

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
)	
To Amend the Agricultural Land)	
Use District Boundary into the)	
Urban District for approximately)	
545.229 acres at Wailuku and)	
Waikapu, County of Maui, State of)	
Hawai'i, TMK: 3-8-05: portion of)	
23 and 37, 3-8-07: 71, portion of)	
101 and 104)	
_____)	

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LAND USE COMMISSION
STATE OF HAWAII

PETITION FOR LAND USE DISTRICT BOUNDARY AMENDMENT
VERIFICATION
EXHIBITS "1" THROUGH "8"
AFFIDAVIT OF SERVICE OF PETITION
FOR LAND USE DISTRICT BOUNDARY AMENDMENT
AFFIDAVIT OF NOTIFICATION OF PETITION FILING
AND
CERTIFICATE OF SERVICE

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 A&B PROPERTIES, INC.

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PETITION FOR LAND USE DISTRICT BOUNDARY AMENDMENT

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

A&B PROPERTIES, INC., ("Petitioner") by and through its attorney, BENJAMIN M. MATSUBARA, respectfully petition the Land Use Commission of the State of Hawai'i ("Commission") to amend the land use district boundary of approximately 545.229 acres of land at Wailuku and Waikapu, Maui, Hawai'i, ("Property") more particularly described below, from the State Land Use Agricultural District to the State Land Use Urban District for the planned Wai'ale Community Project ("Project"). In support of this Petition, Petitioner respectfully presents the following:

1. Standing. The fee simple ownership of the Property is vested in Alexander & Baldwin, Inc., a Hawai'i corporation, whose principal place of business is

822 Bishop Street, Honolulu, Hawai'i 96813. Petitioner is a wholly owned subsidiary of Alexander & Baldwin, Inc. Attached as Exhibit 1 is the written authorization of Alexander & Baldwin, Inc. permitting Petitioner to file the subject Petition. Petitioner possess the requisite standing to file this Petition pursuant to Hawai'i Revised Statutes ("HRS") Section 205-4(a) and Hawai'i Administrative Rules ("HAR") Section 15-15-46(3).

2. Authorized Representatives. Mr. Benjamin M. Matsubara, Mr. Curtis T. Tabata and the law firm of Matsubara - Kotake have been appointed to represent the Petitioner pursuant to HAR Section 15-15-35(b). All correspondence and communications in regard to this Petition shall be addressed to, and served upon, Mr. Benjamin M. Matsubara, Matsubara - Kotake, 888 Mililani Street, 8th Floor, Honolulu, Hawai'i 96813 and Mr. Daniel Yasui, A&B Properties, Inc., 822 Bishop Street, Honolulu, Hawai'i 96813.

3. Relief Sought. Petitioner desires to amend the land use district boundary to reclassify approximately 545.229 acres of land at Wailuku and Waikapu, Maui, Hawai'i from the State Land Use Agricultural District to the State Land Use Urban District.

4. Authority for Relief Sought. Petitioner A&B Properties, Inc. files this Petition pursuant to Section 205-4, of the HRS and the Land Use Commission Rules of the State of Hawai'i, Title 15, Subtitle 3, Chapter 15 of the HAR.

5. Description of the Property. The Property is situated in Wailuku and Waikapu, Maui, Hawai'i and consists of approximately 545.229 acres and is identified as Tax Map Key Nos. (2) 3-8-05: portion of 23 and 37; and Tax Map Key Nos. (2) 3-8-07: 71, portion of 101 and 104. Tax Maps are attached hereto as Exhibit 8. A map identifying the location of the Property is attached as Exhibit 2. A survey map and metes and bounds description of the Property is attached as Exhibit 3.

6. Petitioner's Property Interest. The fee simple ownership of the Property is vested in Alexander & Baldwin, Inc., a Hawai'i corporation, whose principal place of business is 822 Bishop Street, Honolulu, Hawai'i 96813. Attached to this Petition as Exhibit 4 are documents evidencing Alexander & Baldwin, Inc.'s ownership of the Property. Petitioner is a wholly owned subsidiary of Alexander & Baldwin, Inc. Attached as Exhibit 1 is the written authorization of Alexander & Baldwin, Inc. permitting Petitioner to file the subject Petition.

7. Petitioner's Financial Condition. Petitioner is a wholly owned subsidiary of Alexander & Baldwin, Inc. Attached as Exhibit 5 are the financial statements of Alexander & Baldwin, Inc. Development of the Project is intended to be financed through internally generated funds.

8. Reclassification Sought, Proposed Use of Property. The Property is presently classified within the State Land Use Agricultural District. Petitioner seeks to reclassify the Property to the State Land Use Urban District to develop the Project. The

Project is a master planned residential community which would include the following uses: Village Mixed Use, Commercial, Business/Light Industrial, Multi Family and Single Family Residential, Community Center, Regional Park, Neighborhood Parks, Greenways and Open Space, Cultural Preserve, Middle School, and related infrastructure. The conceptual master plan of the Project is attached as Exhibit 6. The conceptual master plan is consistent with the guidelines and parameters specified in "Chapter 8: Directed Growth Plan" of the Draft Maui Island Plan (December 2009) as it relates to the Wai`ale planned growth area. A total of approximately 2,550 residential units are planned at the Project. A major regional park is planned within the Property, just south of the Maui Lani project, along with a system of neighborhood parks, greenways and open space. The regional park concept is described in the Draft Maui Island Plan and to include both active and passive park uses. Park development will be undertaken by the County of Maui. The Project will provide for a network of trails and bike paths which will connect to parks and open space areas. The Project includes approximately 50 acres near the Property's northern border with Maui Lani that will be conveyed to the County of Maui for affordable housing (40 acres), park (3 acres) and community center (7 acres). This land contribution is to satisfy Maui County zoning conditions for another project (Maui Business Park Phase II) in the Wailuku-Kahului region.

9. Environmental Impact. Attached as Exhibit 7 is an Environmental Impact Statement Preparation Notice ("EISPN") prepared for the Project. As the proposed Project will require an amendment to the Wailuku-Kahului Community Plan and may involve the use of State and/or County lands and the development of an onsite wastewater treatment facility, the preparation of this EISPN is being undertaken to address requirements under Chapter 343, HRS. Use of State and/or County lands could include, but not be limited to roadway, traffic, water, sewer, utility and drainage facilities affecting State and/or County roadways or other lands. While the specific nature of each improvement is not known at this time, the EISPN is intended to address all current and future instances involving the use of State and/or County lands relating to the Project. The filing of this Petition is the earliest practicable time to determine whether an Environmental Impact Statement ("EIS") shall be required to assess the Project pursuant to Section 343-5(c), HRS. Accordingly, Petitioner requests that the Commission determine: (a) that the Commission is the appropriate accepting authority for the EIS and (b) that the EISPN is warranted.

10. Description of the Property, Surrounding Area and Use of Land. The Property is located at Wailuku and Waikapu, Maui, adjacent and south of the Maui Lani project. The Property borders Kuihelani Highway on the east. Waiko Road intersects Kuihelani Highway and divides the Property into two sections, one section lies north of Waiko Road (Petition Area "A" comprising approximately 422.594 acres)

and the other south of Waiko Road (Petition Area "B" comprising approximately 122.635 acres). Kamehameha Avenue currently terminates within the Maui Lani project along the northern border of the Property. Kamehameha Avenue will be extended south through the Project as shown on the conceptual master plan. Current uses at the Property include: pasture (cattle and horses), cattle feed lot, orchid farm, base yard, sand stockpile and fallowed sugar fields. The northwestern portion of the property was previously used for sand mining. Surrounding land uses include the Maui Lani project to the north, Kuihelani Highway and sugar fields to the east, Waikapu Stream and sugar fields to the south, and Waikapu Village and light industrial uses to the west. Current access to the Property is off of Waiko Road, Kuihelani Highway and Kamehameha Avenue.

11. Assessment of the Impacts of the Proposed Development on the Environment. A preliminary discussion of the impacts of the proposed development on the environment is contained herein and in Petitioner's EISPN (Exhibit 7). Additional details concerning the proposed development's impacts on the environment will be provided as such information becomes available through the various studies which will be carried out in connection with the preparation of Petitioner's Draft Environmental Impact Statement ("DEIS").

Flora and Fauna

A Botanical and Fauna Survey of the Property was conducted by Robert Hobdy, Environmental Consultant. The vegetation observed throughout the Property was dominated by a variety of non-native plants, including buffelgrass, kiawe, koa haole and Guinea grass. Four (4) native plant species: ilima, 'uhaloa, kou and popolo and three (3) of Polynesian origin: kukui, niu and ko or sugar cane, were found on the Property, but all are common species found throughout Hawai'i. No federally-listed endangered or threatened native species were found on the Property. Due to the dominance of non-native plants and the absence of any rare or protected native plant species, the proposed Project is not expected to have a significant negative impact on botanical resources. Mammals, including cattle, horses, axis deer and mongoose were observed on the Property. Other mammals likely to be found on the Property include, rats, mice, and feral cats. Seventeen (17) bird species were observed, including fifteen (15) non-native species, one indigenous water bird (black-crowned night heron) and one migrant bird (Pacific golden plover). No federally-listed endangered or threatened mammal, bird or insect species were found on the property.

The proposed development is not anticipated to have a significant negative impact on botanical and fauna resources. The Botanical and Fauna Survey will be included in the DEIS.

Streams, Wetlands and Reservoirs

Waikapu Stream is situated to the south of the Property. While the stream is not included within the subject Property, a park/open space greenway will be provided along the northern border of the stream, within the Property. The natural drainage characteristics of Waikapu Stream are not intended to be altered. The DEIS will include a preliminary drainage report to describe the proposed drainage system for the Project. Mitigation measures such as Best Management Practices (“BMPs”) will be addressed by the preliminary drainage report.

Archaeological and Historical Resources

An archaeological inventory survey of the Property has been conducted and will be included in the DEIS. This includes archaeological work undertaken in conjunction with Hawaiian Cement’s sand mining activities within the northwestern portion of the Property. Burials have been identified within this area and mitigation measures, including a plan for long term preservation are being formulated in consultation with the State Department of Land and Natural Resources Historic Preservation Division (“SHPD”) and the Maui/Lanai Islands Burial Council. Several cultural preserves are planned within the Project to safeguard these burial sites.

Cultural Resources

A cultural impact assessment of the Property will be conducted to identify existing cultural resources and practices associated with the Property and the Project’s

potential impact on such resources and practices. The cultural impact assessment report will be included in the DEIS.

Agriculture

In 1977, the State Department of Agriculture developed a classification system to identify Agricultural Lands of Importance to the State of Hawai'i ("ALISH"). The classification system is based primarily, though not exclusively, upon the soil characteristics of the lands. The three (3) classes of ALISH lands are: "Prime", "Unique", and "Other", with all remaining lands termed "Unclassified". When utilized with modern farming methods, "Prime" agricultural lands have a soil quality, growing season, and moisture supply necessary to produce sustained crop yields economically. "Unique" agricultural lands possess a combination of soil quality, growing season, and moisture supply to produce sustained high yields of a specific crop. "Other" agricultural lands include those that have not been rated as "Prime" or "Unique". The Property has been classified as "Other" by the ALISH classification system.

The University of Hawai'i, Land Study Bureau ("LSB") developed the Overall Productivity Rating, which classified soils according to five (5) levels, with "A" representing the class of highest productivity soils and "E" representing the lowest. These letters are followed by numbers which further classify the soil types by conveying such information as texture, drainage and stoniness. The vast majority of subject Property is located on lands designated "E" or very poor by the LSB. These

lands have the lowest productivity rating under the LSB classification system. Machine till ability is very poorly suited, thus grazing is the typical use for this type of soil. A small portion of the Property along its northeast boundary with Maui Lani is designated "C" by the LSB.

The proposed Project will involve the use of approximately 545 acres of land, which represents approximately 0.2 percent of the roughly 246,000 acres of State Agricultural district lands on the island of Maui. A more detailed assessment of the agricultural impact of the proposed Project will be included in the DEIS.

Air and Noise Quality

Air quality in the vicinity of the Property is considered good with existing airborne emissions attributed primarily to nearby agricultural and industrial activities. Other potential sources of airborne emissions include construction activities at Maui Lani, vehicular traffic along nearby roadways and vog. However, these sources are typically intermittent, with prevailing trade winds quickly dispersing any particulates which are generated. Air quality data available for the area from the State Department of Health ("DOH") indicates that ambient air concentrations are well within State and national air quality standards. Noise generators in the vicinity of the Property are those associated with the nearby agricultural, industrial and construction activities. Another noise source in the area can be attributed to vehicular traffic along Kuihelani Highway and Waiko Road.

Anticipated air quality impacts attributed to the Project include dust generated by short-term construction-related activities. Dust control measures, such as regular watering and sprinkling, will be implemented to minimize wind-blown emissions. Graded and grubbed areas will be vegetated to mitigate dust-generated impacts. In the long term, the Project is not expected to adversely impact local and regional ambient air quality.

Ambient noise conditions will be temporarily impacted by construction activities. Heavy construction equipment, such as bulldozers, front-end loaders, and material-transport vehicles, will likely be the dominant source of noise during the construction period. The overall long-term impact of the Project on ambient noise levels is not anticipated to be significant.

Scenic and Open Space Resources

The subject Property is situated within the central valley of Maui, just south of Maui Lani. The slopes of Haleakala and the West Maui Mountains are visible from the Property. However, the subject Property is not a scenic resource nor located within a scenic view corridor.

The proposed Project will be developed as an architecturally integrated master planned community with extensive landscaping. Landscaping will be installed as part of the development improvements to ensure visual buffering and softening of the built landscape. The master plan includes regional and neighborhood parks, greenways and

open space. No adverse impacts to scenic or open space resources resulting from the Project are anticipated.

12. Assessment of the Impacts of the Proposed Development on the Availability of Public Services and Facilities

Roadways

The Property is situated adjacent to Kuihelani Highway, a primary vehicular arterial serving Central Maui. Kuihelani Highway is a median separated four-lane, two-way State Highway that runs in a north-south direction between Kahului and Ma`alaea. In addition to paved shoulders, Kuihelani Highway has traffic signals and turning lanes at major intersections, including at Waiko Road. The Property is also served by Waiko Road, which intersects Kuihelani Highway and divides the Property into two sections. Waiko Road is a two-lane collector roadway connecting Kuihelani Highway, Waiale Drive, and Honoapi`ilani Highway. Honoapi`ilani Highway is a two-lane State highway running in a north-south direction between Wailuku and Ma`alaea. Kamehameha Avenue is a two-lane County collector roadway within the adjacent Maui Lani project that currently terminates just north of the Property. Kamehameha Avenue will be extended south through the Property and connect with Waiko Road. As shown on the master plan, accesses to the Project are planned off of Waiko Road, Kuihelani Highway and Kamehameha Avenue.

A Traffic Impact Analysis Report ("TIAR") for the proposed project will be prepared and included in the DEIS. The TIAR will address the impacts of traffic

generated from the proposed Project and identify measures required to mitigate the impacts. Coordination with the State Department of Transportation (“DOT”) and County Department of Public Works (“DPW”) will be undertaken in the preparation of the TIAR.

Water System

Water service for the region is provided by the County Department of Water Supply (“DWS”). Domestic water and fire flow for the Waikapu area is provided by the Mokuhau Wells in Happy Valley and the 300,000 gallon Waikapu Tank. A series of 8-inch and 12-inch waterlines traverse Waiko Road providing service to existing users. An existing 12-inch main is also situated within Kamehameha Avenue in Maui Lani.

To address the potable water needs of the Project, Petitioner is pursuing several alternatives. Petitioner, in cooperation with the County of Maui, is planning the development of a new water treatment facility on lands adjacent to the Waiale Reservoir, just north of the Project. The Waiale WTF (“WTF”) is planned as a joint effort with the County of Maui to address a portion of the future potable water needs of both the County and the Petitioner.

The development of new potable well sources in Central Maui is another potable water alternative. As example, the Petitioner has drilled two (2) wells in the Kahului aquifer. These wells are situated within the northeastern portion of the Property near

Kuihelani Highway. Each of these wells has a sustainable capacity of approximately 0.648 mgd and demonstrates the potential for potable well sources to serve the Project.

A preliminary engineering report will be included in the DEIS which will analyze the existing and proposed water system for the Project based upon calculated water demands.

Wastewater System

The County's existing Wailuku-Kahului Wastewater Reclamation Facility serving the greater Wailuku-Kahului region has a plant capacity of 7.9 mgd and currently treats an estimated 5.5 mgd. The facility is located on Amala Place in Kahului. The facility's total allocation, including projects already permitted, is estimated at 6.9 mgd. Within Maui Lani, an existing 12-inch sewer line is situated within Kamehameha Avenue, just north of the Property.

A preliminary engineering report will be included in the DEIS which will estimate demand generated by the Project and analyze wastewater collection and treatment requirements, as well as alternatives to accommodate the needs of the proposed Project.

Drainage

The property is generally flat along the eastern boundary along Kuihelani Highway, with a gentle slope rising from the northeastern to the northwestern corner. At its lowest point (at the northeastern corner), the property is approximately 150 feet

above mean sea level (msl). Higher elevations occur along the western edge of Waiko Road at approximately 310 above msl. Slopes generally increase from the north to the south, and the topography of the property at the southern tip is approximately 200 feet above msl. With gentle overall terrain, the average slope is about 3 percent or less. The majority of the Property is designated Zone "C", areas of minimal flooding, according to Federal Emergency Management Agency's ("FEMA") Flood Insurance Rate Map ("FIRM"). A small portion of the Property near Waikapu Stream is designated Zone "A", areas subject to flooding.

Onsite surface drainage currently sheet flows across the Property from the southwest to the northeast. Along Kuihelani Highway, existing drainage improvements include three (3) drainage crossings, which intercept and divert flows. A 42-inch culvert located near the intersection of Waiko Road and Kuihelani Highway, intercepts runoff from a swale parallel to Kuihelani Highway.

Waikapu Stream is situated to the south of the Property. The natural drainage characteristics of the stream will not be altered. The master plan includes a park/green way buffer along the stream to allow uninterrupted natural flows to occur and for recreational use.

The DEIS will include a preliminary drainage report covering the drainage characteristics of the Property, potential impacts resulting from the proposed Project,

and proposed mitigation measures. The findings and recommendations for drainage will be based on drainage studies prepared by a licensed civil engineer.

Electrical, Telephone, and Cable Television Services

Electrical power, telephone, and CATV services to the region are provided by Maui Electric Company, Hawaiian Telcom, and Oceanic Time Warner Cable of Hawaii, respectively.

Although it is anticipated that electrical, telephone, and CATV service capacity will be available for the proposed development and will not have an adverse impact on service providers, the respective providers will be consulted regarding potential impacts as well as measures to mitigate said impacts. The results will be included in the DEIS.

Police and Fire Protection

The proposed Project is situated within the Maui Police Department's ("MPD") Wailuku Patrol District, which covers the Kahului area. The Maui County Department of Fire and Public Safety ("MFD") provides fire prevention, suppression, protection and emergency services to the area. The MFD's Kahului Fire Station is situated on Dairy Road in Kahului.

An assessment of the impacts to police and fire protection services will be undertaken during the DEIS process. The EISPN will be circulated to the MPD and MFD to solicit comments on the proposed Project.

Educational Facilities

The State Department of Education (“DOE”) operates two (2) high schools, two (2) intermediate schools and four (4) elementary schools in the Wailuku-Kahului region, these include: Maui High School, Henry P. Baldwin High School, Iao Intermediate School, Maui Waena Intermediate School, Kahului Elementary School, Lihikai Elementary School, Wailuku Elementary School and Pomaikai Elementary School. Pomaikai Elementary School recently opened (2007) and is situated just north of the Property along Kamehameha Avenue in Maui Lani. Maui Community College, a branch of the University of Hawai‘i system, is the primary higher education institution serving the County.

An assessment of the Project’s impact to educational facilities in the region will be undertaken. Preliminary discussions have been held with the DOE Facilities Branch concerning the proposed Project. Based on its assessment of existing and planned DOE facilities in the region, the DOE has concurred with the need to plan for a future middle school site within the Project. The EISPN will be circulated to the DOE to solicit comments on the proposed Project.

Recreational Facilities

Diverse recreational opportunities are available in the Wailuku-Kahului region. Numerous park facilities are within a relatively short distance of the Project site, including: Honolii Park, Kahului Community Center & Pool, Lihikai Park, Mokuhau

Park, Pomaikai Park, Wai'ale Neighborhood Park, War Memorial Complex & Keopuolani Regional Park and Wells Community Complex. However, there are regional recreational needs that the County would like to plan for within the Project.

The Project's master plan includes lands reserved for active regional and neighborhood parks, greenways and open space. The provision of lands for park purposes will be undertaken in consultation with the County Department of Parks and Recreation ("DPR") to ensure that park and playground assessment requirements are appropriately addressed. Lands planned for park purposes are expected to far exceed County park dedication requirements for the Project and will be discussed with the DPR. The EISPN will be circulated to the DPR to solicit comments on the proposed Project.

Solid Waste Disposal

Single family residential solid waste collection service is provided by the County of Maui. Residential solid waste collected by County crews is disposed of at the County's Central Maui Landfill facility, located 4.0 miles southeast of the Kahului Airport. The Central Maui Landfill is operated by the County Department of Environmental Management ("DEM"). In addition to County-collected refuse, the Central Maui Landfill also accepts commercial waste from private collection companies. A new expansion to the Central Maui solid waste landfill facility was recently opened. According to the County's Draft Integrated Solid Waste Management Plan (February

2008), there is adequate capacity at the Central Maui Landfill with planned improvements to the year 2026. Privately owned facilities, such as the Maui Demolition and Construction Landfill and the Pohakulepo Concrete Recycling Facility, accept solid waste and concrete from demolition and construction activities. These facilities are located at Ma`alaea, near Honoapi`ilani Highway's junctions with North Kihei Road and the Kuihelani Highway. A County supported green waste recycling facility is located at the Central Maui Landfill.

At the appropriate time and in consultation with the DEM, a solid waste management plan, incorporating measures for recycling during and after construction, will be prepared. The planned single family residential units within the proposed Project will be served by the County of Maui's solid waste disposal facilities. Other project components, including commercial and multi family residential units will likely be served by private waste collection companies. Further coordination will be carried out with the DEM during the DEIS process to identify Project implications to solid waste facilities. The findings will be incorporated into the DEIS document.

Medical Facilities

The only major medical facility on the island is Maui Memorial Medical Center, which is located in Kahului less than two (2) miles in distance from the proposed Project. The 196-bed facility provides general, acute, and emergency care services.

Non-emergency health care is provided by medical clinics and offices throughout Wailuku-Kahului, including Kaiser Permanente, which operates clinics in Maui Lani and Wailuku.

An assessment of the impacts to medical treatment and care services will be undertaken in the DEIS process. The EISPN will be circulated to the Maui Memorial Medical Center for review and comment.

13. Location of the Proposed Development to Adjacent Land Use Districts and Centers of Trading and Employment. The Property is contiguous with the existing Urban District and the greater Wailuku-Kahului urban area. The Property is located adjacent and south of the Maui Lani master planned community. The Waikapu Urban District is situated to the west of the Property at Waiko Road and Honoapi'ilani Highway. A light industrial area is also situated within the Urban District along Waiko Road. The site abuts the existing Kuihelani Highway, a major north/south roadway serving the Wailuku-Kahului region. The Property is proximate to existing infrastructure, has good access to existing roadways and topography suitable for urban development. The Property is located in an area of existing, urbanized lands.

14. Economic Impacts of the Proposed Development. The Project is intended to provide housing and employment opportunities in close proximity to the existing urban core and employment center at Wailuku-Kahului. On a short-term basis, the project will support construction and construction-related employment. Accordingly,

the project will have a beneficial impact on the local economy during the period of construction. Long term employment opportunities will also arise from the commercial components of the Project. An analysis to address tax, income and property valuation parameters will be undertaken during the DEIS process.

15. Housing Needs. The proposed Project would add approximately 2,550 residential units, including affordable units, to the supply of housing on the island of Maui. The proposed Project would assist in providing relief to the current overall shortage of housing. Moreover, the subject Property's central location in Wailuku-Kahului suggests that its impact will be very beneficial to Maui's residential and commercial sectors. No significant adverse impacts on housing conditions are anticipated. The DEIS will include a more thorough assessment of the proposed project's anticipated impacts on housing.

16. Need for the Reclassification. As previously noted, the conceptual master plan is consistent with the guidelines and parameters specified in "Chapter 8: Directed Growth Plan" of the Draft Maui Island Plan (December 2009) as it relates to the Wai'ale planned growth area. As noted in the Directed Growth Plan, Wai'ale is the largest planned growth area in the Wailuku-Kahului community plan region and will provide roughly 50% of the additional residential units needed in the Central Maui region to address the housing needs of Maui residents. The Project will also meet the requirements of the Maui Residential Workforce Housing Policy ("MRWHP").

Additionally, and to the extent feasible, housing credits (through the development of affordable housing units in excess of that required by the MRWHP) may be sought through the development of the Project. These housing credits could be applied to Petitioner's other projects. The Project also includes 50 acres that will be conveyed to the County of Maui for affordable housing (40 acres), park (3 acres) and community center (7 acres). This land contribution is to satisfy Maui County zoning conditions for another project (Maui Business Park Phase II) in the Wailuku-Kahului region. The proposed Project will provide needed housing in close proximity to existing urban development, infrastructure, and employment centers. The Project's location is central to employment centers on the island of Maui. The reclassification of the Property as proposed herein will not result in scattered, spot urban development. A detailed analysis of the need for the Project will be included in the DEIS.

17. Conformance with the Hawai'i State Plan. Chapter 226, HRS, also known as the Hawai'i State Plan, is a long-range comprehensive plan which serves as a guide for the future long-term development of the State by identifying goals, objectives, policies, and priorities, as well as implementation mechanisms. Examples of State objectives and policies relevant to the proposed Project are as follows:

1. Section 226-05, Objectives and policies for population. To achieve this objective, it shall be the State policy to:

a. *Promote increased opportunities for Hawai'i's people to pursue their socio-economic aspirations throughout the islands.*

- b. *Plan the development and availability of land and water resources in a coordinated manner so as to provide for the desired levels of growth in each geographic area.*

2. Section 226-19, Objectives and policies for socio-cultural advancement-housing. To achieve the housing objectives, it shall be the policy of the State to:

- a. *Effectively accommodate the housing needs of Hawai'i's people.*
- b. *Stimulate and promote feasible approaches that increase housing choices for low-income, moderate-income, and gap-group households.*
- c. *Increase homeownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing.*

The DEIS will include a full review of applicable State Plan objectives and policies, as well as priority guidelines. In addition, the DEIS will examine the proposed Project's relationship to applicable State Functional Plans.

18. Conformance with the Coastal Zone Management Program. Hawai'i's Coastal Zone Management Program ("CZM"), Chapter 205 A, HRS establishes numerous objectives, policies and standards to guide and regulate public and private uses within the designated coastal management area. Although the Property is not located within the County's Special Management Area ("SMA"), the proposed development's relationship to the following applicable CZM objectives and policies have been reviewed. A more detailed discussion of the Project's conformance to the CZM will be included in the DEIS.

Recreational Resources Section 205A-2(b)(1)(A) provides that the CZM objective is to “provide coastal recreational opportunities accessible to the public.” Applicable policies to achieve this objective include:

Provide adequate, accessible and diverse recreational opportunities in the coastal zone management area by:

Providing an adequate supply of shoreline parks and other recreational facilities suitable for public recreation.

The proposed Project will not adversely affect coastal zone recreational opportunities. Accessibility to the shoreline will not be impacted by this Project. Additional recreational opportunities will be provided by additional park and open space that will be part of the proposed development.

Historic Resources Section 205A-2(b)(2)(A) provides that the CZM objective is to “protect, preserve and, where desirable, restore those natural and manmade historic and prehistoric resources in the coastal zone management area that are significant in Hawaiian and American history and culture.” Applicable policies to achieve this objective include:

Identify and analyze significant archaeological resources.

Support state goals for protection, restoration, interpretation and display of historic resources.

An archaeological inventory survey of the Property has been conducted and will be included in the DEIS. This includes archaeological work undertaken in conjunction with Hawaiian Cement’s sand mining activities within the northwestern portion of the Property. Burials have been identified within this area and mitigation measures,

including a plan for long term preservation are being formulated in consultation with the State Department of Land and Natural Resources Historic Preservation Division (“SHPD”) and the Maui/Lanai Islands Burial Council. Several cultural preserves are planned within the Project to safeguard these burial sites. With appropriate mitigation measures, the proposed Project is not anticipated to adversely impact historic or archaeological resources.

Scenic and Open Space Resources Section 205A-2(b)(3)(A) provides that the CZM objective is to “protect, preserve and, where desirable restore or improve the quality of coastal scenic and open space resources.” Applicable policies to achieve this objective include:

Ensure that new developments are compatible with their visual environment by designing and locating such developments to minimize the alteration of natural landforms and existing public views to and along the shoreline.

Encourage those developments which are not coastal dependent to locate in inland areas.

The proposed Project will not adversely impact scenic or open space resources. The Project is located inland of the shoreline and will not affect public views to and along the shoreline.

Coastal Ecosystems Section 205A-2(b)(4)(A) provides that the CZM objective is to “protect valuable coastal ecosystems, including reefs, from disruption and minimize adverse impacts on all coastal ecosystems.” Applicable policies to achieve this objective include:

Minimize disruption or degradation of coastal water ecosystems by effective regulation of stream diversions, channelization, and similar land and water uses, recognizing competing water needs.

Petitioner will ensure that appropriate erosion control measures are implemented during construction of the proposed development to prevent significant impacts upon coastal water ecosystems. The natural drainage characteristics of Waikapu Stream will not be altered. The master plan for the Project provides a greenway and open space buffer along the stream to enable uninterrupted natural flows to occur. All drainage improvements within the Project will be designed in accordance with applicable County standards to ensure no adverse impacts to downstream properties. The DEIS will include a preliminary drainage report covering the drainage characteristics of the Property, potential impacts resulting from the proposed Project, and proposed mitigation measures.

Coastal Hazards Section 205A-2(b)(6)(A) provides that the CZM objective is to “reduce hazard to life and property from tsunami, storm waves, stream flooding, erosion, subsidence and pollution.” Applicable policies to achieve this objective include:

Control development in areas subject to storm wave, tsunami, flood, erosion, hurricane, wind, subsidence, and point and nonpoint pollution hazards.

Ensure that developments comply with requirements of the Federal Flood Insurance Program.

As previously noted, the natural drainage characteristics of Waikapu Stream will not be altered. The master plan for the Project provides a greenway and open space

buffer along the stream to enable uninterrupted natural flows to occur. Development of the Project will be done in compliance with Federal Flood Insurance Program standards. All drainage improvements will be designed in accordance with applicable County standards to ensure no adverse impacts to downstream properties. The DEIS will include a preliminary drainage report covering the drainage characteristics of the Property, potential impacts resulting from the proposed Project, and proposed mitigation measures.

Managing Development Section 205A-2(b)(7)(A) provides that the CZM objective is to “improve the development review process, communication, and public participation in the management of coastal resources and hazards”. Applicable policies to achieve this objective include:

Facilitate timely processing of applications for development permits and resolve overlapping of conflicting permit requirements.

Communicate the potential short and long term impacts of proposed significant coastal developments early in their life cycle and in terms understandable to the public to facilitate public participation in the planning and review process.

The land use district boundary amendment process initiated by this Petition, as well as the associated environmental review process being undertaken pursuant to Chapter 343 HRS, will involve a comprehensive review of the proposed Project by various governmental agencies and community organizations. Public participation concerning the proposed Project will be afforded via public hearings and written comments concerning the DEIS.

Based on the foregoing, the proposed development is not anticipated to have an adverse impact on the SMA and is consistent with the objectives and policies of the CZM.

19. Conformance with the County General Plan, Community Plan, and Zoning. The Maui County General Plan (1990 Update) sets forth broad objectives and policies to help guide the long-range development of the County. As stated in the Maui County Charter, the General Plan shall:

"...indicate desired population and physical development patterns for each island and region within the County; shall address the unique problems and needs of each island and region; shall explain the opportunities and the social, economic, and environmental consequences related to potential developments; and shall set forth the desired sequence, patterns, and characteristics of future developments. The General Plan shall identify objectives to be achieved, and priorities, policies, and implementing actions to be pursued with respect to population density, land use maps, land use regulations, transportation systems, public and community facility locations, water and sewage systems, visitor destinations, urban design, and other matters related to development."

The Maui County General Plan advances five (5) major themes that focus on the overall goals of the plan. The proposed project responds to the following General Plan themes:

Theme Number 2 *Prepare a Directed and Managed Growth Plan*

Amendments to the General Plan will preserve a desired quality of life where areas of urban settlement must be managed and directed within a framework that consistently and concurrently balances growth demands against human service needs and physical infrastructure supply.

Theme Number 5 *Provide for Needed Resident Housing*

Amendments to the General Plan address the development of resident housing as a major social need in our community.

The proposed action is in keeping with the following General Plan objectives and policies:

POPULATION

Objective

To plan the growth of resident and visitor population through a directed and managed growth plan so as to avoid social, economic and environmental disruptions.

Policy

Balance population growth by achieving concurrency between the resident employee work force, the job inventory created by new industries, affordable resident/employee housing, constraints on the environment and its natural resources, public and private infrastructure, and essential social services such as schools, hospitals, etc.

LAND USE

Objectives

1. *To preserve for present and future generations existing geographic, cultural and traditional community lifestyles by limiting and managing growth through environmentally sensitive and effective use of land in accordance with the individual character of the various communities and regions of the County.*

2. *To use the land within the County for the social and economic benefit of all the County's residents.*

Policies

1. *Provide and maintain a range of land use districts sufficient to meet the social, physical, environmental and economic needs of the community.*
2. *Encourage land use methods that will provide a continuous balanced inventory of housing types in all price ranges.*
3. *Encourage programs to stabilize affordable land and housing prices.*

HOUSING

Objective

To provide a choice of attractive, sanitary and affordable homes for all our residents.

Policies

1. *Encourage the construction of housing in a variety of price ranges and geographic locations.*
2. *Ensure that each community plan region contains its fair share of affordable housing.*

URBAN DESIGN

Objective

To encourage developments which reflect the character and the culture of Maui County's people.

Policy

Encourage community design which establishes a cohesive identity.

RECREATION AND OPEN SPACE

Objective

To provide high-quality recreational facilities to meet the present and future needs of our residents of all ages and physical ability.

Policy

Develop facilities that will meet the different recreational needs of the various communities.

Draft Maui Island Plan (December 2009)

The Draft Maui Island Plan (December 2009) is a part of the County's on-going effort to prepare the General Plan 2030 of the County of Maui. Intended to provide a long-term comprehensive strategic planning document for the physical, economic, environmental development and cultural identity of the County, it encompasses goals, policies, programs and actions that are recommended based on an assessment of current and future needs and available resources. As noted in Chapter 8, "Directed Growth Plan" of the Draft Maui Island Plan (December 2009), Wai'ale is the largest planned growth area in the Wailuku-Kahului community plan region. Wai'ale is expected to provide roughly 50% of the additional residential units needed in the Central Maui region to address the future housing needs of Maui residents within the 2030 planning horizon. The Project's conceptual master plan has been prepared consistent with the

guidelines and parameters specified in Directed Growth Plan. As discussed in the Draft Maui Island Plan, the rationale for planned growth at Wai'ale includes its proximity to existing employment centers and infrastructure, good highway access and buildable topography. The Directed Growth Map within the Draft Maui Island Plan, includes the Property within the proposed Urban Growth Boundary.

Within Maui County, there are nine (9) community plan regions. From a General Plan implementation standpoint, each region is governed by a community plan which sets forth desired land use patterns, as well as goals, objectives, policies, and implementing actions for a number of functional areas including infrastructure-related parameters. The proposed Project is located within the Wailuku-Kahului Community Plan region. The existing Community Plan land use designations for the Property are set forth in the Wailuku-Kahului Community Plan Land Use Map. The subject Property is designated "Agriculture" on the Wailuku-Kahului Community Plan Map. To modify the Community Plan to be consistent with the draft Maui Island Plan (2009), the applicant will file a community plan amendment application to change the designation from "Agriculture" to "Project District". The intent of the Project District designation is to allow for flexibility and creativity in the master planning and development of the Project. Project Districts are governed under Section 19.45.010 of the Maui County Code.

The proposed Project is also in conformance with the following, more general, goals, objectives, and policies of the Wailuku-Kahului Community Plan.

LAND USE

Goal

An attractive, well-planned community with a mixture of compatible land uses in appropriate areas to accommodate the future needs of residents and visitors in a manner that provides for the social and economic well-being of residents and the preservation and enhancement of the region's environmental resources and traditional towns and villages.

Objectives and Policies

1. *Establish an adequate supply of urban land use designations to meet the needs of the community over the next 20 years.*
2. *Maintain a project district approach for the major residential growth areas adjacent to Wailuku, Kahului and Waiehu to allow flexibility in master planning. These project districts may contain a variety of residential unit types as well as supporting community services, including business, public, recreational and educational facilities.*

HOUSING

Goal

A sufficient supply and choice of attractive, sanitary and affordable housing accommodations for the broad cross section of residents, including the elderly.

Objectives and Policies

1. *Utilize a project district planning approach for major housing expansion areas which will allow flexibility in project planning. This will provide for flexible development standards and a mix of*

housing types which can result in more efficient site utilization and potential reductions in housing development costs.

- 2. Provide sufficient land areas for new residential growth which relax constraints on the housing market and afford variety in type, price, and location of units. Opportunities for the preservation of housing are presently constrained by a lack of expansion areas. This condition should be relieved by a choice of housing in a variety of locations, both rural and urban in character.*
- 3. Seek alternative residential growth areas within the planning region, with high priority given to the Wailuku and Kahului areas. This action should recognize that crucial issues of maintaining important agricultural lands, achieving efficient patterns of growth, and providing adequate housing supply and choice of price and location must be addressed and resolved.*
- 4. Coordinate the planning, design and construction of public infrastructure improvements with major residential projects that have an affordable housing component.*

SOCIAL INFRASTRUCTURE

Goal

Develop and maintain an efficient and responsive system of public services which promotes a safe, healthy and enjoyable lifestyle, accommodates the needs of young, elderly, disabled, and disadvantaged persons, and offers opportunities for self-improvement and community well-being.

Objectives and Policies

- 1. Provide park and recreation areas as an integral part of project district specifications which will accommodate the needs of population growth.*
- 2. Ensure that adequate regional/community park facilities are provided to service new residential developments.*

The subject Property is currently zoned "Agricultural" by the County of Maui. A change in zoning application will be filed as part of the entitlement applications to implement the proposed Project. The zoning application will seek Project District designation pursuant to Section 19.45.010 of the Maui County Code.

20. Development of the Property. Substantial development of the Property is anticipated to be accomplished within ten (10) years after the date of the Commission's approval.

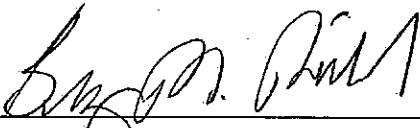
21. Hawaiian Customary and Traditional Rights. Petitioner is aware of and sensitive to the existence and practice of native Hawaiian customary and traditional rights that are protected by Article XII, Section 7 of the Hawai'i State Constitution. A cultural impact assessment for the Property will be prepared and included in the Project's DEIS. As previously noted, burials have been identified within this area and mitigation measures, including a plan for long term preservation are being formulated in consultation with the State Department of Land and Natural Resources Historic Preservation Division ("SHPD") and the Maui/Lanai Islands Burial Council.

22. Written Comments From Agencies and Organizations. Assuming the Commission determines that it is the appropriate accepting authority for the EISPN, the EISPN will be circulated for agency and public comment. Written comments to the EISPN from various agencies and organizations, including responses, will be included in the Project's DEIS.

Based on the foregoing, Petitioner respectfully requests that the Commission finds that the Petition meets the standards for determining Urban District boundaries pursuant to HAR Sections 15-15-18 and 15-15-21, and amends the land use district boundary of the Property from the State Land Use Agricultural District to the State Land Use Urban District.

DATED: Honolulu, Hawai'i, August 25, 2010.

Of Counsel:
MATSUBARA – KOTAKE
A Law Corporation



BENJAMIN M. MATSUBARA
CURTIS T. TABATA
Attorneys for Petitioner
A&B PROPERTIES, INC.

