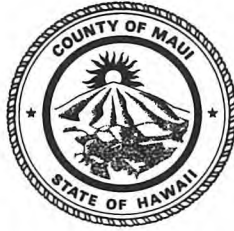


ALAN M. ARAKAWA
Mayor



PATRICK K. WONG
Corporation Counsel

EDWARD S. KUSHI
First Deputy

LYDIA A. TODA
Risk Management Officer
Tel. No. (808) 270-7535
Fax No. (808) 270-1761

DEPARTMENT OF THE CORPORATION COUNSEL
COUNTY OF MAUI
200 SOUTH HIGH STREET, 3RD FLOOR
WAILUKU, MAUI, HAWAII 96793
EMAIL: CORPCOUN@MAUICOUNTY.GOV
TELEPHONE: (808) 270-7740
FACSIMILE: (808) 270-7152

July 17, 2018

MEMO TO: Don S. Guzman, Chair
Parks, Recreation, Energy, and Legal Affairs Committee

FROM: Moana M. Lutey, Deputy Corporation Counsel

SUBJECT: LITIGATION MATTERS - Settlement of Claims and Lawsuits
(PRL-1)
Settlement of Claim: Lexington Insurance
Claim No.: 30153916459-0001

Pursuant to Section 3.16.020B of the Maui County Code, our department hereby requests authorization to discuss settlement of the aforementioned claim. It is anticipated that an executive session may be necessary to discuss questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee. There is no immediate deadline to this matter.

Copies of the claim and proposed resolution are enclosed. We request that a representative from the Department of Water Supply be in attendance during discussion of this matter. If you have any questions, or concerns, please do not hesitate to contact me.

cc: Gladys C. Baisa, Director,
Department of Water Supply

MML:cs

2018 JUL 17 3:35 PM
OFFICE OF THE
CORPORATION COUNSEL

RECEIVED

Resolution

No. _____

AUTHORIZING SETTLEMENT OF CLAIM NO. 30153916459-0001
OF LEXINGTON INSURANCE COMPANY,
ON BEHALF OF ITS INSURED, KIHEI SANDS AOA

WHEREAS, Lexington Insurance Company filed Claim No. 30153916459-0001 on April 29, 2015, against the County of Maui for property damage to the Kihei Sands Condominium resulting from a broken water pipe on March 26, 2015; and

WHEREAS, Kihei Sands AOA is insured for such damage by Lexington Insurance Company; and

WHEREAS, Lexington Insurance Company, as subrogee of this claim, has alleged that the County of Maui is liable for the expenses paid by Lexington Insurance Company; and

WHEREAS, the County of Maui and Lexington Insurance Company, to avoid incurring expenses and the uncertainty of a judicial determination of the parties' respective rights and liabilities, have reached a proposed resolution of this claim by way of a negotiated settlement; and

WHEREAS, having reviewed the facts and circumstances regarding this matter and being advised of attempts to reach resolution of this claim by way of a negotiated settlement by the Department of the Corporation Counsel, the Council wishes to discuss the settlement offer; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

Resolution No. _____

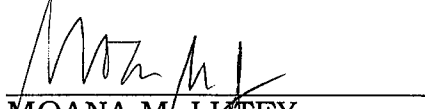
1. That it hereby approves settlement of Claim No. 30153916459-0001 by Lexington Insurance Company in the amount of THREE HUNDRED TWENTY THOUSAND AND NO/100 DOLLARS (\$320,000); and

2. That payment is authorized to satisfy settlement of this claim following the execution of the "Release of Claim" by Lexington Insurance Company; and

3. That it hereby authorizes the Director of Finance to satisfy said settlement of this case, under such terms and conditions as may be imposed, and agreed to, by the Corporation Counsel; and

4. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Director of Water Supply, and the Corporation Counsel.

APPROVED AS TO FORM
AND LEGALITY:



MOANA M. LUTEY
Deputy Corporation Counsel
County of Maui

RISK 2015-0233

Case Summary Report

Agency: MPD Case Number: 15-012631 Date: 3/31/2015 15:17:16
 Last Modified: 3/27/2015 10:06:45

Incident Information			
Date/Time Reported	Date/Time Found	Date/Time Found	Officer
03/26/2015 09:13	03/26/2015 09:13	03/26/2015 09:13	(15363) AKAU, ADAM K
Incident Location			
115 N Kihei Rd, Kihei, HI 96753			
Location Comment: @KIHAI SANDS			

Charges					
1	Charge Type	Description	Statute	UCR	<input type="checkbox"/> Alt <input checked="" type="checkbox"/> Com
	State	PERSONAL ASSISTANCE	ASSIST	999	
Alcohol, Drugs or Computers Used		Location Type	Premises Entered	Forced Entry	Weapons
<input type="checkbox"/> Alcohol <input type="checkbox"/> Drugs <input type="checkbox"/> Computers		HOTEL/MOTEL/ETC.		<input type="checkbox"/> Yes <input type="checkbox"/> No	1.
Entry	Exit	Criminal Activity			2.
					3.
Bias Motivation		Bias Target	Bias Circumstances		Hate Group

Victims						
Seq. #	Type	Injuries	Residency Status		Ethnicity	
1	BUSINESS	None				
Name (Last, First, M)			Race	Sex	DOB	Age
KIHAI SANDS						
Address					Home Phone	
115 N KIHAI RD, KIHAI, HI 96753						
Employer Name/Address			Occupation		Business Phone	
KARRIE LASATER /			PROPM		(808) 879-2624	
Victim of Crimes		Driver's License		SSN	Cellular Phone	
1						

Case Summary Report

Agency: MPD

Case Number: 15-012631

Date: 3/31/2015 15:17:16

Last Modified: 3/27/2015 10:06:45

Other Persons Involved

Name Code	Seq. #	Name (Last, First, M)	Race	Sex	DOB
Reporting Party	1	LASATER, KARRIE	W	F	
Address		SSN	Home Phone		
300 KAUKINI LOOP, WAIHEE, HI 96761					
Employer Name/Address		Occupation	Business Phone		
KIHEI SANDS / 115 NORTH KIHEI ROAD		GENERAL MANAGER	(808) 879-2624		
Insurance Company	Policy Number	Expiration Date	Driver's License	Cellular Phone	
			/	(808) 269-8487	

Synopsis

RP-1 requested Police assistance on behalf V-1 that a fire hydrant No. 272 was leaking water and flooding the parking lot at listed location. Upon Police arrival fire hydrant no.272 was observed with large amounts of water leaking from beneath. RP-1 related prior to Police arrival she contacted the Department of Water and that they were responding to fix the fire hydrant. V-1 further related the parking lot and all 15 units located down stairs had been flooded due to the leakage. V-1 satisfied with Police assistance. Report for records purposes.

SB 60373

DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
CONSUMER COMPLAINT & METER FIELD RECORD

Name JOHN ATLAN Date 3-26-15 District WINEG

Address 115 N. WINEG RD. Phone 876-2624

Time of Call 9 am Time Dispatched 9 am

Leaking:	Other:
<input checked="" type="checkbox"/> Hydrant	<input type="checkbox"/> Excessive Pressure
<input type="checkbox"/> Main	<input type="checkbox"/> Deficient Pressure
<input type="checkbox"/> Service	<input type="checkbox"/> No Water
<input type="checkbox"/> Meter	<input type="checkbox"/> Dirty Water, Odor & Taste
<input type="checkbox"/> Coupling	<input type="checkbox"/> Noise

Miscellaneous WIP LEAK FROM BOTTOM

Complaint by: J Prepared by: GWA Informed Maintenance HA

This section needs to be filled out by employee who responded to call & reviewed by Supervisor.

