

# Resolution

No. 22-219

**AUTHORIZING THE USE OF OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND SCENIC VIEWS PRESERVATION FUNDS BY GRANT TO KIPAHULU OHANA, INC. TO BE USED TO PURCHASE PROPERTY IN KIPAHULU, MAUI, HAWAII, AND AUTHORIZING THE COUNTY TO RECEIVE A PERPETUAL CONSERVATION EASEMENT**

WHEREAS, KIPAHULU OHANA, INC., a Hawaii non-profit corporation, has proposed to purchase a parcel of approximately 9.5 acres in Kipahulu, Maui, Hawaii, TMK number (2) 1-6-010:005, known as Opelu Point (the "Property") for land conservation purposes as set forth in Chapter 3.88, Maui County Code ("MCC"); and

WHEREAS, KIPAHULU OHANA, INC. has been offered the opportunity to purchase the Property from the Jerry & Susan Leider Trust; and has been provided an acceptable price and terms to be negotiated; and

WHEREAS, as required by Section 3.88.060, MCC, an appraisal of the land, attached hereto as Exhibit "1", has determined the fair market purchase price for the property to be \$2,500,000.00.

WHEREAS, KIPAHULU OHANA, INC. submitted grant proposals which the Mayor's designee determined were complete and met the selection criteria as set forth in Section 3.88.050, MCC; and

WHEREAS, as required by Section 3.88.060, MCC, the Mayor's designee requested, received and compiled comments from appropriate agencies, attached hereto as Exhibit "2"; and

WHEREAS, the County of Maui proposes to grant \$2,500,000.00 to KIPAHULU OHANA, INC. to purchase the property as more fully described in the "Grant Agreement of County Funds, Grant No. G5808", attached hereto as Exhibit "3"; and

WHEREAS, pursuant to Section 3.88.060, MCC, the Council approved \$2,500,000.00 in the Fiscal Year 2023 budget for the purpose of acquiring the property; and

WHEREAS, Exhibit "3" specifically requires KIPAHULU OHANA, INC. to comply with Section 3.88.070, subsections A., B., and C., MCC, for the use of Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Funds, and includes a provision that KIPAHULU OHANA, INC. shall convey to the County of Maui at closing a perpetual conservation easement if KIPAHULU OHANA, INC. receives fee simple title to the property; and

WHEREAS, protecting the property will preserve the culturally and historically important area, including its forests, beaches, coastal areas, and agricultural lands, provide public education and outdoor recreation opportunities, protect significant habitat and ecosystems, and conserve

land for the purpose of reducing erosion, floods, landslides, and runoff;  
and

WHEREAS, KIPAHULU OHANA, INC. will partner closely with the community to support long-term community-based management and stewardship of the property; and

WHEREAS, pursuant to Section 3.44.015.D., MCC, the Council may, by resolution, authorize the acceptance of any interest in real property.

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

1. That it finds Grant No. G5808 to KIPAHULU OHANA, INC. complies with the requirements for use of Open Space, Natural Resources, Cultural Resources and Scenic Views Preservation Funds; and
2. That it authorizes the Mayor to execute Grant No. G5808 and take all necessary actions to ensure compliance with Grant No. G5808; and
3. That it authorizes the Mayor and the Director of Finance, or their authorized representatives to accept a conveyance to the County at closing of a perpetual conservation easement if KIPAHULU OHANA, INC. receives fee simple title to the property; and
4. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, and to KIPAHULU OHANA, INC.

**Resolution No. 22-219**

**APPROVED AS TO FORM  
AND LEGALITY:**



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**KEOLA R. WHITTAKER  
Deputy Corporation Counsel  
County of Maui**



**Resolution No.** 22-219

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Shirley K. Lee", is written over a horizontal line.

Upon the request of the Mayor.

**APPRAISAL REPORT**

of

39698 Hana Highway

Hana, HI 96713

**As Of:**

6/8/2022

**Prepared For:**

Kipahulu Ohana  
c/o Lisa Starr & Scott Crawford  
8 Malie Place Paia, HI 96779

**Prepared By:**

Ted Yamamura, SRA, RAW-AC  
ACM Consultants, Inc.  
2073 Wells Street Suite 100  
Wailuku, HI 96793

## Residential Appraisal Report

The purpose of this appraisal report is to provide the client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 39699 Hana Highway City Hana State HI Zip Code 96713

Owner Jerry Leider Trustee/Etal. Intended User Client and assigns County Maui

Legal Description Lot B, Calley Subdivision, Kukuula, Kipahulu, Hana, Island and County of Maui, State of Hawaii

Assessor's Parcel # (2) 1-6-10-05 Tax Year 2021 R.E. Taxes \$ 17,782.98

Neighborhood Name Kipahulu Map Reference (2) 1-6-10-05 Census Tract 0301.00

Occupant ☒ Owner ☐ Tenant ☐ Vacant Special Assessments \$ None known ☐ PUD HOA \$ N/A per year per month

Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)

Intended Use Assisted with internal decision making regarding potential sale of the subject property.

Client Kipahulu Ohana Address c/o Lisa Starr & Scott Crawford, 8 Maille Place Paia, HI 96779

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☒ Yes ☐ No

Report data source(s) used, offerings price(s), and date(s). MLS#392235, Original List Price \$2,500,000, List Date 7/6/2021, Current List Price: \$2,500,000.

I ☒ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. Arms length sale; Sales contract was analyzed and no unusual conditions of sale were discovered.

Contract Price \$ 2,500,000 Date of Contract 4/26/2022 Is the property seller the owner of public record? ☒ Yes ☐ No Data Source(s) County Tax Office

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the purchaser? ☐ Yes ☒ No

If Yes, report the total dollar amount and describe the items to be paid. Not applicable

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing		Present Land Use %		
Location	Urban	Suburban	<input checked="" type="checkbox"/> Rural	Property Values	Increasing	<input checked="" type="checkbox"/> Stable	Declining	PRICE	AGE	One-Unit	20 %	
Built-Up	Over 75%	25-75%	<input checked="" type="checkbox"/> Under 25%	Demand/Supply	Shortage	<input checked="" type="checkbox"/> In Balance	OverSupply	\$ (000)	(yrs)	2-4 Unit	0 %	
Growth	Rapid	<input checked="" type="checkbox"/> Stable	Slow	Marketing Time	Under 3mths	3-6 mths	<input checked="" type="checkbox"/> Over 6mths	250	Low	New Multi-Family	0 %	
Neighborhood Boundaries	Hana is bounded to the west by Haiku, north by the ocean, south by the Mt. Haleakala, and east by the Kaupo and Ulupalakua areas.							3,500	High	50+	Commercial	5 %
Neighborhood Description	Hana encompasses the eastern third of the island of Maui from the slopes of Mt Haleakala to the ocean. The area is characterized by large open land areas and unpopulated coastlines. The primary residential and commercial area is Hana Town which also contains small government and professional services. Schools, shopping and recreational facilities are also contained in Hana Town.							400-850	Pred.	20-30	Other Vacant	75 %
Market Conditions (including support for the above conclusions) Although there were no readily apparent adverse factors affecting marketability as of the effective date of the appraisal, it is unknown what direct or indirect effect, if any, the Covid-19 pandemic will have on the national and local economy nor in the market for which the subject property is located. The reader of this report is cautioned that the conclusions presented herein apply only as of the effective date of appraisal.												
Dimensions	Metes & bounds are typically found in a title report			Area	9.55 Acres	Shape	Irregular	View	Ocean/Mountain			
Specific Zoning Classification	Agriculture			Zoning Description	Minimum lot of 2.0 acres; allows for main dwelling and farm dwellings.							
Zoning Compliance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal Nonconforming (Grandfathered Use)		<input type="checkbox"/> No Zoning		<input type="checkbox"/> Illegal (describe)						
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.												
Utilities	Public	Other (describe)		Public	Other (describe)		Off-site Improvements--Type		Public	Private		
Electricity	<input type="checkbox"/>	<input checked="" type="checkbox"/> Private source	Water	<input type="checkbox"/>	<input checked="" type="checkbox"/> Private source	Street Paved asphalt		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Gas	<input type="checkbox"/>		Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/> Cesspool	Alley None		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
FEMA Special Flood Hazard Area	<input checked="" type="checkbox"/> Yes	No FEMA Flood Zone		<input checked="" type="checkbox"/> X & VE	FEMA Map #	1500030755F		FEMA Map Date	9/19/2012			
Are the utilities and/or off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.												
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe.												
There were no adverse site conditions or external factors readily observable or made known to the appraiser. Utilities, zoning and land use are consistent and typical of the neighborhood. Maui County does not have government-established lava hazard or lava zone maps.												
General Description				Foundation		Exterior Description materials/condition		Interior materials/condition				
Units	<input checked="" type="checkbox"/> One	<input type="checkbox"/> One with Accessory Unit		<input type="checkbox"/> Concrete Slab	<input checked="" type="checkbox"/> Crawl Space	Foundation Walls	Post & Piers/Avg	Floors	Hardwood/Avg			
# of Stories	1 Story			<input type="checkbox"/> Full Basement	<input type="checkbox"/> Partial Basement	Exterior Walls	Wood T&G/Avg	Walls	Wood T&G/Avg			
Type	<input checked="" type="checkbox"/> Det	<input type="checkbox"/> Att	<input type="checkbox"/> S-Det/End Unit	Basement Area	0 sq. ft.	Roof Surface	Fiberglass/Avg	Trim/Finish	Average			
<input checked="" type="checkbox"/> Existing	<input type="checkbox"/> Proposed Under Const.			Basement Finish	N/A	Gutters & Downspouts	Galvanized/Avg	Bath Floor	Hardwood/Avg			
Design (Style)	1.5 Story			<input type="checkbox"/> Outside Entry/Exit	<input type="checkbox"/> Sump Pump	Window Type	Fixed/Sliding Case/Avg	Bath Wainscot	Fiberglass/Avg			
Year Built	1986			Evidence of	Infestation	Storm Sash/Insulated	N/A	Car Storage	None			
Effective Age (Yrs)	30			<input type="checkbox"/> Dampness	<input type="checkbox"/> Settlement	Screens	Yes/Avg	Driveway	# of Cars			
Attic	<input checked="" type="checkbox"/> None	Heating	FWA	HWB	Radiant	Amenities	Woodstove(s) #	Driveway Surface	Dirt			
<input type="checkbox"/> Drop Stair	<input type="checkbox"/> Stairs	<input type="checkbox"/> Other	Fuel	N/A	Fireplace(s) #	Fence		Garage	# of Cars			
<input type="checkbox"/> Floor	<input type="checkbox"/> Scuttle	Cooling	Central Air Conditioning	Patio/Deck	Porch	<input checked="" type="checkbox"/> Carport	# of Cars	2				
<input type="checkbox"/> Finished	<input type="checkbox"/> Heated	Individual	Other	Pool	Other	<input checked="" type="checkbox"/> Att	Det.	Built-in				
Appliances	<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Range/Oven	Dishwasher	Disposal	Microwave	Washer/Dryer	Other (describe)					
Finished area above grade contains: 3 Rooms 1 Bedrooms 1.00 Bath(s) 1,026 Square Feet of Gross Living Area Above Grade												
Additional features (special energy efficient items, etc.) 44 SF porch.												
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). No functional or external inadequacies observed. Construction quality, materials, workmanship and design are considered typical of the neighborhood, and physical depreciation is consistent with the subject's age and area. The overall condition of the improvements is rated average or typical of the neighborhood.												
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe												
There were no readily observable physical deficiencies or other adverse conditions noted.												
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe The property is typical and consistent with properties in the neighborhood.												



## Residential Appraisal Report

There are		comparable properties currently offered for sale in the subject neighborhood ranging in price from \$		to \$	
There are		comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$		to \$	
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	39698 Hana Highway Hana, HI 96713	39606 Hana Highway Hana, HI 96713	4975 Uakea Road Hana, HI 96713	51 Kaphue Road Hana, HI 96713	
Proximity to Subject		0.11 miles NW	8.23 miles NE	6.60 miles NE	
Sale Price	\$ 2,500,000	\$ 1,645,000	\$ 1,428,000	\$ 3,200,000	
Sale Price/Gross Liv. Area	\$ 2,438.65 sq. ft.	\$ 1,413.23 sq. ft.	\$ 1,135.14 sq. ft.	\$ 971.17 sq. ft.	
Data Source(s)	MLS 389272 & Tax Office	MLS 388685 & Tax Office	MLS 388685 & Tax Office	MLS 389072 & Tax Office	
Verification Source(s)	Doc 61170303; TMK (2) 1-6-10-3	Doc 76630261; TMK (2) 1-4-5-16	Doc 76630261; TMK (2) 1-4-5-16	Doc LCD11281219; TMK (2) 1-5-3-32	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sale or Financing	Cash/DOM 496 days	0 Conv/DOM 97 days	0 Conv/DOM 97 days	0 Cash/DOM 26 days	0
Concessions	No known concessions	0 No known concessions	0 No known concessions	0 No known concessions	0
Date of Sale/Time	3/23/2022 COE	0 12/28/2020 COE	0 12/28/2020 COE	0 11/20/2020 COE	0
Location	Hana/Oceanfront	0 Hana/Oceanfront	0 Hana/Oceanfront	0 Hana/Oceanfront	0
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	9.55 Acres	3.37 Acres	0.3947 Acre	1.1 Acres	+514.500
View	Ocean/Mountain	0 Ocean/Mtn	0 Ocean/Mtn	0 Ocean/Mtn	0
Design (Style)	1.5 Story	Rambler	Rambler	1.5 Story	
Quality of Construction	Average	Avg/Similar	0 Avg/Similar	0 Good/Superior	-320,000
Actual Age	30 years	10 years	-10,000 Effective 9 years	-10,500 10 years	-10,000
Condition	Average	Avg/Similar	0 Renov/Superior	-142,800 Good/Superior	-160,000
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	
Room Count	3 1 1.00	4 2 1.00	-10,000 4 2 2.50	-25,000 6 3 3.50	-45,000
Gross Living Area	1,026 sq. ft.	1,164 sq. ft.	-27,600 1,258 sq. ft.	-46,400 3,295 sq. ft.	-453,800
Basement & Finished	None	None	None	None	
Rooms Below Grade	None	None	None	None	
Functional Utility	Average	Average	Average	Average	
Heating/Cooling	None	None	None	None	
Energy Efficient Items	None	None	None	None	
Garage/Carport	2 carport	None	+20,000 None	+20,000 2 garage	0
Porch/Patio/Deck	44SF Porch	600SF Porch	-19,500 348SF Porch	-10,500 482SF Patio	-60,500
				1,292 SF Decks	
Net Adjustment (Total)		X + - \$ 859,400	X + - \$ 962,800	+ X - \$ -534,800	
Adjusted Sale Price of Comparables		Net Adj: 52% Gross Adj: 60% \$ 2,504,500	Net Adj: 67% Gross Adj: 100% \$ 2,391,000	Net Adj: -17% Gross Adj: 49% \$ 2,665,000	
I <input checked="" type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain					
My research <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.					
Data source(s) Multiple Listing Service, Tax Office, Hawaii Information Service					
My research <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.					
Data source(s) Multiple Listing Service, Tax Office, Hawaii Information Service					
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3)					
ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Date of Prior Sale/Transfer	No prior sale within 3 years	No prior sale within 1 year	No prior sale within 1 year	No prior sale within 1 year	
Price of Prior Sale/Transfer					
Data Source(s)	MLS, HIS, Tax Office	MLS, HIS, Tax Office	MLS, HIS, Tax Office	MLS, HIS, Tax Office	
Effective Date of Data Source(s)	6/8/2022	6/8/2022	6/8/2022	6/8/2022	
Analysis of prior sale or transfer history of the subject property and comparable sales Our research and analysis of the subject and the comparable transactions did not indicate any prior sales within 3 years for the subject and 1 year for the comparables.					
Summary of Sales Comparison Approach REFER TO ADDENDA for a summary of the Sales Comparison Approach.					
ASSESSED VALUES 2022: Land: \$2,508,800 Impr: \$127,300					
Indicated Value by Sales Comparison Approach \$ 2,510,000					
Indicated Value by: Sales Comparison Approach \$ 2,510,000 Cost Approach (if developed) \$ 2,425,000 Income Approach (if developed) \$ N/A					
REFER TO ADDENDA					
This appraisal is made <input checked="" type="checkbox"/> "as is," <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair.					
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 2,500,000 as of 6/8/2022					



## Residential Appraisal Report

ADDITIONAL COMMENTS	REFER TO ADDENDA										
	COST APPROACH	COST APPROACH TO VALUE (If applicable)									
		Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) Refer to Site Valuation Worksheet									
ESTIMATED <input type="checkbox"/>		REPRODUCTION OR <input type="checkbox"/>	<input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE = \$							
Source of cost data Local construction cost trends and data			Dwelling Sq. Ft. @ \$ = \$								
Quality rating from cost service N/A Effective date of cost data N/A			Sq. Ft. @ \$ = \$								
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			REFER TO ADDENDA								
Local construction cost data compiled and maintained in the appraiser's office were utilized in estimating the replacement cost new of the subject improvements.			Garage/Carport Sq. Ft. @ \$ = \$								
			Total Estimate of Cost-new = \$								
			Less Physical Functional External = \$ ( )								
			Depreciation = \$								
			Depreciated Cost of Improvements = \$								
			"As-is" Value of Site Improvements = \$								
Estimated Remaining Economic Life (HUD and VA only) 40 Years			Indicated Value By Cost Approach = \$ Refer to Addenda								
INCOME		INCOME APPROACH TO VALUE (If applicable)									
	Estimated Monthly Market Rent \$ N/A X Gross Multiplier N/A = \$ N/A Indicated Value by Income Approach										
	Summary of Income Approach (including support for market rent and GRM) Not applicable										
PUD INFORMATION	PROJECT INFORMATION FOR PUDs (if applicable)										
	Is the developer/builder in control of the Homeowner's Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> Attached										
	Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.										
	Legal Name of Project										
	Total number of phases		Total number of units		Total number of units sold						
	Total number of units rented		Total number of units for sale		Data source(s)						
	Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion.										
	Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data source.										
	Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion.										
Are the common elements leased to or by the Homeowner's Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options.											
Describe common elements and recreational facilities.											

## ASSUMPTIONS AND LIMITING CONDITIONS

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


- No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable. The property is appraised free and clear of any or all existing liens, encumbrances, and assessments unless otherwise noted, and having responsible ownership and competent management.
- Legal descriptions referenced in the report were obtained from public documents from the State of Hawaii, Bureau of Conveyances, or were furnished by the client or other third-party, and were assumed to be correct. However, no warranty is given for their accuracy.
- It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.
- It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
- It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
- The Appraiser has viewed, as far as possible, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structurally or by other components. The appraisal assumes that there are no hidden, unapparent, or apparent conditions of the property site, subsoil, or structures which would render it more or less valuable. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist.
- The appraiser is not qualified to detect hazardous waste and/or toxic materials. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he/she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
- Information provided by the client, property owner, owners' representative, or persons designated by the client or owner to supply said information are accurate and correct unless otherwise specially noted in the appraisal report. Additionally, information from third parties including government agencies, financial institutions, realtors, buyers, sellers, and others and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no warranty is assumed for possible misinformation.
- If analysis contained in this appraisal involve partial interests in real estate, the value of the fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole.
- Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
- The Client is the party or parties who engage an appraiser (by employment contract) in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment. The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
- The Appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.
- Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.
- The appraiser will not disclose the contents of this appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and/or applicable federal, state or local laws.
- Acceptance of, and/or use of this appraisal report by client or any third party constitutes acceptance of the ACM Consultants, Inc., Certification and Limiting and Contingent Conditions, and any other special assumptions or conditions set forth in the Report. Appraiser liability extends only to stated client, not subsequent parties or users of any type, and the total liability of Appraiser(s) and firm is limited to the amount of fee received by Appraiser.


