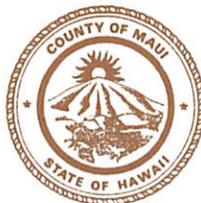


ALAN M. ARAKAWA
MAYOR

RECEIVED

2017 DEC 20 AM 10:35



KEITH A. REGAN
MANAGING DIRECTOR

OFFICE OF THE
COUNTY CLERK

OFFICE OF THE MAYOR

Ke'ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

REFERENCE NO. BD-BA 18-49

December 19, 2017

Honorable Alan Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL
 12/20/17
Mayor Date

For Transmittal to:

Honorable Michael White, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair White:

SUBJECT: AMENDMENTS TO THE FISCAL YEAR 2018 BUDGET

On behalf of the Office of the Mayor, I am transmitting the attached proposed bill for the purpose of amending Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for Fiscal Year 2018 by adding a proviso for the acquisition of vacant land in Kihei to allow for public access to the Kenolio Beach reserve.

I am also transmitting the accompanying resolution, which includes the Purchase and Sale Agreement and appraisal, to approve the purchase of the approximately 15,351 square foot property for a purchase price of \$2,585,000.

Thank you for your attention in this matter. Should you have any questions, please feel free to contact me at Ext. 7212.

Sincerely,

Handwritten signature of Sananda K. Baz in black ink.

SANANDA K. BAZ
Budget Director

Attachments (2)

cc: Keith Regan, Managing Director
Mark Walker, Director of Finance
Lynn Araki-Regan, Chief of Staff

COUNTY COMMUNICATION NO. 18-9

ORDINANCE NO. _____

BILL NO. _____ (2018)

A BILL FOR AN ORDINANCE AMENDING APPENDIX A
OF THE FISCAL YEAR 2018 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES -
SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2018,
OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND
SCENIC VIEWS PRESERVATION FUND

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 4456, Bill No. 65 (2017), Draft 1, as amended, "Fiscal Year 2018 Budget", Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for Fiscal Year 2018, is hereby amended as it pertains to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund, by adding a proviso for the purchase of vacant land in Kihei, Maui, Hawaii, in the amount of \$2,585,000, to read as follows:

"II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2018

	<u>ESTIMATED BALANCE AS OF 6/30/17</u>	<u>ANTICIPATED REVENUES FOR FY 2018</u>	<u>TOTAL FOR FY 2018</u>
"J. Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund (Section 9-19, Revised Charter of the County of Maui (1983), as amended; Chapter 3.88, Maui County Code)	3,986,832	3,031,757	7,018,589
(1) Provided, that \$304,500 shall be for land acquisition and related costs for TMK: (2) 4-8-002:057, Ukumehame, Maui, Hawaii, totaling approximately 9.1 acres, subject to Chapter 3.88, Maui County Code.			
(2) Provided, that \$300,000 shall be for debt service for the purchase of approximately 186 acres at Launiupoko, Maui Hawaii, TMKs: (2) 4-7-001:030 and (2) 4-7-001:026 (por.).			
(3) Provided, that \$210,000 shall be for grants and disbursements to the Hawaiian Islands Land Trust for land acquisition for a perpetual conservation easement over TMKs: (2) 1-1-003:041 and (2) 1-1-003:065, Keanae, Maui, Hawaii, totaling approximately six acres, subject to Chapter 3.88, Maui County Code.			

- (4) Provided, that \$250,000 shall be for the acquisition of Dole Park, Lanai, and related costs.
- (5) Provided, that \$500,000 shall be for land acquisition and related costs for a Lanai agricultural park.
- (6) Provided, that \$400,000 shall be used to negotiate the purchase of vacant lands, or a portion thereof, identified as TMKs: (2) 4-3-007-026:0000 and (2) 4-3-007-027:0000 and located at the south side of Honokeana Cove in West Maui for beach access.
- (7) Provided, that \$2,585,000 shall be used for the purchase of approximately 15,351 square feet of vacant land identified as TMK: (2) 3-9-001:175 for public access to Kenolio Beach reserve."

SECTION 2. New material is underscored.

SECTION 3. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA
Deputy Corporation Counsel

Resolution

No. _____

APPROVING THE ACQUISITION OF REAL PROPERTY, APPROXIMATELY
15,351 SQUARE FEET, LOCATED IN KIHEI, MAUI, HAWAII

WHEREAS, HOME MAID BAKERY, INC., a Hawaii corporation, is the fee owner of the lot identified for real property tax purposes as tax map key number (2) 3-9-001:175 consisting of approximately 15,351 square feet, (“the Property”); and

WHEREAS, HOME MAID BAKERY, INC., has agreed to sell the Property to the County of Maui for TWO MILLION FIVE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$2,585,000.00); and

WHEREAS, the Real Property Purchase and Sale Agreement is attached hereto as Exhibit “1”; and

WHEREAS, the Property is more particularly described in Exhibits "A" through "E" of Exhibit “1”; and

WHEREAS, in accordance with Section 3.44.015(B), Maui County Code, the Director of Finance contracted for an appraisal by a disinterested appraiser, and said appraisal is attached hereto as Exhibit “2”; and

WHEREAS, Section 3.44.015(C), Maui County Code, provides that, in the case of real property with a purchase price that exceeds TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00), authorization by the Council of the County of Maui by passage of a resolution is required; and

WHEREAS, the Council finds that the acquisition of the Property is in the public interest;

Resolution No. _____

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

1. That pursuant to Section 3.44.015(C), Maui County Code, the Council hereby approves the acquisition of the Property; and
2. That it does hereby authorize the Mayor of the County of Maui, or the Mayor's duly authorized representative, to execute all necessary documents in connection with the acquisition of the Property; and
3. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Director of the Department of Parks and Recreation, and Home Maid Bakery, Inc.

APPROVED AS TO FORM
AND LEGALITY:



JERRIE L. SHEPPARD
Deputy Corporation Counsel
County of Maui
2017-0827 12-7-2017
Resolution

REAL PROPERTY PURCHASE AND SALE AGREEMENT
TMK: (2) 3-9-001:175

This Real Property Purchase and Sale Agreement ("Agreement") made effective _____, 2017 by and between HOME MAID BAKERY, INC., a Hawaii corporation, whose address is 1005 Lower Main Street, Wailuku, Hawaii 96793 (hereinafter referred to as "Owner" and/or "Seller") and COUNTY OF MAUI, a political subdivision of the State of Hawaii, the principal office and mailing address of which is 200 South High Street, Wailuku, Hawaii 96793 (hereinafter referred to as "County" and/or "Buyer").

RECITALS

- (a) Seller is the owner of the fee simple interest in the land located on South Kihei Road that is identified by TMK No. (2) 3-9-001:175.
- (b) Seller desires to sell, and Buyer desires to purchase said 15,351 square feet area on the terms set forth in this Agreement.

AGREEMENT

The parties, intending to be legally bound, agree as follows:

1. **DEFINITIONS.**

For purposes of this Agreement, the following terms have the meanings specified or referred to in this Section 1:

"Buyer" is defined in the first paragraph of this Agreement.

"Buyer's Closing Documents" is defined in Section 4.3.

"Closing" is defined in Section 4.1.

"Closing Date" means the date and time as of which the Closing actually takes place.

"Closing Payment" is defined in Section 2.2 (a).

"Consent" means any approval, consent, ratification, waiver, or other authorization (including any Governmental Authorization).

"DCCA" means the Department of Commerce and Consumer Affairs of the State of Hawaii.

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

“Effective Date” shall mean the date when this Agreement is fully-executed by the parties, which shall not be before Maui County Council approval of the budget amendment appropriating the funds for the purchase contemplated by this Agreement is certified by the Maui County Clerk.

“Encumbrance” means any charge, claim, condition, equitable interest, lien, option, pledge, security interest, right of first refusal, or restriction of any kind, including any restriction on use, transfer, receipt of income, or exercise of any other attribute of ownership.

“Escrow Agent” means Title Guaranty Escrow Services, Inc. – Kahului Branch, 80 South Puunene Avenue, Kahului, HI 96732: Attention: Robyn Delapinia, Escrow Officer.

“Governmental Body” means any: (a) federal, state, local, or municipal government; or (b) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature over the Property.

“Hazardous Materials” means and includes any and all radioactive materials, asbestos, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” or “toxic substances” under, or for the purposes of, the Hazardous Materials Laws.

“Hazardous Materials Laws” means and includes all federal, state or local laws, ordinances or regulations, now or hereafter in effect, relating to environmental conditions, industrial hygiene or Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Clean Water Act, 33 U.S.C. Section 1251 et seq. the Clean Air Act, 42 U.S.C. Section 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. Sections 2601 through 2629, the Safe Drinking Water Act, 42 U.S.C. Sections 300f through 300j, and any similar state or local laws or ordinances and the regulations now or hereafter adopted, published and or promulgated pursuant thereto.

“Knowledge” means an individual is actually aware of a particular fact or other matter, without imposing any duty of inquiry or investigation.

“Legal Requirement(s)” means any federal, state, local, or municipal administrative order, constitution, law, ordinance, regulation, statute, or treaty.

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

“Order” means any award, decision, injunction, judgment, order, ruling, subpoena, or verdict entered, issued, made, or rendered by any court, administrative agency, or other Governmental Body or by any arbitrator.

“Person” means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, or other entity or Governmental Body.

“Proceeding” means any action, arbitration, hearing, litigation, or suit (whether civil, criminal, or administrative) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Body.

“Property” is defined in Section 2.1.

“Purchase Price” is defined in Section 2.2.

“Real Property” is defined in Section 2.1(a).

“Seller” is defined in the first paragraph of this Agreement.

“Seller’s Closing Documents” is defined in Section 4.2.

“Title Company” means Title Guaranty of Hawaii, Inc., or such other title company authorized to do business in the State of Hawaii chosen by Seller and acceptable to Buyer.

“Title Report” is defined in Section 3.3.

2. SALE OF PROPERTY.

2.1 Sale of Property. Subject to the terms and conditions of this Agreement, at the Closing, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the following described Property (collectively the **“Property”**):

(a) Real Property. The fee simple real estate described in **Exhibit A** and shown in **Exhibit D**, together with the improvements, fixtures, appurtenant easements, and other real property interests appurtenant to such fee simple estate; and

(b) Personal Property. All development rights and permits for the Property, to the extent Seller has the right to assign the same.

2.2 Purchase Price. The purchase price (the **“Purchase Price”**) for the Property shall be **TWO MILLION FIVE HUNDRED EIGHTY-FIVE THOUSAND AND NO/100 DOLLARS (\$2,585,000.00)**. Buyer shall pay the Purchase Price as follows:

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

(a) At Closing, Buyer shall pay Seller, through Escrow Agent, the balance of the Purchase Price plus or minus net adjustments and prorations provided for in this Agreement. The Closing Payment shall be made in cash or other immediately available federal funds to Escrow Agent by the deadline specified by the Escrow Agent.

3. BUYER'S REVIEW OF THE PROPERTY.

3.1 Property Survey. Prior to execution of this Agreement Seller shall survey and stake the property. Seller shall prepare and deliver to Buyer a map and report of the Property. Buyer shall have thirty (30) days to review and accept the Survey map and report, attached hereto as **Exhibit E.** (collectively, the "**Survey**").

3.2 Due Diligence. Prior to the Effective Date of this Agreement, Buyer and its agents and professional advisors have had the opportunity to conduct all investigations and tests that it desired with respect to the Property; and is satisfied with the results of its investigations and tests.

3.3 Title Report. Attached hereto as **Exhibit B** is a Preliminary Report for the Property from the Title Company (collectively, the "**Title Report**").

3.4 Permitted Exceptions. All matters referred to in the Title Report, the Survey and the Warranty Deed of the Property attached hereto as **Exhibit C** that will be recorded at Closing (the "**Deed**") shall be hereinafter referred to as the "**Permitted Exceptions**". If at Closing Seller is unable to convey title subject only to the Permitted Exceptions, Buyer may terminate this Agreement.

3.5 Condition of Property; Property to be Purchased "As Is". As a material inducement to Seller to execute this Agreement, Buyer acknowledges and agrees that, except as expressly provided in this Agreement, Buyer waives any contingencies to the Closing of this Agreement. In addition Buyer agrees that as of the Closing Date:

(a) Buyer will have had an opportunity to fully examine and inspect the Property, including the physical condition of the Property;

(b) Buyer will have accepted the physical condition, value, financing status, use, leasing, operation, tax status, income and expenses of the Property;

(c) the Property will be purchased by Buyer "AS IS" and "WITH ALL FAULTS" and, Buyer shall assume responsibility for the physical condition of the Property and its compliance with all applicable Legal Requirements, and shall assume all liability and responsibility resulting from any violation of the Hazardous Materials Laws occurring either prior to the Closing Date, to the extent arising on a portion of the Property under control of Buyer at the time of such violation or after the Closing;

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

(d) Buyer recognizes that the Property is not new and acknowledges that: (i) consistent with the "AS IS" clause in subparagraph (c) above, the Property shall be sold in the same condition that it is in on the date of this Agreement; and (ii) Seller will not be required to take any action with respect to the Property, including, but not limited to the repair or replacement of any part of the Property; and

(e) Buyer has decided to purchase the Property solely on the basis of its own independent investigation. Seller has not made, does not make, and has not authorized anyone else to make any representation as to the present or future physical condition, value, financing status, use, leasing, operation, tax status, income and expenses or any other matter or thing pertaining to the Property, except as expressly set forth in this Agreement, and Buyer acknowledges that no such representation has been made and that in entering into this Agreement Buyer does not rely on any representation other than those expressly set forth in this Agreement. The provisions of this Section 3.5 shall survive Closing.

3.6 Disclaimer. Except as expressly set forth in this Agreement, Seller makes no warranty or representation, express or implied or arising by operation of law, including, without limitation, any warranty of condition, habitability, merchantability, or fitness for a particular purpose of the Property. Seller shall not be liable for or bound by any verbal or written statements, representations, real estate broker's "setups" or information pertaining to the Property furnished by any real estate broker, agent, employee, servant or any other Person unless the same are specifically set forth in this Agreement or in any document delivered by Seller pursuant to this Agreement or at Closing.

4. CLOSING AND PRORATIONS.

4.1 Closing. Recordation of the documents necessary to complete the purchase and sale provided for in this Agreement (the "**Closing**") will occur no later than thirty (30) days after the certification of the Maui County Council approval of the budget amendment appropriating the funds for the purchase contemplated by this Agreement (the "**Closing Date**"), but no later than March 31, 2018.

4.2 Seller's Closing Documents and Requirements. Not later than two (2) business days prior to Closing, Seller will deposit with the Escrow Agent, the following documents, in each case duly executed by Seller or the appropriate Person, and if applicable, acknowledged and in recordable form ("**Seller's Closing Documents**"):

(a) The Deed in the form attached as **Exhibit C**, to be recorded at Closing and provided to Buyer and Seller.

(b) A certificate of non-foreign status, upon request of Buyer, in form and content required by law certifying that Seller is not a "foreign person" as such term is used under Section 1445 of the Internal Revenue Code.

(c) A certificate of resident status in form and content required by law certifying Seller is a "resident person" as such term is used in H.R.S. Section 235-68.

(d) A certificate of good standing for Seller issued by the DCCA not more than ten (10) business days before the Closing Date, upon request of Buyer.

(e) Certified resolutions of Seller's directors (and shareholders, if required) approving the transaction contemplated by this Agreement.

4.3 Buyer's Closing Documents and Requirements. At the Closing, Buyer will deposit with the Escrow Agent, the following funds and documents, in each case duly executed by Buyer or the appropriate Person, and if applicable, acknowledged and in recordable form ("**Buyer's Closing Documents**"):

(a) The Closing Payment as required by Section 2.2.

(b) The Deed

4.4 Expenses.

(a) Seller's Expenses. Seller shall pay (a) the fees of any counsel representing Seller in connection with this transaction; (b) the premium for the issuance of the Title Policy (as defined in Section 7.3 below) in the amount of the Purchase Price; (c) the Seller's share of escrow fees charged by the Escrow Agent; (d) Attorney Document Preparation Fees; (e) all other costs and expenses incident to the Closing of this transaction and not expressly provided above.

4.5 Adjustments and Prorations. All receipts and disbursements of the Property will be prorated on the Closing Date and the Purchase Price will be adjusted on the following basis:

(a) Property Taxes and Other Expenses. All real and personal property ad valorem taxes, installments of special assessments, if any, for the year of closing and all other expenses of operating the Property for the year of Closing shall be paid by Seller.

(b) Post-Closing Adjustments. If at any time within thirty (30) days following the Closing either party discovers any items which should have been included in the adjustments and prorations described in this section but which were omitted therefrom, or any material error in the computation of such adjustments, such items shall be properly adjusted as of the Closing Date without interest thereon. Further,

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

items otherwise not capable of determination prior to the Closing Date, for periods prior to the Closing Date, shall be determined and adjusted without interest thereon within thirty (30) days of the Closing Date.

5. REPRESENTATIONS AND WARRANTIES OF SELLER.

Seller represents and warrants to Buyer that:

5.1 Organization and Good Standing. Seller is a domestic profit corporation duly organized, validly existing, and in good standing under the laws of the State of Hawaii and is duly authorized to conduct business in the State of Hawaii.

5.2 Authority. This Agreement constitutes the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms. Upon the execution and delivery by Seller of the Seller's Closing Documents, the Seller's Closing Documents will constitute the legal, valid, and binding obligations of Seller, enforceable against Seller in accordance with their respective terms. Seller has the absolute and unrestricted right, power, and authority to execute and deliver this Agreement and the Seller's Closing Documents and to perform its obligations under this Agreement and the Seller's Closing Documents. Neither the execution nor delivery of this Agreement by Seller nor the consummation or performance of any of Seller's obligations hereunder will contravene, conflict with, or result in a violation or breach of any provision of any agreement to which Seller is a party.

6. REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer represents and warrants to Seller that:

6.1 Organization and Good Standing. Buyer is political subdivision of the State of Hawaii.

6.2 Authority. This Agreement constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. Upon the execution and delivery by Buyer of the Buyer's Closing Documents, the Buyer's Closing Documents will constitute the legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms. Buyer has the absolute and unrestricted right, power, and authority to execute and deliver this Agreement and the Buyer's Closing Documents and to perform its obligations under this Agreement and the Buyer's Closing Documents. Neither the execution nor delivery of this Agreement by Buyer nor the consummation or performance of any of Buyer's obligations hereunder will contravene, conflict with, or result in a violation or breach of any provision of any agreement to which Buyer is a party.

7. CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE.

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

Buyer's obligation and authority to purchase and close this transaction is subject to the approval of the Maui County Council in accordance with the provisions and requirements of Chapter 3.44 of the Maui County Code, and further, subject to said Maui County Council's approval to fund the purchase.

Buyer's obligation to purchase the Property and to take the other actions required to be taken by Buyer at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived by Buyer, in whole or in part):

7.1 Accuracy of Representations. All of Seller's representations and warranties in this Agreement must have been accurate in all material respects as of the date of this Agreement, and must be accurate in all material respects as of the Closing Date as if made on the Closing Date.

7.2 Seller's Performance. All of the covenants and obligations that Seller is required to perform or to comply with pursuant to this Agreement at or prior to the Closing must have been duly performed and complied with in all material respects. Each document required to be delivered pursuant to Section 4.2 must have been delivered.

7.3 Title Policy. Buyer shall have received a commitment from the Title Company to issue (i) a fee simple standard owner's policy effective as of the Closing, in the amount of the Purchase Price, insuring that Buyer is the owner of the fee simple interest in the Property, and that title to the Property is marketable and clear of Encumbrances other than the Permitted Exceptions, (collectively, the "**Title Policy**").

8. CONDITIONS PRECEDENT TO SELLER'S OBLIGATION TO CLOSE.

Seller's obligation to sell the Property and to take the other actions required to be taken by Seller at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived by Seller, in whole or in part):

8.1 Accuracy of Representations. All of Buyer's representations and warranties in this Agreement must have been accurate in all material respects as of the date of this Agreement and must be accurate in all material respects as of the Closing Date as if made on the Closing Date.

8.2 Buyer's Performance. All of the covenants and obligations that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing must have been performed and complied with in all material respects. Buyer must have delivered each of the documents required to be delivered by Buyer pursuant

to Section 4.3, and must have made the cash payments required to be made by Buyer pursuant to Section 2.2.

9. RISK OF LOSS; EMINENT DOMAIN.

9.1 Casualty or Taking. Seller and Buyer hereby waive the Uniform Vendor and Purchaser Risk Act, H.R.S. Chapter 508. If, prior to the Closing, the Property is damaged by fire, vandalism, acts of God or other casualty or cause ("**Casualty**"), or the Property is taken or made subject to condemnation, eminent domain or other governmental acquisition proceedings (a "**Taking**") then the procedures of this Section 9 shall apply.

9.2 Obligated to Close. If the cost of required repair or replacement related to or arising out of the Casualty or if the value of the Taking is \$100,000.00 or less, or the Taking is by the County of Maui or any agency or instrumentality thereof, Buyer shall proceed to close and take the Property as diminished by such events. In the case of a Casualty there shall be no adjustment of the Purchase Price and all insurance proceeds otherwise payable to Seller on account of such casualty shall be paid to Buyer. In the case of a Taking, there will be no adjustment of the Purchase Price and all awards otherwise payable to Seller shall be paid to Buyer.

9.3 Buyer's Option to Close. If the cost of repair or replacement related to or arising out of the Casualty or if the value of the Taking is greater than \$100,000.00 and the Taking is not by the County of Maui or any agency or instrumentality thereof, Buyer, at its sole option, may elect either to (a) terminate this Agreement by written notice to Seller given at or prior to the Closing; or (b) proceed to close in the manner set forth in Section 9.2.

9.4 Determination of Cost of Casualty or Taking. The cost of repair or replacement related to or arising out of the Casualty or the value of the Taking shall be determined by Seller and Buyer, or, if they are unable to agree, by an independent appraiser selected by two other appraisers, each of which shall be selected by Seller and Buyer.

9.5 Insurance and Awards. If, pursuant to the preceding Sections, Buyer is either obligated or elects to take the Property as it is together with the insurance or condemnation proceeds or the right to receive the same, Seller agrees to cooperate with Buyer in any loss adjustment or condemnation negotiations, legal actions and agreements with the insurance company or the condemning authority, and to assign to Buyer at the Closing its rights to such insurance or condemnation proceeds and will not settle any insurance claims, condemnation awards or legal actions relating thereto without Buyer's prior written consent.

9.6 Termination. If this Agreement is terminated pursuant to this Section 9, the parties hereto shall be released from all further obligations and liabilities hereunder.

10. GENERAL PROVISIONS.

10.1 Expenses. Except as otherwise expressly provided in this Agreement, each party to this Agreement will bear its respective expenses, fees, and costs incurred in connection with the preparation, execution, and performance of this Agreement and the contemplated transactions, including all fees and expenses of agents, representatives, counsel, and accountants. In the event of termination of this Agreement, the obligation of each party to pay its own expenses will be subject to any rights of such party arising from a breach of this Agreement by another party. In any case where this Agreement is terminated without the fault of either party, the Buyer and Seller shall share equally any cancellation fees charged by Escrow Agent. In the event of a dispute arising out of this Agreement, the prevailing party in any Proceeding may be entitled to recover its costs and expenses and reasonable attorneys' fees, including such costs and expenses on appeal, unless otherwise agreed upon and/or ordered by court and subject to Maui County Code Chapter 3.16.

10.2 Notices. Any notice or demand to Seller or Buyer provided for or permitted by this Agreement shall be given in writing (unless otherwise expressly provided), and may be: (a) mailed as registered or certified mail, addressed to such party at its post office address herein specified or the last such address designated by such party in writing to the other; or, (b) delivered personally within the State of Hawaii to any one of Seller or Buyer or any officer of a party if such party is a corporation or any general partner of a party if such party is a partnership, or any manager or member of a party if such party is a limited liability company, as the case may be; (c) sent by facsimile transmission (herein "Fax") to the Fax number, if any, of such party as specified herein or such other Fax number designated by such party in writing to the other or (d) delivered by Federal Express or other reliable overnight courier. Any such written notice shall be deemed received at the time of such personal delivery or receipt of the Fax (as evidenced by a confirmation slip indicating the fax was sent to the appropriate number set forth below), or at 5:00 P.M. (Hawaii Standard Time) on the third business day after being deposited with the United States mail as aforesaid, or on the next business day after being sent by overnight courier, as the case may be.

The initial address for each party is as follows:

To Seller: HOME MAID BAKERY, INC
1005 Lower Main Street
Wailuku, Hawaii 96793
Attn: Jeremy Kozuki

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

Tel: (808) 281-0666
Fax: (808) 242-8458

To Buyer: COUNTY OF MAUI
Kalana O Maui Building
200 South High Street
Wailuku, Maui 96793
Attn: Director of Finance
Tel: (808) 270-7844
Fax: (808) 270-7878

Rejection or other refusal to accept, or inability to deliver because of changed address of which no written notice was received, will constitute receipt of the notice or other communication.

10.3 Jurisdiction of Service of Process. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against any of the parties in the 2nd Circuit Court of the State of Hawaii, County of Maui, or, if it has or can acquire jurisdiction, in the United States District Court for the District of Hawaii, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. Process in any action or Proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

10.4 Further Assurances. The parties agree: (a) to furnish upon request to each other such further information; (b) to execute and deliver to each other such other documents; and (c) to do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.

10.5 Waiver. Neither the failure nor any delay by any party in exercising any right, power, or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege.

10.6 Entire Agreement and Modification. This Agreement supersedes all prior agreements between the parties with respect to its subject matter and constitutes (along with the documents referred to in this Agreement) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended except by a written agreement executed by the party to be charged with the amendment.

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

10.7 Construction. This Agreement and any certificates or documents delivered pursuant to this Agreement will be construed without regard to which party drafted the document or any particular provision therein.

10.8 Assignments, Successors, and No Third-Party Rights. Buyer may not assign its rights and obligations hereunder to any other person without the prior written consent of Seller which may be withheld in Seller's sole discretion. In the event of any permitted assignment, the assignee shall assume in writing all of the assignor's obligations hereunder. The assignor shall in no event be released from its obligations hereunder by reason of any assignment. This Agreement will apply to, be binding in all respects upon, and inure to the benefit of the successors and permitted assigns of the parties. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the parties to this Agreement and their successors and permitted assigns.

10.9 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

10.10 Section Headings, Construction. The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms.

10.11 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

10.12 Governing Law. This Agreement will be governed by the laws of the State of Hawaii without regard to conflicts of laws principles.

10.13 Brokers. Buyer represents it has not engaged or contracted with any person entitled to any brokerage commission or finder's fee in connection with this transaction. Buyer agrees, to the extent permitted by law, to indemnify the other party against any claim asserted against or adjudged against the other party, for any brokerage commission or finder's fee or any like compensation occasioned by or as a result of any act or omission of the indemnifying party, including all attorney's fees, costs, expenses and any other fees incurred by, charged against or adjudicated against, the other party, whether or not suit is filed, which are related to this indemnity agreement or enforcement thereof.

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

10.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

10.15 Dispute Prevention Resolution. In the event of a dispute arising out of or relating to this Agreement or the services to be rendered hereunder, the parties to this Agreement agree to attempt to resolve such dispute in the following manner. First, the parties agree to attempt to resolve such dispute(s) through direct negotiations between representatives of each party. Second, if the dispute or any issues remain unresolved after attempts to negotiate, the parties agree to submit the dispute to a mutually agreed upon mediator, provided, however, if the dispute is not resolved within thirty (30) days after demand by either Seller or Buyer, Buyer and Seller shall have the right to exercise all remedies available at law or in equity.

10.16 No Party Deemed Drafter. The parties hereby represent that they have reviewed this Agreement and all of the documents memorializing the transaction contemplated herein and agree that no party shall be deemed to be the drafter of this Agreement and further that in the event that this Agreement is ever construed by a court of law, such court shall not construe this Agreement or any provision hereof against either party as drafter of this Agreement and shall in no way define, limit or describe the scope or intent of any provision of this Agreement.

10.17 Exhibits. The following exhibits are attached hereto, incorporated herein, and made a part hereof:

- | | |
|-------------|---|
| Exhibit "A" | Legal Description of Lot |
| Exhibit "B" | Title Reports |
| Exhibit "C" | Warranty Deed with Reservations and Covenants |
| Exhibit "D" | Subdivision Map |
| Exhibit "E" | Survey Map and Report |

Signatures begin on the following page.

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

IN WITNESS WHEREOF, Seller and Buyer have executed this REAL PROPERTY PURCHASE AND SALE AGREEMENT as of the date first set forth above.

SELLER:

HOME MAID BAKERY, INC
a Hawaii Domestic Profit Corporation

By: Jeremy F. Kozuki
Name: JEREMY F. KOZUKI
Title: President

Remainder of page intentionally left blank

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

BUYER:

COUNTY OF MAUI

By: _____

ALAN M. ARAKAWA

Its: Mayor

By: _____

MARK R. WALKER

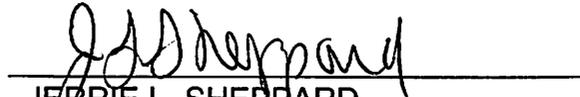
Its: Director of Finance

APPROVAL RECOMMENDED:



BUTCH KA'ALA BUENCONSEJO
Director of Parks & Recreation

APPROVED AS TO FORM AND LEGALITY:

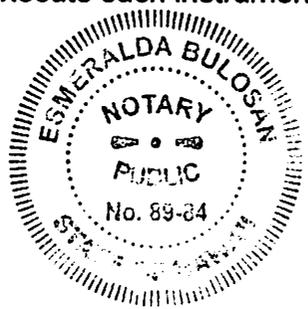


JERRIE L. SHEPPARD
Deputy Corporation Counsel
County of Maui

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

STATE OF HAWAII)
) SS:
COUNTY OF MAUI)

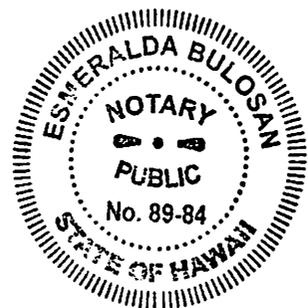
On this 29TH day of September, 2017, before me personally appeared JEREMY F. KOZUKI, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.



Esmeralda Bulosan
Notary Public, State of Hawaii
Printed Name: **ESMERALDA BULOSAN**
My commission expires: 2/6/2021

(Official Stamp or Seal)

<u>NOTARY CERTIFICATION STATEMENT</u>	
Document Identification or Description: Real Property Purchase and Sale Agreement	
Doc. Date: _____	or <input checked="" type="checkbox"/> Undated at time of notarization
No. of Pages: <u>18</u>	Jurisdiction: Second Circuit (in which notarial act is performed)
<u>Esmeralda Bulosan</u>	<u>September 29, 2017</u>
Signature of Notary	Date of Notarization and Certification Statement
<u>ESMERALDA BULOSAN</u> Printed Name of Notary	



Real Property Purchase Agreement: TMK: (2) 3-9-001:175

STATE OF HAWAII)
) SS:
COUNTY OF MAUI)

On this ____ day of _____, 2018, before me personally appeared ALAN M. ARAKAWA, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 7-5.11 and Section 9-18 of the Charter of the County of Maui; and the said ALAN M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

Notary Public, State of Hawaii

Printed Name: _____

My commission expires: _____

(Official Stamp or Seal)

<u>NOTARY CERTIFICATION STATEMENT</u>	
Document Identification or Description: Real Property Purchase and Sale Agreement	
Doc. Date: _____ or <input type="checkbox"/> Undated at time of notarization	
No. of Pages: _____ Jurisdiction: Second Circuit (in which notarial act is performed)	
_____ Signature of Notary	_____ Date of Notarization and Certification Statement
_____ Printed Name of Notary	
(Official Stamp or Seal)	

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

STATE OF HAWAII)
) SS:
COUNTY OF MAUI)

On this ____ day of _____, 2018, before me before me personally appeared MARK R. WALKER, to me personally known, who, being by me duly sworn, did say that he is the Director of Finance of the County of Maui, a political subdivision of the State of Hawaii, and executed the foregoing as his free act and deed, and in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Printed Name: _____

My commission expires: _____

(Official Stamp or Seal)

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: Real Property
Purchase and Sale Agreement

Doc. Date: _____ or Undated at time of notarization

No. of Pages: _____ Jurisdiction: Second Circuit
(in which notarial act is performed)

Signature of Notary

Date of Notarization and
Certification Statement

Printed Name of Notary

(Official Stamp or Seal)

Real Property Purchase Agreement: TMK: (2) 3-9-001:175

Exhibit "A"
Legal Descriptions

EXHIBIT "A"

All of that certain parcel of land, being Lot 2-A-2-A of the Waiohuli-Keokea Beach Homesteads, being a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawai'i and being more particularly described as follows:

Beginning at a 1/2-inch pipe (found) at the Northeast corner of this parcel of land, on the Westerly boundary of the South Kihei Road right-of-way, said pipe also being the Southeast corner of Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,889.63 feet North
24,382.41 feet West

and running by azimuths measured clockwise from true South:

1. 350° 00' 00" 14.74 feet along said Westerly boundary of the South Kihei Road right-of-way to a 1/2-inch pipe (found);
2. 348° 23' 46" 57.27 feet along same to a 1/2-inch pipe (found) at the Northeast corner of Lot 2-A-2-B of said Waiohuli-Keokea Beach Homesteads;
3. 92° 17' 30" 226.58 feet along said Lot 2-A-2-B of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to a 1/2-inch pipe (found) on the Easterly boundary of Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001);
4. 180° 06' 30" 70.05 feet along said Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001) to a 1/2-inch pipe (found) at the Southwest corner of said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads;

5. 272° 17' 30" 212.36 feet along said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to the point of beginning and containing an area of 15,351 square feet, more or less.

SUBJECT, HOWEVER, to the following:

1. Mineral and water rights of any nature.
2. A non-exclusive sewer easement over and across the land described herein appurtenant to Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, including the right to install, maintain and repair such apparatus within the servient tenement as may be or become necessary to provide the dominant tenement with such sewer service, as shown on the Tax Map and more particularly described as follows:

"All of that certain parcel of land, being a portion of Lot 2-A-2 of the Waiohuli-Keokea Beach Homesteads, being also a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawaii, and being more particularly described as follows:

Beginning at a 3/4 inch pipe at the northeast corner of this parcel of land, said point being also the northeast corner of the above described Lot 2-A-2 and the southeast corner of Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,889.34 feet north
24,375.17 feet west

and running by azimuths measured clockwise from true South:

1. 350° 00' 00" 10.00 feet along Lot 2-A-3 of this subdivision;
2. 131° 08' 45" 15.58 feet along the remainder of said Lot 2-A-2;

3. 272° 17' 30" 10.00 feet along said Lot 2-A-1 to the point of beginning and containing an area of 49 square feet, more or less."

3. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (THREE LOTS OR LESS)

DATED : January 23, 1984
RECORDED : Liber 17681 Page 530
PARTIES : EDWIN T. IGE, ELSIE A. IGE, EDWIN T. IGE, JR. and JOSEPH G. KEALOHA, JR., "Kealoha", and COUNTY OF MAUI, "County"

4. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)

DATED : January 23, 1984
RECORDED : Liber 17681 Page 538
PARTIES : EDWIN T. IGE, ELSIE A. IGE, EDWIN T. IGE, JR. and JOSEPH G. KEALOHA, JR., "Kealoha", and COUNTY OF MAUI, "County"

5. The terms and provisions contained in the following:

INSTRUMENT : HOLD-HARMLESS AGREEMENT

DATED : October 25, 2002
RECORDED : Document No. 2004-047349
PARTIES : COUNTY OF MAUI, "County", and JOSEPH G. KEALOHA, JR., "Developer"

6. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (THREE LOTS OR LESS)

DATED : February 1, 2005

RECORDED : Document No. 2005-034849

PARTIES : JOSEPH G. KEALOHA, JR., "Owner", and COUNTY OF MAUI, "County"

7. GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and HAWAIIAN TELCOM, INC., a Hawaii corporation

DATED : February 28, 2012

RECORDED : Document No. A-44710639

GRANTING : a right and easement for utility purposes

8. The terms and provisions contained in the following:

INSTRUMENT : UNILATERAL AGREEMENT AND DECLARATION OF CONDITIONS

DATED : January 14, 2013

RECORDED : Document No. A-47830302

PARTIES : JOSEPH G. KEALOHA, "DECLARANT"

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

10. Any rights or interests which may exist or arise by reason of the following facts shown on Survey prepared by Carl R. Musto, Land Surveyor, with Carl R. Musto Land Surveying, LLC, dated October 2, 2017:

(A) The concrete block wall, belonging to the adjoining Lot 2-A-1-A-1 (Tax Map Key: (2) 3-9-001: 010), along the North (right side) boundary line meanders as much as four inches (4") within the subject Lot 2-A-2-A.

11. Easements or claims of easements which are not recorded in the public records.

Being the same premises conveyed to the Grantor by Assumption Deed dated June 3, 2016, of Jeremy Kozuki and Jeanette Kozuki, husband and wife, Shane Fuke, a married man, and Marc Kozuki, a married man, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. A-60120377.

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.
2. Road Widening Lot 2-A-2-D was conveyed to the COUNTY OF MAUI, by that certain Warranty Deed dated February 27, 2013, recorded as Document No. A-49720495.

Exhibit "B"

Title Reports

Exhibit "B" Title Reports

EXHIBIT " B "

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, Inc. and no liability will arise under this report.

SCHEDULE A

Title Guaranty of Hawaii, Inc. 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:

HOME MAID BAKERY, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of July 24, 2017 at 8:00 a.m.

Inquiries concerning this report
should be directed to
NANETTE KODATE.
Email nkodate@tghawaii.com.
Fax (808) 521-0287.
Telephone (808) 533-5887.
Refer to Order No. 201736479.

Inquiries concerning Escrow
should be directed to
Robyn M. Delapinia.
KAHULUI OFFICE
Email rdelapinia@tghawaii.com.
Fax (808) 871-2222.
Telephone (808) 875-6679.
Escrow No. 17099545

**SCHEDULE B
EXCEPTIONS**

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

Tax Key: (2) 3-9-001-175 Area Assessed: 15,351 sq. ft.

2. Mineral and water rights of any nature.

3. A non-exclusive sewer easement over and across the land described herein appurtenant to Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, including the right to install, maintain and repair such apparatus within the servient tenement as may be or become necessary to provide the dominant tenement with such sewer service, as shown on the Tax Map and more particularly described as follows:

"All of that certain parcel of land, being a portion of Lot 2-A-2 of the Waiohuli-Keokea Beach Homesteads, being also a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawaii, and being more particularly described as follows:

Beginning at a 3/4 inch pipe at the northeast corner of this parcel of land, said point being also the northeast corner of the above described Lot 2-A-2 and the southeast corner of Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,889.34 feet north
24,375.17 feet west

and running by azimuths measured clockwise from true South:

- | | | | | | |
|----|------|-----|-----|-------|---|
| 1. | 350° | 00' | 00" | 10.00 | feet along Lot 2-A-3 of this subdivision; |
| 2. | 131° | 08' | 45" | 15.58 | feet along the remainder of said Lot 2-A-2; |

SCHEDULE B CONTINUED

3. 272° 17' 30" 10.00 feet along said Lot 2-A-1 to the point of beginning and containing an area of 49 square feet, more or less."

4. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (THREE LOTS OR LESS)

DATED : January 23, 1984

RECORDED : Liber 17681 Page 530

PARTIES : EDWIN T. IGE, ELSIE A. IGE, EDWIN T. IGE, JR. and JOSEPH G. KEALOHA, JR., "Kealoha", and COUNTY OF MAUI, "County"

5. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)

DATED : January 23, 1984

RECORDED : Liber 17681 Page 538

PARTIES : EDWIN T. IGE, ELSIE A. IGE, EDWIN T. IGE, JR. and JOSEPH G. KEALOHA, JR., "Kealoha", and COUNTY OF MAUI, "County"

6. The terms and provisions contained in the following:

INSTRUMENT : HOLD-HARMLESS AGREEMENT

DATED : October 25, 2002

RECORDED : Document No. 2004-047349

PARTIES : COUNTY OF MAUI, "County", and JOSEPH G. KEALOHA, JR., "Developer"

SCHEDULE B CONTINUED

7. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (THREE LOTS OR LESS)
DATED : February 1, 2005
RECORDED : Document No. 2005-034849
PARTIES : JOSEPH G. KEALOHA, JR., "Owner", and COUNTY OF MAUI, "County"

8. GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and HAWAIIAN TELCOM, INC., a Hawaii corporation
DATED : February 28, 2012
RECORDED : Document No. A-44710639
GRANTING : a right and easement for utility purposes

9. The terms and provisions contained in the following:

INSTRUMENT : UNILATERAL AGREEMENT AND DECLARATION OF CONDITIONS
DATED : January 14, 2013
RECORDED : Document No. A-47830302
PARTIES : JOSEPH G. KEALOHA, "DECLARANT"

10. FIRST MORTGAGE, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT

MORTGAGOR : JEREMY KOZUKI, husband of Jeanette N. Kozuki
MORTGAGEE : FIRST HAWAIIAN BANK, a Hawaii corporation
DATED : September 3, 2013
RECORDED : Document No. A-50020213
AMOUNT : \$1,330,000.00

SCHEDULE B CONTINUED

ABOVE MORTGAGE AMENDED BY INSTRUMENT

DATED : June 13, 2016
RECORDED : Document No. A-60120378

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

12. Any rights or interests which may exist or arise by reason of the following facts shown on Survey prepared by Carl R. Musto, Land Surveyor, with Carl R. Musto Land Surveying, LLC, dated October 2, 2017:
 - (A) The concrete block wall, belonging to the adjoining Lot 2-A-1-A-1 (Tax Map Key: (2) 3-9-001: 010), along the North (right side) boundary line meanders as much as four inches (4") within the subject Lot 2-A-2-A.

13. Easements or claims of easements which are not recorded in the public records.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land, being Lot 2-A-2-A of the Waiohuli-Keokea Beach Homesteads, being a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawai'i and being more particularly described as follows:

Beginning at a 1/2-inch pipe (found) at the Northeast corner of this parcel of land, on the Westerly boundary of the South Kihei Road right-of-way, said pipe also being the Southeast corner of Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,889.63 feet North
24,382.41 feet West

and running by azimuths measured clockwise from true South:

1. 350° 00' 00" 14.74 feet along said Westerly boundary of the South Kihei Road right-of-way to a 1/2-inch pipe (found);
2. 348° 23' 46" 57.27 feet along same to a 1/2-inch pipe (found) at the Northeast corner of Lot 2-A-2-B of said Waiohuli-Keokea Beach Homesteads;
3. 92° 17' 30" 226.58 feet along said Lot 2-A-2-B of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to a 1/2-inch pipe (found) on the Easterly boundary of Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001);
4. 180° 06' 30" 70.05 feet along said Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001) to a 1/2-inch pipe (found) at the Southwest corner of said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads;

SCHEDULE C CONTINUED

5. 272° 17' 30" 212.36 feet along said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to the point of beginning and containing an area of 15,351 square feet, more or less.

BEING THE PREMISES ACQUIRED BY ASSUMPTION DEED

GRANTOR : JEREMY KOZUKI and JEANETTE KOZUKI, husband and wife, SHANE FUKU, a married man, and MARC KOZUKI, a married man

GRANTEE : HOME MAID BAKERY, INC., a Hawaii corporation

DATED : June 3, 2016

RECORDED : Document No. A-60120377

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.
2. Road Widening Lot 2-A-2-D was conveyed to the COUNTY OF MAUI, by that certain Warranty Deed dated February 27, 2013, recorded as Document No. A-49720495.

BUYER(S) LIEN INFORMATION

1. Title Guaranty of Hawaii, Inc. 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 Title Company for approval at least one week prior to the anticipated date of recordation.

Forms are available upon request from Title Guaranty of Hawaii, Inc.

- 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 Title Guaranty of Hawaii, Inc. 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.

DATE PRINTED: 11/16/2017

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 9 001 175 0000

CLASS: APARTMENT AREA ASSESSED: 15,351 SF

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2017

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
LAND	\$	2,141,500
EXEMPTION	\$	0
NET VALUE	\$	2,141,500
TOTAL NET VALUE	\$	2,141,500

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 8/20/2017

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2017	2	6,767.14				6,767.14	PENDING
2017	1	6,767.14				6,767.14	PAID
2016	2	6,424.50				6,424.50	PAID
2016	1	6,424.50				6,424.50	PAID
2015	2	7,064.40				7,064.40	PAID
2015	1	7,064.40				7,064.40	PAID
Total Amount Due:						6,767.14	

Penalty and Interest Computed to: 8/20/2017

The real property tax information provided is based on information furnished by the respective counties, is deemed reliable but not guaranteed, and no warranties are given express or implied. Billing and tax collection details may have changed. Please refer to the appropriate county real property tax offices for any further information or updates for the subject property.

Exhibit "C"
Warranty Deed

Exhibit "C" Warranty Deed with Reservations and Covenants

EXHIBIT " C "

LAND COURT

REGULAR SYSTEM

Return By Mail Pick-Up To:

County of Maui
Department of Finance
200 S. High Street
Wailuku, Maui, Hawaii 96793

TG: 201736479
TGE: 22417099545
Robyn Delapinia

WARRANTY DEED

PARTIES TO DOCUMENT:

GRANTOR: HOME MAID BAKERY, INC.

GRANTEE: COUNTY OF MAUI
200 S. High Street
Wailuku, Maui, Hawaii 96793

TAX MAP KEY(S): (2) 3-9-001:175

(This document consists of 13 pages.)

WARRANTY DEED

THIS INDENTURE made this ____ day of _____, 20____, by and between HOME MAID BAKERY, INC., a Hawaii corporation, whose address is 1005 L. Main Street, Wailuku, Maui, Hawaii 96793, hereinafter referred to as the "GRANTOR", and COUNTY OF MAUI, a political subdivision of the State of Hawaii, whose address is 200 South High Street, Wailuku, Maui, Hawaii 96793, hereinafter referred to as the "GRANTEE",

W I T N E S S E T H:

That the Grantor, for and in consideration of the sum of TWO MILLION FIVE HUNDRED EIGHTY-FIVE THOUSAND AND NO/100 DOLLARS (\$2,585,000.00), lawful money of the United States of America, and for other good and valuable consideration to the Grantor paid by the Grantee, the receipt whereof is hereby acknowledged, does hereby grant, bargain, sell and convey unto the Grantee, its legal successors and assigns, forever, the property described in Exhibit "A" attached hereto and by reference made a part hereof.

AND the reversions, remainders, rents, issues and profits thereof, and all of the estate, right, title and interest of the Grantor, both at law and in equity, therein and thereto.

TO HAVE AND TO HOLD the same, together with all buildings and improvements, rights, easements, privileges and appurtenances thereon and thereunto belonging or appertaining or held and enjoyed therewith, unto the Grantee according to the tenancy and estate as hereinabove set forth, forever.

AND the Grantor hereby covenants and agrees with the Grantee, as aforesaid, that the Grantor is lawfully seised in fee simple of the property described in said Exhibit "A", and has good right and lawful authority to sell and convey the same as aforesaid; that said property is free and clear of all encumbrances, subject, however, to the reservations, restrictions, and encumbrances shown on said Exhibit "A", if any, and that the Grantor will WARRANT AND DEFEND the same unto the Grantee, forever, against the lawful claims and demands of all persons whomsoever, except as herein set forth.

The covenants and obligations, and the rights and benefits of the Grantor and the Grantee shall be binding upon and inure to the benefit of their respective estates, heirs, devisees, personal representatives, successors, successors in trust, and assigns, and all covenants and obligations undertaken by two or more persons shall be deemed to be joint and several unless otherwise expressly provided herein. The terms "Grantor" and "Grantee," wherever used herein, and any pronouns used in place thereof, shall mean and include the singular and the plural, and the use of any gender shall mean and include all genders.

(Remainder of this page intentionally left blank - signature page follows)

IN WITNESS WHEREOF, the Grantor and the Grantee have caused these presents to be duly executed on the day and year first above written.

GRANTOR:

HOME MAID BAKERY, INC.

By _____
Print
Name: _____
Its

By _____
Print
Name: _____
Its

GRANTEE:

COUNTY OF MAUI

By _____
ALAN M. ARAKAWA
Its Mayor

By _____
MARK R. WALKER
Its Director of Finance

APPROVAL RECOMMENDED:

BUTCH KAALA BUENCONSEJO
Parks & Recreation Director

APPROVED AS TO FORM AND
LEGALITY:

JERRIE L. SHEPPARD
Deputy Corporation Counsel
County of Maui

State of Hawaii)
) ss.
County of Maui)
Second Judicial Circuit

Document Description: Warranty Deed

Document Date: _____
No. of Pages: 13

On this ____ day of _____, 2017, before me personally
appeared _____ and _____,
to me personally known/proved to me on the basis of satisfactory evidence, who, being by me
duly sworn or affirmed, did say that they are the _____
and _____, respectively, of HOME MAID BAKERY,
INC., a Hawaii corporation, and that such persons executed the foregoing instrument as the
free act and deed of such persons, and if applicable in the capacity shown, having been duly
authorized to execute such instrument in such capacity.

Notary's Signature Date

Notary's Printed Name

My commission expires: _____

EXHIBIT "A"

All of that certain parcel of land, being Lot 2-A-2-A of the Waiohuli-Keokea Beach Homesteads, being a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawai'i and being more particularly described as follows:

Beginning at a 1/2-inch pipe (found) at the Northeast corner of this parcel of land, on the Westerly boundary of the South Kihei Road right-of-way, said pipe also being the Southeast corner of Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,889.63 feet North
24,382.41 feet West

and running by azimuths measured clockwise from true South:

1. 350° 00' 00" 14.74 feet along said Westerly boundary of the South Kihei Road right-of-way to a 1/2-inch pipe (found);
2. 348° 23' 46" 57.27 feet along same to a 1/2-inch pipe (found) at the Northeast corner of Lot 2-A-2-B of said Waiohuli-Keokea Beach Homesteads;
3. 92° 17' 30" 226.58 feet along said Lot 2-A-2-B of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to a 1/2-inch pipe (found) on the Easterly boundary of Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001);
4. 180° 06' 30" 70.05 feet along said Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001) to a 1/2-inch pipe (found) at the Southwest corner of said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads;

5. 272° 17' 30" 212.36 feet along said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to the point of beginning and containing an area of 15,351 square feet, more or less.

SUBJECT, HOWEVER, to the following:

1. Mineral and water rights of any nature.
2. A non-exclusive sewer easement over and across the land described herein appurtenant to Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, including the right to install, maintain and repair such apparatus within the servient tenement as may be or become necessary to provide the dominant tenement with such sewer service, as shown on the Tax Map and more particularly described as follows:

"All of that certain parcel of land, being a portion of Lot 2-A-2 of the Waiohuli-Keokea Beach Homesteads, being also a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawaii, and being more particularly described as follows:

Beginning at a 3/4 inch pipe at the northeast corner of this parcel of land, said point being also the northeast corner of the above described Lot 2-A-2 and the southeast corner of Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,889.34 feet north
24,375.17 feet west

and running by azimuths measured clockwise from true South:

1. 350° 00' 00" 10.00 feet along Lot 2-A-3 of this subdivision;
2. 131° 08' 45" 15.58 feet along the remainder of said Lot 2-A-2;

3. 272° 17' 30" 10.00 feet along said Lot 2-A-1 to the point of beginning and containing an area of 49 square feet, more or less."

3. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (THREE LOTS OR LESS)

DATED : January 23, 1984

RECORDED : Liber 17681 Page 530

PARTIES : EDWIN T. IGE, ELSIE A. IGE, EDWIN T. IGE, JR. and JOSEPH G. KEALOHA, JR., "Kealoha", and COUNTY OF MAUI, "County"

4. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)

DATED : January 23, 1984

RECORDED : Liber 17681 Page 538

PARTIES : EDWIN T. IGE, ELSIE A. IGE, EDWIN T. IGE, JR. and JOSEPH G. KEALOHA, JR., "Kealoha", and COUNTY OF MAUI, "County"

5. The terms and provisions contained in the following:

INSTRUMENT : HOLD-HARMLESS AGREEMENT

DATED : October 25, 2002

RECORDED : Document No. 2004-047349

PARTIES : COUNTY OF MAUI, "County", and JOSEPH G. KEALOHA, JR., "Developer"

6. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (THREE LOTS OR LESS)
DATED : February 1, 2005
RECORDED : Document No. 2005-034849
PARTIES : JOSEPH G. KEALOHA, JR., "Owner", and COUNTY OF MAUI, "County"

7. GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and HAWAIIAN TELCOM, INC., a Hawaii corporation
DATED : February 28, 2012
RECORDED : Document No. A-44710639
GRANTING : a right and easement for utility purposes

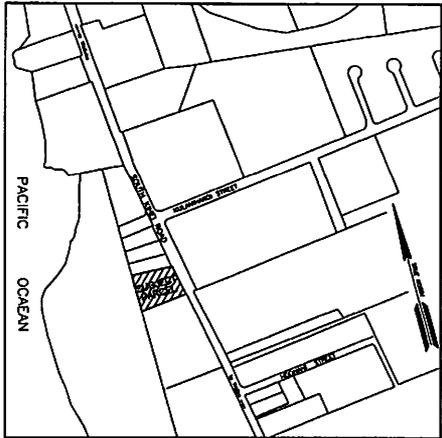
8. The terms and provisions contained in the following:

INSTRUMENT : UNILATERAL AGREEMENT AND DECLARATION OF CONDITIONS
DATED : January 14, 2013
RECORDED : Document No. A-47830302
PARTIES : JOSEPH G. KEALOHA, "DECLARANT"

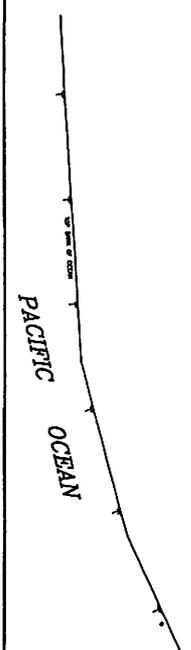
9. Any unrecorded leases and matters arising from or affecting the same.