*Actual problem if different from above: _____

*Time Responded to Call: _____

*Action Taken: _____

*If meter was leaking, Meter Reading _____ Meter # _____

*Check one - Meter leak found on County Side _____ or Consumer Side _____

*If leak was on Consumer's side, Consumer's name you notified verbally _____ or if Consumer was not available was blue tag hung _____

*If main leak, actual location _____

Size of pipe _____ Type of pipe _____ Footage replaced _____

*If a job order was needed for this 57/60, note Job Order# _____

*Police Report# _____ if applicable.

*Date Action Taken: _____ By: _____ Time Job Completed: _____

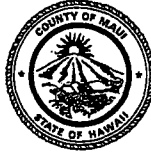
Reviewed By - Supervisor: _____ Division Head _____

DANNY A. MATEO
County Clerk

RECEIVED

2015 MAY -6 PM 1: 55

CORPORATION COUNSEL
RISK MANAGEMENT



OFFICE OF THE COUNTY CLERK

COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/county/clerk

May 6, 2015

JOSIAH K. NISHITA
Deputy County Clerk

RECEIVED
CORPORATION COUNSEL

2015 MAY -6 PM 1: 41

LN 5/6/15
Jkemail 5-7-15
to ML 5-7-15

Sedgwick Claims Management Services, Inc.
Via email: 6395CountyofMaui@sedgwickcms.com

Attn: Unit Code 99

Respectfully transmitted is a copy of a claim against the County of Maui filed by Corey H. Chubner, on behalf of Lexington Insurance Company, which was received by our office on May 5, 2015.

Respectfully,

A handwritten signature in cursive script that reads "Danny A. Mateo".

DANNY A. MATEO
County Clerk

Attachment

cc: Mayor
✓ Corporation Counsel
Council Chair

/lks

COUNTY OF MAUI

CLAIM FOR DAMAGE OR INJURY

PLEASE PRINT CLEARLY

- 1. Claimant: Mr. Mrs. Ms. Lexington Insurance Company
- 2. Address: c/o Denenberg Tuffley, PLLC 28411 Northwestern Highway, Ste. 600, Southfield, MI 48034
- 3. Telephone No.: Business 248-549-3900 Residence _____
- 4. Date of Accident: March 26, 2015
- 5. Location of Accident: 115 N. Kihei Road, Kihei, HI 96753
- 6. Amount of Claim: Property Damage \$ TBD Personal Injury \$ TBD

7. Describe the accident in detail. Indicate all the facts, causes, persons involved, witnesses, extent of damage, etc., and why you think the County is responsible. You may write on the back if needed.

A fire hydrant failed at the base and flooded Claimant's insured's property.
As a result, water, mud, and sand flooded all the ground floor units and the
swimming pool. Claimant will provide proof of loss documents once the
adjustment for this loss is complete.

RECEIVED
 2015 MAY - 5 PM 12 35
 OFFICE OF THE
 COUNTY CLERK

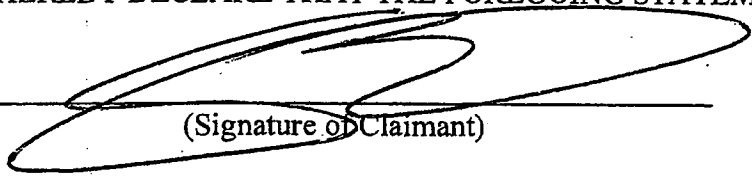
- 8. If you carry insurance applicable to this claim, please provide the name and address of the insurance company and your policy number.
- The Claimant is the insurance company for the insured, Kihei Sands, AOA.

Policy No. 41-LX-086477789-5

A. Did you file a claim with your insurance company? Yes
 If yes, amount claimed \$ TBD Deductible amount \$ TBD

B. If a claim was filed with your insurance company, what action do they intend to take?
A claim was filed with the Lexington Insurance Company (Claimant) and the Claimant
has retained Denenberg Tuffley, PLLC, to pursue a subrogation action for this loss.

I HEREBY DECLARE THAT THE FOREGOING STATEMENTS ARE TRUE AND CORRECT.


 (Signature of Claimant)

4/29/15
 (Date)



April 29, 2015

Via U.S. Mail

Office of the County Clerk
County Of Maui
200 South High Street, Room 708
Wailuku, Hawaii 96793

Re: Claim Against County of Maui
Lex Claim No.: 501-157900-SUB-1 [9216632640US]
Date of Loss: 03/26/2015
Our File No.: 90002.2825

Dear Sir/Madam:

I have enclosed a signed copy of the "Claim for Damage or Injury" form relative to the above loss. The Claimant's property damage is approximately \$362,000.00 with a \$5,000.00 deductible. We are providing the loss amounts in this letter because the form would not allow us to properly enter the above numbers. Also, as stated in the form, the adjustment for this loss is not yet complete, therefore proofs for this loss will be forthcoming.

Thank you for your attention in this regards. If you should have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

DENENBERG TUFFLEY, PLLC

Corey H. Chubner

Corey H. Chubner

CHC/jaw

Michigan Office

One Northwestern Plaza
28411 Northwestern Hwy, Suite 600
Southfield, MI 48034

T: 248.549.3900 / F: 248.593.5808

California Office

Constellation Place
10250 Constellation Blvd., Suite 2320
Los Angeles, CA 90067

T: 310.356.4683 / F: 310.284.9089

www.denenbergtuffley.com

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A BLUE BACKGROUND AND MICROPRINTING IN THE BORDER

LEXINGTON INSURANCE COMPANY

50-937/213

Claim No.: 9216632640US Policy No.: 000086477789
Reason for Payment: Advance Payment

CHECK No.: 10598676
RFP No.: 00642405
DATE: 04/25/2015

*****Fifty Thousand Dollars***

AMOUNT PAID

*****\$50,000.00

Pay TO THE ORDER OF
KIHEI SANDS AAOA

Void after 90 Days

American International Group, Inc.

JPMORGAN CHASE BANK, N.A
SYRACUSE, NY 13206

AUTHORIZED SIGNATURE

DO NOT CASH IF WATERMARK IS NOT PRESENT ON THE REVERSE SIDE OF THIS DOCUMENT - HOLD AT AN ANGLE TO VIEW

⑈ 10598676 ⑆ ⑆ 021309379 ⑆ 786420562 ⑆

5314054

ABF004

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Vertical text on the left side of the document, likely a watermark or security feature.

321370707<
territorial SB #028
04-30
028001503

TEB SAVINGS BANK

KNOW YOUR ENDORSER
REQUIRE IDENTIFICATION

Signature: *John De Rosa*
Signature: *John De Rosa*

VERIFICATION: 08-019299

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A BLUE BACKGROUND AND MICROPRINTING IN THE BORDER

LEXINGTON INSURANCE COMPANY

50-937/213

Claim No: 9216632640US Policy No.: 000086477789

Reason for Payment: Supplemental ACV

CHECK No: 10607164

RFP No: 00701494

DATE: 05/30/2015

*****Fourteen Thousand Two Hundred Sixty Nine & 80/100 Dollars*****

AMOUNT PAID

*****\$14,269.80

Pay TO THE ORDER OF KIHEI SANDS AOA

Valid after 90 Days

American International Group, Inc.

JPMORGAN CHASE BANK, N.A
SYRACUSE, NY 13206

AUTHORIZED SIGNATURE

DO NOT CASH IF WATERMARK IS NOT PRESENT ON THE REVERSE SIDE OF THIS DOCUMENT - HOLD AT AN ANGLE TO VIEW

⑈ 10607164 ⑈ ⑆ 021309379⑆ 7864 2056 2⑈

4625827

ABF004

IF YOU ARE NOT THE PAYEE, PLEASE RETURN THIS CHECK TO THE ISSUING OFFICE. IF YOU ARE THE PAYEE, PLEASE SIGN AND RETURN THIS CHECK TO THE ISSUING OFFICE. IF YOU ARE THE PAYEE AND YOU HAVE A SIGNATURE, PLEASE SIGN AND RETURN THIS CHECK TO THE ISSUING OFFICE. IF YOU ARE THE PAYEE AND YOU DO NOT HAVE A SIGNATURE, PLEASE SIGN AND RETURN THIS CHECK TO THE ISSUING OFFICE. IF YOU ARE THE PAYEE AND YOU HAVE A SIGNATURE AND YOU ARE NOT THE PAYEE, PLEASE SIGN AND RETURN THIS CHECK TO THE ISSUING OFFICE. IF YOU ARE THE PAYEE AND YOU DO NOT HAVE A SIGNATURE AND YOU ARE NOT THE PAYEE, PLEASE SIGN AND RETURN THIS CHECK TO THE ISSUING OFFICE.

