



Dear KCAIO Owner,

September 2025

Aloha! We hope this letter finds you and yours doing well this year and looking forward to making more memories in Maui.

We are closing in on our first year with our refurbished units and have received many compliments from owners and guests alike. We experienced a few minor problems as we moved through the process and are pleased to report adjustments have been made. Our vendor contracted for the project has been most responsive in making corrections. Earlier this spring we were able to arrange for the replacement of all sliding glass lanai doors in all timeshare units. This project took some patience, and room changes to accommodate the installation, but was completed on schedule.

All in all, we exhausted the funds we had set aside for these projects. Going forward we need to focus on rebuilding our reserve accounts for the future replacement and refurbishment of items. In our KCAIO Newsletter for 2025, we talked about the future replacement of all plumbing within the walls at the Kuleana and this project will be completed by the AOA. We do not know yet what this project is going to entail but understand it will be quite a task to take on. Not only from an expense perspective but from an implementation process. It makes no sense for us to refurbish the bathrooms in our units until this is completed.

Your KCAIO Board recently secured a current reserve study through an independent third-party company. That information is highly utilized when planning for our future. Working in harmony with the AOA to maintain our timeshare at the Kuleana continues to be at the forefront of our decision-making process. As your Board of Directors, we continually seek the most current and best information in making decisions for the KCAIO Association.

You will find included with this letter your 2026 maintenance billing statement and a copy of the budget. As we prepared this budget, we anticipated the increased costs of operations at Kuleana for this next year. We also included in our budgeting formulas, the loss of owners due to generational events, an increasing challenge each year. Our timeshare is faced with inflationary costs like what we all deal with in our personal lives. We anticipated potential increases from the Kuleana AOA for 2026 of 5%, and increased housekeeping costs which have been on the rise in Maui. Overall, our property taxes increased by \$35,063. Once the budget was completed, your KCAIO Board approved an increase of 13% in the maintenance fees which is reflected in the enclosed statement. Please know this decision was arrived at with much review and consideration as it impacts each of us, KCAIO Board Members included.

We are hopeful for our future at Kuleana and our collective usage of the property we all own. Together we are fortunate to enjoy our Kuleana experience and its beautiful location in Maui. We sincerely appreciate your support, especially at this time in our history. We are most grateful for the leadership and guidance of our management team, especially for the vision and work of our GM, Thom Rogers. Working together with his team at the property, we can count on quality experiences every time we visit.

Sincerely,

KCAIO Board of Directors