10. Any rights or interests which may exist or arise by reason of the following facts shown on Survey prepared by Carl R. Musto, Land Surveyor, with Carl R. Musto Land Surveying, LLC, dated October 2, 2017:

(A) The concrete block wall, belonging to the adjoining Lot 2-A-1-A-1 (Tax Map Key: (2) 3-9-001: 010), along the North (right side) boundary line meanders as much as four inches (4") within the subject Lot 2-A-2-A.



VICINITY MAP
NTS



NOTES :

1. Coordinates and azimuths shown herein refer to Triangulation Station "PUU O KALI"
2. Owners of adjacent parcels taken from tax map records.
3. This map is based from a survey performed on November 7, 1995 and May 22, 2000.
4. All corners are marked with 1/2" pipe unless otherwise noted.
5. Easement A is a 15 feet wide for roadway and utility purposes in favor of Lot 2-A-2-C affecting Lot 2-A-2-B.
6. Pursuant to Maui County Code Section 3.44.015(C), the County of Maui is not responsible for any park, roadway, easement (including but not limited to drainage, sewer, access, reclaimed water, or vegetation easement), or any other interest in real property shown on this map or shown on these plans unless the Maui County Council has accepted its dedication by a resolution approved by a majority of Council's members at a regular or special meeting of the Maui County Council.
7. Lots are located on Flood Zone AE with a base flood elevation of 7' above mean sea level datum.
8. Lot 2-A-2-D is a road widening lot to be dedicated to the County of Maui.
9. Existing Sewer Easement affecting Lots 2-A-2-A and 2-A-2-D for sewer purposes, varying width, 49 square feet in favor of Lot 2-A-1 is recorded in the Bureau of Conveyances on Document No. 98-161758.

T.M.K. : (2) 3-9-01 : 01
 STATE OF HAWAII - OWNER
 GOVERNMENT BEACH RESERVES

WAIHULI-KEOKEA BEACH HOMESTEADS
SUBDIVISION OF LOT 2-A-2
INTO LOTS 2-A-2-A, 2-A-2-B, 2-A-2-C AND 2-A-2-D
AND DESIGNATION OF EASEMENT A
Being a portion of Land Patent Grant 8767
to E. N. Wilcox

WAIHULI, WAILUKU, (KULA), MAUI, HAWAII

OWNER :
 Joseph G. Keoloha Jr.
 P.O.Box 1142
 Wailuku, Maui, Hawaii 96793

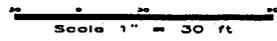
FINAL SUBDIVISION APPROVAL
 Subdivision File Number: 3,211
 Approved for Recordation with the Bureau of
 Conveyances and Department of Taxation,
 State of Hawaii.
 Director of Public Works [Signature] Date 3/27/05

This work was prepared by me
 or under my direct supervision
 VALERIO, INC.

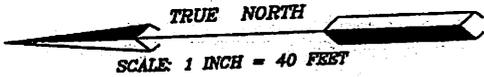
 Licenced Professional Land Surveyor
 State of Hawaii Certificate No. 5078

Date : August 5, 1998
 Revised : October 13, 1998
 Revised : September 11, 2000
 Revised : June 8, 2012
 Revised : December 26, 2012
 Revised : December 27, 2012
 Revised : March 11, 2013

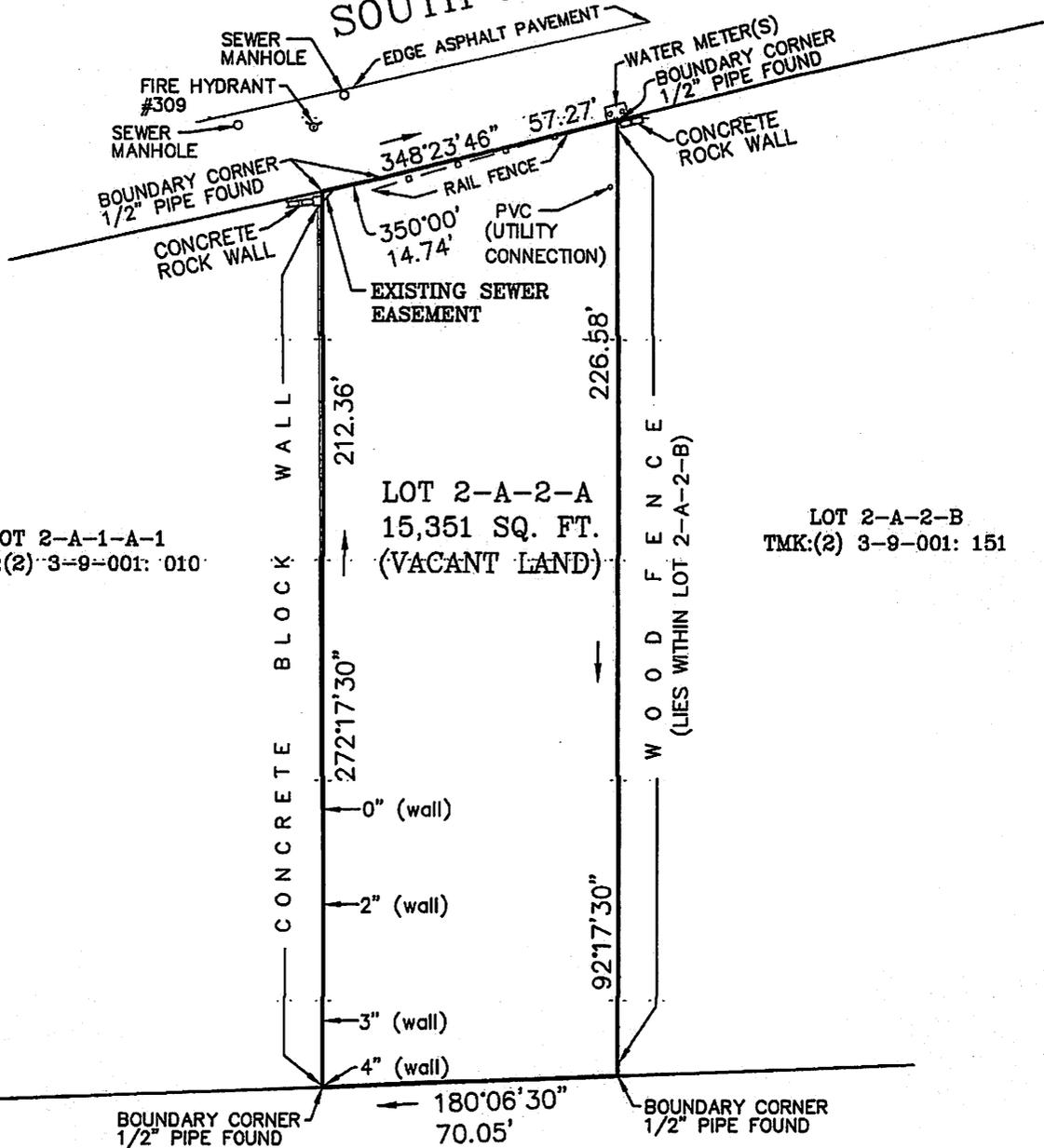
TMK:(2) 3-9-01:151



LUCA File No. 3,2119



SOUTH KIHAI ROAD



LOT 2-A-1-A-1
TMK:(2) 3-9-001: 010

LOT 2-A-2-B
TMK:(2) 3-9-001: 151

LOT 2-A-2-A
15,351 SQ. FT.
(VACANT LAND)

TMK: (2) 3-9-001: 001



Carl R. Musto EXP 04/18
THIS PLAT WAS PREPARED BY ME
OR UNDER MY SUPERVISION.

<p>LOT SURVEY PLAT LOT 2-A-2-A OF THE WAIOHULI-KEOKEA BEACH HOMESTEADS SITUATED AT WAIOHULI, WAILUKU, (KULA), MAUI, HAWAII</p>	
<p>PREPARED FOR: MR. JEREMY KOZUKI HOME MAID BAKERY INC. 1005 LOWER MAIN STREET WAILUKU, MAUI, HAWAII 96793</p>	<p>PREPARED BY: CARL R. MUSTO LAND SURVEYING, LLC 190 SOUTH MAKALEHA PLACE MAKAWAO, MAUI, HAWAII 96768</p>
<p>T.M.K.: (2) 3-9-001: 175</p>	<p>SCALE: 1 INCH = 40 FEET</p>
<p>DATE: OCTOBER 2, 2017</p>	

DESCRIPTION
LOT 2-A-2-A
WAIOHULI-KEOKEA BEACH HOMESTEADS

All of that certain parcel of land, being Lot 2-A-2-A of the Waiohuli-Keokea Beach Homesteads, being a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawai'i and being more particularly described as follows:

Beginning at a ½-inch pipe (found) at the Northeast corner of this parcel of land, on the Westerly boundary of the South Kihei Road right-of-way, said pipe also being the Southeast corner of Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,889.63 feet North
24,382.41 feet West

and running by azimuths measured clockwise from true South:

1. 350° 00' 00" 14.74 feet along said Westerly boundary of the South Kihei Road right-of-way to a ½-inch pipe (found);
2. 348° 23' 46" 57.27 feet along same to a ½-inch pipe (found) at the Northeast corner of Lot 2-A-2-B of said Waiohuli-Keokea Beach Homesteads;
3. 92° 17' 30" 226.58 feet along said Lot 2-A-2-B of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to a ½-inch pipe (found) on the Easterly boundary of Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001);
4. 180° 06' 30" 70.05 feet along said Kihei Beach Reserve (Parcel 1 of Tax Map Key: (2) 3-9-001) to a ½-inch pipe (found) at the Southwest corner of said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads;

5. 272° 17' 30" 212.36 feet along said Lot 2-A-1-A-1 of the Waiohuli-Keokea Beach Homesteads, along the remainder of said Land Patent Grant 8767 to E. N. Wilcox to the point of beginning and containing an area of 15,351 Square Feet, more or less.

Prepared by:

**CARL R. MUSTO
LAND SURVEYING, LLC**

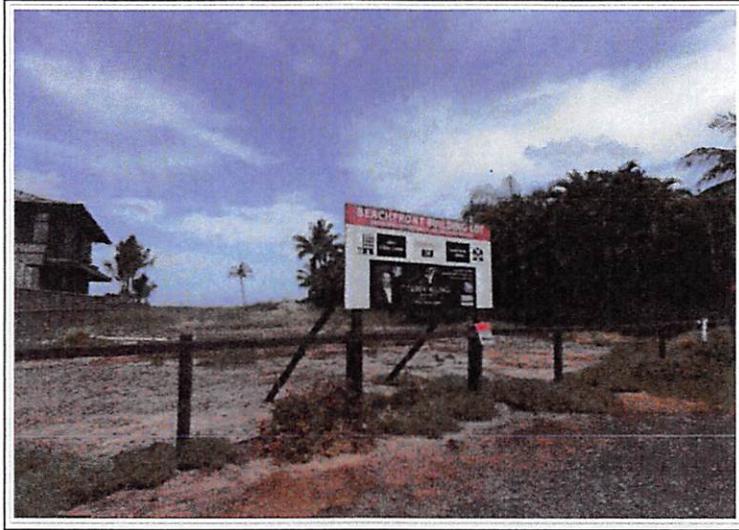


This description was prepared from an actual survey on the ground performed by me or under my supervision.

Carl R. Musto

CARL R. MUSTO *EXP 04/18*
Licensed Professional Land
Surveyor Certificate No. 11443

APPRAISAL OF



LOCATED AT:

Assessor's parcel #2390011750000, S. Kihei Road
Kihei, HI 96753

CLIENT:

Client : County Of Maui
Dept. of Finance, 200 S. High Street
Wailuku, HI 96793

AS OF:

May 15, 2017

BY:

R. J. Kirchner, SRA

Client : County Of Maui
Dept. of Finance, 200 S. High Street
Wailuku, HI 96793

File Number: M17028(239-1-175)

In accordance with your request, I have appraised the real property at:

Assessor's parcel #2390011750000, S. Kihei Road
Kihei, HI 96753

The purpose of this appraisal is to develop an opinion of the defined value of the subject property, as vacant.
The property rights appraised are the fee simple interest in the site.

In my opinion, the defined value of the property as of May 15, 2017 is:

\$2,585,000
Two Million Five Hundred Eighty-Five Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions,
final opinion of value, descriptive photographs, assignment conditions and appropriate certifications.



R. J. Kirchner, SRA

USPAP Compliant 2-2 Report
Land Appraisal Report

File No. M17028(239-1-175)

The purpose of this appraisal report is to provide the client with a credible opinion of the defined value of the subject property, given the intended use of the appraisal.

PURPOSE
Client Name/Intended User: Client : County Of Maui E-mail: Guy.Hironaka@co.maui.hi.us
Client Address: Dept. of Finance, 200 S. High Street City: Wailuku State: HI Zip: 96793
Additional Intended User(s): Subject Property Owner. No other intended users are anticipated by the appraiser.

SUBJECT
Intended Use: The County of Maui intends to acquire the subject property through negotiation and requires an appraisal to determine what price should be paid. The power to force the acquisition is not being used. No other intended use is anticipated.
Property Address: Assessor's parcel #2390011750000, S. Kihei Road City: Kihei State: HI Zip: 96753
Owner of Public Record: Home Maid Bakery, Inc. County: Maui
Legal Description: See addendum and map pages for a legal description found in the sources that are publicly available to the appraiser.
Assessor's Parcel #: 2390011750000 Tax Year: 2016 R.E. Taxes: \$ 12,849
Neighborhood Name: Kihei Map Reference: 239-1-175 Census Tract:
Property Rights Appraised: Fee Simple Leasehold Other (describe)

SALES HISTORY
My research: did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.
Prior Sale/Transfer: Date: 6/17/2016 Price: \$1,600,000 Source(s): County Records
Analysis of prior sale or transfer history of the subject property (and comparable sales, if applicable): This sale appears to have been between related parties. The signers for the grantor were Jeremy, Jeanette, and Marc Kozuki and Shane Fuke. The grantee signatories are Jeremy and Jeanette Kozuki. This is not likely an arms length transaction.
Offerings, options and contracts as of the effective date of the appraisal: The subject is currently offered for sale in Maui MLS at a price of \$2,800,000. It has been listed on and off since 3/1/2014 at prices ranging from \$2,100,000 to \$2,800,000.

NEIGHBORHOOD

Neighborhood Characteristics		One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location	<input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values	<input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	30 %	
Built-Up	<input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$(000)	(yrs)	2-4 Unit	5 %	
Growth	<input checked="" type="checkbox"/> Rapid <input type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input checked="" type="checkbox"/> Over 6 mths	1,700	Low	1 Multi-Family	30 %	
Neighborhood Boundaries	The market area is bound by Wailea on the south, S. Kihei Road on the east, Pacific Ocean on the west and N. Kihei Rd on the North. Oceanfront Kihei properties.			16,500	High	70 Commercial	5 %	
Neighborhood Description	See attached addendum. The subject is not an over improvement or an under improvement for the area.			4,250	Pred.	25 Other Vacant	30 %	

Market Conditions (including support for the above conclusions): See attached addendum.

SITE
Dimensions: See attached plat map Area: 15351sf Shape: Trapezoid View: Ocean Park front
Specific Zoning Classification: A-2 Apartment Zoning Description: Apartment zoned
Zoning Compliance: Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
Highest and best use of the subject property: See attached

UTILITIES
Public: Electricity Gas Individual
Other (describe): Water Sanitary Sewer
Off-site Improvements—Type: Street: Asphalt Alley: None
FEMA Special Flood Hazard Area: Yes No FEMA Flood Zone: AE FEMA Map #: 1500030567F FEMA Map Date: 9/19/2012
Site Comments: The subject backs to an oceanfronting County beach park with a wide lawn between the subject and the beach. The subject is located in an AE flood zone with a base flood elevation of 6 to 8 feet. The subject has 70.05 feet of frontage on the park and 57.27' on the road.

