

RUSH MOORE LLP

A Limited Liability Law Partnership

Attorneys at Law

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May 9, 2012

Mr. Robert Carroll, Chairman
Council Land Use Committee
200 South High Street
Wailuku, Maui, HI 96793

By Facsimile No. (808) 270-7686 and Mail

Re: In Re Western Apartment Supply & Maintenance Co.
Case No. 11-00941, U.S. Bankruptcy Court, District of Hawaii

Dear Chairman Carroll, and Land Use Committee Members:

We represent Joseph M. Toy ("Trustee"), Chapter 11 Trustee of Western Apartment Supply & Maintenance Co. dba Maui Oceanfront Inn (the "Hotel") in the above Chapter 11 bankruptcy case pending in the United States Bankruptcy Court for the District of Hawaii.

On May 2, 2012, the Trustee filed the Trustee's Motion for Order Authorizing: (I) Sale of Hotel Assets, Free and Clear of Liens and Encumbrances; (II) Assignment of Unexpired DLNR Lease of Non-residential Real Property and Sarento's Restaurant Operating Agreement, Free and Clear of Liens and Encumbrances; (III) Assignment of DLNR Revocable Permit for Parking Lot Area, Free and Clear of Liens and Encumbrances, and Assumption and Assignment of Settlement Agreement Relating to Parking Lot Area; (IV) Rejection of Days Inn Executory Contract; and (V) Partial Distribution of Sales Proceeds (the "Motion"). You were served with a copy of the Motion and Notice of the hearing of the Motion scheduled before the Bankruptcy Court on May 21, 2012 at 9:30 a.m.

The Motion and Notice were provided to you because you are an interested party in the bankruptcy case and a party to the Settlement Agreement, as amended, relating to the Hotel's parking lot area which the Trustee seeks to assign to the proposed Buyer of the Hotel.

These are legal matters which you may wish to have reviewed by your attorneys.

Feel free to contact me with any questions.

Very truly yours,

RUSH MOORE LLP
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By 
SUSAN TIUS
DAVID SHIBATA

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OFFICE OF THE
COUNTY COUNCIL

ST/cf
cc: Joseph M. Toy, Trustee