BEFORE THE LAND USE COMMISSION

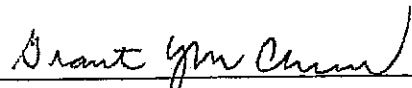
OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
)	
To Amend the Agricultural Land)	
Use District Boundary into the)	
Urban District for approximately)	
545.229 acres at Wailuku and)	
Waikapu, County of Maui, State of)	
Hawai'i, TMK: 3-8-05: portion of)	
23 and 37, 3-8-07: 71, portion of)	
101 and 104)	
<hr/>		

VERIFICATION

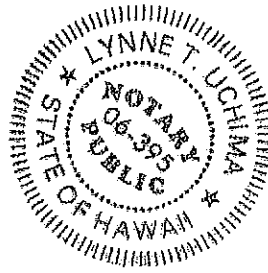
Grant Y. M. Chun, being first duly sworn, on oath, deposes and says that he is Vice President of A&B Properties, Inc., a Hawai'i corporation, and as such is authorized to make this verification on behalf of said corporation; that he has read the foregoing petition and knows the contents thereof; and that the same are true to the best of his knowledge, information and belief.

Dated: Kahului, Maui, Hawai'i, August 23, 2010



GRANT Y. M. CHUN
A&B Properties, Inc.
Its Vice President

Subscribed and sworn to me
this 23rd day of August 2010



Lynne T. Uchima

Name: Lynne T. Uchima

Notary Public, State of Hawai'i

My Commission expires: 7/2/2014

NOTARY CERTIFICATE (Hawai'i Administrative Rules §5-11-8)

Document Identification or Description: Petition For Land Use District Boundary Amendment; Verification; Exhibits "1" Through "8"; Affidavit Of Service Of petitioner For Land Use District Boundary Amendment; Affidavit Of Notification Of Petition Filing And Certificate Of Service
Doc. Date: Undated at time of notarization No. of Pages: 40

Jurisdiction: Second Circuit

(in which notarial act is performed)

Lynne T. Uchima

8/23/10

Signature of Notary

Date of Certificate

Lynne T. Uchima

Printed Name of Notary



(Official Stamp or Seal)



ALEXANDER & BALDWIN, INC.

822 Bishop Street
Honolulu, Hawaii 96813
P.O. Box 3440
Honolulu, HI 96801-3440
www.alexanderbaldwin.com
Tel (808) 525-6611
Fax (808) 525-6652

July 1, 2010

Land Use Commission
State of Hawaii
P. O. Box 2359
Honolulu, HI 96804-2359

Re: State Land Use District Boundary Amendment
Waiale Community Project

Ladies and Gentlemen:

Alexander & Baldwin, Inc. is the owner in fee simple of those certain properties located at Wailuku and Waikapu, Maui, Hawaii, identified by Tax Map Key 3-8-05: 23 and 37 and 3-8-07: 71, 101 and 104. A&B Properties, Inc. intends to develop approximately 545 acres of said parcels for a master planned residential community known as the Waiale Community Project.

Alexander & Baldwin, Inc. hereby authorizes A&B Properties, Inc. and its agents to prepare, file, process and obtain all necessary permits and approvals relating to the development of the Waiale Community Project, including but not limited to, a State Land Use District Boundary Amendment.

Sincerely,

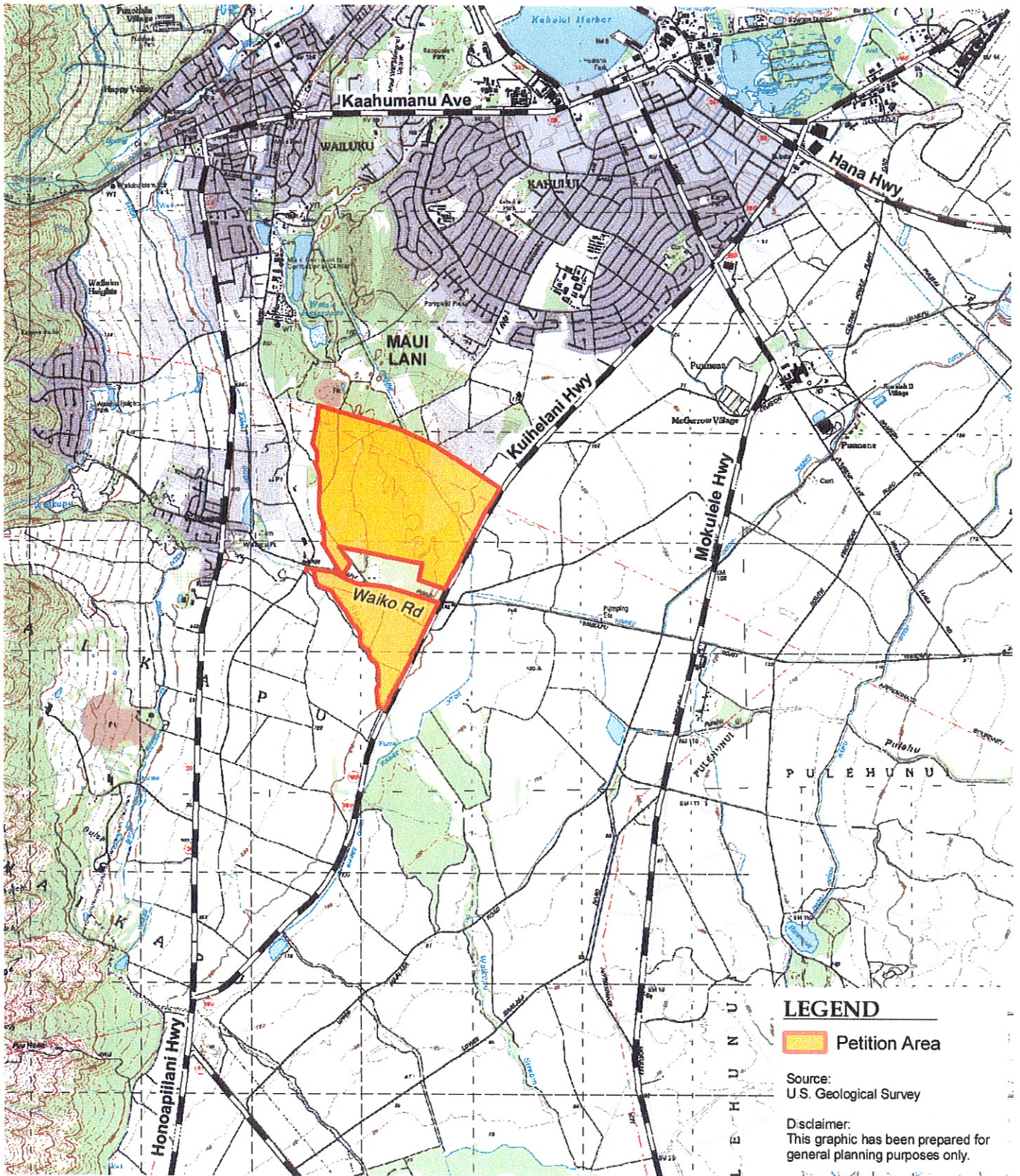
ALEXANDER & BALDWIN, INC.

By: 

Its SENIOR VICE PRESIDENT

By: 

Its ASST. SECRETARY



LEGEND

 Petition Area

Source:
U.S. Geological Survey

Disclaimer:
This graphic has been prepared for
general planning purposes only.



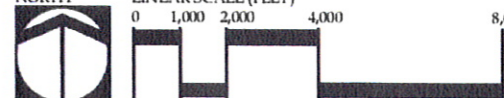
**Exhibit 2
Location Map**

WAI'ALE

A&B PROPERTIES, INC.

KAHULUI, MAUI

NORTH LINEAR SCALE (FEET)



DESCRIPTION

PETITION AREA "A"

TAX MAP KEY: (2) 3-8-007:071, 104
AND 101 (PORTION)

All of that certain parcel of land, being all of Lot 1-B of the Kopaa Subdivision, a portion of Lot 12-A of the Maui Lani Subdivision and portions of Grant 3152 to Henry Cornwell and Grant 3343 to Claus Spreckels situated at Wailuku and Waikapu, Waikapu, Island and County of Maui, State of Hawaii

Beginning at the northeasterly corner of this parcel of land, on the westerly side of Kuihelani Highway [F. A. S. P. No. S-0380 (4)], said point being also the southeasterly corner of Lot 11-C of the Maui Lani Development, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" 8,081.64 feet South and 5,711.01 feet East and running by azimuths measured clockwise True South:

1. Along the westerly side of Kuihelani Highway [F.A.S.P. No. 3-0380 (4)] on a curve to the left with a radius of 11,562.16 feet, the chord azimuth and distance being:
33° 53' 39.8" 576.30 feet;
2. 122° 27' 58.8" 12.00 feet along the westerly side of Kuihelani Highway [F.A.S.P. No. 3-0380(4)],
3. Thence along same on a curve to the left with a radius of 11,574.16 feet, the chord azimuth and distance being:
30° 08' 14.4" 940.69 feet;
4. 27° 48' 30" 367.40 feet along the westerly side of Kuihelani Highway [F.A.S.P. No. 3-0380 (4)];
5. 117° 48' 30" 20.00 feet along same;
6. 27° 48' 30" 200.00 feet along same;
7. 297° 48' 30" 5.00 feet along same;
8. 27° 48' 30" 800.00 feet along same;
9. 117° 48' 30" 35.00 feet along same;

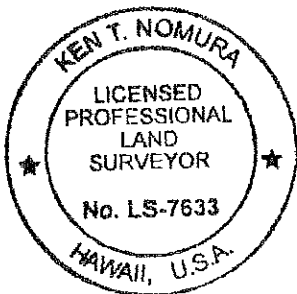
10.	27° 48' 30"	400.00 feet	along same;
11.	297° 48' 30"	15.00 feet	along same;
12.	27° 48' 30"	33.22 feet	along same;
13.	107° 45'	722.49 feet	along Lot 1-C of the Kopaa Subdivision;
14.	191° 45'	462.02 feet	along same;
15.	101° 45'	2,615.78 feet	along same;
16.	322° 07'	271.76 feet	along Lot 1-B of the Kopaa Subdivision;
17.	57° 14' 41"	4.58 feet	along same;
18.	327° 14' 41"	465.24 feet	along the remainder of Grant 3152 to Henry Cornwell (T.M.K: (2)3-8-007:071);
19.	28° 00'	346.45 feet	along same;
20.	118° 00'	199.99 feet	along the northerly side of Waiko Road;
21.	147° 14' 41"	1,104.41 feet	along same and along Lot 1-B of the Kopaa Subdivision;
22.	281° 45'	131.86 feet	along Lot 1-B of the Kopaa Subdivision;
23.	178° 00'	574.79 feet	along the remainder of Lot 12-C of the Maui Lani Subdivision;
24.	Thence along same on a curve to the right with a radius of 1,784.00 feet, the chord azimuth and distance being: 171° 04' 30" 746.40 feet;		
25.	183° 09'	450.00 feet	along the remainder of Lot 12-C of the Maui Lani Subdivision;
26.	Thence along same on a curve to the left with a radius of 1,210.00 feet, the chord azimuth and distance being: 167° 18' 32.5" 660.58 feet;		

27.	237° 20'	71.90 feet	along Lot 12-B of the Maui Lani Subdivision;
28.	184° 50'	250.00 feet	along same;
29.	152° 26'	309.00 feet	along same;
30.	191° 33'	704.00 feet	along same;
31.	185° 45'	445.47 feet	along same;
32.	284° 48' 20"	2,739.12 feet	along Lot 11-D-1-A-1-F, Lot 11- D-1-A-1-A-1 and Lot 11-D-1-A-2 of the Maui Lani Development;
33.	304° 00'	3,264.73 feet	along Lot 11-D-1-A-2, Lot 11-D- 1-A-4-B, Lot 11-D-1-A-4-A and Lot 11-C of the Maui Lani Development to the point of beginning and containing an Area of 422.594 Acres.

Prepared by: A&B Properties, Inc.
Kahului, Maui, Hawaii

July 10, 2009

This work was prepared by me or under my supervision.



Ken T. Nomura 4/30/2010
 Ken T. Nomura
 Licensed Professional Land Surveyor
 Certificate No. LS-7633
 Expiration Date: 4/30/2010



- NOTES:
1. Azimuths and coordinates referred to Government Survey Triangulation Station "LUKE".
 2. Owners of adjoining parcels taken from records of the Real Property Mapping Branch.
 3. Existing Easements 16, 17 and 18 are for water transmission line purposes in favor of the County of Maui per Document No. 98-012133.
 4. Existing Easements C and D are for access purposes in favor of Lot 12-A per L.L.C.A. 3.1639.

STATE LAND USE DISTRICT BOUNDARY AMENDMENT
PETITION AREA "A"

BEING A PORTION OF LOT 12-A OF THE MAUI LANI
 SUBDIVISION, LOT 1-B OF THE KOPAA SUBDIVISION NO. 2
 AND PARCEL 071 OF TAX MAP KEY: (2) 3-8-007

Being a portion of Grant 3343 to Claus Spreckels and Grant 3152 to Henry Cornwell

WAIKAPU AND WAILUKU, MAUI, HAWAII

SCALE: 1 inch = 300 feet

DATE: July 8, 2008

Prepared by: A & B Properties, Inc.
 11 Farnham Avenue
 Kahului, Maui, Hawaii 96732

OWNER: Alexander & Bekke, Inc.

This work was prepared by me or under my supervision.



Ken T. Nomura 4/30/2010
 Ken T. Nomura
 Licensed Professional Land Surveyor
 Certificate No. LS-7633
 Expiration Date: 4/30/2010



DESCRIPTION

PETITION AREA "B"

TAX MAP KEY: (2)3-8-005:037 AND 023 (PORTION)

All of that certain parcel of land, being all of Lot 3 and a portion of Lot 4 of the Walter K. Shenk Subdivision, being also a portion of Grant 3152 to Henry Cornwell situated at Waikapu, Wailuku, Island and County of Maui, State of Hawaii

Beginning at the northwesterly corner of this parcel of land, on the southerly side of Waiko Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 10,411.85 feet South and 136.75 feet East and running by azimuths measured clockwise from True South:

1. 276° 30' 340.00 feet along the southerly side of Waiko Road;
2. Thence along same on a curve to the right with a radius of 1,020.00 feet, the chord azimuth and distance being:
287° 15' 380.51 feet;
3. 298° 00' 498.99 feet along the southerly side of Waiko Road;
4. Thence along same on a curve to the left with a radius of 730.00 feet, the chord azimuth and distance being:
285° 45' 309.78 feet to a point of reverse curvature;
5. Thence along same on a curve to the right with a radius of 2,720.00 feet, the chord azimuth and distance being:
276° 00' 237.29 feet;
6. 278° 30' 469.65 feet along the southerly side of Waiko Road;
7. Thence along same on a curve to the right with a radius of 1,350.00 feet, the chord azimuth and distance being:
285° 07' 30" 311.50 feet;
8. 291° 45' 253.29 feet along the southerly side of Waiko Road;
9. 287° 45' 966.90 feet along same;

10. Thence along same on a curve to the left with a radius of 950.00 feet, the chord azimuth and distance being:
287° 13' 16" 17.54 feet;
11. Thence along same on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:
337° 15' 01" 46.34 feet;
12. 27° 48' 30" 1,355.35 feet along the westerly side of Kuihelani Highway [F.A.S.P. No. S-0380(4)];
13. 117° 48' 30" 5.00 feet along same;
14. 27° 48' 30" 200.00 feet along same;
15. 297° 48' 30" 5.00 feet along same;
16. 27° 48' 30" 1,100.00 feet along same;
17. 117° 48' 30" 10.00 feet along same;
18. 27° 48' 30" 300.00 feet along same;
19. 297° 48' 30" 5.00 feet along same;
20. 27° 48' 30" 412.45 feet along same;
21. 107° 07' 77.52 feet along the remainder of Lot 4 of the Walter K. Shenk Subdivision (being the remainder of Grant 3152 to Henry Cornwell);
22. 118° 45' 55.17 feet along same;
23. 142° 21' 42.56 feet along same;
24. 185° 32' 67.95 feet along same;
25. 189° 02' 200.44 feet along same;
26. 163° 25' 89.55 feet along same;
27. 190° 55' 148.50 feet along same;
28. 173° 16' 183.73 feet along same;
29. 179° 36' 223.95 feet along same;
30. 167° 13' 199.83 feet along same;

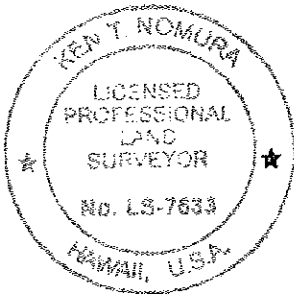
31.	157° 11'	146.91 feet	along same;
32.	124° 26'	112.05 feet	along same;
33.	154° 10'	85.83 feet	along same;
34.	173° 20'	197.01 feet	along same;
35.	142° 44'	23.99 feet	along same;
36.	113° 52'	71.52 feet	along same;
37.	116° 58'	112.02 feet	along same;
38.	174° 38'	198.93 feet	along same;
39.	163° 17'	251.92 feet	along same;
40.	148° 50'	185.28 feet	along same;
41.	153° 15'	119.97 feet	along same;
42.	141° 10'	140.68 feet	along same;
43.	129° 37'	127.19 feet	along same;
44.	150° 48'	144.58 feet	along same;
45.	140° 37'	141.05 feet	along same;
46.	152° 01'	63.16 feet	along same;
47.	162° 10'	138.88 feet	along same;
48.	149° 24'	78.67 feet	along same;
49.	137° 48'	52.02 feet	along same;
50.	125° 46'	119.73 feet	along same;
51.	133° 58'	105.22 feet	along same;
52.	163° 28'	108.03 feet	along same;
53.	133° 29'	114.74 feet	along same;
54.	104° 06'	83.47 feet	along same;
55.	102° 35'	145.60 feet	along same;

56.	122° 54'	88.55 feet	along same;
57.	128° 25'	50.07 feet	along same;
58.	145° 08'	50.48 feet	along same;
59.	155° 18'	38.31 feet	along same;
60.	171° 30'	32.31 feet	along same;
61.	175° 51'	235.74 feet	along same;
62.	140° 17'	105.18 feet	along same to the point of beginning and containing an Area of 122.635 Acres.

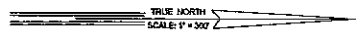
Prepared by: A&B Properties, Inc.
Kahului, Maui, Hawaii

July 10, 2009

This work was prepared by me or under my supervision.



Ken T. Nomura 4/30/2010
 Ken T. Nomura
 Licensed Professional Land Surveyor
 Certificate No. LS-7633
 Expiration Date: 4/30/2010

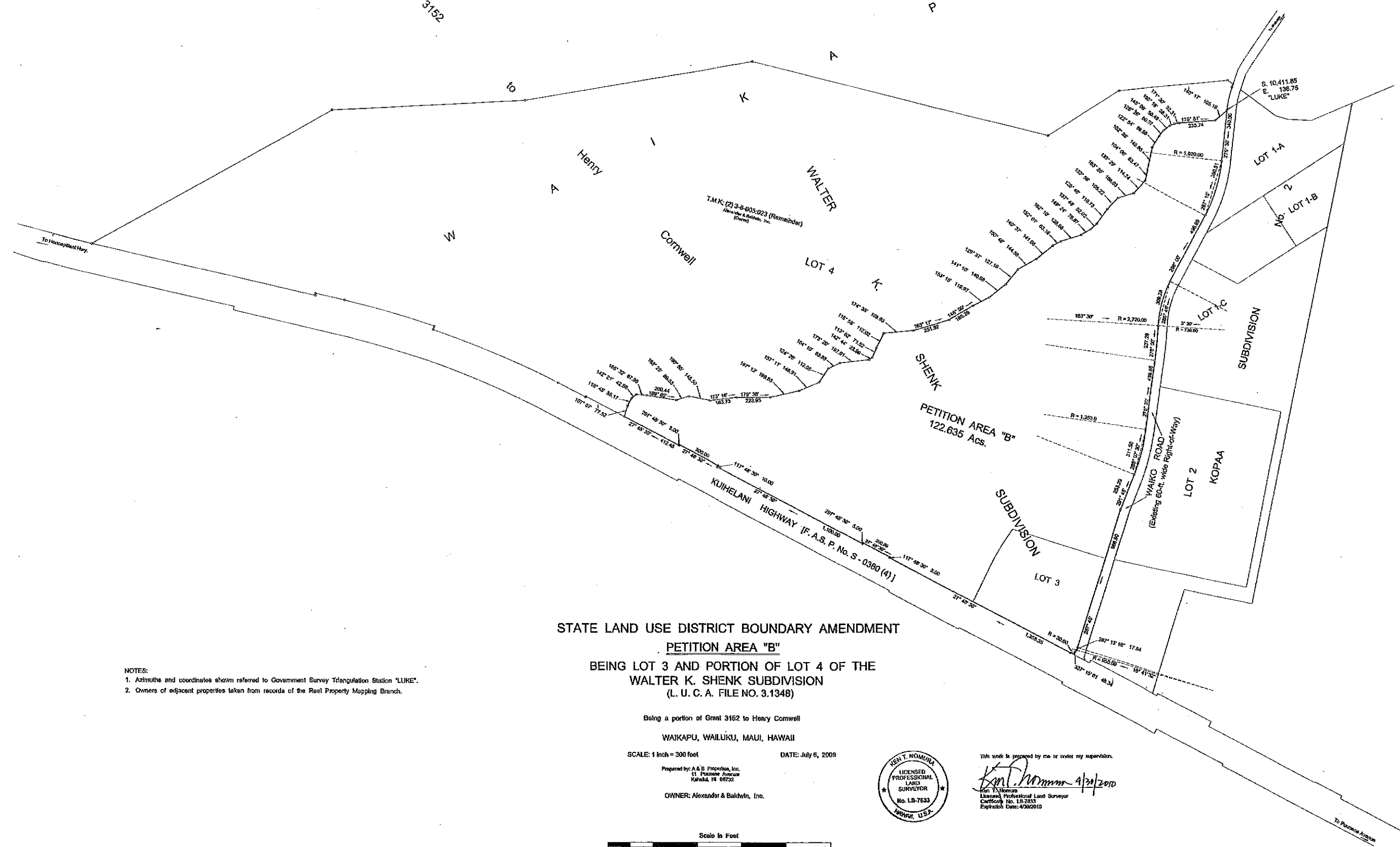


Grant

T.M.K. (2) 3-8-023
Waikuku Agribusiness Company, Inc.
(Owner)

3152

U



STATE LAND USE DISTRICT BOUNDARY AMENDMENT
 PETITION AREA "B"
 BEING LOT 3 AND PORTION OF LOT 4 OF THE
 WALTER K. SHENK SUBDIVISION
 (L. U. C. A. FILE NO. 3.1348)

Being a portion of Grant 3152 to Henry Corwell

WAIKAPU, WAILUKU, MAUI, HAWAII

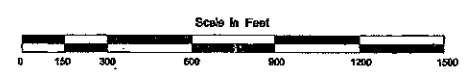
SCALE: 1 inch = 300 feet DATE: July 6, 2009

Prepared by: A & B Properties, Inc.
11 Puuone Avenue
Honolulu, HI 96822

OWNER: Aleksandar & Baldwin, Inc.



This work is prepared by me or under my supervision.
Ken T. Nomura 4/24/2010
 Ken T. Nomura
 Licensed Professional Land Surveyor
 Certificate No. LB-7533
 Expiration Date: 4/30/2013



- NOTES:
1. Azimuths and coordinates shown referred to Government Survey Triangulation Station "LUKE".
 2. Owners of adjacent properties taken from records of the Real Property Mapping Branch.

STATUS REPORT

Maximum liability limited to
\$3,500.00

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.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, 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:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 19, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012558.

EXHIBIT "4"

**SCHEDULE B
EXCEPTIONS**

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

Tax Key: (2) 3-8-005-023 Area Assessed: 342.400 acres

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

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Free flowage of Waikapu Stream as shown on Tax Map.

4. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

5. LICENSE

TO : MAUI ELECTRIC COMPANY, LIMITED

DATED : December 1, 1921

RECORDED : Liber 621 Page 428

GRANTING : rights of way over, across and along any and all of the permanent railway lines and/or roads for utility purposes

SCHEDULE B CONTINUED

6. LEASE

TO : MAUI ELECTRIC COMPANY, LIMITED and HAWAIIAN
TELEPHONE COMPANY, now known as HAWAIIAN TELCOM,
INC.

DATED : August 5, 1960
RECORDED : Liber 3906 Page 64
LEASING : rights-of-way for utility purposes for a term of 35
years from the date hereof, and thereafter from year
to year until terminated

7. GRANT

TO : COUNTY OF MAUI

DATED : September 19, 1961
RECORDED : Liber 4159 Page 172
GRANTING : a non-exclusive easement for water pipeline
purposes over Easement "G" (15 feet wide), more
particulary described therein

8. Vehicle access into and from Kahului Airport-Maalae Highway,
Federal Aid Secondary Project No. S-0380 (4), shall be permitted
for agricultural purposes only, as contained in Deed dated August
16, 1971, recorded in Liber 7762 at Page 50 and as shown on Tax
Map.

9. Field L Pasture as shown on Tax Map.

10. 50 feet vehicle access premitted as shown on Subdivison Map dated
September 9, 1987.

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

SCHEDULE B CONTINUED

12. 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.

13. Matters arising out of, including any access and utility rights in favor of the parcel (unlocated kuleana) excluded in Schedule C.

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

-Note:- A current survey, with metes and bounds description, should be made of said premises.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to H. Cornwell and Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi) situate, lying and being at Waikapu, Wailuku, County of Maui, State of Hawaii, bearing Tax Key designation (2) 3-8-005-023, and containing an area of 342.400 acres, more or less.

EXCEPTING AND EXCLUDING that portion of the above described parcel of land, being an unlocated kuleana, affected by Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi, containing an area of 1.65 acres, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation
GRANTEE : A&B-HAWAII, INC., a Hawaii corporation
DATED : March 30, 1989, but effective as of April 1, 1989
RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

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 Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- 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 Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 3/25/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 005 023 0000

CLASS: 5 AREA ASSESSED: 342.400 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2009

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

BUILDING	\$	0	
EXEMPTION	\$	0	
NET VALUE	\$	0	
LAND	\$	143,400	AGRICULTURAL USE VALUE
EXEMPTION	\$	0	
NET VALUE	\$	143,400	
TOTAL NET VALUE	\$	143,400	

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 9/30/2009

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	322.65				322.65	PENDING
2009	1	322.65				322.65	PAID
2008	2	322.65				322.65	PAID
2008	1	322.65				322.65	PAID

Total Amount Due: 322.65

Penalty and Interest Computed to: 9/30/2009

STATUS REPORT

Maximum liability limited to
\$3,500.00

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.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, 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:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 18, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012563.

**SCHEDULE B
EXCEPTIONS**

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

Tax Key: (2) 3-8-005-037 Area Assessed: 10.000 acres

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

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

4. Any unrecorded leases and matters arising from or affecting the same.
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. Matters arising out of, including any access and utility rights in favor of the parcel (unlocated kuleana) excluded in Schedule C.

SCHEDULE B CONTINUED

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

-Note:- A current survey, with metes and bounds description, should be made of said premises.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to H. Cornwell and Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi) situate, lying and being at Waikapu, Wailuku, County of Maui, State of Hawaii, bearing Tax Key designation (2) 3-8-005-037, and containing an area of 10.000 acres, more or less.

EXCEPTING AND EXCLUDING that portion of the above described parcel of land, being an unlocated kuleana, affected by Royal Patent Number 4122, Land Commission Award Number 3397, Apana 3 to Puhi, containing an area of 1.65 acres, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation
GRANTEE : A&B-HAWAII, INC., a Hawaii corporation
DATED : March 30, 1989, but effective as of April 1, 1989
RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

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 Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- 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 Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 3/25/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 005 037 0000

CLASS: 5 AREA ASSESSED: 10.000 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2009

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

BUILDING	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
LAND	\$	5,000 AGRICULTURAL USE VALUE
EXEMPTION	\$	0
NET VALUE	\$	5,000
TOTAL NET VALUE	\$	5,000

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 9/30/2009

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	75.00				75.00	PENDING
2009	1	75.00				75.00	PAID
2008	2	30.00				30.00	PAID
2008	1	30.00				30.00	PAID
Total Amount Due:						75.00	

Penalty and Interest Computed to: 9/30/2009

STATUS REPORT

Maximum liability limited to
\$3,500.00

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.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, 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:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 22, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012570.

**SCHEDULE B
EXCEPTIONS**

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

Tax Key: (2) 3-8-007-071 Area Assessed: 5.043 acres

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

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

4. Any unrecorded leases and matters arising from or affecting the same.
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. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to H. Cornwell) situate, lying and being Waikapu, Wailuku, County of Maui, State of Hawaii, and thus bounded and described:

Beginning at a pipe at the southeasterly corner of this parcel of land, on the northerly side of Waikapu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 10,652.35 feet south and 1,133.48 feet east and running thence by azimuths measured clockwise from true South:

- | | | | |
|----|--------------|--------|---|
| 1. | 118° 00' | 200.00 | feet along the northerly side of Waikapu Road to a pipe; |
| 2. | 147° 14' 14" | 460.00 | feet along the remaining portion of Grant 3152 to H. Cornwell land owned by Alexander and Baldwin, In. to a pipe; |
| 3. | 237° 14' 41" | 400.00 | feet along same to a pipe; |
| 4. | 327° 14' 41" | 465.24 | feet along same to a pipe; |
| 5. | 28° 00' | 346.45 | feet along same to the point of beginning and containing an area of 5.043 acres, more or less. |

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation

GRANTEE : A&B-HAWAII, INC., a Hawaii corporation

DATED : March 30, 1989, but effective as of April 1, 1989

RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

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 Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- 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 Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 3/25/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 007 071 0000

CLASS: 5 AREA ASSESSED: 5.043 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2009

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

BUILDING	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
LAND	\$	100 AGRICULTURAL USE VALUE
EXEMPTION	\$	0
NET VALUE	\$	100
TOTAL NET VALUE	\$	100

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 9/30/2009

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	75.00				75.00	PENDING
2009	1	75.00				75.00	PAID
2008	2	30.00				30.00	PAID
2008	1	30.00				30.00	PAID
						Total Amount Due:	75.00

Penalty and Interest Computed to:

STATUS REPORT

Maximum liability limited to
\$3,500.00

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.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, 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:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of March 31, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
LESLIE BALMILERO.
Email lbalmilero@tghawaii.com
Fax (808) 521-0287
Telephone (808) 533-5869.
Refer to Order No. 201012565.

**SCHEDULE B
EXCEPTIONS**

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

Tax Key: (2) 3-8-007-101 Area Assessed: 434.402 acres

Land Classification: AGRICULTURAL

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

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Lease of right-of-way, in favor of MAUI ELECTRIC COMPANY, LIMITED and GTE HAWAIIAN TELEPHONE COMPANY, INCORPORATED, now known as HAWAIIAN TELCOM, INC., dated August 5, 1960, recorded in Liber 3906 at Page 64; granting rights-of-way, each twenty-five (25) feet in width, over, across and under over the land described herein, for a term of thirty-five (35) years from the date hereof, and thereafter from year to year until terminated.

4. GRANT

TO : COUNTY OF MAUI

DATED : September 19, 1961

RECORDED : Liber 4159 Page 172

GRANTING : an easement over Easement "B" being more particularly described therein

SCHEDULE B CONTINUED

5. GRANT

TO : COUNTY OF MAUI
DATED : December 11, 1979
RECORDED : Liber 14533 Page 192
GRANTING : an easement over Easement "17" being more particularly described therein

6. CERTIFICATE dated June 2, 1983, recorded in Liber 17086 at Page 382 by A&B PROPERTIES, INC., a Hawaii corporation, re: reclassification of approximately 680 acres.

7. The terms and provisions contained in the following:

INSTRUMENT : SECOND 14.04.010(E) AGREEMENT RELATING TO FIRE PROTECTION
DATED : August 25, 1987
RECORDED : Liber 21387 Page 752
PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation, CERIZO BROTHERS, INC., a Hawaii corporation, and the COUNTY OF MAUI and its DEPARTMENT OF WATER SUPPLY

8. The terms and provisions contained in the following:

INSTRUMENT : AGREEMENT TO DEFER SUBDIVISION REQUIREMENTS
DATED : September 27, 1989
RECORDED : Liber 23854 Page 9
PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation, and the DEPARTMENT OF WATER SUPPLY of the County of Maui

SCHEDULE B CONTINUED

9. Unrecorded Purchase and Exchange Agreement dated February 20, 1989, made by and between ALEXANDER & BALDWIN, INC., a Hawaii corporation and BILL MILLS, which agreement is now held by MAUI LANI PARTNERS, a Hawaii general partnership.

10. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (AGRICULTURAL USE)

DATED : August 29, 1989

RECORDED : Liber 23899 Page 679

PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation, and the COUNTY OF MAUI, through its Department of Public Works

11. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)

DATED : August 29, 1989

RECORDED : Liber 23899 Page 689

PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation, and the COUNTY OF MAUI

12. The terms and provisions contained in the following:

INSTRUMENT : AGREEMENT RELATING TO FIRE PROTECTION

DATED : July 18, 1990

RECORDED : Document No. 90-139708

PARTIES : FRANK WEATHERFORD, doing business as MAUI SOD FARM, and the DEPARTMENT OF WATER SUPPLY of the County of Maui

SCHEDULE B CONTINUED

13. The terms and provisions contained in the following:

INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)
DATED : March 22, 1991
RECORDED : Document No. 91-051286
PARTIES : ALEXANDER & BALDWIN, INC., a Hawaii corporation and
MAUI LAND PARTNERS, a Hawaii general partnership
and the COUNTY OF MAUI

14. GRANT

TO : COUNTY OF MAUI, a political subdivision of the
State of Hawaii
DATED : April 30, 1991
RECORDED : Document No. 92-134141
GRANTING : a perpetual nonexclusive easement from Waikapu
Road, also known as Waiko Road to property owned by
the County of Maui known as the Waikapu Landfill
side, over and across "Easement Area" (being
Easement "D"), for ingress and egress purposes,
said Easement Area being more particularly
described therein

15. RESTRICTION OF VEHICLE ACCESS RIGHTS

ALONG : Kuihelani Highway
SHOWN : on Subdivision Map by Allen K. Watanabe, Land
Surveyor, dated March 2, 1992, revised May 15, 1992
and approved by the County of Maui, Department of
Public Works on May 22, 1992 (LUCA File No. 3.1539)

16. DESIGNATION OF EASEMENT "D"

PURPOSE : for access purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land
Surveyor, dated March 2, 1992, revised May 15, 1992
and approved by the County of Maui, Department of
Public Works on May 22, 1992 (LUCA File No. 3.1539)

SCHEDULE B CONTINUED

17. DESIGNATION OF EASEMENT "B"

PURPOSE : for water line purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land Surveyor, dated March 2, 1992, revised May 15, 1992 and approved by the County of Maui, Department of Public Works on May 22, 1992 (LUCA File No. 3.1539)

18. DESIGNATION OF EASEMENT "17"

PURPOSE : for water line purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land Surveyor, dated March 2, 1992, revised May 15, 1992 and approved by the County of Maui, Department of Public Works on May 22, 1992 (LUCA File No. 3.1539)

19. DESIGNATION OF EASEMENT "18"

PURPOSE : for water line purposes
SHOWN : on Subdivision Map by Allen K. Watanabe, Land Surveyor, dated March 2, 1992, revised May 15, 1992 and approved by the County of Maui, Department of Public Works on May 22, 1992 (LUCA File No. 3.1539)

20. GRANT

TO : MAUI ELECTRIC COMPANY, LIMITED and HAWAIIAN TELCOM, INC.

DATED : December 15, 2003

RECORDED : Document No. 2006-147438

GRANTING : a perpetual right and easement for utility purposes

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

SCHEDULE B CONTINUED

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

23. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Schedule C herein.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant Number 3152 to Henry Cornwell and Royal Patent Grant Number 3343 to Claus Spreckels) situate, lying and being at Wailuku Commons, District of Wailuku, Island and County of Maui, State of Hawaii, being LOT 12-A of the "MAUI LANI SUBDIVISION" bearing Tax Key designation (2) 3-8-007-101, and containing an area of 434.402 acres, more or less.

Said above described parcel of land having been acquired by ALEXANDER & BALDWIN, INC., a Hawaii corporation by the following Deeds:

1. By DEED of HAWAIIAN COMMERCIAL AND SUGAR COMPANY, a California corporation, dated December 31, 1926, recorded in Liber 865 Page 8; and
2. By DEED of ALEXANDER & BALDWIN, INC., a Hawaii corporation, dated March 30, 1989, recorded in Liber 23006 at Page 583.

END OF SCHEDULE C

GENERAL NOTES

1. The name of HAWAIIAN COMMERCIAL AND SUGAR COMPANY, LTD. was changed to ALEXANDER & BALDWIN, LTD. by instrument dated January 3, 1962, recorded in Liber 4199 at Page 105.
2. The name of ALEXANDER & BALDWIN, LTD. was changed to ALEXANDER & BALDWIN, INC. by instrument dated January 2, 1962, recorded in Liber 4191 at Page 481.
3. The name of A&B HAWAII, INC. merged with and in to ALEXANDER & BALDWIN, INC., by instrument dated December 31, 1999, recorded as Document No. 2000-003694.

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 Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- 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 Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 7/14/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO :

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 007 101 0000

CLASS: AGRICULTURAL AREA ASSESSED: 434.402 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2010

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

BUILDING	\$	59,500	
EXEMPTION	\$	0	
NET VALUE	\$	59,500	
LAND	\$	1,684,900	AGRICULTURAL USE VALUE
EXEMPTION	\$	0	
NET VALUE	\$	1,684,900	
TOTAL NET VALUE	\$	1,744,400	

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 3/31/2010

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2009	2	4,299.30				4,299.30	PAID
2009	1	4,299.30				4,299.30	PAID
2008	2	3,912.30				3,912.30	PAID
2008	1	3,912.30				3,912.30	PAID

STATUS REPORT

Maximum liability limited to
\$3,500.00

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.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, 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:

ALEXANDER & BALDWIN, INC.,
a Hawaii corporation,
as Fee Owner

This report is dated as of August 11, 2010 at 8:00 a.m.

Inquiries concerning this report
should be directed to
MONIQUE AGARPAO.
Email magarpao@tghawaii.com
Fax (808) 521-0210
Telephone (808) 533-5610.
Refer to Order No. 201012566.

**SCHEDULE B
EXCEPTIONS**

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

Tax Key: (2) 3-8-007-104 Area Assessed: 4.070 acres

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

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. The terms and provisions contained in the following:

INSTRUMENT : ROYAL PATENT GRANT NUMBER 3152

DATED : November 18, 1945

The foregoing includes, but is not limited to, matters relating to reservation of native rights.

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

SCHEDULE B CONTINUED

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

-Note:- A current survey, with metes and bounds description, should be made of said premises.

7. Claims arising out of the failure to convey the land described herein together with an easement or right of access.

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

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Grant 3152 to Henry Cornwell) situate, lying and being at Waikapu, Wailuku, County of Maui, State of Hawaii, being LOT 1-B of the "KOPAA SUBDIVISION NO. 2", bearing Tax Key designation (2) 3-8-007-104 and containing an area of 4.070 acres, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : ALEXANDER & BALDWIN, INC., a Hawaii corporation

GRANTEE : A&B-HAWAII, INC., a Hawaii corporation

DATED : March 30, 1989, but effective as of April 1, 1989

RECORDED : Liber 23006 Page 583

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

2. Filed with the Department of Commerce and Consumer Affairs of the State of Hawaii (Business Registration), is the merger of A&B-HAWAII, INC., a Hawaii corporation with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, by CERTIFICATE OF MERGER dated January 3, 2000, recorded as Document No. 2000-003694.

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 Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- 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 Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 8/16/2010

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

NAME OF OWNER: A & B - HAWAII INC
LEASED TO : SCHENK,GREG

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(2) 3 8 007 104 0000

CLASS: AGRICULTURAL AREA ASSESSED: 4.070 AC

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2010

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

BUILDING	\$	0
EXEMPTION	\$	0
NET VALUE	\$	0
LAND	\$	100 AGRICULTURAL USE VALUE
EXEMPTION	\$	0
NET VALUE	\$	100
TOTAL NET VALUE	\$	100

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 7/01/2010

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2010	2	75.00				75.00	PENDING
2010	1	75.00				75.00	PENDING
2009	2	75.00				75.00	PAID
2009	1	75.00				75.00	PAID
2008	2	30.00				30.00	PAID
2008	1	30.00				30.00	PAID

Total Amount Due: 150.00

Hawaiian
Commercial
& Sugar
Co.