MARKET DATA ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	#239001175 S. Kihei Road Kihei	850 S. Kihei Road Kihei TMK 239-1-151&176		83 Kapu Place kihei TMK 239-9-7		1816 Halama St. Kihei TMK 239-12-1	
Proximity to subject		0.07 miles NE		1.00 miles SE		1.78 miles SE	
Sales Price	\$	\$ 3,100,000		\$ 1,899,000		\$ 3,000,000	
Price \$ /	0.00	107.97		229.46		211.00	
Data Source		TMK, MLS, D#59740550		TMK, MLS, D#57240350		TMK, MLS, D#62010079	
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(+) Adjust.	DESCRIPTION	-(-) Adjust.	DESCRIPTION	+(+) Adjust.
Location	Kihei Oceanpark fro	Sold 5/10/2016	186,000	Sold 9/3/2015	180,400	Sold 12/23/2016	60,000
Site/View	15351sf/Ocean Park	Kihei Oceanpark		Kihei Oceanpark		Kihei Rocky Fron	-150,000
frontage	70.05'	28712sf/Ocean P	-668,100	8276sf/Ocean Pa	530,600	14197sf Ocean fr	86,600
Beach	Part Sand	145.77'	0	52.44'	0	125.98'	-150,000
Shape	Trapezoid	Part Sand		Sand	-95,000	Rocky	95,000
Improvements	None	Similar 2 Parcels	0	Rectangle	0	Trapezoid	
Sales or Financing		None		None		1715sf Hm Bit 1952	-325,000
Concessions		Conventional		PMM		Cash	
Net Adj. (Total)		No Concessions		No Concessions		No Concessions	
Indicated Value of Subject		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 482,100		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 616,000		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ 383,400	
		Net Adj. -15.6%		Net Adj. 32.4%		Net Adj. -12.8%	
		Gross Adj. 27.6%	\$ 2,617,900	Gross Adj. 42.4%	\$ 2,515,000	Gross Adj. 28.9%	\$ 2,616,600

Summary of Sales Comparison Approach: See addendum

RECONCILIATION
This appraisal is made "as is," subject to the following: The subject has been appraised as is. The attached addendum, limiting conditions, and appraiser's certification are a part of this appraisal report.
Based on the scope of work, assumptions, limiting conditions and appraiser's certification, my (our) opinion of the defined value of the real property that is the subject of this report is \$ 2,585,000 as of 5/15/2017, which is the effective date of this appraisal.

Scope of Work, Assumptions and Limiting Conditions

Scope of work is defined in the Uniform Standards of Professional Appraisal Practice as "the type and extent of research and analyses in an assignment." In short, scope of work is simply what the appraiser did and did not do during the course of the assignment. It includes, but is not limited to: the extent to which the property is identified and inspected, the type and extent of data researched, the type and extent of analyses applied to arrive at opinions or conclusions.

The scope of this appraisal and ensuing discussion in this report are specific to the needs of the client, other identified intended users and to the intended use of the report. This report was prepared for the sole and exclusive use of the client and other identified intended users for the identified intended use and its use by any other parties is prohibited. The appraiser is not responsible for unauthorized use of the report.

The appraiser's certification appearing in this appraisal report is subject to the following conditions and to such other specific conditions as are set forth by the appraiser in the report. All extraordinary assumptions and hypothetical conditions are stated in the report and might have affected the assignment results.

1. The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in this report may show approximate dimensions and is included only to assist the reader in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made thereto.
4. Neither all, nor any part of the content of this report, copy or other media thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, or the firm with which the appraiser is connected), shall be used for any purposes by anyone but the client and other intended users as identified in this report, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent of the appraiser.
5. The appraiser will not disclose the contents of this appraisal report unless required by applicable law or as specified in the Uniform Standards of Professional Appraisal Practice.
6. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the appraiser is assumed by the appraiser.
7. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering or testing, which might be required to discover such factors. This appraisal is not an environmental assessment of the property and should not be considered as such.
8. This appraisal report should not be used to disclose the condition of the property as it relates to the presence/absence of defects. The client is invited and encouraged to employ qualified experts to inspect and address areas of concern. If negative conditions are discovered, the opinion of value may be affected.
9. Appraisals involving hypothetical conditions related to completion of new construction, repairs or alteration are based on the assumption that such completion, alteration or repairs will be competently performed.

Additional Comments Related To Scope Of Work, Assumptions and Limiting Conditions

See addendum

Appraiser's Certification

The appraiser(s) certifies that, to the best of the appraiser's 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 the appraiser's personal, impartial, and unbiased professional analyses, opinions, and conclusions.
 3. Unless otherwise stated, the appraiser has no present or prospective interest in the property that is the subject of this report and has no personal interest with respect to the parties involved.
 4. The appraiser has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
 5. The appraiser's engagement in this assignment was not contingent upon developing or reporting predetermined results.
 6. The appraiser's 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.
 7. The appraiser's analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
 8. Unless otherwise noted, the appraiser has made a personal inspection of the property that is the subject of this report.
 9. Unless noted below, no one provided significant real property appraisal assistance to the appraiser signing this certification. Significant real property appraisal assistance provided by:
- See addendum for additional certifications.

Additional Certifications:
See Addendum

Definition of Value: Market Value Other Value: _____

Source of Definition: Comptroller of Currency

Market Value- The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by any undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- o The buyer and seller are typically motivated,
- o Both parties are well informed or well advised, and each acting in what they consider their own best interest,
- o A reasonable time is allowed for exposure in the open market,
- o Payment is made in terms of cash in U. S. Dollars or in terms of financial arrangements comparable thereto, and
- o The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

ADDRESS OF THE PROPERTY APPRAISED:

Assessor's parcel #2390011750000, S. Kihei Road
Kihei, HI 96753

EFFECTIVE DATE OF THE APPRAISAL: 5/15/2017

APPRAISED VALUE OF THE SUBJECT PROPERTY \$ 2,585,000

APPRAISER

Signature: 
 Name: R. J. Kirchner, SRA
 State Certification # CGA 0000275
 or License # HI
 or Other (describe): _____ State #: _____
 State: HI
 Expiration Date of Certification or License: 12/31/2017
 Date of Signature and Report: 05/24/2017
 Date of Property Viewing: 5/15/2017
 Degree of property viewing:
 Did personally view Did not personally view

SUPERVISORY APPRAISER

Signature: _____
 Name: _____
 State Certification # _____
 or License # _____
 State: _____
 Expiration Date of Certification or License: _____
 Date of Signature: _____
 Date of Property Viewing: _____
 Degree of property viewing:
 Did personally view Did not personally view

ADDENDUM

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

Paradise Appraisals LLC Mission Statement:

We find market supported solutions to real estate valuation questions. We communicate the solutions in a manner that allows our clients to replicate our analysis and conclusions.

Introduction and Important Disclosures:

Paradise Appraisals LLC performs all of its appraisals in conformance with the USPAP and the standards and ethics of the Appraisal Institute. All reports are completed by state certified and licensed appraisers. FIRREA guidelines are met in each case. The reader is asked to read the report carefully and thoroughly to be certain that all of the enclosed information is understood.

Scope and Purpose of the Appraisal:

The following assignment elements exist in this appraisal assignment:

Client (entity that ordered and engaged the firm to complete an appraisal assignment): The County of Maui ordered this appraisal and is the client by USPAP definition.

Intended User (the entity the client intends the appraisal to be used by): The County of Maui and the property owner are the only intended users.

Intended Use: The appraisal was ordered for use in determining how much the County should pay for the property in a non forced acquisition sale and is not being used in a federally regulated loan transaction.

Type of Value Requested: The client has asked for the appraiser to measure the market value as defined by the Comptroller of Currency. The interest appraised is fee simple.

Effective Date of Valuation: The effective date of valuation is the appraiser's inspection date, as detailed in the certification of this appraisal.

Given the assignment elements detailed above, the appraisal problem to be solved is estimating the market value of the fee simple interest in the subject property AS IS on the date of inspection. The appraiser's plan for solving this appraisal problem is as follows:

Property Inspection: This appraisal was completed by first performing a thorough inspection of the subject property which was then described in summary detail within this report. The scope of the appraiser's inspection is intended to satisfy the definition of market value found within this report for the vacant site. That definition assumes a typically motivated buyer and seller who are well informed and well advised. The typically motivated buyers and sellers are not engineers or contractors, and the appraiser is not either. *The reader should not rely on the description in this appraisal as a substitute for a professional building and engineering inspection of the property.*

Following the property inspection, the appraiser performed the following valuation procedures:

Sales Comparison Approach: The appraiser completed a search for similar market sales within the subject's market area. This search was completed utilizing the following sources: County records via TMK service, MLS, the appraiser's own appraisal files, and buyers and sellers. At least three of the most similar of these sales were then compared to the subject and their sale prices were adjusted to reflect the differences between these sales and the subject. The result is an indication of the subject's market value. The indications from these sales were then reconciled to arrive at a value via the market comparison approach.

The other two typical approaches to value were not utilized in this report because they are not appropriate valuation methods for this type of vacant lot. The cost approach is not applicable because there are no buildings or improvements on this site. The income approach is not reasonable because this type of property is not typically bought and sold for its income potential.

Extraordinary Assumptions needed to complete this assignment: The following extraordinary assumptions needed to be made by the appraiser to complete the appraisal assignment. These are characteristics of the property that are not known and must be assumed for the appraiser to derive a market value of the subject. *If any of these assumptions are found to be false, they could alter the appraiser's conclusions.*

1. The appraiser has not been provided a survey and assumes there are no adverse easements, encroachments, or other hidden site conditions.
2. The appraiser assumes the property has no hidden physical or functional deficiencies.
3. The appraiser assumes that there are no significant archeological sites that would restrict the property's ability to be developed.
4. The appraiser assumes the property is not subject to any unknown leases that may make it more or less valuable. Unless stated in this report, the appraiser is unaware of any other contracts that might affect this property.
5. The appraiser assumes the subject is not affected by any contamination or environmental hazard. No obvious signs of contamination or hazards were noted during the inspection.

The attached report and the following addendum detail how this scope of work was carried out with the resulting analysis and conclusions.

Adverse Environmental Conditions:

The appraiser is not an expert in environmental hazards. The following is a brief description of possible environmental hazards that could affect the subject property:

1. The subject had no readily apparent tanks or barrels that might contain hazardous materials.
2. No readily visible signs of dead vegetation or discolored soils were noted on the property that would indicate contamination.

Legal Description

The appraiser assumes no adverse easements or encroachments exist. The legal description has not been provided and the appraiser has relied on a publicly available legal description. The appraiser has relied upon TMK to identify the subject.

ADDENDUM

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

No survey has been reviewed. The fact that the legal description has not been reviewed has forced the appraiser to make extraordinary assumptions that weaken the reliability of the report.

The appraiser assumes no adverse easements, encroachments, or title issues exist.

The appraiser has attached a legal description for the property which was found in the sources that are publicly available to the appraiser. This legal description may not be complete. It may not include a description of easements, boundary agreements, encroachments, or other defects. The appraiser is assuming the legal description provided is complete and that no un-noted easements, agreements, or encroachments exist. The client is cautioned that a survey or more complete legal description developed by a title company could find such conditions and that they could impact the value opinion of the appraiser. The appraisal company is not a law office or a title company. The appraisal company recommends the client and the users of this report seek out a complete legal description and survey of the property in question.

The legal description attached to this report was found in Hawaii Information Service and was the legal description used for the subject's last transaction. It is assumed to be correct.

**Maui Market Conditions
Please insert and insert charts**

Maui County Market:

The residential and agricultural land market in Maui has seen a consistent upward price trend as evidenced by the attached statistics taken from the Maui Board of Realtors market data found on the extra map pages in this report.

Highest and Best Use

There are four elements to deciding the subject's highest and best use:

- 1. What is physically possible?** The subject's area and site have shown that they can support residential and multi family structures. No obvious physical limitation to residential use was noted during the property inspection. No engineering studies have been completed; however, as part of this assignment, the appraiser is assuming there are no physical conditions that would limit the subject site from supporting a residential structure. the width and size of the site make development of multi family difficult. the flood zone also imposed construction requirements that the lowest floor be elevated above the flood elevation.
- 2. What is legally possible?** The subject is zoned A-2 Apartment. The subject exceeds the minimum site size requirements of 10,000 sq. ft. and can support a 4-story building with a lot coverage ratio of 35%. The width at 57.27' to 70.05' will make development of parking problematic.
- 3. What uses of the physically and legally possible uses provide a financial reward?** Residential and multi family use are the only physically possible and legally permitted use that the property can be used for that the market recognizes a financial reward for.
- 4. Which use provides the highest return?** The market shows that single family use is the use the market believes creates the highest net return. This is evidenced by several of the comparisons cited in the direct sales comparison approach which have apartment zoning but have been developed or are being developed into single family homes.

Comments on Sales Comparison

The appraiser has written a summary appraisal report, meaning the analysis is provided in only summarized detail. The appraiser has developed the adjustments within this analysis by pairing sales when possible. Examples of such pairings might include pairing lot sales to isolate lot size, location, or view adjustments. It also involves pairing existing home sales to develop such adjustments as age and GLA. Market conditions adjustments are based upon data such as the data shown in the market conditions section of this addendum as well as on ongoing evaluation of sales over time by this appraiser's office.

The following sales were considered in this analysis:

TMK	Sq. ft.	Shape	Zoning	Frontage	Beach	Improvements	Price	Date	\$/Sq. ft.
239-11-9	20064	Rectangle	R-3	75'	Beach Park	3560sf Home & Cott. Blt 1957	\$ 3,200,000.00	6/18/2012	\$ 159.49
239-5-33	9779	Trapezoid	A-1	104.4	Beach Park	1164sf Home Blt 1951	\$ 2,700,000.00	1/29/2014	\$ 276.10
246-2-17	16013	Trapezoid	R-3	72.00	Sand front	1140sf Home Blt 1951	\$ 3,300,000.00	6/19/2015	\$ 206.08
239-9-25	12119	Trapezoid	A-1	75.55	Beach Park	2314sf Home Blt 1960	\$ 2,900,000.00	6/24/2015	\$ 239.29
239-9-7	8276	Rectangle	A-1	52.44	Beach Park	None	\$ 1,899,000.00	9/2/2015	\$ 229.46
239-1-151 & 176	28712	Trapezoid	A-2	145.77	Beach Park	None	\$ 2,700,000.00	5/10/2016	\$ 94.04
245-3-25	8668	Irregular	R-2	61.93	Sea Wall	875sf Home Blt 1927	\$ 2,150,000.00	5/26/2016	\$ 248.04
246-2-4	14135	Rectangle	R-3	94.00	Sand front	1616sf House & Cott Blt 1951	\$ 2,960,000.00	7/5/2016	\$ 209.41
239-12-1	14196	Trapezoid	R-3	125.98	Rocky Front	1715sf Home Blt	\$ 3,000,000.00	12/23/2016	\$ 211.33

ADDENDUM

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

239-5-34 10001 Trapezoid A-1 100.00 Beach Park 1952
 2511sf House & \$ 4,118,000.00 2/7/2017 \$ 411.76
 Cott. Blt 1950

The following is provided as support for major adjustments:

Market Conditions: There is an obvious upward trend in prices over the last 5 years. The appraiser has utilized a 1/2% per month market conditions adjustment to reflect current prices which is supported by the data shown in the market conditions section of this report.

Land size:

TMK	Sq. ft.	Shape	Zoning	Frontage	Beach	Improvements	Price	Date	\$/Sq. ft.
246-2-17	16013	Trapezoid	R-3	72.00	Sand front	1140sf Home Blt 1951	\$ 3,300,000.00	6/19/2015	\$ 206.08
239-5-33	9779	Trapezoid	A-1	104.4	Beach Park	1164sf Home Blt 1951	\$ 2,700,000.00	1/29/2014	\$ 276.10
Difference	6234						\$ 600,000.00		
\$/sq. ft.							\$ 96.25		

and,

TMK	Sq. ft.	Shape	Zoning	Frontage	Beach	Improvements	Price	Date	\$/Sq. ft.
239-1-151 & 176	28712	Trapezoid	A-2	145.77	Beach Park	None	\$ 2,700,000.00	5/10/2016	\$ 94.04
239-9-7	8276	Rectangle	A-1	52.44	Beach Park	None	\$ 1,899,000.00	9/2/2015	\$ 229.46
Difference	20436						\$ 801,000.00		
\$/sq. ft.							\$ 39.20		

The appraiser has used an adjustment of \$75 per Sq. ft. of difference for smaller sites and \$50 for larger sites.

Improvements:

TMK	Sq. ft.	Shape	Zoning	Frontage	Beach	Improvements	Price	Date	\$/Sq. ft.
245-3-25	8668	Irregular	R-2	61.93	Sea Wall	875sf Home Blt 1927	\$ 2,150,000.00	5/26/2016	\$ 248.04
239-9-7	8276	Rectangle	A-1	52.44	Beach Park	None	\$ 1,899,000.00	9/2/2015	\$ 229.46
Difference	392						875 \$ 251,000.00		
Adjust for time							\$ (86,000.00)		
Adjusted							\$ 165,000.00		
\$/sq. ft..							\$ 188.57		

This pairing shows how much per sq. ft. the typical older home nearing the end of its economic life (needing significant remodel or replacement) adds to price.

and,

TMK	Sq. ft.	Shape	Zoning	Frontage	Beach	Improvements	Price	Date	\$/Sq. ft.
239-9-25	12119	Trapezoid	A-1	75.55	Beach Park	2314sf Home Blt 1960	\$ 2,900,000.00	6/24/2015	\$ 239.29
239-9-7	8276	Rectangle	A-1	52.44	Beach Park	None	\$ 1,899,000.00	9/2/2015	\$ 229.46
Difference	3843						2314 \$ 1,001,000.00		
Adjust for time							\$ 43,500.000		
Adjust for land							\$ (153,720.00)		
Adjusted							\$ 890,780.000		
\$/sq. ft.					Remodeled 2007		\$ 384.95		

The first sale here had its older home renovated and remodeled in 2007.

The sales used as direct comparisons are the most similar available.

Sale #1 is adjacent to the subject and was the sale of two parcels in one transaction. The buyer is building two detached homes on the property as spec. The site has the same zoning and backs to the same beach park. This sale is superior to the subject because the buyer has the potential to sell one site of separately from the other and it is larger overall than the subject. This property is zoned apartment, but is being used for detached single family.

Sale #2 is a smaller direct oceanfront site on a sand beach. Because it is smaller, it should bracket from the bottom. This property is zoned apartment but is being used for detached single family.

