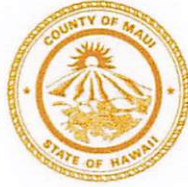


RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director

PATRICK S. MCCALL
Director

SHANE T. DUDOIT
Deputy Director



DEPARTMENT OF PARKS AND RECREATION
COUNTY OF MAUI
700 HALI'A NAKOA STREET, UNIT 2
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

June 27, 2024



Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

6-28-24
Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

SUBJECT: PROPOSED RESOLUTION AUTHORIZING THE ACQUISITION OF THE PARCEL OF LAND IDENTIFIED AS TAX MAP KEY NO. (2) 2-3-037:026 LOCATED IN KULA, MAUI, HAWAII, FOR AN AMOUNT NOT TO EXCEED \$950,000.00

I am transmitting a proposed resolution entitled, "AUTHORIZING THE ACQUISITION OF THE PARCEL OF LAND IDENTIFIED AS TAX MAP KEY NO. (2) 2-3-037:026 LOCATED IN KULA, MAUI, HAWAII, FOR AN AMOUNT NOT TO EXCEED \$950,000.00". In addition to the proposed resolution, we are including the appraisal and title report.

The purpose of the proposed resolution is to approve the acquisition of approximately 7.043 acres in the amount of \$950,000, pursuant to Maui County Code Section 3.44.015(C).

The Department requests that this resolution be considered as soon as possible and respectfully request that this matter be referred to the appropriate Council committee for expeditious review, discussion, and appropriate action.

Honorable Richard T. Bissen, Jr.
For Transmittal to:
Honorable Alice L. Lee, Chair
June 27, 2024
Page 2

Thank you for your attention to this matter. Should you have any questions or require additional information, please contact feel free to contact me at Ext. 7230.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patrick S. McCall', written in a cursive style.

PATRICK S. MCCALL
Director of Parks and Recreation

Attachment

c: Shane T. Dudoit, Deputy Director

PSM:lms

APPRAISAL REPORT

**Appraisal to Determine the Fee Simple Market Value of
Tax Map Key (2) 2-3-037:026, 4355 Lower Kula Road,
Kula Community Center
Kula, Island of Maui, Hawaii**

Date of Report

May 24, 2024

Prepared For

**Ms. Maria Zielinski
Acting Director of Finance
County of Maui
Department of Finance
200 South High Street
Wailuku, Hawaii 96793**

Prepared By

**ACM Consultants, Inc.
2073 Wells Street Suite 100
Wailuku, Hawaii 96793**



May 24, 2024

Ms. Maria Zielinski
Acting Director of Finance
County of Maui
Department of Finance
200 South High Street
Wailuku, Hawaii 96793

**RE: Appraisal to Determine the Fee Simple Market Value of
Tax Map Key (2) 2-3-037:026, 4355 Lower Kula Road,
Kula, Island of Maui, Hawaii**

Dear Ms. Zielinski:

In accordance with your request, I have prepared the accompanying appraisal report which determines the fee simple market value of the land and selected improvements located at 4355 Lower Kula Road, Tax Map Key (2) 2-3-037:026, Kula, Island of Maui, State of Hawaii.

The final value estimate is based on the on-site inspection of the subject property; analysis of the land and existing improvements; determination of highest and best use; evaluation and analysis of appropriate market data; application of the appraisal process; and a review of current and projected economic and real estate market conditions.

Based upon my research and study, the estimated fee simple market value of the subject property, as of May 21, 2024, subject to the "Certification," "Assignment Conditions," and "Assumptions and Limiting Conditions," is:

NINE HUNDRED SIXTY ONE THOUSAND DOLLARS
(\$961,000)

The following appraisal report presents my analysis of data along with other pertinent materials on which the assignment results are predicated. Thank you for the opportunity to assist you with this assignment.

Respectfully submitted,

ACM Consultants, Inc.

Ted Yamamura, SRA, R/W-AC
Executive Vice President

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Date of Report	May 24, 2024
Effective Date of Appraisal	May 21, 2024
Property Location	4355 Lower Kula Road, Kula, Hawaii 96790
Tax Map Key	Division 2, Zone 2, Section 3, Plat 037, Parcel 026
Market Area	The subject is located in Kula district of the island of Maui
Census Tract No.	0303.01
Fee Simple Owner	Von Tempsky FP
Property Rights Appraised	Fee Simple Interest
Land Area of Subject Property	7.043 acres
2044 County of Maui Land Assessed Value	\$945,300
State Land Use	Rural District
County Zoning	Interim District
Community Plan	Park
County Growth Boundary	Rural
Special Management Area	No
Flood Zone	Zone X
Highest and Best Use	Those uses as permitted by the State Land Use Rural District and consistent with the subject's Park community plan designation.
RECONCILED FINAL OPINION OF LEASED FEE MARKET VALUE	\$961,000



May 24, 2024

Ms. Maria Zielinski
Acting Director of Finance
County of Maui
Department of Finance
200 South High Street
Wailuku, Hawaii 96793

**RE: Appraisal to Determine the Fee Simple Market Value of
Tax Map Key (2) 2-3-037:026, 4355 Lower Kula Road,
Kula, Island of Maui, Hawaii**

Dear Ms. Zielinski:

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The final value estimate is based on the on-site inspection of the subject property; analysis of the land and existing improvements; determination of highest and best use; evaluation and analysis of appropriate market data; application of the appraisal process; and a review of current and projected economic and real estate market conditions.

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The following appraisal report presents my analysis of data along with other pertinent materials on which the assignment results are predicated. Thank you for the opportunity to assist you with this assignment.

Respectfully submitted,

ACM Consultants, Inc.

A handwritten signature in blue ink, appearing to be 'Ted Yamamura', with a stylized flourish extending to the right.

Ted Yamamura, SRA, R/W-AC
Executive Vice President

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Date of Report	May 24, 2024
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Property Location	4355 Lower Kula Road, Kula, Hawaii 96790
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County Growth Boundary	Rural
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Flood Zone	Zone X
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RECONCILED FINAL OPINION OF LEASED FEE MARKET VALUE	\$961,000

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CERTIFICATION

The undersigned does hereby certify that to the best of my knowledge and belief:

- (1) The statements of fact contained in this report are true and correct.
- (2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- (3) I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- (4) I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- (5) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- (6) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- (7) My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- (8) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- (9) I have made a personal observation of the property that is the subject of this report.
- (10) Ashley Haleakala, CRA-1118, researched factual data and conducted market analysis. As of the date of this report, Ashley Haleakala has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute. No other person(s) provided significant professional assistance to the person signing this report.
- (11) The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- (12) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- (13) As of the date of this report, Ted Yamamura has completed the continuing education program for Designated Members of the Appraisal Institute.

ACM Consultants, Inc.



Ted Yamamura, SRA, R/W-AC
Certified General Appraiser
State of Hawaii, CGA-160
Expiration: December 31, 2025

PART I - INTRODUCTION

APPRAISAL DEVELOPMENT AND REPORTING PROCESS

This Appraisal Report complies with the reporting requirements set forth under Standard Rule 2-2(a) of the *Uniform Standards of Professional Appraisal Practice (USPAP)*. It summarizes the data, reasoning, and analyses that support the appraiser's opinion of value, and supporting documentation regarding the data, reasoning, and analyses is retained in the appraiser's workfile. The report is based on the scope of work, intended use, intended user, definition of value, assignment conditions, statement of assumptions and limiting conditions, and certifications that are stated in the report.

SCOPE OF WORK

The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report, including the following definition of market value, assignment conditions, statement of assumptions and limiting conditions, and certifications as contained in the report. The Appraiser has at a minimum performed a visual inspection of the observable areas of the subject property(ties), considered the neighborhood and its characteristics, viewed each of the comparables sale, and researched, verified, and analyzed data from public and/or private sources that were deemed to be reliable. An analysis of Highest and Best Use was conducted and the conclusion was the basis upon which valuation was derived. All typical approaches to value were considered although only the most relevant is used in the report. The valuation methodology employed is deemed sufficient to develop credible assignment results. Finally, the analysis, opinions and conclusions were reported in this appraisal report.

PURPOSE AND INTENDED USE OF THE APPRAISAL

The purpose of this appraisal is to determine the fee simple market value of the property identified as follows:

Tax Map Key (2) 2-3-037:026, containing 7.043 acres of land area together with selected improvements located at 4355 Lower Kula Road, Kula, Island of Maui, Hawaii ("subject property").

The intended use of this report is to provide real property information, real estate market data, and an informed value conclusion for internal analysis and decision-making purposes.

Definition of Fee Simple¹

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

¹ Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 7th Edition. Chicago, Illinois: Appraisal Institute, 2022.

Definition of Market Value²

"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."

CLIENT/INTENDED USER

The County of Maui is the Client and the intended user of this appraisal. Any other use by any other person or entity for any other purpose, without exception, is explicitly unauthorized. The Appraiser is not responsible for unauthorized use of the report.

PROPERTY VISIT/DATE OF REPORT/EFFECTIVE DATE

The subject property was viewed by Ted Yamamura on February 1, 2023. The date of this appraisal report is May 24, 2024, and the effective date of valuation is May 21, 2024.

ASSIGNMENT CONDITIONS

The following assumptions and conditions were incorporated for analysis, purposes of comparison, and determination of assignment results.

There is no personal property (FF&E) included in this valuation.

Extraordinary Assumptions³ An extraordinary assumption is defined as *"an assignment-specific assumption, as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."* Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. The application of an extraordinary assumption could have an effect on the value of the property.

(1) At the time of viewing the subject property, the property pins and boundary markers were not visible to the Appraiser. As such, the approximate boundaries viewed by the Appraiser, based on publicly available maps and/or maps provided by the Client, are assumed to be correct. It is also assumed that there are no encroachments between the subject and its adjacent properties.

(2) The appraiser has relied on data provided by third parties in this appraisal report. Such data may include, but is not limited to, flood maps, multiple listing real estate services, tax assessment records, public land records, satellite imagery, virtual street views, property data services, surveys, engineering reports, and property data aggregations. After examination of

² Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 7th Edition. Chicago, Illinois: Appraisal Institute, 2022

³ The Appraisal Standards Board. *Uniform Standards of Professional Appraisal Practice (USPAP)*. 2024 Edition. Washington, DC: The Appraisal Foundation, 2024.

the data and data sources, the appraiser has used only the data he or she considers reliable. The appraiser assumes there are no material omissions and makes no guarantees, express or implied, regarding the accuracy of this data. The appraiser reserves the right to make appropriate revisions if additional or more accurate data is discovered.

(3) Assignment results developed in this appraisal are based on the assumption that the subject property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. Since the Appraiser is not an expert in the detection of such substances and conditions, it is possible that tests and inspections made by a qualified environmental expert would reveal the existence of hazardous materials and detrimental environmental conditions on or around the subject property that would negatively affect the assignment results.

There were no other extraordinary assumptions.

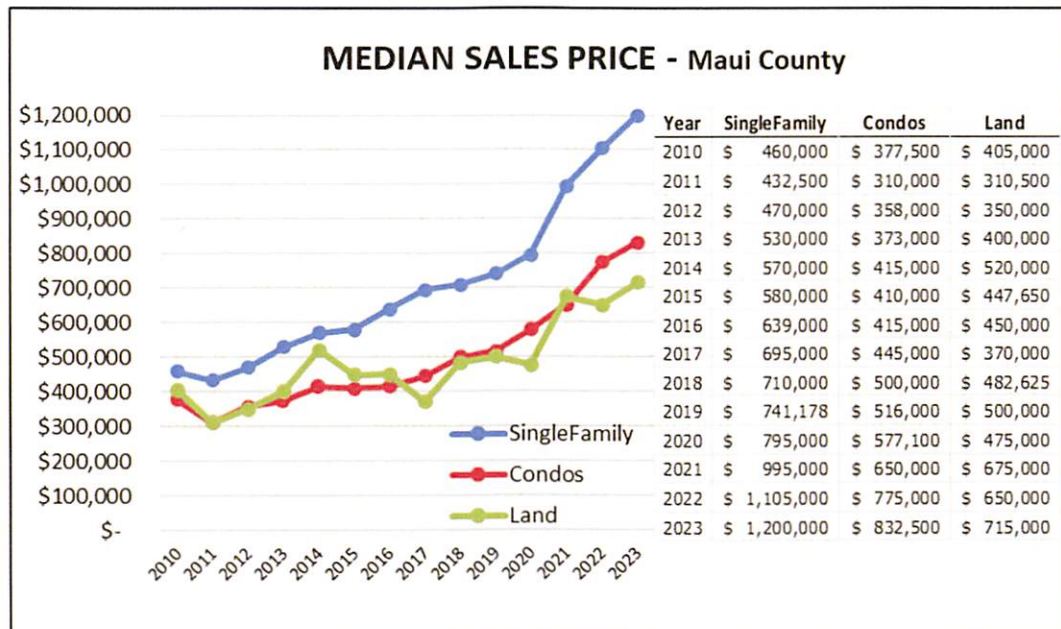
Hypothetical Condition⁴ A hypothetical condition is defined as *"a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis."* Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of the data used in an analysis. The application of the hypothetical condition could have an effect on the value of the property.

- (1) According to the Preliminary Title Report dated May 17, 2024, the subject property is encumbered by a 99 year lease commencing on January 1, 1951, until December 31, 2049. The Lessor is Robert G. Von Tempsky and Alexa Von Tempsky Zabriskie and the Lessee is Kula Community Club, Incorporated. The property is further subleased from Kula Community Club to the County of Maui. As instructed by the Client, this appraisal is based upon the hypothetical condition that the lease and sublease do not exist, and the final value estimate is predicted upon an unencumbered fee simple basis.
- (2) The Client has instructed the appraiser to disregard all improvements on the subject property except for the single story, woodframe structure constructed circa 1935. Therefore this appraisal and final value estimate is based upon the hypothetical condition that only the 89 year old structure exists on the subject property.

There were no other hypothetical conditions.

⁴ The Appraisal Standards Board. *Uniform Standards of Professional Appraisal Practice (USPAP)*. 2024 Edition. Washington, DC: The Appraisal Foundation, 2024.