To

Hawaiian
Commercial
& Sugar
Co., Ltd.

Lead

This Indenture, dated and to become effective the 31st day of December, 1926, made by and between the Hawaiian Commercial and Sugar Company, a corporation duly organized and existing under and by virtue of the laws of the State of California, party of the first part, herein sometimes called the "Grantor", whose principal place of business and post office address is Paunene, Island of Maui, Territory of Hawaii, and the Hawaiian Commercial and Sugar Company, Limited, a corporation duly organized and existing under and by virtue of the laws of the Territory of Hawaii, party of the second part, herein sometimes called the "Grantee", whose principal office and post office address is in the Stangenwald Building on Merchant Street in Honolulu, City and County of Honolulu, in said Territory;

Witnesseth: Whereas, the Grantor, as a corporation foreign to the Territory of Hawaii, has for many years been engaged in carrying on its sugar plantation and business on said Island of Maui, and for economic and administrative reasons its stockholders have determined to transfer its corporate situs to said Territory of Hawaii; and to that end have caused said Hawaiian Commercial and Sugar Company, Limited, the Grantee hereunder, to be incorporated in Hawaii to take over and carry on the said business and property and assume, perform and discharge all debts, liabilities, contracts and other obligations in connection therewith; and

Whereas, said Grantor now has a capital stock of ten million dollars represented by four hundred thousand paid up shares of stock of the par value of twenty-five dollars per share; and said Grantee was incorporated with an initial capital stock of one thousand dollars, fully paid up with funds furnished for the purpose by the Grantor, represented by forty shares of capital stock of the par value of twenty-five dollars per share, and which forty shares will be transferred to the Grantor by the holders thereof concurrently with the execution of this instrument; and the Grantee, being thereunto authorized for the purposes herein expressed, has increased its capital stock, on the date hereof, to ten million dollars in order to issue to the Grantor three hundred ninety-nine thousand nine hundred sixty additional shares of stock of said par value, fully paid and non-assessable, by way of payment or exchange for the conveyance to it herein made by the Grantor of said business and property; it being intended that the Grantor, in hereafter effecting its own disincorporation in the State of California, will

distribute said four hundred thousand shares of the capital stock of the Grantee among its own stockholders, share for share, according to their respective holdings of stock of said California corporation:

Now therefore: The Grantor, acting pursuant to and in execution of the terms of the resolution in this behalf passed and adopted by its stockholders on December 8, 1926, at a special meeting regularly called and noticed to be held for the purpose on November 17, 1926, and on that day regularly adjourned to said 8th day of December, 1926, and in consideration of the transfer to it now made of said forty paid up shares of the capital stock of the Grantee, the receipt thereof being by it hereby acknowledged, and the issue and delivery to it now made by the Grantee of said three hundred ninety-nine thousand nine hundred sixty additional paid up and non-assessable shares of the capital stock of the Grantee, the receipt thereof being by the Grantor also hereby acknowledged, and also in consideration of the covenants hereinafter contained on the part of the Grantee with respect to the liabilities and obligations of the Grantor, does hereby grant, convey, assign, transfer, set over and deliver unto the Grantee, its successors and assigns, all of the business properties, assets and interests of every kind and character of said Grantor, wherever situate, as the same stand on the date hereof, as a going concern, (other than said forty shares of stock of said Hawaiian Commercial and Sugar Company, Limited, concurrently assigned by the holders thereof to said Grantor as aforesaid), and including, without prejudice to the generality of the foregoing terms, all of the lands and properties mentioned in the schedules thereof hereunder written, and all other properties whether mentioned in said schedules or not, including, in general terms; all lands, tenements, hereditaments, estates, reversions, remainders, easements, rights, privileges and appurtenances, chattels real and personal, options, leaseholds, licenses, and franchises; all sugar cane and growing crops, all sugar and other products of any of its factories or works; all railways and their equipment including engines, cars, tracks, and other rolling stock and equipment; all water and water rights, licenses, agreements, privileges and other interests relating to water or the use thereof, and all pumps and pumping plants and irrigation works relating to the development, conservation, carriage or utilization of water, including wells, shafts, tunnels, ditches, pipe-lines, flumes, gates, dams, reservoirs, tanks and other works and facilities; all buildings and other improvements including

mills, factories, warehouses, shops, stores, hospitals, barns, garages, houses, laborers' and other quarters and camps, fences, bridges and other improvements and fixtures of every kind; all agricultural, manufacturing and other machinery, tools, implements, appliances and equipment or accessories, plows, harrows, tractors, trucks, autos, wagons, carts, and other vehicles and their accessories; all horses, mules, cattle and other animals, and poultry, and all harnesses, saddles, packs, and other paraphernalia incident to the use of animals; all hydro-electric and other plants and light and power lines and electrical machinery, apparatus and supplies; all store, house, office, hospital and other furniture, furnishings and equipment; all goods, wares, merchandise, materials and supplies; all property in the nature of or representing investments, including shares of stock in other corporations (except said forty shares of stock of the Grantee corporation), bonds, debentures, notes, certificates of indebtedness or deposit, and other forms of securities or evidences of property and indebtedness; all cash on hand and in banks, reserves, surplus, rents, credits, accounts, debts, dues, claims and demands whatsoever; and all contracts, agreements, choses in action and other forms or kinds of property or interests in any manner appurtenant to or connected with any of the said property or the business of the Grantor; and including also the good will of said business; and whether any of the said property, rights or interests are now vested or contingent, tangible or intangible, in possession or in action;

To have and to hold all and singular the properties, business and interests aforesaid, with the rents, issues and profits thereof, unto the Grantee, its successors and assigns, absolutely, according to the same title, tenure and interest therein as owned or claimable by the Grantor;

But subject, nevertheless, to all outstanding leases, contracts, licenses, agency and other agreements, and all other obligations of the Grantor affecting or in any manner connected with any of the said property or business, and subject also to all just claims for unpaid taxes, rents, or other debts, claims, demands or liabilities of every kind now existing and which may in any manner hereafter arise or accrue or become chargeable respecting or affecting any of the said property or said business; and provided that all rights of creditors of the Grantor and all liens upon any of the property hereby conveyed shall be

preserved unimpaired.

And the Grantor agrees that if at any time or times hereafter the Grantee shall deem or be advised that any other or further deeds, assignments, transfers or assurances in the law are necessary or desirable to vest or perfect title in the Grantee as to any of the property hereby intended to be conveyed or assigned, then upon the written demand of the Grantor (while existing as a legal entity) or its trustees in dissolution while exercising their office shall and will, without any other or further consideration, make, execute and deliver to the Grantee all such other or further deeds, assignments or other instruments and assurances in the law, or do such other things, as may be necessary or appropriate to vest title to such property completely in the Grantee as herein contemplated and intended.

And this Indenture further witnesseth: That the Grantee, in consideration of the premises, for itself and its successors and assigns, does hereby assume, and covenant with the Grantor and its legal representatives and stockholders that it will pay, satisfy and discharge all taxes, debts, and other liabilities and obligations of every character for which the Grantor is now or may become liable in connection with or relating to said business or property, and also all expenses in connection with the disincorporation of the Grantor, and also that it will fulfill, in the place and stead of the Grantor, all contracts, leases, guarantys, agency and other agreements, and other undertakings, obligations and responsibilities, of every character and in whatever form which the Grantor has entered into or undertaken or with respect to which the Grantor has or may become obligated, in any manner incidental to or connected with said business or property taken over by the Grantee as aforesaid; and, also, that it will and its successors or assigns shall at all times hold harmless and indemnify the Grantor and its directors, officers, trustees or other legal representatives in dissolution, and its stockholders, from any and all liability or obligation with respect to any of the matters aforesaid; and that for any such purpose and as often as may be necessary it will make and enter into any separate and specific agreement, contract, bond, guaranty or agreement of indemnity, with respect to any particular obligation or liability; provided that the Grantee may in its own discretion put in issue, defend against, compromise, liquidate and settle any such claim, demand or matter of liability.

The schedules of property hereinbefore mentioned are the following:

Schedules

- A. Main Plantation Properties. (One Page)
- B. West Maui Water System. (Two Pages)
 - I. Rights under Wailuku Exchange Deed.
 - II. Perpetual Rights of Way (other than as in I).
 - III. Water Rights (other than as in I).
- C. H. C. & S. Co. rights of way across H. A. Co., Ltd's Plantation (One Page)
- D. Miscellaneous Lands and Rights. (Two Pages)
 - I. Central Maui.
 - II. East Maui.
 - III. Lahaina and Keanapali.
- E. Properties not included in A, B, C, or D (general). (One Page)
- F. Miscellaneous deeds given by H. C. & S. Co. et al (Two Pages)
- G. Leases given by H. C. & S. Co. (lessor). (One Page)
- H. Licenses and rights of way granted by H. C. & S. Co. to others. (One Page)
- I. Agreements under which H. C. & S. Co. has certain rights and obligations. (One Page)

Schedule A.

Main Plantation Properties

1. The Ahupuaa of Wailuku as granted by the Hawaiian Government to Claus Spreckels by Gt. 3543.
2. The Ahupuaa of Waikapu (Gt. 3152 to Henry Cornwell), as conveyed, in part, to Claus Spreckels by deeds recorded in 56/68 and 68/497, and, as to the remaining part, to Hawaiian Commercial and Sugar Co. by deed 152/90.
3. The Portion of the Ahupuaa of Pulehunui, (L.C.A. 5230, L.P. 6140 to Keaweanahi), as conveyed, in part, to Claus Spreckels by deeds recorded in 56/68 and 68/497, and, as to the remaining part, to Hawaiian Commercial and Sugar Co. by deed 152/90.
4. The Portions of the Ilis of Owa and Kalua, (L.C.A. 420; R.P. 1996 to Euihelani and L.C.A. 7713; 23 to V. Kammalu), as conveyed to H.C. & S. Co. by 194/198 and 310/200, and being comprised in part of the lands described in Boundary Certificate issued covering the Ili of Kalua.
5. The Portions of the Ahupuaas of Kalialiuui and Pulehunui, (L.C.A.

7124:L.P.8167 to Kamaikaloa and L.C.A.5230:L.P.8140 to Keaweanahi), as conveyed to H.C. & S. Co. by 620/395.

6. The following lands as conveyed to H.C. & S. Co. by Exchange Deed with Maui Agricultural Company Limited by 730/95 and by deed filed in Land Court:-

(a) 7.83 acres of Gt. 3565 to Haleakala Ranch Company at Hokuula, Kula (Lot "B" in said deed).

(b) 170.45 acres of said Gt. 3565 (Lot "D" in said deed).

(c) 0.98 acre of Gt.5167 to H.P.Baldwin at Omaopio (Lot "J" in said deed).

(d) Land as described in Owner's Transfer Certificate of Title 2937 to H.C.& S.Co., which said land is to be conveyed to H.C.& S.Co. Ltd., by deed intended to be recorded concurrently herewith.

Excepting from the lands as above described the portions thereof conveyed to:

(1) Wailuku Sugar Company by Exchange Deed 740/134 (All such portions of lands as described under "1" to "6" above as are West of a described line running from Kahului Bay to Maalaea Bay).

(2) Maui Agricultural Company, Limited, by deed 730/100 (Lots A,C, F,H,I,K,I and M as shown on M.A.Co.Ltd.-H.C.& S.Co. Boundary Map of 1923).

(3) Various parties by deeds as listed in Schedule F.

Certain portions of the above lands are subject to the leases as listed in Schedule G and to the rights of way and licenses as listed in Schedule H.

(4) Old roadway at Kahului from U.S.Custom House lot to Wharf St. as conveyed by Territory of Hawaii to Kahului Railroad Co. October 14, 1910. 342/190. 0.49 acre.

(5) Custom House lot-Kahului. Property of U.S.A. Approximately 0.17 acre.

(6) Kuleanas not owned by H.C.& S. Co. (if any).

Schedule B.

West Maui Water System (and rights incidental thereto).

I. Rights under "Wailuku Exchange Deed".

All rights of every nature of Hawaiian Commercial and Sugar Co. under the terms and provisions of that certain Exchange Deed and Agreement between H.C.& S. Co. and Wailuku Sugar Company of June 23, 1924 (740/134), including particularly:

1. 5/12 of waters of Waihee Stream (up to capacity of New Waihee Ditch).
2. 1/2 of the remaining waters of Waihee Stream.
3. All waters of South Waiehu Stream above a certain point.
4. Certain surplus waters.
5. Certain power rights in Iao Valley and easements therefor.
6. Perpetual rights of way for all aqueducts and works of H.C. & S. Co.'s West Maui Water System.
7. Certain waters developed by the Wailuku River tunnels and perpetual rights of way for said tunnels.
8. Certain house lots at Wailuku and Waiehu.
9. Other rights of H.C. & S. Co. as set forth in the general agreement regarding maintenance, operation and control of ditches, water development projects, acquisition of additional water rights and rights of way, water power rights and sundry matters.

(This deed and agreement is effective to the full extent of the interests of H.C. & S. Co. and W.S. Co. in all properties and rights referred to in the above list).

II. Perpetual Rights of Way (other than as in I).

A. Rights of way, originally fee simple strips, but now perpetual rights of way by the terms of "Wailuku Exchange Deed" 740/134.

(1) From A.E. Kapekai and fourteen others, 81/393, as to strips of land in Wailuku and Waiehu, totalling 8.03 acres as occupied by Spreckel's Waihee Ditch.

(2) From Mary Kailiha and three others, 191/349, as to strips of land in Wailuku totalling 3.51 acre as occupied by said ditch.

(3) From Kaauwai and two others, 191/350, as to a strip of land in Wailuku, 1/8 acre in area, as occupied by said ditch.

B. Perpetual Rights of Way across or under.

(1) L.C.A. 436:R.P. 4588 to Kapau, at Wailuku, from Akana Akoloka, 193/343 ("Wailuku Ditch").

(2) L.C.A. 409 to Kanakole, at Wailuku, from J.K. Kalua, 210/355, ("Wailuku Ditch").

(3) L.C.A. 3220:R.P. 4167 to Ahulau, at Wailuku, from Aulia Ah Ieong, 217/64, and J. Paikaka, 210/369, and as to the 2.06 acres of L.C.A. 3220 from A.E. Kapekai 223/101, the fee of which is now vested in W.S. Co. ("Wailuku Ditch").

(4) L.C.A. 2629:R.P. 398 to Haleipuleho, at Wailuku, from Moses Hamaillilili, et al. 225/483.

(Wailuku River Tunnels - No surface privileges).

Schedule B.
Page 1.

(5) L.C.A.457:R.P.4149 to Kawailiilii, at Wailuku, from M.H.Keohekalolo 229/136.

(Wailuku River Tunnels - No surface privileges).

(6) Lot at Waiehu as described in deed of Wailuku Sugar Company to Kapohuli, April 8, 1897. From Kapohuli 292/165. From Kapohuli 292/165. (For Ditch).

(7) Land at Ohiamui and Ohieiki, Waiehu.

From P. Goodness 291/377. (For Ditch).

(8) Level land at Wailuku. From M.S.Level 521/289.

(Spreckel's Waihee Tunnel under 0.24 acre in Wailuku Town).

III. Water Rights (other than as in I above).

(1) 5/12 of the water rights of L.C.A.2655:R.P.6721 at Waihee as reserved from 350/28 (H.C.& S. Co. to C. Brewer & Co. Ltd.).

(2) 5/12 of the water rights of 0.23 acre at Waihee, from W.Naehu. 746/466.

(3) The water rights of certain lands in South Waiehu and 5/12 of the water rights of certain lands at Waihee, from Wailuku Sugar Co. 785/12.

(4) 5/12 of the water rights of certain lands at Waihee, from Wailuku Sugar Company 780/49.

Schedule B.
Page 2.

Schedule C.

H.C.& S.Co. Rights of Way across M.A.Co's Plantation

1. Lowrie, New Haiku and Kahaka Ditches.

Perpetual rights of way for the H.C.& S. Co's Lowrie, New Haiku and Kahaka Ditches, or aqueducts, across lands of Maui Agricultural Co.Ltd., and perpetual easements over roads and trails in connection therewith. From M.A.Co. Ltd. Dec. 31, 1926.

2. Kahaka Penstock.

Perpetual right of way from M. A. Co. Ltd. by 729/50 and 829/193.

3. Kahaka Tail-Race Ditch.

Perpetual right of way from M. A. Co. Ltd. by 729/50.

Schedule C.
Page 1.

Schedule D.

Miscellaneous Lands and Rights

I. Central Maui

1. L.C.A.8265:R.P. 6148 to Kalua in Ili Makaaka, Waihee, area 1.84 acres.

From J. H. Trask and Pauahi Trask, 97/65.

2. Lots 29, 30, 31, and 32 of Cemetery of Wailuku Cemetery Association. By deed of April 26, 1886.

3. Kaheka Power House Lot. 2.37 acres at Kaheka (portion of Ahupuaa of Hamakuaopeko). By deed 729/30.

4. Kaheka Power House Superintendent's Lot. 0.92 acre at Kaheka (portion of Ahupuaa of Haliimaile. By deed 829/173.

5. Old Kahului School Lot. 0.75 acre. By deed 225/214.

6. "Alexander & Baldwin, Lot". 0.73 acre in Kahului (portion of Ili of Kalua as conveyed by Samuel Parker to Alexander and Baldwin 176/73). By deed 201/43.

7. All interest of H.C. & S.Co. in such lands West of the division line described in "Wailuku Exchange Deed" (740/134) as were occupied by the railway of Kahului Railroad Company on June 23, 1924. (as reserved by H.C. & S. Co. in said deed.)

8. All sea fisheries of which H.C. & S. Co. was declared to be the owner by judgment dated May 24, 1909; in the case of H.C. & S.Co. vs. Territory of Hawaii:

1. The sea fisheries described in L.C.A.420 to Kiihelani (Ili of Owa) and covering 73 acres and 1 square chain in area.

2. All sea fisheries adjoining the Ahupuaa of Wailuku and extending along the entire northerly boundary thereof from low water mark to a line one geographical mile seaward therefrom.

9. Permission to maintain electric power transmission lines across certain highways (by resolution of Board of Supervisors, June 7, 1917.)

II. East Maui.

1. Option to purchase railway rights of way across lands owned by M.S.Santos within the Ahupuaa of Keesula. By grant from M.S.Santos March 31, 1926.

2. The following interests in the Ulumalu Hui lands (Qt. 2974 to E.H.Allen, L.C.A.311 to F.Caswell and L.C.A.10474 to Hamaun) as conveyed by Moses Kahiapo to J. Mahoe, et al, Dec. 3, 1883.

(a) The share of Kupuale (by 623/248).

(b) 10 acres of share of Papoko (by 623/248).

(c) 15 acres of share of S. Kapaki (by 623/248).

(d) The share of K. Kalia (by 194/143).

(e) The share of Kanahuna (by 200/113).

(f) 1/6 share of J. Mahoe (by 216/323).

(g) The share of B. Kahopuoku (by 210/361).

Total 4-1/6 shares and 25 acres, or approximately 150 acres.

3. All interest of H.C. & S. Co. in the Ahupuaa of East Kaupakulua (Gt. 771 to Hikiou), said interest consisting of:

Reversionary interest in Lot 40 (area 56.53 acres) of the lands conveyed to Territory of Hawaii for homesteading purposes only by Maui Railroad and Steamship Company, Dec. 20, 1912 (said Lot 40 not having been homesteaded).

The right to grant to Kahului Railroad Company within a certain term rights of way across any portions of the lands conveyed by said deed.

III. Lahaina and Kaaupali.

1/6 undivided interest and 1/48 undivided interest in:

1. 1/3 undivided interest in L.C. 61451 to Kamakahiku at Honokohau, Kaaupali.

Schedule D.
Page 2.

2. 11/100 acre of L.C.A. 525 to Kahiamoe at Lahaina.

The said interests having been acquired by deeds from Mary Pulehu Smythe and James K. Smythe, respectively, of Oct. 27, 1926.

Schedule E.

Properties not included in A, B, C or D. (General)

All other properties of every nature owned by H.C. & S. Co. or that may hereafter accrue to the benefit of H.C. & S. Co. and particularly the properties acquired by or under the following deeds:

From Claus Spreckels, 76/206, 93/235, 188/250, 198/234 and 201/155.

From Waikapu Sugar Company 152/90.

From H.A. Baldwin, et al, Trustees 620/395 (Properties of Kihel Plantation Company, Limited).

From Maui Railroad and Steamship Company 623/248.

Excepting from the said properties such portions thereof as have been conveyed by deeds listed or noted herein.

And excepting particularly all portions of the said properties as conveyed by H.C. & S. Co. to East Maui Irrigation Company, Limited, by deed dated December 31, 1926 and recorded just prior to this instrument.

Schedule E.
Page 1.

Schedule F.

Miscellaneous Deeds Given by H. C. & S. Co.

(In certain of these deeds, H.C. & S. Co. has reversionary interests or options to purchase).

Grantee	Instrument of	Land conveyed	Area
T. of H.	June 21, 1905 269/431	Puunene School Lot	1.98

Grantee	Instrument of	Land conveyed	Area
Trustees, Lodge Maui #984.	July 11, 1906 282/408	Masonic Lot-Kahului	0.38
Dept. of Public Instruction	Sept. 17, 1908 225/214 311/7	Kahului School Lot	1.35
County of Maui	July 2, 1909 (Reserving rights of way across Puunene Avenue.)	Puunene Avenue	14.10
T. of H.	Oct. 14, 1910 342/190 (Reserving rights of way for Kahului Railroad Company)	Wharf Street	1.10
T. of H.	Oct. 14, 1910 342/203	Main Street	8.12
U.S.A.	Oct. 14, 1910 337/332	At East Breakwater	1.50
Catholic Mission	Dec. 14, 1910 337/403	Puunene Cemetery	0.58
Catholic Mission	Dec. 14, 1910 337/406	Puunene Church	0.38
J. de Andrade	July 1, 1910 350/316	Portuguese Camp Lot	1.00
G. J. Nobrega	July 1, 1910 350/320	Portuguese Camp Lot	1.00
P. Fernandez	Dec. 1, 1910 252/207	Portuguese Camp Lot	1.00
M. Mendosa	Dec. 1, 1910 352/217	Portuguese Camp Lot	1.00
T. of H.	May 31, 1912	Kihai Wharf Lot	1.31
Trustees, Kahului Union Church	Mar. 12, 1913	(Church Lot (as changed by {771/423}). Church Parish Lot	0.70 0.40
T. of H.	Dec. 24, 1915 448/107	Kihai-Kamole Road	0.84
T. of H.	Dec. 20, 1916 462/284	Tank Site-Kalus	0.09
County of Maui	Feb. 13, 1919 508/246	Spreckelsville School Lot	0.57
M. H. Bacallau	Sept. 20, 1914 508/249	Portuguese Camp Lot	0.67
T. of H.	July 24, 1919 523/237	Fair Building Lot	0.48
L. T. Fleming, et al	Sept. 8, 1920 576/331	Land in "sand Hills"	28.74
F. F. Baldwin	April 14, 1920	Beach Lot-Spreckelsville	5.20
S. A. Baldwin	April 14, 1920 593/451	Beach Lot-Spreckelsville	4.80
E. W. Rice	April 14, 1920 598/52	Beach Lot-Spreckelsville	5.80
C. C. Campbell	April 14, 1920	Beach Lot-Spreckelsville	2.91
County of Maui	June 16, 1921 605/361	Lot at Piikaha-Wailuku	0.82
T. of H.	May 17, 1922 640/145	New Puunene School Lot	10.00
U.S.A.	June 20, 1922 (Reserving certain rights of way)	Seaplane Base-Kahului	1.89
D. T. Fleming	Nov. 9, 1922	Land in "Sand Hills"	17.10
C. Savage	Mar. 14, 1923	Beach Lot-Spreckelsville	1.60
U.S.A.	June 13, 1923	Range Light Lot-Kahului	0.18
Trustees, Maui Funeral Parlors	Nov. 6, 1924	Funeral Parlot Lot	0.26
T. of H.	Feb. 19, 1925	Land for Harbor-Kahului	0.06
M. H. Kunewa	April 13, 1925	On Kahului-Wailuku Road	0.56

Grantee	Instrument of	Land conveyed	Area	
Pacific Trust Co., Ltd.	May 13, 1925	Kahului Lot	0.32	
J. H. Foss	Feb. 19, 1926	Beach Lot-Spreckelsville	2.59	
J. H. Foss	March 1, 1926	Beach Lot-Spreckelsville	0.50	Schedule F. Page 1.
S. A. Baldwin	March 22, 1926	Beach Lot-Spreckelsville	1.12	
T. of H.	Dec. 21, 1925	Kahului School Lot	4.63	
T. of H.	Dec. 22, 1925	"Standard School" Lot, Spreckelsville	4.00	
California Packing Corporation	April 22, 1926	Land at Kahului	37.40	
T. of H.	April 22, 1926	Main Street Extension	0.27	
G. R. and H. S. Carter	Aug. 11, 1926	Beach Lot-Spreckelsville	2.50	

Miscellaneous Deeds Given by Certain Predecessors of H. C. & S. Co.

Claus Spreckels to Estate of J. Boardman. October 13, 1883. 86/64.

0.43 acre lot at Kahului (now owned by Kahului Railroad Co.).

S. Parker to Kahului Railroad Co. July 27, 1897. 172/160.

10.00 acres of Ill of Kalua at Kahului (now owned by Kahului Railroad Co.).

S. Parker to Minister of Interior. December 30, 1885. 19/474.

Schedule F.
Page 2.

2.00 acres of Ill of Owa (near Catholic Cemetery).

Schedule G.

Leases given by H.C.& S. Co. (Lessor)

I. Kahului Townsite Lease.

To Kahului Railroad Company, August 10, 1907. 293/139.

Kahului Townsite (Gross area, 219.4 acres) excepting therefrom all lands owned by third parties, lands reserved by H.C.& S.Co. and lands surrendered from the lease, the net area under this lease now being 170.26 acres. (See Title Report Dec. 17, 1924).

Term: To July 15, 1937.

II. Kahului "Beach Property" Lease.

To Kahului Railroad Company. April 30, 1918.

38.00 acres west of Kahului Townsite.

Term: To July 15, 1937.

III. Sundry Leases.

Lessee	Land	To Expire	Annual Rental
1. Bureau of Agriculture & Forestry	2.70 acres at Kahului	Dec. 31, 1932	\$10
2. Trustees, Alexander Settlement	3.00 acres at Spreckelsville Beach	Dec. 31, 1928	\$20 & taxes

Lessee	Land	To Expire	Annual Rental
3. C.D. Iufkin	0.92 acres at Spreckelsville Beach	Dec. 31, 1929	\$10 & taxes
4. Trustees, Maunaloa Seminary	2.36 acres at Spreckelsville Beach	Dec. 31, 1928	\$30 & taxes
5. D. H. Case	0.20 acres at Spreckelsville Beach	Dec. 31, 1929	\$10 & taxes
6. W. A. Clark	2.50 acres at Spreckelsville Beach	Dec. 31, 1928	\$30 & taxes
7. H. B. Weller	Spreckelsville Theater	June 30, 1929	\$240
8. H. B. Weller	Punene Theater	June 30, 1929	\$360
9. Mrs. R. Leinert	1.00 acre at Maalaea Bay	Feb. 28, 1929	\$5 & taxes
10. Standard Oil Co. of California	3.43 acres at Kahului	Nov. 22, 1945	\$1 & taxes
11. H. J. Grant, Trustee	0.18 acre at Kahului	May 31, 1940	\$1 & taxes
12. Maui Electric Co., Ltd.	1.75 acres on Beach Road	Nov. 30, 1936	\$175 & taxes
13. Maui County Fair & Racing Ass'n.	22.57 acres near Kahului	Dec. 31, 1970	\$1
14. Maui Country Club, Ltd.	121.9 acres near Spreckelsville	June 30, 1950	\$1 & taxes
15. S. E. Taylor	2.00 acres Spreckelsville Beach		\$20 & taxes

Schedule G, Ltd.
Part 1.

Schedule H.

Licenses and Rights of Way granted by H.C. & S. Co. to others.

1. Kahului-Wailuku Waterworks and Territory of Hawaii.

Rights of way for water main across sand hills (Dec. 11, 1900) and for 4" pipe line from tank in Owa to Kahului, Oct. 10, 1916, 462/284.

2. Kahului Railroad Company.

Perpetual right of way for railway purposes from Spreckelsville to M.A. Co. Ita's boundary, July 31, 1915, 422/281.

3. Maui Telephone Company License.

License covering telephone lines on H.C. & S. Co. property, April 11, 1918.

4. Maui Electric Company, Ltd. License.

License covering electric power lines on H.C. & S. Co. property, Dec. 1, 1921.

Schedule I.

Agreements under which H.C. & S. Co. has certain Rights and Obligations.

1. East Maui Water System Agreement between H.C. & S. Co., M.A. Co. Ltd., and E.M.I. Co. Ltd., dated Dec. 31, 1926. (Appertaining to all matters in

- connection with the water system of the East Maui Irrigation Co. Ltd.)
- ✓ 2. West Maui Water System Agreement between H.C.& S. Co. and Mailuku Sugar Co. of June 23, 1924, 740/134 (Appertaining to all matters in connection with the water system of the H.C.& S. Co. and of the H.C.& S.Co. and W.S.Co. in common).
- ✓ 3. Agreement regarding sales of water by H.C.& S.Co. to County of Maui. Aug. 11, 1926. Term: To Aug. 31, 1951.
- ✓ 4. General Agency Agreement with Alexander & Baldwin, Ltd. April 8, 1903. (As revised Sept. 29, 1920, and Aug. 21, 1923). Term: Until one year after notice of termination.
- 5. Stock Pooling Agreement between H.C.& S. Co., et al, and E.F.Bishop, et al, Trustees, March 15, 1921. (Pooling of stock in C. & H. S. R. Corp.) Term: To March 15, 1941, but terminable at any time under certain conditions.
- ✓ 6. Agreement between H.C.& S. Co. et al, and The Bank of California, L. A., Feb. 1, 1922.
- 7. Sugar Marketing Agreement and Contract between H.C. & S. Co. and Sugar Factors Co. Ltd., Sept. 30, 1925. Term: To date of termination of Oct. 5, 1932, agreement between S.F.Co.,Ltd. and C. & H.S.R.Corp., or of the stock pooling agreement as above noted.
- 8. Molasses Marketing Agreement and Contract between H.C.& S. Co. and Sugar Factors Co.. Ltd., Aug. 16, 1923. Term: To Dec. 31, 1928.
- 9. Fuel Oil Handling Agreement between Alexnader & Baldwin Ltd., and H.C.& S. Co., et al, Oct. 20, 1921..
- 10. Surplus Power Agreements with Kahului Railroad Co. (Jan. 1, 1923) and Maui Electric Co.,Ltd. (May 17, 1926), respectively, regarding sale of power by H.C.& S.Co. (Each of said agreements being subject to year to year renewal by letter).

Schedule I
Page 1.

In witness whereof said parties hereto have duly executed this instrument in duplicate as of the day and year first above written.

(Corporate Seal) Hawaiian Commercial and Sugar Company
By F.F.Baldwin, President
By C.R.Hemenway, Assistant Secretary

(Corporate Seal) Hawaiian Commercial and Sugar Company,
Limited
By J.Waterhouse, Vice President
By J.P.Cooke, Treasurer

Territory of Hawaii, County of Maui, : ss. On this 23rd day of December

A.D.1926, before me appeared F.F.Baldwin to me personally known, who being by me duly sworn did say that ^{he is} ~~the~~ the President respectively of Hawaiian Commercial and Sugar Company and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said F.F.Baldwin acknowledged said instrument to be the free act and deed of said corporation.

(Notarial Seal)

R. B. Braue, Notary Public,

Second Judicial Circuit, Territory of Hawaii.

Territory of Hawaii)
 City and County of Honolulu) ^{ss.} On this 31st day of December, 1926, before me appeared C. P. Hemenway, to me personally known, who, being by me duly sworn, did say that he is the Assistant Secretary of the Hawaiian Commercial & Sugar Company, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said C.R.Hemenway acknowledged said instrument to be the free act and deed of said corporation.

(Notarial Seal)

James F. Morgan, Notary Public,

First Judicial Circuit, Territory of Hawaii.

Territory of Hawaii)
 City and County of Honolulu) ^{ss.} On this 31st day of December 1926, before me appeared J. Waterhouse and J.P.Cooke both to me personally known, who, being by me duly sworn, did say that they are respectively the Vice President and Treasurer of the Hawaiian Commercial & Sugar Co. Ltd., and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said J. Waterhouse and J.P.Cooke acknowledged said instrument to be the free act and deed of said corporation.

(Notarial Seal)

James F. Morgan, Notary Public,

1st Judicial Circuit, Territory of Hawaii.

Entered of record this 3rd day of January A.D.1927, at 10:16 o'clock A.M. and compared. *Carroll* Registrar of Conveyances.

99

89 43371

HAWAII
REGISTRY OF DEEDS
RECORDATION DIVISION

RECORDATION REQUESTED BY:

Alexander & Baldwin, Inc.

MAR 30 PM 1:47
23006 583
M. W. WELLS, REGISTRAR

AFTER RECORDATION: Addressee

Alexander & Baldwin, Inc.

When Completed: Mail
Pick Up (✓) Phone: 525-6668

DEED

KNOW ALL MEN BY THESE PRESENTS:

That ALEXANDER & BALDWIN, INC., a Hawaii corporation, with its principal place of business in Honolulu, Hawaii, hereinafter called the "Grantor", in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration to it paid by A&B-HAWAII, INC., a Hawaii corporation, with its principal place of business at 822 Bishop Street, Honolulu, Hawaii, and mailing address at P. O. Box 3440, Honolulu, Hawaii 96801, hereinafter called the "Grantee", the receipt of which is hereby acknowledged, does hereby grant, bargain, sell and convey unto the Grantee, its successors and assigns:

ALL of those certain parcels of land described in Exhibit A attached hereto and made a part hereof, subject, however, to the encumbrances mentioned in said Exhibit A;

AND the reversions, remainders, rents, issues and profits thereof, together with all buildings, improvements, tenements, rights, easements, privileges and appurtenances to the same belonging or appertaining or held and enjoyed therewith, and all of the estate, right, title and interest of the Grantor both at law and in equity therein and thereto;

TO HAVE AND TO HOLD the same unto the Grantee, its successors and assigns, forever, subject to the encumbrances mentioned in said Exhibit A;

AND the Grantor, for itself, its successors and assigns, hereby covenants with the Grantee, its successors and assigns: THAT the Grantor has good right to grant and convey said land and premises unto the Grantee as aforesaid and that the same are free and clear of and from all encumbrances made or suffered by the Grantor, except the encumbrances mentioned in said Exhibit A.

ENCUMBRANCE TAX... 00.00
HAWAII
P.B. MAR 30 1957
CERTIFICATE

23006 584

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed by its duly authorized officers this 30th day of March, 1989, but effective as of the 1st day of April, 1989.

ALEXANDER & BALDWIN, INC.

BY [Signature]
Its SENIOR VICE-PRESIDENT

BY [Signature]
Its ASST. SECRETARY

3163S

23006 585

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU) SS:

On this 30th day of March, 1989, before me appeared R. K. SASAKI and BEVERLY J. GREEN, to me personally known, who, being by me duly sworn, did say that they are SENIOR VICE PRESIDENT and ASST. SECRETARY, respectively, of ALEXANDER & BALDWIN, INC., a Hawaii corporation; that the seal affixed to the foregoing instrument is the corporate seal of such corporation and that such instrument was signed and sealed on behalf of such corporation by authority of its Board of Directors; and said R. K. SASAKI and BEVERLY J. GREEN acknowledged such instrument to be the free act and deed of such corporation.

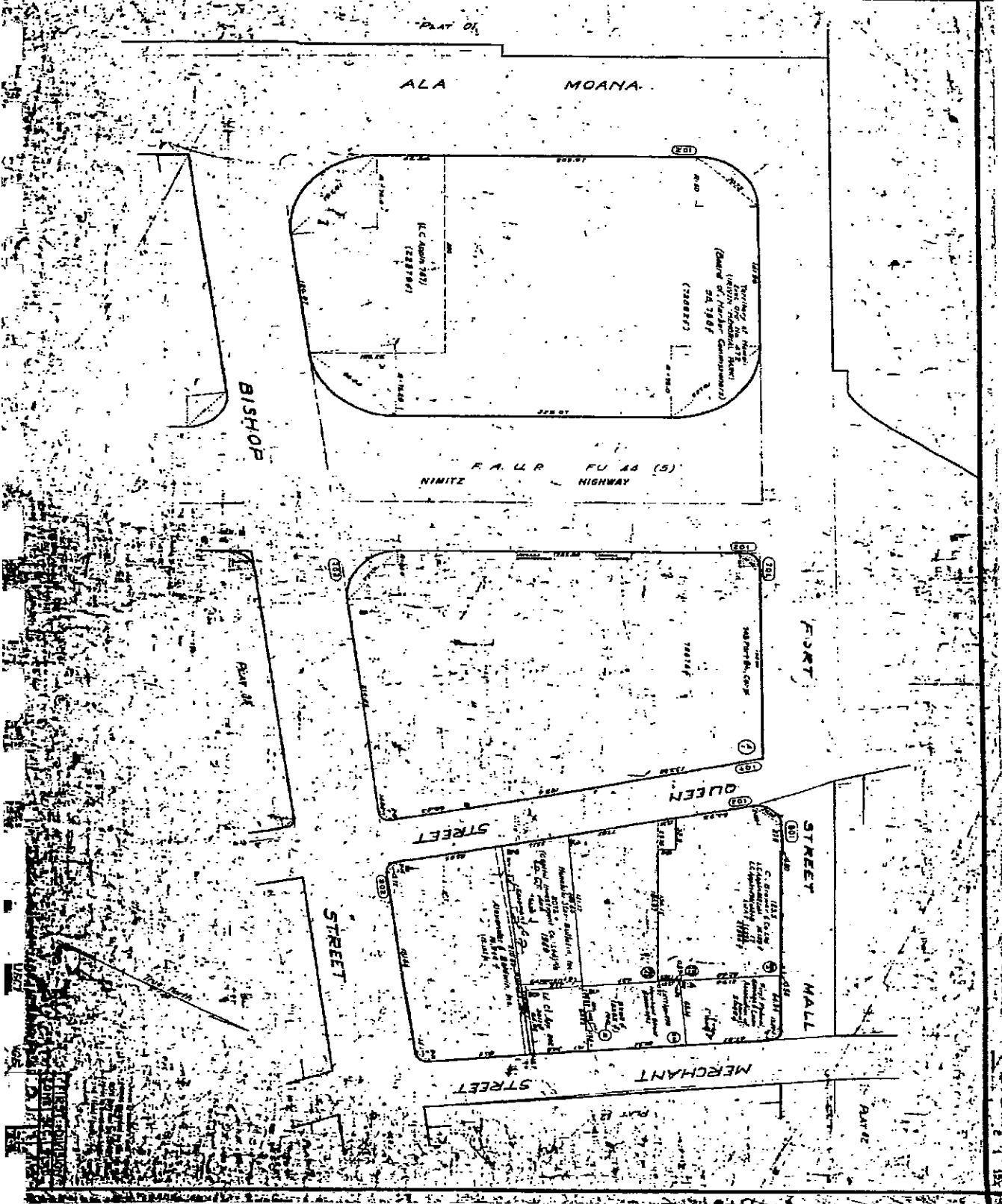
Concetta A. Vazquez
Notary Public, State of Hawaii
My commission expires: 6-7-87

23006 586

EXHIBIT A

FIRST:

All that certain parcel of land situate in the City and County of Honolulu, State of Hawaii, designated as Tax Map Key 2-1-013-001, containing an area of .4349 acre, (a copy which is attached hereto and made a part hereof).



Recorder's Memo
 of Writing, Typing or Printing UNSATISFACTORY
 This document when received.

