1015.00	
7140 PAYROLL PREPARATION	233.50	240.00	-6.50	2120.70	2160.00	-39.30	
7170 UNIFORMS	0.00	0.00	0.00	0.00	600.00	-600.00	
<b>TOTAL PAYROLL AND BENEFITS</b>	<b>47668.90</b>	<b>44668.00</b>	<b>3000.90</b>	<b>408428.36</b>	<b>442107.00</b>	<b>-33678.64</b>	<b>92.4</b>
<b>OTHER EXPENSES:</b>							
7310 INSURANCE-PROPERTY	0.00	0.00	0.00	63325.52	61020.00	2305.52	
7358 INSURANCE-HOG POLICY FEE	3340.00	4029.00	-689.00	2794.00	4029.00	-1235.00	
7543 MEETING EXPENSE-ANNUAL	0.00	0.00	0.00	653.00	600.00	53.00	
7550 MISCELLANEOUS EXPENSE	100.00	450.00	-350.00	789.45	4050.00	-3260.55	
7556 APT MAINTENANCE FEE	1098.37	1100.00	-1.63	9813.09	9900.00	-86.91	
7564 MISC-CONDO REGISTRATION	0.00	0.00	0.00	3700.00	2591.00	1109.00	
7710 TAXES-REAL PROPERTY	0.00	0.00	0.00	817.42	823.00	-5.58	
7720 TAXES-GENERAL EXCISE	0.00	0.00	0.00	345.88	240.00	105.88	
<b>TOTAL OTHER EXPENSES</b>	<b>4538.37</b>	<b>5579.00</b>	<b>-1040.63</b>	<b>82238.36</b>	<b>83253.00</b>	<b>-1014.64</b>	<b>98.8</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>124533.98</b>	<b>128523.00</b>	<b>-3989.02</b>	<b>1157649.10</b>	<b>1291222.00</b>	<b>-133572.90</b>	<b>89.7</b>
<b>OPERATING SURPLUS/DEFICIT</b>	<b>41767.30</b>	<b>47036.00</b>	<b>-5268.70</b>	<b>529949.32</b>	<b>293438.00</b>	<b>236511.32</b>	<b>180.6</b>
<b>CAPITAL IMPR AND MAJOR REP &amp; REPL:</b>							
8518 HEAT PUMP	0.00	0.00	0.00	0.00	4298.00	-4298.00	
8519 CIRCULATING PUMPS	0.00	0.00	0.00	0.00	3683.00	-3683.00	
8525 RECREATION CENTER	0.00	0.00	0.00	634.56	0.00	634.56	
8530 POOL RESTROOMS	0.00	0.00	0.00	0.00	92700.00	-92700.00	
8531 POOL GAS HEATER	0.00	0.00	0.00	0.00	5150.00	-5150.00	
8532 POOL-FURNITURE	0.00	0.00	0.00	0.00	20600.00	-20600.00	
8533 PAINTING EXTERIOR SPALL	115125.50	0.00	115125.50	797083.85	0.00	797083.85	
8534 POOL-RESURFACING	0.00	0.00	0.00	0.00	5000.00	-5000.00	
8535 WASTE WATER PIPE REPLACEMENTS	0.00	0.00	0.00	0.00	85000.00	-85000.00	
8543 GATE ARMS OPERATORS	0.00	0.00	0.00	0.00	60000.00	-60000.00	

----- PREPARED FOR -----  
 2345 ALA WAI BLVD  
 HONOLULU HI 96815

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**FAIRWAY VILLA**  
**STATEMENT OF RECEIPTS AND DISBURSEMENTS**  
**FOR PERIOD ENDED 09/30/2015**

----- PREPARED BY -----  
 HAWAIIANA MANAGEMENT COMPANY, LTD.  
 ACCOUNTANT: MARILYN WRIGHT  
 DATE PRINTED: 10/10/2015

DESCRIPTION	CURRENT MONTH			YEAR TO DATE			FISCAL BEG: 1
	---ACTUAL---	---BUDGET---	---VAR.---	---ACTUAL---	---BUDGET---	---VAR.---	
8548 SUN CHAIRS	0.00	0.00	0.00	0.00	20600.00	-20600.00	
8571 BOOSTER PUMPS	0.00	0.00	0.00	0.00	42981.00	-42981.00	
8600 REPLACE HOT WATER HEATER	0.00	0.00	0.00	5351.27	0.00	5351.27	
<b>TOTAL CAPITAL IMPR AND MAJOR</b>	<b>115125.50</b>	<b>0.00</b>	<b>115125.50</b>	<b>0.0</b>	<b>340012.00</b>	<b>463057.68</b>	<b>236.2</b>
<b>TOTAL CASH DISBURSEMENTS</b>	<b>239659.48</b>	<b>128523.00</b>	<b>111136.48</b>	<b>186.5</b>	<b>1960718.78</b>	<b>329484.78</b>	<b>120.2</b>
<b>CHANGE IN SECURITY DEPOSITS</b>	<b>-100.00</b>	<b>0.00</b>	<b>-100.00</b>	<b>0.0</b>	<b>1540.00</b>	<b>1540.00</b>	<b>0.0</b>
<b>CHANGE TO TOTAL CASH &amp; RESERVE</b>	<b>-73458.20</b>	<b>47036.00</b>	<b>-120494.20</b>	<b>-271580.36</b>	<b>-46574.00</b>	<b>-225006.36</b>	

----- PREPARED FOR -----  
 2345 ALA WAI BLVD  
 HONOLULU HI 96815  
 ACCT. NO: 1676  
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**FAIRWAY VILLA  
 CASH REPORT  
 AS OF 09/30/2015**

----- PREPARED BY -----  
 HAWAIIANA MANAGEMENT COMPANY, LTD.  
 ACCOUNTANT: MARILYN WRIGHT  
 DATE PRINTED: 10/10/2015

BLD NUM: 1676

FISCAL BEG: 01 PAGE: 1

OPERATIONS	TERM	MATURES	RATE	BEGINNING BALANCE	TRANSFERS TO/(FROM)	ENDING BALANCE
<b>OPERATIONS</b>						
1000 CHECKING ACCOUNT *				284,145.10	-223,809.71	60,335.39
1005 CASH-PETTY				750.00	0.00	750.00
1090 BOR LQ #*****6121			0.2500	34,016.77	0.00	34,016.77
1165 FFAC LQ #*****0596			0.4200	249,012.52	156.94	249,169.46
1240 HSB LQ #*****8314			0.4500	249,489.30	0.00	249,489.30
<b>TOTAL OPERATIONS</b>				<u>817,413.69</u>	<u>-223,652.77</u>	<u>593,760.92</u>
<b>RESERVES</b>						
1800 HCCU LQ #*****5702			0.1500	102.33	0.04	102.37
1801 HCCU #*****4983	06	MONTHS	0.5500	94,482.80	42.71	94,525.51
1802 HCCU #*****4995	06	MONTHS	0.5500	54,424.77	24.60	54,449.37
1809 HCCU #*****4988	06	MONTHS	0.5500	92,413.76	41.78	92,455.54
1831 HTEFCU LQ #*****0921			0.3500	0.00	150,024.45	150,024.45
1902 FFB #*****9728	06	MONTHS	0.4000	100,946.72	34.21	100,980.93
1965 TERR LQ #*****6733			0.2500	42,490.67	26.78	42,517.45
<b>TOTAL RESERVES</b>				<u>384,861.05</u>	<u>150,194.57</u>	<u>535,055.62</u>
<b>TOTAL ASSOCIATION CASH</b>				<u>1,202,274.74</u>	<u>-73,458.20</u>	<u>1,128,816.54</u>
<b>LESS: RESTRICTED CASH (HELD FOR OTHERS)</b>						
4305 SECURITY KEY DEPOSITS				31,681.88	-100.00	31,581.88
4306 CHRISTMAS FUND				460.00	0.00	460.00
4310 PARKING CARD DEPOSITS				3,120.00	0.00	3,120.00
<b>TOTAL RESTRICTED CASH (HELD FOR OTHERS)</b>				<u>35,261.88</u>	<u>-100.00</u>	<u>35,161.88</u>
<b>NET ASSOCIATION AVAILABLE CASH AND DEPOSITS</b>				<u>1,167,012.86</u>	<u>-73,358.20</u>	<u>1,093,654.66</u>

\* CHECKING ACCOUNT MAY INCLUDE PENDING CAPITAL EXPENSES  
 BEGINNING CASH BAL. -B.O.Y. 1,400,396.90

----- PREPARED FOR -----  
 2345 ALA WAI BLVD  
 HONOLULU HI 96815  
 ACCT. NO: 1676  
 PAGE: 1

**FAIRWAY VILLA  
 CASH BY INSTITUTION  
 AS OF 09/30/2015**

----- PREPARED BY -----  
 HAWAIIANA MANAGEMENT COMPANY, LTD.  
 ACCOUNTANT: MARILYN WRIGHT  
 DATE PRINTED: 10/10/2015

BLD NUM: 1676

FISCAL BEG: 01 PAGE: 1

CASH BY INSTITUTION:

BANK OF THE ORIENT  
 CENTRAL PACIFIC BANK  
 FINANCE FACTORS  
 FIRST FOUNDATION BANK  
 HAWAII CENTRAL CREDIT UNION  
 HAWAIIAN TEL EMPLOYEE FCU  
 HOMESTREET BANK  
 TERRITORIAL SAVINGS BANK

BEGINNING BALANCE	TRANSFERS TO/(FROM)	ENDING BALANCE
34,016.77	0.00	34,016.77
284,145.10	-223,809.71	60,335.39
249,012.52	156.94	249,169.46
100,946.72	34.21	100,980.93
241,423.66	109.13	241,532.79
0.00	150,024.45	150,024.45
249,489.30	0.00	249,489.30
42,490.67	26.78	42,517.45
<u>1,201,524.74</u>	<u>-73,458.20</u>	<u>1,128,066.54</u>

TOTAL CASH



**ASSOCIATION OF APARTMENT OWNERS OF  
FAIRWAY VILLA**

**House Rules**

The purpose of these House Rules is to protect all occupants from annoyance and nuisance caused by improper use of the condominium apartments and also to protect the reputation and desirability thereof by providing maximum enjoyment of the premises.