MAUI COUNTY – MARKET TRENDS

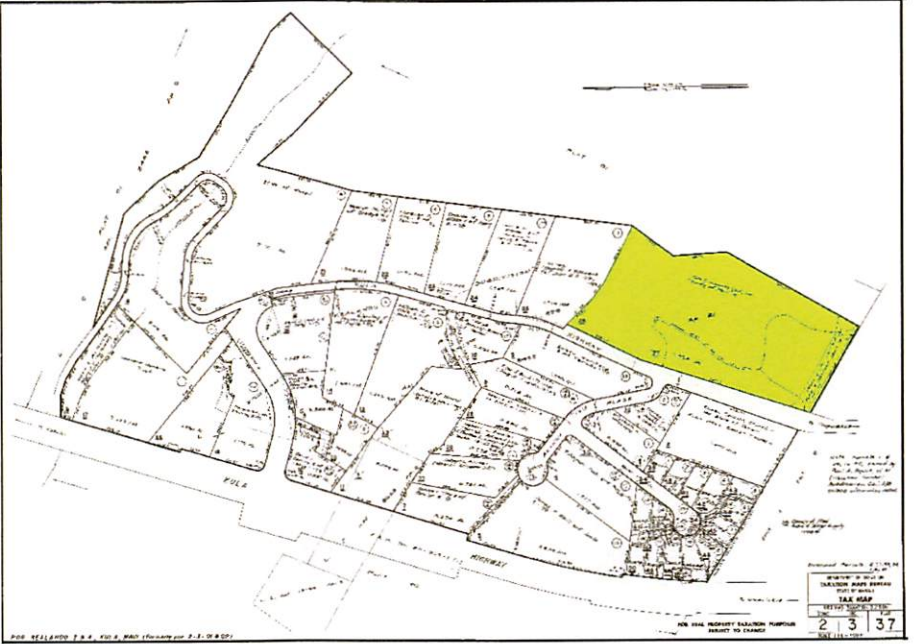


Source: Realtors Association of Maui, Inc. – Maui Real Estate Market Reports

Based on data from the Realtors Association of Maui, the median sales price for single family and condominium properties has indicated an overall upward trend over the past ten years. The median sales price for single family property was \$1,200,000 in 2023, a 9 percent increase as compared to \$1,105,000 in 2022, and the median sales price for condominium units was \$832,500 in 2023, a 7 percent increase as compared to \$775,000 in 2022. Vacant land prices indicated a more moderate upward trend over the same time period. The median sales price was \$715,000 in 2023, a 10 percent increase as compared to \$650,000 in 2022. The most recent statistics, as of April 2024, indicate monthly median prices at \$1,300,000 for single family homes, \$962,500 for condominiums, and \$674,500 for vacant land.

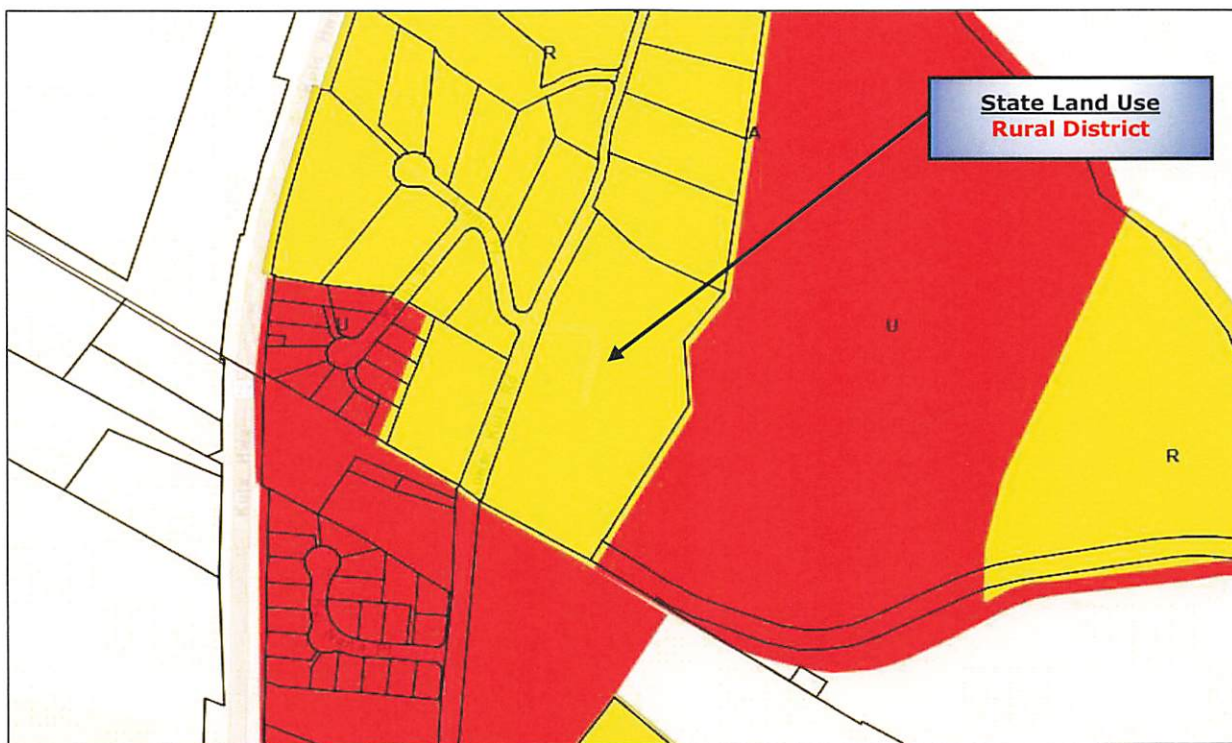
PROPERTY AND SITE DATA - SUBJECT PROPERTY

The "subject property" is identified and described below.

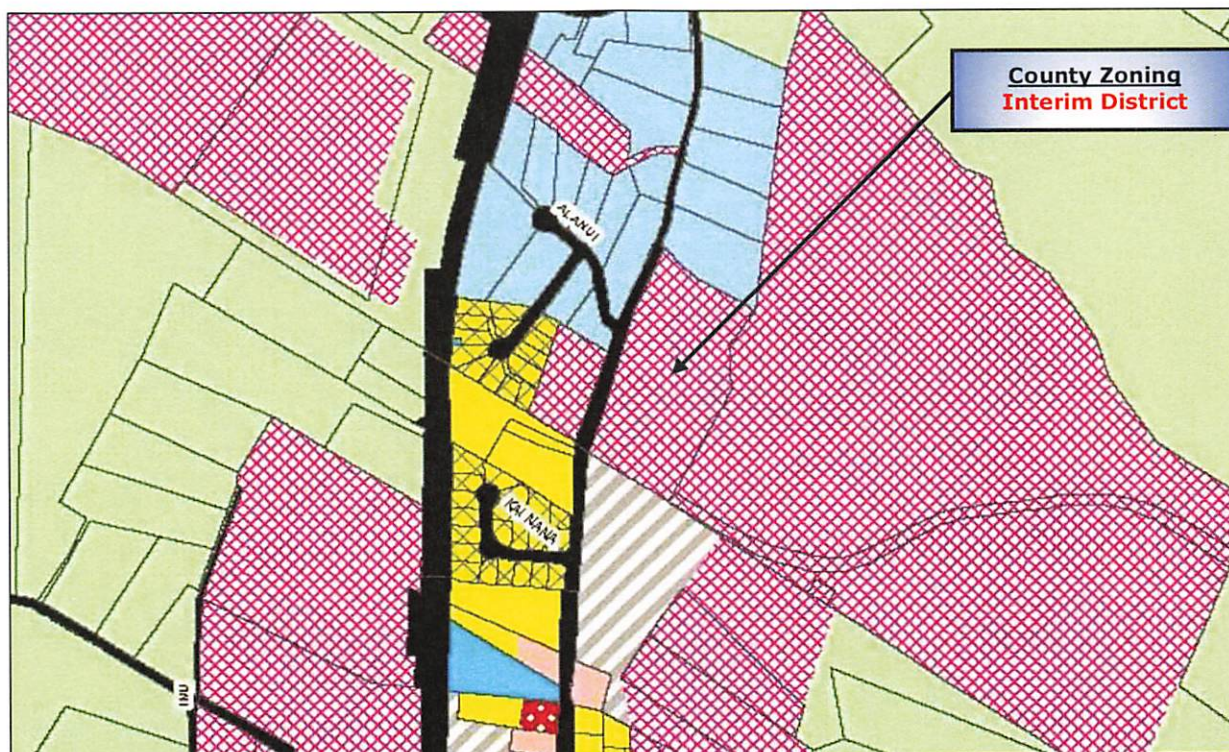
Tax Map Key	(2) 2-3-037:026
<p><i>Legal Description</i></p>	<p>All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 7453, Land Commission Award Number 8452, Apana 21 to Keohokalole) situate, lying and being on the southeasterly side of Lower Kula Road, at Kealahou 3 and 4, Kula, Island and County of Maui, State of Hawaii.</p> 
<p><i>Address</i></p>	<p>4355 Lower Kula Road Kula, Hawaii 96790</p>
<p><i>Owner of Record</i></p>	<p>Kula Ridge Mauka LLC 1849 Wili Pa Loop Wailuku, HI 96793</p>
<p><i>Census Tract</i></p>	<p>0303.01</p>
<p><i>Real Estate Assessment (2024) and Taxes</i></p>	<p>Land: \$945,300 Buildings: \$862,300 (all improvements) Taxes: \$0.00</p>
<p><i>5 Year Transaction History</i></p>	<p>April 1, 2024, Commissioners Deed, \$14,903,134.35, Doc No. A-88570183, Grantor Bernard M. Herren, Commissioner to Grantee Von Tempsky FP</p>
<p><i>State Land Use</i></p>	<p>The subject is designated in the SLU Rural District.</p>
<p><i>County Zoning</i></p>	<p>The present zoning is Interim District.</p>

<i>Community Plan</i>	<p>The present designation in the Makawao-Pukalani-Kula Community Plan is Park. The Park designation applies to lands developed or to be developed for recreational use. This includes all public and private active and passive parks.</p> <p>The purpose of the Community Plan is to provide a relatively detailed scheme for implementing the objectives and policies of the Maui County General Plan relative to the region. Contained in this plan is the desired sequence, patterns and characteristics of future developments for the region as well as statements of standards and principals with respect to development and statements indicating the sequence in which future development is to occur.</p>
<i>Directed Growth Plan</i>	<p>The subject property is located within the Rural Growth Boundary (RGB) of the Maui Island Plan. The Maui Island Plan (MIP) is a component of the Maui County General Plan and is a comprehensive plan to establish urban, small town, and rural growth boundaries in Maui County. The Directed Growth Plan will provide the framework for future community plan and zoning changes and guide the development of the County's short-term and long-term capital improvement plan budgets</p>
<i>Special Management Area</i>	<p>The property is not located within the SMA area and is not subject to the restrictions therein.</p>
<i>Size, Shape and Other Physical Characteristics</i>	<p>7.043 acres, irregular in shape and level to moderate sloping topography. The westerly boundary fronts Lower Kula Road while the remaining boundaries abut other rural and agriculture zoned properties. Soil is mixed dirt and rock.</p>
<i>Utilities/Access</i>	<p>Electricity and water are on site. Waste disposal is via septic system.</p> <p>Roadway access is via Lower Kula Road which is a paved public roadway servicing the immediate area.</p>
<i>Flood Status</i>	<p>The subject parcel is located within FEMA Map Number 15000300414E and identified as being in Zone X. Zone X indicates areas determined to be outside the 0.2% annual chance floodplain.</p>
<i>Encumbrances, Detrimental Conditions, Easements and Restrictions</i>	<p>Access easement along the eastern side boundary. There were no other known or readily apparent adverse conditions or easements affecting the subject site.</p> <p>No archeological, historical, environmental, engineering, soils, topographic, drainage, or wetland studies were provided to the Appraiser which may have an impact on the final value estimate. It is therefore assumed that there are no detrimental conditions concerning these factors which may influence the final value estimate.</p>
<i>Improvements</i>	<p>Existing improvements include an old classroom building constructed circa 1935; a public community facility constructed in 1984, and game courts.</p> <p>This appraisal only considers and evaluates the old classroom building. Refer to Description of Improvements.</p>