CERTIFICATION

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

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

ACM Consultants, Inc.

  
Ted Yamamura, SRA, R/W-AC  
Certified General Appraiser  
State of Hawaii, CGA-160  
Expiration: December 31, 2023

  
Len Inokuma, SRA  
Certified Residential Appraiser  
State of Hawaii, CRA-645  
Expiration: December 31, 2023

**APPRAISAL DEVELOPMENT AND REPORTING PROCESS**

This is an Appraisal Report which complies with the reporting requirements set forth under Standards Rule 2-2(e) of the Uniform Standards of Professional Appraisal Practice, and provides sufficient information to enable the client and intended user(s) to understand the rationale for the opinions and conclusions, including reconciliation of the data and approaches. The amount of detail varies with the significance of the information to the appraisal. This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, assignment conditions, statement of assumptions and limiting conditions, and certifications contained herein.

**SCOPE OF WORK**

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

**INTENDED USE**

This appraisal report is intended to assist in internal decision-making regarding the potential sale of the property. This report is not intended for any other use.

**INTENDED USER**

The organization or individual stated in this report (Client) is the only authorized user of this report. Any other use by any other person or entity for any other purpose, without exception, is explicitly unauthorized.

**DEFINITION OF MARKET VALUE**

*(The Dictionary of Real Estate Appraisal, 7<sup>th</sup> Edition, Appraisal Institute, 2022)*

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

**COMMENTS ON THE SUBJECT SITE**

The subject site contains 9.549 acres of Agriculture zoned land. Agriculture zoning requires a minimum of two-acres per lot, and permitted improvements under this zoning classification include a main dwelling and up to two 1,200 square foot accessory dwelling. Waste disposal via individual cesspools or septic tanks are typical of the neighborhood and there are no readily apparent adverse effect on marketability due to this form of waste disposal.

The State of Hawaii is an island state with finite amount of land area available for use and private ownership. Due to this natural limited supply of land, it is typical for land (site) values to contribute more than 30% of total property value.

**HIGHEST AND BEST USE**

*(The Dictionary of Real Estate Appraisal, 7<sup>th</sup> Edition, Appraisal Institute, 2022)*

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

**Physical Possibility**

The physical aspects of the site impose the first constraint on any possible use of the property. The appraiser has not been provided with soil or subsoil or other engineering studies to determine the load-bearing capacity of the subject property. However, based on our knowledge of other properties in the immediate vicinity, soil conditions and drainage problems, if any, can be adequately managed. The subject property is substantially useable in shape and topography, and contains approximately 9.549 acres of land area. Based only on the physical aspects of the site, a variety of uses would be possible.

**Legal Permissibility**

The State Land Use designation of the subject property is Agricultural District, the underlying zoning is Agriculture District, and the community plan designation is Agricultural. There are no known or anticipated changes in land use or zoning, and the present land use designations of the subject property places no significant legal limitation on the potential use of the property.



#### Financial Feasibility, Maximum Profitability

The financial feasibility and maximum profitability of the subject property would be those uses permitted under agriculture zoning due to the physical and legal characteristics of the site, and the continued demand for acreage, agriculture zoned properties.

#### Conclusion of Highest and Best Use

These conclusions are based upon the analysis of the site's locational and physical attributes, current zoning, the complementary nature of the neighboring properties, and current economic and market conditions.

##### **(1) The Property As If Vacant and Available**

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

##### **(2) The Property As Improved**

The Highest and Best Use of the subject property as of the effective date of appraisal is concluded to be as presently improved with a residential dwelling in an oceanfront-estate setting.

#### THE APPRAISAL PROCESS

The subject was examined and analyzed utilizing the Appraisal Process which involves three generally recognized and accepted methods; namely, the *Sales Comparison Approach*, the *Income Approach*, and the *Cost Approach*. Each valuation method is briefly discussed below and finally correlated into a final value estimate.

The *Income Approach* to estimated value for single family residential properties and residential condominium units is the Gross Rent Multiplier (GRM) method (an appraisal technique estimating value on the basis of the income it produces). The GRM is a factor derived from a direct ratio of typical monthly rents and the sales prices of rented single family dwellings or condominiums units; and the validity of the direct ratio is based on the comparability of the properties/units utilized.

The *Cost Approach* to estimate value is based upon the principle that a prudent purchaser would pay no more than the cost of producing a similar property with the same utility. It is a process of estimating the cost to reproduce an identical improvement or improvements on the property, deduct any observed depreciation from the reproduction cost, and arrive at a depreciated cost. This depreciated cost is then added to the land value found by market comparison of competitive vacant land sales to arrive at market value. Building costs are gleaned primarily from local construction cost estimates from architects and contractors, and secondarily from builder's cost handbooks.

The *Sales Comparison Approach* is based upon the principle of substitution whereby a potential purchaser would pay no more than to acquire an existing property with the same utility as the subject. This approach to value is applicable when an active market provides sufficient quantities of reliable data which can be verified from authoritative sources. It is a process of comparing the subject property with recent or recent-past sales of similar type properties in the same or competing neighborhoods. The Appraiser must then adjust the sales price of each comparable property for differences between it and the subject property to arrive at an adjusted sales price. This adjusted sales price is the Appraiser's estimate of what the comparable sales property would have sold for if it had possessed all of the salient characteristics of the subject property at the time of sale.

#### INCOME APPROACH

Analysis of the neighborhood indicated a predominance of owner-occupants or insufficient reliable rental/sales data of similar properties to accurately determine a GRM factor; thus, the Income Approach was not a reliable indicator of value in this appraisal assignment.

#### COST APPROACH

Like the sales comparison and income capitalization approaches, the cost approach to value is based on comparison. The Cost Approach to value is based on the premise that a prudent purchaser will not pay more for a property than the cost to create it in its present condition, provided there are no costly delays or economic factors which might influence value. It is a process of comparing the cost to produce a new subject property or a substitute property with the value of the existing property and adjusted for differences in the age, condition and utility of the subject property.

The Cost Approach is especially persuasive when the site value is well supported and the improvements are new or suffer only minor accrued depreciation. It is also particularly applicable for special purpose or unique properties such as oceanfront estates, churches, schools, historic homes, etc., and for properties that do not frequently transact.

The value indicated by the Cost Approach was considered in this appraisal assignment.

#### Application of the Cost Approach

The Cost Approach is based on the principal of substitution, which holds that an informed purchaser would not pay more for a property than the cost of acquiring another property having the same utility. The rationale is that a prudent purchaser would not pay more for a property than the cost of acquiring a similar site and constructing improvements of equal design and utility.

The Cost Approach requires the estimation of three distinct components: the land as though vacant and available for development to its highest and best use; the reproduction or replacement cost of the improvements on the effective date of the appraisal; and accrued depreciation in the improvements. The accrued depreciation is deducted from the reproduction cost or replacement cost of the improvements to derive an estimate of the contributory value of the improvements. The depreciated reproduction or replacement cost of the improvements is added to the estimated land value yielding a value estimate of the property by the Cost Approach.

#### Limiting Condition of the Cost Approach

The cost approach has only been developed by the appraiser as an analysis to support their opinion of the property's market value. Use of this data, in whole or part, for other purposes is not intended by the appraiser. Nothing set forth in the appraisal should be relied upon for the purpose of determining the amount or type of insurance coverage to be placed on the subject property. The appraiser assumes no liability for and does not guarantee that any insurable value estimate inferred from this report will result in the subject property being fully insured for any loss that may be sustained. Further, the cost approach may not be a reliable indication of replacement or reproduction cost for any date other than the effective date of this appraisal due to changing costs of labor and materials and due to changing building codes and governmental regulations and requirements.

#### Land Valuation

The most commonly accepted approach for land valuation is the direct comparison of the subject land with sales of other land parcels in the market. When the availability of data permit its use, this analytical method produces an indication of what the purchaser-investor would most probably have to pay for the same rights in existing substitute properties on the same market, as of the effective date of the appraisal.

The value of the subject parcel was derived from an analysis of comparable sales in the general vicinity of the subject. Because no two properties are ever truly identical, the prices of the market indicators must be reduced to various units of comparison to reflect the value of the subject property. Typically, the variations in sales prices reflect differences in size, location, zoning, time and terms of sale, and the physical characteristics of the land.

The value indication is developed using a unit of comparison in which the type of site being appraised is typically bought and sold on the market. In this assignment, the price per acre was the most appropriate unit of comparison. The land sales which have been utilized as comparables in this valuation assignment are included in the Site Valuation Worksheet.

#### Comparable Land Transactions

The Appraiser conducted a search for competitive acreage, oceanfront vacant land transactions in the market area of the subject. Due to the scarcity of comparable land transactions, an improved oceanfront property transaction in Hana was utilized and land value was extracted from the total property sale price.

#### The Extraction Method

The extraction method involves an analysis of improved properties. It is an appraisal technique of estimating land value in which the depreciated cost of the improvements on an improved property is calculated and deducted from the total sale price to arrive at an estimated sale price for the land. This technique works best when the contribution of the improvements to the total price is small. Comparable transaction 2 is an improved oceanfront property and land value was extracted as follows:

Improved Property Sale 2												
39608 Hana Highway, 7701 1-4-10-01, 3.37 acres, 1,154 SF dwelling built in 2012, together with porch and storage. Average quality and condition. 1 story woodframe dwelling with metal roof, post and pier foundation, 2 bedrooms, 1 bath. Solar water heater, plate voltex system, storm water. Listed at \$3,345,000, in contract on 3/1/2022, recorded on 3/23/2022 at \$1,645,000												
Date	Size	Cost/SG/ft	Cost/acre	Actual Age	Effective Age	Depreciation	Depreciated Value of Improvements	Site Improvements	Sales Price	Allocated Pctn to Land	Land Area in Acres	Land Price/Acre
Dwelling	1,154 SF	= \$	\$60,000	10	10	\$	\$7,000	\$574,553	\$25,000	\$1,645,000		
Porch	600 SF	= \$	\$25,000	10	10	\$	\$2,500					
Storage	250 SF	= \$	\$25,000	10	10	\$	\$,417					
											3.370	\$ 910,213

The three comparable transactions and adjustments to reflect the variations in the properties are included in **Table 1**.

#### Description of Adjustment to Land Comparables

**Location:** The subject and all three comparable land sale are located in competitive neighborhoods in Hana and no locational no adjustments were required.

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

The subject property has access to private sources of electricity and water sufficiently equivalent to public sources. Comparables 2 and 3 are similar to the subject and no adjustments were required; however, comparable 1 has no water source. In order to adjust for the lack of water supply, a matched-pairs analysis was conducted to determine the difference in value between vacant parcels with and without water. Based upon this analysis, it was concluded that acreage parcels in east Maui without water was approximately 25% less in value than parcels with water. Thus, a positive 25% adjustment was applied to comparable 1.

**Zoning/Community Plan Designation:** Zoning and community plan designations determines land uses and density. The subject and all three comparables are competitively zoned and designated and no adjustments were required.

**Physical Characteristics:** No adjustments were required.

**Size:** The comparables ranged in parcel sizes and typically, the larger the parcel the lower the price per square foot and the smaller the parcel the higher the price per square foot. Therefore size can affect the purchase price. An adjustment was applied to address the disparity in size between the comparables and the subject.

After careful analysis of the vacant land comparables, adjusting for the variations in the properties, and application of a weighted average, it was concluded that the subject parcel was fairly represented by \$204,442 per acre, or for 9.549 acres, \$1,952,000 rounded.

TABLE 1

SITE VALUATION WORKSHEET LAND TRANSACTION ANALYSIS AND ADJUSTMENT SCHEDULE				
	Subject	COMPARABLE LAND SALES		
		Land Sale 1	Land Sale 2	Land Sale 3
Tax Map Key (Division 2)	1-6-10-05	1-6-04-10	1-6-10-03	1-4-10-04
Street Address	3-969 Hana Highway	Hana Highway	39606 Hana Highway	Haneco Road
Community Location	Hana	Hana	Hana	Hana
County Zoning	Agriculture	Agriculture	Agriculture	Agriculture
Community Plan	Agriculture	Agriculture	Agriculture	Agriculture
Land Tenure	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Parcel Configuration	Irregular	Irregular	Irregular	Irregular
Topography/Terrain	Level to irregular slope	Level to irregular slope	Level to irregular slope	Level to irregular slope
Roadway Accessibility	Adequate	Adequate	Adequate	Adequate
Utilities	Private Elec/Private Wtr	None	Private Elec/Private Wtr	Elec/Private Wtr
FEMA Flood Status	Zone X	Zone X	Zone X	Zone X
Site Encumbrances	None Noted	None Noted	None Noted	None Noted
Gross Land Area in Acres	9.549	3.62	3.37	28.34
Recordation Date		5/24/22	3/23/22	3/31/20
Instrument		Deed	Deed	Deed
Document Number		LCD 31831147	81170303	LCD 11047158
Grantor		Barbara Nijensohn	Douglas McNish	HRP Hana LLC
Grantee		Lionel Urban	Devon Stubbs	Ke Ao Halli
Total Transaction Price of Property		\$775,000	\$1,645,000	\$2,800,000
Extracted Price to Land			\$1,045,417	
Financing/Conditions of Sale Adjustment		\$0	\$0	\$0
Adjusted Transaction Price		\$775,000	\$1,045,417	\$2,800,000
Indicated Transaction Price per Acre		\$202,880	\$310,213	\$98,800
Market Conditions Adjustment (Time)		1.00	1.00	1.00
Market Conditions Adjusted Unit Price		\$202,880	\$310,213	\$98,800
ADJUSTMENTS				
Location		0%	0%	0%
Access/Utilities		25%	0%	0%
Zoning/Community Plan		0%	0%	0%
Site Encumbrances		0%	0%	0%
Other Physical Characteristics		0%	0%	0%
Net Adjustments		25%	0%	0%
Adjusted Unit Price		\$253,600	\$310,213	\$98,800
Size Adjustment		0.81	0.78	1.29
Road Size Adjusted Unit Price per Acre		\$205,416	\$241,966	\$127,452
WEIGHTING FACTOR				
Product		\$82,166	\$96,786	\$25,490
Range of final Adjusted Value: \$127,452 - \$241,966 per acre				
Median Unit Value: \$205,416 per acre				
Mean Unit Value: \$191,611 per acre				
Weighted Unit Value: \$204,442 per acre				
Estimated Value of the Land, Fee Simple: \$204,442 per Acre				
Indicated Site Value: 9.549 Ac x \$204,442 = \$1,952,217				
Rounded to: \$1,952,000				

**Description of the Existing Improvements (See photographs and building sketch)**

Existing Improvements include a 1.5 story woodframe dwelling containing approximately 1,026 square feet of living area. There is an attached 2 car carport and a 44 SF porch area. The improvements are considered typical of oceanfront properties in the neighborhood.

The improvements appear to be sufficiently maintained and the overall condition of the improvements is rated average or typical of the neighborhood.

**Replacement Cost New of Improvements (Refer to Cost Approach)**

The estimated Replacement Cost New of the subject improvements was estimated at \$626,300 based upon local construction cost figures obtained from the local contractors and building material companies.

**Accrued Depreciation**

Depreciation, as defined by The Dictionary of Real Estate Appraisal, 7th Edition, is "a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date."

In measuring depreciation, the appraiser is interested in identifying and measuring the loss in utility experienced by the subject structure in its present condition, as compared to the utility it would have as a new improvement representing the highest and best use of the site.

The three components of accrued depreciation are:

**Physical Deterioration** - Physical deterioration is defined as the loss in value due to the general wear and tear arising from the improvement's age, use and/or inadequate maintenance.

**Functional Obsolescence** - Functional obsolescence reflects the loss in value brought about by impairments to the property that are physical in nature, such as poor layout or design. It also reflects the inability of the structure to adequately perform the function for which it is currently employed. The existing improvements appear to be functional for their intended residential use; therefore, no functional obsolescence is indicated.

**External Obsolescence** - External obsolescence is the impairment of desirability of useful life arising from factors external to the property, such as economic forces or environmental changes which affect supply-demand relationships in the market. The residential oceanfront real estate market on Maui has been consistent, and the subject's neighborhood consists of similar residential oceanfront properties. Therefore, there appears to be no indication of economic obsolescence in the subject property.

In summary, the indicated value by the Cost Approach was determined as follows;

Estimated Replacement Cost New of Improvements				
Item	Size	Cost/SqFt	Cost/New	Depreciation
Dwelling	1,026 SF	\$ 500.00	\$ 513,000	\$ 187,200
Carport	440 SF	\$ 250.00	\$ 110,000	\$ 40,000
Porch	44 SF	\$ 75.00	\$ 3,300	\$ 1,200
Sub Total			\$ 626,300	\$ 228,400
Site Improvements			\$ 75,000	
Site Clearing				
Utility Tie-Ins				
Driveway				
Landscaping				
Septic System				
Total Estimated Replacement Cost New			\$ 701,300	
Less: Depreciation			\$ 228,400	
Total Depreciated Value of Improvements			\$ 472,900	
Add: Estimated Site Value			\$ 1,952,000	
INDICATED VALUE BY THE COST APPROACH			\$ 2,424,900	
Say			\$ 2,425,000	

**SALES COMPARISON ANALYSIS**

Proper application of the Sales Comparison Approach requires knowledge of the standards of the local market plus a detailed property inspection and personal observation. The ability to interpret structural quality and condition are necessary together with knowledge and experience of typical buyer preferences and price reactions in the local market. Finally, the application of sound judgment is required to produce reasonable results.

The Sales Comparison Approach is a process by which a comparison is made between properties of similar utility with the subject property. When the availability of data permit its use, this analytical method produces an indication of what the purchaser would most probably have to pay for the same rights in existing substitute properties on the same market, as of the effective date of the appraisal.

Ideally, properties with characteristics most similar to the subject and which have recently sold are compared with the subject property. This approach is based on the principle of substitution which states that a prudent purchaser will not pay more for a property than the cost of acquiring an equally desirable substitute property available under similar conditions.

**Application of the Sales Comparison Approach**

(Refer to Sales Comparison Analysis Grid on URAR Form)

Primary criteria utilized in the market research and selection of comparables included consideration of the following factors:

- A) Relatively recent transaction date, location with the same or competing neighborhood, and similar community characteristics
- B) Similarity in site area and/or zoning and permitted land use/density, topographic features and view amenities
- C) Competitive in improvements including design, quality, age and condition, functional utility and overall appearance.

**Discussion and Comments on Market Data**

Typical of oceanfront properties is the wide variance in property and improvements and due to this wide spectrum of property and improvement types, it is difficult to select and analyze truly comparable property sales. In evaluating and valuing oceanfront properties, it is typical for Appraisers to utilize available property sales regardless of the wide dissimilarities with the subject in order to estimate value.