Sale #3 is a rocky water-fronting property that has a wider beach park frontage and is improved with an older 1716 sq ft home. This sale should also bracket from the top. This property is zoned single family and shows a similar price per sq. ft. to sales #2 and #4 which are zoned Apartment.

Sale #4 is near sale #3 and is a smaller ocean park-fronting site with an older home that as remodeled in 2007. It too should bracket from the top. This sale is zoned Apartment.

ADDENDUM

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

The following weighting has been used:

Comparison	Adjusted Price	Weighting	Product
1	\$ 2,617,900.00	40%	\$ 1,047,160.00
2	\$ 2,515,000.00	25%	\$ 628,750.00
3	\$ 2,616,600.00	25%	\$ 654,150.00
4	\$ 2,571,500.00	10%	\$ 257,150.00
Average	\$ 2,580,250.00	100%	\$ 2,587,210.00
Concluded			\$ 2,585,000.00
Indicated \$/sq. ft.			\$ 168.39

The concluded market value measurement is \$2,585,000 with both a marketing and exposure time estimate of 6 to 9 months.

Additional Certifications

Reconciliation:

The appraiser considered other approaches such as an income approach through direct capitalization of ground rent, extraction (used in the direct sales comparison approach), and the subdivision development approach. These approaches either had insufficient market data available to provide credible results or were not relevant given the highest and best use. The direct sales comparison approach was the only approach found to have enough data to lead to credible results.

Appraiser Additional Certifications

The statements of fact contained in this report are true and correct.

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.

- I have no present or prospective interest in the property that is the subject of this report and no (unless otherwise specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 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.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.

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 and the Standards of Professional Appraisal Practice of the Appraisal Institute which include the Uniform Standards of Professional Appraisal Practice (USPAP).

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.

The appraiser, R. J. Kirchner, SRA, is currently designated by the Appraisal Institute as an SRA (Senior Residential Appraiser) and holds a CGA (Certified General Appraiser) license in the State of Hawaii. He has been a full-time appraiser since 1981 and has the experience and training necessary to meet USPAP's competency provision in performing this appraisal.

R. J. Kirchner SRA has met the current continuing education requirements of the Appraisal Institute.

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 and the Standards of Professional Appraisal Practice of the Appraisal Institute which include the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to reviews by its duly authorized representatives.

Competency Certification:

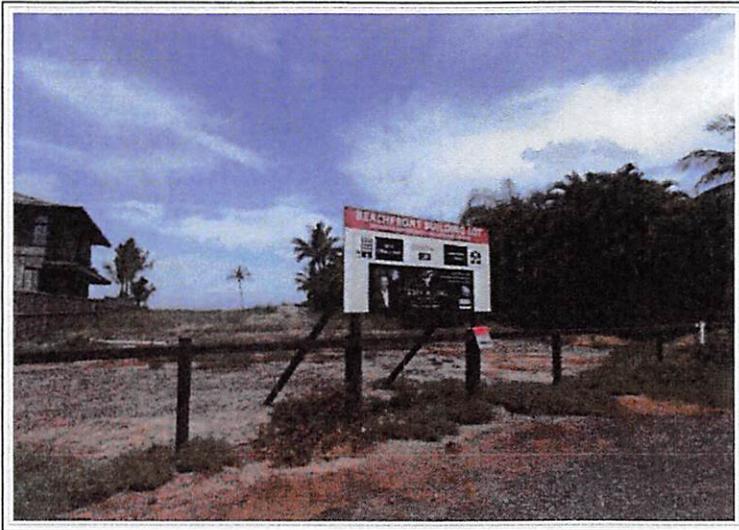
1. I am competent in the property type of this assignment.
2. I am competent in the geographical area of the assignment.
3. I have access to the appropriate data sources for the assignment.
4. I am aware that misrepresentation of competency is subject to mandatory reporting to the respective licensing authority.
5. I have read and understood the assignment conditions and terms and conditions for this order.

ADDENDUM

Client: Client : County Of Maui		File No.: M17028(239-1-175)	
Property Address: Assessor's parcel #2390011750000, S. Kihei Road		Case No.:	
City: Kihei	State: HI	Zip: 96753	

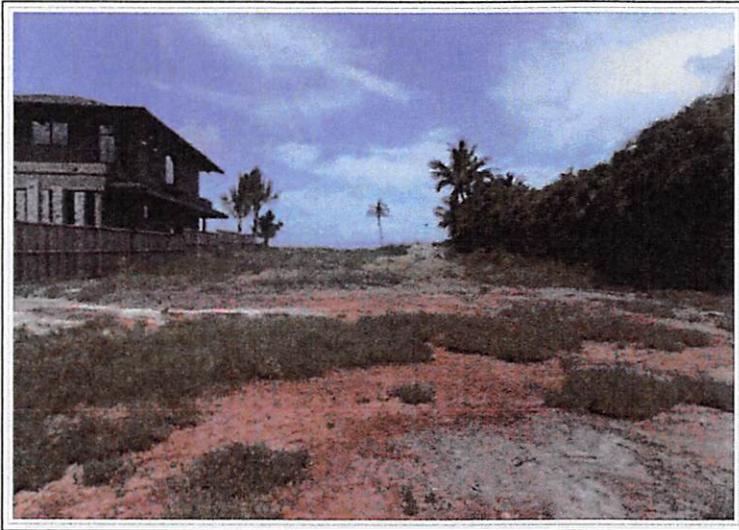
SUBJECT PROPERTY PHOTO ADDENDUM

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

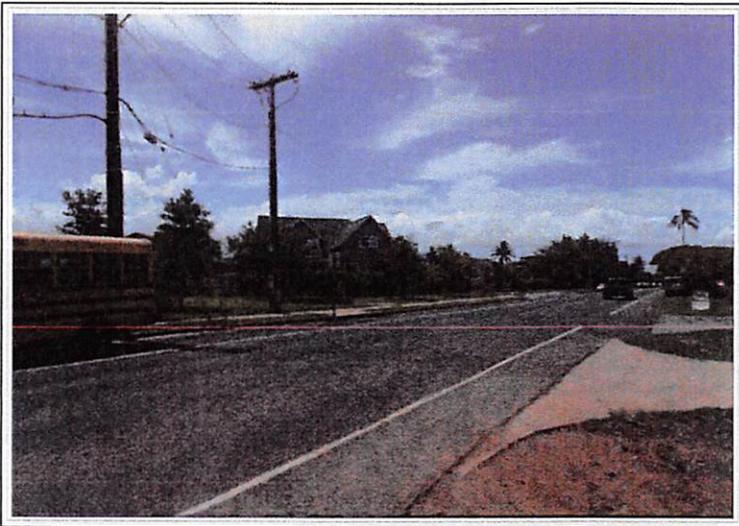


FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: May 15, 2017
Appraised Value: \$ 2,585,000



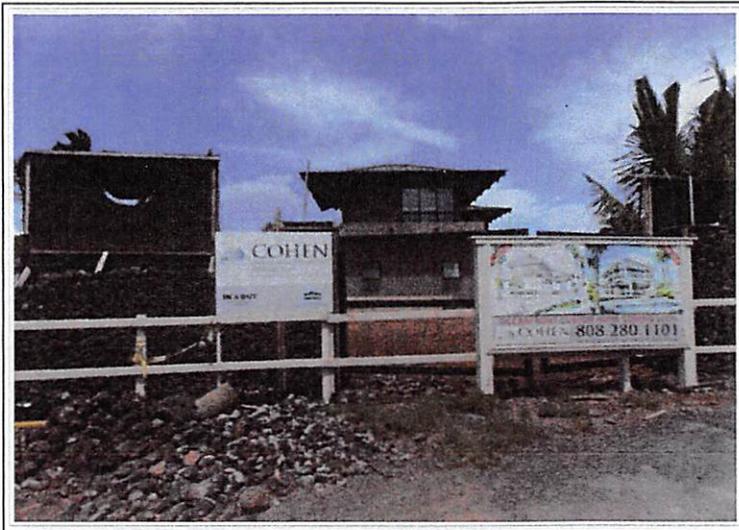
REAR VIEW OF
SUBJECT PROPERTY



STREET SCENE

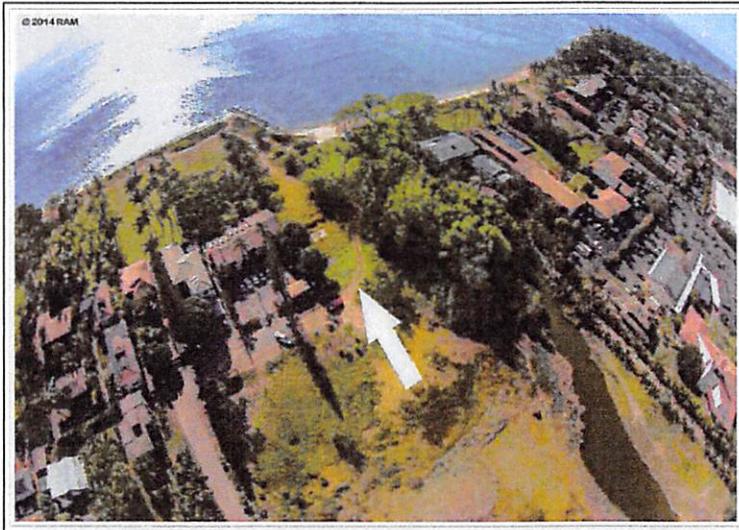
COMPARABLE PROPERTY PHOTO ADDENDUM

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753



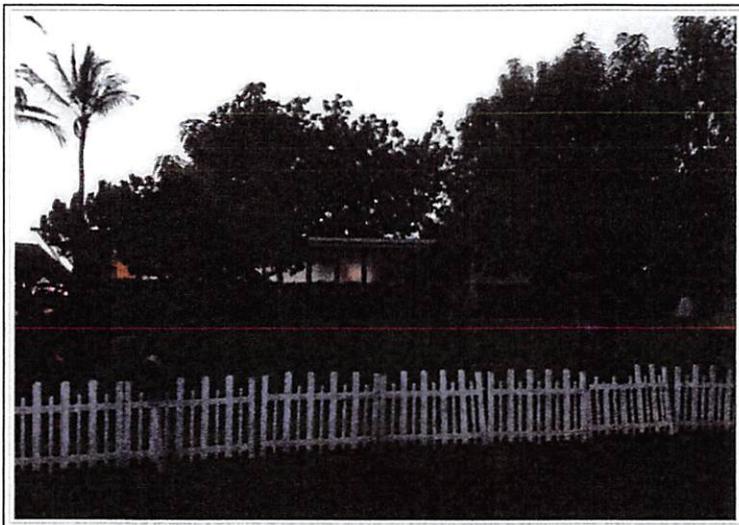
COMPARABLE SALE #1

850 S. Kihei Road
Kihei TMK 239-1-151&176
Sale Date: Sold 5/10/2016
Sale Price: \$ 3,100,000



COMPARABLE SALE #2

83 Kapu Place
kihei TMK 239-9-7
Sale Date: Sold 9/3/2015
Sale Price: \$ 1,899,000

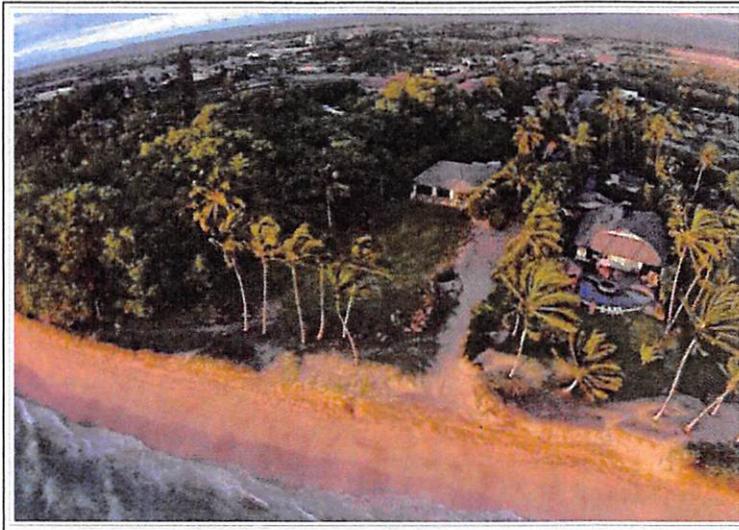


COMPARABLE SALE #3

1816 Halama St.
Kihei TMK 239-12-1
Sale Date: Sold 12/23/2016
Sale Price: \$ 3,000,000

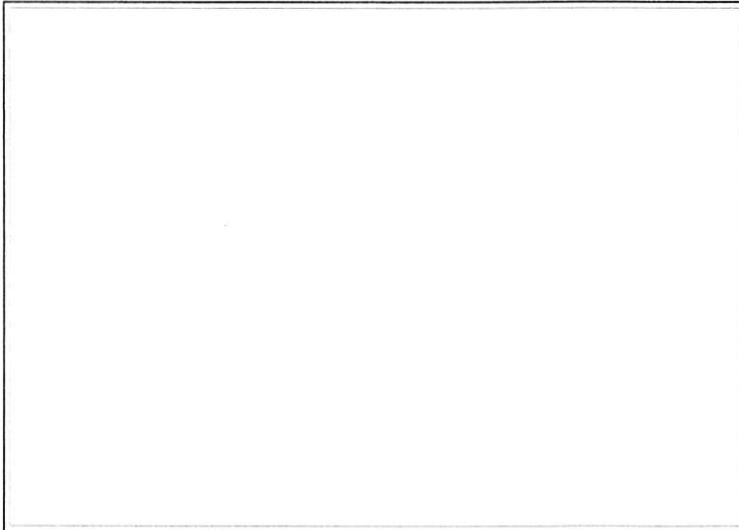
COMPARABLE PROPERTY PHOTO ADDENDUM

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753



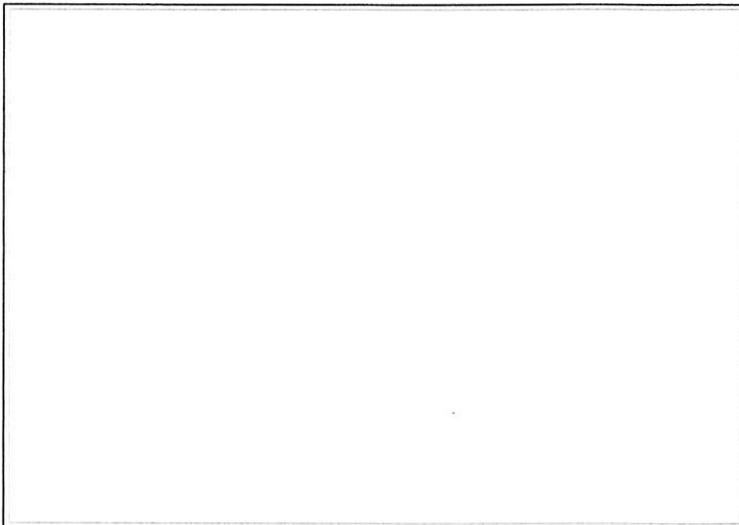
COMPARABLE SALE #4

1470 Halama St.
Kihei TMK 239-9-25
Sale Date: Sold 6/24/2015
Sale Price: \$ 2,900,000



COMPARABLE SALE #5

Sale Date:
Sale Price: \$

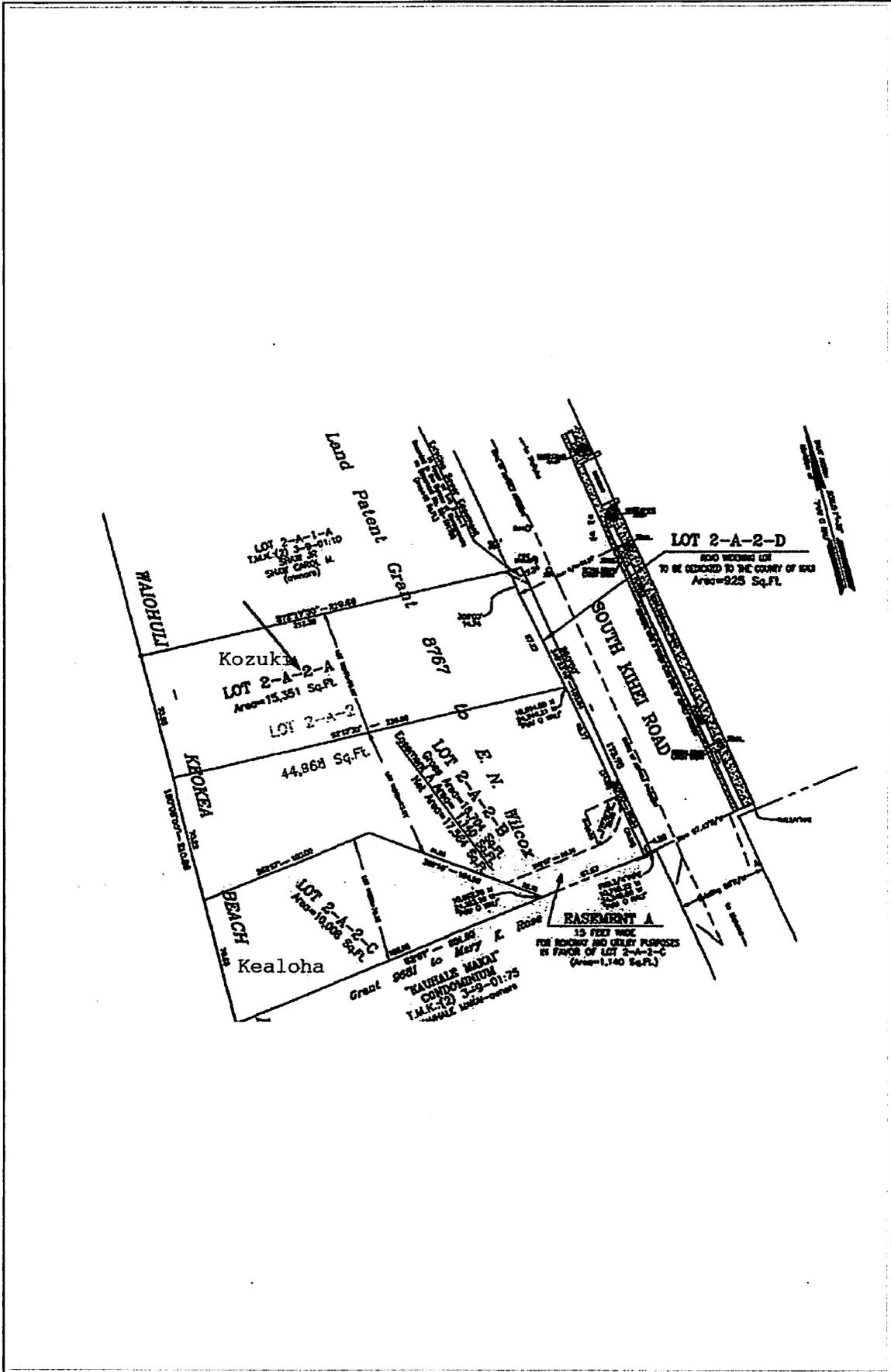


COMPARABLE SALE #6

Sale Date:
Sale Price: \$

PLAT MAP

Client: Client : County Of Maui File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road Case No.:
City: Kihei State: HI Zip: 96753



FLOOD MAP

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753



BASEMAP: NO BASEMAP



Flood Hazard Assessment Report
www.hawaiifip.org

Property Information

COUNTY: MAUI
 TMX NO: (2) 3-9-001:151
 WATERSHED: HAPAPA
 PARCEL ADDRESS: 860 S KIEHI RD
 KIEHI, HI 96753

Notes:

Flood Hazard Information

FIRM INDEX DATE: NOVEMBER 04, 2015
 LETTER OF MAP CHANGE(S): NONE
 FEMA FIRM PANEL - EFFECTIVE DATE: 1900000567F - SEPTEMBER 19, 2012
 1900000568G - NOVEMBER 04, 2015

THIS PROPERTY IS WITHIN A TSURAMI EVACUATION ZONE: YES
 FOR MORE INFO, VISIT: <http://www.ted.hawaii.gov/>

THIS PROPERTY IS WITHIN A DAM EVACUATION ZONE: NO
 FOR MORE INFO, VISIT: <http://dtr.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. Users/clients 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 database information.