STATE LAND USE and COUNTY ZONING MAPS

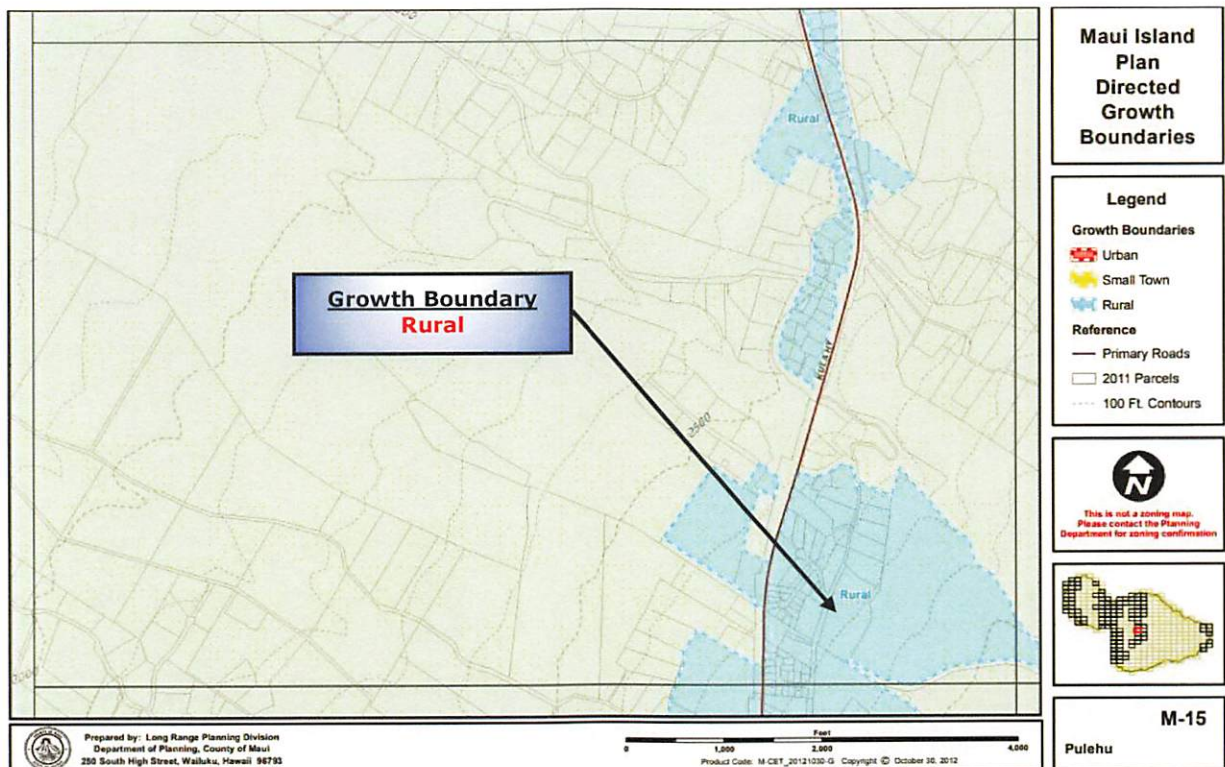
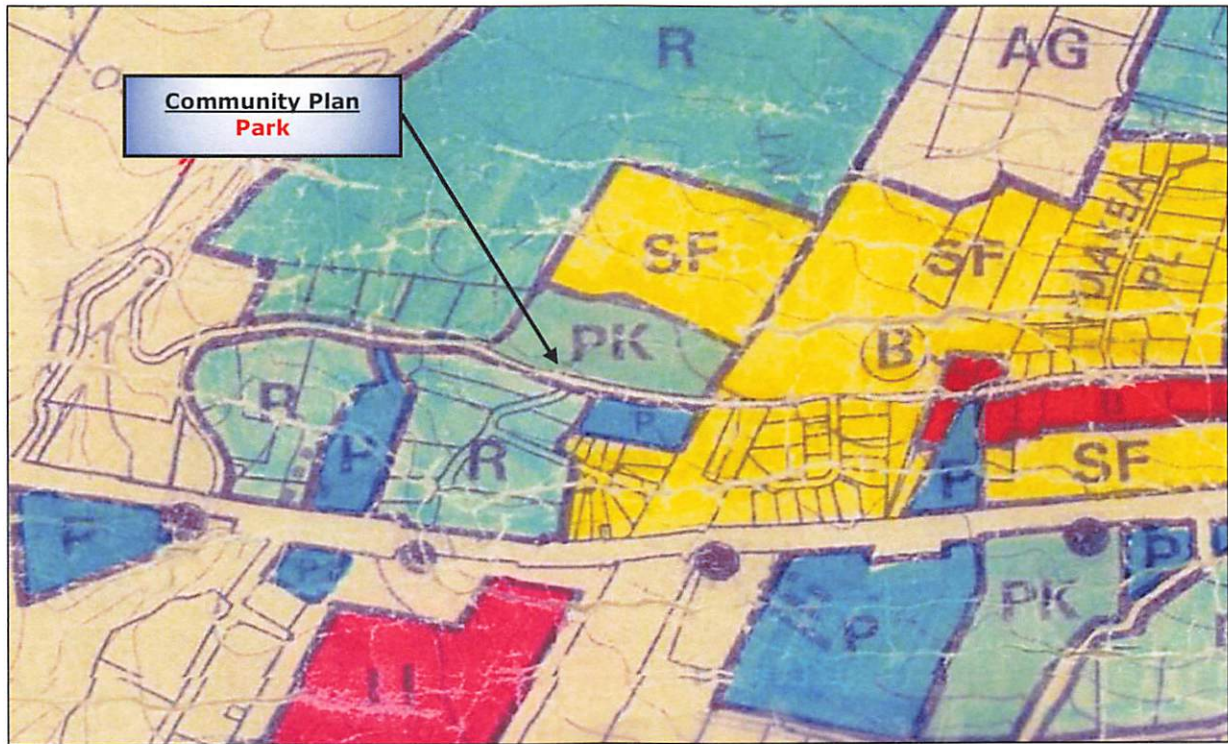


Source: Esri, HERE, Garmin, Intermap, NGA, USGS | County of Maui; Hawaii Statewide GIS Program. | Hawaii State Land Use Commission; Hawaii Statewide GIS Program



Source: Department of Planning - County of Maui | Maui Island Digital Zoning Map 1

COMMUNITY PLAN and GROWTH BOUNDARY MAPS



USDA SOIL MAP



According to the USDA, National Cooperative Soil Survey map, the subject property is comprised of KxAd. Kula cobbly medial loam, 12 to 20 percent slopes, MLRA 160. KXAd is classified as "Not prime farmland."

DESCRIPTION OF IMPROVEMENTS

Existing improvements evaluated in this appraisal assignment include a single story building constructed circa 1935. The old classroom building is a wood-frame structure on posts and piers foundation. The building is 89 years old and based upon the appraiser's observations of the building, it is concluded that the building has reached the end of its economic life and no longer contributes any value to the subject property.

Building Number 2					% Complete	100%			
Building Type OLD KULA COMM CENTRE					Building Square Footage	3,360			
Year Built 1935					Value	\$137,300			
Eff Year Built									
Section	Floor #	Area	Perimeter	Occupancy	Wall Height	Exterior Wall	Rank	Building Class	
1	01	3360	328	Fraternal Building	10		0.7	Wood/Steel Framing s1 p8	
Other Features									
Section	Structure				Measure 1		Measure 2		Stops
1	PORCH, UNCEIL- SHED RF				192		1		0
1	PORCH, UNCEIL- SHED RF				112		1		0

Room Type		Area
A SOCIAL/FRATERNAL HALL		3360

24	140	24
	A	
	140	

Building 2



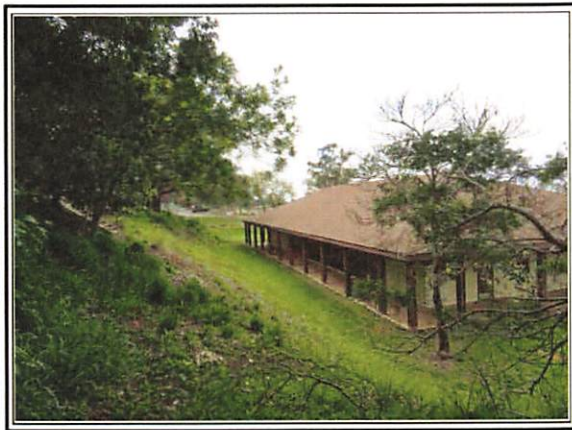
PHOTOGRAPHS OF THE SUBJECT PROPERTY



Overall View of Property - Facing southeasterly



Overall View of Property - Facing northerly



Overall View of Property - Facing southwesterly



Overall View of Property - Facing southerly



Entry from Lower Kula Road



Street Scene - Lower Kula Road

PART III – DATA ANALYSIS, VALUATION AND CONCLUSION

HIGHEST AND BEST USE

Highest and best use is defined as, *"The reasonably probable use of property that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."*⁵

Since the appraisal of the subject property is based on a particular premise of use, the highest and best use analysis determines just what this premise of use should be. The primary consideration in the analysis of the highest and best use of the subject property is the site as if vacant and available for development.

THE PROPERTY AS IF VACANT AND AVAILABLE

The first major aspect of the highest and best use analysis is considering the property as if it were vacant and available for development. This assumption is made to determine whether the land alone is worth more than the existing property, as is. In other words, this is the beginning benchmark to compare with the highest and best use of the property, as is, to determine whether the site is presently under-utilized.

Physically Possible Use

The physical aspects of the site impose the first constraint on any possible use of the property. The subject parcel contains approximately 7.043 acres of land area. It is irregular in shape with irregular terrain varying from level to moderate sloping topography. The appraiser has not been provided with soil or subsoil or other engineering studies to determine the load-bearing capacity of the parcel. However, based on our knowledge of other properties in the immediate vicinity, soil conditions and drainage problems, if any, can be adequately managed. Based only on the physical aspects of the site, a variety of uses would be possible.

Legally Permissibility

The subject site is currently designated within the State Land Use Agricultural District, zoned by the County of Maui as Interim District, designated within the Rural Country Growth Boundary, and designated in the Makawao-Pukalani-Kula Community Plan for Park use. Although the subject's zoning would allow for potential higher order uses, this potential is severely constrained by the State Land Use and community plan designations. There are no known or anticipated changes in land use or zoning, and the present land use designations of the subject property places significant legal limitations on the potential use of the property. Once a property is developed and utilized as a public facility for a substantial period of time, it is very difficult to implement a change in land use regardless of the underlying zoning. It is reasonable to assume that public outcry and push-back would preclude any change in land use.

⁵ Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 7th Edition. Chicago, Illinois: Appraisal Institute, 2022.

The Interim Zoning Ordinance is excerpted as follows with salient provisions highlighted:

19.02A.020 Title and purpose.

The ordinance codified in this title shall be known as the "Interim Zoning Ordinance" for the various districts of Maui as defined in this chapter for the purpose of providing interim regulations pending the formal adoption of a comprehensive zoning ordinance and map which are deemed as necessary in order:

1. **To encourage the most appropriate use of land [emphasis added];**
2. *To conserve and stabilize the value of property;*
3. **To prevent certain uses that will be detrimental to existing uses [emphasis added]; and**
4. *To promote the health, safety, and general welfare of the respective districts.*

(Ord. No. 3661, § 2, 2009)

Financial Feasibility

The test of financial feasibility involves an analysis of the likelihood of the use producing an income, or return, greater than the combined income needed to satisfy operating expenses, financial expenses, and capital amortization. All uses that are expected to produce a positive net income or rate of return are considered to be financially feasible.

The subject is located in a predominantly rural residential/agricultural neighborhood. Surrounding uses include primarily various agriculture uses and rural residential use with small areas of public uses such as park land, churches, cemetery, school and community facilities. Based on the surrounding uses in the area, it is the Appraiser's opinion that similar or complementary uses consistent with those uses permitted by the by the State Land Use Rural and consistent with the subject's Park community plan designation would be considered financially feasible.

Maximum Productivity

In the final analysis, a determination must be made as to which feasible use is the highest and best use of the parcel as if vacant. The maximally productive use of the site is that use among all of the financially feasible uses that provides the highest rate of return, or value. Based upon our analysis of the various land use regulations that govern the potential use of the subject, locational and physical attributes of the parcel, infrastructure, and predominant uses in the area, it is the Appraiser's opinion that those uses permitted by the State Land Use Rural District and consistent with the subject's Park community plan designation established by the County would likely be the maximally productive use of the property.

Conclusion of Highest and Best Use as Vacant

In identifying the highest and best use of the site as though vacant, we have examined and considered the legally permissible, physically possible, financially feasible, and maximally profitable uses. Based upon the conclusions drawn and the results of our research, it is determined that those uses as permitted by the State Land Use Rural District and consistent with the subject's Park community plan designation, would be the highest and best use of the subject property.

THE APPRAISAL PROCESS

The appraisal process examined the three generally recognized and accepted valuation methods; namely, the *Income Approach*, *Cost Approach* and the *Sales Comparison Approach*.

Income Capitalization Approach

The Income Capitalization Approach involves the conversion of anticipated future benefits (income) to be derived from the ownership of a property into an estimate of value. The Income Approach was not applicable in this appraisal assignment and not employed since only the land component was being determined.

Cost Approach

The Cost Approach is applicable to improved properties where the depreciated value of the improvements is added to the estimate land value. The cost approach was not utilized in this appraisal assignment since only vacant land was being evaluated and valued.

Sales Comparison Approach

The most commonly accepted method for land valuation is the Sales Comparison Approach which involves the comparison of comparable properties that have recently sold with the subject property. After analysis of the significance and applicability of the three generally recognized approaches to value, it was concluded that the Sales Comparison Approach was the most applicable methodology in the valuation of the subject parcel.

Application of the Sales Comparison Approach

The most commonly accepted approach for land valuation is the direct comparison of the subject land with sales of other land parcels in the market. Research revealed no transactions of acreage properties that possessed similar land use characteristics as the subject; namely, Interim underlying zoning, Park community plan designation, Rural state land use designation, and Rural growth boundary designation. Due to the scarcity of comparable land sales, the criteria utilized by the appraiser to determine the most reasonably meaningful land transactions for market comparison were (1) recent sale date, (2) location in Kula, (3) most similar in parcel size, (4) similarity in roadway access and availability of utilities, and (5) competitive zoning.

The three vacant land comparables utilized in the Site Valuation Worksheet (**Table 1**) represent the most reasonably recent and competitive transactions available for market comparison.

Comparable Land Transactions

- Land Transaction No. 1. Tax Map Key (2) 2-3-13-27 is located on Haleakala Highway and contains 7.280 acres of Rural zoned land. It is within the State Land Use Rural District, and designated for Rural use in the community plan. This property sold on May 17, 2024, for \$1,500,000, or \$206,044 per acre.
- Land Transaction No. 2. Tax Map Key (2) 2-3-32-16 is located on Kula Highway and contains 2.16 acres of Agriculture zoned land. It is within the State Land Use Rural District, and designated for Rural use in the community plan. This property sold on November 16, 2023, for \$800,000, or \$370,370 per acre.

- Land Transaction No. 3. Tax Map Key (2) 2-3-15-04 is located on Lower Kimo Drive in Kula and contains 3.219 acres of Rural zoned land. It is within the State Land Use Rural District, and designated for Rural use in the community plan. This property sold on January 14, 2022, for \$1,100,000, or \$341,721 per acre.

Description of Adjustments to Land Sales

Market Conditions/Time Adjustment: The comparables transacted between 2022 and 2024. In order to determine the extent of market change over time, MLS statistical information of vacant land on the entire island of Maui were utilized since they represented a credible population of sales. Based upon MLS statistical information, it was determined that vacant land median sale prices increased by 24% between January 2022 and April 2024, and 20% between November 2023 and April 2024. Appropriate time adjustments were applied to the comparables.

