

Hawaiiana Management Company, Ltd

2018 Monthly Cash Operating Budget For

RCKA Site 6 & 7

Approved by Board of Directors on October 11, 2017

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| DESCRIPTION | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC | ANNUAL |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| REVENUE | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | 2018 | TOTAL |
| PRODUCT FEES | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 5,551 | 66,609 |
| INVESTMENT INTEREST | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 28 | 336 |
| CHECKING INTEREST | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 |
| LATE CHARGES | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 1,200 |
| TOTAL REVENUE | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 5,680 | 68,157 |

| UTILITIES | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC | TOTAL |
|-----------------|-----|-----|-----|-----|-----|------|------|-----|------|-----|-----|-----|-------|
| ELECTRICITY | 331 | 331 | 331 | 331 | 331 | 331 | 331 | 331 | 331 | 331 | 331 | 331 | 3,972 |
| WATER | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 300 |
| TOTAL UTILITIES | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 356 | 4,272 |

| MAINTENANCE | JAN | FEB | MAR | APR | MAY | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC | TOTAL |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| GROUNDS | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 240 |
| GROUNDS - LANDSCAPING | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 31,200 |
| GROUNDS - TREE TRIMMING | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 1,900 | 22,800 |
| ELECTRICAL/LIGHTING | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 600 |
| TOTAL MAINTENANCE | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 4,570 | 54,840 |

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DESCRIPTION

JAN FEB MAR APR MAY JUNE JULY AUG SEPT OCT NOV DEC ANNUAL

| | | | | | | | | | | | | | |
|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| TOTAL OP EXPENSE | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 4,926 | 59,112 |
| LOAN PAYMENTS | | | | | | | | | | | | | |
| TRANSFER TO RESERVES | 754 | 754 | 754 | 754 | 754 | 754 | 754 | 754 | 754 | 754 | 754 | 754 | 9,045 |

RCKA SITE 6 & 7 YEAR 2018 RESERVE PROJECTS AS OF OCTOBER 11, 2017

COST NOW and NORM LIFE values are best estimates by Hawaiiana Management and vendors who were nice enough to inspect the property or give a best guess.

It may be advisable to employ an expert to evaluate those projects with high cost.

| | | | | RESERVE FUND STATUS - PERCENT FUNDED METHOD | | | | M. FEE | RESERVE. | MAINT. | | |
|--|------------|-------------------|-----------|---|---------|------------------------|----------|-------------------------|----------|---------|----------|-----|
| First Plan Year - Calendar | 2018 | Reference Year | 2017 | THE MODEL'S FINDINGS FOR % FUNDING | | 2017 Deficit | CHANGE | CONTRIB | FEEES | | | |
| Final Plan Year | 2037 | | | Recommended Reserve Funding | 100% | (88,276) | -133% | (128,096) | -18,957 | | | |
| 2017 Maintenance Fees | 57,921 | 2018 Maint Fees | 66,609 | Target Reserve Funding Level | 60% | (113,918) | -149.50% | (137,810) | -28,671 | | | |
| 2017 Other Income | 1,331 | 2018 Othr Inc | 1,548 | Minimum Reserve Funding Level | 50% | (120,328) | -154% | (140,239) | -31,100 | | | |
| 2017 Operating Expenses | -35,843 | 2018 Exp | -59,112 | EOY 2018 Funding % @ Approved Lev | 452.34% | | 15% | (42,530) | 66,609 | | | |
| 2017 Reserve Contribution | 23,410 | 2018 Contribution | 9,045 | Condition Codes | | Source Codes | | Source Codes | | | | |
| Projected Reserves At Start of 2018 | 152,381 | Target Funding I | 60% | EXCELNT | E | Contractor Proposal | 1 | Cost at Similar Project | 5 | | | |
| Projected Reserve % at Start of 2018 | 237.7% | Tgt Ann Contrib | 5,939 | GOOD | G | Contractor Estimate | 2 | Statistical Guideline | 6 | | | |
| Minimum Inflation | 3.0% | Req Contrib-Tgt | (107,979) | FAIR | F | Engineer/Arch Estimate | 3 | Inflate First Year? | Yes | | | |
| Projected Savings Interest | 2.0% | App. % Change | 15.0% | POOR | P | Cost When Last Done | 4 | | | | | |
| CAPITAL INVENTORY | | | | NORM | DONE | LAST | CO | NEXT | COST | COST | FUNDING | EOY |
| ITEM | ADJUSTMENT | LIFE | LAST | COST | ND | DUE DATE | NOW | SRC | RQMNT | RES | DEFICIT | |
| Asphalt Slurry Seal | 3 | 3 | 2012 | | | 2018 | 50,073 | | 41,728 | 41,728 | | |
| Contingency - Irrigation | 10 | 5 | 2004 | | | 2019 | 4,722 | | 4,092 | 4,092 | | |
| Street Lights - Private Roadways - Incr #1 | 1 | 20 | 1999 | | | 2020 | 12,000 | | 10,286 | 10,286 | | |
| Street Lights - Private Roadways - Incr #2 | -2 | 20 | 2005 | | | 2023 | 12,000 | | 8,000 | 96,276 | -88,276 | |
| 2017 End Yr Totals | | | | | | | 78,795 | | 64,106 | 152,381 | (88,276) | |