If this map has been identified as UNRELIABLE, please note that it is being provided for informational purposes only 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 NFH)

SPECIAL FLOOD HAZARD AREAS (SFHA) 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 areas:

- 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 AEI: 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.

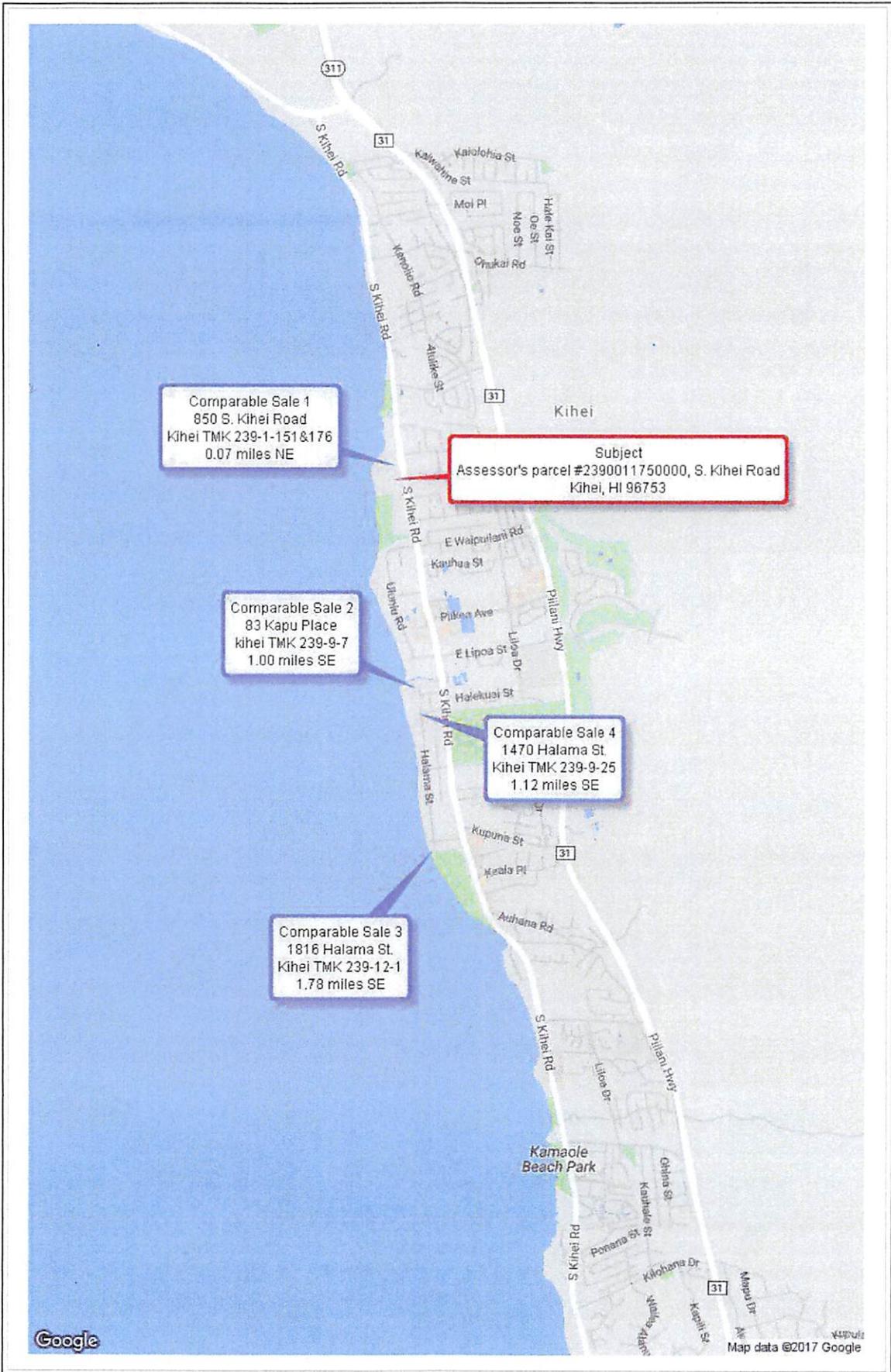
- Zone X (X shaded): Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with discharge areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.
- Zone K: Areas determined to be outside the 0.2% annual chance floodplain.

OTHER FLOOD AREAS

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

LOCATION MAP

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753



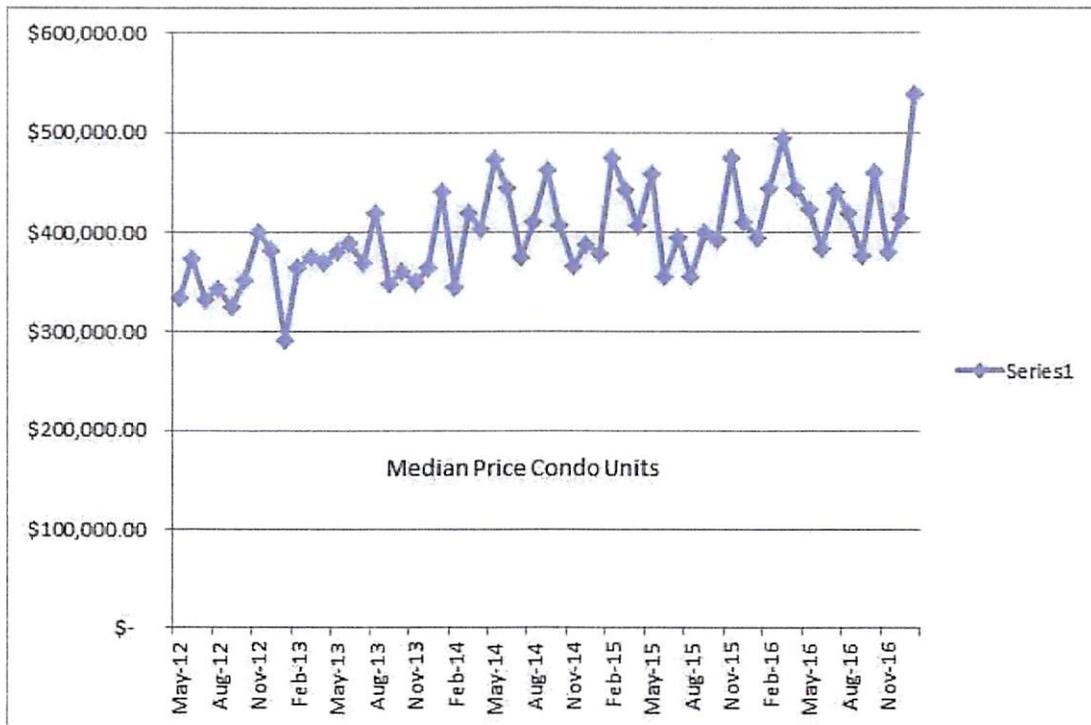
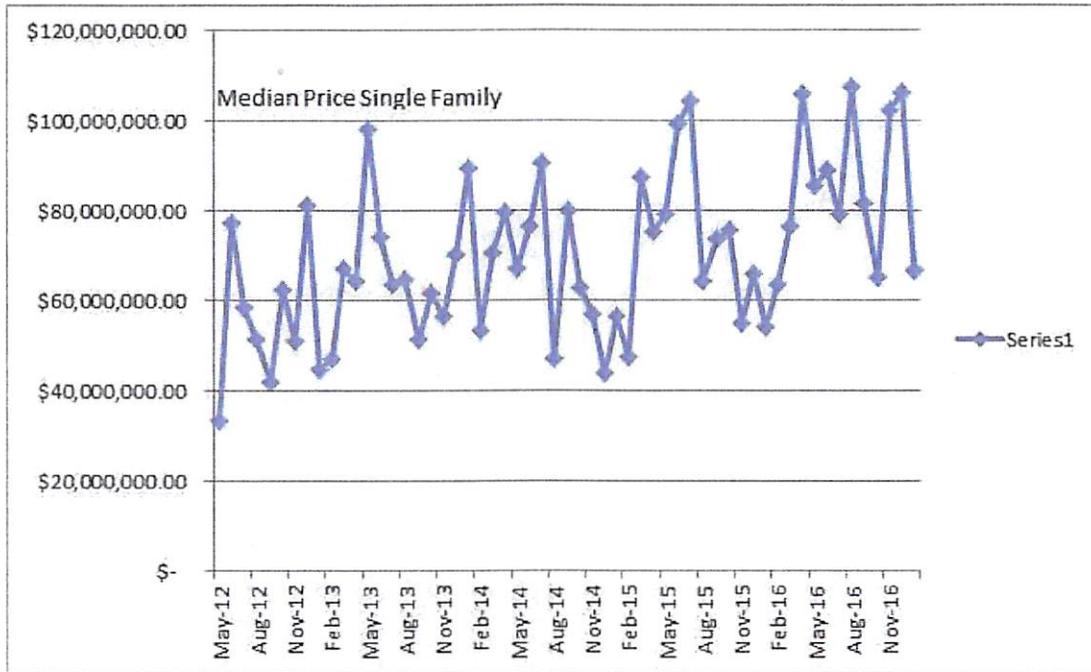
Market Conditions

Client: Client : County Of Maui File No.: M17028(239-1-175)
 Property Address: Assessor's parcel #2390011750000, S. Kihei Road Case No.:
 City: Kihei State: HI Zip: 96753

Month	Single Family Total Volume	Median Deatche Home Price	Condo Total Volume	Median Fee Simple Condo Price
May-12	\$ 33,415,849.00	\$ 382,000.00	\$ 58,209,450.00	\$ 334,500.00
Jun-12	\$ 77,311,750.00	\$ 575,500.00	\$ 55,415,328.00	\$ 372,990.00
Jul-12	\$ 58,606,444.00	\$ 488,000.00	\$ 32,165,559.00	\$ 332,000.00
Aug-12	\$ 51,365,842.00	\$ 620,000.00	\$ 41,206,475.00	\$ 342,450.00
Sep-12	\$ 42,074,906.00	\$ 437,500.00	\$ 29,447,742.00	\$ 325,000.00
Oct-12	\$ 62,521,555.00	\$ 487,000.00	\$ 37,396,535.00	\$ 351,495.00
Nov-12	\$ 51,261,155.00	\$ 467,599.00	\$ 59,993,786.00	\$ 400,000.00
Dec-12	\$ 81,342,337.00	\$ 511,750.00	\$ 69,780,428.00	\$ 382,450.00
Jan-13	\$ 44,860,175.00	\$ 550,000.00	\$ 25,487,040.00	\$ 292,000.00
Feb-13	\$ 47,089,500.00	\$ 550,000.00	\$ 50,587,457.00	\$ 364,950.00
Mar-13	\$ 67,340,383.00	\$ 509,500.00	\$ 62,948,654.00	\$ 375,000.00
Apr-13	\$ 64,569,497.00	\$ 500,000.00	\$ 76,973,491.00	\$ 370,000.00
May-13	\$ 98,101,958.00	\$ 544,500.00	\$ 75,007,354.00	\$ 380,000.00
Jun-13	\$ 74,245,993.00	\$ 615,000.00	\$ 68,122,211.00	\$ 390,000.00
Jul-13	\$ 63,702,316.00	\$ 475,000.00	\$ 65,449,499.00	\$ 370,000.00
Aug-13	\$ 64,780,342.00	\$ 585,000.00	\$ 61,990,362.00	\$ 420,000.00
Sep-13	\$ 51,393,639.00	\$ 470,000.00	\$ 64,778,595.00	\$ 347,500.00
Oct-13	\$ 61,520,387.00	\$ 545,000.00	\$ 56,343,752.00	\$ 360,000.00
Nov-13	\$ 56,462,461.00	\$ 515,000.00	\$ 81,496,687.00	\$ 350,000.00
Dec-13	\$ 70,355,553.00	\$ 512,500.00	\$ 70,605,681.00	\$ 365,000.00
Jan-14	\$ 89,363,445.00	\$ 695,000.00	\$ 58,064,091.00	\$ 441,000.00
Feb-14	\$ 53,500,137.00	\$ 560,000.00	\$ 49,549,851.00	\$ 345,000.00
Mar-14	\$ 70,871,643.00	\$ 596,000.00	\$ 84,424,747.00	\$ 420,000.00
Apr-14	\$ 79,857,915.00	\$ 583,000.00	\$ 84,075,749.00	\$ 403,500.00
May-14	\$ 66,984,425.00	\$ 540,000.00	\$ 88,662,339.00	\$ 472,000.00
Jun-14	\$ 76,497,044.00	\$ 535,000.00	\$ 59,621,244.00	\$ 444,500.00
Jul-14	\$ 90,791,926.00	\$ 570,250.00	\$ 51,082,100.00	\$ 375,000.00
Aug-14	\$ 47,079,365.00	\$ 570,000.00	\$ 75,534,400.00	\$ 410,000.00
Sep-14	\$ 79,942,353.00	\$ 570,000.00	\$ 41,967,400.00	\$ 462,500.00
Oct-14	\$ 62,884,568.00	\$ 564,000.00	\$ 56,699,040.00	\$ 407,000.00
Nov-14	\$ 56,930,810.00	\$ 585,000.00	\$ 44,319,495.00	\$ 366,250.00
Dec-14	\$ 43,993,485.00	\$ 565,000.00	\$ 62,197,022.00	\$ 387,500.00
Jan-15	\$ 56,605,365.00	\$ 577,000.00	\$ 43,424,420.00	\$ 378,000.00
Feb-15	\$ 47,340,156.00	\$ 558,625.00	\$ 68,052,940.00	\$ 475,000.00
Mar-15	\$ 87,738,194.00	\$ 630,000.00	\$ 86,539,202.00	\$ 442,500.00
Apr-15	\$ 75,455,720.00	\$ 575,000.00	\$ 71,242,135.00	\$ 407,500.00
May-15	\$ 79,237,955.00	\$ 607,098.00	\$ 84,482,640.00	\$ 459,000.00
Jun-15	\$ 99,334,727.00	\$ 650,000.00	\$ 52,062,043.00	\$ 355,000.00
Jul-15	\$ 104,529,507.00	\$ 590,000.00	\$ 53,243,300.00	\$ 394,000.00
Aug-15	\$ 64,496,019.00	\$ 550,000.00	\$ 60,100,943.00	\$ 355,000.00
Sep-15	\$ 73,837,826.00	\$ 573,300.00	\$ 57,118,040.00	\$ 399,900.00
Oct-15	\$ 75,879,642.00	\$ 585,000.00	\$ 59,427,622.00	\$ 392,900.00
Nov-15	\$ 54,876,344.00	\$ 550,000.00	\$ 47,601,004.00	\$ 475,000.00
Dec-15	\$ 66,080,302.00	\$ 545,788.00	\$ 65,355,837.00	\$ 410,000.00
Jan-16	\$ 54,099,246.00	\$ 630,000.00	\$ 45,711,559.00	\$ 395,000.00
Feb-16	\$ 63,582,865.00	\$ 595,000.00	\$ 63,554,937.00	\$ 444,450.00
Mar-16	\$ 76,436,053.00	\$ 610,750.00	\$ 69,569,844.00	\$ 494,000.00
Apr-16	\$ 105,900,599.00	\$ 680,000.00	\$ 91,157,464.00	\$ 445,000.00
May-16	\$ 85,415,239.00	\$ 622,500.00	\$ 74,116,614.00	\$ 423,500.00
Jun-16	\$ 89,304,798.00	\$ 657,000.00	\$ 65,075,951.00	\$ 384,000.00
Jul-16	\$ 79,221,540.00	\$ 599,000.00	\$ 73,744,769.00	\$ 440,000.00
Aug-16	\$ 107,413,195.00	\$ 669,125.00	\$ 72,982,425.00	\$ 420,000.00
Sep-16	\$ 81,812,387.00	\$ 667,500.00	\$ 60,967,700.00	\$ 377,000.00
Oct-16	\$ 65,276,867.00	\$ 632,900.00	\$ 65,967,872.00	\$ 460,000.00
Nov-16	\$ 102,462,353.00	\$ 635,000.00	\$ 50,610,326.00	\$ 380,000.00
Dec-16	\$ 106,258,118.00	\$ 700,000.00	\$ 72,927,303.00	\$ 414,500.00
Jan-17	\$ 66,851,017.00	\$ 655,000.00	\$ 63,308,480.00	\$ 537,500.00