Location: The subject and all three comparable land sales are located in Kula within close proximity to the subject and no adjustments were required.

Access/Utilities: Roadway access and the availability of utilities determines the potential use and development of land. The subject and all three comparable land sales were relatively similar in roadway access as well as availability of utilities, and no adjustments were considered.

Zoning/Community Plan/Growth Boundary/State Land Use: These land use regulations determine the potential uses and density of a property. The subject is located in the State Land Use Rural district, County zoned Interim District, community planned for Park use, and located within the County's delineated Rural growth boundary. Although the subject's zoning would allow for potential higher order uses, this potential is severely constrained by the conflicting State Land Use, zoning and community plan designations. A negative 20% adjustment was applied for this issue.

Special Management Area (SMA): The subject and all of the comparable land sales are located outside the SMA and no adjustments were necessary.

Public Use: The subject property has historically been used for public purposes, and remains in public use as of the effective date of valuation. The utilization of a property for public use, especially over a significant period, often cements its position and function in the community. Such properties become centers of activity that residents identify with and rely upon. The difficulty in altering the land use of these properties is not just a matter of legal zoning or designations; it is rooted in the community's perception and the value they place on the public services provided. The 20% negative adjustment reflects the anticipated resistance from the community, which could manifest as a strong opposition to redevelopment plans that diverge from the established public use. This adjustment is a prudent measure to account for the potential economic and social impact of proposing a change in land use that may not align with the community's expectations and values. It is reasonable to assume that public outcry and push-back would preclude any change in land use.

Flood Status: The subject and all of the comparable land sales are similarly located in non-hazard flood areas and no adjustments were warranted.

Other Physical Characteristics: The physical characteristics of the subject and comparables including shape, configuration, topography, terrain, and encumbrances were considered. However, positive and negative attributes of the properties offset, and no adjustments were deemed necessary.

No other adjustments for property characteristics were deemed necessary.

Size: The land sales ranged in parcel sizes and typically the larger the parcel the lower the unit price and the smaller the parcel the higher the unit price. Therefore, size can affect the purchase price. In order to address the disparity in size between the comparables and the subject, a size adjustment was applied to each land sale.

Comparable Weighting

A weighting process is utilized to acknowledge the most applicable (reliable) of the comparables. Equal weight was placed on each comparable land sale in determining the subject's unit value since no individual land sale was considered to be more representative of the subject than the others.

TABLE 1

SITE VALUATION WORKSHEET				
LAND TRANSACTION ANALYSIS AND ADJUSTMENT SCHEDULE				
Subject		COMPARABLE LAND SALES		
		Land Sale 1	Land Sale 2	Land Sale 3
Tax Map Key (Division 2)	2-3-37-26	2-3-13-27	2-3-32-16	2-3-15-4
Street Address	4355 Lower Kula Road	Haleakala Highway	Kula Highway	Lower Kimo Drive
Community Location	Kula	Kula	Kula	Kula
State Land Use District (SLU)	Rural	Rural	Rural	Rural
County Zoning District	Interim	Rural	Agriculture	Rural
Community Plan Designation	Park	Rural	Rural	Rural
County Growth Boundary	Rural	Rural	Urban	Rural
Special Management Area (SMA)	No	No	No	No
Land Tenure	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Parcel Configuration	Irregular	Irregular	Mostly rectangular	Irregular
Topography/Terrain	Level/Moderate slope	Level/Irregular slope	Level/Irregular slope	Level/Irregular slope
Roadway Accessibility	Public/Adequate	Public/Adequate	Public/Adequate	Public/Adequate
Utilities	Elec/Wtr on site	Elec/Wtr on site	Elec/Wtr on site	Elec/Wtr on site
FEMA Flood Status	Zone X	Zone X	Zone X	Zone X
Site Encumbrances	Access/utility easements	None known	None known	Utility easements
Gross Land Area in Acres	7.043	7.280	2.160	3.219
Recordation Date		5/17/2024	11/16/2023	1/14/2022
Instrument		Deed	Deed	Deed
Transaction Price		\$1,500,000	\$800,000	\$1,100,000
Financing/Conditions of Sale Adjustment		\$0	\$0	\$0
Adjusted Transaction Price		\$1,500,000	\$800,000	\$1,100,000
Indicated Transaction Price per Acre		\$206,044	\$370,370	\$341,721
Market Conditions Adjustment (Time)		1.00	1.20	1.24
Market Conditions Adjusted Unit Price		\$206,044	\$444,444	\$423,734
ADJUSTMENTS				
Location		0%	0%	0%
Access/Utilities		0%	0%	0%
Zoning/Community Plan/Growth Boundary/SLU		-20%	-20%	-20%
Public Use		-20%	-20%	-20%
Flood Status		0%	0%	0%
Other Physical Characteristics		0%	0%	0%
Net Adjustments		-40%	-40.0%	-40%
Adjusted Unit Price		\$123,626	\$266,666	\$254,240
Size Adjustment		1.02	0.48	0.61
Final Size Adjusted Unit Price per Acre		\$126,099	\$128,000	\$155,086
WEIGHTING FACTOR		33.33%	33.33%	33.33%
Product		\$42,029	\$42,662	\$51,690
Range of Final Adjusted Values: \$126,099 - \$155,086 per Acre Median Unit Value: \$128,000 per Acre Mean Unit Value: \$136,395 per Acre Weighted Unit Value: \$136,381 per Acre Estimated Unit Value of the Land, Fee Simple: \$136,381 per Acre Indicated Site Value: 7.043 Ac x \$136,381 = \$960,531 Rounded = \$961,000				

CONCLUSION OF VALUE

After application of the appraisal process; research, analysis and selection of comparable sales; adjusting for the variations in the properties; and application of a weighted average, it is concluded that the subject property is fairly represented by \$136,381 per acre, or for 7.043 acres, rounded:

**NINE HUNDRED SIXTY ONE THOUSAND DOLLARS
(\$961,000)**

Exposure Time

The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective of the appraisal would have been 18 to 24 months.

PART IV – EXHIBITS AND ADDENDA

ASSUMPTIONS AND LIMITING CONDITIONS

The research, analysis, and value conclusions contained in this appraisal are guided and influenced by the following assumptions and conditions, and constitute the framework of our study.

- No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable. The property is appraised free and clear of any or all existing liens, encumbrances, and assessments unless otherwise noted, and having responsible ownership and competent management.
- Legal descriptions referenced in the report were obtained from public documents from the State of Hawaii, Bureau of Conveyances, or were furnished by the client or other third-party, and were assumed to be correct. However, no warranty is given for their accuracy.
- It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
- It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
- It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
- The Appraiser has viewed, as far as possible, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structurally or by other components. The appraisal assumes that there are no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures which would render it more or less valuable. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist.
- The appraiser is not qualified to detect hazardous waste and/or toxic materials. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he/she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
- Information provided by the client, property owner, owners' representative, or persons designated by the client or owner to supply said information are accurate and correct unless otherwise specially noted in the appraisal report. Additionally, information from third parties including government agencies, financial institutions, realtors, buyers, sellers, and others and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no warranty is assumed for possible misinformation.



- The analyses, opinions and conclusions of the appraiser are based on the data available at the time of writing. However, the appraiser may revise or modify these elements if new or more reliable data emerges that affects the valuation. The appraiser retains the right to make such adjustments as deemed necessary.
- If analysis contained in this appraisal involve partial interests in real estate, the value of the fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole.
- Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
- The Client is the party or parties who engage an appraiser (by employment contract) in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment. The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
- The Appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.
- The appraiser will not disclose the contents of this appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and/or applicable federal, state or local laws.
- Acceptance of, and/or use of this appraisal report by client or any third party constitutes acceptance of the ACM Consultants, Inc., Certification and Limiting and Contingent Conditions, and any other special assumptions or conditions set forth in the Report. Appraiser liability extends only to stated client, not subsequent parties or users of any type, and the total liability of Appraiser(s) and firm is limited to the amount of fee received by Appraiser.

PRELIMINARY TITLE REPORT OF THE SUBJECT PROPERTY

PRELIMINARY REPORT
(No Liability Hereunder)

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it for the purpose of facilitating the issuance of a policy of title insurance by Title Guaranty of Hawaii, LLC and no liability will arise under this report.

SCHEDULE A

Title Guaranty of Hawaii, LLC (the "Company") hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

VON TEMPSKY FP,
a Hawaii Limited Partnership,
as Fee Owner

This report is dated as of May 17, 2024 at 8:00 a.m.

Inquiries concerning escrow should be directed to:
Escrow Officer - Gwen Vida; Office: (808) 871-2296
Email: gvida@tghawaii.com

Inquiries concerning this report should be directed to:
Title Officer - Ofelia Lopez; Office: 808-533-5831
Email: olopez@tghawaii.com
Please reference Order No. 7311474768, Escrow No. 7322410658

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**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 2-3-037-026 Area Assessed: 7.043 acres

Tax Classification: AGRICULTURE

Real Property Tax Website: (2) 2-3-037-026

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes due to possible loss of exemption status.

2. Mineral and water rights of any nature.

3. Easement "A" (20 feet wide) for access purposes in favor of the adjoining land bearing Tax Key designation (2) 2-3-001-023, as referenced on the survey of The Kula Community Center Project dated September 1, 1982, revised May 12, 1983.

4. GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED and GTE HAWAIIAN
TELEPHONE COMPANY INCORPORATED, now known as
HAWAIIAN TELCOM, INC.

DATED : June 4, 1979

RECORDED : Liber 13940 Page 117

GRANTING : a right and easement to build, construct,
reconstruct, rebuild, repair, maintain and operate
pole and wire lines and/or underground power lines,
etc., for the transmission of electricity; said
easement being Easement "B" (10 feet wide), more
particularly described therein

5. LEASE

LESSOR : ROBERT G. VON TEMPSKY and ALEXA VON TEMPSKY
ZABRISKIE

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SCHEDULE B CONTINUED

LESSEE : KULA COMMUNITY CLUB, INCORPORATED, a Hawaii
eleemosynary corporation

DATED : August 5, 1952

RECORDED : Liber 2610 Page 431

TERM : 99 years commencing on January 1, 1951, until
December 31, 2049

Said Lease is subject to any matters arising from of affecting
the same.

6. SUBLEASE

SUBLESSOR : KULA COMMUNITY CLUB, a Hawaii eleemosynary
corporation

SUBLESSEE : COUNTY OF MAUI

DATE : December 29, 1954

RECORDED : Liber 2920 Page 215

TERM : 96 years from December 1, 1954 to and including
November 30, 2050

CONSENT : Given by ROBERT G. VON TEMPSKY and ALEXA VON
TEMPSKY ZABRISKIE, by instrument dated December 29,
1954, recorded in Liber 2920 at Page 220

Said Sublease is subject to any matter arising from affecting the
same.

7. DESIGNATION OF EASEMENT(S) "B-1"

PURPOSE : access and utility purposes

REFERENCED : on Subdivision Map No. 2.2308, approved on November
19, 1996

8. The terms and provisions contained in unrecorded FIRST REFUSAL
CREDIT AGREEMENT dated August 29, 2006, by and between KULA RIDGE
MAUKA LLC, "Buyer", and MARY B. VON TEMPSKY, Trustee of the R.
Gordon Von Tempsky, Jr. Trust, "Seller".

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SCHEDULE B CONTINUED

9. GRANT

TO : COUNTY OF MAUI

DATED : February 12, 2009

RECORDED : Document No. 2010-002409

GRANTING : a nonexclusive easement over said Easement "B-1"

10. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

11. Any unrecorded leases and matters arising from or affecting the same.

-Note:- A properly executed TG Form D.1 should be submitted at closing (i) if there are no unrecorded leases affecting the subject land and the insured requires that said exception be removed from the policy or (ii) if the insured requires the policy to be issued with reference to specific unrecorded leases.

12. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Schedule C herein.

-Note:- Before issuance of an ALTA policy, verification is required that there is no renovation or construction in progress at the present time, nor has there been any renovation or construction during the past year, nor has any material been delivered to the site for purposes of renovation or construction in the past year.

END OF SCHEDULE B

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SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 7453, Land Commission Award Number 8452, Apana 21 to Keohokalole) situate, lying and being on the southeasterly side of Lower Kula Road, at Kealahou 3 and 4, Kula, Island and County of Maui, State of Hawaii, and thus bounded and described as per survey dated December 12, 1996, to-wit:

Beginning at a 1/2 inch pipe at the southeasterly corner of this lot, the southeasterly side of Lower Kula Road, the coordinates of which point of beginning referred to Government Survey Triangulation Station "PULEHU" being

7,271.16 feet south
52.30 feet east

and running by azimuths measured clockwise from true South:

- | | | | | |
|----|------|-----|--------|---|
| 1. | 197° | 15' | 598.73 | feet along the southeasterly side of Lower Kula Road to a 1/2 inch pipe; thence |
| 2. | 204° | 58' | 269.48 | feet along same to a 1/2 inch pipe; thence |
| 3. | 316° | 49' | 119.85 | feet along the remaining portion of L. C. Aw. 8452 along Land owned by Robert G. Von Tempsky and Alexa G. Zabriskie to a point at angle in fence line; thence |
| 4. | 310° | 43' | 67.40 | feet along same to a point at angle in fence; thence |
| 5. | 298° | 08' | 203.87 | feet along same to a 1/2 inch pipe at fence corner; thence |
| 6. | 324° | 10' | 167.09 | feet along same to a 1/2 inch pipe at fence corner; thence |
| 7. | 356° | 47' | 180.99 | feet along same to a 1/2 inch pipe; thence |
| 8. | 28° | 56' | 504.76 | feet along same to a 1/2 inch pipe at stonewall; thence |

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SCHEDULE C CONTINUED

9. 121° 52' 320.65 feet along Kealahou 1 and 2
along land owned by Louis K.
Fernandez to the point of
beginning and containing an area
of 7.043 acres, more or less.