>321370707<
Territorial SB #028
2015-06-03
0028699465

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE

VERIFY WATERMARK
PAY TO THE ORDER OF
TERRITORIAL SAVINGS BANK
FOR DEPOSIT ONLY
SIGNATURE: AOA KIHEI SANDS
KNOW YOU: 02018291SER
REQUIRE IDENTIFICATION

Kihei Sands

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A BLUE BACKGROUND AND MICROPRINTING IN THE BORDER

LEXINGTON INSURANCE COMPANY

50-937213

Claim No: 9216632640US Policy No.: 000086477789
Reason for Payment ACV, less ded. and prior advance

CHECK No. 10604731
RFP No. 00681460
DATE 05/20/2015

*****Two Hundred Eighty Thousand Four Hundred Eighty Two & 13/100 Dollars*****

AMOUNT PAID

*****\$280,482.13

Pay TO THE ORDER OF KIHEI SANDS AOA

Valid after 90 Days

American International Group, Inc.

JPMORGAN CHASE BANK, N.A.
SYRACUSE, NY 13206

AUTHORIZED SIGNATURE

DO NOT CASH IF WATERMARK IS NOT PRESENT ON THE REVERSE SIDE OF THIS DOCUMENT - HOLD AT AN ANGLE TO VIEW

⑈ 10604731⑈ ⑆ 021309379⑆ 786420562⑈

approved by Bob Costa

0580294

ABFO04

007833998

>321370707<
Territorial SB #028
2015-05-27
0028339928

WARNING - DO NOT CASH CHECK WITHOUT NOTING WATERMARK. HOLD AT ANGLE TO VERIFY WATERMARK. ORDER OF TERRITORIAL SAVINGS BANK FOR DEPOSIT ONLY
X
AOAO KIHEI SANDS
SIGNATURE
DATE
05/20/2015
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

For a detailed description of the security features of this document, visit the website at www.fidelity.com. This document is not a contract. It is a receipt for the amount shown. It is not a check and it is not a money order. It is not a document of title. It is not a document of ownership. It is not a document of interest. It is not a document of debt. It is not a document of equity. It is not a document of any other kind. It is a document of the kind described in the legend on the reverse side of this document.

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LEXINGTON INSURANCE COMPANY

50-937/213

Claim No: 9216632640US Policy No.: 000086477789

Reason for Payment Supplemental payment

CHECK No. 10651752
RFP No. 00037022
DATE 12/29/2015

*****Fourteen Thousand Seven Hundred Eighty One & 90/100 Dollars***

AMOUNT PAID

*****\$14,781.90

Pay TO THE ORDER OF

KIHEI SANDS AOA

Void after 90 Days

JPMORGAN CHASE BANK, N.A.
SYRACUSE, NY 13206

Amika Jackson
AUTHORIZED SIGNATURE

DO NOT CASH IF WATERMARK IS NOT PRESENT ON THE REVERSE SIDE OF THIS DOCUMENT - HOLD AT AN ANGLE TO VIEW

⑈ 10651752⑈ ⑆ 021309379⑆ 786420562⑈

5398563

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Territorial SB #028
2016-01-08
0028047572

WARNING - DO NOT CASH CHECK WITHOUT
NOTING WATERMARK. HOLD CHECK UP TO
VERIFY WATERMARK. DEPOSIT ONLY
FOR DEPOSIT ONLY
AOAO KIHEI SANDS
SIGNATURE 08019291
X
DO NOT WRITE STAMP OR SIGN BELOW THIS LINE

This document contains a blue background and microprinting on the border. Hold the paper up to a blue background to verify the blue background and microprinting. Do not cash if watermark is not present on the reverse side of this document. Hold at an angle to view.

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A BLUE BACKGROUND AND MICROPRINTING IN THE BORDER

LEXINGTON INSURANCE COMPANY

Claim No.: 9216632640US Policy No.: 800086477789
 Reason for Payment - Depreciation holdback
 *****Fifty-Five Thousand Nine Hundred Six & 72/100 Dollars***

Pay TO THE ORDER OF **KIHEI SANDS.AOAO**

JPMORGAN CHASE BANK, N.A.
 SYRACUSE, NY 13206

CHECK No. 10614792
 RFP No. 00757768
 DATE 07/02/2015

AMOUNT PAID *****\$55,906.72

Void after 90 Days

American International Group, Inc.
 AUTHORIZED SIGNATURE

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⑈ 10614792 ⑈ ⑆ 0213093791 ⑆ 786420562 ⑈

7161326
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 Ferritorial SB #028
 2015-07-08
 0028419720

DO NOT WRITE IN OR SIGN BELOW THIS LINE

Signature: *[Handwritten Signature]*
 SIGNATURE
 KNOW YOUR ENDORSER
 REQUIRE IDENTIFICATION

FOR DEPOSIT ONLY
 VERIFY WATERMARK, HOLD AT ANGLE TO
 VERIFY WATERMARK

August 30, 2016

Vera Arellano
Sedgwick CMS, Inc.
PO Box 14153
Lexington, KY 40512-4153

Email: Vera.Arellano2@Sedgwickcms.com

PRELIMINARY REPORT

Insured: County of Maui
Claim #: 30153916459-0001
D/Loss: 03/26/2015
O/File: DLA-0028107

Dear Ms. Arellano,

ASSIGNMENT

This assignment was received in our office on 08/11/2016. We were instructed to review 430 pages of subrogation demand documents, and provide an evaluation, showing depreciation and check out sales tax, etc. to determine an appropriate ACV.

INSURED & COVERAGE

At the time of this assignment, we were not informed of policy limits or coverage. The insured is County of Maui. We are not certain what party is represented by Lexington, the carrier making this demand; however it appears to be from the HOA Master Policy carrier, judging by the items being claimed.

As for other coverage, we have no data showing whether any of the individual Unit Owners filed claims of their own against their personal HO-6 policy. We don't know what the CCRs require. We don't know what the Master Policy covers – and the demand package does not include any proof they actually paid anything, or paid what they are demanding.

As far as the Independent Adjuster from Vericclaim, who provided the Xactimate estimates for repairs to Units and Common Grounds, he has used practices we do not recommend; for example, when replacing "flood cut" 2 Lineal Feet of Drywall, that is supposed to include sufficient texture to blend the new sheetrock into the undamaged area. But this adjuster has added dozens of additional hours of drywall labor on top of that. In addition he uses a calculation method on sales tax which is not the accepted standard. He adds the sales tax on materials to the repair cost before adding the 20% O&P, which then adds overhead and profit not just to labor and materials, but to the sales tax as well, which is not appropriate.

Then, after adding the material sales tax, plus 20% O&P, he then adds a “General Excise Tax” on top of the entire amount, which adds tax to the tax, and adds tax again to the O&P on the material sales Tax. We are not familiar with tax policy in the state of Hawaii. However, that does not appear to be appropriate to us.

DATE, TIME & PLACE OF ACCIDENT

This accident occurred on 03/26/2015 at Kihei Sands AOAO, a condominium complex of fifteen units on the western shore of the island of Maui, Hawaii, at 115 North Kihei Road, Kihei, HI, 965753. It appears that most of the units are owned by parties who live on the mainland, and that the condos are held for vacation rental by the property manager. But this is only inference from the documents – as details are spelled out.