Based upon the above criteria, the appraiser conducted a search of recent transactions of competitive large-acreage, improved oceanfront property sales in the Hana region. Due to the scarcity of recent competitive transactions, research was expanded to include older sales within the subject's market area. The universe of large-acreage, oceanfront property transactions in the past 5 years in the Hana market area were as follows:

Improved Oceanfront Property Sales - 2017 to 2022 Hana, Maui										
Tax Map Key	Address	District	Sale Date	Sale Price	PROPERTY DETAILS					
					Land Area	Yr Blt	Living Area	Bd Rm	Bath	
1-4-5-19	493 Uakea Road	Hana	1/27/2017	\$1,300,000	14,370 SF	1977	2,998 SF	3	2	
1-5-3-32	51 Kapehuae Road	Hana	2/17/2017	\$3,100,000	1.10 Acres	2002	3,295 SF	3	3.5	
1-4-12-5	7127 Hana Highway	Hana	5/15/2017	\$2,850,000	2.287 Acres	1954	2,311 SF	3	3	
1-4-12-4	7135 Hana Highway	Hana	10/30/2018	\$1,049,895	40,946 SF	1999	733 SF	2	1	
1-5-3-6	47640 Hana Highway	Hana	12/20/2019	\$3,000,000	5.059 Acres	1950	2,456 SF	3	2.5	
1-1-6-2	Waiaua Road	Hana	1/31/2020	\$990,000	35,636 SF	1972	1,156 SF	2	2	
1-3-7-2	148 Waikoloa Road	Hana	11/6/2020	\$775,000	5,650 SF	1979	1,076 SF	2	2	
1-5-3-32	51 Kapehuae Road	Hana	11/20/2020	\$3,200,000	1.10 Acres	2002	3,295 SF	3	3.5	
1-4-5-33	140 Waikoloa Road	Hana	12/11/2020	\$1,164,000	31,581 SF	1982	2,513 S	2	3	
1-5-3-8	47680 Hana Highway	Hana	12/21/2020	\$3,000,000	2.099 Acres	1974	3,044 SF	3	2.5	
1-4-5-16	4975 Uakea Road	Hana	12/28/2020	\$1,428,000	17,193 SF	1924	1,258 SF	2	2.5	
1-6-10-3	39605 Hana Highway	Hana	3/23/2022	\$1,645,000	3.37 Acres	2012	1,164 SF	2	1	

Ultimately, the three comparables selected and utilized in the sales comparison analysis represent the most reasonably recent and competitive transactions of acreage, improved oceanfront properties suitable for market comparison. The comparables were carefully selected to bracket the subject property in terms of land and improvement characteristics.

Finally, research of the Maui Multiple Listing Service revealed only 1 current listing of an oceanfront property in Hana. TMK 1-4-5-33, 140 Waikoloa Road, containing 0.69 acre of land area and a 2,513 square foot dwelling, is currently listed at \$3,195,000.

**Description of Adjustments**

Unless the subject and comparables are located within a tract subdivision, properties are seldom identical. Adjustments must be applied in the Sales Comparison Analysis to address the differences between the comparables and the subject property.

The matched pairs data analysis is generally employed to determine adjustments. This quantitative technique is used to identify and measure adjustments to the sale prices of comparable properties. In applying this technique, sales of nearly identical properties are analyzed to isolate a single characteristic's effect on value.

In the case of the subject property, the matched pairs data analysis was ineffective and not a reliable indicator of appropriate adjustments. The reasons are:

- (1) The subject is an acreage oceanfront property with a small single family dwelling. As previously indicated, oceanfront properties vary widely in terms of land area, zoning, and improvements. It is virtually impossible to obtain *nearly identical* sales of oceanfront properties.
- (2) Those purchasers of high-end properties such as oceanfront properties typically have a myriad of property perspectives and intentions. For example, one buyer may be partial to the location, beach, and improvements, while another buyer may appreciate the location and beach, but will tear down the improvements. Yet, both will pay the same price for the same property.

Therefore, the adjustments to the comparables are gleaned more from experience in appraising such high-end properties and the appraiser's opinion as to the contributory value of certain factors. For example, the appraiser understands from empirical knowledge that a swimming pool on an oceanfront property will not return in value, the cost to construct the pool.

The individual adjustments to the comparables are itemized below together with a description of the considerations involved in the adjustment.

**Site Area:** Site values include consideration of zoning and permitted density, location, size and shape, on-site and off-site improvements, topography, utilities, etc.

The estimated site value of the comparables based upon analysis of vacant land sales were determined as follows:

Comparable 1 - 3.37 acres - \$1,045,500 - competitive rural neighborhood  
Comparable 2 - 0.3947 acre - \$775,000 - superior neighborhood directly in Hana Town  
Comparable 3 - 1.1 acres - \$1,437,500 - superior neighborhood on outskirts of Hana Town

The estimated site value of the subject was \$1,952,000. The difference between the site values of the comparables and the subject was the adjustment for site area differences.

**Quality of Construction:** Comparable 3 was considered to be superior in design, overall construction materials and quality to the subject and a negative adjustment was required. Quality refers to an appropriate choice of materials, applied in a suitable pattern according to sound construction techniques, and involving a high level of workmanship. Market investigation reveals a definite relationship between quality and price where better quality dwellings in terms of design, materials, and construction workmanship generally achieve higher prices. Furthermore, the many factors involved with construction quality requires the appraiser to differentiate between several levels of quality, i.e., a dwelling may be externally constructed of similar materials; however, the interior may be constructed of superior or inferior materials.

**Age of Improvements:** It is a common market perception that new is better than old. Market research and discussion with Realtors and purchasers revealed mixed reaction to the age of the improvements. There seems to be general consensus of opinion that the age of the improvements have some bearing on price, and the age of a structure is reflected in the price. The primary factors which have the most direct influence on price however, are the overall construction quality and condition of the improvements. The typical reaction and opinion indicates a token contribution to total property value, and a subjective, consensus opinion of \$500 per year.

**Condition of Improvements:** Comparable 2 is an older dwelling that was renovated, remodeled and upgraded and in superior condition to the subject and a negative adjustment was required. The extent to which physical deterioration or structural defects are present in improvements defines their condition. Market analysis reveals a definite relationship between the overall condition of the improvements and price. Improvements in good condition with timely maintenance frequently command higher prices. On the other hand, the many factors involved with the condition of improvements requires the Appraiser to distinguish between the overall condition of the comparables as compared to the subject. The adjustment reflects the approximate cost to renovate/remodel/refurbish to a market standard, as well as an amount to address both nuisance and risk.

**Room Count:** Room count is a very subjective area and depends heavily upon the individual buyer requirements. The items which have most influence on value are the number of bedrooms and bathrooms and market evidence indicates that these factors contribute to higher values due to greater functional utility. The adjustment for room count differences were applied at \$10,000 per room.

**Overall Living Area:** Research reveals a wide range of adjustments attributable to living area differences, and this is principally due to the individual preference, tastes, and requirements of purchasers. Primary factors having a direct effect on living area adjustments would be overall quality and condition of the improvements. Based upon our analysis a \$200 per square foot adjustment was applied as appropriate.

**Car Storage:** Market analysis reveals a range of adjustments attributable to car storage differences. In a tropical climate such as in Hawaii, garages and carports are similarly accepted; however, the typical 2-car storage facility is superior to one-car or no car storage facilities. An adjustment of \$10,000 per car storage area was applied as appropriate.

**Porch/Patio/Deck/etc.:** There are considerable peripheral improvements on the subject property that contribute to overall property value. There appears to be mixed reaction to the existence or absence of various peripheral improvements such as pools, porches, patios, etc. The general consensus of opinion is that the contributory value of these types of improvements would be a portion of the cost of construction similar peripheral improvements.

#### Concluding Comments

It is typical to have a wide range of sale prices for acreage, oceanfront properties, particularly in the Hana region. This is primarily due to the scarcity of similar type oceanfront properties, and the subjective nature of purchasers of this type of property where property characteristics, location, dwelling style and configuration, neighborhood characteristics, climate, view and other intangible factors come into play. It is not uncommon to see two identical or competing properties in different locations, and one will sell for considerable more than the other. Considering the sizeable investment being made for these type of properties, buyer preferences directly influence sale prices, and the subjectiveness of buyers are not easily understood or quantifiable.

The adjusted values indicated by the three comparables ranged as follows:

	Comparable
\$2,391,000	2
\$2,504,000	1
\$2,665,000	3

The median value was \$2,504,500 and the mean value was \$2,520,167. Equal weight was placed on each comparable in determining the subject's value via the Sales Comparison Approach since no individual transaction was considered to be more representative of the subject than the others. Thus the indicated value via the Sales Comparison Approach was concluded at \$2,510,000.

#### Exposure Time

In reporting the subject's market value, the Appraiser has also considered the probable exposure time for the subject. The reasonable exposure time for the subject, at a value range of, say, \$2,000,000 to \$4,000,000 is estimated at 12 to 18 months. This opinion is based upon an analysis of economic and real estate market conditions that existed prior to the effective date of this appraisal, and it does not reflect any unknown or adverse marketability conditions of the subject.

#### RECONCILIATION AND FINAL OPINION OF VALUE

The final value estimate is the Appraiser's opinion and conclusion resulting from an application of the Appraisal Process. It is derived from evaluation of each of the alternative indications of value developed in each approach to value utilized in the appraisal. The values indicated by the approaches are summarized as follows:

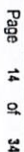
INCOME APPROACH	Not applicable
COST APPROACH	\$2,425,000
SALES COMPARISON APPROACH	\$2,510,000

The Cost Approach to value is particularly applicable to properties which are unique or where little or no nearly identical comparables can be found. The limited number of reasonably similar, recent and competitive transactions in the subject's new subdivision for market comparison, and the substantial adjustments in the Sales Comparison Approach were determining factors in considering the Cost Approach to value. However, the limited number of reasonably recent and similar oceanfront land transactions to determine land value, and the significant physical depreciation of the improvements were weaknesses of this approach.

The indicated value by the Sales Comparison Approach is reliable if adequate sales of comparable properties are available for market comparison. This approach is considered reliable because it reflects the actions of typical investor/purchasers and sellers in the marketplace; however, the limited number of reasonably recent and similar oceanfront transactions for market comparison in the greater Mena region was considered a weakness of this approach.

Thus, after consideration of the three approaches to value, the validity and relative strengths and weaknesses of each, it was concluded by the Appraiser that the value indicated by the Sales Comparison Approach was most representative of the subject property, and secondary consideration was given to the value indicated by the Cost Approach. Therefore, it is the Appraiser's opinion that the estimated market value of the subject, as of June 8, 2022, and subject to the "Limiting and Contingent Conditions", "Special Assumptions and Conditions" and "Certification" section provided herein, on a Fee Simple basis, is

**TWO MILLION FIVE HUNDRED THOUSAND DOLLARS**  
**(\$2,500,000)**

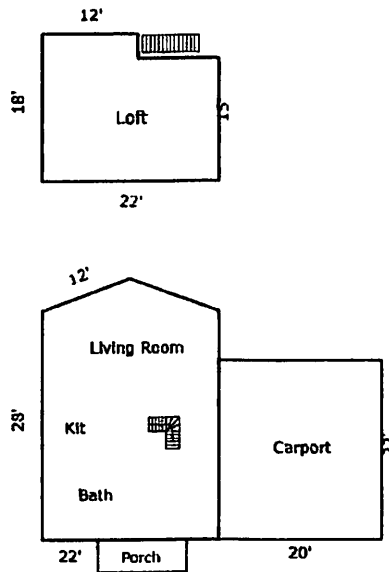




ACM Consultants, Inc.  
**SKETCH ADDENDUM**

File No. 22-1257  
Case No.

Borrower N/A  
Property Address 39622 Hana Highway  
City Hana County Maui State HI Zip Code 96713  
Lender/Client Kipshulu Ohana Address c/o Lisa Starr & Scott Crawford, 8 Malle Place Paia, HI 96779



Sketch by Apex Sketch v3 Standard™  
Comments:

AREA CALCULATIONS SUMMARY				LIVING AREA BREAKDOWN			
Code	Description	Net Size	Net Totals	Breakdown		Subtotals	
GLA1	First Floor	660	660	First Floor	28 x 22	616	
GLA2	Loft	366	366	0.5 x 11 x 4		22	
GAR	Carport	440	440	0.5 x 4 x 11		22	
P/P	Porch	44	44	Loft	15 x 22	330	
					3 x 12	36	
Net LIVABLE Area		(rounded)	1026	5 Items	(rounded)	1026	

Borrower	N/A							
Property Address	39698 Hana Highway							
City	Hana	County		Mau	State	HI	Zip Code	96713
Lender/Client	Kipahulu Ohana			Address c/o Lisa Starr & Scott Crawford, 8 Malie Place Paia, HI 96779				



Front View of Subject



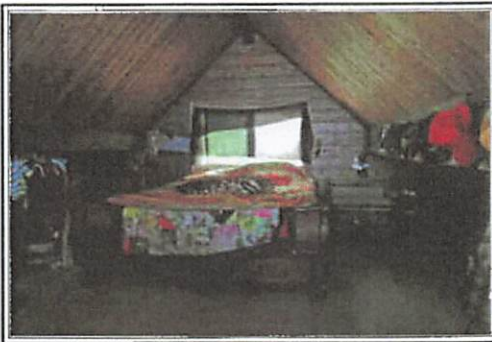
Rear View of Subject



View of Living Room



View of Kitchen



View of Loft Bedroom



View of Bathroom

Borrower N/A

Property Address 39698 Hana Highway

City Hana County Maui State HI Zip Code 96713

Lender/Client Kipahulu Ohana Address c/o Lisa Starr & Scott Crawford, 8 Malle Place Pala, HI 96779



Overall View of Property



Overall View of Property



Overall View of Property



View of Coastline



View from the Subject Property



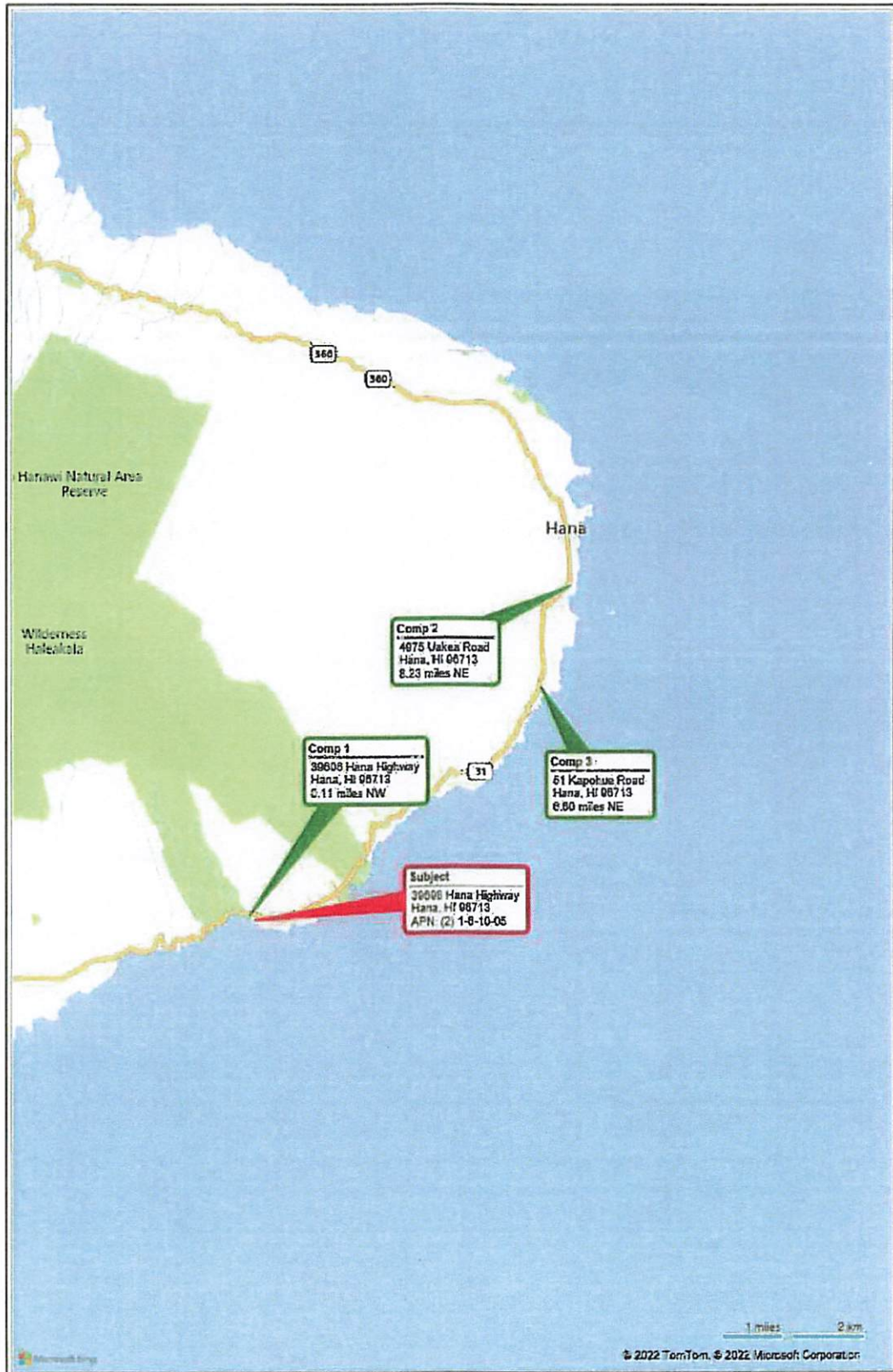
Street Scene - Hana Highway



ACM Consultants, Inc.  
**LOCATION MAP ADDENDUM**

File No. 22-1267  
 Case No.