The full authority and responsibility of enforcing said rules may be delegated to a managing agent by the Board of Directors of the Association of Apartment Owners. All occupants, tenants and their guests shall be bound by these rules and by standards of reasonable conduct whether covered by these rules or not.

**Section A. Occupancy**

1. Occupancy is limited to not more than two persons per bedroom or studio apartment contained in each apartment, except that this occupancy may be exceeded by members of the immediate family of the owner or tenant.
2. All occupants of the building and users of the building's parking stalls must register with the Resident Manager's office. Unregistered, and therefore unidentified, persons claiming to be locked out of the building will not be admitted by the security guard on duty or the Resident Manager.
3. There will be a \$50 charge for all lock-outs requiring building assistance.

An apartment owner shall be responsible for the conduct of his children, and any visitors or guests at all times, ensuring that their behavior is neither offensive to any occupant of the building nor damaging to any portion of the common elements.

**Section B. Pets**

1. Permitted Pets: No dogs, cats, livestock, poultry, birds, rabbits or other animals whatsoever shall be allowed or kept in any part of the project, except owners who had pets prior to July 1, 1976, who will be allowed to keep their pets as well as replace the existing animal with another and continue to do so for as long as the owner continues to reside in the owner's unit or another unit subject to the same bylaws.
2. All such pets must be registered with the Resident Manager. Such pets may be kept by owners and occupants in their respective residential condo but shall not be kept, bred, or used therein for any commercial, profit making or money generating purposes, nor allowed on any common element except in transit when carried or on leash (but shall not be allowed in the recreational facilities at any time for any purpose, provided further, that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the Project shall be permanently removed there from within five (5) days after receiving notice from the Board of Directors or Managing Agent that the pet must be removed. Restrictions regarding pets do not apply to certified signal or seeing-eye animals used by hearing or visually disabled persons.
  - a. No additional or new pets will be permitted unless approved by the Board of Directors.

- b. The Board, upon receipt of a signed complaint from Occupants of three apartments concerning a pet may decide that a pet is a nuisance and direct in writing the occupant of the apartment to remove the pet from the premises of the project. Such pet must be permanently removed from the project by the occupant within five (5) days of receipt of such written direction from the Board.

### 3. Pet Owner Responsibilities

- a. Any injury to persons or property damage (including plants and landscaping) caused by any pet on the Project shall be the responsibility of the owner of the animal and/or the condo owner.
- b. No pet shall be allowed to cause a nuisance or unreasonable disturbance. Violation may result in a fine or permanent removal of the pet from the property.
- c. Dog owners are required to comply with City and County Laws AQS, 33 which states, "an owner should not let his dog bark continuously for more than ten minutes, or intermittently for more than one-half hour, unless a person is trespassing or threatening to trespass on the property on which the dog is situated. He cannot let his dog go onto other people's private property without the occupant's consent, nor onto public property except with a leash eight feet long or shorter. It is also unlawful to let his dog excrete any solid waste on property other than his own unless person promptly removes the animal waste."
- d. Notwithstanding any other provision herein, visually impaired persons may keep certified signal animals, hearing impaired persons may keep certified signal animals and physically impaired person may keep certified service animals in their condos, and may use such animals as reasonably necessary to their enjoyment of the project.

### Section C. Temporary Occupancy

1. Owners must complete a Tenant and Vehicle Registration Card in the Resident Manager's office that includes the names and length of anticipated occupancy of lessees, renters, or guests and must deliver to lessees, renters or guests a copy of these House Rules.
2. An apartment owner shall be responsible for the conduct of his lessee(s), renter(s) or guest(s) and shall, upon request of the Board of Directors or Managing Agent, immediately abate and remove, at his expense, any structure, thing or condition that may exist with regard to the occupancy of his apartment or parking stall by lessee(s), renter(s), or guest(s) contrary to the interest and meaning of the provisions hereof; or, if the apartment owner is unable to control the conduct of the lessee(s), renter(s) or guest(s) to conform with the interest and meaning of the provisions hereof, he shall, upon request of the Board of Directors or Managing Agent, immediately remove such lessee(s), renter(s) or guest(s) from the premises, without compensation for lost rentals or any other damage resulting there from.
3. Owners shall be responsible for designating a local agent to represent their interest if their residence is outside of Hawaii or if they will be absent from

the apartment for more than 30 consecutive days. Such owners shall file with the Resident Manager their out-of-town address and telephone number and the telephone number of their agent.

4. Rental or lease of any unit must conform to the governing city and county ordinances, and state and federal law.

Section D. Common Areas (Entrances and Lanais)

1. The sidewalk, passages, lobbies, stairways and corridors must not be obstructed or used for any purpose other than ingress and egress. Fire exits shall not be blocked any time.
2. An apartment owner shall be responsible for the care and maintenance of all lanais which are included in his apartment. Such owner may not, however, paint or otherwise decorate the walls and ceilings of the lanais without the prior approval of the same by the Board of Directors. It is intended that the exterior of the building shall present a uniform appearance and, to affect that end, the Board may require the painting of the walls and ceilings of each lanai and regulate the type and color of paint to be used. In addition, the Board is authorized to contract for the painting of all the walls and ceilings of the lanais and to make payment thereof out of the maintenance fund.
3. Only appropriate furniture and small plants shall be used on lanais and any unsightly or disturbing items shall be removed upon the request of the Resident Manager. These areas are not be used for storage purposes of any kind. Appropriate banners commemorating holidays or festivals may be displayed from lanais on holidays.
4. Textile items, including towels, bathing apparel and clothing, brooms, mops, cartons, etc., shall not be placed on lanais or passages or in windows so as to be in view from outside the building or from the apartments above. No item shall be dusted or shaken from the lanais or windows or cleaned by beating or sweeping on the grounds of the project.
5. All plants shall be placed in containers so as to prevent the drippings of water or soil onto other apartments or the common elements. Care should be taken when scrubbing lanais so as to prevent water from running down the exterior of the building. Drip pans must be used where air conditioners discharge onto lanais.
6. Nothing shall be thrown from lanais, windows, stairwells, balconies, recreation deck, etc. Cigarettes and matches, specifically, are a fire hazard.
7. No shoes, slippers, dry cleaning, etc. shall be allowed to remain in view at front entrances.
8. The throwing of firecrackers from lanais and the explosion of any fireworks anywhere on the building grounds or within the building is expressly prohibited.
9. No fires or barbecuing will be permitted on any apartment lanai or anywhere within the common elements or limited common elements, except for the 29<sup>th</sup> floor barbecues set up by the Association. Rules for using the barbecues on the 29<sup>th</sup> floor are posted next to the barbeques, and are to be followed implicitly.

#### Section E. Use of Recreation Deck and Facilities

1. Non-residents shall not use the Recreation Deck unless accompanied by a resident of the building.
2. Recreation deck, pool and sauna hours are from 8:00 a.m. until 10:00 p.m.
3. Mats or diving gear are not permitted in the pool.
4. For their own safety, children ten years of age and under shall not be permitted on the Recreation Deck unless accompanied by an adult.
5. No running or horseplay will be allowed in the pool or on surrounding area.
6. All swimmers must shower before entering the pool.
7. Swimmers shall dry themselves completely before leaving the Recreation area.
8. No glass items shall be permitted in the Recreation area.
9. No person with bandages or open wounds of any type may use the pool.
10. No perfumes, deodorants, oils, etc. may be used in the sauna, pool or hot tub. Sauna users must use shorts or towel to sit on.
11. All owners and occupants shall exercise extreme care about causing or permitting noise that may disturb other occupants.
12. Radios, TV's, DVD players, and other music generating equipment must be used with earphones.
13. Pets are prohibited on the 29th floor.
14. Hot Tub Rules must be complied with based on posted rules.
15. Electric and any fueled appliances (such as stoves, lanterns, etc.) are not permitted in the Recreation area.

#### Section F. Parking Areas

1. Each apartment has a designated parking space(s), and residents must not use other than this space at any time without prior permission for occupancy.
2. Vehicles must only be parked in designated and properly marked parking stalls.
3. Guest parking stalls are for the exclusive use of guests. There will be no guest parking from 3 am to 6 am.
4. In addition to the information to be submitted to the Resident Manager pursuant to Section C, Temporary Occupancy, Section 1, hereof, the apartment owner shall advise the Resident Manager in writing of the type of vehicle and license number being used by his lessee or renter.
5. When workmen are performing work on an apartment, the owner shall advise them to use his parking stall, park on the street or have the Resident Manager assign use of a loading area stall.
6. Any vehicle shall be centered in the parking spaces so as to prevent crowding of adjacent spaces and/or blocking of passages.