FACTS OF ACCIDENT

Per the above, we do not have very substantial facts. It is not known which units may have been occupied at the time of the loss, or by whom. Nor do we know how and when the loss was discovered, by whom, or when the initial response started. We also note that the photos in Google Earth were taken 01/12/2013 – these show that the property lot adjacent to Kihei Sands on the south east is an empty lot which appears to be under construction. How this might have affected the loss as far as drainage issues in 2015 is not known.

Much of what we surmise is by inference from the carrier and vendor estimates, the other documentation, and what we can see on Google Earth. Our Loss Report states a supply pipe for a fire hydrant failed, and flooding resulted. We don't know the cause of this failure. It would seem that the water must have impacted the first floor of the buildings / units, as the mitigation all involves cutting bottom two feet of drywall. That would suggest damage to carpets and any other flooring, due to CAT 3 water (like ground water).

SCENE / PHOTOGRAPHS

Our loss report states that carrier has requested the subro claimant to release the photos taken by their I.A. of the scene. They have not provided this to us; therefore we don't have good documentation of the damages or the demo.

Per above, we have included two photos from Google Earth. One from street level of the front of the building, the other from overhead, showing the buildings, parking lot, pool and landscape, and the parking lot. From these, we see very little open or common space, in front or on the sides of the narrow lot. This lot is just 100 feet across, and 350 feet from the street to the edge of the sand on the public beach. The parking area is 100' x 100'. The buildings take up most of the lot; 100' x 175'. On the beach side, there's an area of grass and vegetation, and some deck space around a small pool. The entire area for this “landscape” is 50' x 100'.

LOSS OF EARNINGS

Oddly for a complex which has most units held for rental, there is no claim from either the Property Manager, nor the unit owners, for any loss of rents or income. Nor for any other kind of Additional Living Expense one might expect from owner-occupied units – with the exception of the electricity costs claimed for extra power during the mitigation phase.

We surmise this indicates that either separate claims are filed for those by the Unit Owners under their HO-6 policy, or that our own Loss Report does not contain that information. However, we would caution carrier that any overlapping claims should be investigated / eliminated before making any payments.

SUGGESTED RESERVES

Based on the demand amount of \$420,440.55, the data we reviewed, and the adjustments we applied to the appropriate areas of loss, we would suggest a Reserve of \$325,000.00 – less whatever the amount of the insured's deductible would be. We were not provided the insured's deductible.

LIABILITY

Evaluation of liability is outside the scope of our assignment. However, regardless of the liability for the damage to the building, we point out that if this subro claim is filed by the Master Policy against the County, as we suspect, then we need to determine why items which appear obviously to be the personal property of the Unit Owners have been claimed as “business personal property” by the HOA. If the insured HOA does not own this furniture, linens, towel, etc. then we find no evidence that the insured would be liable to the carrier making this demand to pay for those contents items, their cleaning, storage, or even moving them.

RECOMMENDATIONS

We have reviewed in painstaking detail the 430 pages of documentation presented. We cataloged the items as we reviewed them, to make a sort of index to find things. We entered the top sheets of the demand – which Lexington says add up to \$420,440.55 – into an Excel database, first to check the accuracy of the total demanded. And this shows the items and actions they list don't add up to \$420,440.55; they actually add up to \$438,793.58. We also added comments to the items and sections of this breakdown. See our attached spreadsheet called [Subro Data Spreadsheet 8-28-16.pdf].

Once this was done, we transferred a copy of this raw data to a second spreadsheet, where we entered the “Bid Comp” amounts of the carrier's own estimate v. the documentation and vendor estimates / invoices of the demand. We applied the appropriate depreciation against the RCV amount of our adjusted sub-totals, to come up with an ACV amount we feel is equitable for the damages presented. We point out that in our notes for the line items, as well as right here, we find “red flags” which indicate some of the replacement costs being turn in here do not appear to be for Like Kind and Quality, but are upgrades to cabinets, vanities,

counters, flooring, etc. Although we have no photos of the original installations at the time of the loss, we make this assumption based on descriptions in the EMS scope, as well as in the Xactimate estimates from the I.A. from Vericlim. For example, there are several instances which show that plastic laminate or formica counters have been replaced with granite or stone. Because of these discrepancies, we would not recommend entertaining settlement of this subro demand before the numerous open questions are answered and the photos from the I.A. are delivered for inspection.

We also note that the amount of the demand (\$420,440.55) does not match up with any of the executed proof of loss documents submitted.

There's no depreciation on the Final Proof of Loss dated 6/30/15. It shows an ACV of \$405,658.65. It states prior payments and deductible total \$349,751.83. As their deductible is \$5,000, this makes the amount of prior payments \$349,751.83. It show zero depreciation; meaning all repairs are completed, and holdback has been released. It also shows a "supplemental" final payment due of \$55,906.72. Which, when added to the prior allowance comes to \$405,658.55.

But it does not add up to \$420,440.55. And it certainly doesn't add up to the \$438,793.58 total found on our first spreadsheet, which is the corrected total from their top sheets.

But the Proof of Loss doc dated 05/28/2015 – two weeks earlier – shows the full cost of repair as \$368,527.21. That one also shows depreciation of \$18,775.28 being held back. It is unclear how this RCV of \$368,527.21 on 5/28 has inflated by \$37,131.34, to \$405,658.55 during the next month.

There is also a third Proof of Loss executed on 05/13/2015. This one shows an RCV of \$360,688.53 depreciation holdback of (\$25,206.40) for an ACV of \$335,482.13. So, from this proof of 5/13, the RCV will increase by \$7,838.68 to RCV of \$368,527.21 on 5/28/15. But again, exactly what causes this is not clear. The repair costs total from the Vericlims Xactimate of 5/19/15 are as follows:

Replacement Cost Value (Bldg)	\$ 184,192.90
Less Depreciation	(12,206.20)
Actual Cash Value	171,986.70
Less Deductible	<u>(5,000.00)</u>
Net Claim	\$ 166,986.70

There are no other adjustments made to the Vericlim Xactimate after that – however, it is apparent that the HOA hired different contractors for different amounts, and submitted the bills. Was there any effort to reconcile these much higher invoices with the Xactimate from Vericlim? If there was, there is no record in our data.

And there lies a problem – because it is these increases, apparently spurred by the higher vendor bids being accepted, where the "betterment" is shoe-horned into the demand. Formica

replaced with granite, etc. It is unclear whether Lexington approved this. But we would suggest that we not do the same.

We attach a second Excel Spreadsheet with our Adjusted Cost data, with the filename: [Subro Data ADJUSTED 8-29-16] This spreadsheet shows the following bottom line:

Replacement Cost Value (Bldg)	\$ 370,831.78
Less Depreciation / Adjustments	<u>(47,647.49)</u>
Actual Cash Value	\$ 323,184.29

FURTHER INVESTIGATION

At the request of the carrier, we have tried to limit the investigation time to complete this report. There are a number of additional steps we would suggest, including:

- Review our analysis with carrier following this report
- Obtain photos of the loss from the Vericclaim Adjuster
- Conduct a review of the very high water mitigation charges
- Conduct a review of the landscaping invoice / charges
- Require subro claimant to audit and resubmit their "list" – and have it add up correctly
- Require subro claimant to confirm no Unit Owners were paid for repairs by their HO-6
- Require subro claimant to submit evidence of payment of the amount demanded
- If instructed, do further investigation of sales tax practices in Hawaii and adjust
- Follow up on any other instructions from the carrier

COMMENTS

We are taking this opportunity to submit our interim service invoice for your consideration. Our next report will follow in 30 days or less.