BEING THE PREMISES ACQUIRED BY COMMISSIONER'S DEED

GRANTOR : BENARD M. HERREN, as Commissioner
GRANTEE : VON TEMPSKY FP, a Hawaii Limited Partnership
DATED : March 26, 2024
RECORDED : Document No. A-88570183

END OF SCHEDULE C

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GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

BUYER(S) LIEN INFORMATION

1. The Company finds no liens docketed against COUNTY OF MAUI, the proposed purchaser(s).

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GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
- B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
- C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
- D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Company for approval at least one week prior to the anticipated date of recordation.

Forms are available upon request from the Company.

- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
- F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
- G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from the Company or on our website at www.tghawaii.com.
- H. Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.

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COMPARABLE VACANT LAND SALES DESCRIPTIONS

LAND TRANSACTION 1



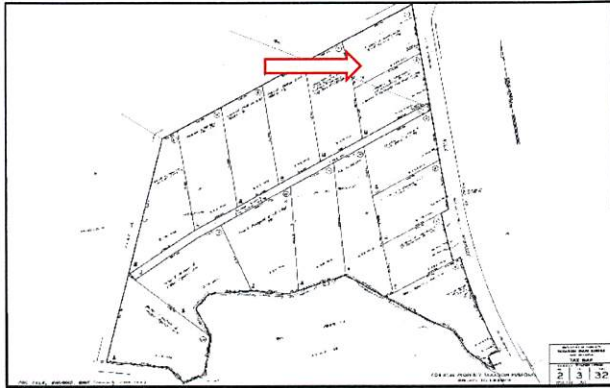
Property and Land Data

Street Address	Haleakala Highway, Kula, Island of Maui, State of Hawaii
Tax Map Key	(2) 2-3-013:027
Land Area	7.280 acres of gross land area
Zoning	Rural
State Land Use	Rural
Community Plan	Rural
Assessed Value (2024)	\$747,000
Flood Zone	Zone X
Shape/Topography	Irregular/Level to irregular slope
Access/Utilities	Public access; Electricity and water available
Encumbrances	None known
Improvements	None

Transaction Data

Transaction Price	\$1,500,000
Recordation Date	5/17/2024
Recordation Number	Doc No. – not yet available
Instrument	Deed
Property Rights	Fee Simple
Grantor	Mango Tree Home Solutions LLC
Grantee	Not yet available
Comments	Vacant, rural zoned parcel located in the Kula neighborhood.
Source	Hawaii Information Service, Multiple Listing Service, Maui County Real Property Tax Office.

LAND TRANSACTION 2



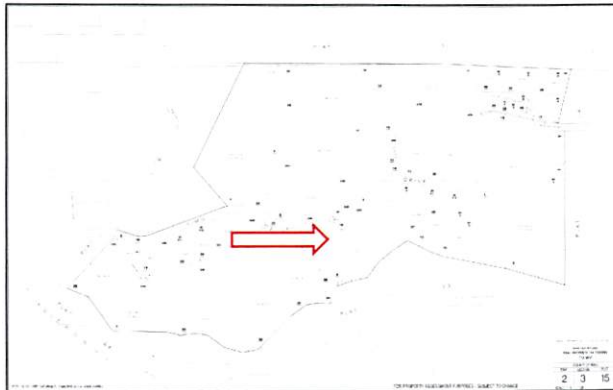
Property and Land Data

Street Address	Kula Highway, Kula, Island of Maui, State of Hawaii
Tax Map Key	(2) 2-3-032:016
Land Area	2.16 acres of gross land area
Zoning	Agriculture
State Land Use	Rural District
Community Plan	Rural
Assessed Value (2024)	\$668,900
Flood Zone	Zone X
Shape/Topography	Mostly rectangular/Level to irregular slope
Access/Utilities	Public access; Electricity and water available
Encumbrances	None known
Improvements	None

Transaction Data

Transaction Price	\$800,000
Recordation Date	11/16/2023
Recordation Number	Doc No. 87200232
Instrument	Deed
Property Rights	Fee Simple
Grantor	Astrid Watanabe
Grantee	Samuel Warren
Comments	Vacant, agriculture zoned parcel located in the Kula neighborhood.
Source	Hawaii Information Service, Multiple Listing Service, Maui County Real Property Tax Office.

LAND TRANSACTION 3



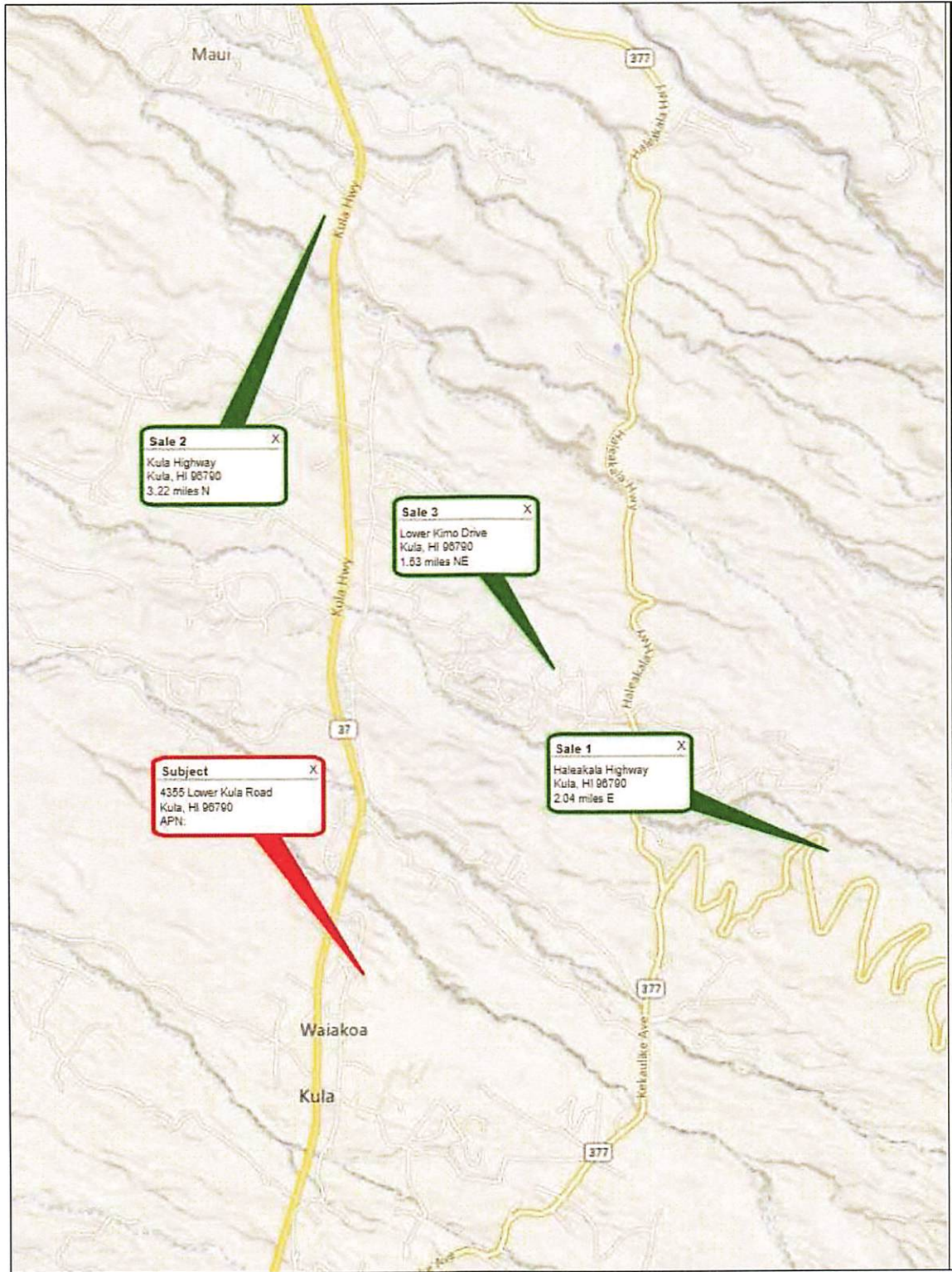
Property and Land Data

Street Address	Lower Kimo Drive, Kula, Island of Maui, State of Hawaii
Tax Map Key	(2) 2-3-015:004
Land Area	3.219 acres of gross land area
Zoning	Rural
State Land Use	Rural District
Community Plan	Rural
Assessed Value (2024)	\$607,700
Flood Zone	Zone X
Shape/Topography	Irregular/Level to irregular slope
Access/Utilities	Public access; Electricity and water available
Encumbrances	None known
Improvements	None

Transaction Data

Transaction Price	\$1,100,000
Recordation Date	1/14/2022
Recordation Number	Doc No. LCD 11701108
Instrument	Deed
Property Rights	Fee Simple
Grantor	Cynthhia Lallo Trust
Grantee	John Binsfeld
Comments	Vacant, rural zoned parcel located in the Kula neighborhood.
Source	Hawaii Information Service, Multiple Listing Service, Maui County Real Property Tax Office.

COMPARABLE LAND SALES LOCATION MAP



STATE OF HAWAII/MAUI COUNTY ECONOMIC DATA

Source: State of Hawaii, Department of Business, Economic Development & Tourism

STATE OF THE ECONOMY

Hawaii's major economic indicators were mixed in the fourth quarter of 2023. State general fund tax revenues, wage and salary jobs, and government contracts awarded increased in the quarter compared to the fourth quarter of 2022. However, visitor arrivals and private building authorizations decreased.

In the fourth quarter of 2023, the total number of visitors arriving by air to Hawaii decreased 38,481 or 1.7 percent and the daily visitor census decreased 11,047 or 4.7 percent compared to the fourth quarter of 2022.

In the fourth quarter of 2023, the construction sector lost 700 jobs or 1.8 percent compared with the same quarter of 2022. In the fourth quarter of 2023, the permit value for private construction decreased \$392.2 million or 30.3 percent; however, government contracts awarded increased \$180.0 million or 34.4 percent, compared with the same quarter of 2022. According to the most recent excise tax base data available, contracting tax base increased \$292.4 million or 10.5 percent in the third quarter of 2024, compared with the same quarter of the previous year. For the first three quarters of 2023 contracting tax base increased \$773.3 million or 9.7 percent compared with the same period of the previous year.

In the fourth quarter of 2023, State general fund tax revenues increased \$191.5 million or 9.5 percent over the same period of 2022. The state general excise tax revenue increased \$30.6 million or 2.9 percent, the net individual income tax revenues increased \$139.3 million or 23.3 percent, the net corporate income tax revenues increased \$25.0 million or 37.4 percent, and the transient accommodations tax (TAT) decreased \$3.8 million or 2.1 percent. In 2023, State general fund tax revenues increased \$63.5 million or 0.7 percent compared to the previous year.

Labor market conditions were mixed. Hawaii's non-agricultural wage and salary jobs averaged 637,700 jobs, an increase of 5,000 jobs or 0.8 percent.

The job increase in the fourth quarter of 2023 was due to job increases in both the private sector and the government sector. In this quarter, the private sector added about 1,800 non-agricultural jobs compared to the fourth quarter of 2022. The majority of the private sector industries added jobs in the quarter. The number of jobs increased the most in Health Care and Social Assistance, which added 1,300 jobs or 1.8 percent, followed by Food Services and Drinking Places, which added 1,100 jobs or 1.7 percent, Private Educational Services, which added

900 jobs or 6.1 percent, and Professional and Business Services, which added 700 jobs or 1.0 percent, in the quarter. The Government sector added 3,200 jobs or 2.6 percent. The Federal Government added 400 jobs or 1.1 percent, the State Government added 2,600 jobs or 3.7 percent, and the Local Government added 400 jobs or 2.2 percent in the quarter.

In the third quarter of 2023, total annualized nominal GDP increased \$6,668 million or 6.5 percent, from the third quarter of 2022. In the first three quarters of 2023, total annualized nominal GDP increased \$7,677 million or 7.7 percent from the same period of the previous year. In the third quarter of 2023, total annualized real GDP (in chained 2017 dollars) increased \$1,780 million or 2.1 percent from the third quarter of 2022. In the first three quarters of 2023, total annualized real GDP increased \$1,918 million or 2.3 percent from the same period of the previous year.

In the third quarter of 2023, total non-farm private sector annualized earnings increased \$2,605.1 million or 5.8 percent from the third quarter of 2022. In dollar terms, the largest increase occurred in Health Care and Social Assistance, followed by Transportation and Warehousing; and Accommodation and Food Services; Other Services, except Public Administration; and Professional, Scientific, and Technical Services. During the third quarter of 2023, total government earnings increased \$1,405.9 million or 8.3 percent from the same quarter of 2022. Earnings from the federal government increased \$797.7 million. Earnings from the state and local governments increased \$608.2 million in the quarter.

In the second half of 2023, Honolulu's Consumer Price Index for Urban Consumers (CPI-U) increased 2.9 percent from the same period in 2022. This is 0.5 percentage point below the 3.4 percent increase for the U.S. average CPI-U. It is also lower than the 6.3 percent increase in the Honolulu CPI-U for the second half of 2022 compared to the same period of the previous year. In the second half of 2023, the Honolulu CPI-U increased the most in Apparel (13.0 percent), followed by Other Goods and Services (8.3 percent), Recreation (6.7 percent), Medical Care (4.7 percent), Food and Beverages (4.3 percent), Housing (3.1 percent), and Education and Communication (1.2 percent) compared to the second half of 2022. Transportation decreased 2.6 percent in the second half of 2023 compared to the same period in 2022.

OUTLOOK FOR THE ECONOMY

The August 2023 Maui wildfires continued to impact the state's economy through the fourth quarter of 2023. Although Hawaii's economic recovery was strong during the first 7 months of 2023, economic activity slowed significantly after the Maui wildfires. Maui County has been impacted the most, especially in tourism. Visitor arrivals to Maui County decreased 41.4 percent and visitor expenditures declined 31.3 percent during the last 5 months of 2023, compared with the same period in 2022. Visitor arrivals to the state decreased by 3.7 percent and total visitor expenditures were reduced by 4.8 percent in the five month period following the wildfires, compared to the same period in 2022.