7. It is the responsibility of the apartment owners to inform their guests not to park in vacant spaces unless arrangements have been made for such use.
8. Violators of parking regulations shall have their cars towed away at the car owner's expense. If the violator is a lessee renter or guest of an owner, the owner shall be held responsible for payment of the towing charge if unpaid by the violator.
9. Owners who clean or polish vehicles on the premises shall clean the area thoroughly before leaving and at no time use any space other than their own for such purposes.
10. No car washing will be permitted at Fairway Villa.
11. Repairs of a motor vehicle, boat, surfboard or other equipment shall not be permitted at Fairway Villa.
12. It is the responsibility of the apartment owners to ensure that their parking stall is cleaned of oil spills.
13. All vehicles parked at Fairway Villa must have a current license tag and safety sticker as required by law. Violators of this provision shall have thirty (30) days after citation to provide proof to the Resident Manager that the objectionable condition of the vehicle has been corrected; otherwise, the vehicle shall be subject to removal at the owner's expense.
14. Parking space leases or rentals are restricted to outsider renters that live within the immediate two block radius of this project as specified by city and county statutes. Any violations or liabilities are the responsibility of the owners.

#### Section G. Storage

1. All cartons, suitcases, articles, etc., must be tagged and identified. Bulky items such as furniture, excessively large cartons, surfboards, bicycles, etc. may not be stored in the storage rooms. Nothing is to be stored without the approval of the Resident Manager.
2. Bicycles and surfboards shall be stored only in the designated areas. Bicycles and surfboards shall not be transported in the elevators
3. No flammable oils or fluids such as gasoline, kerosene, naphtha or benzene, or other explosives or articles deemed extra-hazardous to life or property shall be stored in any storage area on premises.
4. All items stored in the storage areas are unsecured and stored solely at the owner's risk. The owner of the stored item assumes full responsibility for any and all damages, loss or theft of any item stored in the storage areas. The owner of the stored item agrees to indemnify the Association from any and all liability for the loss or destruction of the items stored in the assigned storage area. The owner of the stored item also agrees to reimburse the Association, its employees and Directors for any and all legal fees and costs incurred in defending any action relating to the stored items.
5. The Association will have a right to remove or destroy any unclaimed items as per HRS 514B-139. The Association will give the owner of the stored item

30 days' notice to remove via certified mailing to the last mailing address on record. The 30 days will begin upon the mailing of the certified mail.

#### Section H. Noise

1. Avoid excessive noise of any type at any time. Consider other residents at all times.
2. Hold your front door so as to avoid its slamming due to the wind. When using the stairwells do not allow the door to slam.
3. No workmen will be allowed in the building before 8:00 a.m. or after 7:00 p.m.; except in an emergency.
4. Radios, TV's, Hi-Fi's must be played at reduced volume after 10:00 p.m. and before 8:00 a.m.
5. When guests are leaving at night, it is requested that noise be kept to a minimum.
6. Excessive noise at any time should be reported to the Resident Manager, who will take appropriate action.

#### Section I. Building Modifications

1. No structural changes of any type shall be permitted either within or without an apartment without the prior written approval and consent of the Board of Directors.
2. Lanai awnings and enclosures may be installed subject to the specifications as approved by the Board of Directors.
3. No signs, signals or lettering shall be inscribed or exposed on any part of the building.
4. No projections shall extend through any door or window opening outside into any corridor or beyond the lanais or the exterior face of the building.
5. TV antennas shall be erected or maintained outside the physical confines of an apartment (including lanais).
6. No additions or alterations to the original design of the apartment will be permitted which are visible from the exterior of the building.

#### Section J. General

1. Furniture placed in the common areas is for use in those specific areas and must not be moved there from.
2. Maintenance personnel shall not be asked to do work within the area of any apartment.
3. No solicitation or canvassing will be allowed in the building at any time.
4. Advance notice must be given to the Resident Manager when household goods or large items of furniture are to be moved in order that the elevator can be protected by pads and proper scheduling can be maintained.
5. Each apartment owner shall observe these House Rules and ensure that his licensees and invitees also observe these House Rules. Apartment owners will be responsible for their guests' observance of all House Rules as set forth

herein. In the event expenses are incurred due to violations of House Rules by guests or licensees, the owner shall be responsible for payment of same.

6. No resident/tenant of Fairway Villa, if locked out, may be readmitted unless previously registered with the Resident Manager.
7. Trash containing dry garbage, cans, etc. shall be securely wrapped before being placed in a receptacle. No wet garbage shall be placed in such receptacle or rubbish chute. No boxes or trash exceeding the weight and size designated for the rubbish chute shall be placed therein. Trash chute hours are from 8:00 a.m. until 10:00 p.m.

#### Section K. Asbestos (Effective 11/16/94)

As with many buildings constructed at the time, Fairway Villa was built with acoustic ceiling material that contains asbestos. Asbestos has been linked with three diseases: asbestosis, lung cancer, and mesothelioma. Care and precaution should be taken to avoid physical contact with the ceiling material. Report any damage to common element ceilings immediately to the Resident Manager. Under the Declaration of Horizontal Property Regime, the finished surface of an apartment ceiling is the responsibility of the apartment owner. In the event an apartment ceiling becomes damaged, the owner should immediately contact licensed asbestos abatement contractor for proper removal and decontamination.

Additional information regarding the asbestos in the Fairway Villa, and the rights and responsibilities of owners and residents is available upon request from the Resident Manager.

#### Section L. Construction Rules

1. Construction hours are 8:00 AM to 7:00 PM daily. No construction is permitted on Sunday, State or Federal Holidays. Advance notice is required when construction activity causes extreme noise, so units affected can plan accordingly. Be especially concerned for other tenants in the building.
2. Construction Protocol; Absolutely NO USE of Association's trash bin/chute. Contractor(s) must provide their own receptacle. Absolutely NOTHING permitted in hallways at any time. Daily cleanup of the hallways and parking lot is required. Fairway Villa Resident Manager needs 3 days advance notice by owner of the unit, when construction is scheduled. Any improvements that would affect the exterior look of the buildings must be APPROVED BY THE BOARD OF DIRECTORS PRIOR TO COMMENCEMENT OF WORK. The Fairway Villa Resident Manager, at his discretion, will handle any other miscellaneous problems. The State of Hawaii requires any construction work over \$1,000 to be performed by a contractor licensed in the State of Hawaii.
3. Major Changes. Any major changes including electrical, plumbing, load bearing or fire walls, lanai doors or windows must conform to approved specification. See the Resident Manager for these specifications.
4. Water Shut Off - Contact the Resident Manager if you have to turn off the water for any reason including emergencies.

#### Section M. Damages, Licensing & Insurance Requirement

Any damages to other units or the common areas resulting from leaks, construction activities, etc. will be charged to the owner. Repairs must be by a licensed contractor. Licensed contractors must also present to the Resident Manager a "Certificate of Insurance" naming the Association and the Resident Manager as additional insured's.

Section N. Compliance, Fines and Enforcement

Violation of any House Rules adopted by the Association of Apartment Owners of Fairway Villa shall give the Board of Directors or its agent the right to:

1. There will be no entrance into any apartment without written notification. Each unit owner shall provide access to the owner's unit (during reasonable hours) to the association, other unit owners, employees, independent contractors, or agents of the association for the operation of the property. HRS § 51413-137 provides that the association shall have the irrevocable right, exercised by the board, to have access to each unit at any time as may be necessary for making emergency repairs to prevent damage to the common elements or to another unit or units.
2. Enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, and all costs thereof, including attorneys' fees, shall be borne by the defaulting apartment owner.
3. Notwithstanding anything herein to the contrary, these House Rules shall be subject to the Declaration and Bylaws of Fairway Villa and in the event of any conflict between these House Rules and the Declaration and Bylaws, the Declaration and Bylaws shall govern and the Board shall make such changes to these House Rules from time to time to comply with the Declaration and Bylaws.

THESE ARE THE HOUSE RULES AS APPROVED BY THE BOARD OF DIRECTORS AS OF JUNE 27, 2012.



Fairway Villa

**RESOLUTION ADOPTING COLLECTION PROCEDURES**

Adopted by the Board of Directors on 11/16/13

WHEREAS, the Board of Directors of the Fairway Villa is charged with the responsibility of collecting assessments for common expenses from the Association members pursuant to the Project's governing documents; and

WHEREAS, from time to time, Association members become delinquent in their payment of the assessments and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS, the Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer the delinquent accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue; and

WHEREAS, the Board has retained the Association's collection attorneys for their experience in representing community associations in collections matters; and

WHEREAS, the Board has directed the Association's collection attorneys to represent the Association on the terms outlined in this resolution, unless specifically advised otherwise; now, therefore

BE IT RESOLVED, the Association's collection attorneys shall be authorized to conduct the following actions without further Board authorization, if the delinquent account is not brought current within the time stated, or a satisfactory agreement has not been reached to accomplish bringing the account current, the following actions may be taken:

- a. An account is turned over to the Association's collection attorneys and the Association's collection attorneys shall give notice to the delinquent owner(s) providing the owner with 40 (forty) days to respond;
- b. If no payment is received by the deadline, a title report will be ordered and a lien recorded against the delinquent owners' property;
- c. Once the lien is in place, the Association's collection attorneys shall send a second and final notice with a copy of the lien, providing the owner(s) with an additional 10 (ten) days to respond;
- d. If no payment is received and the property is rented, a letter to the tenant or rental agent will be prepared for processing;

- e. Action may be commenced in the District Court to secure a personal judgment for the amounts owed if the balance is under \$5,000.00 (excluding legal fees) and the owner currently resides within the State of Hawaii;
- f. After a judgment is secured, action may be taken to acquire employment information and to proceed with garnishment of wages (i.e. skip trace, employment check, etc);
- g. Foreclosure proceedings may be commenced if the balance is over \$5,000.00 (excluding legal fees) or if the owner resides outside of the State of Hawaii;
- h. Skip trace services may be employed for determination of delinquent owner information including location, employment, assets, social security number, or any other information that the attorneys may deem possibly helpful to collection efforts.

