

2026 President's Report Gary Sullivan

Aloha once again and we welcome you back to Kuleana in 2026! Working together as your KCAIO Board and in harmony with the Kuleana AOA Board, we have a unique location on Maui and are committed to protecting our collective rights as owners.

This includes adhering to local and State of Hawaii laws including those governing our rental program. This is extremely important for all owners at Kuleana, for us to continue to be able to rent. A substantial part of our budgeted operating expenses, which is the foundation for our maintenance assessments, support all of us.

In the current post-Bill 9 environment, strict compliance with Maui County tax requirements related to timeshare rentals is more important than ever. The Board has directed the General Manager, Thom Rogers, to actively enforce all Association policies and procedures related to rentals, including proper reporting and payment of applicable taxes. The Association's long-standing record of compliance was pivotal in convincing Maui County Councilmembers to include a timeshare exemption in Bill 9, and maintaining that standard is essential to protecting that exemption going forward, which includes Kuleana.

Any intentional attempt to conceal or misrepresent a rental, or to circumvent established procedures, will not be accepted. This includes rentals where compensation takes forms other than cash, such as reimbursement of maintenance fees, exchanges for other accommodation, or anything else of value. Violations may result in guests being denied access to the property and the assessment of fines, in accordance with Association policies.

These processes exist for the benefit of all owners. We thank you in advance for supporting the Kuleana and our management staff, who we have directed to enforce Association policies and procedures.

We look forward to you enjoying your time on island! Mahalo and Aloha,

Gary Sullivan, President KCAIO Board of Directors

Internal Exchange Program

Great news for owners using third-party exchange companies to trade their week at the Kuleana Club! The Board has approved an exciting new program designed to save you money: Internal Exchanges. This program allows you to request an exchange of your week for a different week at the Kuleana Club during any given year. To participate, simply complete the Internal Exchange Request Form available in the "Owners Only" section of our website at kuleanaclub.com or directly at kuleanaclub.com/internalexchange.

The fee for an internal exchange is \$100 per interval, plus any applicable condo type or seasonality upgrade fees. Please note that all requests are subject to approval by the Kuleana Club Association and Capital Vacations, and approval is not guaranteed.

Take advantage of this program to enjoy more flexibility and savings with your Kuleana Club ownership!

Rent Additional Space at Kuleana Club!

Did you know you can rent extra space at the Kuleana Club? Simply check availability on our website at www.kuleanaclub.com. As a special offer, use the coupon code **OWN3R** to get 10% off your rental. Plus, enjoy an additional **10% off** when you rent 7 nights or more! Don't miss out on this exclusive deal—book your extra space today!

Rent Your Interval Through Our Onsite Owner Rental Program

Did you know you can recuperate your maintenance fees by renting out your interval through our onsite owner rental program? It's easy to list your week, and our team will handle the details for you. If you're not using your interval this year, let us help you make the most of it.

Visit www.kuleanaclub.com/owner-rentals for more information or to complete a rental agreement today!

Check-In Time is at 4:00 PM

We'd like to remind all owners and guests that check-in time at the Kuleana Club is 4:00 PM. Early check-ins are at management's discretion and will not be considered prior to 2:00 PM. This policy ensures our team has adequate time to prepare your unit for a clean and comfortable stay.

We appreciate your understanding and cooperation as we work to provide the best experience for all our guests!

Kuleanaclub.com "Owners Only"
Password: thehonulife

2026 KCAIO Annual Meeting Notice

The annual meeting of the Kuleana Club Association of Interval Owners is scheduled for Tuesday, March 31, 2026. The meeting will be held on site at the Kuleana Club in Maui. Any owner in good standing interested in serving as a Board member may submit a resume along with a letter of interest and the conflict-

of-interest form to the Board by sending an email to attention: Jessica.Richens@capitalvacations.com.

As outlined in the bylaws of the KCAIO, resumes may not exceed 250 words and must be submitted to the managing agent before the deadline in order to appear on the proxy/ballot. The deadline is February 24, 2026.

Manager's Report

Aloha Kuleana Club Owners,

As we begin 2026, I want to take a moment to update you on several important matters from the past year and where the Association is headed.