Borrower	N/A						
Property Address	39608 Hana Highway						
City	Hana	County	Maui	State	HI	Zip Code	96713
Lender/Client	Kipahulu Ohana	Address	c/o Lisa Starr & Scott Crawford, 8 Malie Place Pala, HI 96779				



Borrower	NIApp						
Property Address	39598 Hana Highway						
City	Hana	County	Maui	State	HI	Zip Code	96713
Lender/Client	Kipahulu Ohana	Address	c/o Lisa Starr & Scott Crawford, 8 Malle Place Paia, HI 96779				



**COMPARABLE SALE # 1**  
39606 Hana Highway  
Hana, HI 96713

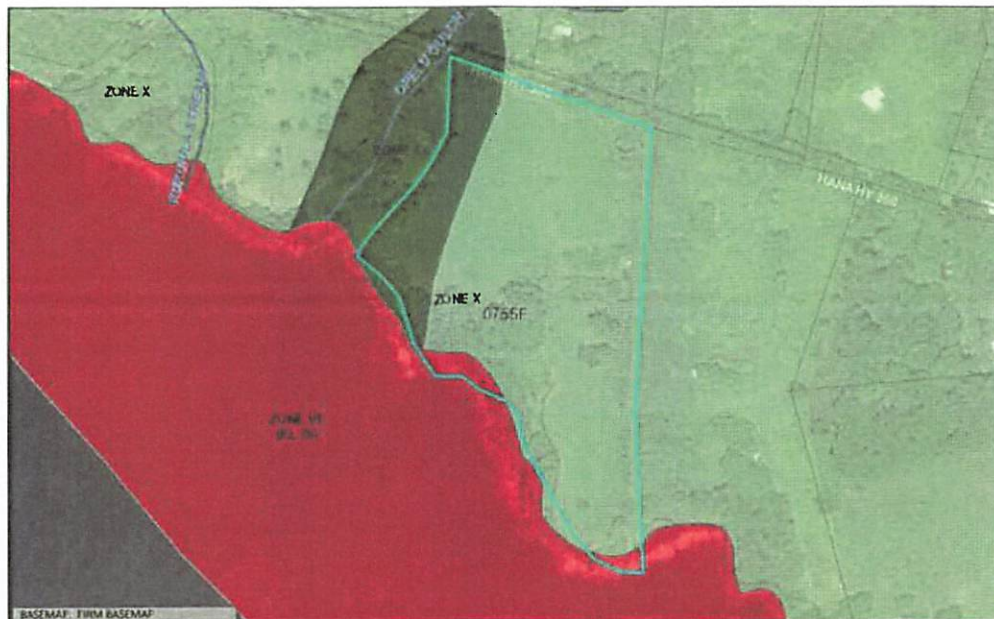


**COMPARABLE SALE # 2**  
4975 Uakea Road  
Hana, HI 96713



**COMPARABLE SALE # 3**  
51 Kapohue Road  
Hana, HI 96713





## Flood Hazard Assessment Report

www.hawaiiinfo.org

### Property Information

COUNTY: MAUI  
 TMK NO: (2) 1-6-010-005  
 WATERSHED: OPELU  
 PARCEL ADDRESS: 39588 HANA HWY  
 HANA, HI 96713

### Notes:

### Flood Hazard Information

FIRM INDEX DATE: NOVEMBER 04, 2015  
 LETTER OF MAP CHANGE(S): NONE  
 FEMA FIRM PANEL: 1500030755F  
 PANEL EFFECTIVE DATE: SEPTEMBER 19, 2012

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

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



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

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

### FLOOD HAZARD ASSESSMENT TOOL LAYER LEGEND

[Note: Legend does not correspond with FEMA]

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

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

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

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

### OTHER FLOOD AREAS

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

**Chapter 19.30A - AGRICULTURAL DISTRICT****19.30A.010 - Purpose and Intent.****A. Purpose.** The purpose of the agricultural district is to:

1. Implement chapter 205, Hawai'i Revised Statutes, and the goals and policies of the Maui County general plan and community plans;
2. Promote agricultural development;
3. Preserve and protect agricultural resources; and
4. Support the agricultural character and components of the County's economy and lifestyle.

**B. Intent.** It is the intent of this chapter to:

1. Reduce the land use conflicts arising from encroachment of nonagricultural uses into agricultural areas;
2. Mitigate rising property values of farm lands to make agricultural use more economically feasible;
3. Discourage developing or subdividing lands within the agricultural district for residential uses, thereby preserving agricultural lands and allowing proper planning of land use and infrastructure development;
4. Discourage establishment of nonagricultural subdivisions;
5. Ensure that the rezoning of land from the agricultural district shall be open for public debate and in the overall public interest, as evidenced by conformance with the Maui County general plan and community plan land use designations and policies, State land use law, this chapter and good planning practices; and
6. Notify the public that lands within the agricultural district are used for agricultural purposes. Owners, residents, and other users of such property or neighboring properties may be subjected to inconvenience, discomfort, and the possibility of injury to property and health arising from normal and accepted agricultural practices and operations. Such normal and accepted agricultural practices and operations include but are not limited to noise, odors, dust, smoke, the operation of machinery of any kind, including aircraft, and the storage and disposal of manure. Owners, occupants, and users of such property or neighboring properties shall be prepared to accept such inconveniences, discomfort, and possibility of injury from normal agricultural operations.

(Ord. 2749 § 3 (part), 1998)

**19.30A.015 - Definitions.**

When used in this chapter, unless the context clearly indicates a different meaning, the following words and terms shall be defined as follows:

"Active agriculture operation" means a commercial or subsistence agricultural, silvicultural, or aquacultural facility or pursuit, including the care and production of livestock and livestock products, poultry and poultry products, apilary products, and plant and animal production for nonfood uses; the planting, cultivating, harvesting, and processing of crops; and the farming or ranching of any plant or animal species in a controlled salt, brackish, or freshwater environment.

"Agricultural food establishment" means a building or structure, owned and operated by a producer and permitted under title 11, chapter 50 of the administrative rules of the state department of health, that prepares and serves food at retail using agricultural products grown, raised, or caught in the County, and value-added products that were produced using agricultural products grown in Hawaii.

"Agricultural products stand" means a building, structure, or place that is partially enclosed by walls, at least twenty-five percent open to the outside when in operation, owned and operated by a single agricultural product producer for the display and sale of agricultural products grown, raised, or caught in the County, and value-added products produced using agricultural products grown, raised, or caught in Hawaii.

"Agricultural retail structure" means a fully-enclosed building or structure owned and operated by a single producer for the display and sale of agricultural products grown, raised, or caught in the County, value-added products that were produced using agricultural products grown, raised, or caught in Hawaii, logo items related to the producer's agricultural operations, and other food items.

"Commercial agricultural structure" means an agricultural products stand, farmer's market, agricultural retail structure, or agricultural food establishment.

"Farmer's market" means either:

The temporary use of land that is managed by a single producer who leases space or stalls for the outdoor sale of agricultural products grown, raised, or caught in the County or value-added products that were produced using agricultural products grown, raised, or caught in Hawaii; or

A building or structure managed by a single producer who leases space or stalls for the display and direct retail sale of agricultural products grown, raised, or caught in the County or value-added products that were produced using agricultural products grown in Hawaii.

"Logo item" means an item for direct retail sale by a producer that has the producer's business logo permanently affixed to it. Logo items include, but are not limited to, clothing, cups, glasses, stationery, and writing instruments.

"Other food item" means a food item that is neither an agricultural product grown, raised, or caught in the County nor a value-added product that was produced using agricultural products grown, raised, or caught in Hawaii.

"Producer" means an owner, lessee, or licensee of land located within the agricultural district, who is engaged in the growing or production for sale of any agricultural product or value-added products on such land.

"Total floor area" includes areas used for outdoor seating, dining, or retail activities. It does not include areas used for parking or agricultural product production.

"Value-added" refers to a raw agricultural product whose market value has been increased by special manufacturing, marketing, or processing."

(Ord. 4246, § 2, 2015)

**19.30A.020 - District criteria.**

Agricultural lands that meet at least two of the following criteria should be given the highest priority for retention in the agricultural district:

- A. Agricultural Lands of Importance to the State of Hawai'i (ALISH);
- B. Lands not classified by the ALISH system whose agricultural land suitability, based on soil, topographic, and climatic conditions, supports the production of agricultural commodities, including but not limited to coffee, taro, watercress, ginger, orchard and flower crops and nonirrigated pineapple. In addition, these lands shall include lands used for intensive animal husbandry, and lands in agricultural cultivation in five of the ten years immediately preceding the date of approval of this chapter; and
- C. Lands which have seventy-five percent or more of their boundaries contiguous to lands within the agricultural district.

(Ord. 2749 § 3 (part), 1998)

**19.30A.030 - District standards.**

Except as otherwise provided in this chapter, the following district standards shall apply for uses, facilities and structures in the agricultural district:

- A. Minimum lot area: two acres;
- B. Minimum lot width: two hundred feet;
- C. Minimum yard setbacks: front yards, twenty-five feet; side and rear yards, fifteen feet;
- D. Maximum developable area: ten percent of the total lot area. This restriction shall apply to farm dwellings, but shall not apply to any structure or portion thereof which is used to support agriculture, including but not limited to storage facilities, barns, silos, greenhouses, farm labor dwellings, and stables, and shall not apply to utility facilities as permitted by this chapter;
- E. Maximum height limit: Unless otherwise provided for in this chapter, the maximum height of any dwelling shall be thirty feet, except that vent pipes, fans, chimneys, antennae and solar collectors on roofs shall not exceed forty feet. Any nondwelling structure such as a barn or silo that is over thirty-five feet in height shall be set back one additional foot for each foot in structure height;
- F. Maximum wall height: Walls shall not exceed four feet within the yard setback area as measured from the finished or existing grade, whichever is lower, to the top of the wall as defined herein, except for one utility wall per lot; utility walls shall not exceed seven feet in height and seven feet in width, and shall not obstruct sight distance for roadways or driveways. This does

not preclude constructing fences on the top of the wall for safety purposes. The director of public works may permit greater heights of walls as needed to retain earth, water, or both for health and safety purposes;

G. The maximum number of lots that may be created from a lot, or portion thereof, that is in the agricultural district shall be based on the gross area of the subject lot, which for the purposes of this subsection shall be the tax map key parcel as certified by the real property tax division on March 1998, as follows:

Agricultural District				
Area of lot (in acres)	Maximum number of permitted lots:			
	2-acre minimum lot size	15-acre minimum lot size	25-acre minimum lot size	40-acre minimum lot size
At least 2 but less than 31	7			
At least 31 but less than 61	7, plus one additional lot for each 10 acres above 31 acres			
At least 61 but less than 92	10, plus one additional lot for each 15 acres; plus 1	1		
92+	12, plus one additional lot for each 40 acres above 92 acres (not to exceed 14 lots); plus 1	2, plus one additional lot for each 60 acres above 92 acres; plus 1	1, plus one additional lot for each 100 acres above 92 acres; plus 1	one for each 160 acres above 92 acres

For the purposes of this subsection, any lot(s) or portions(s) thereof that is contained entirely within the subject lot, and that is owned by the same persons or related corporate entities as the subject lot, shall be considered a part of the subject lot and shall count towards the maximum number of permitted lots that may be created from the subject lot.

This subsection shall not apply to any lot which received preliminary subdivision approval prior to the effective date of the ordinance codified in this chapter and which receives final subdivision approval after the effective date of said ordinance. The subsequent lots resulting from such subdivision shall be subject to this subsection.  
(Ord. No. 4049, § 2, 2013; Ord. 2749 § 3 (part), 1998)

#### 19.30A.040 - Limitations on resubdivision.

- A. At the time of subdivision, the director of public works shall determine the maximum number of lots that can be created based upon the provisions and standards set forth in section 19.30A.030.
- B. The subdivider shall allocate the maximum number of lots that can be created between the original lot and any new lot created as a result of the subdivision.
- C. The allocation of lots shall be recorded with the bureau of conveyances.
- D. No lot, or portion thereof, which is in the agricultural district shall be further subdivided beyond the maximum number of lots permitted pursuant to this chapter and as recorded with the bureau of conveyances, except as provided by subsection 19.30A.040.C.
- E. The following subdivisions shall not reduce the gross "area of lot" or the "maximum number of permitted lots" as provided by subsection 19.030A.030.G:
  1. Any subdivision requested by a public agency or public utility company for a public purpose;
  2. Any consolidation and resubdivision in which no additional developable lots, as defined by section 18.04.123 of this code, are created, so long as this would not result in the potential to create any additional lots than could have been created prior to consolidation and resubdivision;
  3. Any subdivision for purposes of providing an easement exclusively for the protection of sites of cultural and historic significance; greenways; protection of sensitive environmental areas such as wetlands, streams, and endangered species habitat; and easements for public access to shoreline and mountain areas; or
  4. Any subdivision for purposes of providing a roadway easement, roadway lot, or restricted use lot.
- F. If the original lot has been subdivided into the maximum number of lots permitted pursuant to this chapter, additional lots may be created for family members as described in subsections 18.20.280.B.1 and 18.20.280.B.2 of this code, whether or not a deferral of improvements is intended, with the approval of the council; the application for such additional lots shall be processed in the same manner as applications for conditional permits, as provided by chapter 19.40 of this title.
- G. No deed, lease, agreement of sale, mortgage, or other instrument of conveyance shall contain any covenant or clause which restricts, directly or indirectly, the operation of agricultural activities on lands within the agricultural district. This subsection shall not apply to any covenant or clause existing prior to the effective date of the ordinance codified in this chapter.  
(Ord. No. 4464, § 8, 2017; Ord. 2749 § 3 (part), 1998)

#### 19.30A.050 - Permitted uses.

The following uses and structures are permitted in the agricultural district provided they also comply with all other applicable laws:

- A. Principal uses.
  1. Agriculture.
  2. Agricultural land conservation.
  3. Agricultural parks, pursuant to chapter 171, Hawaii Revised Statutes.
  4. Animal and livestock raising, including animal feed lots, and sales yards.
  5. Private agricultural parks as defined herein.
  6. Minor utility facilities as defined in section 19.04.040 of this title.
  7. Retention, restoration, rehabilitation, or improvement of buildings, sites, or cultural landscapes of historical or archaeological significance.
  8. Solar energy facilities, as defined in section 19.04.040 of this title, and subject to the restrictions of chapter 205, Hawaii Revised Statutes, that are less than fifteen acres, occupy no more than thirty-five percent of the lot, and are compatible with existing agricultural uses; except that land with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class D or E need not be compatible with existing agricultural uses.
- B. Accessory uses. Uses that are incidental or subordinate to, or customarily used in conjunction with, a permitted principal use, as follows:
  1. Two farm dwellings per lot, one of which shall not exceed one thousand square feet of developable area.
  2. One farm labor dwelling per five acres of lot area. On the Island of Maui, the owner or lessee of the lot shall meet two of the following three criteria:
    - a. Provide proof of at least \$35,000 of gross sales of agricultural product(s) per year, for the preceding two consecutive years, for each farm labor dwelling on the lot, as shown by State general excise tax forms and federal form 1040 Schedule F filings.
    - b. Provide certification by the department of water supply that agricultural water rates are being paid if the subject lot is served by the County water system.
    - c. Provide a farm plan that demonstrates the feasibility of commercial agricultural production.

On the islands of Molokai and Lanai, the owner or lessee of the lot shall meet both of the criteria provided by subsections 19.30A.050(B)(2)(a) and 19.30A.050(B)(2)(b).
  3. A maximum of two commercial agricultural structures per lot, subject to parking requirements of section 19.36A.010.
  4. Storage, wholesale and distribution, including barns; greenhouses; storage facilities for agricultural supplies, products and irrigation water; farmer's cooperatives; and similar structures that are customarily associated with one or more of the permitted principal uses or, for the purpose of this section, are associated with agriculture in the County.
  5. Processing of agricultural products, the majority of which are grown in the County; this includes the burning of bagasse as part of an agricultural operation.
  6. Energy systems, small-scale.
  7. Small-scale animal-keeping.



**19.30A.072 - Commercial agricultural structures.****A. Requirements.** All commercial agricultural structures are subject to the following requirements and restrictions:

1. A commercial agricultural structure may sell agricultural products or value-added products that are not grown, raised, caught or produced on the lot on which the commercial agricultural structure is located, so long as an active agriculture operation is present on the lot where the commercial agriculture structure is located.
2. A farm plan showing an active agriculture operation shall be provided to the department of planning and its implementation shall be verified before a commercial agricultural structure commences operation. Agricultural products stands that are less than three hundred square feet in total floor area are exempt from this requirement.

**B. Agricultural products stands.** An agricultural products stand that is more than one thousand square feet in total floor area shall require a special use permit.**C. Farmer's markets.** All farmer's markets are subject to the following requirements:

1. A farmer's market that is more than three thousand square feet in total floor area shall require a special use permit.
2. All farmer's markets shall operate only during daylight hours.

**D. Agricultural retail structures.** Agricultural retail structures are subject to the following requirements:

1. An agricultural retail structure that is more than one thousand square feet in total floor area shall require a special use permit.
2. All agricultural retail structures that serve food shall require a permit as required under title 11, chapter 50 of the rules of the state department of health.
3. Within an agricultural retail structure, other food items and logo items shall occupy no more than forty percent of the total floor area.

**E. Agricultural food establishments.** All agricultural food establishments are subject to the following requirements:

1. An agricultural food establishment that is more than one thousand square feet in total floor area shall require a special use permit.
2. All food must be prepared in accordance with the State Department of Health rules and regulations.

**F. Registration.** Producers who propose to own or operate a commercial agricultural structure shall register the structure with the department of planning. The registration form shall include the following information:

1. The name, address, and contact information for the producer.
2. The tax map key number of the lot on which the proposed commercial agricultural structure is located.
3. Verification that the producer is the owner, lessee, or licensee of the lot on which the proposed commercial agricultural structure is located. If the producer is the lessee or licensee, authorization of the owner shall also be provided. A lessee or licensee must have a verifiable lease with a minimum duration of one year for the portion of the lot upon which the structure is located, or will be located.
4. The type of commercial agricultural structure(s) being registered.
5. The signature of the producer, certifying acknowledgment of and compliance with the requirements of this chapter and all other applicable laws and regulations, including those of the state department of health and the department of public works.
6. Any additional information requested by the planning director.

**G. Database.** The department of planning shall maintain a database of all commercial agricultural structures registered pursuant to this chapter.**H. Separate registration.** Each commercial agricultural structure shall require a separate registration.**I. Exemption.** Agricultural product stands that are three hundred square feet or less in total floor area are exempt from the registration requirements of this section.**J. Rules.** Additional regulation of commercial agricultural structures may be established by administrative rules.

(Ord. No. 4246, § 6, 2015)

**19.30A.080 - Agricultural leases.****A.** Any landowner may enter into an agricultural lease provided that the following conditions are met:

1. The principal use of the leased land is agriculture; and
2. No permanent or temporary dwellings or farm dwellings, including trailers and campers, are constructed on the leased area. This restriction shall not prohibit the construction of storage sheds, equipment sheds or other structures appropriate to the agricultural activity carried on within the lot.

**B. Subdivision requirements,** as set forth in Title 18, Maui County Code, shall not apply to agricultural leases.

(Ord. 2749 § 3 (part), 1998)

**19.30A.090 - Substandard agricultural lots.**

Substandard agricultural lots existing prior to the enactment of the ordinance codified in this chapter shall be subject to the following standards:

**A.** Lots less than two acres but equal to or greater than one-half acre shall be subject to the yard and building height standards as set forth for lots of such area in section 19.29.020, Maui County Code, and shall be exempt from the maximum developable area restriction of subsection 19.30A.030.D; and**B.** Lots less than one-half acre shall be subject to the yard and building height standards as set forth for lots of such area in sections 19.08.050 and 19.08.060, Maui County Code, and shall be exempt from the maximum developable area restriction of subsection 19.30A.030.D.

(Ord. 2749 § 3 (part), 1998)

**19.30A.100 - Exemptions pursuant to state law.****A.** If provided by Hawai'i Revised Statutes, for lands legally defined and recognized as kuleana or similar type of land ownership, such as land commission awards or royal patents, the district standards of section 19.30A.030, and the density restriction of subsection 19.30A.050.B.1, shall not apply.**B.** Affordable housing projects as set forth in chapter 201E, Hawai'i Revised Statutes, shall be exempt from the requirements of this chapter.

(Ord. 2749 § 3 (part), 1998)

**19.30A.110 - Permits issued prior to the enactment of this ordinance.**

State or County special permits, special use permits, conditional permits and variances issued prior to the enactment of the ordinance codified in this chapter shall remain in full force and effect for their duration, and their renewal shall be subject to the provisions of this chapter. Any dwelling or structure that was constructed with a building permit that was approved prior to the enactment of said ordinance need not acquire a County special use permit, conditional permit or variance and may be reconstructed as permitted by the original building permit(s), and such dwellings or structures may be expanded or modified with a building permit, subject to the other provisions of this chapter and this title.