BE IT FURTHER RESOLVED, if a delinquent owner requests an installment payment plan to bring the account current, the Association's collection attorneys shall approve the payment plan in accordance with the Board's policy of:

All payment plans must pay the delinquent balance in full within eighteen (18) months and must include current monthly dues.

Any payment plan not meeting the requirements must receive Board authorization before an agreement is made to enter into such a payment plan with the delinquent owner. Should the owner(s) default with a payment plan, the Association's collection attorney is authorized to proceed with the next action, without further notice, as set above.

The above Resolution shall be read and implemented in conjunction with and as a supplement to the Association's collection policy(s) as set forth in the Association By-Laws, as amended, and in the event of a conflict the Board and its attorneys shall be authorized to use any and all lawful collection procedures.

Honolulu, Hawaii JANUARY 16, 2013

BOARD OF DIRECTORS  
FAIRWAY VILLA

By [Signature]

Its: PRESIDENT

By [Signature]

Its: TREASURER

**ASSOCIATION OF APARTMENT OWNERS OF FAIRWAY VILLA  
CONDOMINIUM PROJECT**

**RULES AND GUIDELINES  
GOVERNING THE PLACEMENT OF  
ELECTRIC VEHICLE CHARGING SYSTEMS**

In accordance with Hawaii Revised Statutes ("HRS") § 196-7.5, the Board of Directors of the Association of Apartment Owners of Fairway Villa Condominium Project ("Association") hereby adopts the following rules and guidelines governing the placement of electric vehicle charging systems by individual owners. Said rules and guidelines shall be enforced by the Board of Directors of the Association and are intended to supplement and comply with HRS § 196-7.5.

These rules and guidelines are intended to insure that the placement of electric vehicle charging systems does not jeopardize the soundness or safety of the buildings, reduce the value thereof, impair any easement or hereditament, and/or detract from the appearance of the project. These rules and guidelines are not intended to impose conditions or restrictions upon the placement of an electric vehicle charging system, such that the rules and guidelines prohibit the placement or use of electric vehicle charging systems in or near the homeowner's parking stall, in violation of HRS § 196-7.5. None of the provisions herein shall be enforced in any manner that will violate HRS § 196-7.5.

Any unit owner may place an electric vehicle charging system on or near the parking stall assigned or appurtenant to the apartment owned by that person, provided that:

1. "Electric vehicle charging system" means a system that is designed in compliance with Article 625 of the National Electrical Code and delivers electricity from a source outside an electric vehicle into one or more electric vehicles. An electric vehicle charging system may include several charge points simultaneously connecting several electrical vehicles to the system.
2. "Electric vehicle" means a vehicle which is powered solely by electricity and which has an electric vehicle license plate. Hybrids are not electric vehicles.
3. Electric vehicle charging systems must be certified by Underwriters Laboratories and labeled as such. No "homemade" systems are permitted.
4. The owner wishing to install an electric vehicle charging system must first obtain the written consent of the Board of Directors of the Association, provided that such consent shall be given if the installation complies with the Association's design specifications for the installation of the system. Such

specifications may require the installation of a standard make and model of electric vehicle charging system.

5. If no design specifications have been adopted by the Board of the Association, such installations shall be in accordance with complete plans and specifications prepared by a licensed electrical engineer and approved in writing by the Board.
6. Electric vehicle charging systems may only be installed by a licensed electrical contractor.
7. Electric vehicle charging systems must be placed in or immediately adjacent to the parking stall of the electric vehicle using the system, and shall not impede other vehicles' traffic flow.
8. The means by which the system is connected to the Project's electrical lines shall be in accordance with complete plans and specifications prepared by a licensed electrical engineer, and approved in writing by the Board.
9. If common electricity is used to supply the electric vehicle charging system, the Association shall require reimbursement for the cost of electricity used by an owner's electric vehicle charging system. The electric vehicle charging system shall meter the electricity being used and users of the system shall pay the Association for all electricity used at the then-current rate. The system shall, if feasible, include a means whereby the user shall pay by credit or debit card for the electricity used. If the system does not utilize payment by credit or debit card, the system shall include a means whereby the Association can easily determine the amount of electricity used and can easily disconnect the system in the event that the owner fails to promptly reimburse the Association for all electricity used.
10. The failure of an owner to promptly reimburse the Association upon demand for such electricity shall give the Association the right to disconnect the system. In the event that the services of an electrician are required to disconnect the system, the owner shall promptly reimburse the Association for the cost of the electrician's services.
11. Within fourteen (14) days of approval of the system by the Board of Directors, owner must provide a certificate of insurance naming the Association as an additional insured on the owner's homeowner's insurance policy. The insurance must evidence coverage for damage to the system, common elements, limited common elements, and any adjacent apartments, arising or resulting from the installation, maintenance, repair, removal, or replacement of the electric vehicle charging system. The certificate of insurance shall provide that such policy may neither be canceled nor the coverage thereunder reduced (whether or not requested by the owner) except upon

thirty (30) days prior written notice to the Association of such cancellation or reduction, sent to the Association by mail. The words "endeavor to" and "failure to mail such notice shall impose no obligation for liability..." are unacceptable and must be crossed out.

12. Any owner's electric vehicle charging system shall be registered with the Managing Agent of the Association within thirty (30) days of installation.
13. The owner and each successive owner of the parking stall on which or near where the system is placed shall be responsible for any costs for damages to the system, common elements, limited common elements, and any adjacent apartments, arising or resulting from the installation, maintenance, repair, removal, or replacement of the system. The repair, maintenance, removal, and replacement responsibilities shall be assumed by each successive owner until the electric vehicle charging system has been removed from the common elements or limited common elements. The owner and each successive owner shall at all times have and maintain a policy of insurance covering the obligations of the owner under this paragraph and shall name the Association as an additional insured under the policy, and provide the Association with a certificate of insurance evidencing such coverage at the inception and upon each renewal of such policy. The Association may require the owner to record an encumbrance on the title of the owner's apartment, evidencing such ongoing responsibilities of the apartment owner.
14. The owner and any successive owner of the parking stall on which or near where the system is placed shall be responsible for removing or disconnecting the electric vehicle charging system at the owner's sole expense, if reasonably necessary or convenient for the repair, maintenance, or replacement of the common elements or limited common elements. The Association shall have the right to remove or disconnect the system if the owner fails to do so upon such notice to the owner as is reasonable under the circumstances, and if the services of an electrician are required to remove or disconnect the system, the owner shall promptly reimburse the Association for the cost of the electrician's services. The Association may require the owner to record an encumbrance on the title of the owner's apartment, evidencing such ongoing responsibilities of the apartment owner.
15. The Association shall not be required to make any improvements to the electrical wiring or other components of the Project, including its electrical system, in order to enable owners to install electric vehicle charging systems.
16. The Association may deny permission to install electric vehicle charging systems if it is advised by a licensed electrical engineer that the Project's wiring or other components of the Project, including the electrical system, are inadequate to safely support such systems. The Association may likewise limit the number of systems that may be installed or that may be used at any

one time to those that the Project can safely support on a first-come first-served basis.

Date of Adoption by the Association Board of Directors: 10/16/13

P:\Fairway Villa\Misc\Policy 01a electric vehicle charging system.doc

**Fairway Villa, AOA**  
 Summary of Insurance  
 Date Prepared: October 7, 2015

**Insurance Associates, Inc.**  
 800 Bethel Street Suite #200  
 Honolulu, HI 96813-4338  
[www.insuringhawaii.com](http://www.insuringhawaii.com)