One of the most significant issues we dealt with in 2025 was Maui County's Bill 9. Early versions of the legislation raised serious concerns for timeshare properties, particularly regarding the ability of associations and owners to continue renting intervals that have operated legally for decades. Throughout the process, I worked directly with ARDA, other timeshare managers, and members of the Maui County Council to advocate for a clear exemption for timeshares. The focus was on explaining how timeshares differ from short-term rentals, the long history of lawful timeshare operations on Maui, and the financial impact restrictions would have on maintenance fees and resort employees. While Bill 9 ultimately passed, securing the timeshare exemption was critical and protects the Kuleana Club's long-standing operations. We will continue to monitor how the County applies and interprets the ordinance to ensure that intent is upheld.

From a facilities standpoint, 2025 was a productive year. Phase One of the refurbishment project, which included the replacement of furniture throughout the property, was completed and has noticeably improved both the appearance and functionality of the units. Phase Two, the replacement of the remaining original sliding glass doors, was completed in June 2025. This was a major investment by the Association and addressed one of the last original building components, improving safety, energy efficiency, and the overall integrity of the units.

The rental program continues to be an important part of the Association's overall financial picture. After rebuilding the program in 2024, 2025 was focused on operating and refining it in a challenging market, particularly given conditions in West Maui. Despite those challenges, the Kuleana Club has maintained Superhost status on Airbnb and Premier Host status on Vrbo, which reflects the work of the onsite team and the standards being maintained across the property. As we move into 2026, the focus remains on steady, compliant operation of the rental program while ensuring it supports the Association without interfering with owner use or the character of the resort.

Looking ahead, the Association is currently focused on rebuilding reserves following the major capital projects completed in 2025. This is being done deliberately in anticipation of the upcoming AOA plumbing project. Coordinating that work would provide an opportunity to remodel the bathrooms at the same time, limiting future disruption, reducing overall costs, and avoiding duplicating work. As planning continues and timelines are refined, additional information will be shared with the ownership.

As always, I appreciate your continued support and will continue to keep owners informed as we move through the year.

Mahalo, Thom Rogers, General Manager

**KULEANA CLUB ASSOCIATION OF INTERVAL OWNERS
OPERATING BUDGET FOR THE YEAR ENDING DECEMBER 31,
2026**

**Kuleana
Fiscal Year Start 2026
Consolidated Budget**

		2025 Budget Total	2025 Forecast Total	2026 Budget Total	2026 vs 2025 Budget \$	2026 vs 2025 Budget %	2026 vs 2024 Actual \$	2026 vs 2024 Actual %
Revenues								
41000	Maintenance Fees Assessment - Operating	1,419,776	1,419,776	1,566,484	146,708	10.3%	319,585	25.6%
48001	Maintenance Fees Assessment - Reserve	98,233	98,233	150,000	51,767	52.7%	32,088	27.2%
41001	Bad Debt Contra Revenue	(240,700)	(298,143)	(225,000)	15,700	-6.5%	(141,204)	168.5%
41002	Contra Revenue - HOA Owned Inventory	-	-	(118,926)	(118,926)		(44,121)	59.0%
48025	Property Tax Assessment	-	319,927	353,699	353,699		152,861	76.1%
41003-48024	Other Revenue	240,500	262,856	295,300	54,800	22.8%	73,389	33.1%
53013-53203	Cost of Sales	-	-	-	-		-	
Operating Revenues		1,517,809	1,802,649	2,021,557	503,748	33.2%	392,598	24.1%
Expenses								
72001	Management Fee	129,955	128,892	132,114	2,159	1.7%	5,796	4.6%
86000	Reserve Contribution	98,233	98,233	150,000	51,767	52.7%	32,088	27.2%
72002	Division Fees	-	-	-	-		-	
040	Maintenance	88,540	99,109	110,481	21,941	24.8%	(7,584)	-6.4%
060	Housekeeping	247,802	243,480	272,761	24,959	10.1%	18,055	7.1%
080	Laundry	75,000	69,755	65,968	(9,032)	-12.0%	(1,398)	-2.1%
100	Common Area	-	-	-	-		-	
120	Guest Services	56,660	56,354	72,088	15,428	27.2%	18,719	35.1%
140	Utilities	58,200	47,869	52,986	(5,214)	-9.0%	4,497	9.3%
200	General & Admin	763,419	1,150,363	1,165,159	401,740	52.6%	132,119	12.8%
Operating Expenses		1,517,809	1,894,055	2,021,557	503,748	33.2%	202,291	11.1%
Net Income Operations (Surplus/Deficit)		-	(91,406)	-	-		190,307	-100.0%

The budget, including all expense and revenue projections, is based on and prepared in accordance with the information available at the time of preparation, including without limitation, historical records, forecasted data and other sources believed to be reliable, but which are not guaranteed. Normal budgetary assumptions are that costs will increase with inflation. If expenses during the year exceed the estimates used in preparation of the budget, or if unforeseen events occur, the Association may have to increase the budget during the year, levy a special assessment or a combination thereof. Further, all revenue projections included herein are being furnished for informational purposes and remain subject to market fluctuations, Acts of God or other extrinsic and uncontrollable factors.

