

DISCLOSURE ABSTRACT

Project Name: KULALANI AT MAUNA LANI (PHASE 2)
Project Address: 68-1118 North Kaniku Drive
Kamuela, Hawaii, 96743

Developer: SCD ML II, LLC,
a Hawaii limited liability company
Address: 1100 Alakea Street, 27th Floor
Honolulu, Hawaii, 96813
Telephone: (808) 547-2249
Project Manager: Peter Phillips

Maintenance Fees: See attached. Owners began paying their maintenance fees as of November 1, 2008. Attached is the updated and revised estimated maintenance fees budget.

Management Company: Hawaiiana Management Company Ltd.
711 Kapiolani Boulevard, Suite 700
Honolulu, Hawaii, 96813
Attention: Patrick Du Monceaux
Phone Number: (808) 930-3218 ext. 386

Warranties: (Excerpt from section III.F- page 15 of the Final Public Report.)

Developer does not make any warranties for the Project, but merely intends to pass on any warranties made to it by the general contractor (or another contractor, subcontractors or parties) for the Project to correct work found to be defective within the applicable period. Typically, a general contractor will provide a warranty for work completion, which can start prior to the recordation of the deed to Buyer. A 10-year limited warranty regarding the structural element (as defined in the policy) and other additional warranties are also being provided, subject to limitations set forth in the policy. Buyers are encouraged to review and learn about these warranties.

Permitted Apartment Use: 126 units residential.

No commercial or other non-residential development is proposed by Developer for the project

CERTIFICATE

I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. I am the Senior Vice President for Hawaiiana Management Company, Ltd., a Hawaii corporation, designated by the Developer of the Kulalani at Mauna Lani condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.

2. I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each unit in the Project, as set forth in Exhibit "1" attached hereto and hereby incorporated herein by reference, were determined in accordance with Section 514B-148 of the Hawaii Revised Statutes and Chapter 107 of the Hawaii Administrative Rules, and are reasonable estimates for the one-year period commencing November 2011, based on generally accepted accounting principles.

3. As permitted pursuant to Section 514B-148(b), new associations need not collect estimated reserves until the fiscal year which begins after the association's first annual meeting. The Developer has not conducted a reserve study for the Project. The budget amount for Reserves is an estimate only.

DATED: Honolulu, Hawaii, this 14th day of November, 2011.



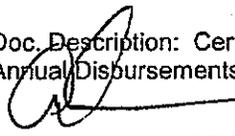
Name: TED WALKEY
Title: SENIOR VICE PRESIDENT

Subscribed and sworn to before me
this 14th day of November, 2011.

State of Hawaii
City & County of Honolulu

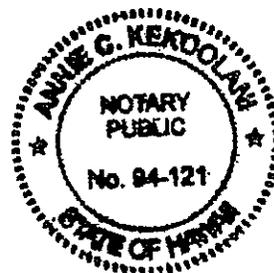
Date: November 14, 2011 # of Pages: 5

Doc. Description: Certificate of Managing Agent & Estimated
Annual Disbursements for: Kulalani at Mauna Lani


Notary Signature
Name: Annie C. Kekoolani

No. & Expiration:

94-121; 02-16-2014



First Circuit, State of Hawaii

NOTARY CERTIFICATION

Estimate of Maintenance Fee Disbursement

EXPENSES	Monthly Fee	Annual Fee
Utilities		
Electricity	\$2,350.00	\$28,200.00
TV Cable	\$3,200.00	\$38,400.00
Water	\$15,000.00	\$180,000.00
Sewer	\$5,800.00	\$69,600.00
Telephone-Entry System	\$75.00	\$900.00
Web Communications	\$200.00	\$2,400.00
Contract Services		
Security	\$150.00	\$1,800.00
Maintenance		
Building Maintenance	\$650.00	\$7,800.00
Cleaning Supplies	\$200.00	\$2,400.00
Grounds-Landscaper	\$22,500.00	\$270,000.00
Grounds-Tree Trimming	\$1,000.00	\$12,000.00
Grounds-Sprinkler	\$150.00	\$1,800.00
Electrical/Lighting	\$250.00	\$3,000.00
Plumbing	\$150.00	\$1,800.00
Pest Control	\$1,300.00	\$15,600.00
Refuse	\$2,500.00	\$30,000.00
Entry Gate Area Maintenance	\$250.00	\$3,000.00
Roof Maintenance	\$100.00	\$1,200.00
Misc Repairs & Purchases	\$150.00	\$1,800.00
Tools & Equipment	\$100.00	\$1,200.00
Professional Services		
Admin Sups & Svcs	\$550.00	\$6,600.00
AOAQ Admin Exps	\$125.00	\$1,500.00
Vehicle Expenses	\$100.00	\$1,200.00
Management Services	\$1,965.00	\$23,580.00
Audit	\$150.00	\$1,800.00
Legal Fees General	\$100.00	\$1,200.00
Legal Fee Collections	\$750.00	\$9,000.00
Mauna Lani Assoc Dues	\$13,767.00	\$165,204.00
KK Resort Center Dues	\$7,000.00	\$84,000.00
Payroll & Benefits		
P/R Manager	\$3,000.00	\$36,000.00
Health Care	\$500.00	\$6,000.00
Payroll Taxes	\$260.00	\$3,120.00
Payroll Prep	\$150.00	\$1,800.00
Other Expenses		
Insurance	\$6,500.00	\$78,000.00
D&O Insurance	\$250.00	\$3,000.00
Fidelity Bond Insurance	\$50.00	\$600.00
Insurance- GL	\$900.00	\$10,800.00
Insurance- Umbrella	\$225.00	\$2,700.00
Misc Expense	\$100.00	\$1,200.00
State General Excise Tax	\$45.00	\$540.00
Reserves	\$18,160.00	\$217,920.00
TOTAL	\$110,722.00	\$1,328,664.00

I, Ted Walkey, as agent for/and/or employed by Hawaiiana Management Company, the condominium managing agent for Kulalani at Mauna Lani condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles. These estimates were based on a full build out of 126 units. Current monthly maintenance fees may differ based upon the number of completed units. Current maintenance fees should be requested through the Managing Agent.

	11/14/11	
Signature	Date	

Pursuant to 514B-148, 7b, Hawaii Revised Statutes, a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting. The Developer has set forth a reserve estimate for the Project.