Type of Policy	Limits of Liability	Policy Period	Annual Premium	Carrier	Comments
<b>Commercial Property</b> Building Replacement Cost Business Personal Property Equipment Breakdown (Boiler & Machinery) Building Ordinance or Law Deductible (all other perils excluding hurricane) Hurricane Deductible (2% of the building value)	\$ 63,188,000 \$ 34,000 \$ Included \$ 1,000,000 \$ 5,000 \$ 632,224	11/01/15 – 11/01/16	\$ 64,311	First Insurance Company of Hawaii, Ltd.	Rated A+ (Superior) by A.M. Best
<b>Equipment Breakdown</b> Total Limit (Per Breakdown) Business Income/Extra Expense Deductible	\$ 64,119,690 \$ 100,000 \$ 5,000	11/01/15 – 11/01/16	\$ 1,690	Travelers Insurance Company	
<b>Commercial General Liability</b> General Aggregate Limit Personal & Advertising Injury Each Occurrence Damage to Premises Rented to You Medical Expense (any one person) Hired/Non-Owned Automobile (each accident)	\$ 2,000,000 \$ 1,000,000 \$ 1,000,000 \$ 100,000 \$ 5,000 \$ 1,000,000	11/01/15 – 11/01/16	\$ 19,291	First Insurance Company of Hawaii, Ltd.	
<b>Commercial Umbrella</b> Limit of Liability (each occurrence & aggregate) Retained Limit	\$ 25,000,000 \$ 0	11/01/15 – 11/01/16	\$ 12,840	Fireman's Fund Insurance Company	"Follows Form" above the General Liability, D&O and Work Comp Policy
<b>Directors' &amp; Officers' Liability</b> Limit of Liability (annual aggregate) Deductible (all other claims)	\$ 2,000,000 \$ 1,000	11/01/15 – 11/01/16	\$ 3,893	Continental Casualty Company	Property Manager included as an Additional Insured
<b>Fidelity Bond</b> Commercial Crime/Employee Theft Deductible (per occurrence)	\$ 181,000 \$ 1,000	11/01/15 – 11/01/16	\$ 322	First Insurance Company of Hawaii, Ltd.	
<b>Flood Insurance</b> Building Deductible	\$ 63,188,000 \$ 5,000	11/01/15 – 11/01/16	\$ 66,256	Selective Insurance Company of America	National Flood Insurance Program (NFIP)
<b>Workers' Compensation</b> Bodily Injury by Accident (each accident) Bodily Injury by Disease (each employee/policy limit)	\$ 500,000 \$ 500,000	11/01/15 – 11/01/16	\$ 16,683	Market Insurance Company/FirstComp	

THIS SUMMARY HAS BEEN PREPARED FOR THE CONVENIENCE OF THE INSURED AND IS NOT AN EXACT AND BINDING ANALYSIS OF THE COVERAGES. THIS SUMMARY IS FOR YOUR USE AS A REFERENCE ONLY AND IS NOT INTENDED TO BE INCLUSIVE OF ALL POLICY TERMS, CONDITIONS AND EXCLUSIONS. EVEN THOUGH CARE HAS BEEN TAKEN IN THE PREPARATION OF THIS SUMMARY, IN THE EVENT THERE IS A DISCREPANCY, THE ORIGINAL POLICIES WILL PREVAIL AS THE SOLE BINDING DOCUMENTS.

<b>Contacts</b>	<b>Title</b>	<b>Direct Phone</b>	<b>Direct Fax</b>	<b>Email</b>
Sue Savio	President	808.526.9271	808.792.5371	sue@insuringhawaii.com
John Hall	Director of Sales	808.526.9273	808.792.5373	john@insuringhawaii.com
Certificates of Insurance		808.526.9277	808.792.5377	certificates@insuringhawaii.com

## LENDER'S DISCLOSURE

ASSOCIATION: FAIRWAY VILLA

TMK: 1-2-6-021-021

Address: 2345 Ala Wai Blvd. , Honolulu, HI 96815

**Developer, if construction is incomplete, else Managing Agent:**

	Subject Phase	Entire Project
Are all common elements, and/or amenities substantially complete?		YES
Are all units, common areas and facilities within the project?		YES
Does the project conform to existing zoning regulations?		YES
Is there pending litigation against the Developer?		N/A
Number of additional units/phases to be built: Units:    Phases:		NONE
If this project a conversion of an existing building, year of conversion?		NO
Are there any adverse environmental factors affecting the project as a whole?		NO
Date when first units made available for sale:		6/1972
Total number of <u>floors / units</u> :		28 / 363
Number of units sold and closed:		363
Anticipated date to hand over association to owners (Month/Year)		N/A
Number of sales in last 90 days:		unknown

**Managing Agent:**

Association management firm name and telephone:	<b>Hawaiiana Management Co. Ltd. 808-593-9100</b>	
Date control of the Association transferred from the developer to unit owners?	1973	
Does any one person or entity own more than 10% of the units?	NO	
Approximate owner occupancy	23%	
Is the unit part of a legally established condominium project, in which common areas are owned jointly by unit owners?	YES	
Are the units owned in fee simple or leasehold?	Fee Simple	
Are the amenities/recreational facilities owned by the Association?	YES	
Are any common elements leased to others?	NO	
Do the project legal documents include any restrictions on sale or foreclosure which would limit the free transferability of title? (i.e., Age, Restrictions, First Right of Refusal, low moderate income restrictions?)	NO	
Do the project legal documents or local zoning limit the amount of time the owner can live in their unit?	NO	
Is the budget prepared on an annual basis?	YES	
Are there any pending special assessments? If yes, explain:	NO	
Number of foreclosures in last 12 months?	1	
How many units are over 30 days delinquent?	6 units (1.65 %)	
Total dollar amount of delinquency (over 30 days)	\$ 22,767.11	
Does the project documentation contain a standard Mortgagee Protection clause?	YES	
a. If no, what is in place to insure the lenders 1st lien position?		



If a unit is taken over in foreclosure or deed-in-lieu, for how many months is the mortgagee responsible for delinquent association dues? A purchaser may be responsible for 6 months dues.	6 Months
Is the project subject to inclusionary zoning?	Unknown – (see City and County Planning Commission – (808) 768-8007)
Does the project contain multi-dwelling units, which an owner may hold a single deed evidencing ownership of more than one dwelling unit?	NO
Does the project contain houseboats or manufactured homes?	NO
Does the master insurance policy cover fixtures, equipment, and other personal property inside individual units?	See insurance agent.

\*\*\* A copy of the current Budget and Financial statement are available\*\*\*

### Commercial Space

Percentage of common interest:	0 %
Is the project a (indicate applicable) Condotel <u>NO</u> ; a Timeshare <u>NO</u>	
Does the property operate as a resort hotel; renting units on a daily basis? If yes, year operation commenced: NO	
Please indicate available services: Check-in rental desk <u>NO</u> Daily maid service <u>NO</u> Restaurant/food service <u>NO</u> Timeshare <u>NO</u> Mandatory rental pool <u>NO</u> Commercial (boutiques, etc.) <u>NO</u>	

### Legal

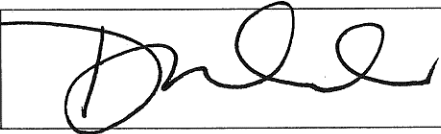
Is the association involved in any litigation, arbitration, mediation or other dispute resolution process?	NO
Attorney:	N/A
Telephone:	N/A

*Any information requested of the Attorney is at the inquirer's expense and not the Managing Agent's or the Association's.*

### Insurance

Company & Agent:	INSURANCE ASSOCIATES / Sue Savio
Telephone:	526-9273
Flood Insurance Agent/Phone:	NONE

### Preparer

Name:	DEBI BALMILERO, PCAM® Management Executive	Telephone:	(808) 593-6378
Signature:		Date:	11/3/15

Hawaiiana Management Company, Ltd

2015 Monthly Cash Operating Budget For

**Fairway Villa**

Approved by Board of Directors on October 8, 2014

DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	ANNUAL
REVENUE	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	TOTAL
MAINTENANCE FEES	175,458	175,458	175,458	175,458	175,458	175,458	175,458	175,458	175,458	175,458	175,458	175,458	2,105,501
INVESTMENT INTEREST	100	100	100	100	100	100	100	100	100	100	100	100	1,200
CHECKING INTEREST	1	1	1	1	1	1	1	1	1	1	1	1	12
STORAGE LOCKER								600					600
HO-6 INS REIMB						4,029							4,029
<b>TOTAL REVENUE</b>	<b>175,559</b>	<b>175,559</b>	<b>175,559</b>	<b>175,559</b>	<b>175,559</b>	<b>179,588</b>	<b>175,559</b>	<b>176,159</b>	<b>175,559</b>	<b>175,559</b>	<b>175,559</b>	<b>175,559</b>	<b>2,111,342</b>

UTILITIES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
ELECTRICITY	5,922	5,922	5,922	5,922	5,922	5,922	5,922	5,922	5,922	5,922	5,922	5,922	71,064
TV CABLE	13,550	13,550	13,550	13,550	13,550	13,550	13,550	13,550	13,550	13,550	13,550	13,550	162,600
WATER	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,832	5,832	5,832	5,832	5,832	66,331
SEWER	21,250	21,250	21,250	21,250	21,250	21,250	21,250	22,097	22,097	22,097	22,097	22,097	259,235
GAS	8,902	8,902	8,902	8,902	8,902	8,902	8,902	8,902	8,902	8,902	8,902	8,902	106,824
TELEPHONE	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	1,005	12,060
<b>TOTAL UTILITIES</b>	<b>55,939</b>	<b>55,939</b>	<b>55,939</b>	<b>55,939</b>	<b>55,939</b>	<b>55,939</b>	<b>55,939</b>	<b>57,308</b>	<b>57,308</b>	<b>57,308</b>	<b>57,308</b>	<b>57,308</b>	<b>678,114</b>