SECOND:

All of those certain parcels of land situate in the County of Maui, State of Hawaii, designated upon the Tax Maps for the Second Division, State of Hawaii (copies of which are attached hereto and made a part hereof) as follows:

<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>	<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
2-3-008-009	0.7500	2-5-004-038	36.0000
2-4-001-004	50.2460	2-5-004-039	2,524.5860
2-4-001-006	5.5000	2-5-004-043	0.5000
2-4-001-010	1.9190	2-5-004-045	4.6700
2-4-001-019	6.4300	2-5-004-046	4.6700
2-4-002-007	129.7400	2-5-004-047	0.9800
2-4-002-010	9.0000	2-5-004-055	0.9200
2-4-016-003	1,068.0000	2-5-004-068	0.4620
2-5-001-001	1,983.4300	2-5-004-069	0.8100
2-5-001-002	264.4900	2-5-004-070	1.9200
2-5-001-008	1,815.5000	2-5-004-073	1.5800
2-5-001-009	138.6000	2-5-004-074	1.3500
2-5-002-001	1,942.9200	2-5-004-079	4.1700
2-5-002-002	2,486.7860	2-5-005-002	2.6100
2-5-002-004	10.3000	2-5-005-005	2.2900
2-5-002-005	142.3300	2-5-005-006	5.5100
2-5-002-006	2.6700	2-5-005-007	0.2000
2-5-002-010	136.0300	2-5-005-009	1.6700
2-5-002-011	1.2900	2-5-005-011	0.3100
2-5-003-001	316.5960	2-5-005-012	9.3100
2-5-003-006	0.9200	2-5-005-013	2.9400
2-5-003-007	4.8000	2-5-005-014	1.0300
2-5-003-008	9.0000	2-5-005-016	9.3600
2-5-003-009	538.9200	2-5-005-017	32.1860
2-5-003-010	2,380.8840	2-5-005-018	362.9500
2-5-003-012	0.4800	2-5-005-019	816.9130
2-5-003-017	0.0670	2-5-005-020	1,098.8550
2-5-003-020	0.1030	2-5-005-021	764.6980
2-5-004-013	0.8000	2-5-005-026	0.8600
2-5-004-024	5.7000	2-5-005-027	0.9000
2-5-004-026	21.1580	2-5-005-028	0.4000
2-5-004-035	1.0000	2-5-005-030	1.1400
2-5-004-036	683.4520	2-5-005-033	1.0200
2-5-004-037	118.7890	2-5-005-038	2.6100

23006 589

<u>TAX KEY</u>	<u>AREA SHOWN</u>	<u>TAX KEY</u>	<u>AREA SHOWN</u>
<u>SECOND DIVISION</u>	<u>ON TAX MAP</u>	<u>SECOND DIVISION</u>	<u>ON TAX MAP</u>
2-5-005-044	0.7500	2-8-004-034	7.6000
2-5-005-046	12.5300	2-8-004-057	38.2000
2-5-005-047	4.6400	2-8-004-058	25.6510
2-5-005-052	0.2700	2-8-004-059	2.000
2-5-005-053	0.8400	2-8-004-062	11.4200
2-5-005-057	23.4010	2-8-004-063	24.4090
2-5-006-019	0.6800	2-8-004-064	0.1900
2-6-001-001	3.5170	2-8-004-065	0.7500
2-6-001-004	1.0830	2-8-004-066	8.9500
2-6-003-027	0.2220	2-8-006-023	1.2000
2-6-005-014	0.1300	2-8-006-027	1.1500
2-6-009-002	12.4220	2-8-006-054	4.7500
2-6-009-018	0.5500	2-8-006-055	0.6800
2-6-009-019	0.6500	2-8-006-056	0.4500
2-6-009-023	0.4660	2-8-006-057	0.5000
2-6-010-013	0.0830	2-8-006-058	6.9900
2-6-010-016	0.1320	2-8-008-001	163.9000
2-6-012-033	0.5000	2-8-008-008	187.1000
2-7-001-028	0.4440	2-8-008-009	38.5000
2-7-001-046	0.0800	2-8-008-010	1.9000
2-7-001-058	0.8500	3-3-001-033	1.6700
2-7-002-004	225.2100	3-3-002-011	0.3600
2-7-002-058	35.2000	3-3-002-019	0.2400
2-7-003-001	159.8100	3-3-002-020	4.0700
2-7-003-005	0.4400	3-4-002-045	0.0400
2-7-003-011	3.1500	3-4-003-020	1.0800
2-7-003-013	29.6500	3-4-009-002	0.5100
2-7-003-019	4.3200	3-4-010-001	2.6410
2-7-003-030	0.1400	3-4-010-004	0.2000
2-7-003-033	19.9100	3-4-011-001	0.8500
2-7-003-052	1.8400	3-4-017-052	0.3230
2-7-003-055	24.8000	3-4-018-003	0.9400
2-7-003-056	10.2020	3-4-021-061	0.0460
2-7-003-059	1.9500	3-4-033-024	0.7060
2-7-003-081	112.3000	3-4-033-029	0.1000
2-7-003-082	6.9800	3-4-038-003	0.9960
2-7-003-083	18.2000	3-4-038-005	0.2060
2-7-003-084	33.0000	3-7-001-005	1.9800
2-7-003-085	2.2100	3-7-001-007	1.3760
2-7-004-001	153.5700	3-7-001-010	0.0970
2-7-015-032	0.4700	3-7-001-015	0.0790
2-7-015-033	16.0000	3-7-001-016	1.2830
2-7-015-034	516.4000	3-7-001-018	0.0050
2-7-033-014	92.4790	3-7-002-006	0.2900
2-8-003-005	0.6600	3-7-002-016	0.0390
2-8-003-027	0.0700	3-7-003-002	1.4230
2-8-004-014	4.6200	3-7-003-003	0.4480
2-8-004-028	6.3200	3-7-003-026	0.4020

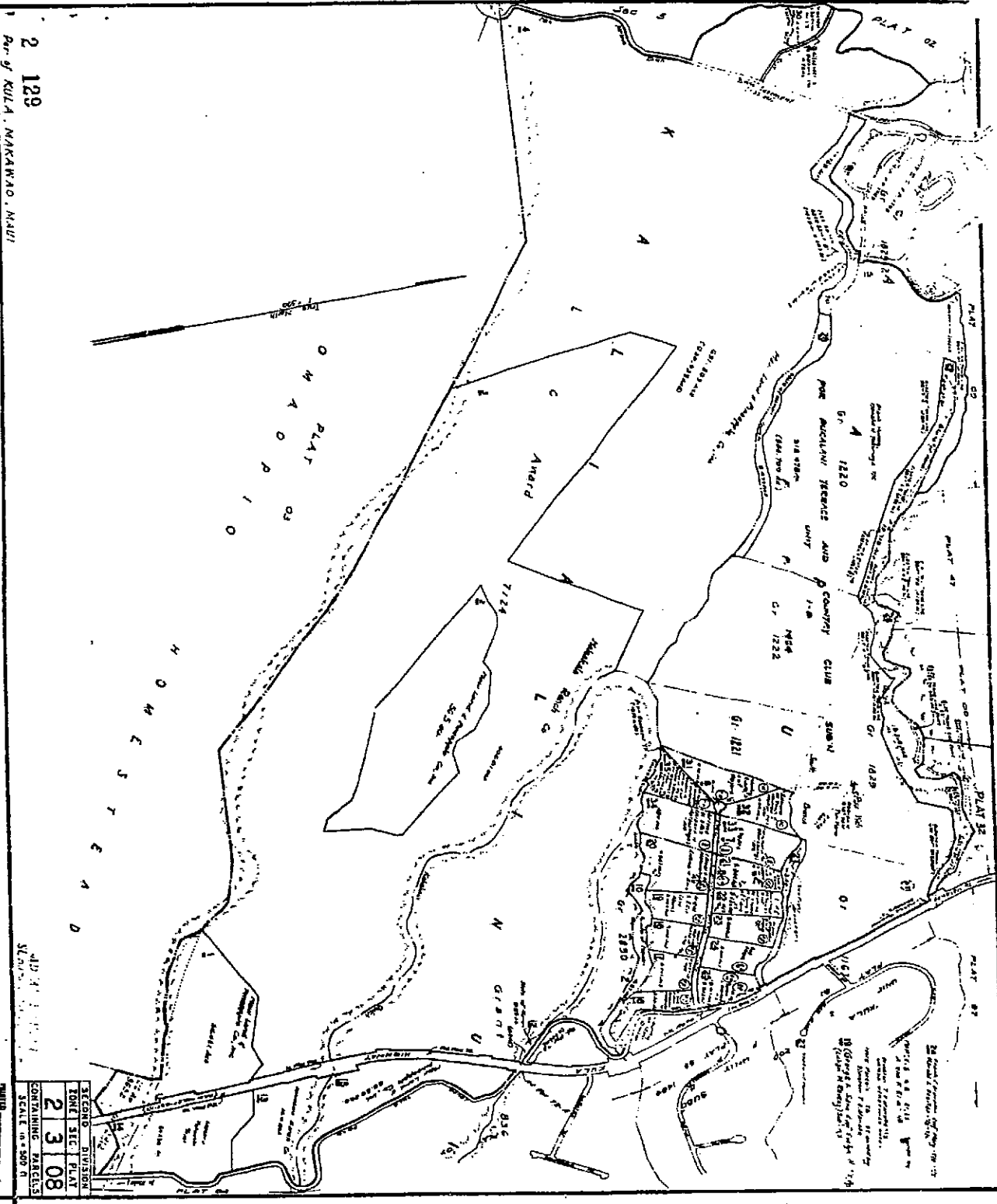
23006 590

<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>	<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
3-7-003-027	0.0990	3-8-003-007	324.2600
3-7-003-028	0.2850	3-8-003-020	0.3140
3-7-004-001	3.5900	3-8-003-021	28.1900
3-7-005-003	2.4380	3-8-004-001	2,008.6900
3-7-005-011	1.2300	3-8-004-002	1,598.3350
3-7-005-023	0.0830	3-8-004-020	60.2370
3-7-008-006	5.4383	3-8-004-022	1,489.2000
3-7-008-008	1.4752	3-8-004-023	2.0020
3-7-008-017	2.1109	3-8-004-024	83.8270
3-7-011-001	8.4600	3-8-005-001	489.9700
3-7-011-006	3.9230	3-8-005-002	4,409.0770
3-7-011-011	0.6071	3-8-005-003	432.2870
3-7-011-013	8.6270	3-8-005-015	0.1100
3-7-011-019	4.4640	3-8-005-017	22.2100
3-7-013-001	6.2520	3-8-005-018	0.0700
3-8-001-001	1,105.5050	3-8-005-023	352.4000
3-8-001-003	65.8719	3-8-006-001	798.8440
3-8-001-004	52.3200	3-8-006-002	748.273
3-8-001-005	84.0000	3-8-006-003	1,255.2510
3-8-001-006	1,209.8000	3-8-006-007	1.2050
3-8-001-007	906.0270	3-8-006-011	0.4273
3-8-001-009	1.0000	3-8-006-012	0.0900
3-8-001-010	0.2950	3-8-006-013	0.1340
3-8-001-011	0.2300	3-8-006-015	0.5400
3-8-001-012	0.5700	3-8-006-016	0.7500
3-8-001-014	141.2460	3-8-006-017	0.3700
3-8-001-015	49.6800	3-8-006-018	0.5900
3-8-001-017	4.0240	3-8-006-020	2.0700
3-8-001-023	0.1700	3-8-006-021	0.1000
3-8-001-024	0.5200	3-8-006-022	0.1400
3-8-001-033	5.6000	3-8-006-025	0.3500
3-8-001-135	172.4000	3-8-006-029	11.5200
3-8-001-197	3.6530	3-8-006-037	0.0430
3-8-001-198	0.3520	3-8-006-041	0.6000
3-8-001-192	1.0778	3-8-006-050	0.6880
3-8-002-008	0.8410	3-8-006-051	0.2640
3-8-002-009	1.4900	3-8-006-066	0.4120
3-8-002-010	1.5000	3-8-006-069	14.0000
3-8-002-070	0.1220	3-8-007-015	0.3000
3-8-002-084	0.4160	3-8-007-016	1.9200
3-8-002-085	0.0350	3-8-007-017	8.5100
3-8-002-087	2.4200	3-8-007-030	3.2970
3-8-003-001	1,070.9300	3-8-007-038	4.0430
3-8-003-002	1,538.7400	3-8-007-071	5.0430
3-8-003-003	23.5200	3-8-007-101	80.5080
3-8-003-004	2,606.0000	3-8-007-102	31.2220
3-8-003-005	1,088.2200	3-8-007-104	4.0700
3-8-003-006	5.5100	3-8-008-005	161.4470

23006 591

<u>TAX KEY</u> <u>SECOND DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
3-8-008-006	101.5480
3-8-008-007	81.6080
3-8-008-019	86.0290
3-8-008-030	4.6250
3-8-046-009	0.9540
3-8-046-010	4.3090
3-8-071-082	1.5871

Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
... when received.



2 129
Part of KULA, MAKAWAO, MAUI

AD 1-1-08
Scale 1" = 500 ft

SECOND DIVISION	2
TOWN SEC PLAT	3 08
CONTAINING PARCELS	

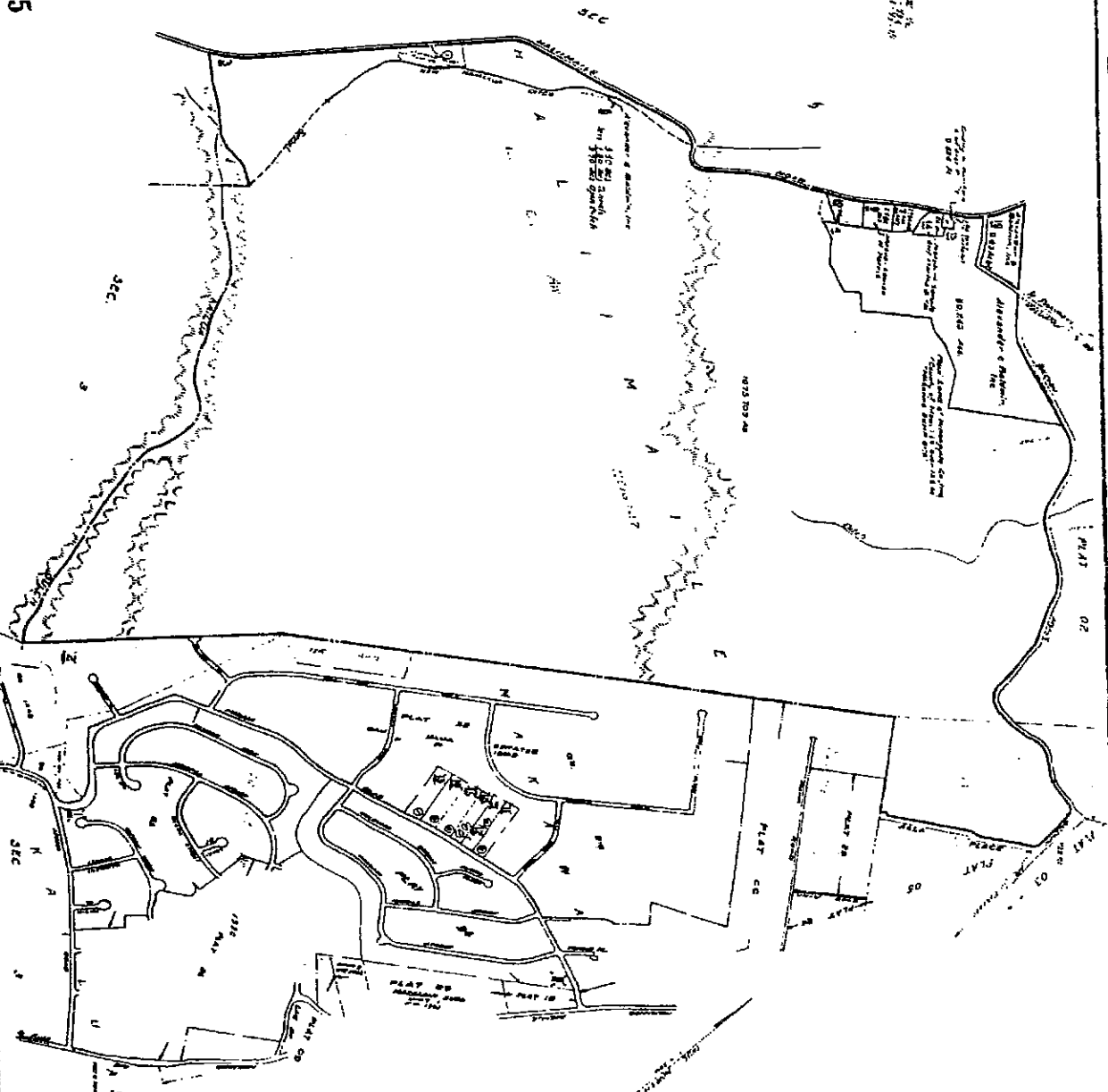
2 3 08

SOURCE: LANDROLL MAPS, CHURCH

1/2 Acre Parcel, N. 1/4
of Section 4, T. 15 S., R. 10 E.

2 185

Plate 5, HAWAIIAN MAPS



Recorder's Name: [Illegible]
Date of Filing, Typing or Printing UNSATISFACTORY
Amount when received.

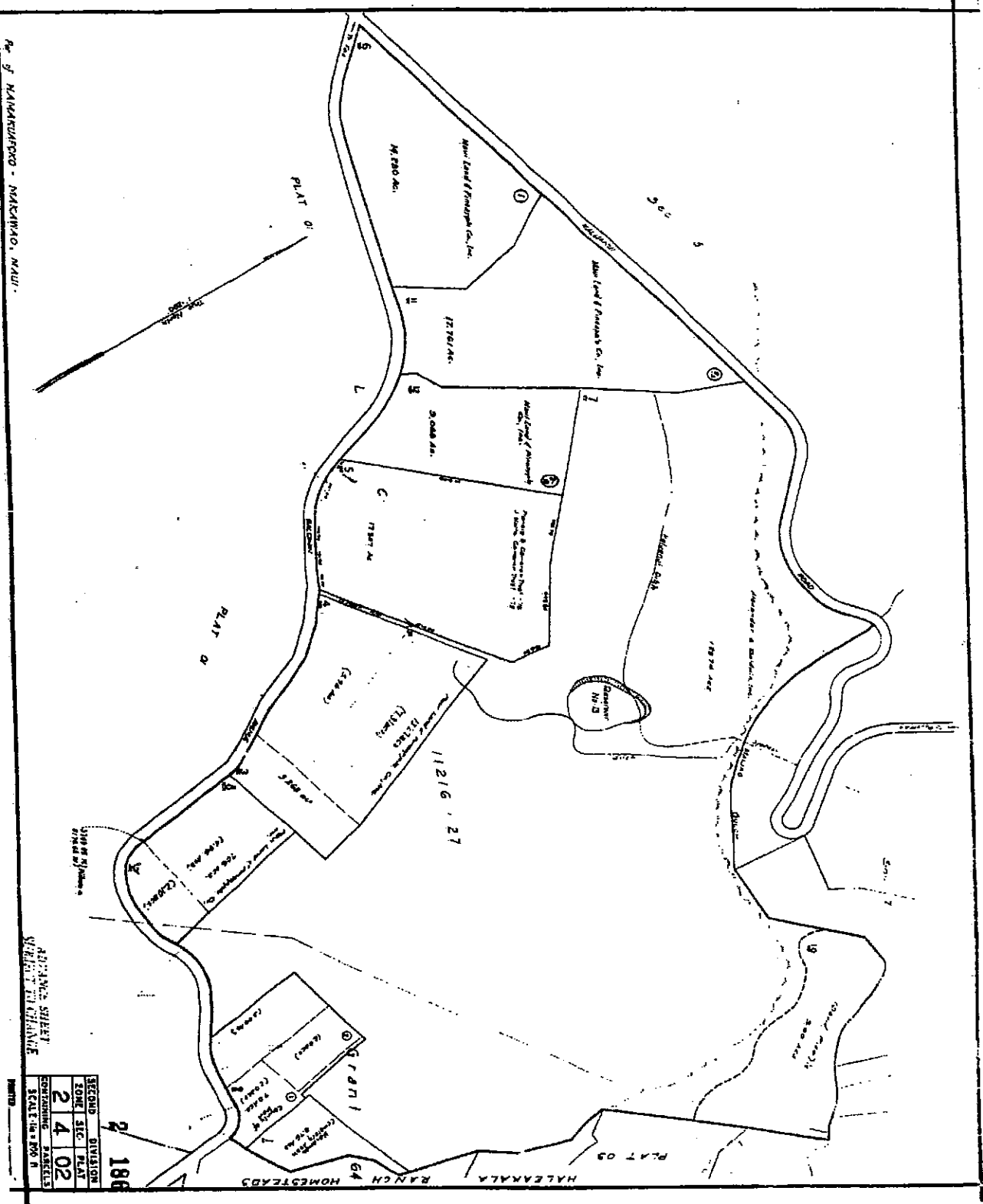
ADVANCE SHEET
SUBJECT TO CHANGE

SECTION	DIVISION
2 4 01	
CONTAINING PARCELS	
SCALE 1/4" = 90' 0"	

PRINTED

23006 594

Recorder's Record of this instrument is correct as written, Typing or Printing UNSATISFACTORY
 Instrument when received.



Map of HAWAIIAN ISLANDS - HONOLULU, HAWAII.

ADVANCE SHEET
 SUBJECT TO CHANGE

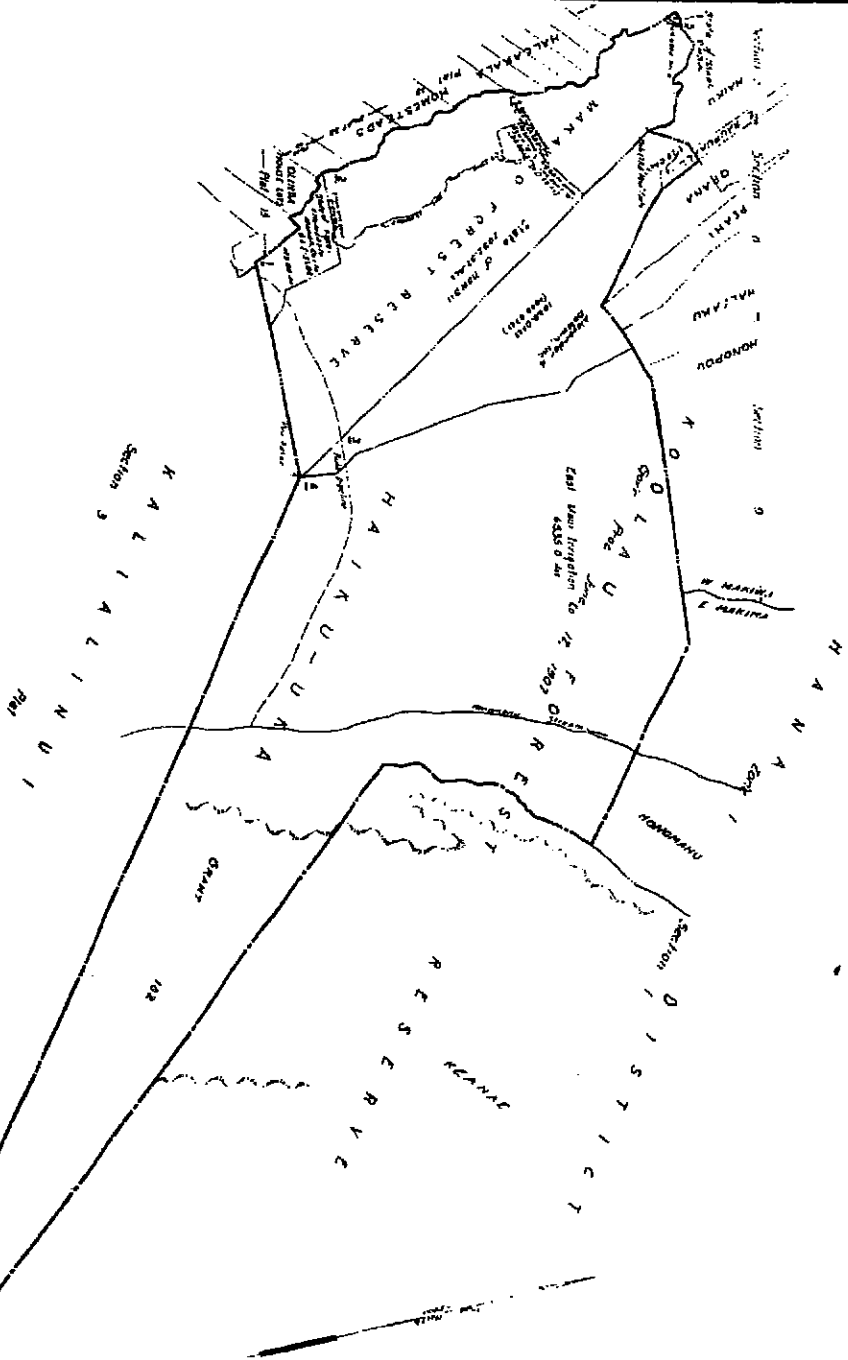
SECOND DIVISION	ZONE SIC	PLAT
2	4	02

SCALE 1/4" = 100' N

2 4 02

Source: De Map Datum

HANU-UNA & POU MAKAHNO, MAKAHNO, MAUI



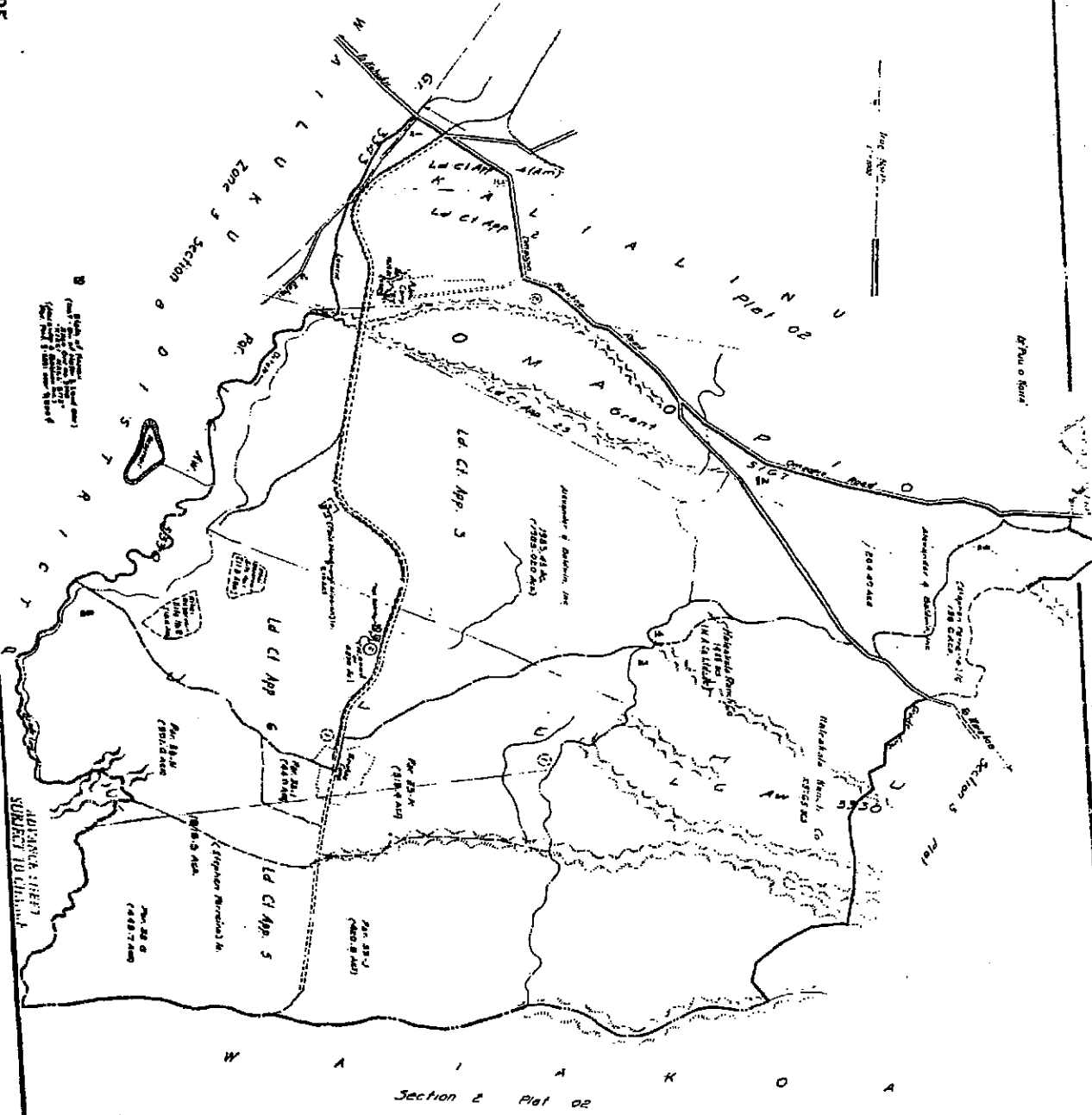
2 200

SECTION	DIVISION
2	4
16	
CONTAINING PARTS	
SCALE IN FEET	

Recorder's Name
 Filing, Typing or Printing UNSATISFACTORY
 when received.

Source: Top. Map. Bureau

2 225
POR. KULA, MAHAKOHOLO, MAUI

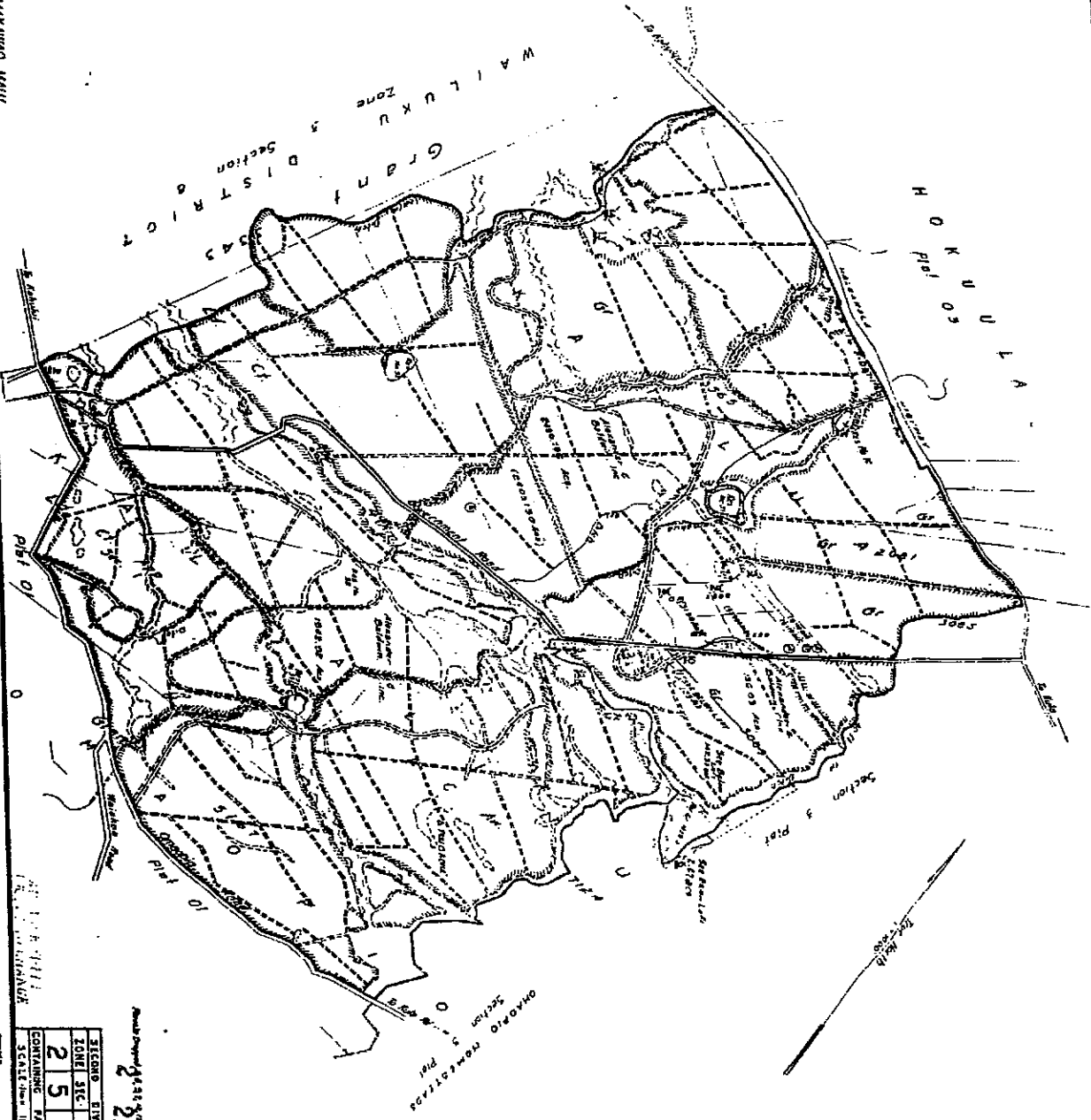


Recorder's Office
 Recording, Typing or Printing UNSATISFACTORY
 when received.

SECTION	2
PLAT	02
SECTION	5
PLAT	01
SCALE	1" = 1 MI.

WORKS OF
MERRILL & SONS
Mapmakers & Surveyors, Inc.

POOR KUI A. MAMAHIRO, MAUI



MAUI HAWAII
SCALE 1:25,000

CONTAINING	
2	5
PANELS	
SCALE 1:25,000	

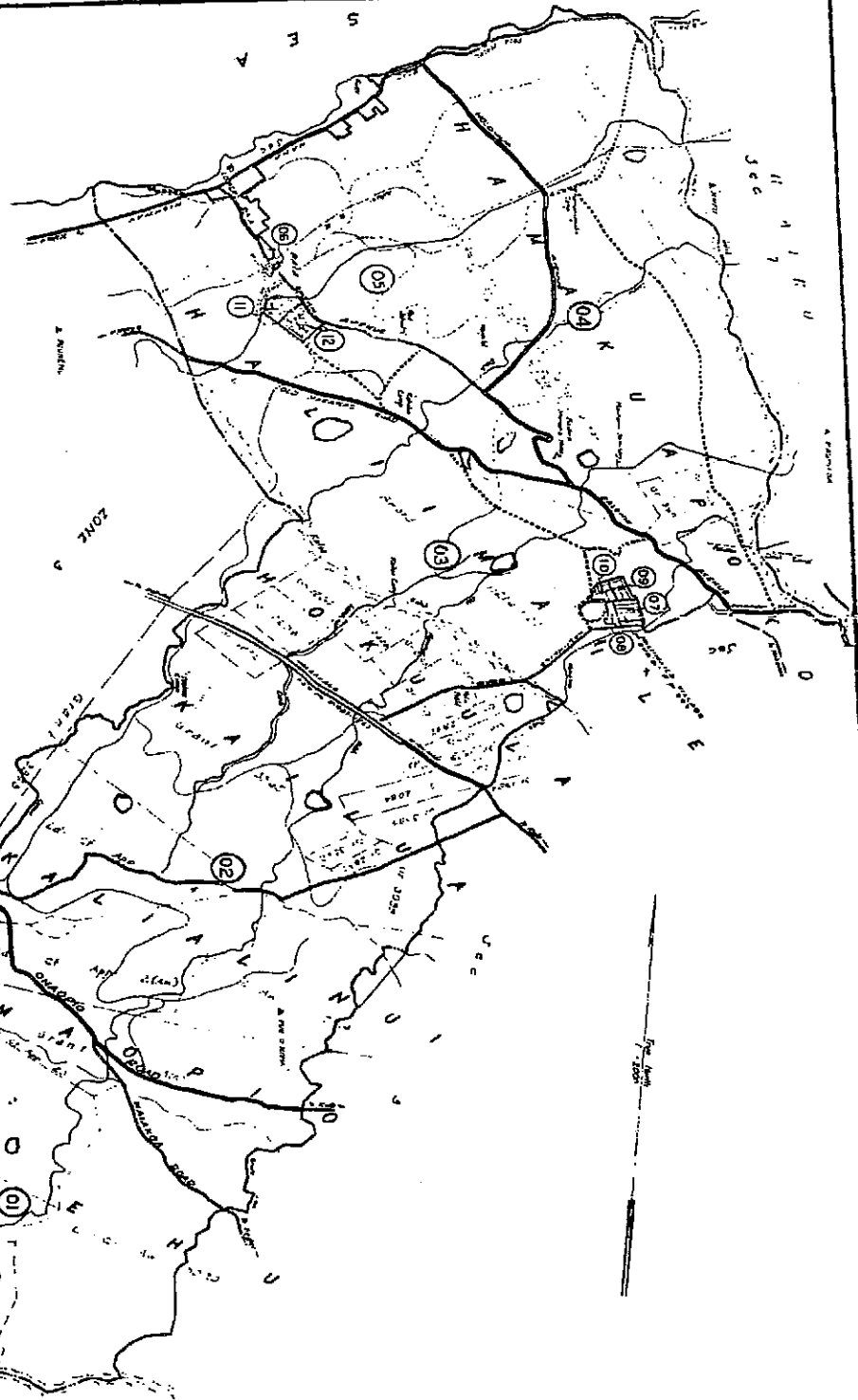
226

Recorder's Memo: Legibility of Writing, Typing or Printing UNSATISFACTORY
Document when received.

23006 598

No. 9, N.Y. Co. LD, MAHUKO, MAUI

WAILUKU DISTRICT



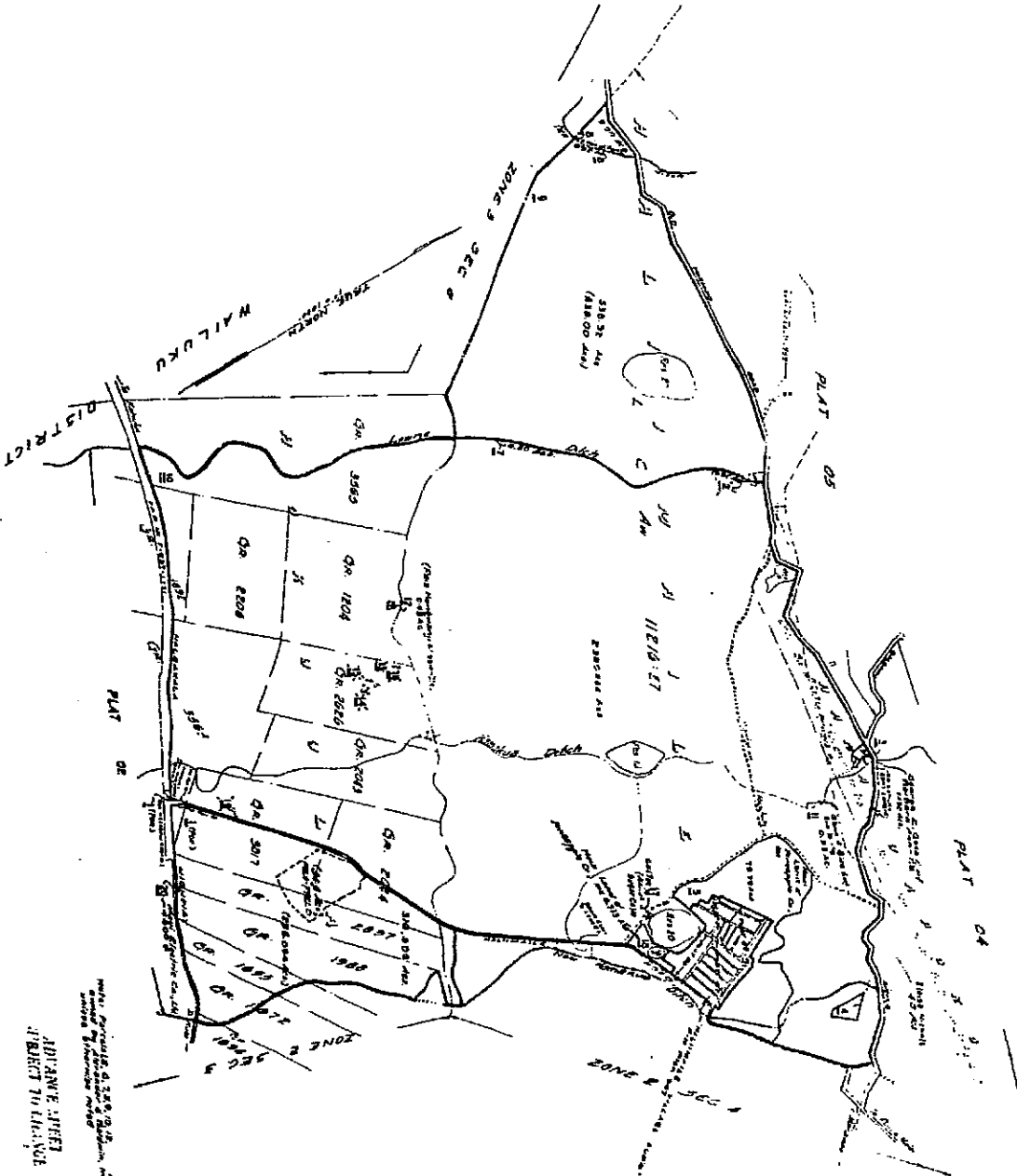
MAP TO LIAISON

2 284

TERRITORIAL MAPS	
BUREAU OF LANDS	
TAX MAP	
RECORD SECTION	2
ZONE	5
SCALE	1" = 100'

WAIKOA

Recorder's Map
Writing, Typing or Printing UNSATISFACTORY
When received.