(Ord. 2749 § 3 (part), 1998)

**19.30A.120 - Rule-making authority.**

The planning director and the director of public works and waste management shall have the authority to adopt rules regarding the administration of this chapter.

(Ord. 2749 § 3 (part), 1998)

8. Animal hospitals and animal board facilities; if conducted on the island of Molokai, such uses shall have been approved by the Molokai planning commission as conforming to the intent of this chapter.
  9. Riding academies; if conducted on the island of Molokai, such uses shall have been approved by the Molokai planning commission as conforming to the intent of this chapter.
  10. Open land recreation as follows: hiking; noncommercial camping; fishing; hunting; equestrian activities; rodeo arenas; arboretums; greenways; botanical gardens; guided tours that are accessory to principal uses, such as farm or plantation tours, petting zoos, and garden tours; hang gliding; paragliding; mountain biking; and accessory restroom facilities. If hiking, fishing, hunting, equestrian activities, rodeo arenas, hang gliding, paragliding or mountain biking are conducted for commercial purposes on the island of Molokai, such uses shall have been approved by the Molokai planning commission as conforming to the intent of this chapter. Open land recreation uses or structures not specifically permitted by this subsection or by subsection 19.30A.060(A)(7) shall be prohibited; certain open land recreation uses or structures may also be required to obtain a special permit pursuant to chapter 205, Hawaii Revised Statutes.
  11. Except on Molokai, bed and breakfast homes permitted under chapter 19.64 of this title that are:
    - a. Operated in conjunction with a bona fide agricultural operation that produced \$35,000 of gross sales of agricultural products for each of the preceding two years, as shown by State general excise tax forms and federal form 1040 Schedule F filings; or
    - b. In compliance with all of the following criteria, provided that the bed and breakfast home is not subject to a condominium property regime pursuant to chapter 514A or chapter 514B, Hawaii Revised Statutes:
      - i. The lot was created prior to November 1, 2008.
      - ii. The lot is comprised of five acres or less.
      - iii. An approved farm plan has been fully implemented and is consistent with chapter 205, Hawaii Revised Statutes; or
    - c. Located in sites listed on the State of Hawaii Historic Register or the National Register of Historic Places.
  12. Short-term rental homes permitted under chapter 19.65 of this code, provided that an approved farm plan has been fully implemented and is consistent with chapter 205, Hawaii Revised Statutes.
  13. Parks for public use, not including golf courses, and not including commercial uses, except when under the supervision of a government agency in charge of parks and playgrounds.
  14. Family child care homes as defined in section 46-15.35(b), Hawaii Revised Statutes, that are registered pursuant to chapter 346, Hawaii Revised Statutes, and located in a legally permitted farm dwelling.
  15. Other uses that primarily support a permitted principal use; however, such uses shall be approved by the appropriate planning commission as conforming to the intent of this chapter.
- (Ord. No. 4315, § 4, 2016; Ord. No. 4253, § 2, 2015; Ord. No. 4246, § 4, 2015; Ord. No. 3824, § 2, 2011; Ord. No. 3611, § 3, 2008; Ord. 2749 § 3 (part), 1998)

#### 19.30A.060 - Special uses.

- A. The following uses and structures are permitted in the agricultural district if a special use permit, as provided in section 19.510.070 of this title, is obtained; except that if a use described in this section also requires a special permit as provided in chapter 205, Hawaii Revised Statutes, and if the land area of the subject parcel is fifteen acres or less, the State special permit shall fulfill the requirements of this section:
    1. Additional farm dwellings beyond those permitted by subsection 19.30A.050(B)(1).
    2. Farm labor dwellings that do not meet the criteria of subsection 19.30A.050(B)(2).
    3. Commercial agricultural structures that do not meet the standards and restrictions of this chapter.
    4. Public and quasi-public institutions that are necessary for agricultural practices.
    5. Major utility facilities as defined in section 19.04.040 of this title.
    6. Telecommunications and broadcasting antenna.
    7. Open land recreation uses, structures, or facilities that do not meet the criteria of subsection 19.30A.050(B)(10), including commercial camping, gun or firing ranges, archery ranges, skeet shooting, paint ball, bungee jumping, skateboarding, rollerblading, playing fields, and accessory buildings and structures. Certain open land recreation uses or structures may also be required to obtain a special permit as provided in section 205-6, Hawaii Revised Statutes. The following uses or structures are prohibited: airports, heliports, drive-in theaters, country clubs, drag strips, motor sports facilities, golf courses, and golf driving ranges.
    8. Cemeteries, crematories, and mausoleums.
    9. Churches and religious institutions.
    10. Mining and resource extraction.
    11. Landfills.
    12. Solar energy facilities that are greater than fifteen acres.
  - B. Home businesses are permitted when a State special permit, as provided in section 205-6, Hawaii Revised Statutes, is obtained; provided that, the home business shall comply with the provisions of chapter 19.67 of this title, and shall obtain a County special use permit when required by chapter 19.67 of this title.
- (Ord. No. 4315, § 5, 2016; Ord. No. 4315, Ord. No. 4246, § 5, 2015; Ord. No. 4168, § 8, 2014; ord. no. 3941, § 10, 2012; ord. no. 3824, § 3, 2011; ord. 2749 § 3 (part), 1998)

#### 19.30A.070 - Private agricultural parks.

- Private agricultural parks provide for appropriately sized, functionally configured, and affordable agricultural parcels to support diversified agricultural development. Lots created for the purposes of establishing or expanding a private agricultural park shall not be counted in or as part of the number of lots permitted by subsection 19.30A.030.G. Except as otherwise provided in this chapter, the following requirements and standards shall apply for uses, facilities, and structures in areas designated as private agricultural parks:
- A. Individual lot leases or deeds shall provide that the lots is restricted to agricultural purposes;
  - B. Lots within private agricultural parks shall be made available for lease or sale;
  - C. No permanent or temporary dwellings or farm dwellings, including trailers and campers, shall be permitted within a private agricultural park, unless the following requirement are met:
    1. A special use permit, pursuant to section 19.510.070, Maui County Code, has been obtained;
    2. The lot on which the dwelling is located is used principally for agriculture, and the occupant of the dwelling provides security or caretaker services for the private agricultural park;
    3. A maximum of one dwelling per lot;
    4. The private agricultural park shall be subject to a maximum density of one dwelling per twenty-five acres of private agricultural park area; and
    5. The dwelling shall be subject to a maximum developable area of seven hundred square feet.
  - D. A restrictive covenant excluding dwellings that do not meet the criteria of subsection 19.30A.070.C shall be included in the deed of the lot and run with said lot as long as said lot is within the agricultural district. This restriction shall not prohibit the construction of storage sheds, equipment sheds or other structures appropriate to the agricultural activity carried on within the lot;
  - E. Agricultural parks shall not be less than twenty-five acres in size;
  - F. Minimum lot area: five acres;
  - G. Subdivision requirements, as set forth in the following provisions of Title 18, Maui County Code, shall not apply to private agricultural parks and the lots therein:
    1. 18.16.010 to 18.16.180;
    2. 18.16.270 to 18.16.310B;
    3. 18.16.320;
    4. 18.20 to 18.20.090;
    5. 18.20.140; and
    6. 18.28; and
  - H. All requirements set forth herein shall terminate if an area designated as an agricultural park is rezoned to a nonagricultural zoning district.
- (Ord. 2749 § 3 (part), 1998)

**PRELIMINARY REPORT**  
(No Liability Hereunder)

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

-----  
**SCHEDULE A**

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

JERRY LEIDER,  
also known as GERALD J. LEIDER,  
and  
SUSAN T. LEIDER,  
Trustees under that certain unrecorded  
Revocable Living Trust Agreement of  
Jerry Leider,  
also known as  
Gerald J. Leider and  
Susan T. Leider,  
dated May 26, 2016,  
with full powers to sell, mortgage,  
lease or otherwise deal with the land,  
as Fee Owner

This report is dated as of May 13, 2022 at 8:00 a.m.

**Inquiries concerning escrow should be directed to:**  
Escrow Officer - Teri Ferreira; Office: (808) 871-2215  
Email: tferreira@tghawaii.com

**Inquiries concerning this report should be directed to:**  
Title Officer - Carol Armstrong; Office: (808) 533-5811  
Email: carmstrong@tghawaii.com  
Please reference Order No. 7311257107, Escrow No. 7322241832

7311257107

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**SCHEDULE B  
EXCEPTIONS**

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

Tax Key: (2) 1-6-010-005      Area Assessed: 9.549 acres

Tax Classification: CONSERVATION AND NON-OWNER-  
OCCUPIED/RESIDENTIAL

Street Address : 39698 HANA HIGHWAY, HANA, HAWAII 96713

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

2. Mineral and water rights of any nature.

3. Location of the seaward boundary in accordance with the laws of  
the State of Hawaii and shoreline setback line in accordance with  
County regulation and/or ordinance.

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

5. Claims arising out of customary and traditional rights and  
practices, including without limitation those exercised for  
subsistence, cultural, religious, access or gathering purposes,  
as provided for in the Hawaii Constitution or the Hawaii Revised  
Statutes.

6. Claims arising out of the failure to convey the land described  
herein together with an easement over or interest in Roadway  
Lot(s) C.

-Note:- This will be deleted from the policy if such conveyance  
occurs prior to the policy date.

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Page 2

SCHEDULE B CONTINUED

7. MORTGAGE

MORTGAGOR : GERALD J. LEIDER and SUSAN T. LEIDER, husband and wife

MORTGAGEE : CHASE MANHATTAN MORTGAGE CORPORATION, a New Jersey corporation

DATED : December 1, 2004

RECORDED : Document No. 2005-005765

AMOUNT : \$1,000,000.00

THE EFFECTS, IF ANY, OF THE FOLLOWING:

RELEASE OF MORTGAGE

DATED : May 1, 2020

RECORDED : Document No. A-74300400

RE : Confirmation of validity is required

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

9. This transaction may be subject to a FinCEN Geographic Targeting Order issued pursuant to the Bank Secrecy Act. Information necessary to comply with the order must be provided prior to closing. This transaction will not be insured until this information is submitted, reviewed and found to be complete.

END OF SCHEDULE B

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**SCHEDULE C**

All of that certain parcel of land (being portion of the land(s) described in and covered by Grant Number 1902 to Kaumaia, Moo, Kapele, Makahio, Hauhio, Kaiwi, Pimamu, and Kuluai) situate, lying and being at Kukuilua, Kipahulu, Hana, Island and County of Maui, State of Hawaii, being LOT B of "CALLEY SUBDIVISION", and thus bounded and described:

Beginning at pipe on the northwesterly corner of this parcel of land, being also the northeasterly corner of Lot A, on the southerly side of Lot C, the coordinates of said point of beginning referred to Government Survey Triangulation station "Kipahulu Catholic Church" being:

1,718.15 feet

8,379.83 feet

an running by azimuths measured clockwise from true South:

- |             |        |   |
|-------------|--------|---|
| 1. 285° 22' | 4.04   | feet along Lot C and along remainder of Grant 1902 to a pipe; |
| 2. 287° 11' | 470.46 | feet along same to a pipe;                                    |
| 3. 3° 30'   | 305.82 | feet along government land to a pipe;                         |
| 4. 6° 30'   | 236.00 | feet along same to a 1/2" pipe (found);                       |
| 5. 357° 06' | 366.94 | feet along same to a point;                                   |

Thence, along the highwater mark along the shoreline for the next five courses, the direct azimuth and distances being:

- |             |        |                  |
|-------------|--------|------------------|
| 6. 96° 25'  | 170.00 | feet to a point; |
| 7. 156° 20' | 345.00 | feet to a point; |
| 8. 120° 35' | 210.00 | feet to a point; |

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SCHEDULE C CONTINUED

9. 152° 25' 260.00 feet to a point;  
10. 117° 40' 30" 60.00 feet to a point;

Thence, along Lot A, along remainder of Grant 1902, and along the centerline stream, the direct azimuth and distance being:

11. 214° 11' 50" 418.47 feet to the point of beginning and containing an area of 9.549 acres, more or less.

BEING THE PREMISES ACQUIRED BY WARRANTY DEED

GRANTOR : GERALD J. LEIDER, Trustee under that certain unrecorded Revocable Living Trust Agreement of Gerald J. Leider, dated September 1, 2009, and SUSAN T. LEIDER, wife of Gerald J. Leider

GRANTEE : JERRY LEIDER, also known as GERALD J. LEIDER, and SUSAN T. LEIDER, Trustees under that certain unrecorded Revocable Living Trust Agreement of Jerry Leider, also known as Gerald J. Leider, and Susan T. Leider, dated May 26, 2016, with full powers to sell, mortgage, lease or otherwise deal with the land

DATED : August 31, 2016  
RECORDED : Document No. A-61130656

CORRECTION DEED dated May 11, 2017, recorded as Document No. A-63741808; re: to correct Grantor's Name.

END OF SCHEDULE C

BUYER(S) LIEN INFORMATION

1. The Company finds no liens docketed against KIPAHULU OHANA, INC., a Hawaii nonprofit corporation, the proposed purchaser(s).

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#### **GUIDELINES FOR THE ISSUANCE OF INSURANCE**

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
  - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
  - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
  - D. If the transaction involves a construction loan, the following is required:
    - (1) a letter confirming that there is no construction prior to recordation; or
    - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from the Company.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
  - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
  - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from the Company or on our website at [www.tghawaii.com](http://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: 05/20/2022

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.  
(2) 1 6 010 005 0000

CLASS: CONSERVATION & etc AREA ASSESSED: 415,954 SF

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2021

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

BUILDING	\$	111,400
EXEMPTION	\$	0
NET VALUE	\$	111,400
LAND	\$	2,736,900
EXEMPTION	\$	0
NET VALUE	\$	2,736,900
TOTAL NET VALUE	\$	2,848,300

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 02/20/2022

Tax Year	Installment Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2021 2	8,891.49	889.15	275.63		10,056.27	DELINQUENT
2021 1	8,891.49	889.15	853.58		10,634.22	DELINQUENT
2020 2	8,718.50	871.85	1,421.12		11,011.47	DELINQUENT
2020 1	8,718.51	871.85	1,987.82		11,578.18	DELINQUENT

Total Amount Due: 54,917.91

Penalty and Interest Computed to: 02/20/2022

**Note: Property may have prior year delinquent taxes not shown in this report. Refer to the appropriate county real property tax office for current status and payment amounts.**

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.

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

• **STATE LICENSING**

State Certified General Appraiser,  
State of Hawaii, License No. CGA 160, 9/18/1991  
Expiration: December 31, 2023



• **PROFESSIONAL AFFILIATIONS**

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

• **PROFESSIONAL AND COMMUNITY INVOLVEMENT**

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

• **EXPERIENCE AND EDUCATION**

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

*Previously associated with the following:*

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

• **SUCCESSFULLY COMPLETED THE FOLLOWING COURSES:**

International Right of Way Association - Course 431, Problems in the Valuation of Partial Acquisitions,  
Wailuku, Hawaii - 2021  
Appraisal Institute - National Uniform Standards of Professional Appraisal Practice (USPAP)  
2020-2021 Update Course - Honolulu, Hawaii - 2020  
Appraisal Institute "National Uniform Appraisal Standards for Federal Land Acquisitions ("Yellow Book")  
Practical Applications" Honolulu, Hawaii - 2017  
International Right of Way Association - Course 403, Easement Valuation,  
Tucson, Arizona - 2008  
International Right of Way Association - Course 410, Reviewing Appraisals in Eminent Domain,  
Tucson, Arizona - 2008  
International Right of Way Association - Course 401, The Appraisal of Partial Acquisitions  
Fresno, California - 2007  
International Right of Way Association - Course 409, Integrating Appraisal Standards,  
Anaheim, California - 2005  
Appraisal Institute - Course 400, Uniform Standards of Professional Appraisal  
Practice (USPAP), Honolulu, Hawaii - 2003  
Appraisal Institute - Standards of Professional Practice Part C, Honolulu, Hawaii - 1997  
Appraisal Institute - Standards of Professional Practice Part A and Part B,  
Honolulu, Hawaii - 1993  
International Right of Way Association (IRWA) Course 214, Skills of Expert Testimony  
Honolulu, Hawaii - 1988  
Society of Real Estate Appraisers (SREA) Course 102 Examination, "Applied  
Residential Property Valuation", Honolulu, Hawaii - 1982  
Society of Real Estate Appraisers (SREA) "Narrative Demonstration Report" Examination,  
Wailuku, Maui, Hawaii - 1983  
Society of Real Estate Appraisers (SREA) Course 101 Examination,  
"Introduction to Appraising Real Property", Honolulu, Hawaii - 1979

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

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



• **LEGAL**



Qualified as an expert witness:


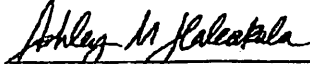
First Circuit Court, Honolulu, Hawaii  
 Second Circuit Court, Maui, Hawaii  
 Third Circuit Court, Hawaii Island, Hawaii  
 U.S. District Court, Honolulu, Hawaii  
 U.S. Bankruptcy Court, Honolulu, Hawaii

Experienced in real estate arbitration assignments in the State of Hawaii

**ACM Consultants, Inc.**  
**State of Hawaii**  
**Appraiser Licenses**  
**Expiration December 31, 2023**

License Number CRA-845	Expiration date 12/31/2023	
STATE OF HAWAII DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS CERTIFIED RESIDENTIAL APPRAISER		
LEN K INOKUMA 2073 WELLS ST #100 WAILUKU, HI 96793		
 SIGNATURE OF LICENSEE		

License Number CGA-150	Expiration date 12/31/2023	
STATE OF HAWAII DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS CERTIFIED GENERAL APPRAISER		
TED K YAMAMURA 2073 WELLS ST STE 100 WAILUKU, HI 96793		
 SIGNATURE OF LICENSEE		

License Number CRA-1118	Expiration date 12/31/2023	
STATE OF HAWAII DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS CERTIFIED RESIDENTIAL APPRAISER		
ASHLEY M HALEAKALA 2073 WELLS ST #100 WAILUKU, HI 96793		
 SIGNATURE OF LICENSEE		

## **Agency Comments**

Utilization of FY23 Open Space Funds by Grant to Kipahulu Ohana  
Land Acquisition at Opelu Point TMK (2) 1-6-010:005 in Kipahulu

<b>Agencies</b>	<b>Status</b>
CoM Department of Planning	Comments attached
CoM Department of Parks and Recreation	Comments Attached
CoM Department of Management	Reviewed, No Comments
CoM Councilmember Sinenci	Comments Attached
TNC Maui, Marine Program	Comments Attached
DLNR- Maui District Manager	No Response
CoM Department of Public Works	No Response

**MICHAEL P. VICTORINO**  
Mayor

**SANANDA K. BAZ**  
Managing Director



COUNTY OF MAUI  
**OFFICE OF THE MAYOR**  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793

August 17, 2022

Ms. Michele Chouteau Mclean, Director  
Department of Planning  
2200 Main Street  
One Main Plaza, Suite 315  
Wailuku, Hawaii, 96793

Aloha Ms. McLean,

**SUBJECT: ACQUISITION AT 'ŌPELU POINT, KĪPAHULU, MAUI**

Pursuant to Chapter 3.88, Maui County Code, relating to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund, the Office of Climate Change, Resiliency, and Sustainability (CCRS) is seeking your comments and recommendations for the acquisition of Tax Map Key (2) 1-6-010:005 in Kīpahulu, Maui.