Sincerely,



Rick Natkin – Adjuster
RNatkin@DavidMorse.com
Cell: 858-353-5695

Encls:

2 Photographs: Google Earth
Subro Data ADJUSTED 8-29-16
Subro Data Spreadsheet 8-28-16
Subro Review Notes
Activity Log
Service Invoice

DATA Spreadsheet – Subro Docs – ADJUSTMENTS for ACV

DLA-0028197

Your Claim: 30153916459-0001

Vendor	BLDG / Contents	Claimant	Item RCV	Total RCV	Adjusted RCV	Depreciation / Adjustment	ACV	Comments
Lexington Damage Summary	(both)	(ALL)		\$ 420,440.55	\$ 370,831.78	\$ (47,647.49)	\$ 323,184.29	After transfer of data from Carriers Subro top sheet to this database, it does not add up...
(Top Sheet Details)								
Lowes Faucet	B	Unit A-1	\$ 98.44					RCV from Adjuster Carrier's Adjuster Estimate is only \$14,493.60 RCV.
Island Independence	B	Unit A-1	\$ 14,527.55					
Island Independence	B	Unit A-1	\$ 743.75					
Tile Cleaning / Seal	B	Unit A-1	\$ 550.00					All of the Items other than first Island Indy for \$14,527.55 are contained in the Adjuster
Final Cleaning	B	Unit A-1	\$ 237.50					Estimate. They don't need to be added again.
Electric	B	Unit A-1	\$ 260.00		\$ 322.00	\$ (112.00)	\$ 210.00	
Fornica Counter	B	Unit A-1	\$ 1,381.24					Electric Reimburse is 100% ?
Tile Repair	B	Unit A-1	\$ 350.00					
Sub-top / part of —?	B	Unit A-1	\$ 489.16					
Dishwasher	B	Unit A-1	\$ 698.61					
Carrier's Sub-total	B	Unit A-1		\$ 19,336.25	\$ 14,672.05	\$ (238.22)	\$ 14,433.83	
Island Independence	B	Unit A-2	\$ 9,853.13					RCV from Adjuster Carrier's Adjuster Estimate is only \$15,680.80 RCV.
Island Independence	B	Unit A-2	\$ 5,208.35					
Vanity	B	Unit A-2	\$ 266.25					
Counters	B	Unit A-2	\$ 693.82					All of the Items other than first two Island Indy for \$15,061.48 are contained in the Adjuster
Counter Install	B	Unit A-2	\$ 487.50					Estimate. They don't need to be added again.
Floors	B	Unit A-2	\$ 2,452.20					
Cleaning	B	Unit A-2	\$ 237.50					
Carrier's Sub-total	B	Unit A-2		\$ 19,198.75	\$ 15,680.80	\$ (1,773.89)	\$ 13,906.91	

DATA Spreadsheet – Subro Docs – ADJUSTMENTS for ACV

DLA-0028197

Your Claim: 30153916459-0001

Vendor	BLDG / Contents	Claimant	Item RCV	Total RCV	Adjusted RCV	Depreciation / Adjustment	ACV	Comments
Repairs per Belfor	B	Unit A-3	\$ 11,173.26					
Tile Cleaning / Seal	B	Unit A-3	\$ 550.00					RCV from Adjuster Carrier's Adjuster Estimate is \$13,556.13 RCV.
Curtain Cleaning	B	Unit A-3	\$ 385.00					
Electricity	B	Unit A-3	\$ 152.57	\$ 301.65	\$ (140.00)	\$ 161.65		It appears the actual cost is less: \$12,260.83
Carrier's Sub-total	B	Unit A-3		\$ 12,260.83	\$ 13,556.13	\$ (671.01)	\$ 12,885.12	
Repairs Per Vericclaim ADJ	B	Unit A-4	\$ 18,297.95		\$ 18,297.95	\$ (2,319.28)	\$ 15,978.67	Subro asking for the ADJ's Estimate amount.
Electricity	B	Unit A-4	\$ 240.77		\$ 192.94	\$ (145.00)	\$ 47.94	Documentation does not support they incurred
Carrier's Sub-total	B	Unit A-4		\$ 18,538.72				
Repairs Maui Fire & Flood	B	Unit A-5	\$ 21,477.71		\$ 10,702.32	\$ (2,123.45)	\$ 8,578.87	RCV from Adjuster Carrier's Adjuster Estimate is \$10,702.32.. Justify?
Carrier's Sub-total	B	Unit A-5		\$ 21,477.71				
Drywall	B	Unit A-6	\$ 5,312.51		\$ 8,914.42	\$ (1,321.45)	\$ 7,592.97	RCV from Adjuster Carrier's Adjuster Estimate is \$8,914.42 .. Justify?
Millwork	B	Unit A-6	\$ 1,979.17					
Kitchen	B	Unit A-6	\$ 1,458.00					
Electricity	B	Unit A-6	\$ 312.55		\$ 312.66	\$ (115.00)	\$ 197.66	There's also a BID from Lara's Remodel to complete repairs for \$14,968.76. Far too high -- but still less than what Subro asks for.
O / P	B	Unit A-6	\$ 975.00					
Thurgood	B	Unit A-6	\$ 650.00					
Cleaning	B	Unit A-6	\$ 448.44					
Formica Counter	B	Unit A-6	\$ 2,001.43					
Sink	B	Unit A-6	\$ 218.48					
Leopoldo S. HVAC	B	Unit A-6	\$ 1,952.00					
Carrier's Sub-total	B	Unit A-6		\$ 15,307.58				

DATA Spreadsheet – Subro Docs – ADJUSTMENTS for ACV

DLA-0028197

Your Claim: 30153916459-0001

Vendor	BLDG / Contents	Claimant	Item RCV	Total RCV	Adjusted RCV	Depreciation / Adjustment	ACV	Comments
Repairs – RVS	B	Unit A-7	\$ 15,223.86		\$ 11,526.61	\$ (2,881.65)	\$ 8,644.96	RCV from Adjuster Carrier's Adjuster Estimate is \$11,526.61.. Justifiy Extra \$5K?
Kitchen Faucet	B	Unit A-7	\$ 135.32					
Bathroom Faucet	B	Unit A-7	\$ 112.50					
Dishwasher	B	Unit A-7	\$ 280.21					
Clean / Reseal Tile	B	Unit A-7	\$ 550.00					
Final Cleaning	B	Unit A-7	\$ 330.00					
Sink	B	Unit A-7	\$ 208.33					
Carrier's Sub-total	B	Unit A-7		\$ 16,840.22				
Repairs – Vericclaim ADJ	B	Unit A-8	\$ 15,340.18		\$ 15,340.18	\$ (2,301.03)	\$ 13,039.15	Using ADJ Vericclaim Est. But no evidence any of this was incurred. Where's the proof? Electric Reimburse is 100% ?
Electricity	B	Unit A-8	\$ 244.25		\$ 211.00	\$ (175.00)	\$ 36.00	
Carrier's Sub-total	B	Unit A-8		\$ 15,584.43				
Repairs – Maui Fire & Flood	B	Unit A-9	\$ 5,198.29		\$ 5,444.74	\$ (1,361.19)	\$ 4,083.56	ADJ Xmate is \$5,444.74.
Carrier's Sub-total	B	Unit A-9		\$ 5,198.29				
Claim Owed per Ken (??)	B	Unit A-10	\$ 341.55					Using ADJ Vericclaim Est. But no evidence any
Repairs – Vericclaim ADJ	B	Unit A-10	\$ 4,583.85		\$ 4,583.85	\$ (838.54)	\$ 3,745.31	of this was incurred. Where's the proof?
Carrier's Sub-total	B	Unit A-10		\$ 4,925.40				
Repairs – Vericclaim ADJ	B	Unit A-11	\$ 13,573.84		\$ 13,573.84	\$ (1,549.82)	\$ 12,024.02	Using ADJ Vericclaim Est. But no evidence any
Electricity	B	Unit A-11	\$ 225.07		\$ 162.00	\$ (95.00)	\$ 67.00	of this was incurred. Where's the proof?
Carrier's Sub-total	B	Unit A-11		\$ 13,798.91				
Repairs – Vericclaim ADJ	B	Unit A-12	\$ 7,204.56		\$ 7,204.56	\$ (1,154.90)	\$ 6,049.66	Using ADJ Vericclaim Est. But no evidence any
Electricity	B	Unit A-12	\$ 300.43		\$ 212.00	\$ (110.00)	\$ 102.00	of this was incurred. Where's the proof?
Carrier's Sub-total	B	Unit A-12		\$ 7,504.99				