CONTRACT SERVICES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
ELEVATOR	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	53,760
TREE TRIMMING	4,200												4,200
GENERATOR MTCE	2,500												2,500
P-6 DRAIN LINE FLUSH	317	317	317	317	317	317	317	317	317	317	317	317	3,800
PEST CONTROL	480	480	480	480	480	480	480	480	480	480	480	480	5,760
NON AC PUMP & VENT.	900			900			900			900			3,600
REFUSE	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	28,800
TRASH CHUTE CLEANING						1,700							1,700
SECURITY EQUIP. MAINT.	3,800			3,800			3,800			3,800			15,200
FIRE SYSTEMS				662					662	2,100			3,424
ASBESTOS INSPECTION			975										975
BACKFLOW TEST				350									350
DRY STANDPIPE TEST	2,750												2,750
<b>TOTAL CNTRCT SVCS</b>	<b>21,827</b>	<b>7,677</b>	<b>8,652</b>	<b>13,389</b>	<b>7,677</b>	<b>9,377</b>	<b>12,377</b>	<b>7,677</b>	<b>8,339</b>	<b>14,477</b>	<b>7,677</b>	<b>7,677</b>	<b>126,819</b>

MAINTENANCE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
CLEANING SUPPS	825	825	825	825	825	825	825	825	825	825	825	825	9,900
GROUNDS	100	100	100	100	100	100	100	100	100	100	100	100	1,200
ELECTRICAL/LIGHTING	100	100	100	100	100	100	100	100	100	100	100	100	1,200
PLUMBING	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	22,140
POOL	130	130	130	130	130	130	130	130	130	130	130	130	1,560
PAINT SUPPLIES	50	50	50	50	50	50	50	50	50	50	50	50	600
EQUIP MAINTENANCE	2,500			2,500			2,500			2,500			10,000
BUILDING REPAIRS	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
WATER LEAK REPAIRS	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	21,600
TRASH COMPACTOR MTCE	57	57	57	57	57	57	57	57	57	57	57	57	684
MISC RPRS & PURCHS	675	675	675	675	675	675	675	675	675	675	675	675	8,100
<b>TOTAL MAINTENANCE</b>	<b>9,082</b>	<b>6,582</b>	<b>6,582</b>	<b>9,082</b>	<b>6,582</b>	<b>6,582</b>	<b>9,082</b>	<b>6,582</b>	<b>6,582</b>	<b>9,082</b>	<b>6,582</b>	<b>6,582</b>	<b>88,984</b>

2015 Monthly Operating Budget For Fairway Villa

Approved by Board of Directors on October 8, 2014

DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	ANNUAL
PROFESSIONAL SVCS	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	TOTAL
ADMIN SUPPLIES & SVCS	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
AOAO ADMIN EXPS	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	13,200
OFFICE EQUIP-RENTAL	350	350	350	350	350	350	350	350	350	350	350	350	4,200
VEHICLE EXPENSES	75	75	75	75	75	75	75	75	75	75	75	75	900
EDUCATION EXPENSE	125	125	125	125	125	125	125	125	125	125	125	125	1,500
MANAGEMENT SRVCS	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	4,877	58,522
AUDIT			1,200										1,200
LEGAL FEES GENERAL	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
TOTAL PROF. SERVICES	10,527	10,527	11,727	10,527	10,527	10,527	10,527	10,527	10,527	10,527	10,527	10,527	127,522

PAYROLL & BENEFITS	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
P/R - MANAGER	9,039	6,207	6,207	6,207	6,207	6,207	9,310	6,207	6,207	6,207	6,207	6,207	80,417
P/R - MAINTENANCE	17,499	11,666	11,666	11,666	11,666	11,666	17,499	11,666	11,666	11,666	11,666	11,666	151,660
P/R - MTCE PT	1,481	987	987	987	987	987	1,481	987	987	987	987	987	12,833
P/R - SECURITY	22,320	14,880	14,880	14,880	14,880	14,880	22,320	14,880	14,880	14,880	14,880	14,880	193,437
P/R - SECURITY -PT	2,722	1,814	1,814	1,814	1,814	1,814	2,722	1,814	1,814	1,814	1,814	1,814	23,586
WORKERS COMP											22,115		22,115
TDI	450			450			450			450			1,800
HEALTH CARE	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	72,180
PAYROLL TAXES	4,289	2,859	2,859	2,859	2,859	2,859	4,289	2,859	2,859	2,859	2,859	2,859	37,172
PAYROLL PREP	240	240	240	240	240	240	240	240	240	240	240	240	2,880
UNIFORMS	200			200			200			200			800
BONUS												14,000	14,000
TOTAL P/R & BENEFITS	64,254	44,669	44,669	45,319	44,669	44,669	64,526	44,669	44,669	45,319	66,784	58,669	612,882

OTHER EXPENSES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
PROPERTY INSURANCE	20,340	20,340	20,340							62,896	21,357	21,357	166,630
INSURANCE - HO-6 POLICY FEE									4,029				4,029
ASSOC MEETING EXP			600										600
MISCELLANEOUS EXPENSE	450	450	450	450	450	450	450	450	450	450	450	450	5,400
APT MTCE FEE EXP	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	13,200
CONDO REGISTRATION-ODD					2,591								2,591
REAL PROPERTY TAX		405						418					823
STATE GET	80			80			80			80			320
TOTAL OTHER EXP.	21,970	22,295	22,490	1,630	4,141	1,550	1,630	1,968	5,579	64,526	22,907	22,907	193,593

TOTAL OP EXPENSE	183,599	147,688	150,058	135,885	129,534	128,643	154,080	128,730	133,003	201,238	171,784	163,669	1,827,914
LOAN PAYMENTS													
TRANSFER TO RESERVES	-8,040	27,871	25,501	39,674	46,025	50,945	21,479	47,429	42,556	-25,679	3,775	11,890	283,428



Hawaiiana Management Company, Ltd.  
Pacific Park Plaza, Suite 700  
711 Kapiolani Boulevard  
Honolulu, Hawaii 96813  
Tel: (808) 593-9100  
Fax: (808) 593-6333

### PROPERTY INFORMATION FORM

(To be used in conjunction with RR109 Sellers' Real Property Disclosure Statement-  
Condominium/Co-op/PUD/and other Homeowner Organization)

Disclaimer: The use of this form is not intended to identify the real estate license as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by real estate licensees who are members of the National Association of REALTORS® and who subscribe to its Code of Ethics.

Completion Date: 1974  
Name of Property: FAIRWAY VILLA, INC.  
All references hereafter to the word "Property" shall refer to the above.  
Property Address: 2345 Ala Wai Blvd., Honolulu, HI 96815  
Property Tax Map Key: 1-2-6-021-021

This property is managed by a licensed real estate broker.  Yes  No. If a licensed real estate broker, is managing agent registered with the Real Estate Commission as a Condominium Managing Agent?  Yes  No.

Name of Managing Agent: HAWAIIANA MANAGEMENT COMPANY, LTD.  
Managed by this Managing Agent since: June 1, 1999

Managing Agent provides (Check those services that apply):

- Administrative Management Services
- Fiscal Management Services
- Physical Management Services
- Other Management Services -

#### A. GENERAL & LEGAL

Total number of apartments: 363 Number of guest parking stalls available: 10

If applicable, what percentage of Condominium Apartments has been sold and conveyed (excluding to the Developer)? 100 %.

If applicable, what approximate percentage of Condominium Apartments is owner-occupied? 23 %.

Approximately how many foreclosures have been filed by the Board of Directors during the past twelve (12) months? 1.

What approximate percentage of owners is more than one month delinquent in maintenance fees? 1.65% (6 owners).

**\*\*If answer is "yes", using the SAME number below, describe in the space provided.\*\***

- | Yes                                 | No                                  | NTMK (Not to my knowledge) |      |   |
|-------------------------------------|-------------------------------------|----------------------------|------|---|
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (1)  | Within the past year, has the Board of Directors had discussions with the lessor regarding the purchase of the leased fee interest in the land? <input checked="" type="checkbox"/> The property is Fee Simple. <b>SEE BELOW</b>  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (2)  | Is this Property subject to phasing or development of additional increments?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (3)  | Has the Owners Association or Corporation been in control of the operations of the Property for less than two (2) years?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (4)  | Are there any lawsuits, arbitration or mediation actions affecting this Property and/or Association other than delinquent owner maintenance fees?<br>Attorney for Association of Apartment Owners:<br>NOTE: Any attorney fees or other costs incurred for further answering this inquiry shall not be at the expense of the Association of Apartment Owners, nor of the Managing Agent. |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (5)  | If property is a Condominium, does any single entity, individual or partnership own more than 10 percent of the common interest of this property?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (6)  | Are any Association or Corporation approvals required for transfer of Ownership?  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>   | (7)  | Is a resident manager's apartment a part of the common elements, or is one owned by the Association or Corporation (does not apply to Planned Unit Developments)?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (8)  | Is a time share operation existing at this Property? Name of operator:  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (9)  | Is there a hotel, transient vacation rental operation, or other organized rental program at the Property? Name of operator?   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>   | (10) | Are there commercial apartments, lots or commercial use of the common areas or common elements at the Property?   |

Number of Questions answered "YES" and Explain:

(1) Most of the apartments at Fairway Villa have acquired the leased fee interest to their apartments.

(7) Resident Manager's apartment is owned by AOA.

## B. INSURANCE

Name of Insurance Company or Agency/Broker: INSURANCE ASSOCIATES

Name of Insurance Agent: Sue Savio Phone: 526-9271

**\*Certificate of Insurance should be requested directly from the insurance agent.**

**\*\*If answer is "yes", using the SAME number below, describe in the space provided.\*\***

Yes No NTMKNote: In case of Planned Unit Development, questions #13 to #15 apply to common areas only.