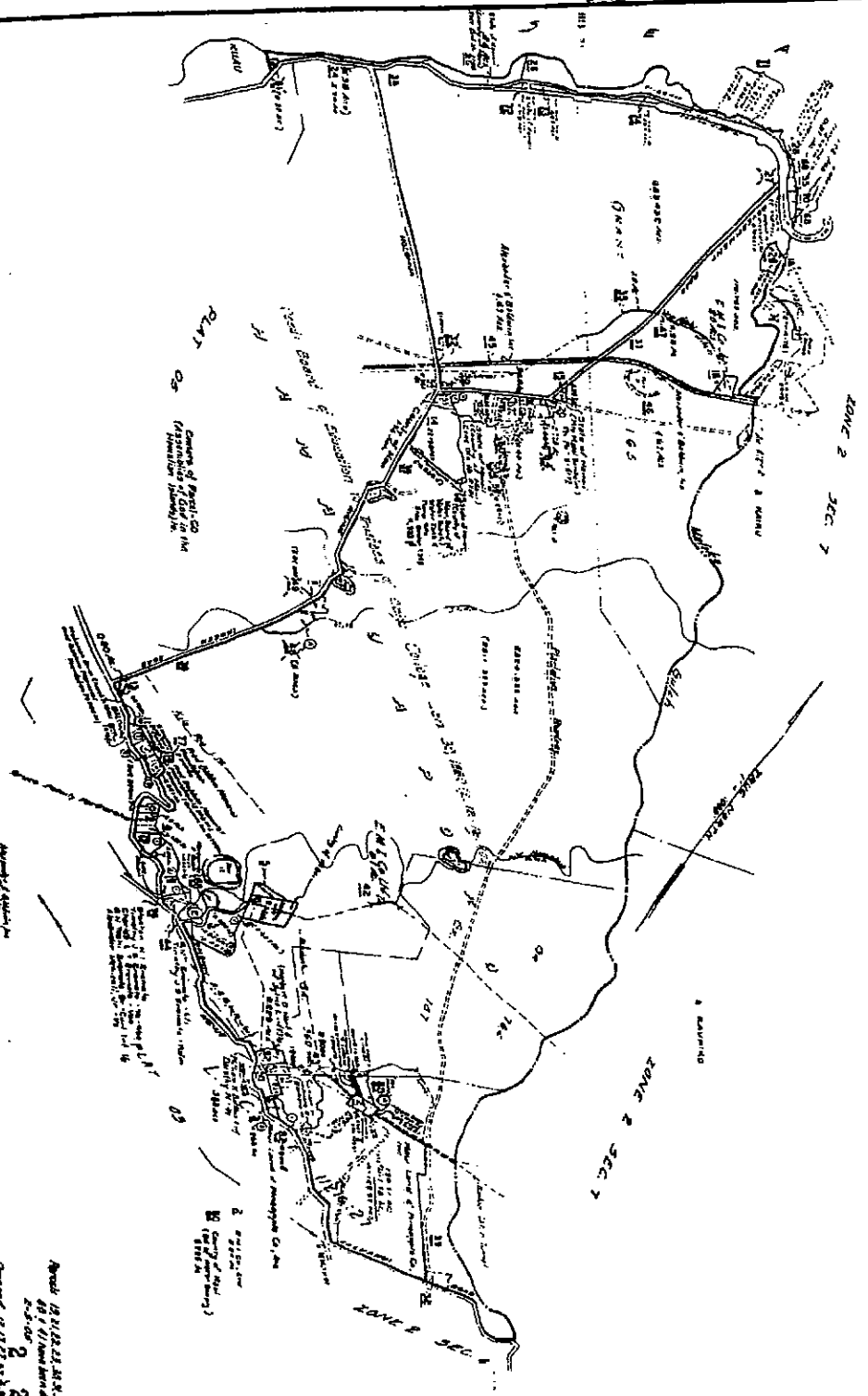


Recorder's Office, Honolulu, Hawaii. This map was prepared by the Office of the Recorder, Honolulu, Hawaii, on the basis of the information furnished to it. The Recorder's Office is not responsible for any errors or omissions in this map. The user of this map should verify the accuracy of the information shown on this map before relying on it. The user of this map should also verify the accuracy of the information shown on this map before relying on it.

ADVANCE SHEET
SUBJECT TO CHANGE

SCALE: 1" = 400 FT.
CONTAINING PARCELS
2 5 03
SECOND DIVISION
TAX MAP
REQUIREMENT OF MAPS
TERRITORY OF HAWAII
DEPARTMENT OF LANDS
AND NATURAL RESOURCES
1964

23006 600



Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 when received.

1-5-04

Original
 Copy
 Duplicate
 Other

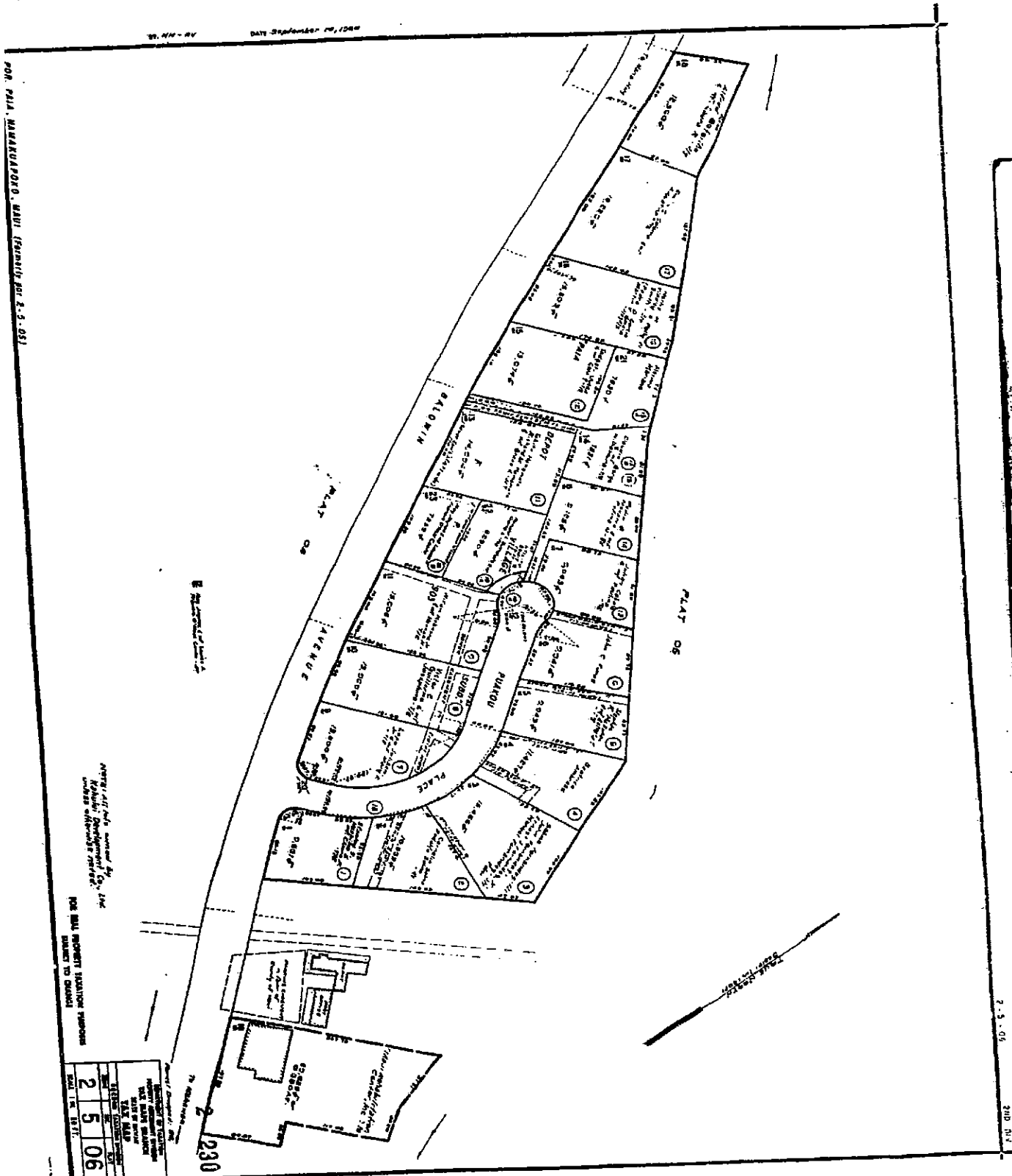
APPROVED
 BY THE
 COMMISSIONER
 OF LANDS
 AND MINES

Record 12 1222 228
 228
 228

QUANTIFIERS BUREAU
TAX MAP
SECTION DIVISION
ZONE SEC. PLAT
2 5 04
CONTAINING PARCELS
SCALE: 1" = 1000'

23006 602

Recorder's Record of Mappings, Typing or Printing UNSATISFACTORY
 when received.



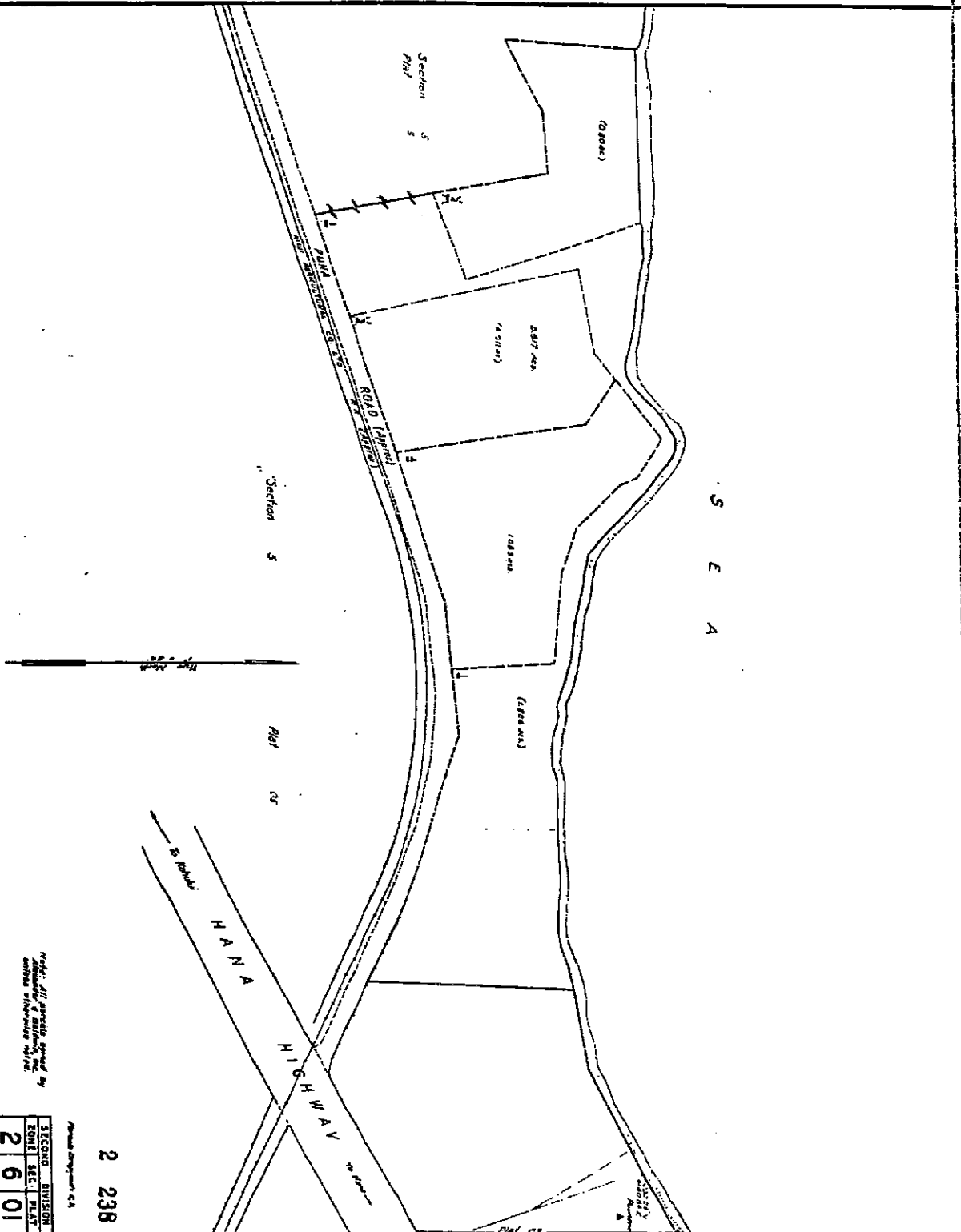
FOR PAID MATRICKS, HAWAII (FORMS FOR 2-3-53)

RECORDS SECTION
 HAWAIIAN TERRITORY
 OFFICE OF THE REGISTRAR
 23006 602

NO.	2
PLAT	5
SECTION	06
TOTAL	
DATE	
BY	

23006 603

LOWER PALM, MAKAHAHO, MAUI



Recorder's Report
 Printing, Typing or Printing UNSATISFACTORY
 When received.

Note: All areas shown by
 this plat are subject to
 any and all other
 laws and regulations.

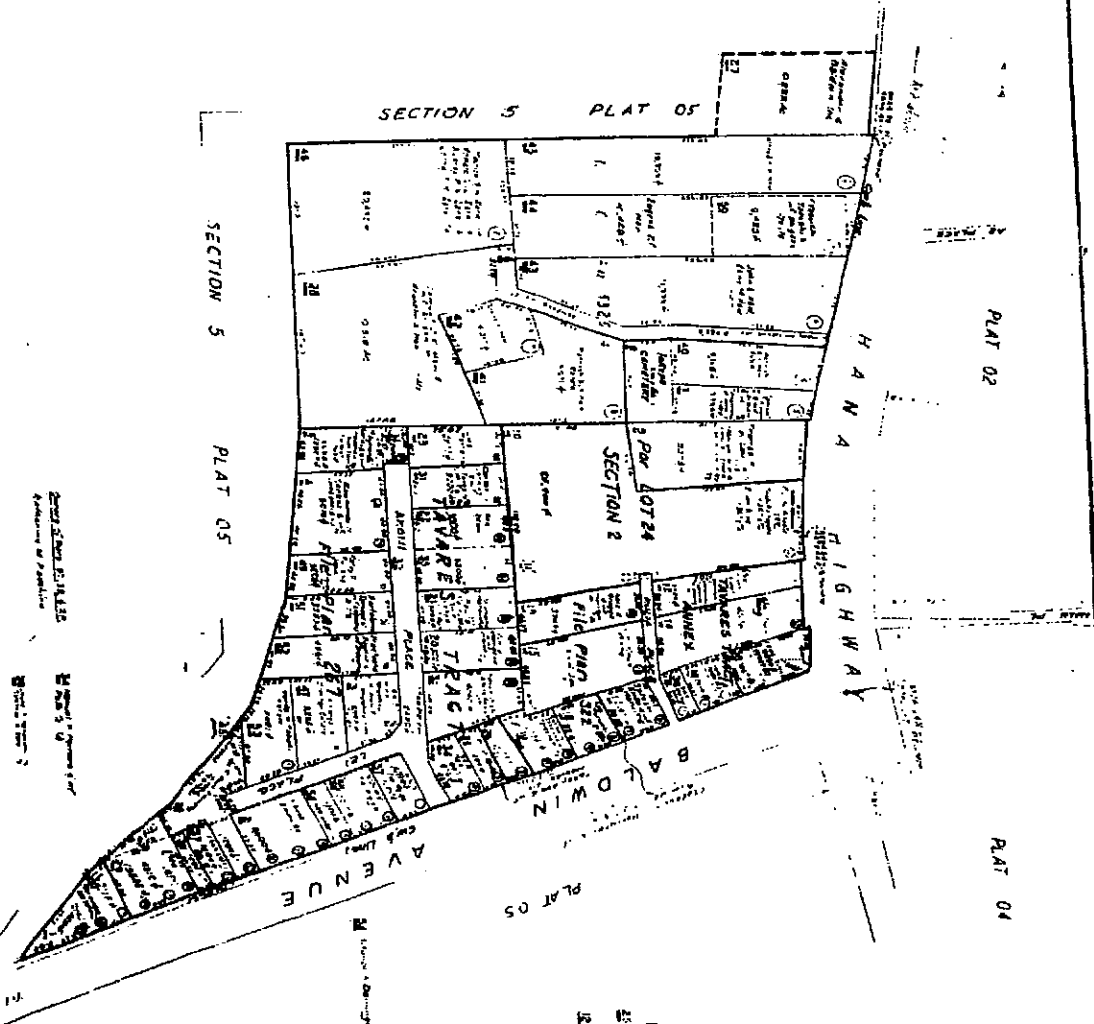
HIRSHMAN, CHASE
 SURVEYORS
 1111 W. WILSON AVENUE
 HONOLULU, HAWAII

2 238

SECOND DIVISION	2
ZONE SEC. PLAT	601
CONTAINING 2 PARCELS	
SCALE: 1" = 40 FT.	

MAUI

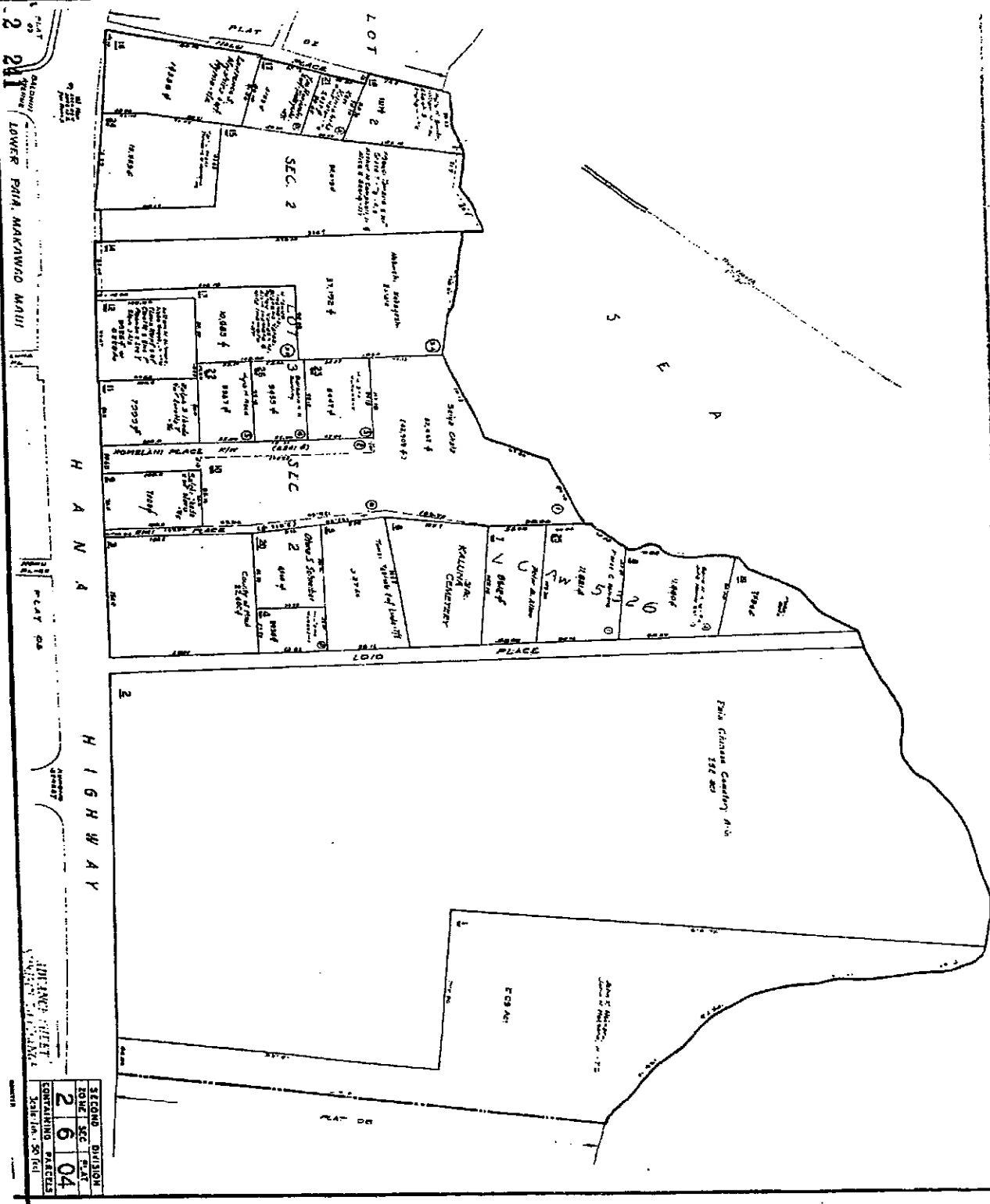
LOWER PAIA, MAHAKOHO, MAUI.



Recorder's Memo
 of Printing, Typing or Printing UNSATISFACTORY
 when received.

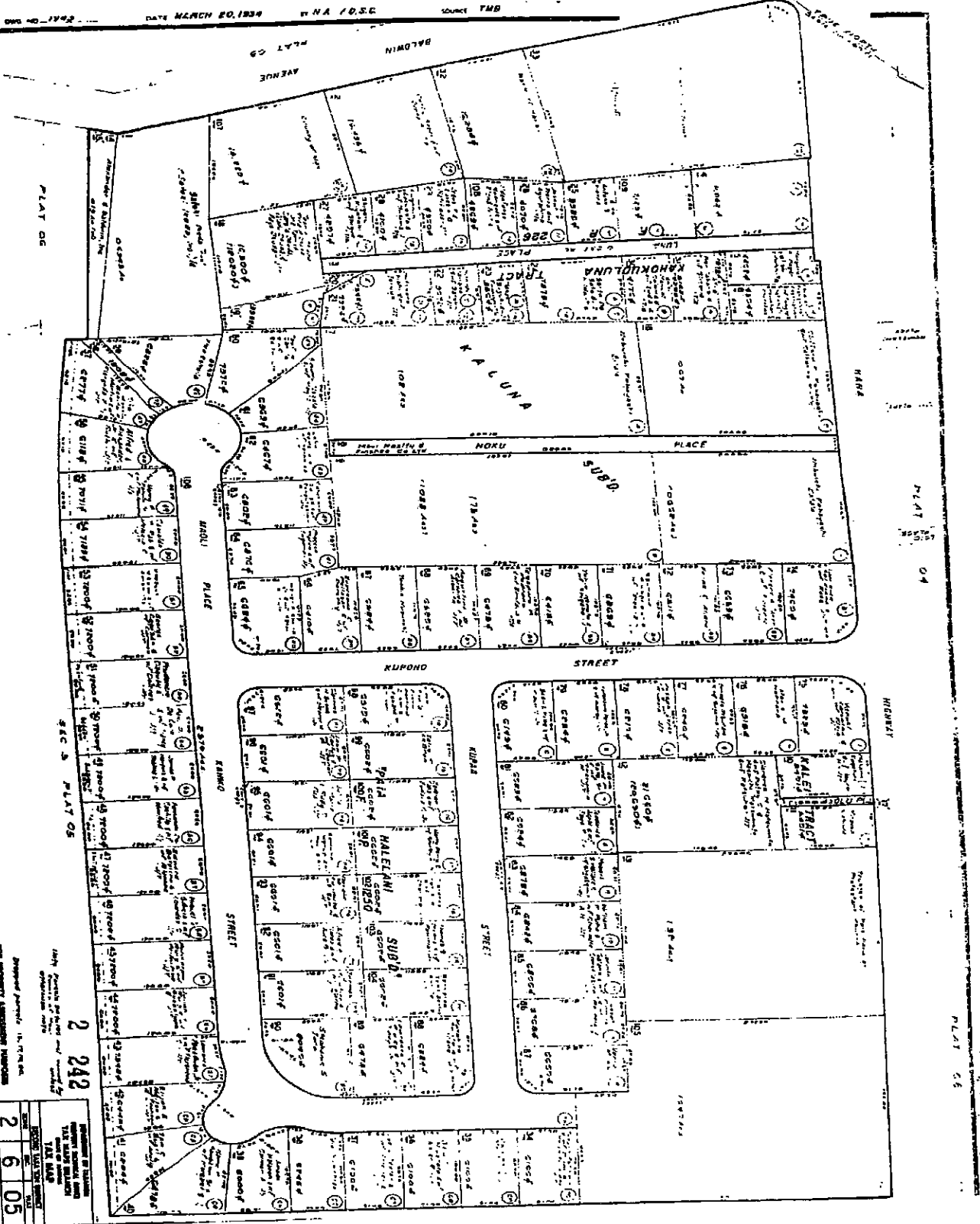
ADVANCE SHEET
 SUBJECT TO CHANGE

2	240
2	6 03



Recorder's Office
 Printing, Typing or Printing UNSATISFACTORY
 when received.

SECOND DIVISION
2 6 04
CONTAINING 26 PAGES
SCALE 1/4" = 100'

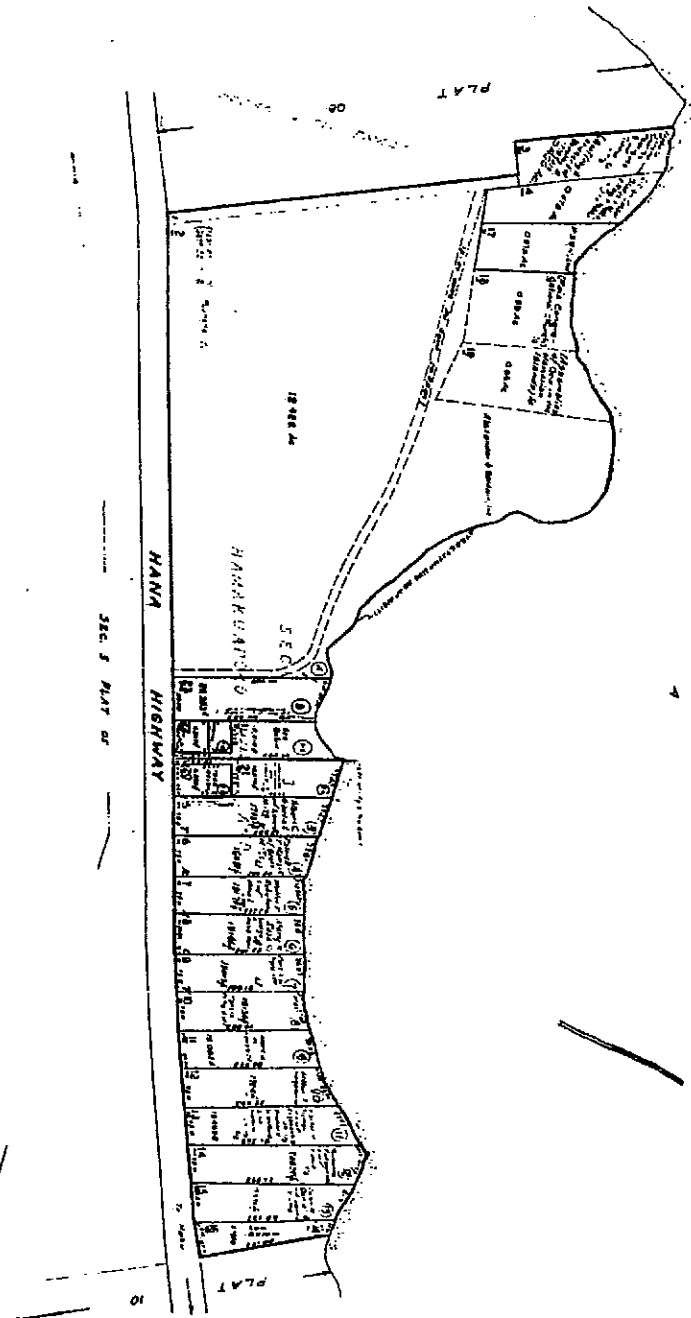


Recorder's Record
 of Writing, Typing or Printing UNSATISFACTORY
 Document when received.

2 242

2	6	05
TAX MAP		
RECORDING IN COLUMBIA COUNTY, HAWAII		
DATE: MARCH 20, 1934		
SOURCE: TMB		

Recorder's Office
 Printing, Typing or Printing UNSATISFACTORY
 when received.



No. 9 LOWER P.M. MAKAWAO, MAUI.

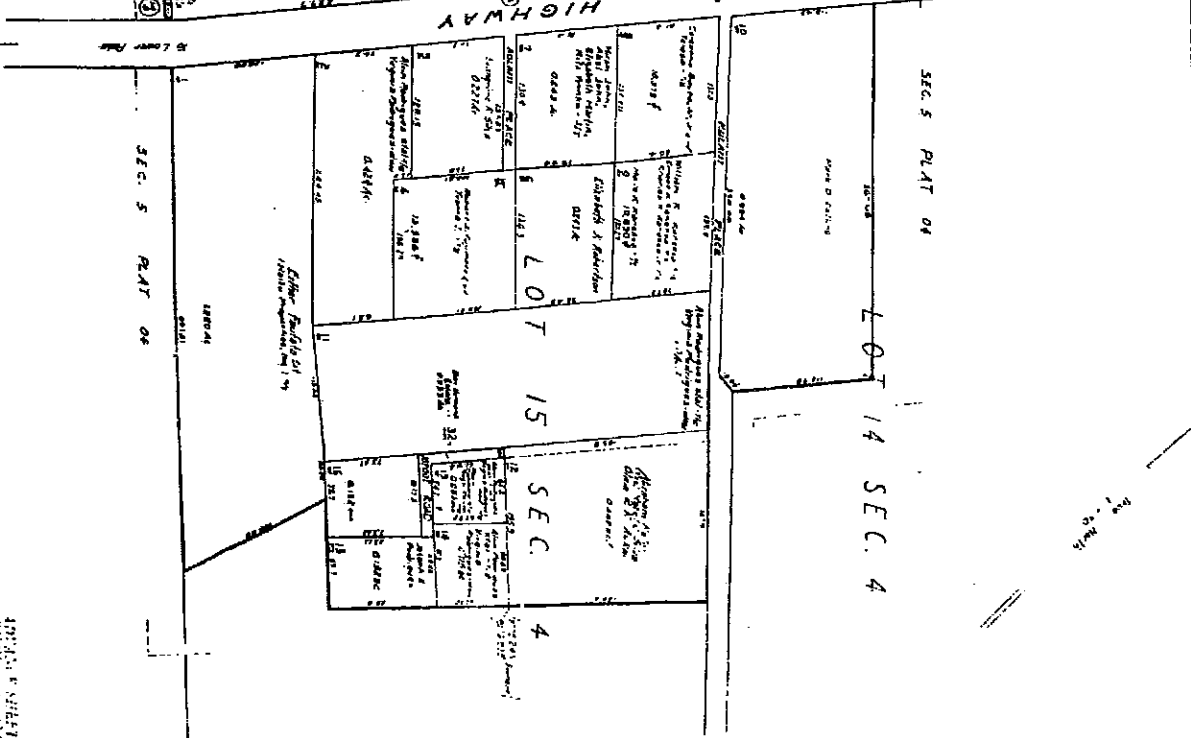
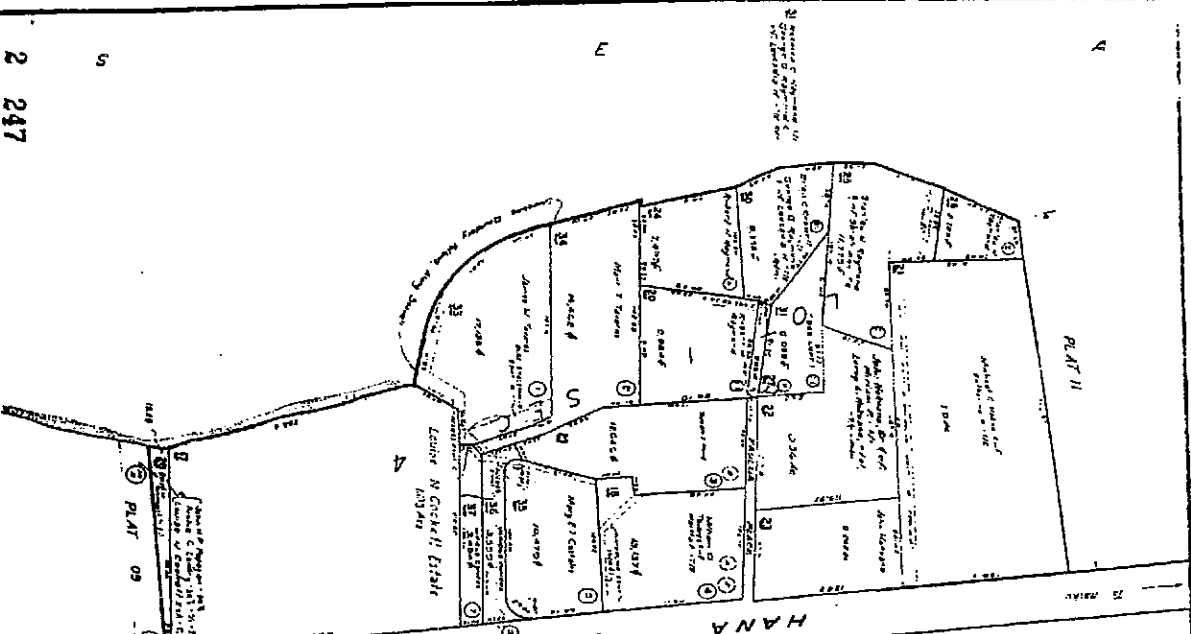
1. 1/2 Acre of Land for
 the use of the
 State of Hawaii
 as a public highway.

2	246
2	6 09
CONTAINING PARCELS	
SCALE 1/4" = 100 FT.	

Recorder's Name: _____
Date: _____
Time: _____
When received.

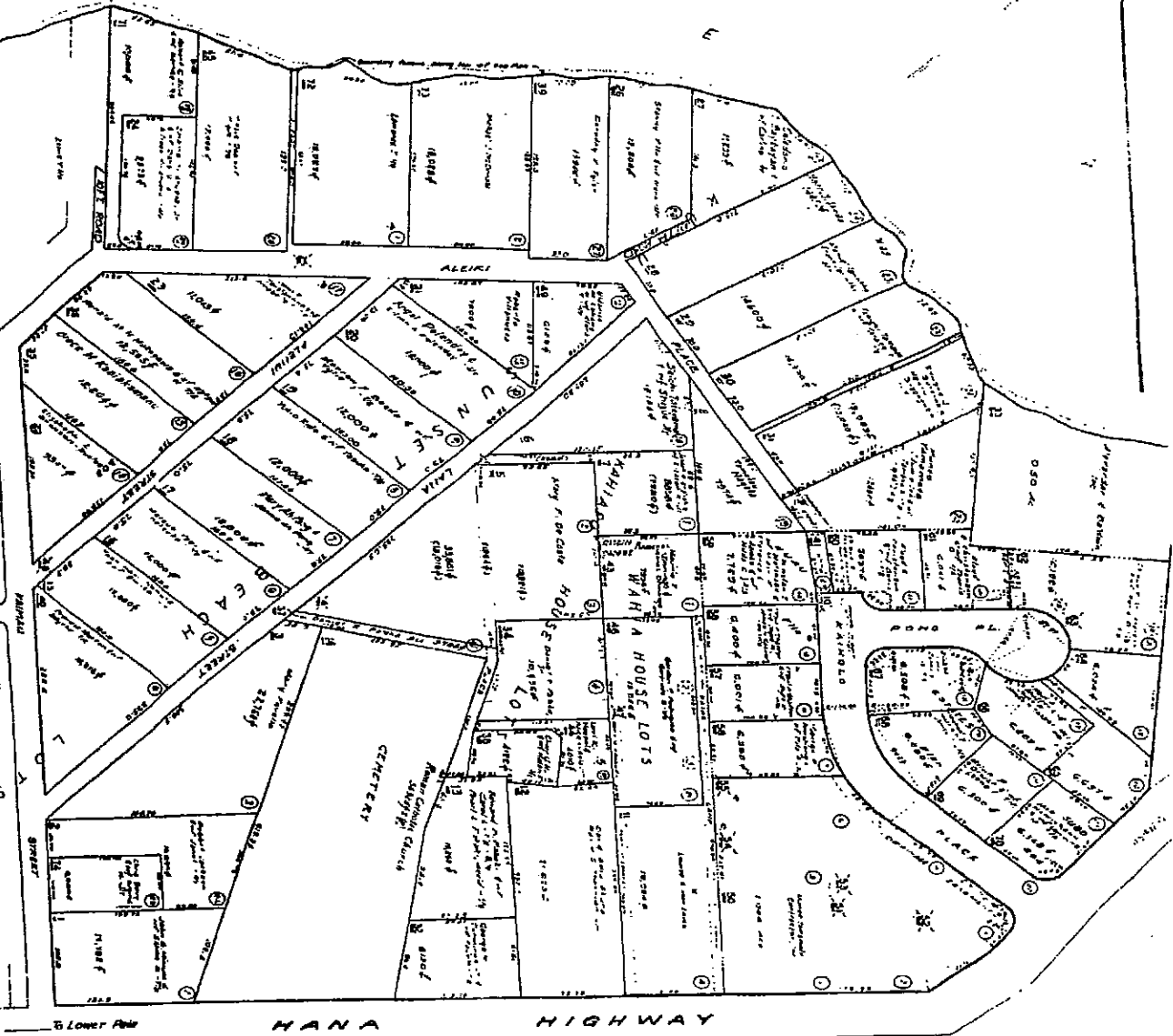
2 247

PORT OF HANAUPOKO HUI LAND, KULU, HAWAII, MAUI.