DATA Spreadsheet – Subro Docs – ADJUSTMENTS for ACV

DLA-0028197

Your Claim: 30153916459-0001

Vendor	BLDG / Contents	Claimant	Item RCV	Total RCV	Adjusted RCV	Depreciation / Adjustment	ACV	Comments
Repairs (MD)	B	Unit A-13	\$ 3,687.10		\$ 5,427.28	\$ (814.09)	\$ 4,613.19	Repairs by MD Restor. Maui
Suplmnt Mitigation (mold)	B	Unit A-13	\$ 2,366.02					← This is mold – their fault. Not paying it.
Triple L Plumbing	B	Unit A-13	\$ 340.73					
Nick Yost	B	Unit A-13	\$ 3,300.00					RCV from Adjuster Carrier's Adjuster Estimate
Home Depot	B	Unit A-13	\$ 1,101.81					is \$5,427.28 RCV.
Cleaning	B	Unit A-13	\$ 241.50					All the Add'l stuff is to repair mold damage later
Tile Sealing	B	Unit A-13	\$ 400.00					
Electricity	B	Unit A-13	\$ 152.47		\$ 153.00	\$ (75.00)	\$ 78.00	
Carrier's Sub-total	B	Unit A-13		\$ 11,589.63				* Carrier \$19,741.93
Repairs – Maui Fire & Flood	B	Unit A-14	\$ 15,127.92		\$ 10,219.84	\$ (1,532.98)	\$ 8,686.86	RCV from Adjuster Carrier's Adjuster Estimate
Carrier's Sub-total	B	Unit A-14		\$ 15,127.92				is \$10,219.84 RCV. Justify?
Repairs – Vericclaim ADJ	B	Unit A-15	\$ 20,881.45		\$ 18,208.59	\$ (2,731.29)	\$ 15,477.30	RCV from ADJ Vericclaim is \$18,280.59, not
Counter top	B	Unit A-15	\$ 3,166.21					20881.45 – and the Counter was plastic. Add'l
HVAC	B	Unit A-15	\$ 337.86					is just an upgrade. Not allowed.
Carrier's Sub-total	B	Unit A-15		\$ 24,385.52				
Repairs – Thurgood	B	Laundry	\$ 2,130.19		\$ 2,151.16	\$ (537.79)	\$ 1,613.37	Close ADJ Xmate of \$2,151.16
Carrier's Sub-total	B	Laundry		\$ 2,130.19				
Repairs – Thurgood	B	Storage	\$ 416.00		\$ 380.58	\$ (132.54)	\$ 248.04	ADJ Xmate is \$380.58
Carrier's Sub-total	B	Storage		\$ 416.00				

DATA Spreadsheet – Subro Docs – ADJUSTMENTS for ACV

DLA-0028197

Your Claim: 30153916459-0001

Vendor	BLDG / Contents	Claimant	Item RCV	Total RCV	Adjusted RCV	Depreciation / Adjustment	ACV	Comments
Repairs – Thurgood	B	Office	\$ 5,317.67		\$ 8,236.00	\$ (1,018.50)	\$ 7,217.50	RCV from ADJ Vericlam is \$8,236.00
Countertop	B	Office	\$ 4,278.35					The items listed here don't match up with scope of the Bid \$10,208.37 of Island Indy
Ceramic Tile Plus	B	Office	\$ 6,278.35					
Computer Work	B	Office	\$ 390.62					
Drywall Repair	B	Office	\$ 1,263.20					The counter top charges appear to be Upgrades
Akinaka Supplies	B	Office	\$ 268.59					
Carrier's Sub-total	B	Office		\$ 17,796.78				
Sump Pump x 2	B	Swim Pool	\$ 253.06		\$ 253.06	\$ -	\$ 253.06	Sure, why not. Keep the pumps.
Clean up	B	Swim Pool	\$ 729.16		\$ 729.16	\$ -	\$ 729.16	But why didn't Maui F&F do the pool EMS?
Carrier's Sub-total	B	Swim Pool		\$ 982.22				
Plants	B	Landscape	\$ 3,838.30		\$ 3,838.30	\$ (767.66)	\$ 3,070.64	All of this is questionable as there is no record of LKQ – no photos, etc.
Ground Cover	B	Landscape	\$ 3,437.28		\$ 3,437.28	\$ (687.46)	\$ 2,749.82	
Sod	B	Landscape	\$ 2,200.00		\$ 2,200.00	\$ (440.00)	\$ 1,760.00	
Trex Header	B	Landscape	\$ 330.00		\$ 330.00	\$ (66.00)	\$ 264.00	But we feel the charges for demo / clean-up are too high – Almost 1/2 the cost of the work.
Weed Control	B	Landscape	\$ 330.00		\$ 330.00	\$ (66.00)	\$ 264.00	
Hauling / Green Waste	B	Landscape	\$ 550.00		\$ 550.00	\$ -	\$ 550.00	Also, the amounts in the list from p 309 /310 show those already have tax added.
Fertilizer	B	Landscape	\$ 550.00		\$ 550.00	\$ (110.00)	\$ 440.00	
Fence Demo	B	Landscape	\$ 550.00		\$ 550.00	\$ -	\$ 550.00	The G.E.T. is adding it again.
Fence	B	Landscape	\$ 1,430.00		\$ 1,430.00	\$ (286.00)	\$ 1,144.00	
Irrigation	B	Landscape	\$ 220.00		\$ 220.00	\$ (44.00)	\$ 176.00	We've assumed a 20% depreciation for landscape
Drip Parts	B	Landscape	\$ 550.00		\$ 550.00	\$ (110.00)	\$ 440.00	
Landscape Lighting	B	Landscape	\$ 3,300.00		\$ 3,300.00	\$ (660.00)	\$ 2,640.00	
Demo / Clean up	B	Landscape	\$ 1,560.00		\$ 1,560.00	\$ (312.00)	\$ 1,248.00	
Installation Clean up	B	Landscape	\$ 6,300.00		\$ 4,046.40	\$ -	\$ 4,046.40	Adjusted to 25% of plants & Items
G.E.T. 4.166%	B	Landscape	\$ 1,139.46		\$ -	\$ -	\$ -	Taxed for the Gross on each in documentation
Carrier's Sub-total	B	Landscape		\$ 26,285.04				

DATA Spreadsheet – Subro Docs – ADJUSTMENTS for ACV

DLA-0028197

Your Claim: 30153916459-0001

Vendor	BLDG / Contents	Claimant	Item RCV	Total RCV	Adjusted RCV	Depreciation / Adjustment	ACV	Comments
Water Mitigation; M.F.F.	B		\$ 155,734.72		\$ 155,734.72	\$ (15,574.00)	\$ 140,160.72	Xmate says 3/26 to 4/10 –over 2 wks of dry / demo
Additional Trash Hauling	B		\$ 2,205.75		\$ 2,205.75	\$ (2,205.75)	\$ -	* Vericlam already has over \$2,800.00 plus EMS
Pack-out - MFF/DKI	C		\$ 7,382.73		\$ 3,470.61	\$ -	\$ 3,470.61	← This is not all BPP – U/O's stuff? We don't owe??
Carrier's Sub-total				\$ 165,323.20				... Scope – It looks vastly over-done for the loss If there was 14 days of water to dry, with neg air and HEPA filters, HEPA vac, etc... why was there still mold etc. in the repairs above?