		Maintenance Fee Breakdown (Per Week)					
Room Types	2025 Budget Total	2025 Forecast Total	2026 Budget Total	2026			2026 vs 2025 Budget %
				Operating Expenses	Property Tax	Reserve Contribution	
One Bedroom Regular	949.00	949.00	\$1,073	\$979	\$0	\$94	13.04%
One Bedroom Deluxe	1,067.00	1,067.00	\$1,206	\$1,101	\$0	\$105	13.04%
Total	1,518,423	1,518,423	1,716,484	\$1,566,484	\$0	\$150,000	

KULEANA CLUB ASSOCIATION OF INTERVAL OWNERS ASSESSMENT BILLING AND COLLECTION POLICY

The following is the Assessment Billing and Collection policy for the Kuleana Club Association of Interval Owners as adopted by the Board of Directors on July 28, 2025.

Note: Making payment with a credit card will incur a 3% Convenience Fee.

OCTOBER 1st

You will be mailed the Budget, ABC Policy and Assessment Notice for the next year's assessment. **NOTE: THE ENTIRE YEAR'S ASSESSMENTS MUST BE PAID IN FULL PRIOR TO SUBMITTING OR USING ANY USE WEEK FOR EXCHANGE PURPOSES OR DEPOSITING YOUR WEEK IN THE RENTAL PROGRAM.**

JANUARY 1st

Due date for the full amount if paying annually, or due date for the first of four (4) quarterly payments. Payments are considered late if not received by January 15th.

Quarterly Payment Option

The quarterly option is available to those owners who have a history of paying maintenance and property tax assessments when due. If you have a history of paying late, this option may not be available to you.

You may pay the assessment in full or in four (4) equal quarterly installments. If you choose to pay quarterly, a \$20.00 fee for additional payment processing is added to the first installment payment and this \$20.00 processing fee must be paid with the first installment payment to be eligible for this option. Once you choose this option, the \$20.00 is non refundable should you later choose to pay the entire maintenance fee balance.

To calculate the quarterly payment amount divide the total annual assessment by four (4). This is your quarterly payment amount. Remember to add the \$20.00 processing fee to the first month's payment. Each of the remaining three (3) quarterly payments is due by the first day of, **April 2026, July 2026 and October 2026.**

FEBRUARY 1st

If you have not paid your assessments, your account is delinquent.

If you are delinquent, the following charges are added to all delinquent owner accounts:

- a. A Reinstatement Fee of \$75.00
- b. Maximum Interest allowed by law per month beginning March 1st
- c. An exchange, deposit, or confirmation cancellation fee of \$50.00

If you are delinquent, your reservations are cancelled and you may not hold a reservation until your account is brought current. Exchange requests will not be confirmed. Existing confirmed exchanges will be blocked. There is no guarantee that you will receive a reservation or confirmed exchange after you have brought your account current.

You will be mailed a final Assessment Billing Notice, including all penalties, fees and interest. You must pay all charges in full to have your occupancy and voting rights reinstated. Use Weeks resulting from delinquencies are available for Bonus Time, Vacation Tyme, and the Administrative Hold Program. Net proceeds are used to offset collection costs, assessment liens, foreclosures, and shortfalls in the HOA operating account.

MARCH 1st

Management will send a notice detailing all charges and fees that will be added if the delinquent account is not paid in full in 15 days and is submitted for legal and/or collection action.

APRIL 1st

The Board of Directors may, at its discretion, implement any of the following actions. Any related costs for these actions will be added to the delinquent owner's account.

- a. Engage professional collection agencies to collect payment
- b. Pre-Notification of Lien & Record a Claim of Assessment Lien (\$50 charge to delinquent owners account)
- c. Foreclose on the Claim of Assessment Lien
- d. Institute a Small Claims suit or other legal action

NOTE: A \$25.00 charge will be added to your account for any payment that is not honored (bad check, insufficient funds, etc.). If the first payment is not honored for any reason subsequent payment including applicable late fees must be by secured funds (cash, money order, cashier's check).



2026 Association Interval Auction

The Kuleana Club Association owns several intervals that will be offered for sale to current owners **through a sealed-bid auction** before being made available to the public. This is a rare opportunity to expand ownership at Kuleana at below-market pricing.