RCKA Site 6 & 7

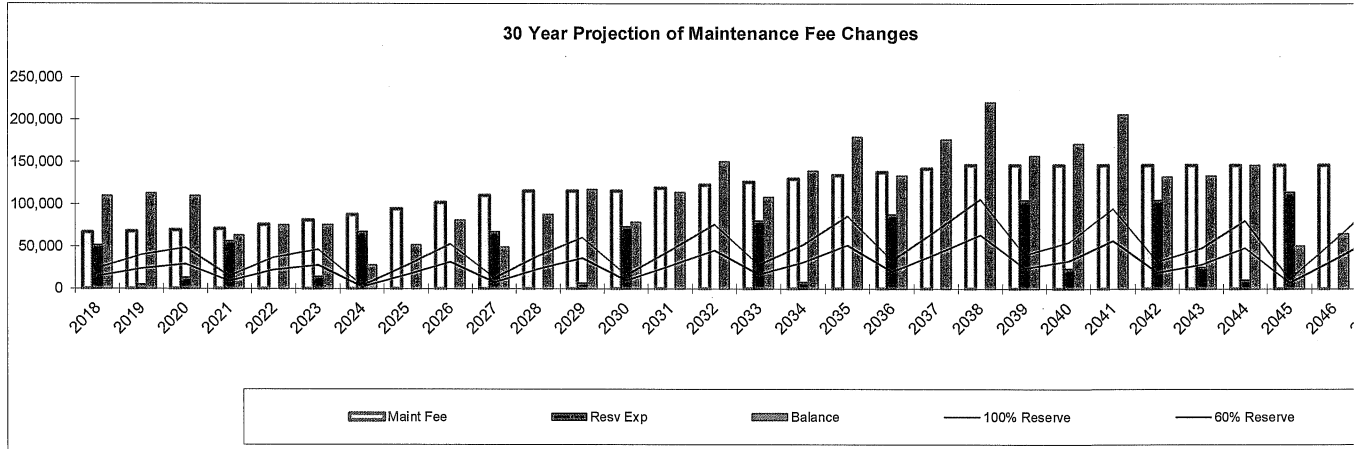
Board Approved 2018 Cash Flow Plan

Prepared By: Susan DeCorte and Hawaiiana Management Company, Ltd

Maintenance Fee Plan to Accomplish All Known Improvements and Repairs For Next 30 Years