BUSINESS PERSONAL PROPERTY

Bookcase	C		\$ 312.48		\$0.00	\$0.00	\$0.00	It would appear that most of this is NOT B.P.P.
Armoire			\$ 252.30		\$0.00	\$0.00	\$0.00	It looks more like Personal Property that belongs to the Unit Owners. Why is the carrier covering?
TV Stand			\$ 499.00		\$0.00	\$0.00	\$0.00	(Assuming this is the HOA Master Policy).
Bed Base			\$ 176.99		\$0.00	\$0.00	\$0.00	...And is there evidence that none of the U/O's filed HO-6 personal condo claims?
Storage Shelf			\$ 80.88		\$0.00	\$0.00	\$0.00	Where's the ALE, etc??
Refrigerator			\$ 1,454.17		\$0.00	\$0.00	\$0.00	We'd require a lot more evidence to support the amounts claim in this entire list, from Units to Office / Commons to the BPP.
Laundry Mat			\$ 158.33		\$0.00	\$0.00	\$0.00	** Pay NOTHING for BPP **
Entry Mat			\$ 216.50		\$0.00	\$0.00	\$0.00	
Towels			\$ 156.49		\$0.00	\$0.00	\$0.00	
Storage Charges			\$ 391.04		\$0.00	\$0.00	\$0.00	
Sofa Cleaning			\$ 260.42		\$0.00	\$0.00	\$0.00	
Storage Shelf * DUPLICATE			— \$ 0.00		\$0.00	\$0.00	\$0.00	
16 Bath Mats			\$ 176.00		\$0.00	\$0.00	\$0.00	
14 Beach Towels			\$ 189.42		\$0.00	\$0.00	\$0.00	
36 Bath Towels			\$ 159.33		\$0.00	\$0.00	\$0.00	
Carrier's Sub-total				\$ 4,483.35				Carrier has Duplicate, total \$4,564.23

DATA Spreadsheet – Subro Docs – ADJUSTMENTS for ACV

DLA-0028197

Your Claim: 30153916459-0001

Vendor	BLDG / Contents	Claimant	Item RCV	Total RCV	Adjusted RCV	Depreciation / Adjustment	ACV	Comments
OTHER MISC. ADJUSTMENTS for Correct ACV								
Labor Min. for Shower Door						\$ (178.45)		
Labor Min. for Misc. Laundry						\$ (173.21)		
TOTAL CLAIM AMOUNT				\$ 438,793.58	*	\$ 370,831.78	\$ (47,647.49)	\$ 323,184.29
<p><i>* Carrier Total says \$420,440.55 (but that's wrong, even with their own numbers) Add up the carrier's Sub-Totals is: \$438,491.93</i></p>								

DATA Spreadsheet – Subro Docs Damage Summary DLA-0028107

Page	Date	Vendor	Invoice No.	BLDG / Contents	Claimant	Item RCV	Total RCV	Comments
1-4	—	Lexington Damage Summary	- Carrier List -	(both)	(ALL)		\$ 420,440.55	After transfer of data from Carriers Subro top sheet to this database, it does not add up...
		(Top Sheet Details)						
		Lowes Faucet		B	Unit A-1	\$ 98.44		RCV from Adjuster Carrier's Adjuster Estimate is only \$14,493.60 RCV.
		Island Independence		B	Unit A-1	\$ 14,527.55		
		Island Independence		B	Unit A-1	\$ 743.75		
		Tile Cleaning / Seal		B	Unit A-1	\$ 550.00		All of the Items other than first Island Indy for \$14,527.55 are contained in the Adjuster Estimate. They don't need to be added again.
		Final Cleaning		B	Unit A-1	\$ 237.50		
		Electric		B	Unit A-1	\$ 260.00		
		Formica Counter		B	Unit A-1	\$ 1,381.24		
		Tile Repair		B	Unit A-1	\$ 350.00		Electric Reimburse is 100% ?
		Sub-top / part of —?		B	Unit A-1	\$ 489.16		
		Dishwasher		B	Unit A-1	\$ 698.61		
		Carrier's Sub-total		B	Unit A-1		\$ 19,336.25	
		Island Independence		B	Unit A-2	\$ 9,853.13		RCV from Adjuster Carrier's Adjuster Estimate is only \$15,680.80 RCV.
		Island Independence		B	Unit A-2	\$ 5,208.35		
		Vanity		B	Unit A-2	\$ 266.25		
		Counters		B	Unit A-2	\$ 693.82		All of the Items other than first two Island Indy for \$15,061.48 are contained in the Adjuster Estimate. They don't need to be added again.
		Counter Install		B	Unit A-2	\$ 487.50		
		Floors		B	Unit A-2	\$ 2,452.20		
		Cleaning		B	Unit A-2	\$ 237.50		
		Carrier's Sub-total		B	Unit A-2		\$ 19,198.75	

DATA Spreadsheet – Subro Docs Damage Summary DLA-0028107

Page	Date	Vendor	Invoice No.	BLDG / Contents	Claimant	Item RCV	Total RCV	Comments
		Repairs per Belfor		B	Unit A-3	\$ 11,173.26		
		Tile Cleaning / Seal		B	Unit A-3	\$ 550.00		RCV from Adjuster Carrier's Adjuster Estimate
		Curtain Cleaning		B	Unit A-3	\$ 385.00		is \$13,556.13 RCV.
		Electricity		B	Unit A-3	\$ 152.57		It appears the actual cost is less: \$12,260.83
		Carrier's Sub-total		B	Unit A-3		\$ 12,260.83	Electric Reimburse is 100% ?
		Repairs Per Vericclaim ADJ		B	Unit A-4	\$ 18,297.95		Subro asking for the ADJ's Estimate amount.
		Electricity		B	Unit A-4	\$ 240.77		Documentation does not support they incurred
		Carrier's Sub-total		B	Unit A-4		\$ 18,538.72	Electric Reimburse is 100% ?
				B				
		Repairs Maui Fire & Flood		B	Unit A-5	\$ 21,477.71		RCV from Adjuster Carrier's Adjuster Estimate
		Carrier's Sub-total		B	Unit A-5		\$ 21,477.71	is \$10,702.32.. Justify?
		Drywall		B	Unit A-6	\$ 5,312.51		RCV from Adjuster Carrier's Adjuster Estimate
		Millwork		B	Unit A-6	\$ 1,979.17		is \$8,914.42 .. Justify?
		Kitchen		B	Unit A-6	\$ 1,458.00		
		Electricity		B	Unit A-6	\$ 312.55		There's also a BID from Lara's Remodel
		O / P		B	Unit A-6	\$ 975.00		to complete repairs for \$14,968.76. Far too
		Thurgood		B	Unit A-6	\$ 650.00		high – but still less that what Subro asks for.
		Cleaning		B	Unit A-6	\$ 448.44		
		Formica Counter		B	Unit A-6	\$ 2,001.43		Electric Reimburse is 100% ?
		Sink		B	Unit A-6	\$ 218.48		
		Leopoldo S. HVAC		B	Unit A-6	\$ 1,952.00		
		Carrier's Sub-total		B	Unit A-6		\$ 15,307.58	