The number of civilians employed in Maui County during the last five months of 2023 fell 3.1 percent compared to the same period in 2022. Maui County's unemployment rate (not seasonally adjusted) was 6.3 percent in the fourth quarter of 2023, an increase of 2.7 percent points from the same quarter in 2022. The statewide unemployment rate (not seasonally adjusted) was 3.0 percent in the fourth quarter of 2023, 0.7 percent lower than the unemployment rate in the fourth quarter of 2022.

The total value of private building permits declined by 14.5 percent in the last 5 months of 2023 compared to the same period of 2022. The permit value for commercial and industrial permits increased by 148.0 percent while the value of residential permits declined by 32.9 percent and the value of additions and alterations decreased by 22.2 percent.

State general excise tax revenue, a comprehensive measure of economic activity, increased by 0.6 percent during the last 5 months of 2023, compared to the same period in 2022.

Hawaii's real gross domestic product (GDP) increased 2.1 percent in the third quarter of 2023 compared to the third quarter of 2022 and reflects a recovery of 97.7 percent from the same period in 2019.

At the national level, U.S. real GDP growth has been stronger than expected. Although the U.S. economy was initially forecast to grow at 0.5 percent in 2023, the most recent estimate by the U.S. Bureau

of Economic Analysis (released February 28, 2024) indicates that U.S. real GDP grew at 2.5 percent in 2023 compared to 2022. The most recent economic projections by the top 50 economic forecasting organizations, published in Blue Chip Economic Indicators (February 9, 2024), indicate that U.S. economic growth is expected to be 2.1 percent in 2024 and 1.7 percent in 2025. DBEDT estimates that Hawaii's real GDP will increase by 1.5 percent in 2024. The forecast then projects 1.9 percent growth in 2025, 2.1 percent in 2026, and 2.2 percent in 2027.

Visitor arrivals are projected to be 9.8 million visitors in 2024, an increase of 1.4 percent from the 2022 level and about the same as previously projected. Visitor arrivals are projected to increase to 10.0 million in 2025, 10.2 million in 2026, and 10.4 million in 2027. Visitor spending is estimated to increase 2.2 percent in 2024. The forecast then projects an increase of 3.9 percent in 2025, 3.4 percent in 2026, and 3.2 percent in 2027.

Non-agriculture payroll jobs are estimated to increase 1.4 percent in 2024. The forecast projects increases of 1.6 percent in 2025 and in 2026, followed by an increase of 1.4 percent in 2027.

The state unemployment rate is expected to be at 2.8 percent in 2024 and will improve to 2.6 percent in 2025, 2.4 percent in 2026, and 2.3 percent in 2027.

Nominal personal income is estimated to increase by 3.8 percent in 2024. The forecast then projects an increase of 3.9 percent in 2025, 4.0 percent in 2026, and 4.1 percent in 2027.

Hawaii's consumer inflation rate, as measured by the Honolulu Consumer Price Index for All Urban Consumers, is estimated to increase 2.8 percent in 2024, which is higher than the projected U.S. consumer inflation rate of 2.6 percent for the same year. The forecast then projects Hawaii's consumer inflation to increase by 2.5 percent in 2025, 2.4 percent in 2026, and 2.2 percent in 2027.

Hawaii's population growth is expected to be flat in 2024, followed by an increase by 0.1 percent in 2025, and increases of 0.2 percent in 2026 and in 2027.

**Table 1. 2023 QUARTERLY ECONOMIC INDICATORS:
STATE OF HAWAII**

SERIES	4th QUARTER			YEAR-TO-DATE		
	2022	2023	% CHANGE YEAR AGO	2022	2023	% CHANGE YEAR AGO
Civilian labor force, NSA (persons) 1/	680,200	675,000	-0.8	676,300	675,850	-0.1
Civilian employed, NSA	655,000	655,100	0.0	652,650	655,650	0.5
Civilian unemployed, NSA	25,200	19,900	-21.0	23,650	20,200	-14.6
Unemployment rate, NSA (%) 1/ 2/	3.7	3.0	-0.7	3.5	3.0	-0.5
Total wage and salary jobs, NSA	638,700	642,700	0.6	623,400	637,100	2.2
Total non-agric. wage & salary jobs	632,700	637,700	0.8	618,100	632,100	2.3
Nat. Resources, Mining, Constr.	38,700	38,000	-1.8	37,300	37,900	1.6
Manufacturing	12,800	13,000	1.6	12,500	12,900	3.2
Wholesale Trade	17,400	17,000	-2.3	17,300	17,300	0.0
Retail Trade	66,500	65,500	-1.5	64,900	64,900	0.0
Transp., Warehousing, Util.	33,600	34,000	1.2	32,900	33,800	2.7
Information	8,800	8,900	1.1	8,500	8,900	4.7
Financial Activities	28,100	26,900	-4.3	27,800	27,100	-2.5
Professional & Business Services	71,800	72,500	1.0	71,300	72,300	1.4
Private Educational Services	14,700	15,600	6.1	14,000	15,100	7.9
Health Care & Social Assistance	73,100	74,400	1.8	72,400	72,900	0.7
Arts, Entertainment & Recreation	12,400	12,800	3.2	11,900	12,700	6.7
Accommodation	38,800	38,700	-0.3	37,000	38,900	5.1
Food Services & Drinking Places	66,300	67,400	1.7	63,500	67,500	6.3
Other Services	26,700	26,700	0.0	26,200	26,900	2.7
Government	123,200	126,400	2.6	120,800	123,100	1.9
Federal	35,100	35,500	1.1	34,700	35,100	1.2
State	69,600	72,200	3.7	67,600	69,200	2.4
Local	18,400	18,800	2.2	18,500	18,800	1.6
Agriculture wage and salary jobs	6,000	5,000	-16.7	5,300	5,000	-5.7
State general fund revenues (\$1,000)	2,022,034	2,213,550	9.5	9,441,315	9,504,830	0.7
General excise & use tax rev. (\$1,000)	1,044,373	1,074,997	2.9	4,263,353	4,474,126	4.9
Income-individual (\$1,000)	598,929	738,229	23.3	3,497,207	3,385,346	-3.2
Declaration estimated taxes (\$1,000)	117,780	96,785	-17.8	1,432,741	1,074,618	-25.0
Payment with returns (\$1,000)	89,512	75,031	-16.2	535,645	413,454	-22.8
Withholding tax on wages (\$1,000)	641,098	681,522	6.3	2,482,684	2,663,916	7.3
Refunds (-) relative to State (\$1,000)	-249,462	-115,109	-53.9	-953,864	-766,642	-19.6
Transient accommodations tax (\$1,000)	185,190	181,345	-2.1	830,056	846,266	2.0
County surcharges (\$1,000) 3/	105,232	110,176	4.7	414,998	441,822	6.5
Private Building Permits (\$1,000)	1,293,459	901,274	-30.3	3,579,323	3,667,169	2.5
Residential (\$1,000)	714,555	343,552	-51.9	1,759,994	1,516,288	-13.8
Commercial & industrial (\$1,000)	88,809	218,220	145.7	407,152	556,361	36.6
Additions & alterations (\$1,000)	490,094	339,502	-30.7	1,412,176	1,594,521	12.9
Visitor Days - by air	21,452,110	20,435,789	-4.7	84,736,187	85,596,149	1.0
Domestic visitor days - by air	18,169,574	16,558,441	-8.9	75,263,260	71,614,659	-4.8
International visitor days - by air	3,282,536	3,877,348	18.1	9,472,927	13,981,489	47.6
Visitor arrivals by air - by air	2,304,691	2,266,210	-1.7	9,138,674	9,488,477	3.8
Domestic flight visitors - by air	1,968,649	1,816,535	-7.7	8,233,186	7,939,297	-3.6
International flight visitors - by air	336,042	449,675	33.8	905,488	1,549,180	71.1
Visitor expend. - arrivals by air (\$1,000)	5,059,303	4,964,488	-1.9	19,653,619	20,708,040	5.4
Hotel occupancy rates (%) 2/	73.3	73.2	-0.1	73.6	74.7	1.2

1/ Labor force and jobs are Hawaii DBEDT monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ 0.5% added to the general excise tax to pay for Oahu's mass transit system and took effect January 1, 2007.

Other counties have since enabled surcharges and are included here.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<https://dbedt.hawaii.gov/economic/>>.

Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

2/29/2024

**ACTUAL AND FORECAST OF KEY ECONOMIC INDICATORS FOR HAWAII:
2022 TO 2027**

Economic Indicators	2022	2023 1/	2024	2025	2026	2027
	Actual		Forecast			
Total population (thousands) 2/	1,439	1,435	1,435	1,436	1,439	1,442
Visitor arrivals (thousands) 3/	9,234	9,645	9,782	10,010	10,238	10,444
Visitor days (thousands) 3/	85,240	86,340	86,596	88,439	89,971	91,296
Visitor expenditures (million dollars) 3/	19,800	20,918	21,385	22,210	22,967	23,697
Honolulu CPI-U (1982-84=100)	316.1	326.0	335.2	343.7	351.8	359.5
Personal income (million dollars)	88,973	93,219	96,762	100,535	104,557	108,844
Real personal income (millions of 2017\$)	69,266	70,887	71,716	72,624	73,615	74,911
Personal income deflator	128.5	131.5	134.9	138.4	142.0	145.3
Non-agricultural wage & salary jobs (thousands)	618.1	632.2	641.2	651.5	661.9	671.1
Civilian unemployment rate	3.5	3.0	2.8	2.6	2.4	2.3
Gross domestic product (million dollars)	101,083	107,107	111,431	115,819	120,380	124,997
Real gross domestic product (millions of 2017\$)	85,211	87,082	88,388	90,068	91,959	93,982
Gross domestic product deflator	118.6	123.0	126.1	128.6	130.9	133.0
Annual Percentage Change						
Total population	-0.5	-0.3	0.0	0.1	0.2	0.2
Visitor arrivals	36.2	4.4	1.4	2.3	2.3	2.0
Visitor days	30.5	1.3	0.3	2.1	1.7	1.5
Visitor expenditures	50.5	5.6	2.2	3.9	3.4	3.2
Honolulu CPI-U	6.5	3.1	2.8	2.5	2.4	2.2
Personal income	0.0	4.8	3.8	3.9	4.0	4.1
Real personal income	-4.7	2.3	1.2	1.3	1.4	1.8
Personal income deflator (2017=100)	5.0	2.4	2.6	2.6	2.6	2.3
Non-agricultural wage & salary jobs	5.3	2.3	1.4	1.6	1.6	1.4
Civilian unemployment rate 4/	-2.5	-0.5	-0.2	-0.2	-0.2	-0.1
Gross domestic product	8.6	6.0	4.0	3.9	3.9	3.8
Real gross domestic product	1.3	2.2	1.5	1.9	2.1	2.2
Gross domestic product deflator (2017=100)	7.2	3.7	2.5	2.0	1.8	1.6

1/ Some of the indicators are preliminary or estimated such as visitor expenditures, personal income, and gross domestic product

2/ July 1 count.

3/ Visitors who came to Hawaii by air and by cruise ship. Expenditures includes supplementary business expenditures.

4/ Absolute change from previous year.

Source: Hawaii State Department of Business, Economic Development & Tourism, March 6, 2024.

COUNTY ECONOMIC CONDITIONS

Maui County continued to experience the impacts of the August 8, 2023 wildfires. Maui County saw decreases in visitor arrivals, lost jobs, and faced a higher unemployment rate in the fourth quarter of 2023 compared to the same quarter in 2022. Honolulu, Hawaii, and Kauai counties saw increases in visitor arrivals, gained jobs, and experienced lower unemployment rates during the same quarter. The value of private building permits increased in Hawaii County but decreased in Honolulu, Maui, and Kauai counties in the fourth quarter of 2023 compared to the same quarter in 2022.

In the fourth quarter of 2023, the unemployment rate in Honolulu decreased 1.3 percentage point from 3.7 percent to 2.4 percent; the unemployment rate in Hawaii County decreased 1.5 percentage point from 4.0 percent to 2.5 percent; and the unemployment rate in Kauai County decreased 1.3 percentage point from 3.6 percent to 2.3 percent. The unemployment rate in Maui County increased 2.7 percentage points from 3.6 percent to 6.3 percent.

In the fourth quarter of 2023, Honolulu added 5,200 or 1.1 percent of non-agricultural wage and salary jobs compared to the same quarter of 2022. The number of jobs increased the most in Food Services and Drinking Places, which added 1,900 jobs or 4.1 percent. This was followed by Health Care & Social Assistance which added 1,500 jobs or 2.7 percent, Arts, Entertainment & Recreation which added 700 jobs or 9.2 percent, and Private Educational Services which added 600 jobs or 5.1 percent in the quarter. The Government sector added 2,200 jobs or 2.3 percent in the quarter.

In the fourth quarter of 2023, Hawaii County added 2,000 or 2.9 percent of non-agricultural wage and salary jobs over the same quarter of 2022. The number of jobs increased the most in Professional & Business Services which added 600 jobs or 9.4 percent and Retail Trade which added 400 jobs or 4.0 percent. Private Educational Services added 300 jobs or 23.1 percent, Food Services & Drinking Places added 300 jobs or 4.5

percent, and Accommodation added 200 jobs or 3.3 percent in the quarter. The Government sector added 700 jobs or 4.8 percent in the quarter.

Maui County lost 2,400 jobs or 3.2 percent of non-agricultural wage and salary jobs in the fourth quarter of 2023 over the same quarter of 2022. The number of jobs decreased the most in Food Services and Drinking Places which lost 1,100 jobs or 11.7 percent. Retail Trade lost 600 jobs or 6.6 percent and Accommodation lost 600 jobs or 5.2 percent. Health Care & Social Assistance added 500 jobs or 6.3 percent. The Government sector jobs added 200 jobs or 2.3 percent in the quarter.