The Non-profit Kīpahulu Ohana has applied for a grant from the County of Maui to acquire the said lands which will be placed in a perpetual conservation easement with the Hawaiian Islands Land Trust. Funds are appropriated in the Fiscal Year 2023 Budget in Special Purpose Revenues, I (3). A copy of page 55 of the Budget Ordinance is attached for your reference.

May I please request that you review the attached proposal for satisfaction of the following criteria:

- The proposal demonstrates that areas within the subject property with significant conservation, recreation, ecological, historical, cultural, or aesthetic values, or that are threatened by conversion from their natural or recreational state to other uses, will be protected;
- The proposal demonstrates that areas within the subject property with significant ecological value can be effectively managed and protected; and
- The proposal directly advances the objectives and policies set forth in the County's community plan for the particular region the subject property is located in.

Ms. Michele Chouteau McLean  
August 17, 2022  
Page 2

Please submit your comments and recommendations to [allison.r.cleghorn@co.maui.hi.us](mailto:allison.r.cleghorn@co.maui.hi.us) by August 24, 2022. Should you have any questions, please contact me at (808) 270-8250.

Thank you for your immediate attention on this time-sensitive matter.

Sincerely,



Allison Cleghorn  
Environmental Coordinator  
County of Maui

cc: Mayor Michael P. Victorino  
Keola Whittaker, Deputy Corporation Counsel

Acknowledgement from agency

☐ No comments at this time

☒ Comments attached



8/17/22

Signature

Date

Ms. Michele Chouteau McLean, Planning



### **Department of Planning Comments**

Here are some general comments and info:

The makai boundary of the property, ranging from approximately 150 to 325 feet landward from the shoreline, is situated in the State Conservation District and is therefore not subject to County land use regulations (though our digital zoning map shows it as Interim zoned; see pink below). The dwelling appears to be situated in this area, and so any changes to its use or construction would have to be reviewed by State DLNR-OCCL, as would any proposed uses in the Conservation District.



The remainder of the property is zoned Agriculture District (see green above) and is in the State Agricultural District. The relevant uses allowed by the Ag zoning district include agriculture and ag land conservation; animal and livestock raising; and retention and restoration of sites or cultural landscapes of archaeological or historic significance. If those uses are being conducted, then accessory uses are allowed; those include open land recreation, which includes hiking, noncommercial camping, fishing, hunting, and guided tours of principal uses. That means that the proposed use of the parcel would have to include only these uses (or other uses allowed by the district, but I listed the applicable ones), or else special permits would be needed. It appears that the activities in the proposal would be allowed by the Ag Districts, and would need to be confirmed with DLNR-OCCL for the Conservation District.

The entire property is situated in the Special Management Area, so any proposed development would be subject to SMA review.

**Regarding the three criteria noted in your letter:**

- **The proposal appears to demonstrate that conservation, historical, cultural and aesthetic values will be protected.**
- **The proposal appears to demonstrate that these areas can be managed and protected; we are not familiar enough with the past work of the Kipahulu Ohana to comment more.**
- **The property is situated in the Hana Community Plan region. The Hana CP includes several applicable objectives, policies and actions:**
  - **Protect, preserve and increase the Hana region's natural marine, coastal and inland resources, encouraging comprehensive resource management programs.**
  - **Recognize residents' traditional uses of the region's natural resources which balance environmental protection and self-sufficiency.**
  - **Encourage and protect traditional mauka and makai accesses for traditional cultural uses and practices.**

**Again, thank you for your outreach. Please let me know if you have any questions or need additional information.**

MICHAEL P. VICTORINO  
Mayor

KARLA H. PETERS  
Director

SAMUAL A. MARVEL  
Deputy Director



**DEPARTMENT OF PARKS AND RECREATION**

700 Hali'a Nakoa Street, Unit 2, Wailuku, Hawai'i 96793  
Main Line (808) 270-7230 / Facsimile (808) 270-7942

August 22, 2022

Allison Cleghorn, Environmental Coordinator  
County of Maui  
Office of the Mayor  
200 High Street  
Wailuku, Maui, HI 96793

Dear Ms. Cleghorn:

**SUBJECT: ACQUISITION AT 'ŌPELU POINT**

Thank you for the opportunity to review the grant application. We have reviewed the grant application and support the grant request. The proposal appears to meet the three criteria listed in your letter of August 17, 2022. Our comments about how the proposal meet the criteria are described below.

- A. *The proposal demonstrates that areas within the subject property with significant conservation, recreation, ecological, historical, cultural, or aesthetic values, or that are threatened by conversion from their natural or recreational state to other uses will be protected.* The site appears to be an important access location for customary subsistence fishing and have excellent educational and observational value. The site also has potential for agriculture and native coastal plant restoration. Acquisition is also important to avoid future development, given the interest of prospective buyers. Additionally, the property will serve a crucial role in the overall management of the Kīpahulu nearshore resources to ensure healthy fisheries.
- B. *The proposal demonstrates that areas within the subject property with significant ecological value can be effectively managed and protected.* The proposal describes an overall strategy to develop a long-term management plan, which will be critical in protecting the site's environmental resources and its value to local residents for customary subsistence fishing. The properties will be managed under

the auspices of the Hawaiian Islands Land Trust, an organization with a record of responsible land stewardship. The site will be co-managed in collaboration with the state's Division of Aquatic Resources (DAR) through a Makai Watch program and the applicant is in the process of seeking designation of the Kīpahulu Moku as a Community-Based Subsistence Fishing Area (CBSFA) through DAR. Additionally, the applicant will work with the Natural Resource Conservation Service to develop a Conservation Plan for the land to ensure appropriate agricultural usage and avoid erosion.

- C. *The proposal directly advances the objectives and policies set forth in the County's community plan for the particular region the subject property is located in.* The Hana Community Plan (1994) includes several policies that will be implemented by the grant proposal. These policies include:

#### **Environment**

**Goal:** Protection and management of Hana's land, water and ocean resources to ensure that future generations can enjoy the region's exceptional environmental qualities.

#### **Objectives and Policies:**

1. Protect, preserve and increase the Hana region's natural marine, coastal and inland resources, encouraging comprehensive resource management programs.
2. Recognize residents' traditional uses of the region's natural resources which balance environmental protection and self-sufficiency.
3. Manage, protect, and where appropriate, restore areas which have significant indigenous flora and fauna habitat resource value.
4. Discourage water or land development and activities which threaten the biological diversity of the Hana region and degrade the existing quality of the region's (1) air and noise character, (2) marine, surface and ground water and (3) scenic resources and vistas.
6. Encourage resource management programs that maintain and re-establish indigenous and endemic flora and fauna in the Hana region.

#### **Cultural Resources**

**Goal:** Identification, preservation, protection, and where appropriate, restoration of significant cultural resources and practices that provide a sense of history and identity for the Hana region.

**Objectives and Policies:**

1. Identify, preserve and protect historically, archaeologically and culturally significant areas, sites, and features within the Hana District.
2. Acknowledge and respect family ancestral ties to cultural resources.
3. Encourage community stewardship of historic sites and provide for the curation of artifacts in the Hana region.
4. Promote the cultural resources of the Hana region as an identifying characteristic of the people and the place.
6. Encourage and protect traditional mauka and makai accesses for traditional cultural uses and practices.
7. Promote development of educational and cultural programs which emphasize the perpetuation of Hawaiian and other ethnic arts, crafts and practices.

**Economic Activity**

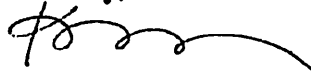
**Goal:** A balanced local economy which provides long-term viability and sustainability while meeting residents' needs and respecting the cultural and natural resources of Hana.

**Objectives and Policies:**

4. Protect traditional mauka and makai access for subsistence activities that supplement family food sources.

For these reasons, the department supports the grant request. If you have any questions, you can contact me or David Yamashita, Planner VI at 270-6508.

Sincerely,



**KARLA H. PETERS**  
Director of Parks and Recreation

KHP:DY:jm



**MICHAEL P. VICTORINO**  
Mayor

**SANANDA K. BAZ**  
Managing Director



COUNTY OF MAUI  
**OFFICE OF THE MAYOR**  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793

August 17, 2022

Mr. Sandy Baz, Director  
Department of Management  
200 South High Street  
Wailuku, Hawaii, 96793

Aloha Mr. Baz,

**SUBJECT: ACQUISITION AT 'ŌPELU POINT, KĪPAHULU, MAUI**

Pursuant to Chapter 3.88, Maui County Code, relating to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund, the Office of Climate Change, Resiliency, and Sustainability (CCRS) is seeking your comments and recommendations for the acquisition of Tax Map Key (2) 1-6-010:005 in Kīpahulu, Maui.

The Non-profit Kīpahulu Ohana has applied for a grant from the County of Maui to acquire the said lands which will be placed in a perpetual conservation easement with the Hawaiian Islands Land Trust. Funds are appropriated in the Fiscal Year 2023 Budget in Special Purpose Revenues, I (3). A copy of page 55 of the Budget Ordinance is attached for your reference.

May I please request that you review the attached proposal for satisfaction of the following criteria:

- The proposal demonstrates that areas within the subject property with significant conservation, recreation, ecological, historical, cultural, or aesthetic values, or that are threatened by conversion from their natural or recreational state to other uses, will be protected;
- The proposal demonstrates that areas within the subject property with significant ecological value can be effectively managed and protected; and
- The proposal directly advances the objectives and policies set forth in the County's community plan for the particular region the subject property is located in.

Mr. Sandy Baz  
August 17, 2022  
Page 2

Please submit your comments and recommendations to [allison.r.cleghorn@co.maui.hi.us](mailto:allison.r.cleghorn@co.maui.hi.us) by August 24, 2022. Should you have any questions, please contact me at (808) 270-8250.

Thank you for your immediate attention on this time-sensitive matter.

Sincerely,




Allison Cleghorn  
Environmental Coordinator  
County of Maui

cc: Mayor Michael P. Victorino  
Keola Whittaker, Deputy Corporation Counsel

Acknowledgement from agency

☒ No comments at this time

☐ Comments attached

 8/24/22  
Signature Date  
Mr. Sandy Baz, Department of Management



**To: Allison Cleghorn**

**Date: August 22, 2022**

**Per your request for comments regarding the purchase of the Opelu Point property in Kipahulu**

**Councilmember Sinenci is supportive of acquiring the Opelu Point property in Kipahulu. The Kipahulu 'Ohana's plan for resource preservation is thorough and in alignment with necessary resource management and preservation standards as well as educational opportunities for students and residents of Maui County. It is also in line with continued conservation efforts at Na Mamo O Mu'olea, Ke Ao Hali'i and Kipahulu 'Ohana in placing important coastline areas under conservation protection.**

**We appreciate the support of the Mayor in these endeavors for our East Maui community.**

**Mahalo,**

A handwritten signature in black ink, appearing to read "Shane M. Sinenci", written in a cursive style.

**Shane M. Sinenci, Councilmember  
East Maui District**

Allison Cleghorn  
Environmental Coordinator  
Office of Climate Change, Resiliency, and Sustainability (CCRS)  
County of Maui  
Office of the Mayor  
200 South High Street  
Wailuku, Maui, Hawai'i 96793

August 31, 2022

Re: Letter of support for the acquisition at 'Opelu Point, Kīpahulu, Maui, Tax Map Key (2) 1-6-010:005

Dear Office of The Mayor,

The Nature Conservancy would like to express our support for the application of Kīpahulu 'Ohana for the acquisition of the Kīpahulu TMK parcels mentioned above.

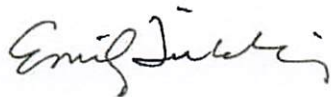
The Conservancy has been supporting community-based management in East Maui for the past 15 years, through science, policy, communications and planning to achieve effective management of marine resources in the context of traditional and customary practices.

We are a founding kāko'o (supporting) member of the Maui Nui Makai Network ([mauinui.net](http://mauinui.net)), and through the Network we have had the opportunity to work closely with Kīpahulu 'Ohana in makai management programs since 2008. These have included community-based 'opihi monitoring, a fishing and human use survey, reef and reef fish surveys, community action planning, and a proposal for community-based subsistence fishing area designation with stakeholders in their community and the State Division of Aquatic Resources.

Protection of this property will maintain its scenic views, open space, and cultural and natural resource values and lifestyle consistent with the Hāna Community Plan. Kīpahulu 'Ohana is well positioned for long-term land stewardship in the public interest, demonstrated through their State land leases and stewardship in Haleakala National Park.

Without hesitation and further comment, we support and recommend Kīpahulu 'Ohana's application for funding to acquire and protect the 'Opelu Point parcel in perpetuity.

Sincerely,



Emily J. Fielding  
Maui Marine Program Director

BOARD OF TRUSTEES

Duke E. Ah Moo Paul D. Alston (Chair) Kris Billeter Dr. C. Tana Burkert Anne S. Carter Richard A. Cooke III Ka'iulani de Silva  
Dave Eadie Matt Emerson Hon. Judith Epstein Dr. Alan M. Friedlander Benjy Garfinkle Sean A. Hehir Brett MacNaughton  
Kathy M. Matsui Janet Montag Alicia Moy Bradley E. Smith Julie Smolinski Peter K. Tomozawa Richard N. Zwern

*Ihupani Advisory Council:* Christopher J. Benjamin Kenton T. Eldridge Eiichiro Kuwana Duncan MacNaughton Jean E. Rolles Crystal K. Rose  
*Founders:* Samuel A. Cooke Herbert C. Cornuelle

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

**EXHIBIT "3"**

**ACQUISITION OF OPELU POINT IN THE AHUPUA'A OF KUKUIULA  
IN THE DISTRICT OF KIPAHULU, MAUI, IDENTIFIED AS TMK:  
(2)1-6-010:005**

Source of Funds: 101400  
Open Space, Natural Resources,  
Cultural Resources, and Scenic Views  
Preservation Fund

Certification Requested from County: \$2,500,000.00

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between KIPAHULU OHANA, INC., a Hawai'i nonprofit corporation, whose mailing address is P.O. Box 454, Hana, Hawai'i 96713, hereinafter called "Grantee", and the COUNTY OF MAUI, a political subdivision of the State of Hawai'i, whose principal place of business is 200 South High Street, Wailuku, Maui, Hawai'i 96793, hereinafter called "County", collectively referred to as the "Parties".

W I T N E S S E T H:

WHEREAS, the County desires to support and encourage Grantee's proposal, as more fully described in Exhibit "B", attached hereto and made a part hereof (hereinafter, "Program"); and

WHEREAS, the County has reviewed the Grantee's application for a grant of County funds in furtherance of this goal, and finds the application complies with the requirements set forth in Chapter 3.88, Maui County Code, as amended, ("MCC"); and

WHEREAS, the Maui County Council appropriated funds from the Open Space Fund for the purpose of acquiring the parcel of property described in Exhibit "C" for land conservation purposes as set forth in Chapter 3.88, MCC; and

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KIPAHULU OHANA, INC.  
GRANT NO. G5808

NOW, THEREFORE, the Parties, in consideration of the mutual promises hereinafter set forth, hereby agree as follows:

A. General Conditions. In consideration of a grant of County funds, the Grantee shall agree to and complete its Program in accordance with the General Terms and Conditions, attached hereto as Exhibit "A" and made a part hereof.

B. Scope of Program. Grantee shall complete its Program in accordance with Exhibit "B", attached hereto and made a part herein.

C. Property Description. The real property to be acquired with this grant is described on page 2 of Exhibit "B".

D. Program Budget. The County agrees to make available as a grant to the Grantee, a sum not to exceed TWO MILLION FIVE HUNDRED AND NO/100 DOLLARS (\$2,500,000.00) in grant funds. Grantee shall utilize all County funds granted hereunder solely for Grantee's Program as described in Exhibit "B". The County shall review and approve the following prior to any grant funds being released:

1. All documentation related to other funding sources for the Program;
2. Final Budget (sources and uses) for the Program; and
3. Other items as deemed necessary by the County of Maui.

E. Performance Schedule. The duration of this Agreement shall begin on the County's Notice to Proceed and end June 30, 2023, provided that the Parties may extend the term by written agreement.

F. Special Conditions. The following special conditions

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KIPAHULU OHANA, INC.  
GRANT NO. G5808

shall apply and the Grantee shall agree to and complete its Program in accordance with these Special Conditions. In the event that a Special Condition conflicts with any General Term and Condition, the Special Conditions shall control.

**Special Condition 1)** Compliance with MCC Section 3.88.070A is required. Specifically:

- a) Title to or other interest in the subject property acquired by grantee with funds wholly or partially provided under Chapter 3.88, Maui County Code, shall be held in perpetuity by grantee unless conveyed to the County of Maui or another qualified land conservation organization or agency approved by the County Council.
- b) The grantee shall submit to the mayor or the mayor's designee annual reports for the first three years documenting progress toward implementation of the long-term management plan and compliance with terms and conditions of this grant. Each report shall be incorporated into the director of finance's next quarterly report to the council. Subsequent annual reports will be provided to the County as specified in the perpetual conservation easement.
- c) In the event that the grantee dissolves, title to or other interest in the subject property shall be conveyed to the County of Maui or to another qualified land conservation organization or agency approved by the County Council.



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KIPAHULU OHANA, INC.  
GRANT NO. G5808

- d) Pursuant to section 3.88.070(B), Maui County Code, the grantee shall convey to the County of Maui at closing a perpetual conservation easement, if the grantee receives fee simple title to the property.
- e) The subject property shall not be sold, exchanged, divested, or converted to other uses that are inconsistent with the purposes as set forth in the conservation easement without the prior approval of the County Council by resolution.
- f) The grantee shall not mortgage, hypothecate, or pledge the subject property or any portion thereof without the prior approval of the County Council by resolution.

**Special Condition 2)** Compliance with MCC Section 3.88.070B. is required. Specifically:

- a) If Grantee, as the land conservation organization, receives fee simple title to the property, the land conservation organization shall convey to the County, at closing, a perpetual conservation easement, subject to council approval pursuant to chapter 3.44 of this code, as amended. The easement shall contain, among other things, restrictive covenants in substantially the following form:
  - 1) This property has been acquired by KIPAHULU OHANA, INC. with funds from the Maui County open space, natural resources, cultural resources, and scenic

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

views preservation fund. Upon dissolution of KIPAHULU OHANA, INC., title to or interest in this property shall be conveyed to the County of Maui or to another qualified land conservation organization or agency approved by the Maui County Council;

2) The general public shall be allowed reasonable access to this property, provided that access may be limited or controlled for cultural and environmental resource protection and public safety; and

3) This property shall be managed for land conservation purposes only and shall not be converted to other uses except as approved by the Maui County Council at such time as the potential conversions may be contemplated.

**Special Condition 3)** Compliance with MCC Section 3.88.070C is required. Specifically:

a) The escrow company used to complete the closing of the subject property shall provide the mayor or the mayor's designee with copies of the closing documents, including a copy of the recorded deed, within sixty days of recordation of the deed. The escrow company shall be instructed that the conservation easement shall be recorded before, or at the time of, closing.

G. Conflict. In the event of any conflict between or among this Agreement and other documents that are attached hereto or incorporated herein by reference or both, the terms of this Agreement shall control first, the County's General Conditions

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

second, other documents prepared by the County third, and documents prepared or submitted, or both, by the Grantee last.