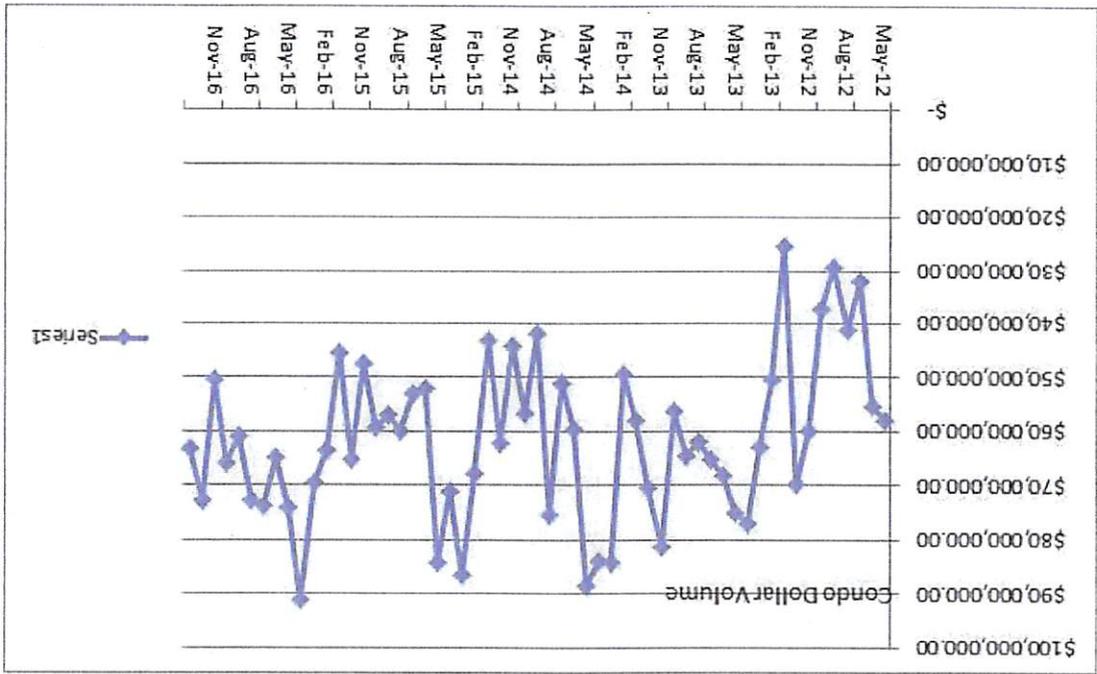
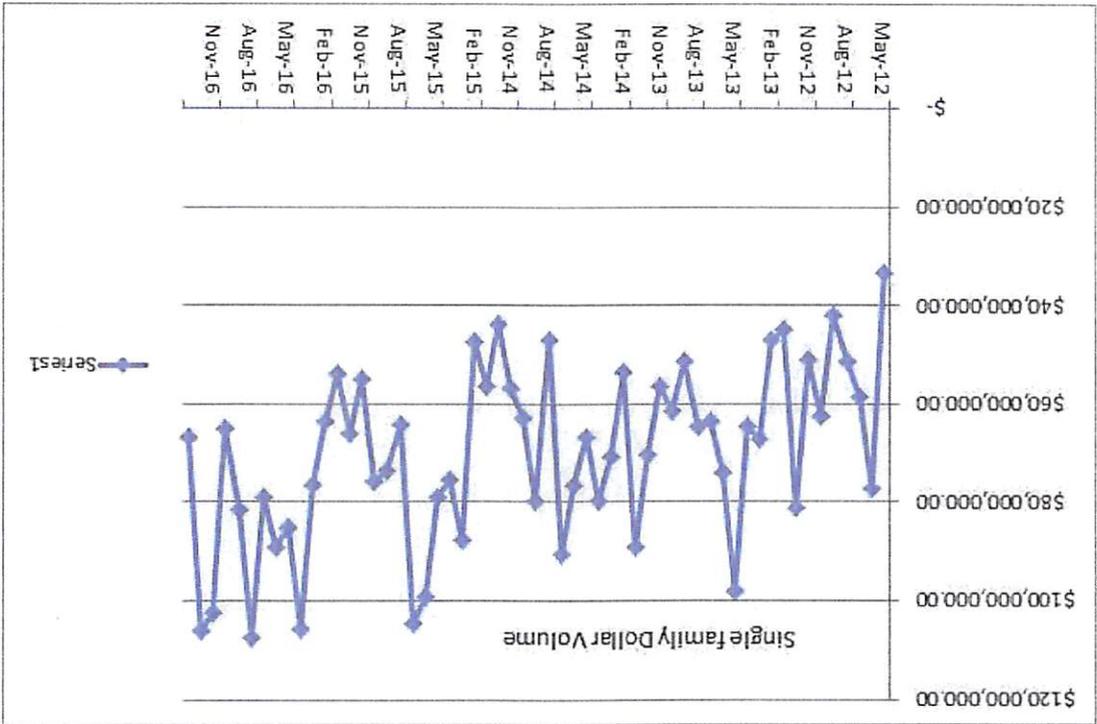
Market Conditions

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753



Market Conditions

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Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

EXHIBIT "A"

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Land Patent Grant Number 8767 to E. N. Wilcox) situate, lying and being at Waiohuli, Wailuku Commons, Kihei, Island and County of Maui, State of Hawaii, being LOT 2-A-2-A of the "WAIHULI-KEOKEA BEACH HOMESTEADS" (Subdivision File No. 3.2119), same being portion of Lot 2-A-2 of Waiohuli-Keokea Beach Homesteads and thus bounded and described:

Beginning at a 1/2 inch pipe at the northeast corner of this lot and the northwest corner of the road widening Lot 2-A-2-D of this subdivision along the west side of South Kihei Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being 10,889.63 feet north and 24,382.41 feet west and running by azimuth measured clockwise from true South (meridian of said "PUU O KALI"):

1.	350°	00'	14.74	feet along Lot 2-A-2-D of Waiohuli-Keokea Beach Homesteads (Subdivision File No. 3.2119) to a 1/2 inch pipe; thence,
2.	348°	23' 46"	57.27	feet along the same to a 1/2 inch pipe; thence,
3.	92°	17' 30"	226.58	feet along Lot 2-A-2-B of this subdivision to a 1/2 inch pipe; thence,
4.	180°	06' 30"	70.05	feet along Government Beach Reserve (TMK: (2) 3-9-001-001) to a 1/2 inch pipe; thence,
5.	272°	17' 30"	212.36	feet along Lot 2-A-1 of Waiohuli-Keokea Homesteads (Subdivision File No. 3.1871), TMK (2) 3-9-001-010 to the point of beginning and containing an area of 15,351 square feet, more or less.

SUBJECT, HOWEVER, to the following:

1. Mineral and water rights of any nature.
2. A non-exclusive sewer easement over and across the land described herein appurtenant to Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, including the right to install, maintain and repair such apparatus within the servient tenement as may be or become necessary to provide the dominant tenement with such sewer service, as shown on the Tax Map and more particularly described as follows:

4839-3307-1730.1.019999-00143

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

"All of that certain parcel of land, being a portion of Lot 2-A-2 of the Waiohuli-Keokea Beach Homesteads, being also a portion of Land Patent Grant 8767 to E. N. Wilcox, situated at Waiohuli, Wailuku, (Kula), Island and County of Maui, State of Hawaii, and being more particularly described as follows:

Beginning at a 3/4 inch pipe at the northeast corner of this parcel of land, said point being also the northeast corner of the above described Lot 2-A-2 and the southeast corner of Lot 2-A-1 of the Waiohuli-Keokea Beach Homesteads, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU O KALI" being:

10,839.34 feet north
24,375.17 feet west

and running by azimuths measured clockwise from true South:

- | | | | | | |
|----|------|-----|-----|-------|--|
| 1. | 350° | 00' | 00" | 10.00 | feet along Lot 2-A-3 of this subdivision; |
| 2. | 131° | 08' | 45" | 15.58 | feet along the remainder of said Lot 2-A-2; |
| 3. | 272° | 17' | 30" | 10.00 | feet along said Lot 2-A-1 to the point of beginning and containing an area of 49 square feet, more or less." |

3. The terms and provisions contained in Subdivision Agreement (Three Lots Or Less) dated January 23, 1984, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 17681 on Page 530 by and between Edwin T. Ige, Elsie A. Ige, Edwin T. Ige, Jr. and Joseph G. Kealoha, Jr., "Kealoha" and the County of Maui, "County."

4. The terms and provisions contained in Subdivision Agreement (Large Lots) dated January 23, 1984, recorded in said Bureau of Conveyances in Liber 17681 on Page 538 by and between Edwin T. Ige, Elsie A. Ige, Edwin T. Ige, Jr. and Joseph G. Kealoha, Jr., "Kealoha" and the County of Maui, "County."

5. The terms and provisions contained in Hold-Harmless Agreement dated October 25, 2002, recorded in said Bureau of Conveyances as Document No. 2004-047349 by and between the County of Maui, "County", and Joseph G. Kealoha, Jr., "Developer."

6. The terms and provisions contained in Subdivision Agreement (Three Lots Or Less) dated February 1, 2005, recorded in said Bureau of Conveyances as Document No. 2005-034849 by and between Joseph G. Kealoha, Jr., "Owner", and the County of Maui, "County."

7. Grant in favor of Maui Electric Company, Limited, a Hawaii corporation, and Hawaiian Telcom, Inc., a Hawaii corporation, dated February 28, 2012, recorded in said Bureau of Conveyances as Document No. A-44710639; granting a perpetual right and easement for utility purposes.

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
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8. The terms and provisions contained in Unilateral Agreement And Declaration Of Conditions dated January 14, 2013, recorded in said Bureau of Conveyances as Document No. A-47830302 by Joseph G. Kealoha, "Declarant."

9. First Mortgage, Security Agreement, Fixture Filing And Financing Statement in favor of First Hawaiian Bank, a Hawaii corporation, dated September 3, 2013, recorded in said Bureau of Conveyances as Document No. A-50020213.

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.

Said above described parcel of land having been acquired as follows:

1. By Shane Fuke, a married man, as to an undivided one percent (1%) interest, by Warranty Deed of Jeremy Kozuki, husband of Jeanette Kozuki, dated September 12, 2013, recorded in said Bureau of Conveyances as Document No. A-50080249.

2. By Marc Kozuki, a married man, as to an undivided three percent (3%) interest, by Warranty Deed of Jeremy Kozuki, husband of Jeanette Kozuki, dated September 12, 2013, recorded in said Bureau of Conveyances as Document No. A-50080250.

3. By Jeremy Kozuki and Jeanette Kozuki, husband and wife, as Tenants by the Entirety, as to an undivided ninety six percent (96%) interest, by Warranty Deed of Jeremy Kozuki, husband of Jeanette Kozuki, dated ---, (acknowledged on December 17, 2014 and December 19, 2014), recorded in said Bureau of Conveyances as Document No. A-54710609.

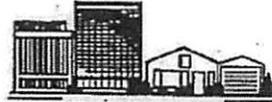
NOTES:

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.

2. Road Widening Lot 2-A-2-D was conveyed to the County of Maui, by that certain Warranty Deed dated February 27, 2013, recorded in said Bureau of Conveyances as Document No. A-49720495.

Client: Client : County Of Maui	File No.: M17028(239-1-175)
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Paradise Appraisals, LLC



R.J. Kirchner, SRA, CGA • www.HawaiiParadiseAppraisals.com

KONA:
79-7256 Mamalahoa Hwy., #9, Kealahou, Hawaii 96750
Phone: (808) 322-0999 • Fax: (808) 322-0975 • 1-800-514-8222
Email: Kona@PAHawaii.com

MAUI:
360 Ho'ohana Street, #201, Kahului, Hawaii 96732
Phone: (808) 877-5952 • Fax: (808) 877-6408
Email: Maui@PAIHawaii.com

April 5, 2017

Guy M Hironaka
County of Maui
Finance Department
Real Property Manager
Guy.Hironaka@co.mau.hi.us

RE: Appraisal for Assessor's Parcel # 2390011750000

Dear Mr. Hironaka,

This letter shall serve as my engagement letter to provide an appraisal of the fee simple interest in the above captioned property for the County's potential acquisition of this parcel. The following is my basic understanding of the major elements of this assignment:

- The property is a 15,351 Sq. Ft. apartment (A-2) zoned site that backs to Waipuilani Beach Park. Much of the site appears to be in an AE flood zone.
- The appraiser assumes no federal monies are being used for this acquisition that would require the appraiser to meet the Uniform Appraisal Standards for federal Land Acquisition.
- The County of Maui is to be my client for this assignment and is the entity that I will keep my work confidential to. You are my contact at the County for this assignment.
- The intended users of this assignment include the County of Maui only.
- The intended use of the assignment is to help the County of Maui determine a proper offering price to acquire the parcel.
- The definition of market value shall be:

Market Value- The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by any undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- The buyer and seller are typically motivated,
- Both parties are well informed or well advised, and each acting in what they consider their own best interest,
- A reasonable time is allowed for exposure in the open market,
- Payment is made in terms of cash in U. S. Dollars or in terms of financial arrangements comparable thereto, and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

¹ Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals 34.42 Definitions

Engagement Letter

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
City: Kihei	State: HI Zip: 96753

My fee for this assignment shall be \$1,800.00 plus 4.166% general excise tax for a total fee of \$1,874.99. Payment is expected within 30 days of completion and a 1% per month late fee will be charged on any payments not received after 30 days. I can complete the assignment within 4 weeks of your approval to proceed. To undertake this assignment I will require:

1. Your signed agreement to these terms.
2. A current legal description, and/or survey of this parcel, if available.
3. A copy of any offers to buy or sell this lot made in the last year.
4. A copy of any agreements from County of Maui Departments allowing water meters, building permits or other approvals regarding this parcel.
5. A contact to allow my inspection of the subject property.

The report I will provide will meet the current requirements of the Uniform Standards of Professional Appraisal Practice as well as the standards of the Appraisal Institute. The report may be subject to review by any duly authorized committee of the Appraisal Institute related to peer review.

Sincerely,


R. J. Kirchner, SRA, CGA 275

Accepted,


Danilo F Apsalag
County of Maui
Finance Director

4/21/17
Date

Appraiser's License

Client: Client : County Of Maui	File No.: M17028(239-1-175)
Property Address: Assessor's parcel #2390011750000, S. Kihei Road	Case No.:
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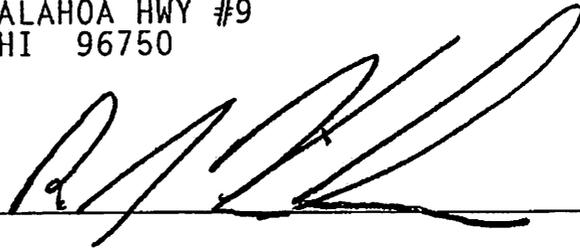
LICENSE NUMBER
CGA - 275

EXPIRATION DATE
12/31/2017

STATE OF HAWAII DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
CERTIFIED GENERAL APPRAISER

RAYMOND J KIRCHNER
79-7266 MAMALAHOA HWY #9
KEALAKEKUA HI 96750

(SIGNATURE
OF LICENSEE)





Subject Front View



Subject Rear View



Subject Street Scene



Sales Comp. 1



Sales Comp. 2



Sales Comp. 3



Sales Comp. 4

Sales Comp. 5



Plat Map



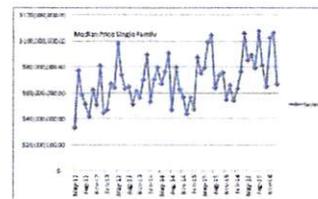
Flood Map

Sales Comp 6

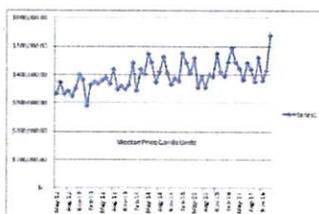


Location Map

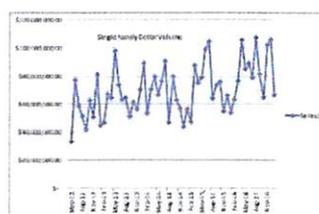
Extra Map



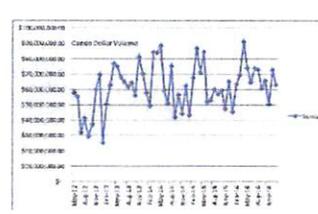
Extra Map



Extra Map



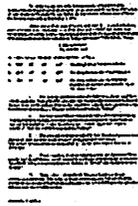
Extra Map



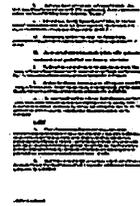
Extra Map



Extra Map



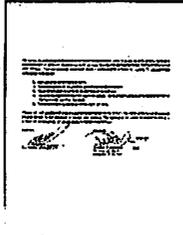
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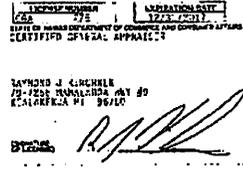
Extra Map



Extra Map



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