Kauai County added 300 jobs or a 1.0 percent increase in non-agricultural wage and salary jobs in the fourth quarter of 2023 over the same quarter of 2022. The number of jobs increased the most in Retail Trade which added 200 jobs or 5.1 percent, in Professional & Business Services which added 200 jobs or 6.9 percent, and in Accommodation which added 200 jobs or 4.9 percent. The Government sector added 100 jobs or 2.0 percent in the quarter.

In the fourth quarter of 2023, visitor arrivals by air increased in all counties except Maui County. Visitor arrivals by air increased 10.5 percent in Honolulu, 0.9 percent in Hawaii County, and 1.0 percent in Kauai compared to the same quarter of 2022. Visitor arrivals by air decreased 31.7 percent in Maui County.

In the fourth quarter of 2023, the value of private building permits decreased in all counties except Hawaii County. In the fourth quarter of 2023, private building permits decreased \$393.9 million or 46.5 percent in Honolulu, decreased by \$10.2 million or 5.4 percent in Maui County, and decreased \$1.1 million or 2.2 percent in Kauai County (only residential available) from the same quarter of the previous year. The value of private building permits increased \$13.0 million or 6.2 percent in Hawaii County.



Table 4. 2023 QUARTERLY ECONOMIC INDICATORS: MAUI COUNTY

SERIES	4th QUARTER			YEAR-TO-DATE		
	2022	2023	% CHANGE YEAR AGO	2022	2023	% CHANGE YEAR AGO
Civilian labor force, NSA (persons) 1/	87,400	87,150	-0.3	87,250	87,450	0.2
Civilian employed, NSA	84,300	81,700	-3.1	84,250	83,650	-0.7
Civilian unemployed, NSA	3,100	5,450	75.8	3,050	3,800	24.6
Unemployment rate, NSA (%) 1/ 2/	3.6	6.3	2.7	3.5	4.4	0.9
Total wage and salary jobs, NSA	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total non-agric. wage & salary jobs	75,800	73,400	-3.2	74,400	74,800	0.5
Nat. Resources, Mining, Constr.	4,800	4,700	-2.1	4,600	4,700	2.2
Manufacturing	1,300	1,300	0.0	1,200	1,300	8.3
Wholesale Trade	1,400	1,400	0.0	1,400	1,400	0.0
Retail Trade	9,100	8,500	-6.6	9,000	8,800	-2.2
Transp., Warehousing, Util.	4,200	4,100	-2.4	4,200	4,200	0.0
Information	700	700	0.0	700	700	0.0
Financial Activities	2,900	2,900	0.0	2,900	2,900	0.0
Professional & Business Services	7,000	6,800	-2.9	7,000	6,900	-1.4
Private Educational Services	1,300	1,400	7.7	1,300	1,400	7.7
Health Care & Social Assistance	7,900	8,400	6.3	7,900	8,000	1.3
Arts, Entertainment & Recreation	2,300	2,100	-8.7	2,100	2,100	0.0
Accommodation	11,500	10,900	-5.2	11,300	11,200	-0.9
Food Services & Drinking Places	9,400	8,300	-11.7	9,100	9,300	2.2
Other Services	3,200	3,100	-3.1	3,200	3,200	0.0
Government	8,700	8,900	2.3	8,600	8,700	1.2
Federal	900	900	0.0	900	900	0.0
State	5,100	5,300	3.9	5,100	5,100	0.0
Local	2,700	2,700	0.0	2,600	2,700	3.8
Agriculture wage and salary jobs	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
State general fund revenues (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
General excise & use tax rev. (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Income-individual (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Declaration estimated taxes (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Payment with returns (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Withholding tax on wages (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Refunds ('-' relative to State) (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Transient accommodations tax (\$1,000)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
County surcharges (\$1,000) 3/	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Private Building Permits (\$1,000)	189,834	179,585	-5.4	572,019	774,651	35.4
Residential (\$1,000)	104,605	117,794	12.6	309,616	332,863	7.5
Commercial & industrial (\$1,000)	39,831	35,476	-10.9	141,855	284,880	100.8
Additions & alterations (\$1,000)	45,397	26,315	-42.0	120,548	156,908	30.2
Visitor Days - by air	6,107,495	4,307,054	-29.5	24,365,944	20,478,555	-16.0
Domestic visitor days - by air	5,292,536	3,686,737	-30.3	22,009,858	18,206,563	-17.3
International visitor days - by air	814,959	620,317	-23.9	2,356,086	2,271,993	-3.6
Visitor arrivals by air - by air	734,100	501,326	-31.7	2,969,395	2,526,521	-14.9
Domestic flight visitors - by air	643,950	438,897	-31.8	2,717,808	2,262,091	-16.8
International flight visitors - by air	90,150	62,429	-30.7	251,587	264,430	5.1
Visitor expend. - arrivals by air (\$1,000)	1,524,155	1,222,862	-19.8	6,012,014	5,919,830	-1.5
Hotel occupancy rates (%) 2/	65.3	67.9	2.6	67.6	66.1	-1.6

NA Not available.

1/ Labor force and jobs are Hawaii DBEDT monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ 0.5% added to the general excise tax to pay for Oahu's mass transit system and took effect January 1, 2007.

Other counties have since enabled surcharges and are included here.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<https://dbedt.hawaii.gov/economic/>>.

Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

2/29/2024

ZONING ORDINANCE

Article I. Interim Zoning Provisions

Chapter 19.02A REGULATIONS GENERALLY⁶

19.02A.010 Definition of districts.

The districts of Wailuku, Makawao, Lahaina, Hana, Lanai, and Molokai shall mean the Wailuku district, Makawao district, Lahaina district, Hana district, Lanai district, and Molokai district as described in section 4-1, Hawaii Revised Statutes.
(Ord. No. 3661, § 2, 2009)

19.02A.020 Title and purpose.

The ordinance codified in this title shall be known as the "Interim Zoning Ordinance" for the various districts of Maui as defined in this chapter for the purpose of providing interim regulations pending the formal adoption of a comprehensive zoning ordinance and map which are deemed as necessary in order:

1. To encourage the most appropriate use of land;
2. To conserve and stabilize the value of property;
3. To prevent certain uses that will be detrimental to existing uses; and
4. To promote the health, safety, and general welfare of the respective districts.

(Ord. No. 3661, § 2, 2009)

19.02A.030 Permitted property uses.

No land or building shall be used and no building shall be erected or structurally altered or maintained within the districts of Wailuku, Makawao, Lahaina, Hana, Lanai, and Molokai except for one or more of the following uses, subject to the referenced development standards:

1. One single-family dwelling per six thousand square feet of land:

DEVELOPMENT STANDARDS	
Minimum lot area	6,000 square feet
Minimum lot width	60 feet
Maximum height	30 feet
Minimum yard setback	(Up to and including 15 feet in height): Front 15 feet Side 6 feet Rear 6 feet (More than 15 feet in height): Front 15 feet Side 10 feet Rear 10 feet

⁶Editor's note(s)—It should be noted that section 4 of Ord. No. 3661 provides, "Existing Special Use Permits Issued Pursuant to Hawaii Revised Statutes. Any existing special use permit issued pursuant to Section 205-6, Hawaii Revised Statutes, in effect as of the effective date of this ordinance shall not be subject to the provisions of this ordinance and shall remain valid and in effect until its expiration date. Any special use permit application that would amend, alter, modify, or revise any of the facts, terms, or conditions of an existing special use permit issued pursuant to Section 205-6, Hawaii Revised Statutes, whether or not a request for a time extension is included in such application, shall be subject to the provisions of this ordinance."

There may be the usual necessary accessory buildings and accessory dwellings, as defined in section 19.04.040 of this title, in connection with any such dwelling.

2. Duplex dwellings:

DEVELOPMENT STANDARDS	
Minimum lot area	12,000 square feet
Minimum lot width	60 feet
Maximum building height	30 feet
Minimum yard setback	(Up to and including 15 feet in height): Front 15 feet Side 6 feet Rear 6 feet (More than 15 feet in height): Front 15 feet Side 10 feet Rear 10 feet

3. Hospitals and/or sanitariums, and/or convalescent homes, day care facilities, museums, churches, libraries, kindergartens, elementary schools, intermediate schools, high schools, universities, publicly owned buildings, public utility uses, and tower structures in support of a utility:

DEVELOPMENT STANDARDS		
Minimum lot area	20,000 square feet	
Minimum lot width	100 feet	
Maximum building height	30 feet	
Maximum tower height	50 feet	
Minimum yard setback	Front 20 feet Side 20 feet Rear 20 feet	Tower structures in support of a utility shall be set back from the property line at a distance at least equal to the overall height of the tower

4. The construction of new, or the expansion of existing parks, playgrounds, community centers, or public/quasi-public facilities, owned or operated by private or governmental agencies, and tower structures in support of a utility; provided that the utility services the new or expanded park, playground, community center or public/quasi-public facility:

DEVELOPMENT STANDARDS		
Minimum lot area	No minimum	
Minimum lot width	No minimum	
Maximum building/tower height	50 feet on the islands of Maui and Lanai. On the island of Molokai, building height shall be limited to 35 feet, and tower height shall be limited to 50 feet.	
Minimum yard setback	Front 15 feet Side 10 feet Rear 15 feet	Tower structures in support of a utility shall be set back from the property line at a distance at least equal to the overall height of the tower

5. Agricultural uses:

DEVELOPMENT STANDARDS		
Use	Lot Size	Special Use Permit Required
Agriculture, excluding the raising and/or keeping of bees and pigs	Less than one acre	No
	One acre or more	No
Agriculture, including the raising and/or keeping of bees and pigs	Less than one acre	Yes
	One acre or more	Yes
Commercial agriculture, excluding the raising and/or keeping of bees and pigs	Less than one acre	Yes
	One acre or more	No
Commercial agriculture, including the raising and/or keeping of bees and pigs	Less than one acre	Yes
	One acre or more	Yes

For purposes of this section, special use permits shall be processed pursuant to chapter 19.510 of this title, and assessed a permit fee as established in the annual budget of the County.

6. Bed and breakfast homes subject to chapter 19.64 of this title.

7. Short-term rental homes, subject to the provisions of chapter 19.65 of this title.
(Ord. No. 4936 , § 3, 2018; Ord. No. 3941, § 2, 2012; Ord. No. 3661, § 2, 2009)

19.02A.040 Variances.

A. In any particular case where strict compliance with the provisions of this article would cause practical difficulty or unnecessary hardship, the owner or lessee (holding under recorded lease the unexpired term of which is more than five years from the date of filing the owner or lessee's application) of the property affected, may file a written application with the board of variances and appeals for a variance from the restrictions imposed setting forth therein the description of the property, the regulations affecting it, and the conditions justifying such a variance. Each application shall be accompanied by a fee in the amount set forth in the annual budget to cover the cost of public hearing including the cost of publication. Published notice and public hearing shall be in conformity with the practice of the board of variances and appeals. "Published notice", wherever used, means notice by publication in a newspaper of general circulation in the County for two publications, the first of such publication to be at least fifteen days prior to the date of the hearing so noticed.

B. Upon finding by the board of variances and appeals at the completion of the hearing that the application presents a situation wherein strict enforcement of any provision of this article would involve practical difficulty or unnecessary hardship, and further, that desirable relief may be granted without being detrimental to the public interest, convenience, and welfare, a variance permit may be issued to such applicant on such terms and conditions and for such period of time as the facts may warrant.

C. Where the relief is for a variance for the change of one nonconforming use to a different nonconforming use where the structure and/or lot area are not structurally altered or enlarged, the provisions of this section as to notice and hearing may be waived at the discretion of the board of variances and appeals.

D. Any action of the board, whether granting or denying the relief applied for, shall be referred to the council for its approval. The council may override any action of the board and either grant or deny relief, as the case may be, by an affirmative vote of at least five of its members.
(Ord. No. 3661, § 2, 2009)

19.02A.050 Rule making authority.

The planning director may adopt rules to clarify and implement this chapter.
(Ord. No. 3661, § 2, 2009)

FLOOD MAP



Flood Hazard Assessment Report

www.hawaiinfip.org

Property Information

COUNTY: MAUI
TMK NO: (2) 2-3-037:026
WATERSHED: WAIKOA
PARCEL ADDRESS: 4327 LOWER KULA RD
KULA, HI 96790

Notes:

Flood Hazard Information

FIRM INDEX DATE: NOVEMBER 04, 2015
LETTER OF MAP CHANGE(S): NONE
FEMA FIRM PANEL: 1500030625E
PANEL EFFECTIVE DATE: SEPTEMBER 25, 2009

THIS PROPERTY IS WITHIN A TSUNAMI EVACUATION ZONE: NO
FOR MORE INFO, VISIT: <http://www.scd.hawaii.gov/>

THIS PROPERTY IS WITHIN A DAM EVACUATION ZONE: NO
FOR MORE INFO, VISIT: <http://dinren.hawaii.gov/dam/>



Disclaimer: The Hawaii Department of Land and Natural Resources (DLNR) assumes no responsibility arising from the use, accuracy, completeness, and timeliness of any information contained in this report. Viewers/Users are responsible for verifying the accuracy of the information and agree to indemnify the DLNR, its officers, and employees from any liability which may arise from its use of its data of information.

If this map has been identified as 'PRELIMINARY', please note that it is being provided for informational purposes and is not to be used for flood insurance rating. Contact your county floodplain manager for flood zone determinations to be used for compliance with local floodplain management regulations.

FLOOD HAZARD ASSESSMENT TOOL LAYER LEGEND

(Note: legend does not correspond with NFHL)

SPECIAL FLOOD HAZARD AREAS (SFHAs) SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD - The 1% annual chance flood (100-year), also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. SFHAs include Zone A, AE, AH, AO, V, and VE. The Base Flood Elevation (BFE) is the water surface elevation of the 1% annual chance flood. Mandatory flood insurance purchase applies in these zones:

	Zone A: No BFE determined.
	Zone AE: BFE determined.
	Zone AH: Flood depths of 1 to 3 feet (usually areas of ponding); BFE determined.
	Zone AO: Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined.
	Zone V: Coastal flood zone with velocity hazard (wave action); no BFE determined.
	Zone VE: Coastal flood zone with velocity hazard (wave action); BFE determined.
	Zone AEF: Floodway areas in Zone AE. The floodway is the channel of stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without increasing the BFE.