H. Notices. Any written notice required to be given by a party to this Agreement shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice required to be given to the County shall be sent to:

Office of the Mayor	with a copy to:
County of Maui	Environmental
200 S. High St.	Coordinator
Kalana O Maui Bldg 9th	County of Maui
Fl.	200 S. High St.
Wailuku, HI 96793	Kalana O Maui Bldg 9th
	Fl.
	Wailuku, HI 96793

Notice to the Grantee shall be sent to the Grantee's address as indicated in this Agreement. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The Grantee is responsible for notifying the County in writing of any change of address.

I. Officer-in-Charge. The Mayor of the County of Maui, or an authorized representative, shall be the Officer-in-Charge for all matters related to this Agreement, and shall have the right to oversee the successful completion of Grantee's obligations, including monitoring, coordinating and assessing Grantee's performance and approving completed work/services with verification of same for Grantee's invoices or requests for payment. The Officer-in-Charge also serves as the point of contact for the Grantee from award to Program completion.

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

J. Entire Agreement. This Agreement and the exhibits and attachments hereto set forth all of the covenants, provisions, agreements, conditions, and understandings between the Parties and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between the Parties other than herein set forth.

K. Severability. If any provision of this Agreement is held invalid, the other provisions of this Agreement shall not be affected thereby. If the application of the Agreement or any of its provisions, to any person or circumstance is held invalid, the application of the Agreement and its provisions to other persons or circumstances shall not be affected thereby.

L. Amendments. This Agreement shall not be amended, modified or otherwise changed in any respect except by a writing duly executed by authorized representatives of the Parties.

M. Counterparts and Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument. The Parties agree that they may utilize and shall be bound by their electronic signatures, pursuant to Chapter 489E, Hawaii Revised Statutes.

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

IN WITNESS WHEREOF, the Parties hereto have executed this  
Agreement on the day, month and year first above written.

**SIGNATURE PAGES TO FOLLOW**

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**



GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

GRANTEE:  
KIPAHULU OHANA INC.

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Its \_\_\_\_\_  
(Title)

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Its \_\_\_\_\_  
(Title)

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

COUNTY OF MAUI:

BY \_\_\_\_\_  
MICHAEL P. VICTORINO  
Its Mayor

APPROVAL RECOMMENDED:

\_\_\_\_\_  
TYSON K. MIYAKE  
Chief of Staff

\_\_\_\_\_  
MICHELE M. YOSHIMURA  
Budget Director

APPROVED AS TO FORM  
AND LEGALITY:

\_\_\_\_\_  
KEOLA R. WHITTAKER  
Deputy Corporation Counsel

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

**EXHIBIT "A"**  
**GENERAL TERMS AND CONDITIONS**

In consideration of the grant of County funds, Grantee covenants and agrees to the following terms and conditions in the use and administration of County funds. In the event the following conditions conflict with any term, provision, condition and/or covenant contained in the body of the Agreement and any subsequent amendments, the terms, provisions, conditions and/or covenants contained in said body shall prevail.

- 1) **RECORD KEEPING.** Grantee shall keep records and prepare reports, including detailed, separate financial records relating to all grant funds received from the County. All accounts shall be prepared and maintained according to generally accepted accounting principles and as otherwise provided by law to ensure the effective administration of the grant. Grantee shall maintain such accounts and documents in a manner as to permit an expeditious determination to be made at any time of the status of funds within the award, including any disposition of all funds received from County and the nature and amount of all charges claimed to be against such funds. To facilitate the auditing process, Grantee's general ledger shall be organized to reflect the separation of County grant funds and expenses from other funds of the Grantee. Grantee shall maintain in its files, at all times, documentation certifying that the work described in any invoices, executed contracts or reimbursement requests submitted to the County are complete, correct, and in accordance with the terms of this Agreement. Grantee and any subcontractors shall maintain the files, books, and records that relate to the Grant, for at least three years after the date of final payment under the Grant.
- 2) **QUARTERLY REPORTS.** Grantee shall provide County with written, narrative, quarterly status reports within thirty (30) calendar days of the end of each report quarter (excluding the final quarter). These reports shall contain the following information:
  - a. Summary of program status in relation to goals, objectives and scheduled actions steps outlined in the grant application;
  - b. Contact information and all other relevant information regarding people or businesses served;
  - c. Financial status of County funds used; and
  - d. If appropriate, a report regarding progress towards meeting performance standards and economic self-sufficiency.
- 3) **FINAL REPORT.** Within 30 (thirty) days of the expiration of the Performance Schedule or completion of the Program, or termination of the Agreement, whichever is sooner, Grantee shall submit to County a final program report, in a form satisfactory to the County agency administering this grant. This report shall document Grantee's efforts toward meeting the requirements of this Agreement, and contain the following:
  - a. An inventory of all equipment costing \$250.00 or more acquired with funds provided under this Agreement;
  - b. A list of expenditures incurred in the performance of this Agreement;
  - c. A summary of program status in relation to goals, objectives, and scheduled action steps outlined in the grant application;
  - d. Contact information and all other relevant information regarding people or businesses served;
  - e. Financial status report of County funds used; and
  - f. If appropriate, a narrative report regarding progress towards meeting performance standards and economic self-sufficiency.
- 4) **FINANCIAL AUDITS.** Grantee shall supply County with a copy of its annual financial statements that shall be prepared by a Certified Public Accountant. Grantee shall allow County to audit Grantee's records, report books, and other financial records upon request of County to determine compliance with the terms of this Agreement. Grantee shall cooperate fully and assist County in such an audit.
- 5) **NONPROFIT STATUS.** If Grantee is a nonprofit organization, Grantee shall establish and be governed by

GRANT OF COUNTY FUNDS  
KIPAHULU OHANA, INC.  
GRANT NO. G5808

bylaws or policies that shall include provisions relating to nepotism and management of potential conflict of interest situations, as required by Section 3.36.040(c), Maui County Code.

- 6) **INSURANCE**. During the term of this Agreement, Grantee shall maintain at all times or cause to be maintained commercial general liability insurance coverage for Grantee and its employees. The insurance policies shall be issued by a company or companies authorized to do business in Hawaii and approved by the County, with combined single limits of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence and TWO MILLION DOLLARS (\$2,000,000) in the aggregate for, or such greater amount as may be required from time to time by the County. The insurance policies shall provide for "NO EROSION OF LIMIT BY PAYMENT OF DEFENSE COSTS." Grantee shall provide County not less than thirty (30) days' notice prior to any cancellation or material change or reduction in coverage. No such material change or reduction may be made without approval from the County. The County shall be listed as an additional insured on all policies. Prior to the commencement of this Agreement, Grantee shall provide the County with a certificate of insurance. Thereafter, prior to the expiration of each policy period, Grantee shall provide the County with certificates of insurance evidencing the foregoing coverage and provisions. The County reserves the right to request and receive a copy of the policies. Grantee shall also carry workers' compensation insurance for Grantee's employees in the amounts required by applicable law. Failure to maintain the necessary insurance in accordance with the provisions set forth herein shall constitute a material breach of this Agreement and the County shall thereafter have the options of pursuing remedies for such breach and/or immediate termination of this Agreement.

**Other Insurance Provisions**. For any claims related to this Agreement, Grantee's insurance coverage shall be primary insurance as respects County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, and volunteers shall be excess of Grantee's insurance and shall not contribute with it. The submission of insurance documentation to and acceptance by County that does not meet the requirements herein shall not be considered a waiver of Grantee's obligations or County's rights under the terms of this Agreement.

- 7) **INDEMNIFICATION**. To the extent permitted by law, Grantee shall indemnify, defend, release, and hold harmless the County, its officers, agents, and employees from and against any and all manner of action and claim arising, either directly or indirectly, out of or resulting from the errors, omissions, or acts of Grantee, its officers, its employees, or its agents occurring during, or in connection with, the performance of the Grantee's services under this Agreement. The Grantee's obligations under this section shall survive and shall continue to be binding upon Grantee notwithstanding the expiration, termination or surrender of this Agreement.
- 8) **SUBCONTRACTS**. The Grantee shall not procure or subcontract any part of the services under this Agreement without the prior written consent of the County. All subcontracts entered into by the Grantee shall be in writing.
- 9) **EMPLOYEE COMPENSATION**. Grantee shall not compensate its employees more than the wages then prevailing in the State of Hawaii for employees with similar skills and abilities. Grantee shall not pay any commissions, bonuses or similar to its employees.
- 10) **COUNTY RECOGNITION**. Grantee shall give the County and State of Hawaii, if applicable, appropriate recognition in all grant-funded programs and printed materials. All such printed materials must be approved by the County prior to printing and/or use.
- 11) **GRANTEE COMPLIANCE**. Grantee shall strictly comply with its articles of incorporation and/or bylaws and all relevant County, State and Federal rules and regulations concerning Grantee's policies and operations.
- 12) **NO DISCRIMINATION**. Grantee shall not discriminate in the hiring of staff, compensation, terms or conditions of employment of individuals, use of volunteers, or delivery of client services on the basis of sex,

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KIPAHULU OHANA, INC.  
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sexual orientation, national origin, age, race, color, religion or disability. Grantee shall comply with all applicable Federal and State laws prohibiting discrimination.

- 13) **MODIFICATION OF AGREEMENT.** Any modification, alteration or change to this Agreement, including, but not limited to, modification of the services to be performed, modification of the scope of services to be performed, extension of time of performance, or changes to the approved budget, shall be made by written supplemental Agreements executed by the County and Grantee.
- 14) **DEFAULT, SUSPENSION, OR TERMINATION OF AGREEMENT.** Grantee shall be deemed to be in default of the Agreement if:
- a. Any of Grantee's representations or warranties made to the County with respect to this Grant shall have been false in any material aspect when made;
  - b. Grantee fails to faithfully and timely perform any of the promises, terms, or conditions of this Agreement;
  - c. Grantee abandons or discontinues its operations for a period in excess of thirty (30) days; or
  - d. Grantee (i) files a petition in bankruptcy, reorganization, or similar proceedings under the bankruptcy laws of the United States, (ii) has filed against it a petition in bankruptcy, reorganization, or similar proceedings under the bankruptcy laws of the United States which petition is not dismissed within sixty (60) Days, (iii) is adjudicated bankrupt under the bankruptcy laws of the United States, (iv) has a receiver, permanent or temporary, appointed for it by a court of competent jurisdiction, (v) requests the appointment of a receiver; (vi) makes a general assignment for the benefit of creditors, (vii) has its bank accounts, property or receivables attached and such attachment proceedings are not dismissed within sixty (60) Days, or (viii) is dissolved or liquidated.

Should the default or noncompliance continue for thirty (30) days after written notice thereof is delivered to Grantee or mailed to its last known address, County may, at its sole discretion:

- a. Suspend or terminate, wholly or partially, this Agreement by giving written notice to the Grantee of such suspension or termination;
- b. Withhold grant fund payments pending correction of the noncompliance;
- c. Disallow all or part of the cost/expense of the activity or action not in compliance;
- d. Withhold additional award(s) to Grantee; and
- e. Terminate this Agreement without service or notice or legal process and without prejudice to any other remedy or right of action for breach of contract.

Further, the County may suspend or terminate this Agreement without cause by giving written notice to the Grantee thirty (30) calendar days before the effective date of such suspension or termination. Upon termination of this Agreement, all finished or unfinished documents, data, studies, and reports purchased or prepared by the Grantee pursuant to this Agreement shall be transferred to the County.

- 15) **COSTS INCURRED DUE TO SUSPENSION OR TERMINATION.** The County shall not reimburse the Grantee for any costs incurred by the Grantee during suspension or after termination of this Agreement unless the County authorizes such costs in the Notice of Suspension or Termination issued to the Grantee.
- 16) **WITHHOLDING OF PAYMENTS.** County may withhold any and all payments to Grantee if the costs set forth in a reimbursement request are, in the County's determination, unreasonable, or if Grantee fails to comply with the terms of this Agreement in any manner whatsoever.
- 17) **PROSELYTIZATION PROHIBITED.** Grant funds shall not be used to recruit or convert a person to a new faith, institution, or cause.

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18) **ENTERTAINMENT OR PERQUISITES PROHIBITED.** Grantee shall not use any grant funds for purposes of entertainment or perquisites. For purposes of this Agreement, "perquisites" means a privilege provided or service rendered by Grantee to an employee, officer, director, or member of Grantee to reduce that individual's personal expenses.

19) **LOBBYING PROHIBITED.** Grantee shall not use grant funds for lobbying purposes or activities.

20) **REVERSION OF ASSETS.** The Grantee is prohibited from disposing any real or personal property acquired with County funds received under this Agreement, without first receiving prior written consent of the County. Should the Grantee cease to use any real or personal property acquired with County funds for the purposes described in this Agreement, the Grantee shall either:

- a. Pay the County the current fair market value of the asset; or
- b. Transfer control of the asset to the County.

Unless instructed otherwise by the County in writing, within thirty (30) days of the expiration or termination of this Agreement, the Grantee shall transfer to the County:

- a. Any County funds on hand at the time of expiration or termination of this Agreement;
- b. Any account receivables attributed to the use of County funds; and
- c. Any real and/or personal property acquired or improved in whole or in part with County funds.

21) **PRODUCTION OF INFORMATION.** If applicable, Grantee shall comply with all requests of the State of Hawaii for information and reports regarding the program and Grantee's operations.

22) **COMPLIANCE WITH LAWS.** Grantee shall comply with all applicable Federal, State and County laws, rules, regulations, licensing requirements, applicable accreditation and other standards of quality generally accepted in the field of Grantee's activities.

23) **METHOD OF PAYMENT.** Disbursements shall be made in accordance with the purposes of the Grant, at the sole discretion of the Officer-in-Charge.

a. **REIMBURSEMENT.** Grantee shall submit on its company/agency's letterhead written reimbursement requests to the County for payment of grant funds. Payment shall be made as work is performed and the required invoices, billing statements, or other documents are submitted. Each reimbursement request shall:

1. Identify the Program, the nature of the work or materials provided, and the specific Phase of the Program for which the work or materials were provided;
2. Be signed by an authorized representative of Grantee as to its accuracy and verified by a designated County official;
3. Include a certification by Grantee that the work for which payment is requested was performed in accordance with the terms of this Agreement;
4. Include copies of receipts, canceled checks, certified payroll records for the applicable time period or phase for which payment is requested, vendor Agreements, and/or other documents providing verification of work completed in accordance with this Agreement; and
5. Be presented in duplicate, with two (2) complete sets of all items submitted.

The County will reserve 10% of the grant award as a final payment. Final payment on this Agreement shall be available upon completion of Grantee's program, receipt by County of a final report which County finds to be acceptable, and if applicable receipt of a certified copy of a State of Hawaii Tax Clearance Certificate for the Grantee validated by the State of Hawaii Department of Taxation and the Internal Revenue Service or other forms of documentation that meet the requirements of County policy and are deemed acceptable by County.



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**b. ADVANCED DISBURSEMENT.** At the discretion of the Officer-in-Charge, advance disbursement of twenty-five (25) percent or more of grant funds may be issued to Grantee. Such advanced disbursements must be directly related to the Program, and Grantee shall submit on its company/agency's letterhead written documentation to the County for expenditure of such funds, in accordance with subsection (a), above, within 30 days of such advance disbursement(s).

If advance disbursement totals less than ninety (90) percent of the total grant funds, the County will reserve 10% of the grant award as a final payment. Final payment on this Agreement shall be available upon completion of Grantee's program, receipt by County of a final report which County finds to be acceptable, and if applicable receipt of a certified copy of a State of Hawaii Tax Clearance Certificate for the Grantee validated by the State of Hawaii Department of Taxation and the Internal Revenue Service or other forms of documentation that meet the requirements of County policy and are deemed acceptable by County.

Grantee shall maintain in its files, at all times, documentation verifying that work described in any contract, bill, invoice, purchase order, or request for payment sent to the County is correct, complete, and in accordance with the terms of this Agreement. Initial and final payment under this Agreement shall be subject to receipt by the County or original tax clearance certificates for the Grantee from the State of Hawaii.

**24) PROGRAM INCOME.** "Program Income" means gross income received by Grantee generated from the use of County funds. In no event shall any of the income, earnings, or assets of the Program, including any and all grant funds, surplus funds, or Program Income as described herein, be distributed by Grantee to, or for the benefit of, its corporate directors, officers, members, employees, or consultants. Discretionary use of Program Income by Grantee is strictly prohibited.

**25) PROCUREMENT.** If Grantee contracts for the design and/or construction of any structure, defined for purposes hereof as any construction involving a load-bearing wall, Grantee shall comply with the Hawaii Public Procurement Code, Chapter 103D, Hawaii Revised Statutes, any County procurement policies for the procurement of contracts for design and/or construction of any structures as defined herein. Grantee shall ensure that all procurement transactions for construction of non-structures, as defined herein, and all procurement transactions for goods and services are conducted in a manner to provide, to the maximum extent possible, open and free competition.

**26) INSPECTIONS AND MONITORING.** Grantee shall permit the County or its duly authorized agent free access to any and all Grantee programs, facilities, event or activities without advance formal notification or appointment when such access is for the express purpose of monitoring, investigation, researching or formulating programs, services or related policies and procedures or when County is otherwise in the pursuit of any official business relative to any aspect of this Agreement.

**27) PERSONNEL REQUIREMENTS.**

- a. The Grantee shall secure, at the Grantee's own expense, all personnel required to perform this Agreement.
- b. The Grantee shall ensure that the Grantee's employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Agreement, and that all applicable licensing and operating requirements imposed or required under Federal, State or County law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

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- c. The Grantee and the Grantee's employees and agents are not by reason of this Agreement, agents or employees of the County for any purpose, and the Grantee and the Grantee's employees and agents shall not be entitled to claim or receive from the County any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to the County employees.

**28) COUNTERPARTS.** This Agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. Such executions may be transmitted to the parties by facsimile or electronically and such facsimile or electronic execution and transmission shall have the full force and effect of an original signature. All fully executed counterparts, whether original executions or facsimile or electronic executions or a combination thereof shall be construed together and shall constitute one and the same Agreement.

**In the event Grantee fails to adhere to any of the conditions of this Grant, including the general and special conditions (if any), County may withdraw any part or all of the grant at the County's sole discretion and without advance notice. Grantee shall be held liable for any grant funds expended in a manner inconsistent with this Agreement, including any attachments incorporated therein.**

**[END OF GENERAL TERMS AND CONDITIONS]**



**EXHIBIT "B"**

**Kipahulu Ohana, Inc.**

**Grant Proposal To:** County of Maui – FY23 SPECIAL PURPOSE REVENUES - Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund

**Grant Application For:** Acquisition of TMK: (2) 1-6-010:005, in the ahupua'a of Kukuila in the district of Kipahulu, Maui.

**Fiscal Year Ending:** 06-30-2023

**Date of Request:** July 1, 2022

**Granting Agency:** County of Maui, Office of the Mayor  
200 South High St. Wailuku, HI 96793.

**Applicant**

1. **Legal Name of Organization:** Kipahulu Ohana, Inc.  
Contact name: Scott Crawford, Executive Director  
Phone: (808) 281-2021, (808) 248-8808; ohana@kipahulu.org
2. **Address:** P.O. Box 454, Hana, HI 96713
3. **Taxpayer Type:** Corporation: Non-profit Charitable 501(c)(3).
4. **Tax ID Number:** 99-0522409
5. **Amount of Request of County Funds:** \$2,500,000 from FY23, II Special Purpose Revenues, I (3)
6. **Has the Applicant Applied for/received any other funds from the County of Maui this Fiscal Year?** Yes. We are designated for a proviso under the Office of Economic Development for \$10,000, and we have applied to the CCRS for \$52,000.