Auction Details

Minimum Bid:

- Winter Season (Weeks 1–16, & 47–52): **\$3,000**
- Summer Season (Weeks 17–46): **\$1,000**

Deadline: Friday, February 28, 2026 (5:00 PM HST)

Closing Costs: Transfer, recording, and administrative fees, including a \$100 Capital Vacations transfer fee (paid by purchaser).

Ownership Type: Fee Simple timeshare interval

Instructions for Submitting a Bid

1. Complete the Bid Form

- Fill out the Bid Submission Form included in this newsletter.
- Provide your contact information and list the interval(s) you are bidding on.
- Indicate your bid amount for each week.

2. Prepare Separate Checks

- Include a separate check for each interval you are bidding on.
- Each check must be made payable to "KCAIO."
- Write the unit and week number on the memo line of each check.

3. Mail Your Bid Package

- Place your completed Bid Submission Form and all checks in one sealed envelope.
- Mail to:
Kuleana Club
c/o Jessica Richens
P.O. Box 70219
Salt Lake City, UT 84170

4. Deadline

- All bids must be received (not postmarked) by 5:00 PM HST on February 28, 2026.
- Late or incomplete bids will not be considered.

5. After the Deadline

- Successful bidders will be notified once results are verified and payment has cleared.
- Checks from unsuccessful bidders will be returned uncashed or securely destroyed after the auction process concludes.

*see the following page for terms and conditions

Terms and Conditions

1. Eligibility

Only current Kuleana Club owners in good standing may participate. Each bid must be accompanied by a separate check payable to KCAIO for the full bid amount. Late or incomplete bids will not be considered.

2. Minimum Bid and Tie Policy

Minimum bids are based on seasonal tiering as listed. The highest qualified bid received by the deadline will be accepted. In the event of a tie, the bid received first will prevail.

3. Title

The Association is conveying its interest in each interval based solely on the recorded deed(s) by which the Association obtained title. No representations or warranties of title are made beyond those recorded documents, and the Association is not required to obtain or provide a title report or title insurance.

4. Notification and Payment

The Association will retain all bid checks until payment from the highest bidder has cleared. If a winning bidder's check fails to clear for any reason, the Association may reject that bid and accept the next highest qualified bid. Checks from unsuccessful bidders will be returned uncashed or securely destroyed once the winning bid has cleared.

5. Closing and Conveyance

The Association will coordinate preparation and recording of the deed conveying the interval, which may be completed by the Association or a third party selected by the Association. All transfer, recording, administrative, and applicable third-party fees (including management system transfer fees) are the responsibility of the purchaser. Ownership will be conveyed by a deed or other legal instrument appropriate under Hawaii law. Maintenance fees must be paid in full before the first use week is made available. The transfer is not complete until the conveyance is recorded.

6. Property Condition

All intervals and deeds are conveyed as-is, without representations or warranties except as reflected in recorded documents.

7. Confidentiality

All bids will remain confidential until after the submission deadline.

8. Association Rights

The Association reserves the right, in its sole discretion, to withdraw any interval from the auction, reject any bid, adjust estimated fees, or return funds at any time prior to completion of the transfer. If a successful bidder fails to complete the transfer after payment has cleared, the Association may retain all or a portion of the bid amount to cover administrative, recording, and related costs.

9. Existing Rentals

If an interval is already rented, the Association may attempt to relocate the reservation. If relocation is not possible and the transfer is completed before the use week begins, the purchaser may receive net rental proceeds under the Association's rental terms after executing a rental agreement and paying applicable maintenance fees. No rental revenue will be paid if the transfer is completed after the use week begins.



Available Intervals 2026 Auction

Sorted by Condo #			
Condo #	Week #	Condo #	Week #
107	39	509	13
107	40	509	14
210	36	509	22
210	37	509	35
306	29	510	25
307	34	511	21
315	31	511	36
315	39	511	37
315	40	511	43
315	46	511	46
315	47	511	47
316	11	513	12
319	34	513	27
320	24	513	28
320	35	513	29
320	36	513	32
320	37	606	21
320	42	619	34
404	32	712	33
502	32	715	24
502	33	715	25
502	36	721	30
502	37	721	36
504	19	722	22
504	23		
504	43		