Drawn 12-5

RECORD DIVISION
FORM SEC. PLAT
2 6 1 0
CONTAINING 13 PARCELS
SCALE 1" = 200' 1/2"



HANA HIGHWAY

SEC. 5 PART 25

PLAT

APPROVED FOR RECORDATION BY THE REGISTER OF DEEDS
 ON APRIL 11, 1924
 AT 10:30 A.M.
 IN PRESENCE OF THE REGISTER OF DEEDS
 AND ONE JURY MEMBER

PLAT

ADVANCE COPY

SUBJECT TO LEASE

SECOND DIVISION

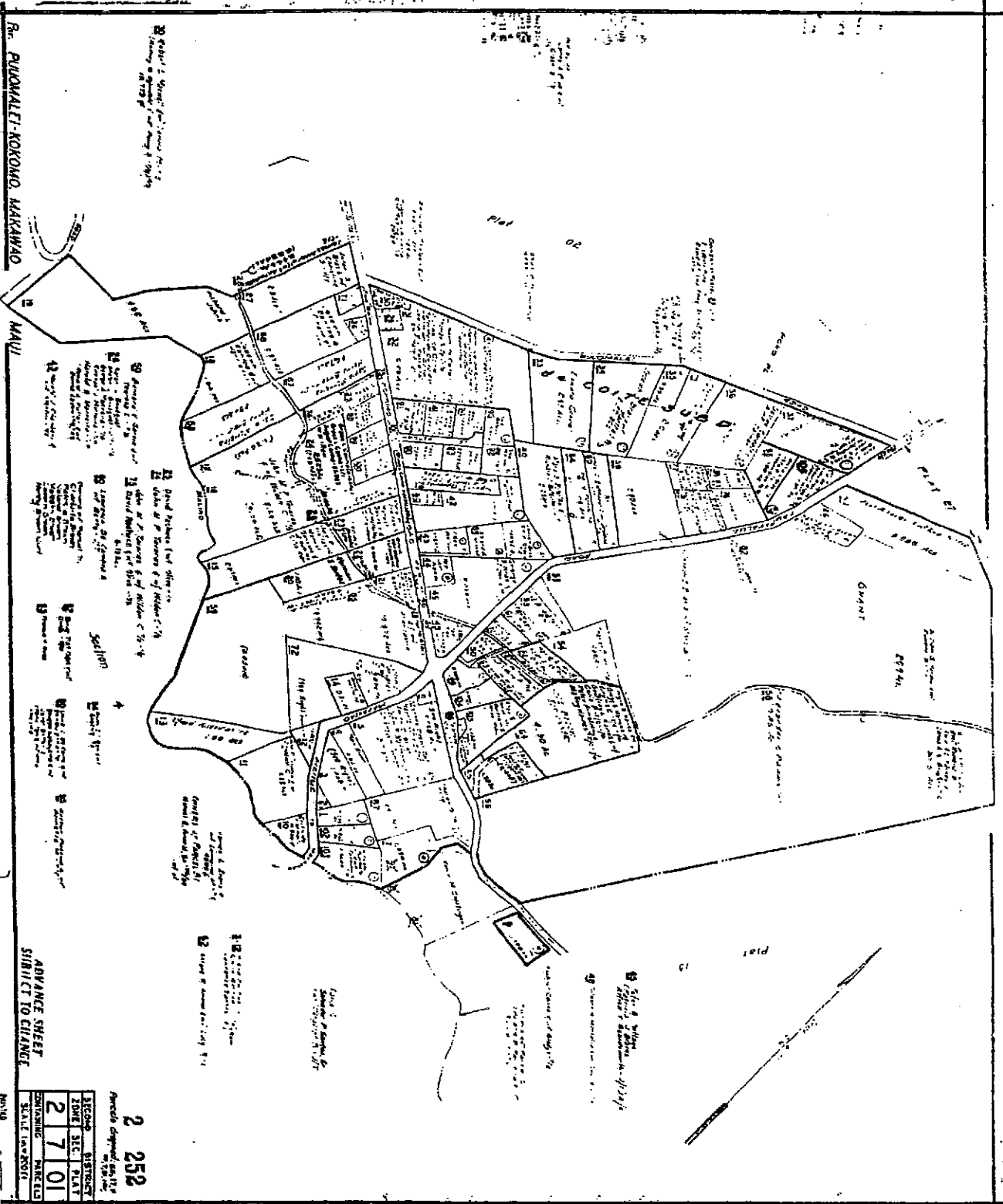
PLAT

2 6 1 2

SCALE IN FEET

Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 when received.

Recorder's Record of this plat is subject to being, Typing or Printing UNSATISFACTORY when received.



Rt. PULUMALEI-KOKOMO, MAKAHAO

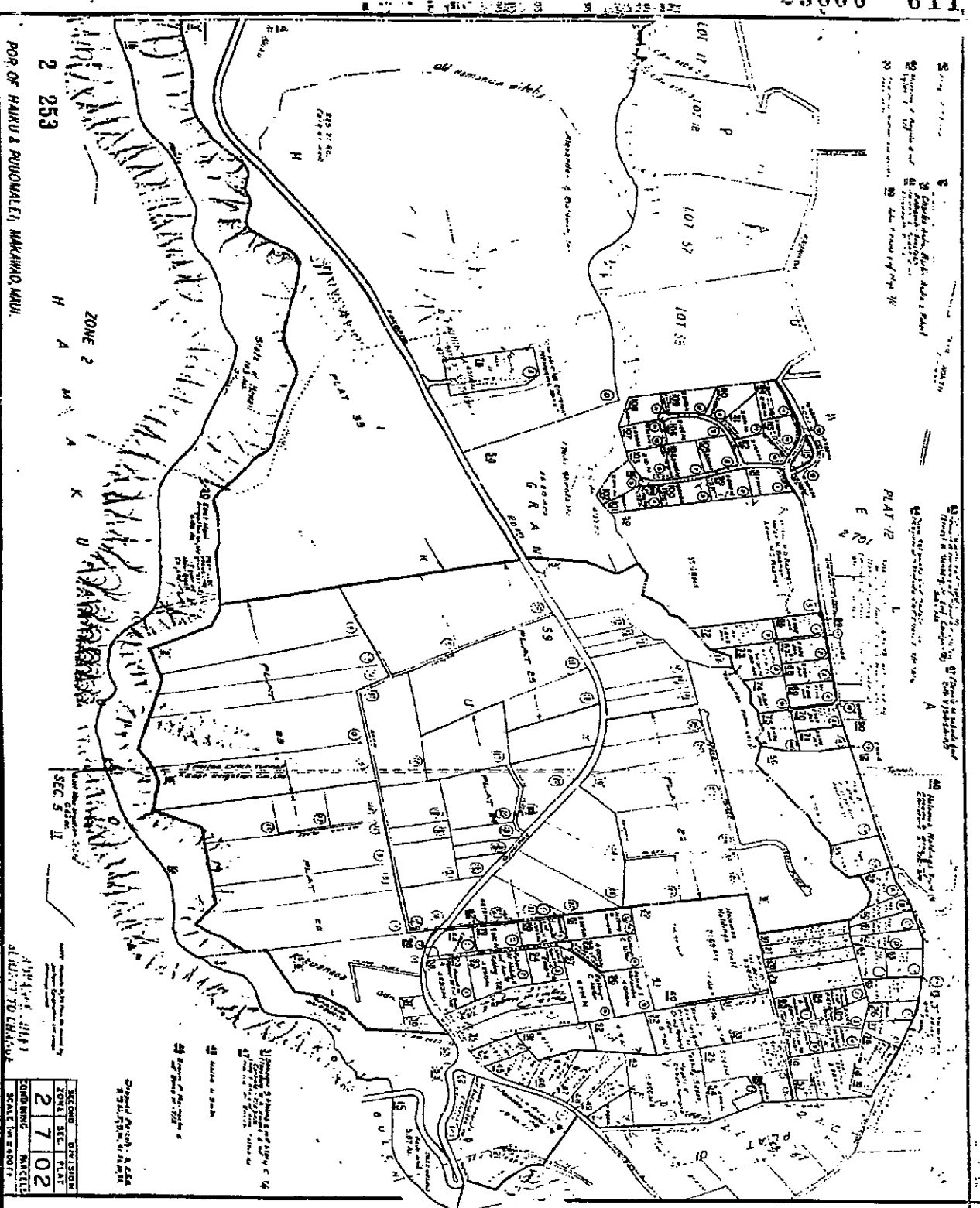
MAU

ADVANCE SHEET
SUBJECT TO CHANGE

2 252

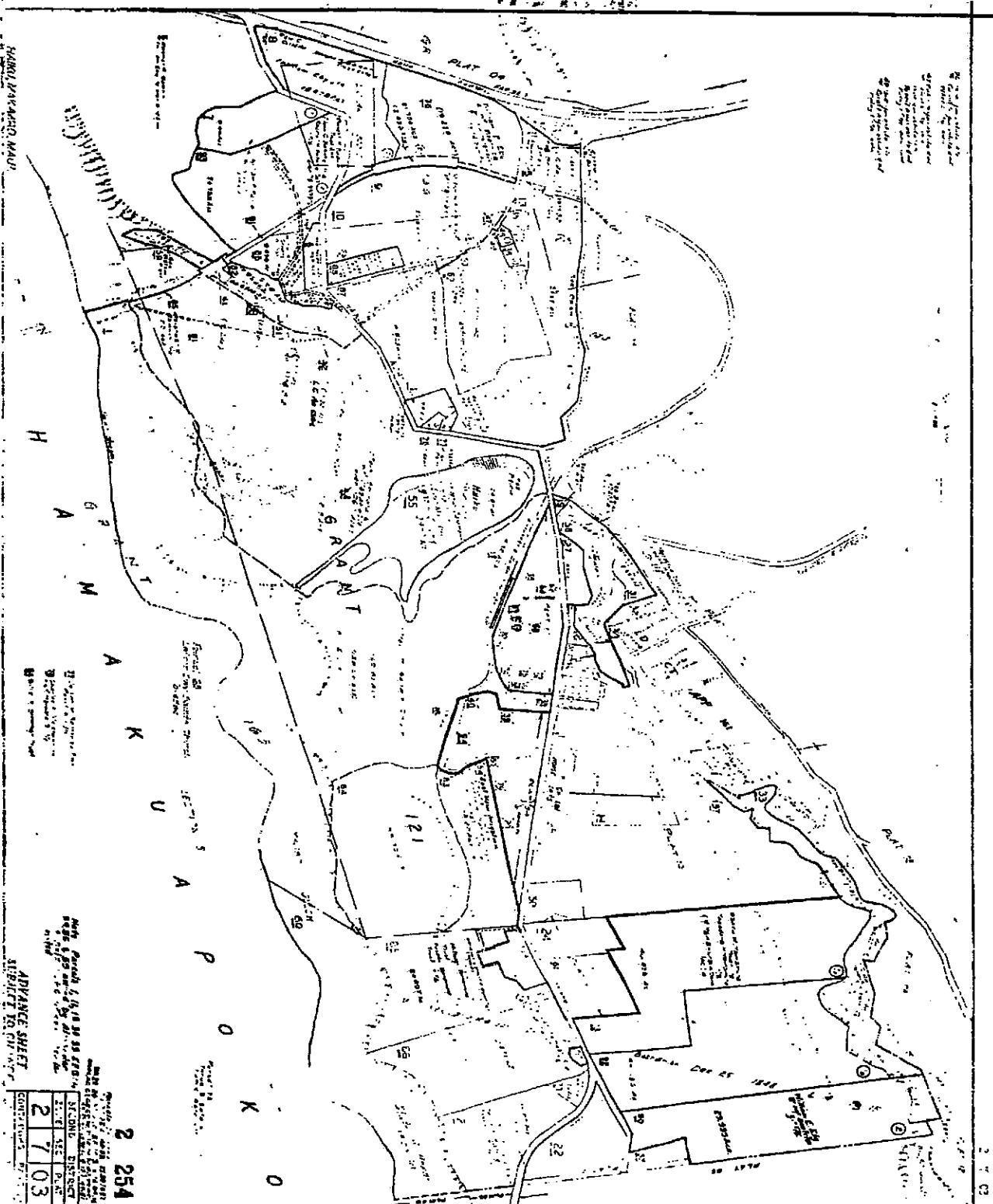
SECTION	TRACT
2	701
PLAT	2701
STATE	HAWAII

Recorder's Memorandum of Writing, Typing or Printing UNSATISFACTORY
 The original document when received.



2 253
 POR OF HANU & PUOMALEI, MAKAWAO, MAUI

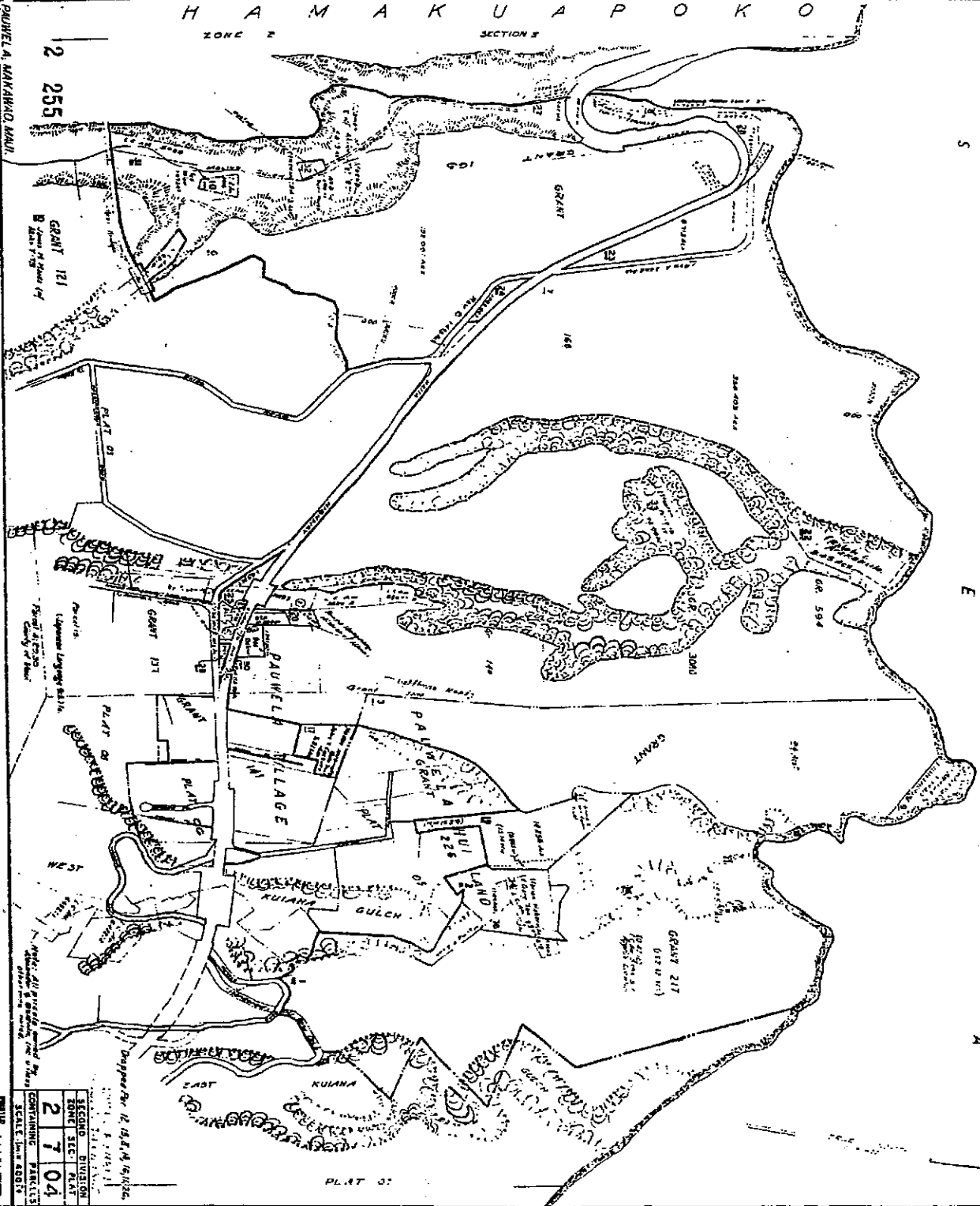
SECTION	QUAD
FOOT SEC	PLAT
2702	
ORDINANCE	ARTICLE
SCALE	FOOT



Recorder's Memo
 Recording, Typing or Printing UNSATISFACTORY
 Document when received.

ADVANCE SHEET
 SHEET NO. 2703
 2 254

H A M A K U A P O K O
ZONE 2 SECTION 2



PUNHELA, NAHAIHO, MAUI

2 255

S

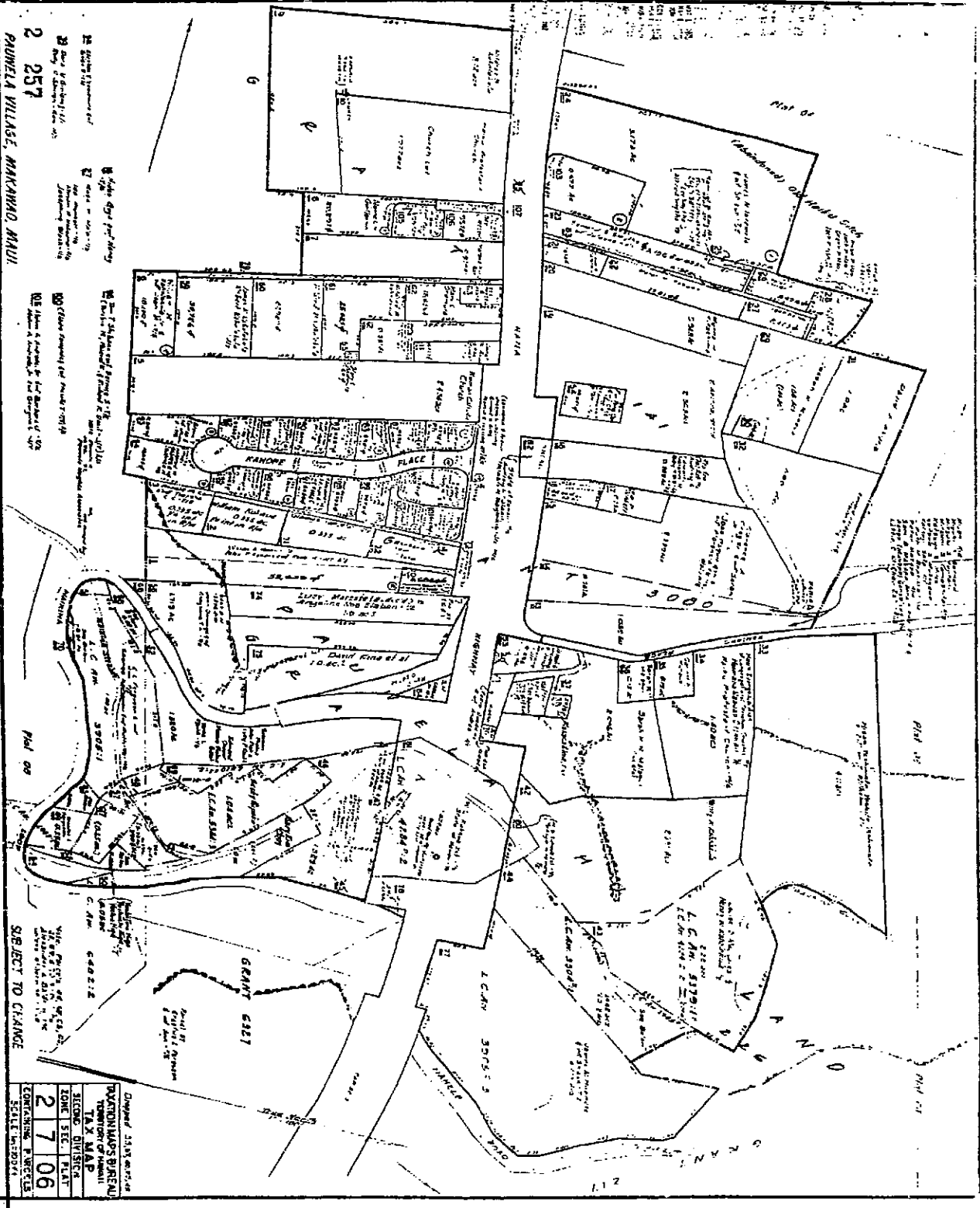
E

A

SCALE: 1 in. = 400'
CONTAINING PARCELS
2 7 04
SECOND DIVISION
ZONE SEC. PLAT

Recorder's Office
No Writing, Typing or Printing UNSATISFACTORY
document when received.

Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
Document when received.

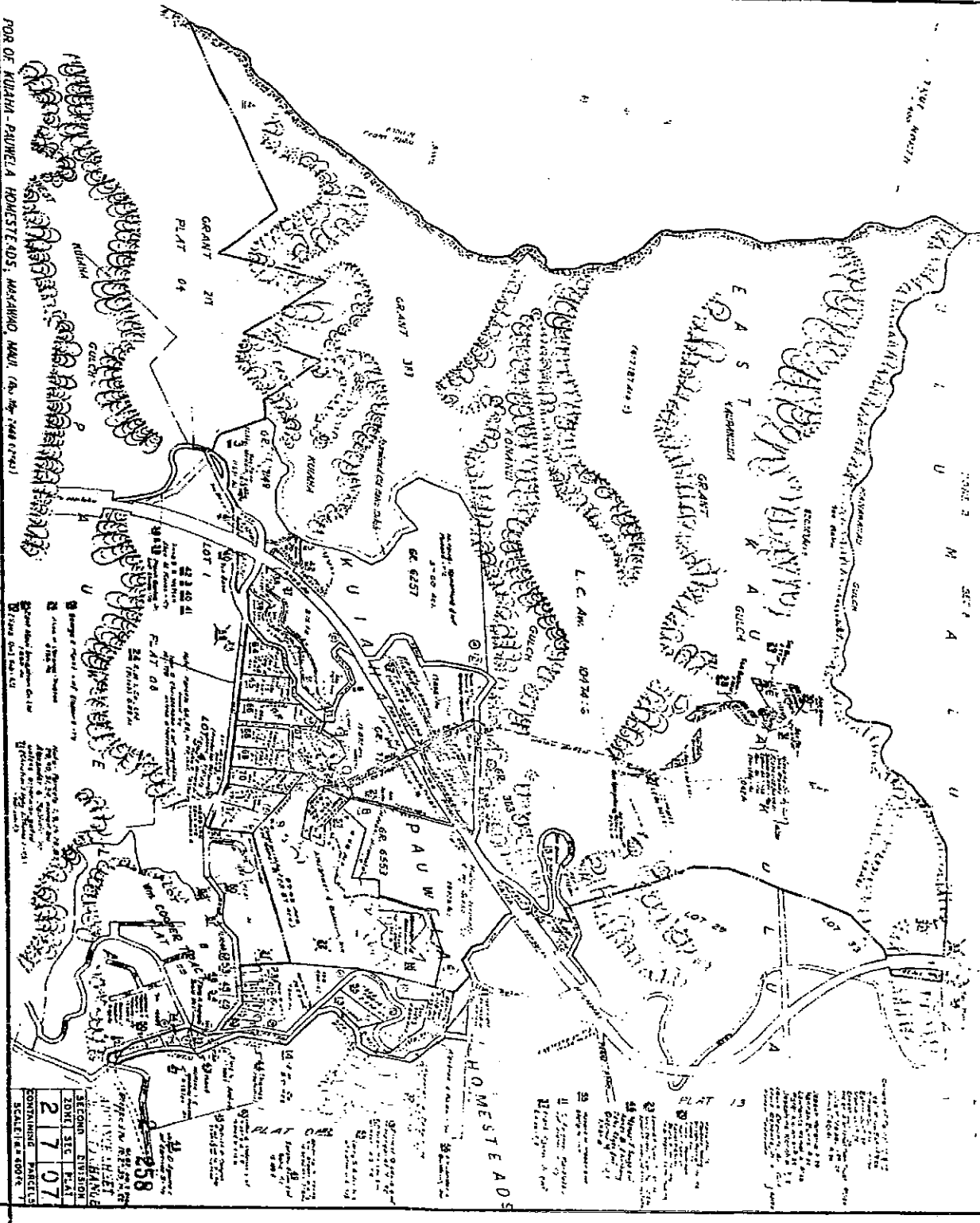


2 257
 257
 257

257
 257
 257

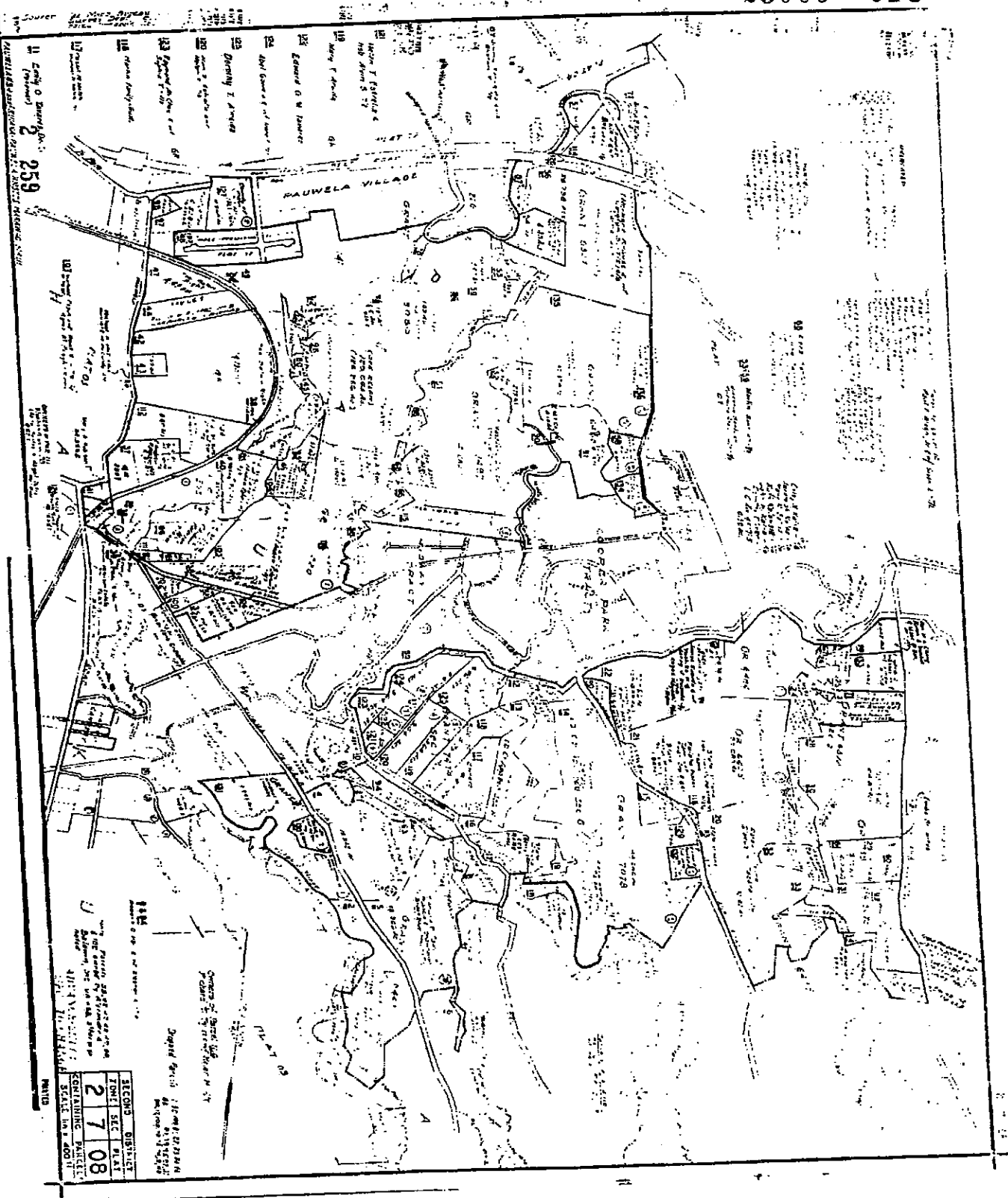
SUBJECT TO CHANGE

OWNER	DAVID KING
PLAT	257
SECTION	1
TOWNSHIP	1N
RANGE	1E
COUNTY	1
STATE	HI
DATE	06
SCALE	1"=100'

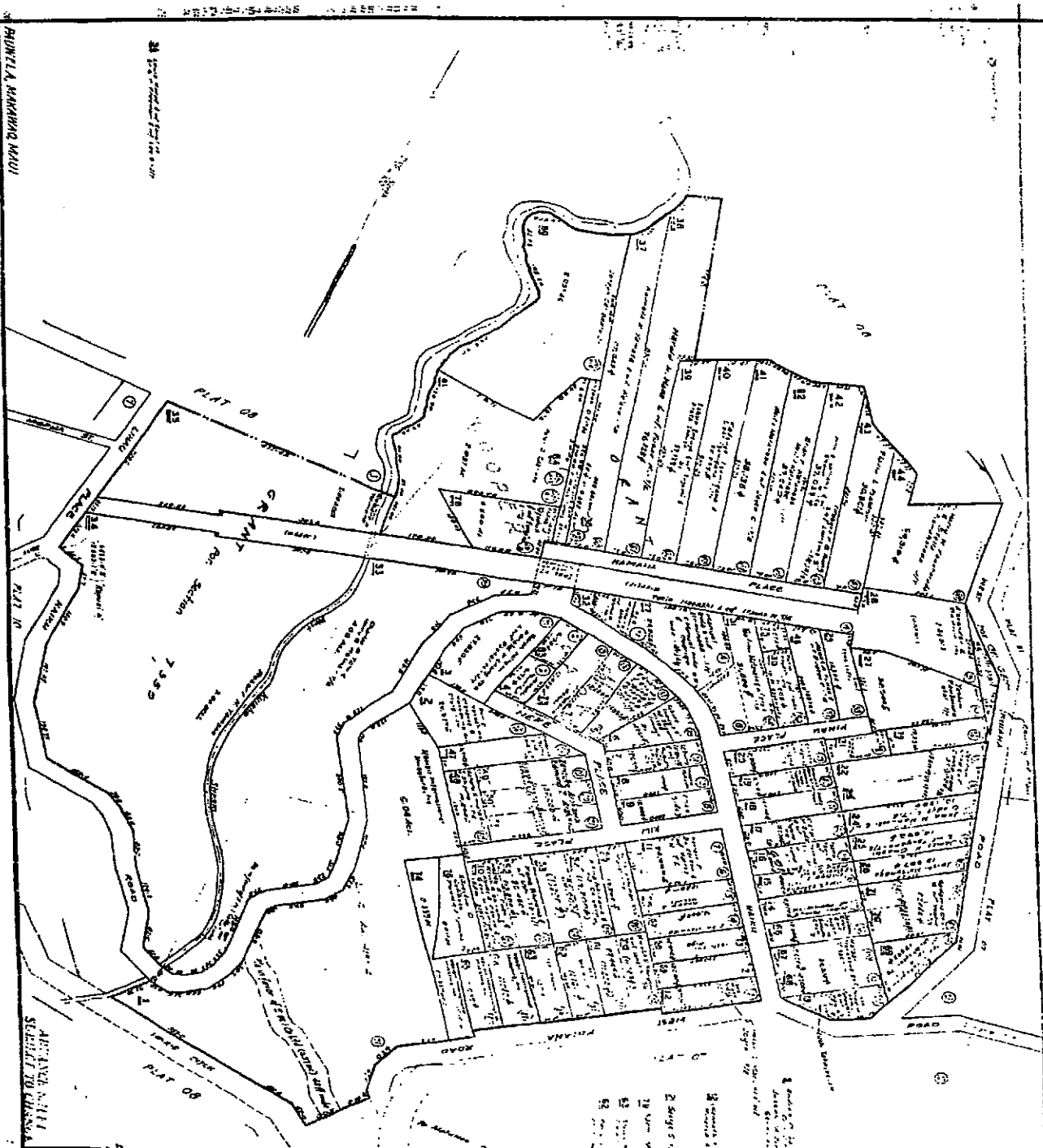


Recorder's Memo: **Legibility of Writing, Typing or Printing UNSATISFACTORY**
 This document when received.

NO.	258
DATE	27 07
CONTAINING	PAGES
SCALE	1:4000



Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 when received.



HONOLULU, HAWAII

23006 617

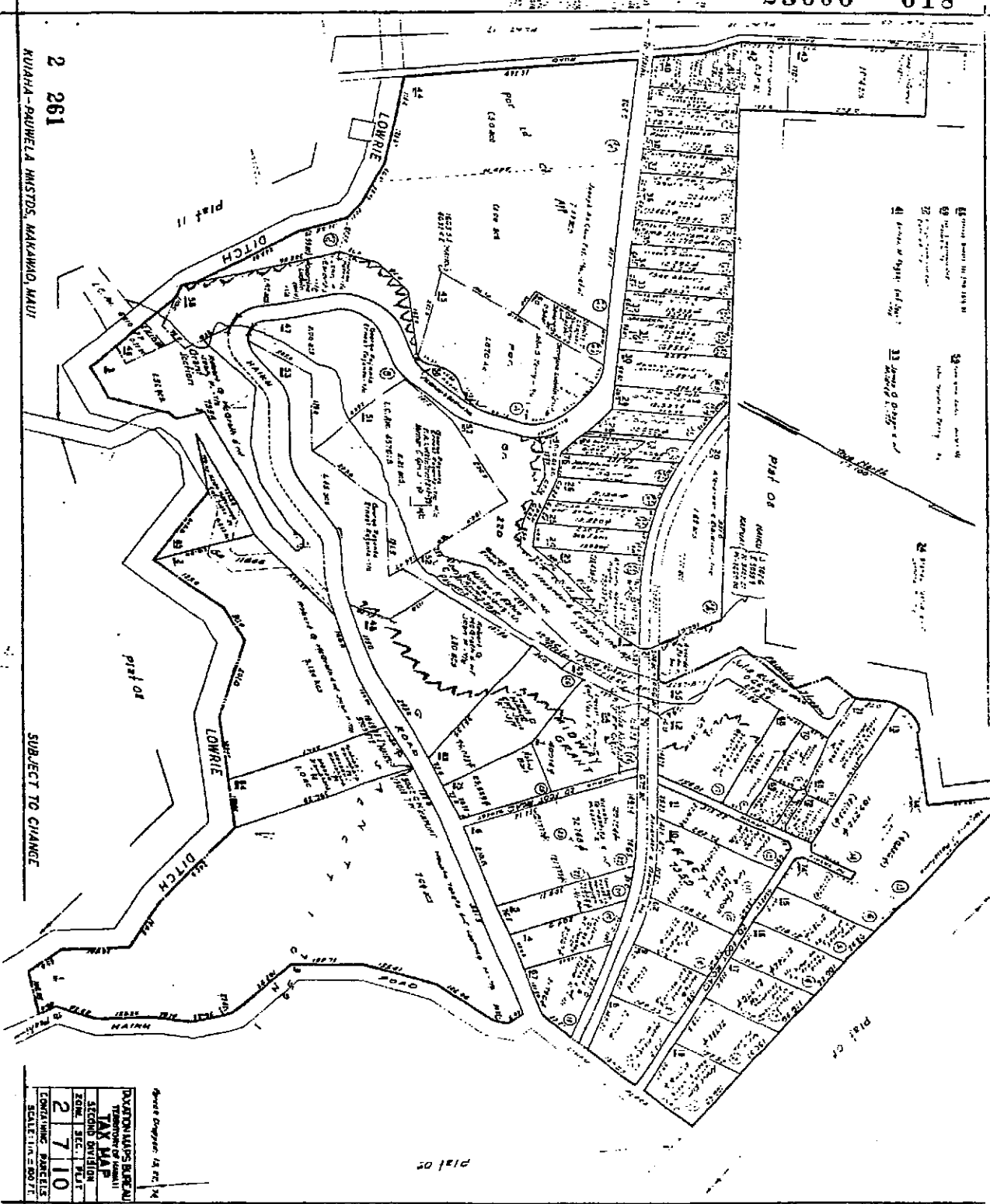
2 260

1	2	3	4
5	6	7	8
9	10	11	12
13	14	15	16
17	18	19	20
21	22	23	24
25	26	27	28
29	30	31	32
33	34	35	36
37	38	39	40
41	42	43	44
45	46	47	48
49	50	51	52
53	54	55	56
57	58	59	60
61	62	63	64
65	66	67	68
69	70	71	72
73	74	75	76
77	78	79	80
81	82	83	84
85	86	87	88
89	90	91	92
93	94	95	96
97	98	99	100

SCALE 1" = 100'

Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
 Document when received.

Recorder's Notice of Unsat. Copy of Writing, Typing or Printing UNSATISFACTORY
Document when received.

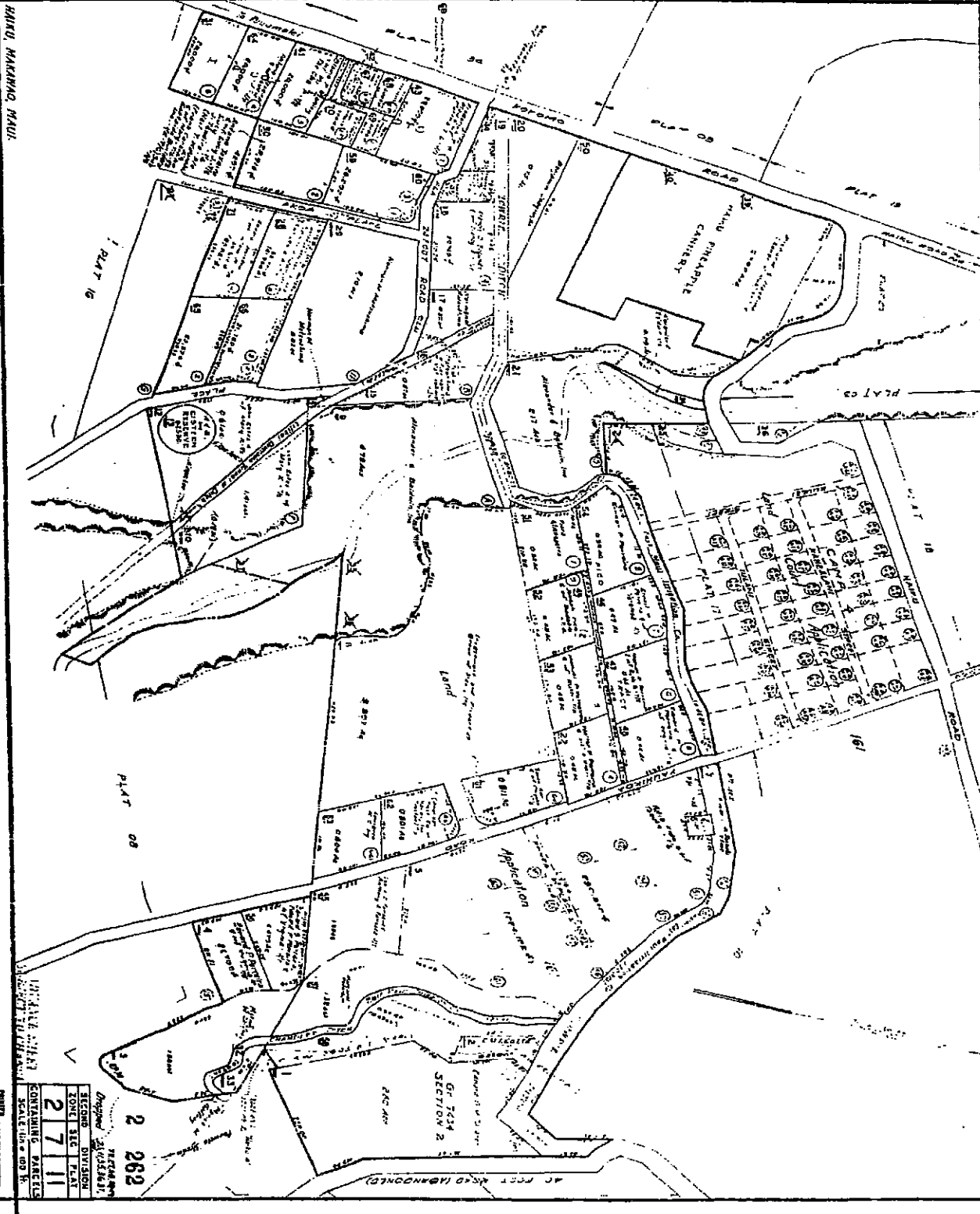


2 261

KULAH - PAUIWELA MSTDOS. MAKAMAO, MAUI

SUBJECT TO CHANGE

Division Maps Bureau
 Tax Map
 Second Division
 Zona Sec. Plat
 2710
 Scale 1 in. = 300 ft.



Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
 of present when received.