- |                                     |                          |                                     |      |  |
|-------------------------------------|--------------------------|-------------------------------------|------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | (11) | Is the Property located in a designated Flood Hazard Zone? |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | (12) | Is this Property covered by Flood Insurance?               |
| <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (13) | Is this Property located in a tsunami inundation area?     |

Number of Questions answered "YES" and Explain:

(12) Insurance Associates - 526-9271

## C. FINANCIAL

Financial statements are prepared monthly and are on a cash basis.

Apartment maintenance fees include:

- Water & Sewer
- Hot Water
- Electricity
- Gas
- Air Conditioning
- Basic Cable TV Signal
- Parking
- Recreation/Community Association Dues
- Lease Rent
- Real Property Tax
- Other:
- Other:
- Other:

**\*\*If answer is "yes", using the SAME number below, describe in the space provided.\*\***

Yes    No    NTMK

- |                                     |                                     |                          |      |   |
|-------------------------------------|-------------------------------------|--------------------------|------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | (14) | Has the Association or Corporation Board of Directors approved a maintenance fee increase, special assessment, or loan? |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | (15) | Are any special assessments or loans in effect at this time?  |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | (16) | Are any assessments required to be paid in full at the time of conveyance of ownership?                                 |

Number of Questions answered "YES" and Explain:

(14) An increase in maintenance fees of 3.4 % beginning January 1, 2015.

#### **D. PROPERTY CONDITION**

- There is Reserve Plan Data for any major repairs required or planned with respect to the common elements/common areas of the Property.
- There is no Property Reserve Study available.

#### **E. DISCLAIMER**

While not guaranteed, the information contained in this Property Information Form is based on information reasonably available to the Managing Agent at the time this form was completed. It has been provided by the Managing Agent at Owner/Seller's request and is believed to be current and correct to the best of the Managing Agent's knowledge at the time this form was completed. All persons relying upon the information contained herein are advised that the information provided cannot be considered a substitute for a careful inspection of the Property and the Property's governing documents, meeting minutes, financial documents and other documentation; and that they should refer to qualified experts in the various professional fields, including but not limited to attorneys, Certified Public Accountants, architects, engineers, contractors and other appropriate professionals for a detailed evaluation of areas where additional clarification or information is desired. The person or entity completing the form is doing so only as an accommodation to the parties and shall not be held liable for any errors or omissions whatsoever. The person or entity completing this form is not required to and has not completed any special investigation, and is only reporting facts already known to that person or entity or

readily available. Specifically and without limitation, the person or entity completing the form has not reviewed any records except official records of meetings in the possession of that person or entity and only for the current year. Where the answer to a question is not applicable, unknown or is otherwise unanswerable, it has been marked "NTMK". Where the Managing Agent has marked "NTMK" or "NO" in response to a question concerning property condition, it must be recognized that this does not mean there may not be a defect which an expert could discover or the passage of time would reveal. Likewise, a problem could be more serious than the Managing Agent, the Association, the Corporation or its Board of Directors knows. All such persons having access to this Property Information Form understand and acknowledge that this Property Information Form is not a warranty or guaranty of any kind by the Managing Agent, the Association or its Board of Directors.

\*On-Site Manager's Name : Thomas Hinkle  
Phone No. : 922-5129

FOR THE BOARD OF DIRECTORS  
FAIRWAY VILLA, INC.

Date: November 3, 2015



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DEBI BALMILERO, PCAM®  
Management Executive  
HAWAIIANA MANAGEMENT COMPANY, LTD.



**FAIRWAY VILLA YEAR 2015 RESERVE PROJECTS AS OF OCTOBER 8, 2014**

COST NOW and NORM LIFE values are best estimates by Hawaiiana Management and vendors who were nice enough to inspect the property or give a best guess.											
It may be advisable to employ an expert to evaluate those projects with high cost.											
				RESERVE FUND STATUS - COMPONENT METHOD				M. FEE	RESERVE.	MAINT.	
First Plan Year - Calendar	2015	Reference Year	2014	THE MODEL'S FINDINGS FOR % FUNDING				2014 Deficit	CHANGE	CONTRIB	FEEES
Final Plan Year	2034			Recommended Reserve Funding	100%		606,277	30%	504,843	2,655,910	
2014 Maintenance Fees	2,036,268	2015 Maint Fees	2,105,501	Target Reserve Funding Level	50%		6,375	3.46%	(44,342)	2,106,725	
2014 Other Income	12,956	2015 Othr Inc	5,841	Minimum Reserve Funding Level	50%		6,375	3%	(44,342)	2,106,725	
2014 Operating Expenses	-1,612,425	2015 Exp	-1,827,914	EOY 2015 Funding % @ Approved Lev	49.89%			3%	(45,566)	2,105,501	
2014 Reserve Contribution	436,799	2015 Contribution	283,428	Condition Codes	Source Codes			Source Codes			
Projected Reserves At Start of 2015	593,528	Target Funding L	50%	EXCELNT	E	Contractor Proposal	1	Cost at Similar Project		5	
Projected Reserve % at Start of 2015	49.5%	Tgt Ann Contrib	96,415	GOOD	G	Contractor Estimate	2	Statistical Guideline		6	
Minimum Inflation	3.0%	Req Contrib-Tgt	102,789	FAIR	F	Engineer/Arch Estimate	3	Inflate First Year?		Yes	
Projected Savings Interest	2.0%	App. % Change	3.4%	POOR	P	Cost When Last Done	4				
CAPITAL INVENTORY		NORM	DONE	LAST	CO	NEXT	COST	COST	FUNDING	EOY	
ITEM	ADJUSTMENT	LIFE	LAST	COST	ND	DUE DATE	NOW	SRC	RQMNT	RES	DEFICIT
Pool Restrooms	7	15	1993	13012.78	F	2015	92,700		88,486	88,486	
Waste Water Pipe Replacement Phase 1	11	30	1974		P	2015	85,000		82,927	82,927	
Gate Arm Operators	21	20	1974			2015	60,000		58,537	58,537	
Booster Pumps		15	2000		G	2015	42,981		40,116	40,116	
Sun Chairs	-4	10	2009	15938.97	E	2015	20,600		17,167	17,167	
Pool - Gas Heater	1	20	1994			2015	5,150		4,905	4,905	
Pool Resurfacing		10	2005	10000		2015	5,000		4,500	4,500	
Sump Pumps	1	15	1999		G	2015	4,298		4,029	4,029	
Circulating Pumps	1	15	1999		G	2015	3,683		3,453	3,453	
Elevator Cab Interiors	1	15	2000		F	2016	65,564		57,369	57,369	
Rollup Entry Gate	1	20	1995		G	2016	58,946		53,332	53,332	
Roof Exhaust System	1	15	2000		F	2016	42,981		37,608	37,608	
Scheduled Elect/Lights Rplcmnts		8	2008		F	2016	29,576		22,182	22,182	
Pool BBQ Seating Area	1	15	2000			2016	20,000		17,500	17,500	
Security Cameras - Parking		12	2004		F	2016	12,280		10,233	10,233	
Hot Tub	3	10	2003	825.84	P	2016	11,289		9,552	9,552	
Lobby Furnishings	2	10	2004			2016	10,300		8,583	8,583	
Fire Doors	1	15	2000		G	2016	7,736		6,769	6,769	
Security Cameras - Elevator		12	2004		G	2016	7,368		6,140	6,140	
Vehicle/Personnel Annunciator Transceivers		11	2005		G	2016	5,526		4,521	4,521	
CCTV		10	2006		E	2016	4,077		3,262	3,262	
Pool Pump & Equipment		10	2006		G	2016	1,965		1,572	1,572	
Pool Filter		10	2006		G	2016	1,277		1,022	1,022	
Lobby Window Replacement	13	30	1974		F	2017	50,000		46,512	46,512	
Window Hallway Jalousie	5	20	1992		G	2017	10,315		9,077	3,252	5,826
Furniture (Office)	5	10	2002		G	2017	3,437		2,750		2,750
Sauna (2)	5	40	1974		F	2019	35,492		31,548		31,548
Lobby Painting/Décor		7	2012	11138.13	E	2019	11,816		3,376		3,376
Shampooer		10	2009	3000	G	2019	3,387		1,694		1,694
Gas Water Heating System		15	2005		E	2020	73,682		44,209		44,209
Waste Water Lines Consultant	6	10	2004			2020	20,600		12,875		12,875
Plumbing Valve Replacmnt II		15	2005		G	2020	4,298		2,579		2,579
Stair Railings interior		25	1995		G	2020	2,653		2,016		2,016
Lobby Furniture		10	2011	27457.12	G	2021	29,129		8,739		8,739
Interior Painting Phase I		13	2008	7983.32	F	2021	8,470		3,909		3,909
Emergency Generator		30	1992		G	2022	101,311		74,295		74,295
Door Signage		25	1997		G	2022	14,737		10,021		10,021
Scaffolding		10	2012	5851.31	E	2022	6,208		1,242		1,242
Lobby Renovation		25	1998		G	2023	36,467		23,339		23,339
Security Station Remodel		23	2000		P	2023	30,701		18,688		18,688
Access Contol Cameras		20	2003		G	2023	11,176		6,147		6,147
Security-Radio		10	2013		F	2023	4,120		412		412
Painting/Exterior Spall/Garage		10	2014	625000	E	2024	625,000				
Hallway Carpet		15	2009	160999.54	E	2024	189,291		63,097		63,097
RM Manager Unit Renovation & AC		15	2009	28109.41	G	2024	29,822		9,941		9,941
Hallway Light Replacement		15	2009	21481.46	E	2024	22,790		7,597		7,597
Lanai Spall/Waterproofing		10	2014	20000		2024	20,000				
Security Camera System		20	2004		G	2024	15,228		7,614		7,614
Parking Garage Entry Ramp Resurfacing		10	2014	14000	F	2024	14,420				