Sorted by Week #			
Week #	Condo #	Week #	Condo #
11	316	34	307
12	513	34	319
13	509	34	619
14	509	35	320
19	504	35	509
21	511	36	210
21	606	36	320
22	509	36	502
22	722	36	511
23	504	36	721
24	320	37	210
24	715	37	320
25	510	37	502
25	715	37	511
27	513	39	107
28	513	39	315
29	306	40	107
29	513	40	315
30	721	42	320
31	315	43	504
32	404	43	511
32	502	46	315
32	513	46	511
33	502	47	315
33	712	47	511



Condo Specifications

2026 Auction

Condo	Type	Bedroom	View	Floor	Sqft
107	Deluxe	King	Oceanfront	1	768
108	Deluxe	King	Oceanfront	1	768
210	Deluxe	King	Oceanview	1	768
306	Standard	Queen	Oceanview	1	509
307	Standard	Queen	Oceanview	1	509
315	Standard	Queen	Oceanview	2	493
316	Standard	Queen	Oceanview	2	493
319	Standard	Queen	Oceanview	3	485
320	Standard	Queen	Oceanview	3	485
402	Standard	Queen	Oceanfront	1	509
404	Standard	Queen	Oceanfront	1	509
410	Standard	Queen	Oceanfront	2	493
412	Standard	Queen	Oceanfront	2	493
502	Standard	Queen	Oceanview	1	509
504	Standard	Queen	Oceanview	1	509
509	Standard	Queen	Oceanview	1	493
510	Standard	Queen	Oceanview	2	493
511	Standard	Queen	Oceanview	2	493
513	Standard	Queen	Oceanview	3	485
606	Standard	Queen	Oceanfront	1	509
608	Standard	Queen	Oceanfront	1	509
611	Standard	Queen	Oceanfront	2	493
615	Standard	Queen	Oceanfront	2	493
619	Standard	Queen	Oceanfront	3	485
701	Standard	Queen	Oceanfront	1	509
707	Standard	Queen	Oceanfront	1	509
710	Standard	Queen	Oceanfront	2	493
712	Standard	Queen	Oceanfront	2	493
715	Standard	Queen	Oceanfront	2	493
721	Standard	Queen	Oceanfront	3	485
722	Standard	Queen	Oceanfront	3	485



Kuleana Club Association of Interval Owners
 c/o Jessica Richens
 P.O. Box 70219
 Salt Lake City, UT 84170
 808-669-2002
 frontdesk@kuleanaclub.com
 www.kuleanaclub.com

Bid Submission Form

- Complete this form and include it with your sealed bid.
- Submit **one check per interval** you are bidding on, made payable to KCAIO.
- Write the unit number and week number on each check's memo line.
- Mail the completed form and checks together to the address above.
- Deadline: February 28, 2026 (received by 5:00 PM HST).

Owner Information

Owner Name(s): _____

Mailing Address: _____

City, State, ZIP: _____

Phone Number: _____ Email Address: _____

Account #: _____ Current Unit(s) & Week #(s): _____

Bid Information

Please list the intervals you are bidding on below. (Attach an additional page if needed.)

Unit #	Week #	Bid Amount	Check #

Acknowledgment of Terms and Conditions

By signing below, I confirm that I have read and understand the Terms and Conditions of the 2026 Kuleana Club Interval Auction and agree to be bound by them. I understand that:

- A separate check is required for each interval bid.
- Title is conveyed based solely on the recorded deed(s) by which the Association obtained title, without warranties.
- Maintenance fees must be paid in full before the first use week is made available.
- The Association may reject any bid and return all associated funds at any time prior to completion of transfer.
- The Association will retain all bid checks until payment from the highest bidder has cleared; if a check fails to clear, the next highest qualified bid may be accepted and that check deposited.

Signature: _____ Date: _____

2026 Association Meeting Dates

March 30, 2026 – Board Meeting

March 31, 2026 – Annual Owners Meeting

July 6, 2026 – Budget Meeting

November 9, 2026 – Board Meeting

If you have a question or suggestion to bring before the KCAIO Board of Directors, please forward the information to Capital Vacations at the Salt Lake City, Utah office and it will be presented to the Board.

Send it to Jessica.Richens@capitalvacations.com.

KCAIO Board Members

Gary Sullivan – President

Dustin Schmitt – Vice President

Blake VanKampen – Secretary

Devin Valentine – Director

Brenda Brown – Director

With your continued support and the dedication of current and future Board members, we are committed to maintain a high value of timeshare vacation experience at the Kuleana Club.

Kuleana Club Association of Interval Owners
C/O: Capital Vacations
P.O. Box 70219
Salt Lake City, UT 84170-0219