TERRAIN SHEET
 Original 20/12/1971
 SECOND DIVISION
 ZONE SIG PLANT
 27111
 CONTAINING PARCELS
 SCALE 1:100 000

2 262

SECTION 2

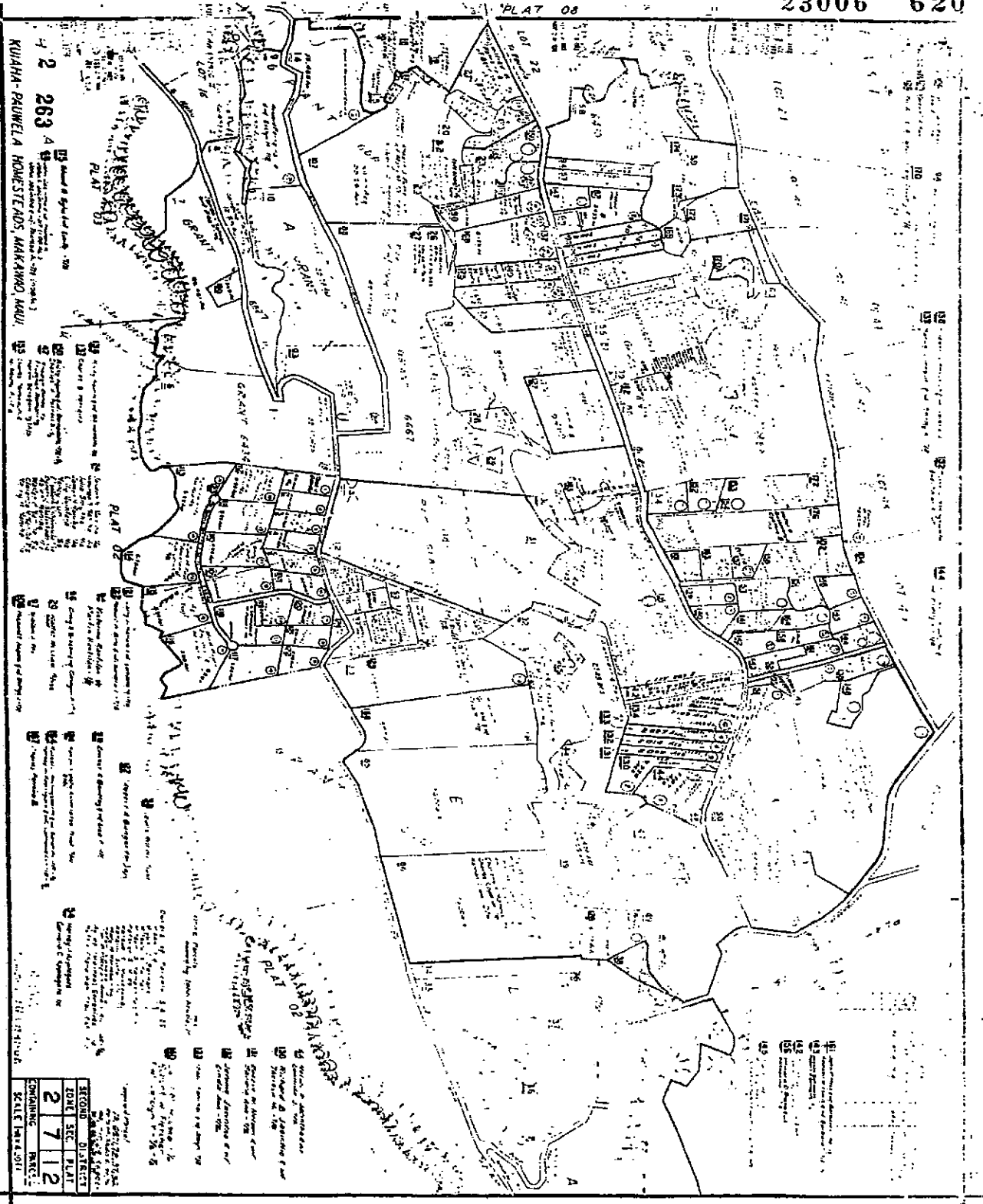
GP 1514

250 400

45 FEET WIDE (ABANDONED)

INDIAN RESERVE

Recorder's Memo: [Illegible] of Printing, Typing or Printing UNSATISFACTORY
 [Illegible] when received.



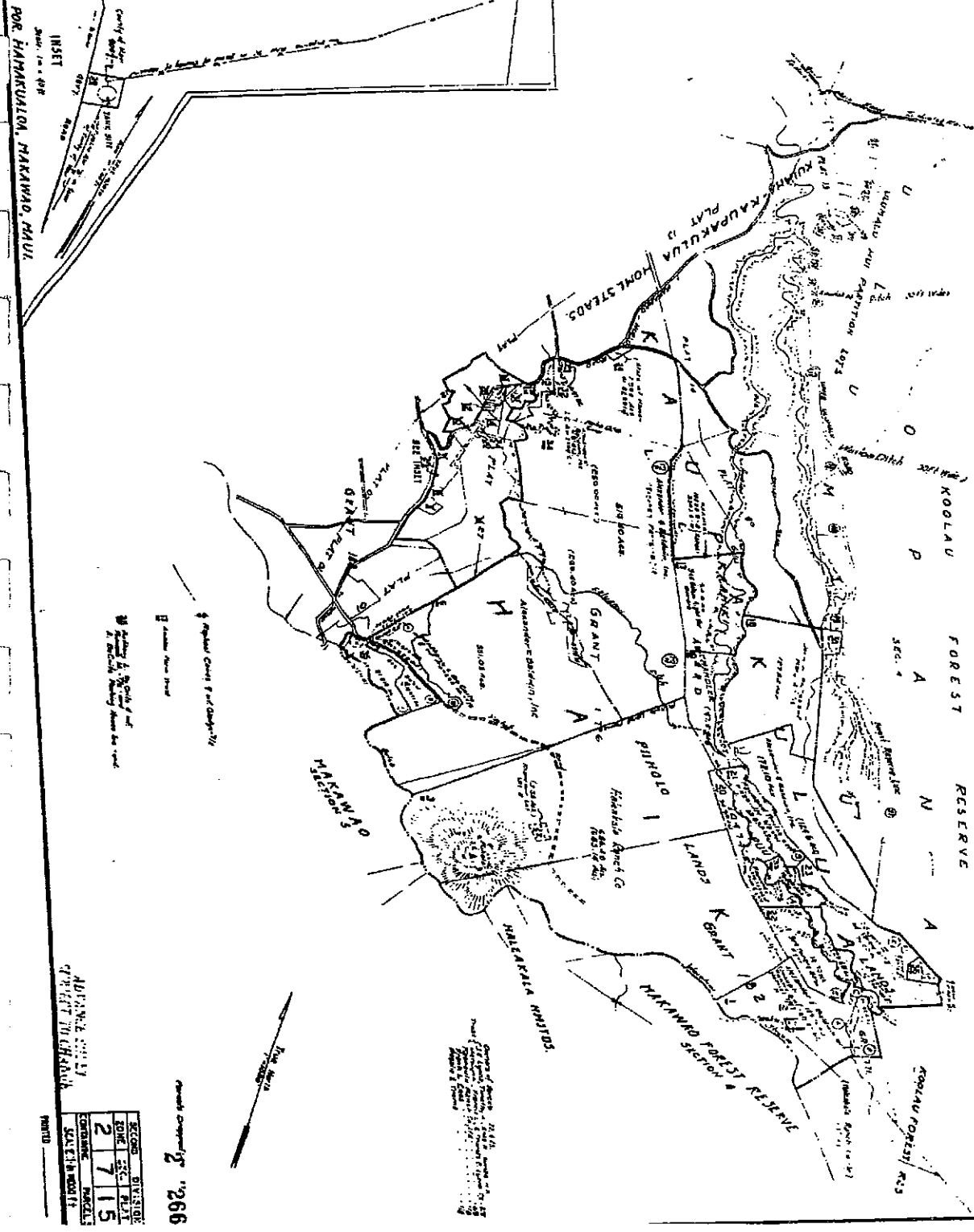
2 263 A
 KUIAHA-PAUWELA HOMESTEADS, MAKAWAO, MAUI

PLAT 02
 PLAT 03
 PLAT 04
 PLAT 05
 PLAT 06
 PLAT 07
 PLAT 08
 PLAT 09
 PLAT 10
 PLAT 11
 PLAT 12
 PLAT 13
 PLAT 14
 PLAT 15
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 PLAT 91
 PLAT 92
 PLAT 93
 PLAT 94
 PLAT 95
 PLAT 96
 PLAT 97
 PLAT 98
 PLAT 99
 PLAT 100

RECORD	2
SEC	7
PLAT	12
COMPARING	
DATE	

SCALE 1/2" = 100'

Recorder's Memo: [illegible] of Printing, Typing or Printing UNSATISFACTORY
 [illegible] document when received.



RECORDS DIVISION

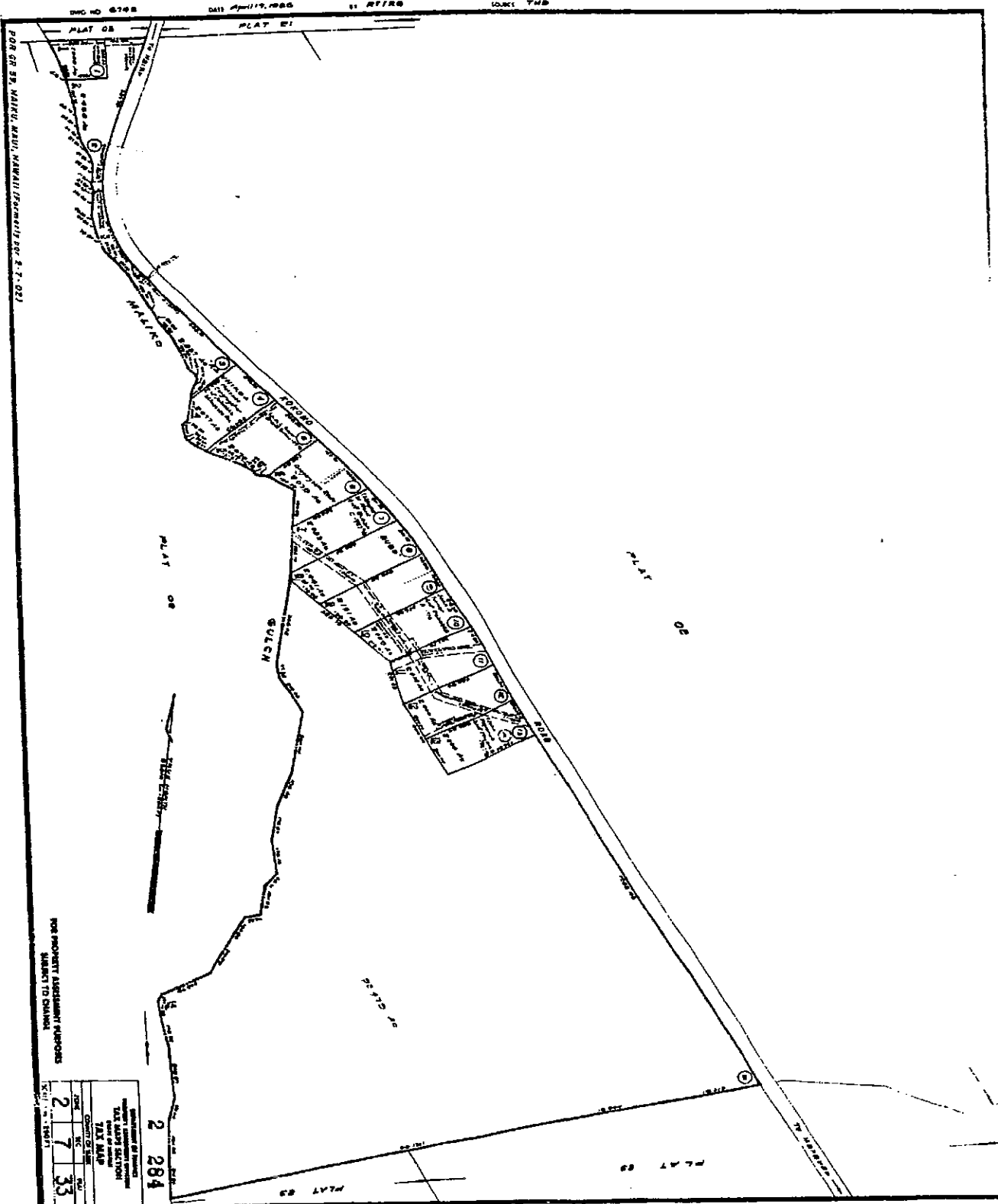
DATE REC'D 2715

PREPARED BY SAETHI MOHIT

PRINTED

266

23006 622



Recorder's Record
 of all Plans, Typing or Printing UNSATISFACTORY
 when received.

FOR PROPERTY ASSIGNMENT PURPOSES
 SUBJECT TO CHARGE

NO.	DATE	AMOUNT
2	7	33
2 284		

2 284

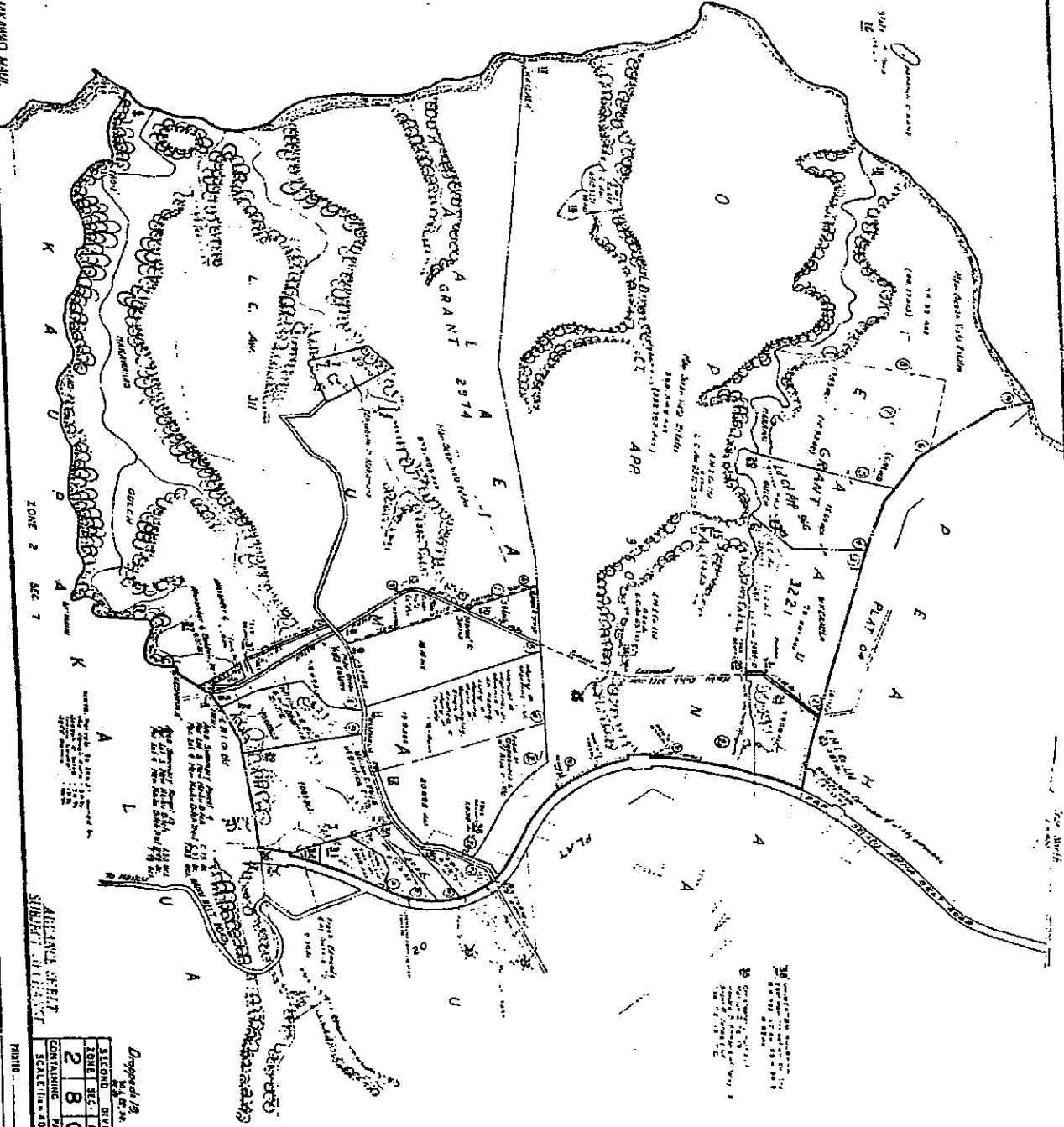


Recorder's Memo: ... Writing, Typing or Printing UNSATISFACTORY
... document when received.

24 of App. 960

HAWAIIAN ISLANDS, MAKAHOU MAUI

2 289

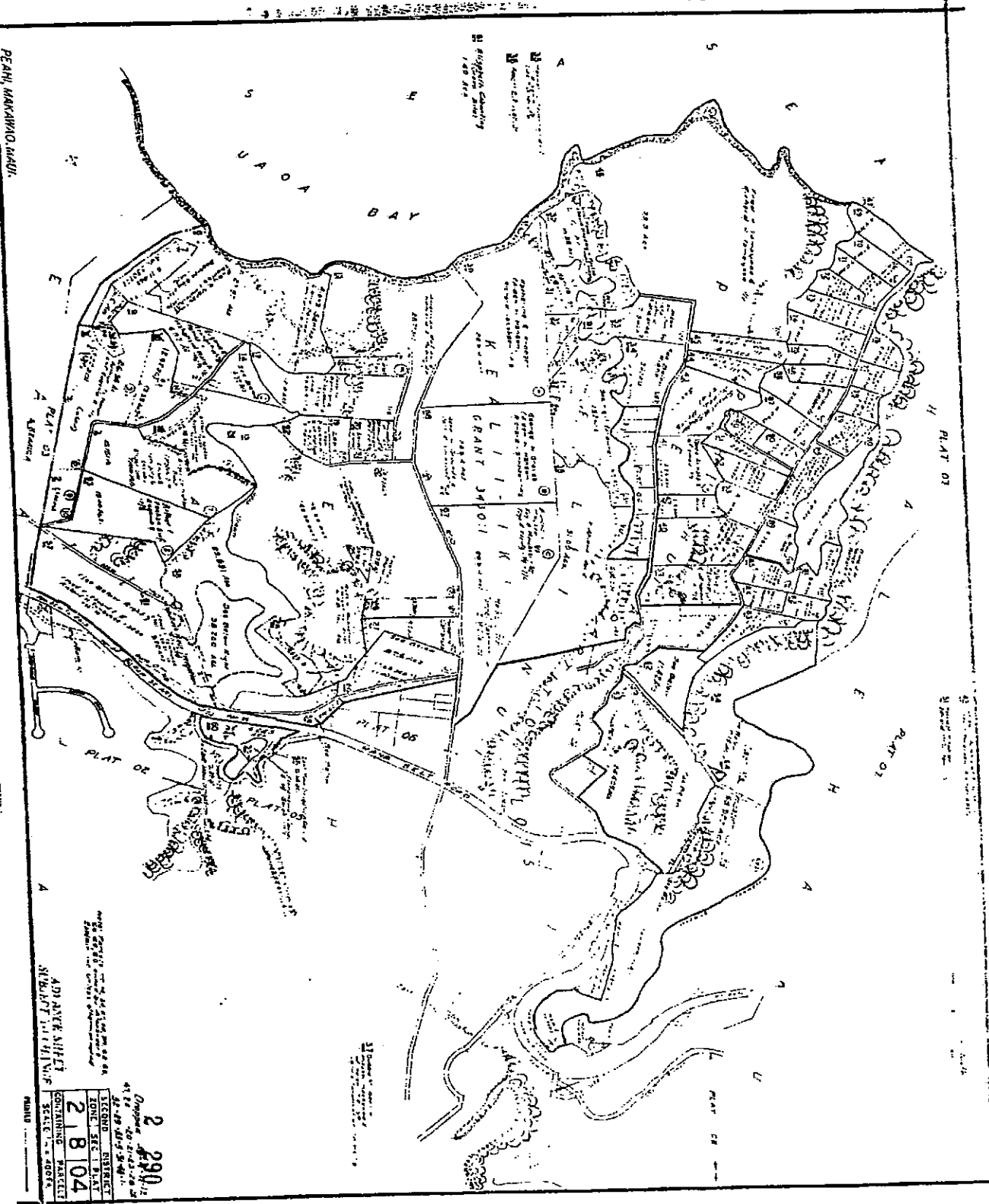


ALPHABETIC SHEET
SUBMIT TO PLANNING

Deposited 5
1964

SECOND DIVISION
ZONE SEC. PLAT
2 8 03
CONTAINING PARCELS
SCALE 1/4" = 400'

FIGURE

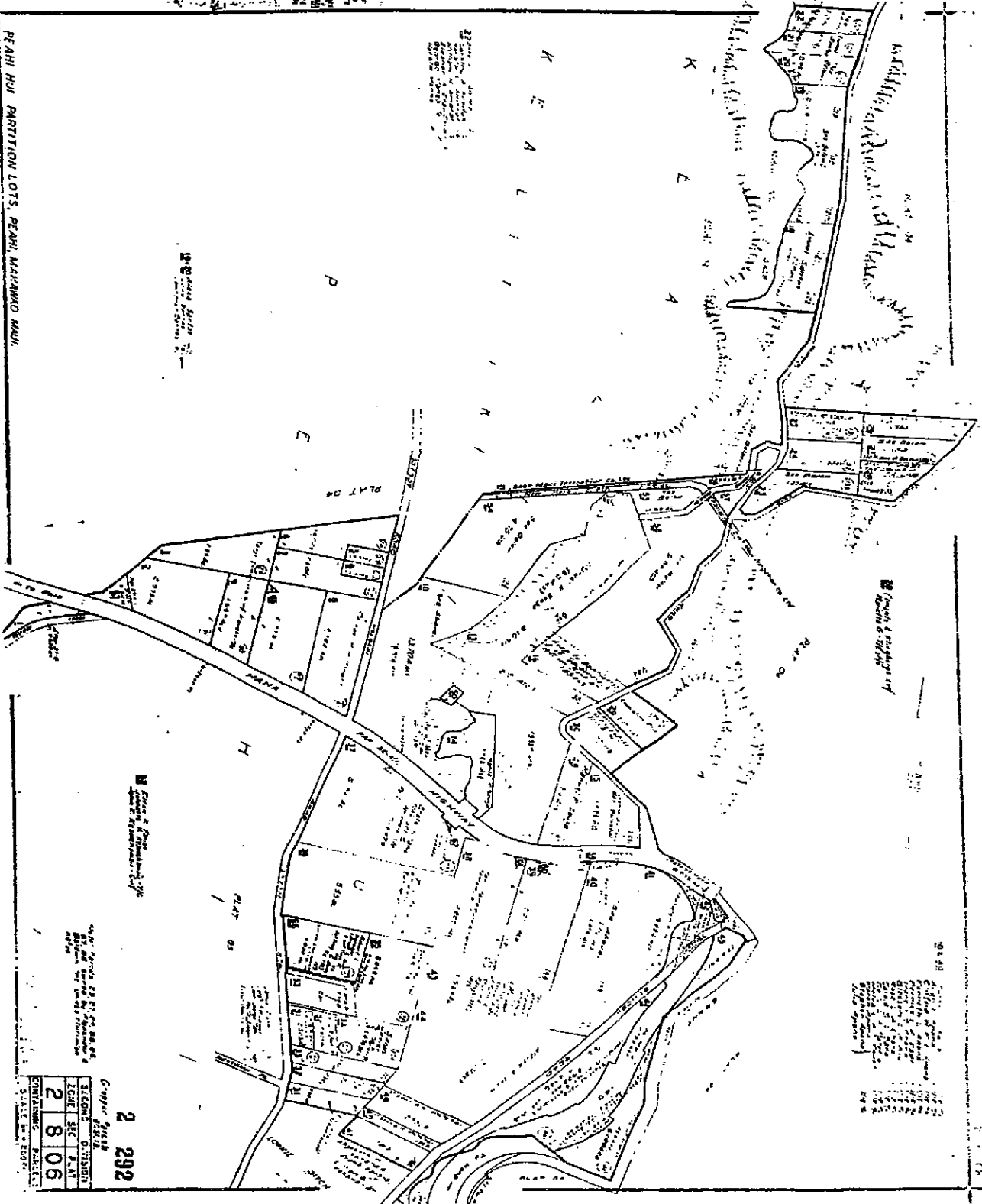


Recorder's Memo: [Illegible] of Writing, Typing or Printing UNSATISFACTORY
 [Illegible] document when received.

2 290

ADP ANGE SHEET	2
NEWBOLT SHEET	104
CONTAINING PARCELS	
SECTION	
DISTRICT	
ZONE	
SECTION	
ADP ANGE SHEET	
NEWBOLT SHEET	

23006 625



Recorder's Memo: [Illegible text]

Writing, Typing or Printing UNSATISFACTORY

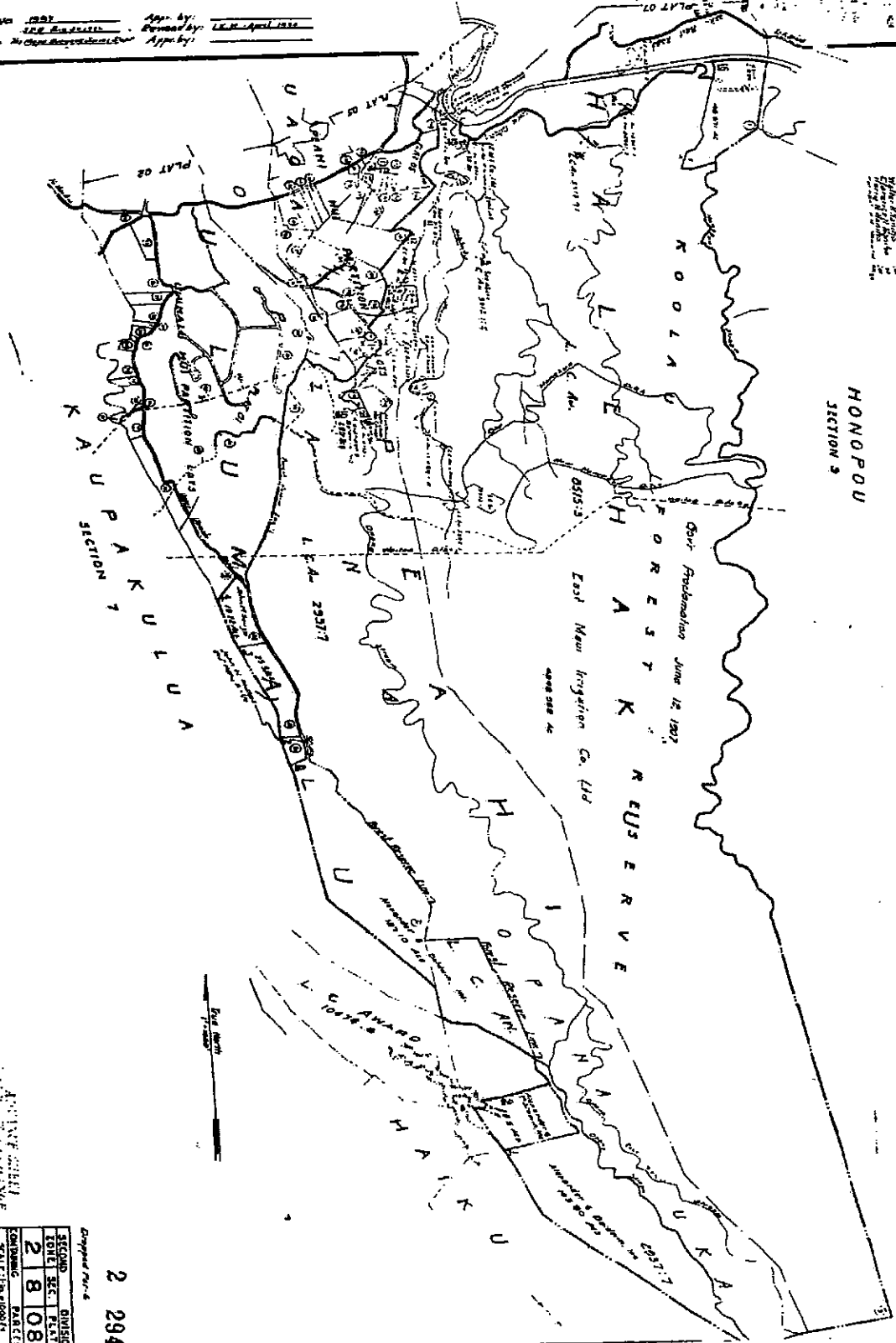
When received.

23006 626

Day No. 1297
 By: [Signature]
 Source: [Signature]

App. by: [Signature]
 Revised by: [Signature]

FOR HALFHAM & PEAK MARKING MAP



HONOPOU SECTION 5

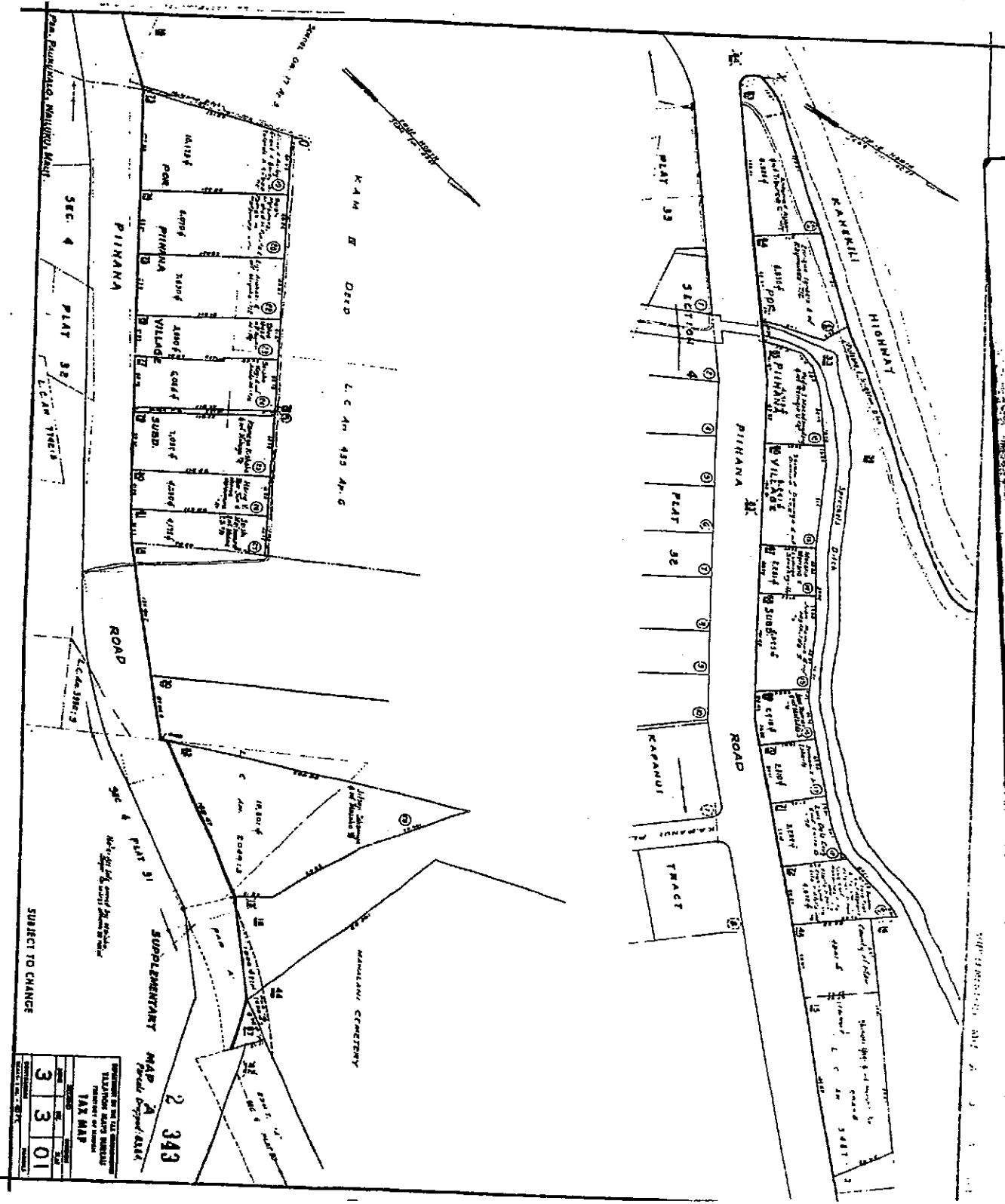
District of Hawaii
 Office of the Registrar
 Department of Land and Natural Resources
 Honolulu, Hawaii

Date of Recording
 Date of Issuance
 Date of Cancellation
 Date of Renewal

Recorder's Office
 Printing, Typing or Printing UNSATISFACTORY
 when received.

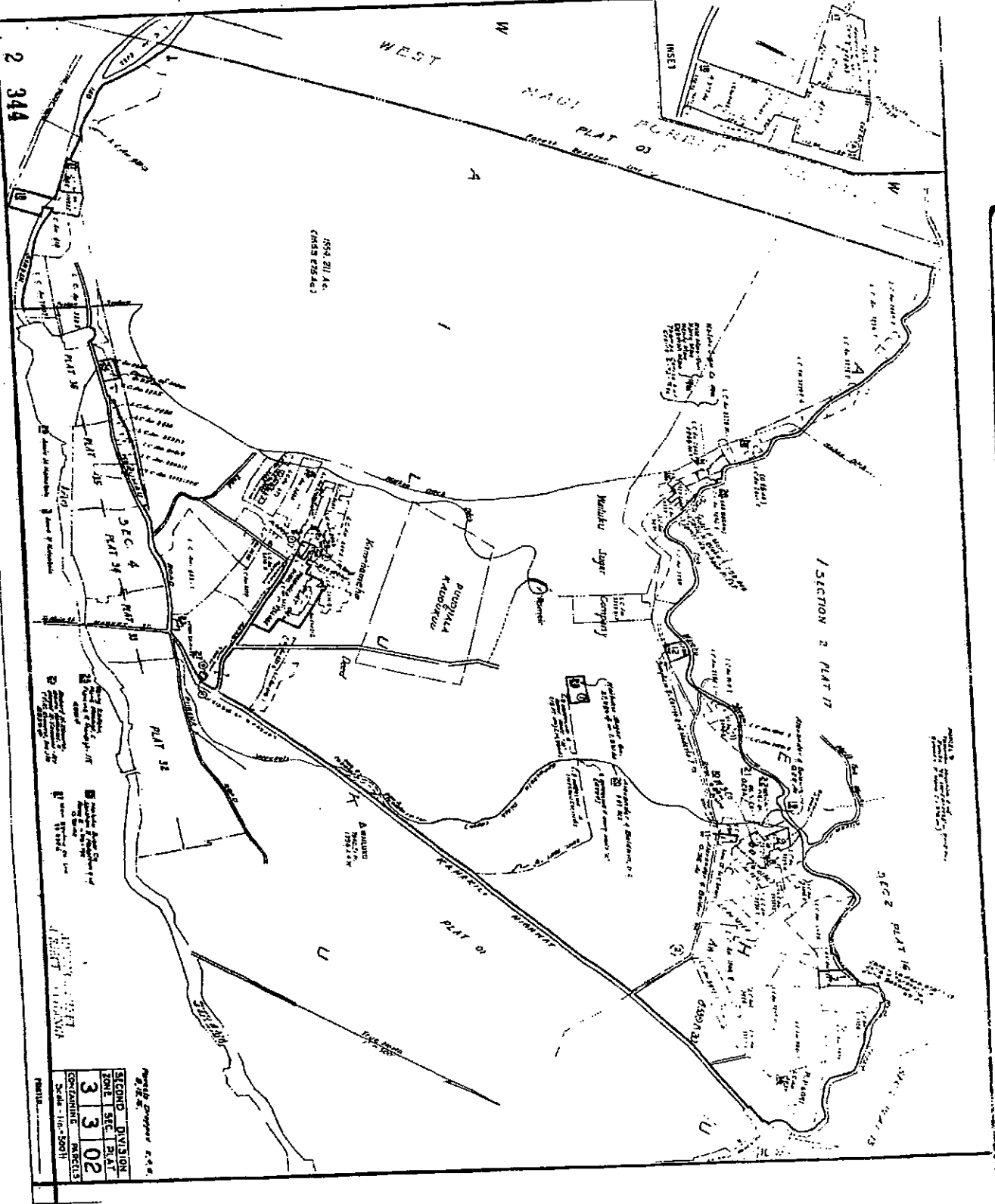
2 294	
CONVINCING	PARCEL
2	808
SECOND	DIVISION
ZONE	SEC. PLAT
2	808
SCALE: 1" = 1000'	

Recorder's Map
Printing, Typing or Printing UNSATISFACTORY
When received.



2 343
 SUPPLEMENTARY MAP A
 TOWN OF PIRANA
 TAX MAP
 3 3 01

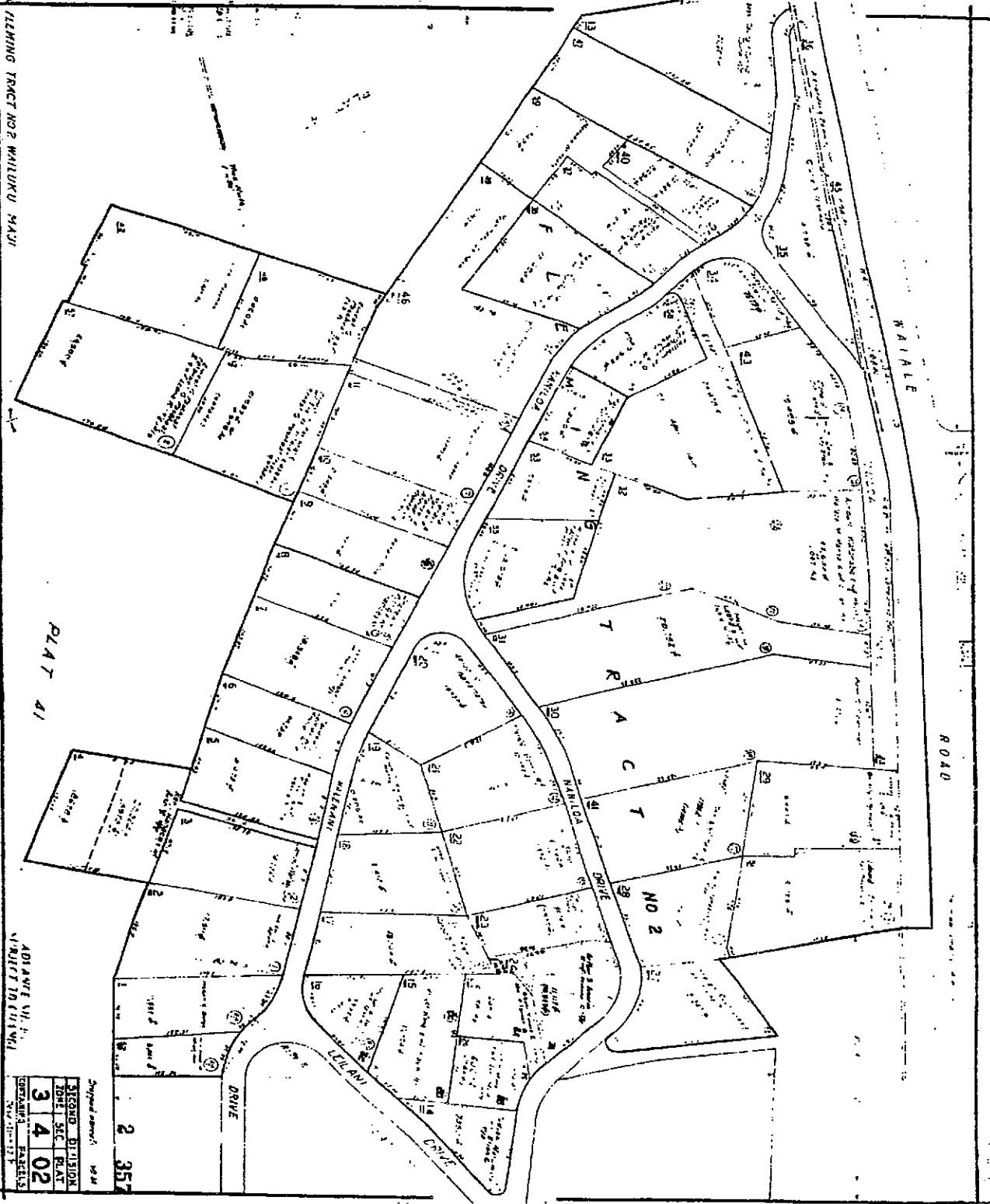
SUBJECT TO CHANGE



Recorder's Memo
 of
 Printing, Typing or Printing UNSATISFACTORY
 when received.

23006 629

Recorder's Record
 Printing, Typing or Printing UNSATISFACTORY
 when received.