**Authorized Signature:**

Scott Crawford, Executive Director

### **Request Summary**

Kipahulu Ohana, Inc. ("KOI") requests a Grant of \$2,500,000 (two million five hundred thousand dollars) from the Maui County FY 2023 Special Purpose Revenues, Open Space, Natural Resources, Cultural Resources and Scenic Views Preservation funds, I (3) to be used for the land acquisition and related costs for approximately 9.5 acres at Kukuiula, Kipahulu, known as "Ōpelu Point" and currently owned by Jerry & Susan Leider Trust ("Seller"). The total fair market evaluation is \$2,500,000.00, based on appraisal report by ACM Consultants, Inc. as of 6/8/2022.

The funds we are requesting will conserve this land in perpetuity. Fee title with full interest will be acquired by KOI, with a perpetual conservation easement to be held by the County of Maui.

### **Kipahulu Ohana, Inc. - Background and Qualifications**

Kipahulu Ohana, Inc. is a grassroots Hawaiian 501(c)(3) nonprofit organization founded in 1995 dedicated to the cultural sustainability of the Kipahulu moku in East Maui through educational programs which incorporate local, national and international partnerships and projects. We envision families working in harmony together to preserve and enhance the traditional cultural practices of the Hawaiian people. To this end, we conduct culturally-based agricultural and resource management projects from mauka to makai.

KOI manages several lands and projects around Kipahulu including Kapahu Living Farm, a traditional wetland taro farm and educational center managed through a cooperative agreement with Haleakalā National Park; the Kalena Triangle, where we operate a certified kitchen and agricultural processing center; and Popoloa, a state leased property directly adjacent to the subject parcel to the east, where we maintain a banana orchard, fruit orchard, field crops, and cattle pasture.

We are in the process of seeking designation of the Kipahulu Moku as a Community Based Subsistence Fishing Area (CBSFA) through the state's Division of Aquatic Resources. This property, with its special shoreline and view overlooking Lelekea Bay, will serve a crucial role in the overall management of the Kipahulu nearshore resources to ensure healthy fisheries and self-sufficient Hawaiian lifestyle far into the future.

We seek to add the 'Ōpelu Point property to our agricultural and shoreline management projects and educational programs, and place it under conservation easement so that it is protected from development in perpetuity.

### **Property Description**

The subject parcel TMKs (2) 1-6-010:005 ("Property") is located in the ahupua'a of Kukuiula, makai of Hana Highway adjacent to Kukuiula stream.

The Property contains an approx. 1,026 square foot dwelling, which will serve as a caretaker cottage for the management of the property consistent with its open space and conservation values. Water is provided to the Property through the private water system Kipahulu Wai Hui, membership in which will be transferred with the deed.

The caretaker dwelling is located near the northern boundary on the highest point of the property, and the land slopes down toward the ocean, with approx. 60-foot average pali to the ocean, and a trail leading down to access the shoreline.

### **Conservation Purposes**

#### **Public Outdoor recreation and education**

'Opelu Point is an important fishing access location. While neighboring properties have mostly inaccessible cliffs on their ocean boundaries, the subject property has a trail that leads down to the rocky shoreline that is used by local fishers. Access for customary subsistence fishing along this trail will be maintained.

The Property also has excellent educational and observational value as part of the Kipahulu Ohana's overall makai management and educational programs. We intend to utilize this property with its shoreline access and view over Lelekea Bay as a location for educational site visits with Hana and other school groups, community groups, families, and visiting educational groups. The property has potential to serve as a site for "Lawai'a Camp" events for in-depth experiences for youth in traditional makai management.

#### **Preserving forests, beaches, coastal areas and agricultural lands**

The shoreline adjacent to the property is important for various intertidal and nearshore species, including native limu, 'opihi and various species of fish such as aholehole, moi and akule. Underwater seeps contribute nutrients to the nearshore environment that help to nourish a healthy ecosystem.

The property overlooks Lelekea Bay, which is a schooling area for akule. The Kipahulu community has recently resumed the traditional practice of akule harvesting, utilizing a small 15-foot aluminum boat belonging to the Kipahulu Ohana, Inc. The akule harvests are shared by mahele among the community and in particular kūpuna and others in need, as is traditional practice, and never sold commercially.

Its view overlooking Lelekea Bay is also important as part of the Kipahulu Moku Community Based Subsistence Fishing Area (CBSFA) proposal, expected to go through administrative rule-making process with DAR and BLNR and be formally adopted later this year. Lelekea Bay is one of the most heavily used areas in Kipahulu, where fishermen from other areas of the island come to fish for ulua and other sport fish, as well as subsistence fishing. As part of our Management Plan, co-managing the area in collaboration with DAR and DOCARE through a Makai Watch program, being able to easily observe activity at Lelekea will help ensure compliance with the rules that are put in place (e.g. 2-poll limit).

The Property is an important agricultural land, with a few existing fruit and flower trees, that has been previously maintained mainly as pasture.

#### **Justification and Prioritization**

This parcel was listed on MLS and being actively marketed, with known potential interested buyers who may have designs to develop the land.

The establishment of a permanent Conservation Easement on the Property will ensure that this land will always be available for open space, coastal habitat, subsistence and recreational use, cultural protection and education, with the management support of the families of the area and local community who have a deep, enduring commitment to stewardship.

#### **Overview of Long-Term Management Plans**

Kipahulu Ohana, Inc. will work with NRCS to develop a Conservation Plan for the land, to ensure appropriate agricultural usage and avoid erosion. Agriculture will be developed consistent with existing usage of the neighboring Pololoa (aka "9 Acres") property that is leased from the state (currently under Hana District Pohaku Corporation but approved and in process for transfer of lease to Kipahulu Ohana, Inc.). This includes cattle pasture, banana and other fruit and flower orchards, and field crops. Native coastal plants will also be restored in the shoreline conservation zone, promoting habitat for native birds and insects.

The site will be used as a location for educational programs related to makai management and the Kipahulu Moku CBSFA, in collaboration with Hana School and various other community and educational groups.

Additional structures may be developed in accord with the Conservation Easement and zoning restrictions that are needed to support the management, conservation values and educational programs.

#### **Description of Efforts to Obtain Matching Funds from Non-County Sources for Acquisition and Management.**

We are asking the County of Maui through the Open Space Fund to provide the full purchase price for acquisition of this Property.

We considered seeking matching funds through the Hawaii state Legacy Lands Conservation Program (LLCP), however the timing of LLCP request for proposals did not work out for this to be practical, given the interest in the Property by other prospective buyers.

The Seller has agreed to contribute up to \$17,500 into escrow to cover the costs of Kipahulu Ohana, Inc. related to the acquisition process, including appraisal, title insurance and other closing costs.



**Appraisal by Disinterested Appraiser Dated Not More Than One Year from Date of Proposal.**

**An appraisal of the Property prepared by Ted Yamamura, SRA, R/W-AC ACM Consultants, Inc. as of 6/8/2022, established the fair market value of the parcel at \$2,500,000.**

**CORPORATE RESOLUTION OF THE BOARD OF DIRECTORS OF**

**KIPAHULU OHANA, INC.**

**By a majority vote of the Kipahulu Ohana, Inc. Board of Directors, the Board adopted the following Resolution:**

**RESOLVED, that Scott Crawford, the Executive Director is authorized to sign all contracts and other documents on behalf of Kipahulu Ohana, Inc.**

**I certify this to be a true and accurate account of the agenda item "Corporate Resolutions" at the meeting of Kipahulu Ohana Inc. Board of Directors held on September 14, 2019 at Kalena Triangle.**



---

**Glenna Ann Lind, Secretary/Treasurer**

**September 23, 2019**

**Date**

# DCCA State of Hawaii

Downloaded on May 30, 2022.

The information provided below is not a certification of good standing and does not constitute any other certification by the State.

Website URL: <http://hbe.ehawaii.gov/documents>

## Business Information

MASTER NAME	KIPAHULU OHANA, INC.
BUSINESS TYPE	Domestic Nonprofit Corporation
FILE NUMBER	99349 D2
STATUS	Active
PURPOSE	FOR CHARITABLE, RELIGIOUS, EDUCATIONAL AND SCIENTIFIC PURPOSES;
PLACE INCORPORATED	Hawaii UNITED STATES
INCORPORATION DATE	Mar 13, 1995
MAILING ADDRESS	P O BOX 454 HANA, Hawaii 96713 UNITED STATES
TERM	PER
AGENT NAME	GLENNA ANN LIND
AGENT ADDRESS	P O BOX 468 HANA, Hawaii 96713 UNITED STATES

## Annual Filings

FILING YEAR	DATE RECEIVED	STATUS
2022	Mar 18, 2022	Processed
2021	Feb 7, 2021	Processed
2020	Jan 3, 2020	Processed
2019	May 30, 2019	Processed
2018	Jan 2, 2018	Processed
2017	Jan 17, 2017	Processed
2016	Jan 17, 2016	Processed
2015	Apr 15, 2015	Processed
2014	Jan 16, 2014	Processed
2013	Jan 7, 2013	Processed
2012	Jan 4, 2012	Processed
2011	Mar 18, 2011	Processed
2010	Jan 25, 2010	Processed
2009	Jan 12, 2009	Processed
2008	Jan 8, 2008	Processed
2007	Mar 7, 2007	Processed
2006	Jul 8, 2006	Processed
2005	Mar 25, 2005	Processed
2004	May 3, 2004	Processed
2003	Jan 15, 2003	Processed
2002		Not Required
2001	Mar 15, 2002	Processed

2000  
1999

Processed  
Processed

## Officers

NAME	OFFICE	DATE
MINN,MIKE	P/D	Dec 31, 2000
REEVE,STEPHAN	V/D	Jan 1, 2012
LIND,GLENNA ANN	T/S/D	Jan 1, 2012
CAMPBELL, LAURA	D	Jan 1, 2017
VONWELLSHEIM,RICH	D	Jan 1, 2009
TAVARES,ANGELA	D	Jan 1, 2009

## Trade Names

NAME	TYPE	CATEGORY	REGISTRATION DATE	EXPIRATION DATE	STATUS
KAPAHU LIVING FARM	Trade Name	NO CATEGORY SELECTED	Jan 3, 2013	Jan 2, 2018	Expired
KIPAHULU KITCHEN	Trade Name	NO CATEGORY SELECTED	Feb 17, 2012	Feb 16, 2017	Expired

**By-Laws of  
Kipahulu Ohana, Inc.**

**Article 1: Name, Purpose, and Seal**

**1.10 Name**

The name of the corporation is Kipahulu Ohana, Inc.

**1.20 Purpose**

The purpose of the corporation is (a) the advancement of Hawaiian culture and the restoration and conservation of natural resources, particularly in the Kipahulu District of the County of Maui, State of Hawaii; and (b) transacting any or all lawful activities permitted nonprofit corporations pursuant to Hawaii Revised Statutes Chapter 415B.

**1.30 Nonprofit**

The corporation is organized exclusively for charitable, religious, educational and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal code.

**1.40 Corporate Seal**

The corporation shall have no seal.

**Article II: Board of Directors**

**2.10 Board of Directors**

The property and affairs of the corporation shall be managed by a Board of Directors consisting of between seven and nine voting members. The Board of Directors shall exercise all lawful authority for that purpose. At least five members of the Board of Directors shall be residents of the state of Hawaii. A majority of the Board of Directors shall be of Native Hawaiian descent. In addition, there will be up to three non-voting members of the board.

**2.20 Meetings**

The Board of Directors shall have an annual meeting in Maui County, Hawaii, at a place and on a date as selected by prior agreement of all directors, and may have additional meetings at such other times and places as appropriate. If necessary, any meeting of the Board of Directors may be held by a telephone conference.

### **2.30 Quorum**

A majority of directors constitute a quorum. In all matters, the members of the Board of Directors shall strive to obtain a unanimous consensus, but, lacking a consensus, a majority of the directors present at any meeting where there is a quorum shall rule.

### **2.40 Election**

New directors will be elected by their predecessor members of the Board of Directors at an annual meeting, to serve until their successors are elected. Directors may succeed themselves in office.

### **2.50 Term**

Each director shall be elected for a term of two years.

### **2.60 Vacancies**

The remaining member or members of the Board of Directors, even if less than a quorum, shall designate new directors to serve the rest of the unexpired terms of any vacancies arising on the Board of Directors between elections held at annual meetings.

### **2.70 Notice**

Notice of any meetings of the Board of Directors shall be given by written notice mailed by any director at least five (5) days before such meeting, or by twenty-four (24) hours notice delivered personally, or by telephone, or by other electronic means, except that the directors may waive such notice and act at any meeting or otherwise as permitted by the laws governing nonprofit corporations in the State of Hawaii.

## **Article III: Officers**

### **3.10 Election**

At the annual meeting, or when there may be vacancies in corporate offices, the first order of business for the Board of Directors shall be to elect the officers of the corporation. The officers of the corporation shall consist of a president, a vice-president, a secretary, and a treasurer. Officers still served during the same two-year terms as their memberships on the Board of Directors, and officers may be elected to succeed themselves in office. Officers may or may not be directors.

### **3.20 President**

The President of the corporation will preside at meetings of the Board of Directors and shall have the power to sign contracts, notes, minutes of meetings, and all other instruments but approved by the Board of Directors. The President may appoint for a specified term a qualified person to any standing or special committee provided by these By-Laws or established by any



resolution of the Board of Directors.

#### **3.30 Vice-President**

The Vice-President shall assist all officers, as necessary, to assure the fulfillment of the purposes of the corporation. In case of the absence of the President from any meeting of the Board of Directors, the Vice-President will preside.

#### **3.40 Secretary**

The Secretary of the corporation will keep minutes of all meetings of the Board of Directors and shall maintain the general records of the corporation and undertake such acts as may be necessary to keep the corporation in good standing in the state of Hawaii and in any jurisdiction approved by the Board of Directors for the conduct of corporate activities.

#### **3.50 Treasurer**

The Treasurer will keep the financial books and records of the corporation, and report upon the same to the Board of Directors at least annually. The signature of both the Treasurer and also the signature of any other person authorized as a signatory by the Board of Directors must jointly appear on all checks issued on any account of the corporation, except for one checking account specifically for farming operations, and one checking account specifically for operations of Kalena Triangle and the certified kitchen facility, each of which shall require only the signature of the Treasurer. Any payment or allocation of corporate funds or resources must be approved by the Board of Directors either specifically or as an item of authorized budget or a purpose established by a resolution of the Board of Directors and designated for expenditures.

### **Article VI: Members and Committees**

#### **4.10 Members**

The corporation shall have no members.

#### **4.20 Committees**

The Board of Directors may establish by resolution any standing or special committees that may be deemed necessary in exercising their discretion.

#### **4.30 Governance**

The governance of, qualification for and terms of membership, duties and direction of all corporate committees shall be established by such guidelines as may from time to time be set forth in resolutions of the Board of Directors.

Article V: Indemnification

5.10 Generally

Corporation may indemnify the members of the Board of Directors, all corporate committees, and corporate agents and employees to the full extent allowed by laws governing nonprofit corporations in the State of Hawaii.

5.20 Bonds And Insurance

The Board of Directors may obtain such bonds and insurance as may be deemed appropriate in its discretion to accomplish indemnification and related purposes.

Article VI: Miscellaneous Matters

6.10 Fiscal Year

The fiscal year of the corporation shall be the calendar year. The Board of Directors are empowered to determine an alternative fiscal year by resolution.

6.20 Amendment of Articles of Incorporation

The Articles of Incorporation may be amended according to such procedures as are provided by the laws governing nonprofit corporations in the State of Hawaii.

6.30 Amendment of By-Laws

By-Laws may be amended by resolution receiving an affirmative vote of not less than two-thirds of the directors following written notice of not less than ten (10) days setting forth the proposed amendment.

6.40 Dissolution

Dissolution of the corporation may be accomplished as provided by the laws governing nonprofit corporations in the state of Hawaii, as limited by the articles of incorporation.

\*\*\*\*\*

**Certification**

I hereby certify that the foregoing By-Laws of the *Kipahulu Ohana, Inc.* were amended by the Board of Directors at their meeting held on the 21<sup>st</sup> day of May, 2011.

DATED: Hana, Maui, Hawaii, May 25, 2011



Secretary

## Request for Taxpayer Identification Number and Certification

► Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Give Form to the  
requester. Do not  
send to the IRS.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>Kipahulu Ohana, Inc.</b>	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (G=C corporation, S=S corporation, P=Partnership) ► <input checked="" type="checkbox"/> Other (see Instructions) ► <b>501(c)(3) nonprofit organization</b>	
	4 Exemptions (codes apply only to certain entities, not individuals; see Instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>	
5 Address (number, street, and apt. or suite no.) See instructions. <b>PO Box 454</b>		Requester's name and address (optional)
6 City, state, and ZIP code <b>Hana, HI 96713</b>		
7 List account number(s) here (optional)		

<b>Part I Taxpayer Identification Number (TIN)</b>	
Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later.	
Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.	
Social security number [ ][ ]-[ ][ ]-[ ][ ][ ][ ][ ][ ] OR Employer identification number 9 9 - 0 5 2 2 4 0 9	

<b>Part II Certification</b>	
Under penalties of perjury, I certify that:	
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and	
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and	
3. I am a U.S. citizen or other U.S. person (defined below); and	
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.	
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.	
Sign Here	Signature of U.S. person ► <i>[Signature]</i>
Date ► <b>June 29, 2021</b>	

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What Is backup withholding, later.



STATE OF HAWAII  
STATE PROCUREMENT OFFICE

**CERTIFICATE OF VENDOR COMPLIANCE**

This document presents the compliance status of the vendor identified below on the issue date with respect to certificates required from the Hawaii Department of Taxation (DOTAX), the Internal Revenue Service, the Hawaii Department of Labor and Industrial Relations (DLIR), and the Hawaii Department of Commerce and Consumer Affairs (DCCA).

Vendor Name: **KIPAHULU OHANA, INC.**

DBA/Trade Name: **KIPAHULU OHANA, INC.**

Issue Date: **07/22/2022**

Status: **Compliant**

Hawaii Tax#: 20599406

New Hawaii Tax#:

FEIN/SSN#: XX-XXX2409

UI#: XXXXXX3847

DCCA FILE#: 99349

Status of Compliance for this Vendor on issue date:

Form	Department(s)	Status
A-6	Hawaii Department of Taxation	Compliant
8821	Internal Revenue Service	Compliant
COGS	Hawaii Department of Commerce & Consumer Affairs	Exempt
LIR27	Hawaii Department of Labor & Industrial Relations	Compliant

**Status Legend:**

Status	Description
Exempt	The entity is exempt from this requirement
Compliant	The entity is compliant with this requirement or the entity is in agreement with agency and actively working towards compliance
Pending	A status determination has not yet been made
Submitted	The entity has applied for the certificate but it is awaiting approval
Not Compliant	The entity is not in compliance with the requirement and should contact the issuing agency for more information

**EXHIBIT “C”**

**RESOLUTION**