CAPITAL INVENTORY		NORM	DONE	LAST	CO	NEXT	COST	COST	FUNDING	EOY	
ITEM	ADJUSTMENT	LIFE	LAST	COST	ND	DUE DATE	NOW	SRC	RQMNT	RES	DEFICIT
Elevator Housing Air Conditioner		15	2009	10471.2	E	2024	11,289		3,763		3,763
Security Cameras - Building		20	2004		F	2024	9,947		4,974		4,974
Pool Chair Lift		12	2012	6580	E	2024	6,980		1,163		1,163
Chain Link Fencing P1/P2		10	2014	5000	G	2024	5,150				
Access Control System		23	2002		G	2025	61,401		32,035		32,035
Surf Rack Enclosure		20	2006	17718.06	E	2026	18,798		7,519		7,519
Security Cameras		20	2006		E	2026	9,825		3,930		3,930
Security Cameras - Pool		20	2006		E	2026	9,209		3,684		3,684
Trash Compactor		15	2012	34243.82	G	2027	36,329		4,844		4,844
Surfboard Storage Racks (Free Standing)		15	2012	14513.57	E	2027	15,397		2,053		2,053
Pool Re-Tile/Resurface		20	2007	4662.47	F	2027	5,516		1,931		1,931
29th Flr Elevator Landing Glass Doors		20	2007	3842	G	2027	4,545		1,591		1,591
Fire Alarm System Roof Stairwells Electric Strike		15	2013		G	2028	6,218		415		415
Interior Painting Phase II		20	2009	22915.24	E	2029	25,887		6,472		6,472
Roof-Fan & Stair Roof		20	2010	3000	G	2030	3,548		710		710
28th & 29th Floor Decks Resurface & Leveling		20	2012	87650.93	G	2032	90,281		9,028		9,028
Surf Rack Enclosure		20	2012	9000.11	E	2032	9,548		955		955
Fire Alarm System Repair		25	2008	199000	E	2033	236,615		56,788		56,788
Trash Chute		30	2003		E	2033	92,103		33,771		33,771
P-6 Drain Gate Valve		20	2013	5182.2	E	2033	5,337		267		267
Electrical Emergency Transfer Switch		30	2007	8452	G	2037	9,541		2,226		2,226
Elevator System Modernization		30	2010	553731.53	F	2040	623,229		83,097		83,097
Encapsulate V. Tile		41	1999		G	2040	6,141		2,247		2,247
Plumbing Investigate 29th flr. Lines		99	2008		F	2107	1,775		108		108
Hallway Crown Molding		99	2009	15110.31	E	2108	15,784		797		797
2014 End Yr Totals							3,293,240		1,199,804	593,528	606,277

Fairway Villa

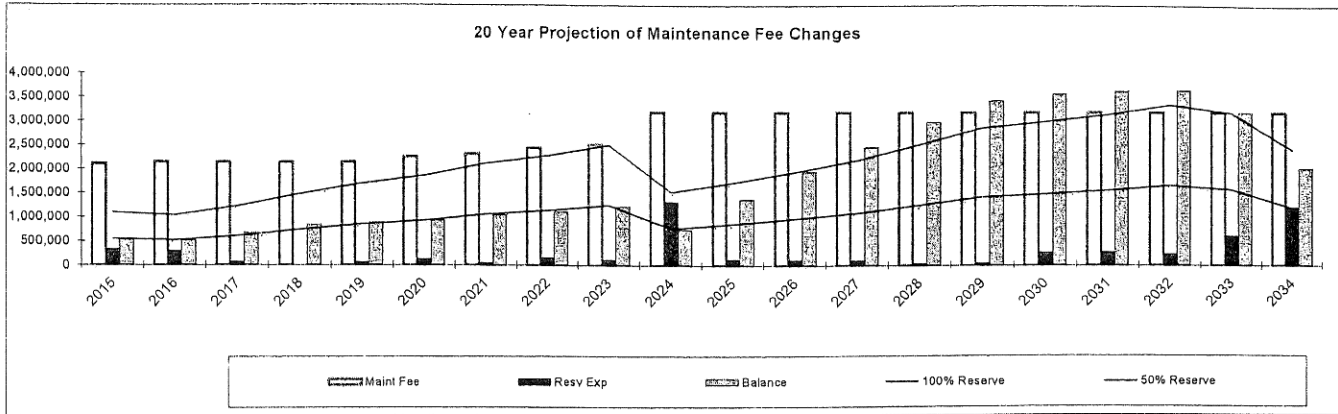
Board Approved 2015 Cash Flow Plan

Prepared By: Debi Balmilero and Hawaiiana Management Company, Ltd

Maintenance Fee Plan to Accomplish All Known Improvements and Repairs For Next 20 Years

Assumed Rate of Inflation: 3%

Assumed Savings Interest Rate: 2%



Contingency Reserve Fur \$0

CY Year	Starting Balance	-Reserve Expense	-Loan Payments	-Operating Expenses	+Maint. Fees	+Other Income	+Interest Income	=Ending Balance	% Maint. Fee Change	Net Reserve Contrib.	Percent Funded
2015	593,528	328,994	0	1,827,914	2,105,501	5,841	Included	547,961	3.4%	(45,566)	50%
2016	547,961	295,871	0	1,882,752	2,147,611	4,629	10,695	532,274	2.0%	(26,383)	51%
2017	532,274	69,663	0	1,939,234	2,147,611	4,629	12,079	687,696	0.0%	143,343	56%
2018	687,696	0	0	1,997,411	2,147,611	4,629	15,302	857,827	0.0%	154,829	58%
2019	857,827	58,769	0	2,057,334	2,147,611	4,629	17,518	911,482	0.0%	36,137	54%
2020	911,482	120,877	0	2,119,054	2,254,992	4,629	18,427	949,599	5.0%	19,690	51%
2021	949,599	46,242	0	2,182,625	2,322,641	4,629	19,976	1,067,978	3.0%	98,403	50%
2022	1,067,978	154,870	0	2,248,104	2,438,774	4,629	21,764	1,130,171	5.0%	40,428	50%
2023	1,130,171	107,597	0	2,315,547	2,511,937	4,629	23,538	1,247,130	3.0%	93,422	50%
2024	1,247,130	1,316,355	0	2,385,014	3,190,160	4,629	19,877	760,427	27.0%	(306,580)	50%
2025	760,427	120,429	0	2,456,564	3,190,160	4,629	21,386	1,399,609	0.0%	617,796	81%
2026	1,399,609	112,002	0	2,530,261	3,190,160	4,629	33,517	1,985,652	0.0%	552,526	102%
2027	1,985,652	103,899	0	2,606,169	3,190,160	4,629	44,560	2,514,933	0.0%	484,721	115%
2028	2,514,933	39,125	0	2,684,354	3,190,160	4,629	55,012	3,041,255	0.0%	471,310	121%
2029	3,041,255	45,607	0	2,764,884	3,190,160	4,629	64,668	3,490,220	0.0%	384,297	122%
2030	3,490,220	269,282	0	2,847,831	3,190,160	4,629	70,581	3,638,477	0.0%	77,676	121%
2031	3,638,477	273,399	0	2,933,266	3,190,160	4,629	72,651	3,699,252	0.0%	(11,876)	118%
2032	3,699,252	230,871	0	3,021,264	3,190,160	4,629	73,412	3,715,317	0.0%	(57,346)	111%
2033	3,715,317	613,712	0	3,111,902	3,190,160	4,629	68,998	3,253,490	0.0%	(530,825)	102%
2034	3,253,490	1,215,585	0	3,205,259	3,190,160	4,629	52,809	2,080,244	0.0%	(1,226,055)	86%
2035	2,080,244	313,887	0	3,301,417	3,190,160	4,629	37,400	1,697,129	0.0%	(420,515)	87%
2036	1,697,129	181,713	0	3,400,459	3,269,914	4,629	30,866	1,420,366	2.5%	(307,629)	50%
2037	1,420,366	45,971	0	3,502,473	3,727,702	4,629	30,246	1,634,499	14.0%	183,887	50%
2038	1,634,499	11,234	0	3,607,547	3,802,256	4,629	34,571	1,857,173	2.0%	188,104	50%
2039	1,857,173	537,217	0	3,715,773	4,220,504	4,629	36,865	1,866,181	11.0%	(27,858)	50%
2040	1,866,181	1,533,357	0	3,827,247	4,832,477	4,629	32,089	1,374,771	14.5%	(523,498)	50%
2041	1,374,771	64,704	0	3,942,064	4,832,477	4,629	35,799	2,240,908	0.0%	830,338	70%
2042	2,240,908	132,549	0	4,060,326	4,832,477	4,629	51,260	2,936,399	0.0%	644,231	81%
2043	2,936,399	50,700	0	4,182,136	4,832,477	4,629	64,771	3,605,440	0.0%	604,270	87%
2044	3,605,440	1,674,192	0	4,307,600	4,832,477	4,629	60,662	2,521,416	0.0%	(1,144,686)	82%