DATA Spreadsheet – Subro Docs Damage Summary DLA-0028107

Page	Date	Vendor	Invoice No.	BLDG / Contents	Claimant	Item	RCV	Total RCV	Comments
		Repairs – RVS		B	Unit A-7		\$ 15,223.86		RCV from Adjuster Carrier's Adjuster Estimate is \$11,526.61.. Justify Extra \$5K?
		Kitchen Faucet		B	Unit A-7		\$ 135.32		
		Bathroom Faucet		B	Unit A-7		\$ 112.50		
		Dishwasher		B	Unit A-7		\$ 280.21		
		Clean / Reseal Tile		B	Unit A-7		\$ 550.00		
		Final Cleaning		B	Unit A-7		\$ 330.00		
		Sink		B	Unit A-7		\$ 208.33		
		Carrier's Sub-total		B	Unit A-7			\$ 16,840.22	
		Repairs – Vericclaim ADJ		B	Unit A-8		\$ 15,340.18		Using ADJ Vericclaim Est. But no evidence any of this was incurred. Where's the proof?
		Electricity		B	Unit A-8		\$ 244.25		
		Carrier's Sub-total		B	Unit A-8			\$ 15,584.43	
		Repairs – Maui Fire & Flood		B	Unit A-9		\$ 5,198.29		ADJ Xmate is \$5,444.74.
		Carrier's Sub-total		B	Unit A-8			\$ 5,198.29	
		Claim Owed per Ken (??)		B	Unit A-10		\$ 341.55		Using ADJ Vericclaim Est. But no evidence any of this was incurred. Where's the proof?
		Repairs – Vericclaim ADJ		B	Unit A-10		\$ 4,583.85		
		Carrier's Sub-total		B	Unit A-10			\$ 4,925.40	
		Repairs – Vericclaim ADJ		B	Unit A-11		\$ 13,573.84		Using ADJ Vericclaim Est. But no evidence any of this was incurred. Where's the proof?
		Electricity		B	Unit A-11		\$ 225.07		
		Carrier's Sub-total		B	Unit A-11			\$ 13,798.91	
		Repairs – Vericclaim ADJ		B	Unit A-12		\$ 7,204.56		Using ADJ Vericclaim Est. But no evidence any of this was incurred. Where's the proof?
		Electricity		B	Unit A-12		\$ 300.43		
		Carrier's Sub-total		B	Unit A-12			\$ 7,504.99	

DATA Spreadsheet – Subro Docs Damage Summary DLA-0028107

Page	Date	Vendor	Invoice No.	BLDG / Contents	Claimant	Item	RCV	Total RCV	Comments
		Repairs (MD)		B	Unit A-13		\$ 3,687.10		Repairs by MD Restor. Maui
		Suplmt Mitigation (mold)		B	Unit A-13		\$ 2,366.02		<— This is mold – their fault. Not paying it.
		Triple L Plumbing		B	Unit A-13		\$ 340.73		
		Nick Yost		B	Unit A-13		\$ 3,300.00		RCV from Adjuster Carrier's Adjuster Estimate
		Home Depot		B	Unit A-13		\$ 1,101.81		is \$5,427.28 RCV.
		Cleaning		B	Unit A-13		\$ 241.50		All the Add'l stuff is to repair mold damage later
		Tile Sealing		B	Unit A-13		\$ 400.00		
		Electricity		B	Unit A-13		\$ 152.47		Electric Reimburse is 100% ?
		Carrier's Sub-total		B	Unit A-13			\$ 11,589.63	
		Repairs – Maui Fire & Flood		B	Unit A-14		\$ 15,127.92		RCV from Adjuster Carrier's Adjuster Estimate
		Carrier's Sub-total		B	Unit A-14			\$ 15,127.92	is \$10,219.84 RCV. Justify?
				B					
		Repairs – Vericclaim ADJ		B	Unit A-15		\$ 20,881.45		RCV from ADJ Vericclaim is \$18,280.59, not
		Counter top		B	Unit A-15		\$ 3,166.21		20881.45 – and the Counter was plastic. Add'l
		HVAC		B	Unit A-15		\$ 337.86		is just an upgrade. Not allowed.
		Carrier's Sub-total		B	Unit A-15			\$ 24,385.52	
		Repairs – Thurgood		B	Laundry		\$ 2,130.19		Close ADJ Xmate of \$2,151.16
		Carrier's Sub-total		B	Laundry			\$ 2,130.19	
		Repairs – Thurgood		B	Storage		\$ 416.00		ADJ Xmate is \$380.58
		Carrier's Sub-total		B	Storage			\$ 416.00	

DATA Spreadsheet – Subro Docs Damage Summary DLA-0028107

Page	Date	Vendor	Invoice No.	BLDG / Contents	Claimant	Item	RCV	Total RCV	Comments
		Repairs – Thurgood		B	Office		\$ 5,317.67		RCV from ADJ Vericlam is \$8,236.00
		Countertop		B	Office		\$ 4,278.35		The items listed here don't match up with
		Ceramic Tile Plus		B	Office		\$ 6,278.35		scope of the Bid \$10,208.37 of Island Indy
		Computer Work		B	Office		\$ 390.62		
		Drywall Repair		B	Office		\$ 1,263.20		The counter top charges appear to be Upgrades
		Akinaka Supplies		B	Office		\$ 268.59		
		Carrier's Sub-total		B	Office			\$ 17,796.78	
		Sump Pump x 2		B	Swim Pool		\$ 253.06		Sure, why not. Keep the pumps.
		Clean up		B	Swim Pool		\$ 729.16		But why didn't Maui F&F do the pool EMS?
		Carrier's Sub-total		B	Swim Pool			\$ 982.22	
		Plants		B	Landscape		\$ 3,838.30		All of this is questionable as there is no record
		Ground Cover		B	Landscape		\$ 3,437.28		of LKQ – no photos, etc.
		Sod		B	Landscape		\$ 2,200.00		
		Trex Header		B	Landscape		\$ 330.00		But we feel the charges for demo / clean-up
		Weed Control		B	Landscape		\$ 330.00		are too high – Almost 1/2 the cost of the work.
		Hauling / Green Waste		B	Landscape		\$ 550.00		Also, the amounts in the list from p 309 /310
		Fertilizer		B	Landscape		\$ 550.00		show those already have tax added.
		Fence Demo		B	Landscape		\$ 550.00		The G.E.T. is adding it again.
		Fence		B	Landscape		\$ 1,430.00		
		Irigation		B	Landscape		\$ 220.00		
		Drip Parts		B	Landscape		\$ 550.00		
		Landscape Lighting		B	Landscape		\$ 3,300.00		
		Demo / Clean up		B	Landscape		\$ 1,560.00		
		Installation Clean up	- no way -	B	Landscape		\$ 6,300.00		
		G.E.T. 4.166%	This added twice	B	Landscape		\$ 1,139.46		
		Carrier's Sub-total		B	Landscape			\$ 26,285.04	

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Page	Date	Vendor	Invoice No.	BLDG / Contents	Claimant	Item RCV	Total RCV	Comments
		Water Mitigation; M.F.F.		B		\$ 155,734.72		Xmate says 3/26 to 4/10 –pver 2 wls pf dry / demo
		Additional Trash Hauling		B		\$ 2,205.75		
		Pack-out - MFF/DKI		C		\$ 7,382.73		<— This is not BPP – U/O stuff. We don't owe??
		Carrier's Sub-total					\$ 165,323.20	... Scope – It looks vastly over-done for the loss If there was 14 days of water to dry, with neg air and HEPA filters, HEPA vac, etc... why was there still mold etc. in the repairs above?
BUSINESS PERSONAL PROPERTY								
		Bookcase		C		\$ 312.48		It would appear that most of this is NOT B.P.P.
		Armoire				\$ 252.30		It looks more like Personal Property that belongs to the Unit Owners. Why is the carrier covering?
		TV Stand				\$ 499.00		(Assuming this is the HOA Master Policy).
		Bed Base				\$ 176.99		
		Storage Shelf				\$ 80.88		
		Refrigerator				\$ 1,454.17		...And is there evidence that none of the U/O's filed HO-6 personal condo claims?
		Laundry Mat				\$ 158.33		Where's the ALE, etc??
		Entry Mat				\$ 216.50		
		Towels				\$ 156.49		
		Storage Charges				\$ 391.04		We'd require a lot more evidence to support the amounts claim in this entire list, from Units to Office / Commons to the BPP.
		Sofa Cleaning				\$ 260.42		
		Storage Shelf * DUPLICATE				— \$ 0.00		
		16 Bath Mats				\$ 176.00		
		14 Beach Towels				\$ 189.42		
		36 Bath Towels				\$ 159.33		
		Carrier's Sub-total					\$ 4,483.35	
TOTAL CLAIM AMOUNT							\$ 438,491.93	











NO DIVING ALLOWED

NO RUNNING

NO GLASS