NON-SPECIAL FLOOD HAZARD AREA - An area in a low-to-moderate risk flood zone. No mandatory flood insurance purchase requirements apply, but coverage is available in participating communities.

	Zone XS (X shaded): Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.
	Zone X: Areas determined to be outside the 0.2% annual chance floodplain.

OTHER FLOOD AREAS

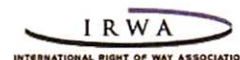
	Zone D: Unstudied areas where flood hazards are undetermined, but flooding is possible. No mandatory flood insurance purchase apply, but coverage is available in participating communities.
--	--



PROFESSIONAL QUALIFICATIONS – TED YAMAMURA, SRA, CGA, R/W-AC

- **STATE LICENSING**

State Certified General Appraiser,
State of Hawaii, License No. CGA 160, 9/18/1991
Expiration: December 31, 2025



- **PROFESSIONAL AFFILIATIONS**

Member---Appraisal Institute - Honolulu Chapter #67, **SRA** Designation - 1985
Member---International Right of Way Association (IRWA), **R/W-AC** Certification - 2007

- **PROFESSIONAL AND COMMUNITY INVOLVEMENT**

Past Member---State of Hawaii, Commission on Water Resource Management - 2012-2014
Past President---Hawaii Chapter of the Appraisal Institute - 2010
Past Member---County of Maui, Board of Water Supply - 2008-2012
Past Member---State of Hawaii, Board of Land & Natural Resources - 2001-2006
Past President---International Right of Way Association (IRWA), Hawaii Chapter #30 - 2004
Past President---Maui County Council, Boy Scouts of America - 1987

- **EXPERIENCE AND EDUCATION**

Executive Vice President
ACM Consultants, Inc.
2073 Wells Street Suite 100
Wailuku, Maui, Hawaii 97693

Previously associated with the following:

Vice President - Alexander & Alexander, Ltd. - Maui Division - 1979-1982
Assistant Vice President - Honolulu Federal Savings & Loan Assn. - 1974-1979
Veteran - United States Air Force - 1967-1971
Educated: Maui High School and University of Hawaii

- **SUCCESSFULLY COMPLETED THE FOLLOWING COURSES:**

National Highway Institute - Course FHWA-NHI-141054, *Practical Applications in Federal-Aid Highway Program Appraisals* - 2023
Appraisal Institute - *National Uniform Standards of Professional Appraisal Practice (USPAP) 2022-2023 Update Course* - 2022
International Right of Way Association - Course 431, *Problems in the Valuation of Partial Acquisitions*, 2021
Appraisal Institute "*National Uniform Appraisal Standards for Federal Land Acquisitions ("Yellow Book") Practical Applications*" - 2017
International Right of Way Association - Course 403, *Easement Valuation* - 2008
International Right of Way Association - Course 410, *Reviewing Appraisals in Eminent Domain* - 2008
International Right of Way Association - Course 401, *The Appraisal of Partial Acquisitions* - 2007
International Right of Way Association - Course 409, *Integrating Appraisal Standards* - 2005
Appraisal Institute - Course 400, *Uniform Standards of Professional Appraisal Practice (USPAP)* - 2003
International Right of Way Association (IRWA) Course 214, *Skills of Expert Testimony* - 1988
Society of Real Estate Appraisers (SREA) Course 102 Examination, "*Applied Residential Property Valuation*" - 1982
Society of Real Estate Appraisers (SREA) "*Narrative Demonstration Report*" Examination - 1983
Society of Real Estate Appraisers (SREA) Course 101 Examination, "*Introduction to Appraising Real Property*" - 1979

• **CONTINUING EDUCATION SEMINARS AND WORKSHOPS ATTENDED:**

Appraisal Institute "Excel Applications for Valuation" - 2021
Appraisal Institute "Eminent Domain and Condemnation" - 2019
Appraisal Institute "Fundamentals of the Uniform Appraisal Standards for Federal Land Acquisitions" - 2019
Appraisal Institute "Solving Land Valuation Puzzles" - 2018
Appraisal Institute "Income Approach for Residential Appraisers" - 2016
Appraisal Institute "The Discounted Cash Flow Model" - 2015
Appraisal Institute "Complex Litigation Appraisal Case Studies" - 2014
The Seminar Group "Eminent Domain & Condemnation in Hawaii" - 2013
University of Hawaii/State of Hawaii Department of Transportation "Federal Highways (FHWA) Highway Noise Policy and Abatement Guidelines Workshop" - 2011
Appraisal Institute "Real Estate Finance, Statistics, and Valuation Modeling" - 2009
Lorman Education Services "Law of Easements: Legal Issues and Practical Considerations in Hawaii" - 2006
Lorman Education Services "Eminent Domain in Hawaii" - 2006
Appraisal Institute "Mini-Series on USPAP Issues" - 2006
International Right of Way Association (IRWA) "Uniform Act Symposium" - 2005
Lorman Education Services "Zoning and Land Use in Hawaii" - 2003
The American Society of Farm Managers & Rural Appraisers "Conservation Easements" - 2001
The American Society of Farm Managers & Rural Appraisers "Appraising Rural Residential Properties" - 2001
Appraisal Institute "Valuation of Detrimental Conditions in Real Estate" - 2000
Appraisal Institute "Case Studies in Residential Highest and Best Use" - 2000
Appraisal Institute "Advanced Sales Comparison Approach" - 2000
Appraisal Institute "Appraisal of Nonconforming Uses" - 2000
Appraisal Institute "Litigation Skills for the Appraiser: An Overview" - 1998
Appraisal Institute "Special Purpose Properties" - 1997
Appraisal Institute "Appraising for the Secondary Market" - 1996
Appraisal Institute "The Condominium Form and the Small Residential Income Property Appraisal Report Form" - 1995
Appraisal Institute "Residential Appraisal Review" - 1994
Appraisal Institute "Understanding Limited Appraisals and Appraisal Reporting Options" - 1994
Appraisal Institute "Accrued Depreciation" - 1992
Appraisal Institute "Market Analysis" - 1992
American Institute of Real Estate Appraisers (AIREA) "Easement Valuation" - 1990
Federal National Mortgage Association (FNMA) "Fannie Mae Appraisals" - 1990
Society of Real Estate Appraisers (SREA) "Federal Home Loan Bank Board Appraisal Standards" - 1989
Society of Real Estate Appraisers (SREA) "Uniform Small Residential Income Appraisal Report" - 1989
Society of Real Estate Appraisers (SREA) "Professional Practice" - 1988
Society of Real Estate Appraisers (SREA) "R-41c and the Appraiser" - 1987
American Institute of Real Estate Appraisers (AIREA) "R-41b and Subdivision Analysis" - 1985
Society of Real Estate Appraisers (SREA) "Creative Financing and Cash Equivalency" - 1983
Society of Real Estate Appraisers (SREA) "Appraising Single Family Residences" - 1983
International Right of Way Association (IRWA) "Condemnation" - 1982
Society of Real Estate Appraisers (SREA) "Application of Market Extraction's" - 1981

• **LEGAL**

Qualified as an expert witness:

First Circuit Court, Honolulu, Hawaii
Second Circuit Court, Maui, Hawaii
Third Circuit Court, Hawaii Island, Hawaii
U.S. District Court, Honolulu, Hawaii
U.S. Bankruptcy Court, Honolulu, Hawaii

Experienced in real estate arbitration assignments in the State of Hawaii

PRELIMINARY REPORT
(No Liability Hereunder)

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it for the purpose of facilitating the issuance of a policy of title insurance by Title Guaranty of Hawaii, LLC and no liability will arise under this report.

SCHEDULE A

Title Guaranty of Hawaii, LLC (the "Company") hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

VON TEMPSKY FP,
a Hawaii Limited Partnership,
as Fee Owner

This report is dated as of May 17, 2024 at 8:00 a.m.

Inquiries concerning escrow should be directed to:
Escrow Officer - Gwen Vida; Office: (808)871-2296
Email: gvida@tghawaii.com

Inquiries concerning this report should be directed to:
Title Officer - Ofelia Lopez; Office: 808-533-5831
Email: olopez@tghawaii.com
Please reference Order No. 7311474768, Escrow No. 7322410658

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (2) 2-3-037-026 Area Assessed: 7.043 acres

Tax Classification: AGRICULTURE

Real Property Tax Website: (2) 2-3-037-026

-Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes due to possible loss of exemption status.

2. Mineral and water rights of any nature.

3. Easement "A" (20 feet wide) for access purposes in favor of the adjoining land bearing Tax Key designation (2) 2-3-001-023, as referenced on the survey of The Kula Community Center Project dated September 1, 1982, revised May 12, 1983.

4. GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED and GTE HAWAIIAN
TELEPHONE COMPANY INCORPORATED, now known as
HAWAIIAN TELCOM, INC.

DATED : June 4, 1979

RECORDED : Liber 13940 Page 117

GRANTING : a right and easement to build, construct,
reconstruct, rebuild, repair, maintain and operate
pole and wire lines and/or underground power lines,
etc., for the transmission of electricity; said
easement being Easement "B" (10 feet wide), more
particularly described therein

5. LEASE

LESSOR : ROBERT G. VON TEMPSKY and ALEXA VON TEMPSKY
ZABRISKIE

SCHEDULE B CONTINUED

LESSEE : KULA COMMUNITY CLUB, INCORPORATED, a Hawaii
eleemosynary corporation

DATED : August 5, 1952

RECORDED : Liber 2610 Page 431

TERM : 99 years commencing on January 1, 1951, until
December 31, 2049

Said Lease is subject to any matters arising from of affecting
the same.

6. SUBLEASE

SUBLESSOR : KULA COMMUNITY CLUB, a Hawaii eleemosynary
corporation

SUBLESSEE : COUNTY OF MAUI

DATE : December 29, 1954

RECORDED : Liber 2920 Page 215

TERM : 96 years from December 1, 1954 to and including
November 30, 2050

CONSENT : Given by ROBERT G. VON TEMPSKY and ALEXA VON
TEMPSKY ZABRISKIE, by instrument dated December 29,
1954, recorded in Liber 2920 at Page 220

Said Sublease is subject to any matter arising from affecting the
same.

7. DESIGNATION OF EASEMENT(S) "B-1"

PURPOSE : access and utility purposes

REFERENCED : on Subdivision Map No. 2.2308, approved on November
19, 1996

8. The terms and provisions contained in unrecorded FIRST REFUSAL
CREDIT AGREEMENT dated August 29, 2006, by and between KULA RIDGE
MAUKA LLC, "Buyer", and MARY B. VON TEMPSKY, Trustee of the R.
Gordon Von Tempisky, Jr. Trust, "Seller".

SCHEDULE B CONTINUED

9. GRANT

TO : COUNTY OF MAUI

DATED : February 12, 2009

RECORDED : Document No. 2010-002409

GRANTING : a nonexclusive easement over said Easement "B-1"

10. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

11. Any unrecorded leases and matters arising from or affecting the same.

-Note:- A properly executed TG Form D.1 should be submitted at closing (i) if there are no unrecorded leases affecting the subject land and the insured requires that said exception be removed from the policy or (ii) if the insured requires the policy to be issued with reference to specific unrecorded leases.

12. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Schedule C herein.

-Note:- Before issuance of an ALTA policy, verification is required that there is no renovation or construction in progress at the present time, nor has there been any renovation or construction during the past year, nor has any material been delivered to the site for purposes of renovation or construction in the past year.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 7453, Land Commission Award Number 8452, Apana 21 to Keohokalole) situate, lying and being on the southeasterly side of Lower Kula Road, at Kealahou 3 and 4, Kula, Island and County of Maui, State of Hawaii, and thus bounded and described as per survey dated December 12, 1996, to-wit:

Beginning at a 1/2 inch pipe at the southeasterly corner of this lot, the southeasterly side of Lower Kula Road, the coordinates of which point of beginning referred to Government Survey Triangulation Station "PULEHU" being

7,271.16 feet south
52.30 feet east

and running by azimuths measured clockwise from true South:

- | | | | | |
|----|------|-----|--------|---|
| 1. | 197° | 15' | 598.73 | feet along the southeasterly side of Lower Kula Road to a 1/2 inch pipe; thence |
| 2. | 204° | 58' | 269.48 | feet along same to a 1/2 inch pipe; thence |
| 3. | 316° | 49' | 119.85 | feet along the remaining portion of L. C. Aw. 8452 along Land owned by Robert G. Von Tempsky and Alexa G. Zabriskie to a point at angle in fence line; thence |
| 4. | 310° | 43' | 67.40 | feet along same to a point at angle in fence; thence |
| 5. | 298° | 08' | 203.87 | feet along same to a 1/2 inch pipe at fence corner; thence |
| 6. | 324° | 10' | 167.09 | feet along same to a 1/2 inch pipe at fence corner; thence |
| 7. | 356° | 47' | 180.99 | feet along same to a 1/2 inch pipe; thence |
| 8. | 28° | 56' | 504.76 | feet along same to a 1/2 inch pipe at stonewall; thence |

SCHEDULE C CONTINUED

9. 121° 52' 320.65 feet along Kealahou 1 and 2 along land owned by Louis K. Fernandez to the point of beginning and containing an area of 7.043 acres, more or less.

BEING THE PREMISES ACQUIRED BY COMMISSIONER'S DEED

GRANTOR : BENARD M. HERREN, as Commissioner

GRANTEE : VON TEMPSKY FP, a Hawaii Limited Partnership

DATED : March 26, 2024

RECORDED : Document No. A-88570183

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

BUYER(S) LIEN INFORMATION

1. The Company finds no liens docketed against COUNTY OF MAUI, the proposed purchaser(s).

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
- B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
- C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
- D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Company for approval at least one week prior to the anticipated date of recordation.

Forms are available upon request from the Company.

- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
- F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
- G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from the Company or on our website at www.tghawaii.com.
- H. Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.