Assumed Rate of Inflation: 3%

Assumed Savings Interest Rate: 2%



| Contingency Reserve Fur \$0 | | | | | | | | | | |
|-----------------------------|------------------|------------------|----------------|---------------------|--------------|---------------|------------------|-----------------|---------------------|----------------------|
| CY Year | Starting Balance | -Reserve Expense | -Loan Payments | -Operating Expenses | +Maint. Fees | +Other Income | +Interest Income | =Ending Balance | % Maint. Fee Change | Net Reserve Contrib. |
| 2018 | 152,381 | 51,575 | 0 | 59,112 | 66,609 | 1,548 | Included | 109,851 | 15.0% | (42,530) |
| 2019 | 109,851 | 5,010 | 0 | 60,885 | 67,941 | 1,200 | 2,229 | 115,327 | 2.0% | 3,246 |
| 2020 | 115,327 | 13,113 | 0 | 62,712 | 69,300 | 1,200 | 2,253 | 112,256 | 2.0% | (5,325) |
| 2021 | 112,256 | 56,357 | 0 | 64,593 | 70,686 | 1,200 | 1,754 | 64,946 | 2.0% | (49,064) |
| 2022 | 64,946 | 0 | 0 | 66,531 | 75,634 | 1,200 | 1,402 | 76,651 | 7.0% | 10,303 |
| 2023 | 76,651 | 14,329 | 0 | 68,527 | 80,929 | 1,200 | 1,526 | 77,450 | 7.0% | (727) |
| 2024 | 77,450 | 67,391 | 0 | 70,583 | 87,403 | 1,200 | 1,055 | 29,134 | 8.0% | (49,371) |
| 2025 | 29,134 | 0 | 0 | 72,700 | 94,395 | 1,200 | 812 | 52,841 | 8.0% | 22,895 |
| 2026 | 52,841 | 0 | 0 | 74,881 | 101,947 | 1,200 | 1,339 | 82,446 | 8.0% | 28,266 |
| 2027 | 82,446 | 67,293 | 0 | 77,128 | 110,103 | 1,200 | 1,318 | 50,646 | 8.0% | (33,118) |
| 2028 | 50,646 | 0 | 0 | 79,442 | 115,608 | 1,200 | 1,387 | 89,399 | 5.0% | 37,366 |
| 2029 | 89,399 | 6,733 | 0 | 81,825 | 115,608 | 1,200 | 2,070 | 119,719 | 0.0% | 28,250 |
| 2030 | 119,719 | 73,533 | 0 | 84,280 | 115,608 | 1,200 | 1,984 | 80,699 | 0.0% | (41,005) |
| 2031 | 80,699 | 0 | 0 | 86,808 | 119,076 | 1,200 | 1,949 | 116,115 | 3.0% | 33,468 |
| 2032 | 116,115 | 0 | 0 | 89,412 | 122,648 | 1,200 | 2,667 | 153,218 | 3.0% | 34,436 |
| 2033 | 153,218 | 80,351 | 0 | 92,095 | 126,328 | 1,200 | 2,615 | 110,916 | 3.0% | (44,918) |
| 2034 | 110,916 | 7,805 | 0 | 94,857 | 130,118 | 1,200 | 2,505 | 142,076 | 3.0% | 28,655 |
| 2035 | 142,076 | 0 | 0 | 97,703 | 134,021 | 1,200 | 3,217 | 182,810 | 3.0% | 37,518 |
| 2036 | 182,810 | 87,802 | 0 | 100,634 | 138,042 | 1,200 | 3,164 | 136,780 | 3.0% | (49,194) |
| 2037 | 136,780 | 0 | 0 | 103,653 | 142,183 | 1,200 | 3,133 | 179,643 | 3.0% | 39,730 |
| 2038 | 179,643 | 0 | 0 | 106,763 | 146,449 | 1,200 | 4,002 | 224,530 | 3.0% | 40,886 |
| 2039 | 224,530 | 104,992 | 0 | 109,966 | 146,449 | 1,200 | 3,818 | 161,039 | 0.0% | (67,309) |
| 2040 | 161,039 | 23,684 | 0 | 113,265 | 146,449 | 1,200 | 3,328 | 175,066 | 0.0% | 10,700 |
| 2041 | 175,066 | 0 | 0 | 116,663 | 146,449 | 1,200 | 3,811 | 209,863 | 0.0% | 30,986 |
| 2042 | 209,863 | 104,841 | 0 | 120,163 | 146,449 | 1,200 | 3,424 | 135,932 | 0.0% | (77,355) |
| 2043 | 135,932 | 25,880 | 0 | 123,767 | 146,449 | 1,200 | 2,699 | 136,632 | 0.0% | (1,999) |
| 2044 | 136,632 | 10,489 | 0 | 127,480 | 146,449 | 1,200 | 2,829 | 149,140 | 0.0% | 9,679 |
| 2045 | 149,140 | 114,563 | 0 | 131,305 | 146,449 | 1,200 | 2,001 | 52,922 | 0.0% | (98,219) |
| 2046 | 52,922 | 0 | 0 | 135,244 | 146,449 | 1,200 | 1,182 | 66,509 | 0.0% | 12,405 |
| 2047 | 66,509 | 0 | 0 | 139,301 | 146,449 | 1,200 | 1,414 | 76,269 | 0.0% | 8,347 |