FLEMING TRACT NO 2 WAILUKU MAHI

PLAT 41

NO 2

ROAD

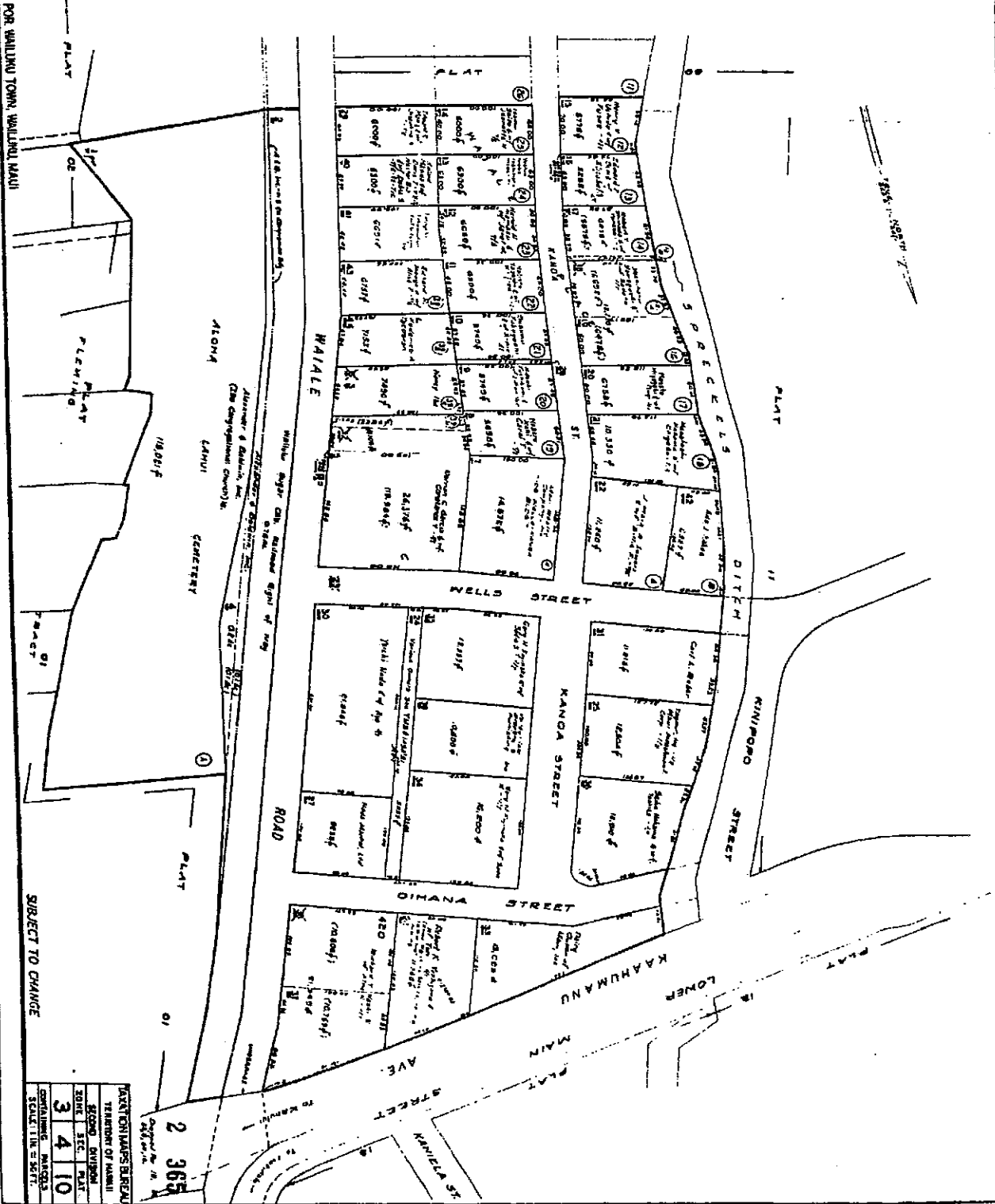
WALALE

ADVANCE VOL. 4,
 SUBJECT TO CHAIN

Original amount	10 00
SECOND DIVISION	
DATE SEC PLAT	
3 4 02	
RECORDED	
RECORDED	

2 357

BY: J.M.H. & CO. ENGINEERS, 2222 KALANIANA'OHU DRIVE, HONOLULU



KAWAII LANDS DEPARTMENT	
TERRITORY OF HAWAII	
SECOND DIVISION	PLAT
BOOK 3	410
CONTAINING PARTS OF	
SECTION 11 & 12, T. 20 N., R. 15 E., 2d. 11, 12.	

2 365

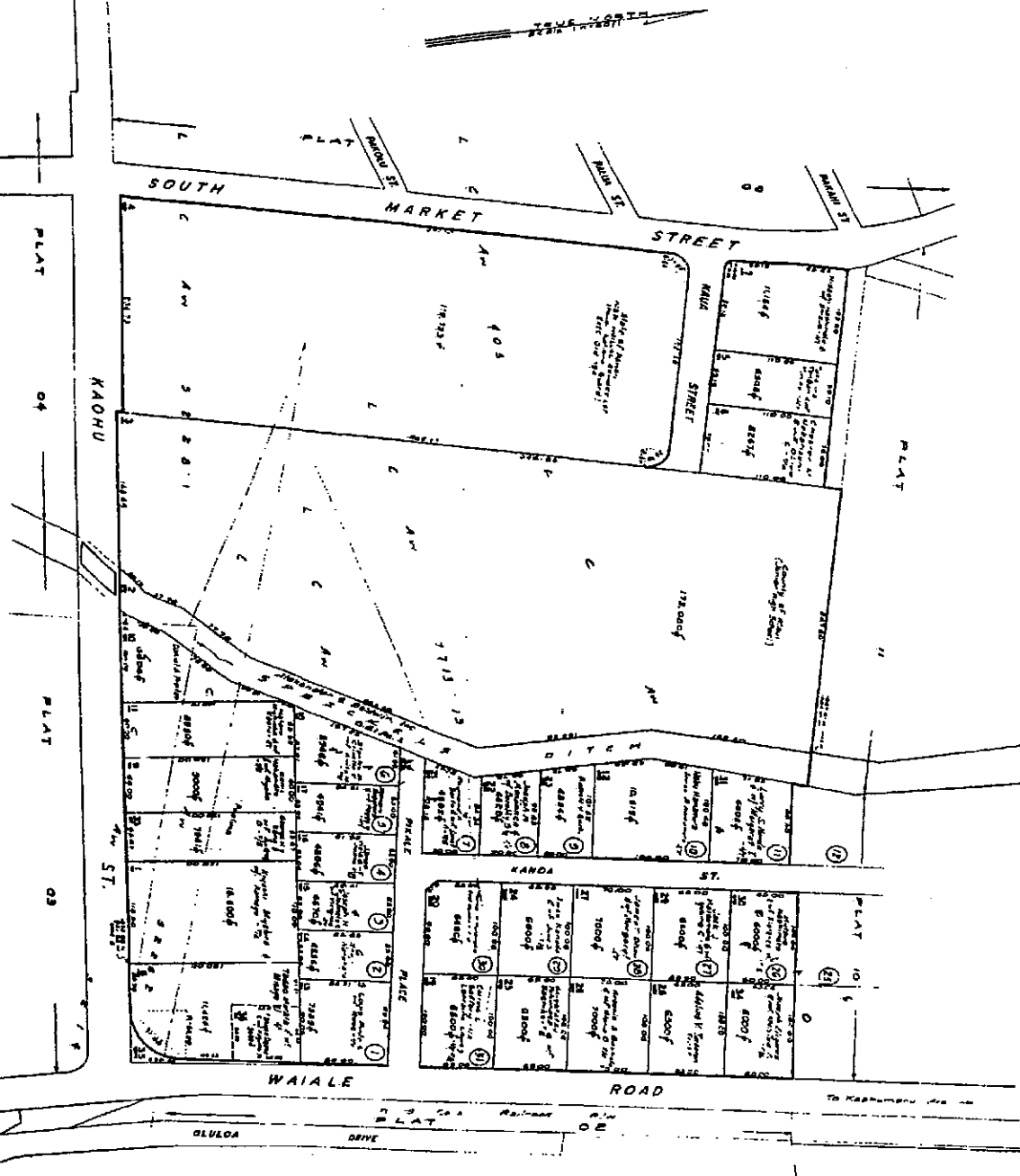
SUBJECT TO CHANGE

Recorder's Memo: This plat is being filed for recording. If printing, typing or printing UNSATISFACTORY, the original must be resubmitted when received.

BY JOHN C. GUNN, ARCHT. MAY 2, 1920.

2 364

FOR WAIALUA TOWN, WAIALUA MAUI



Notes:
 1. All lots shown by dashed lines are to be reserved for future use.
 2. All lots shown by solid lines are to be reserved for future use.

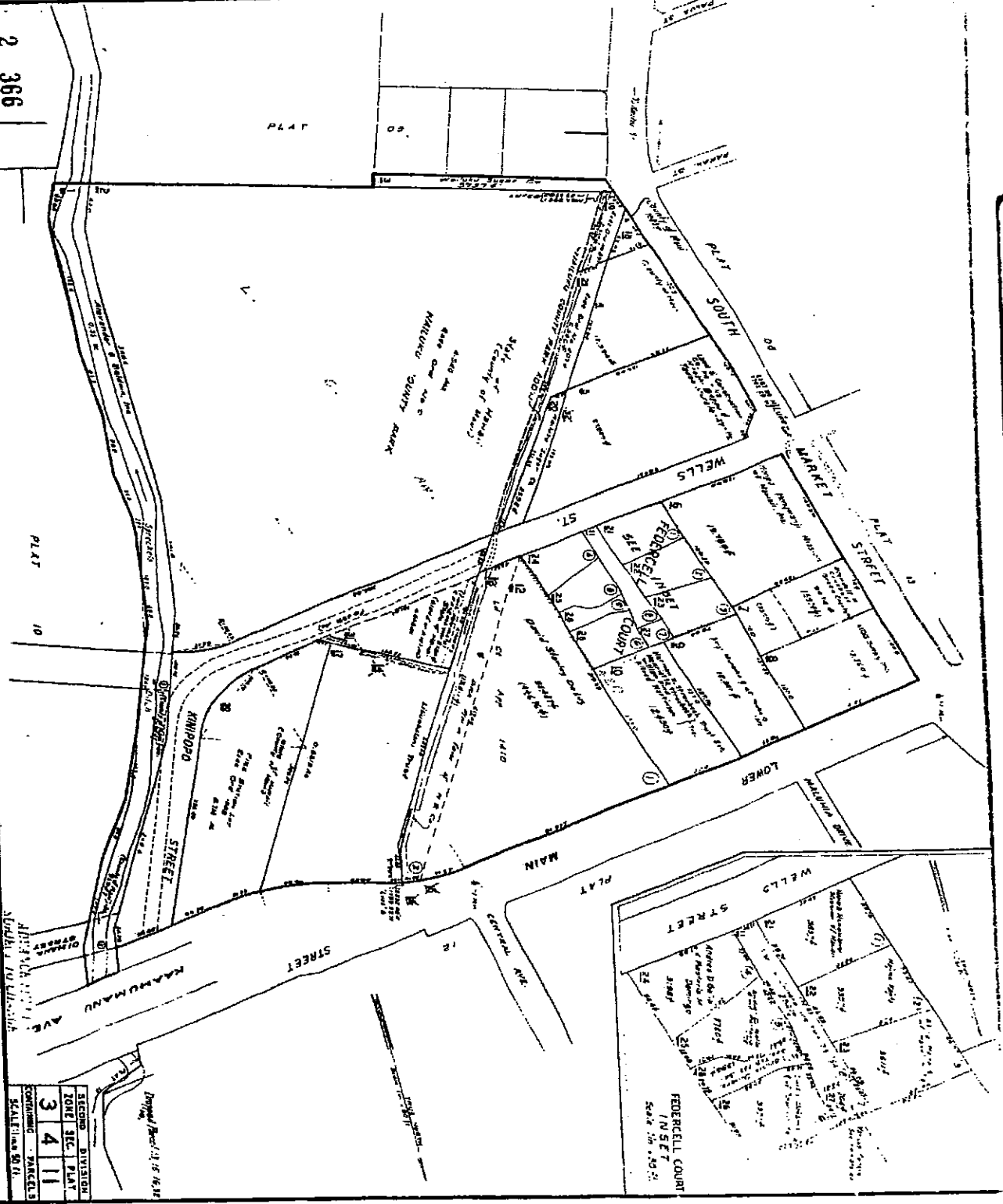
SELECT TO CHANGE

TERRITORY BUREAU	
TELEPHONE OF HAWAII	
SECOND DIVISION	PLAT
3	4
DRAWING NO.	
SCALE 1/4" = 30 FT.	

Recorder's Receipt
 This plat has been filed for recording.
 Recording Fee \$10.00
 Printing, Typing or Printing UNSATISFACTORY
 when received.

2 366

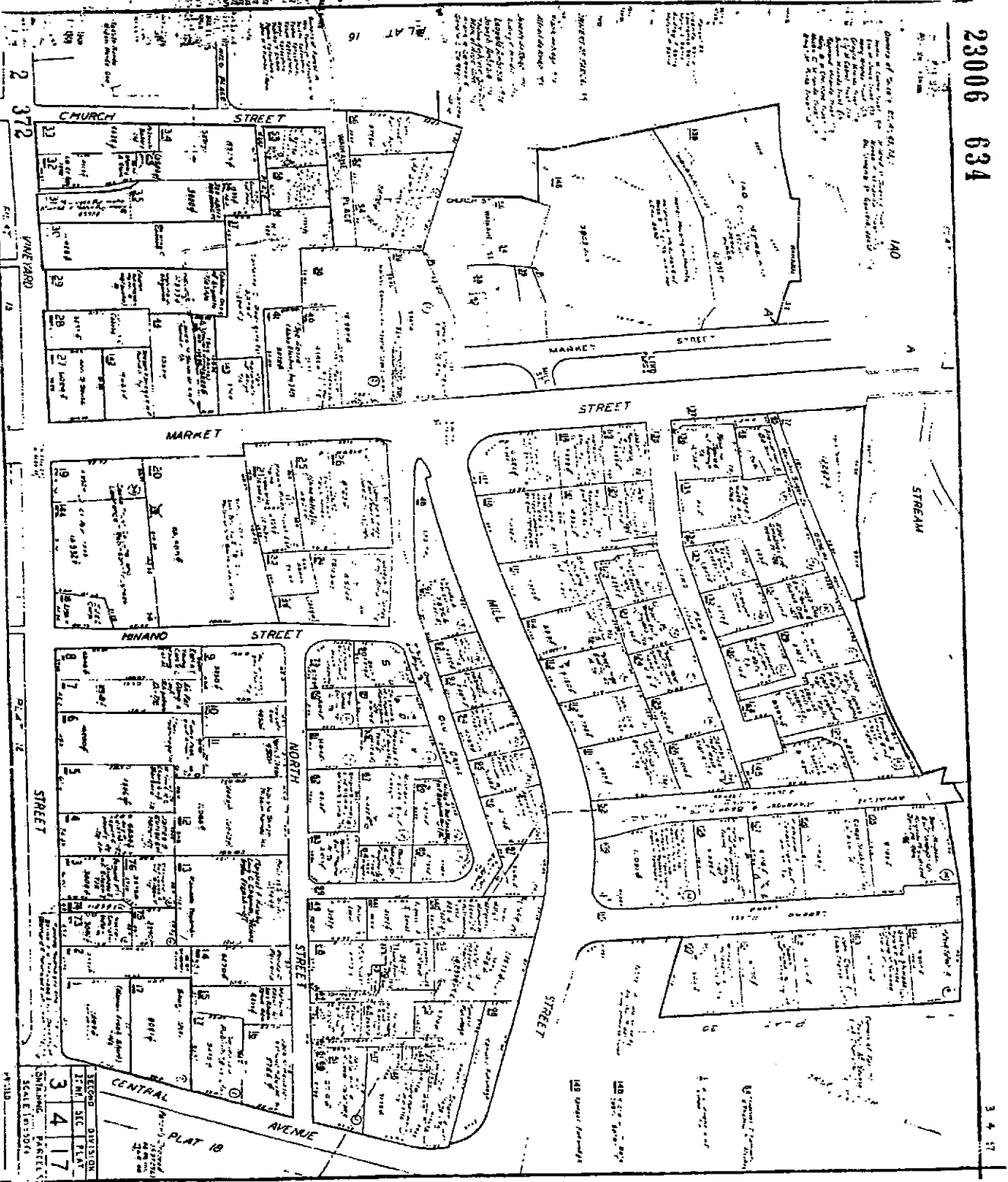
Division of MAIL ONLY TOWN WAILUKU, MAUI



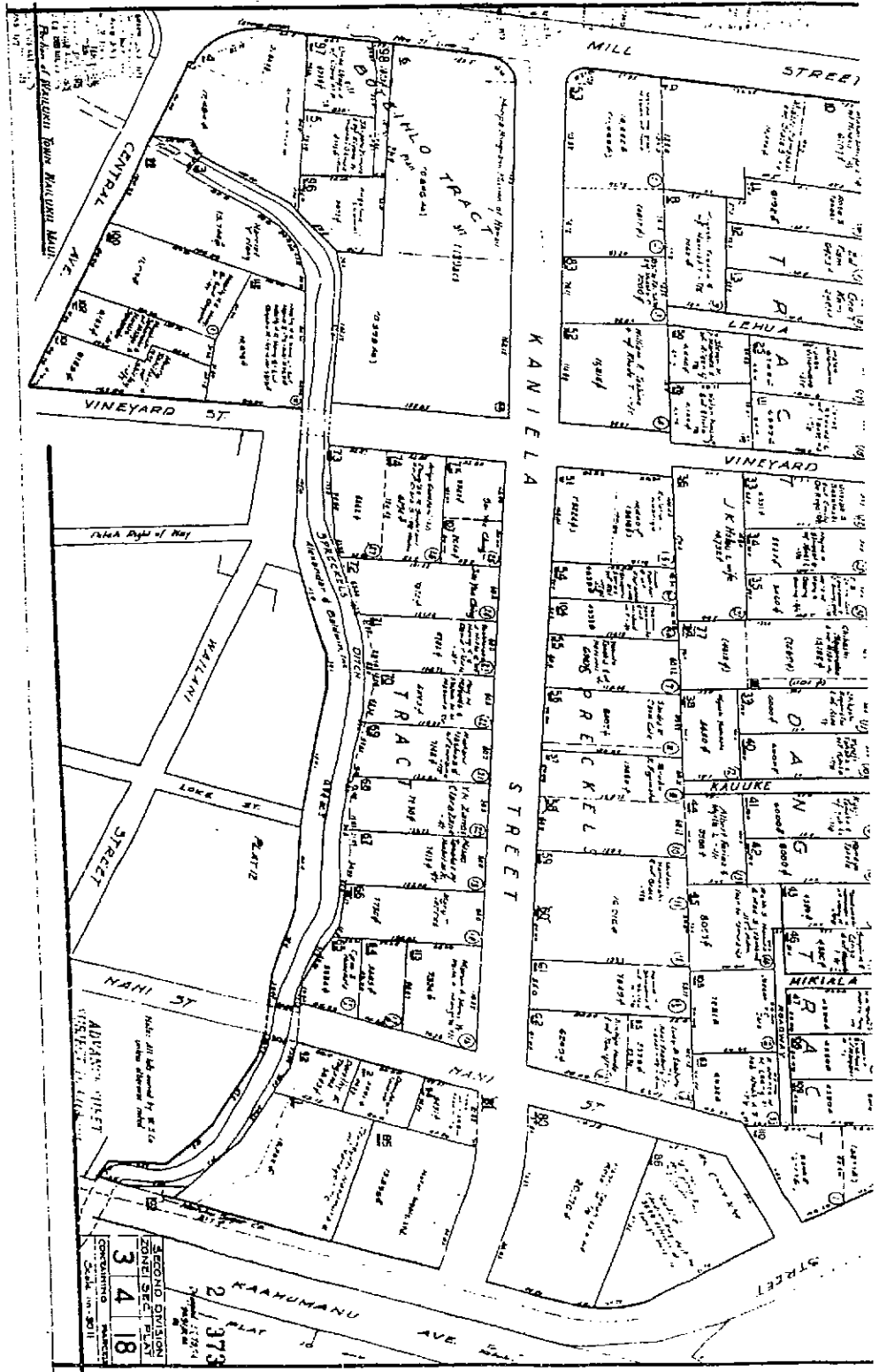
Recorder's Office
No Filing, Typing or Printing UNSATISFACTORY
Statement when received.

23006 634

Recorder's Memo: *[illegible]* of Printing, Typing or Printing UNSATISFACTORY
This is document when received.



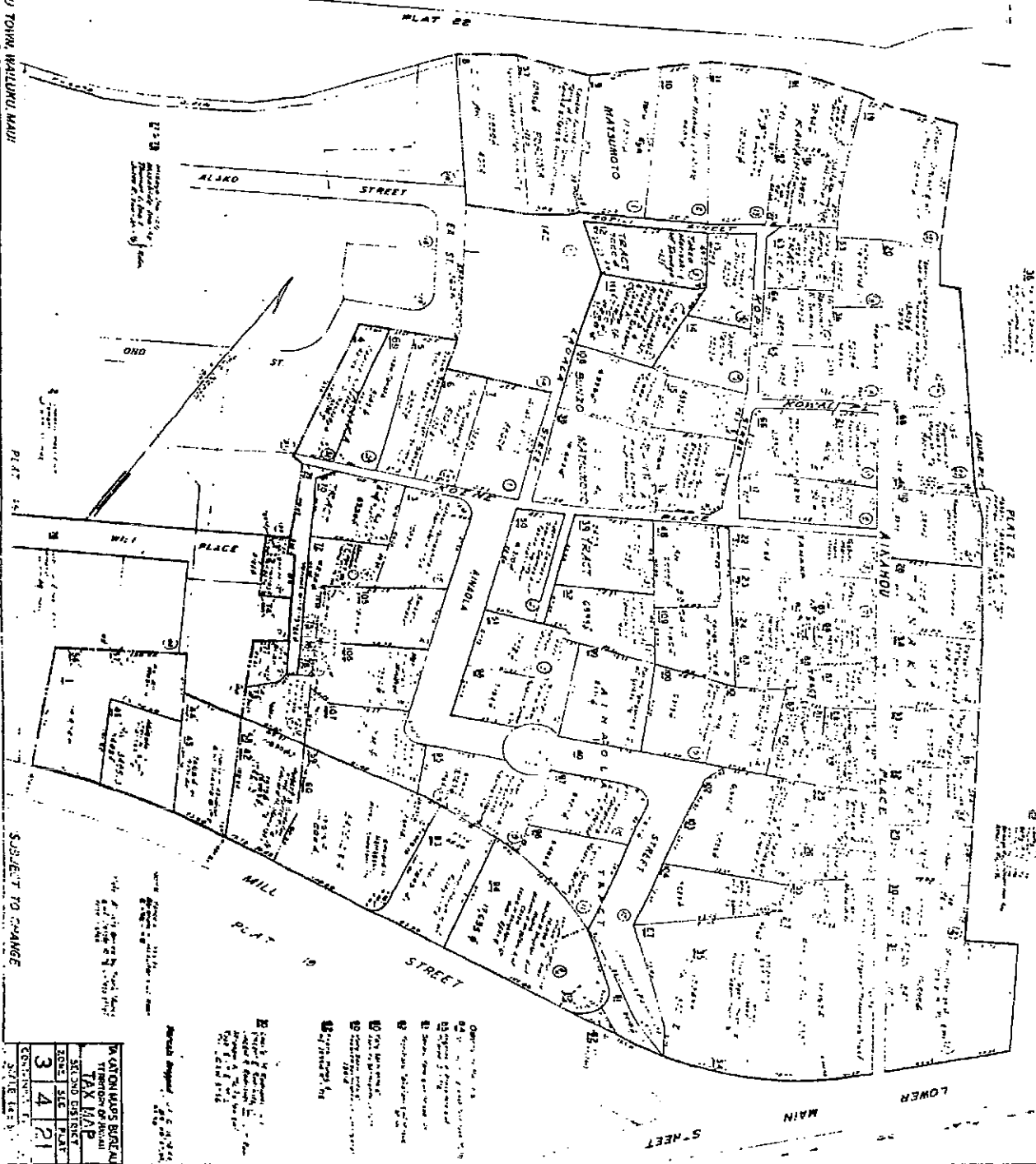
3 4 57



T 01 51

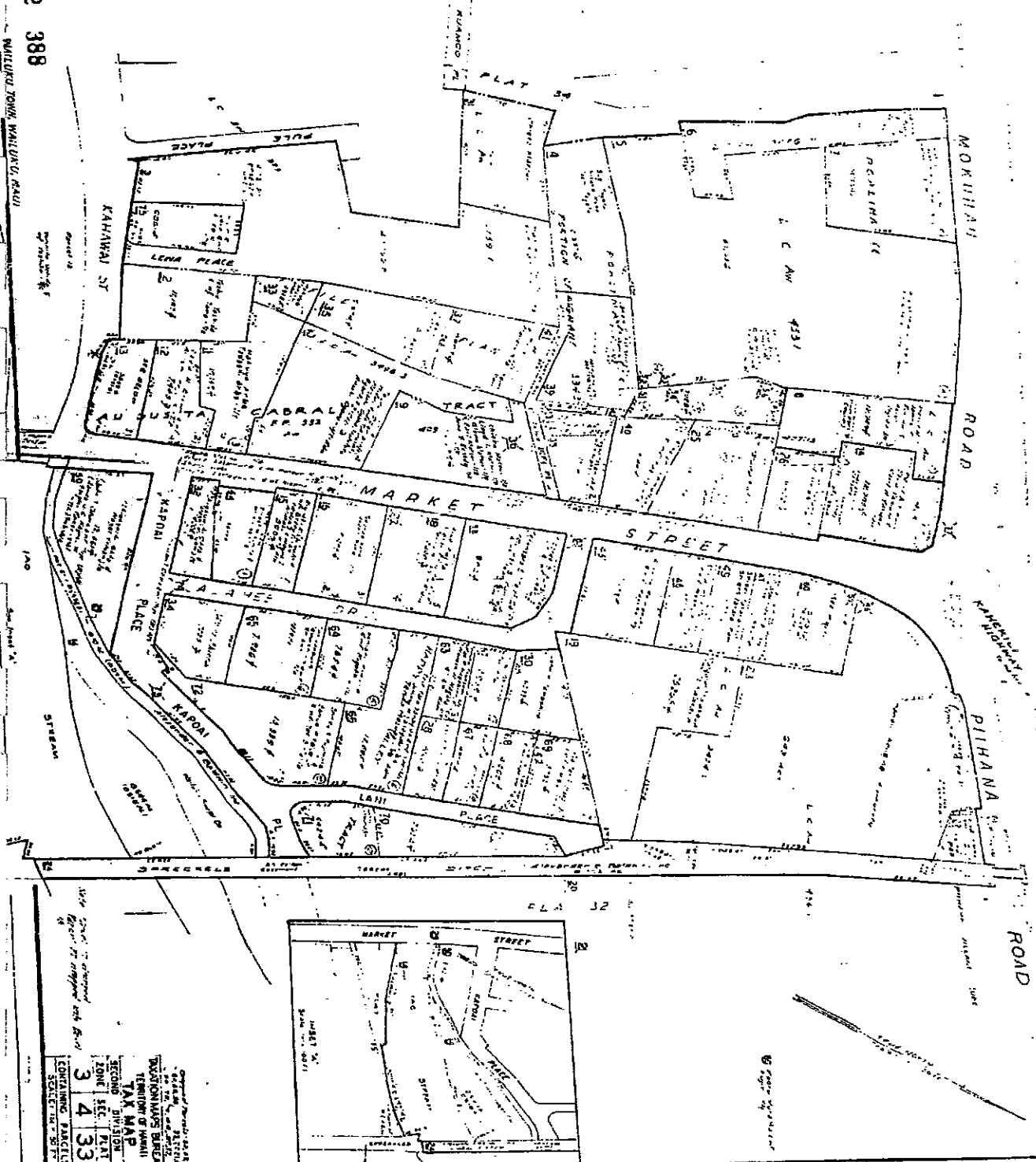
2 3761

FOR HAWAII TOUR, HAWAII, MAUI



MAUI COUNTY BOARD OF TAX APPEALS
 SECOND DISTRICT
 TAX MAP
 3 4 21
 CONTINUED

Recorder's Memorandum of Filing, Typing or Printing UNSATISFACTORY
 Document when received.

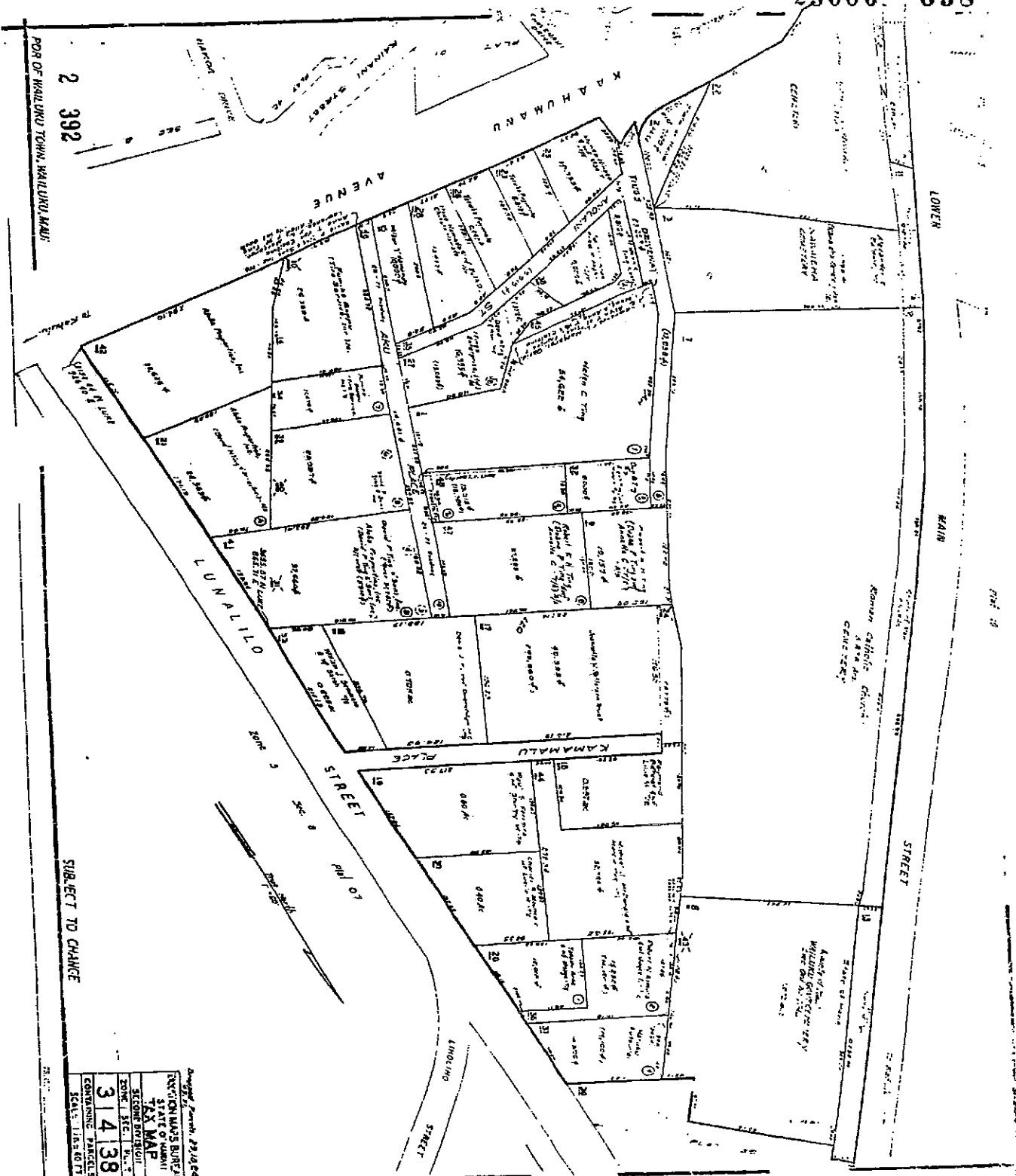


Recorder's Maps and Plans
 Printing, Typing or Printing UNSATISFACTORY
 when received.

Official Publication
 of the
 TERRITORY OF HAWAII
 DEPARTMENT OF LAND AND NATURAL RESOURCES
 TAX MAP
 SECOND DIVISION
 3 4 33
 CONTAINING PARCELS
 SELECTED BY THE

23006. 638

Recorder's Memo
Waiting, Typing or Printing UNSATISFACTORY
Assessment when received.



2 392

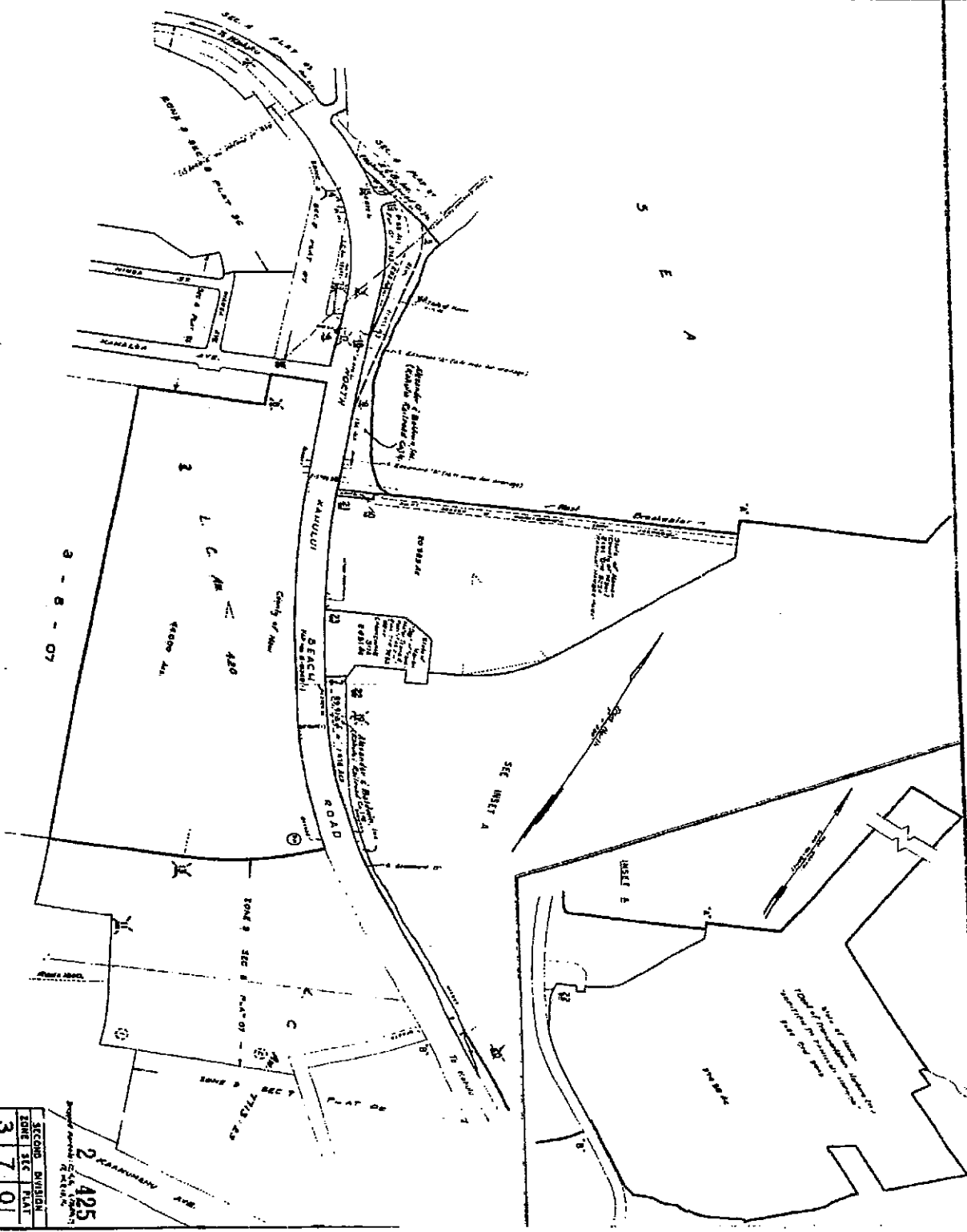
POB OF KAILUA TOWN, KAILUA, HAWAII

SUBJECT TO CHANGE

Survey Form 231686

SECTION MAPS BUREAU
STATE OF HAWAII
TAKE MAP
SECOND DIVISION
ZONE SEC. No.
3 4 38
CONTAINING PARCELS
SCALE: 1 IN. = 100 FT.

Part of KAHULUI, MAUI.

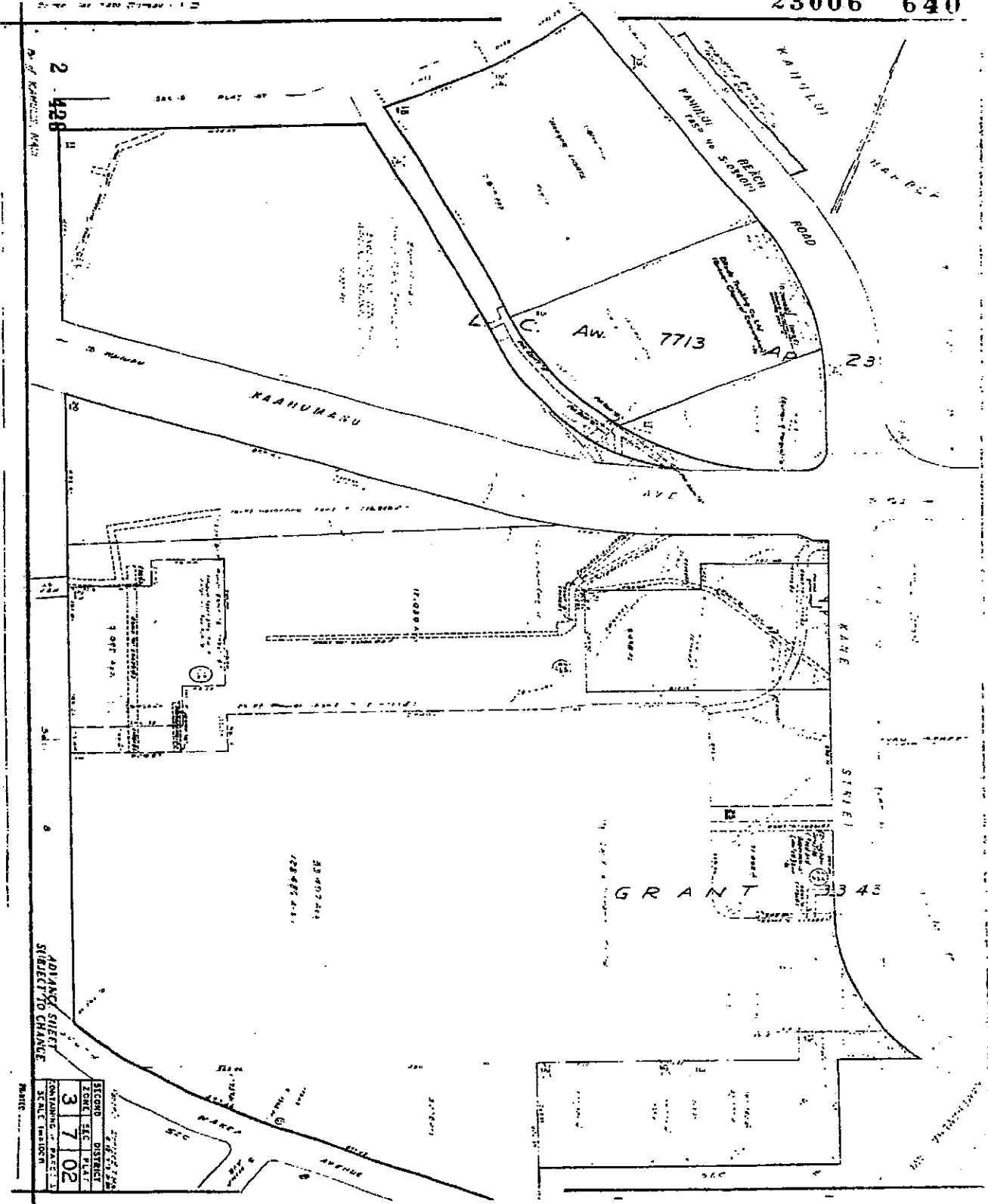


2	425
SECOND DIVISION	
ZONE SEC PLAT	
3	7
0	1
CONTAINING PARTS	
SCALE 1/4" = 200'	
DATE	

Recorder's Record of this Plat is hereby certified to be correct and true as the same appears on the original when received.

Writing, Typing or Printing UNSATISFACTORY

23006 640



Recorder's Office
 Writing, Typing or Printing UNSATISFACTORY
 when received.

ADVANCE SHEET
 SUBJECT TO CHANGE
 SECOND DISTRICT
 3 7 02
 CONTAINING PAGE 23
 SCALE HORIZONTAL

23006 641

2 428

PLAT 02

KANE STREET

KAAHULANI BEACH ROAD

VEVAVU

PLAT

KAAHULANI SCHOOL
5,372 SQ. FT.

KAAHULANI AVENUE

SCHOOL AVENUE

PLAT 03

05

STREET

THIRD STREET

LONO AVE.

PLAT 07

TRUE NORTH

Recorder's Office
of Printing, Typing or Printing UNSATISFACTORY
document when received.

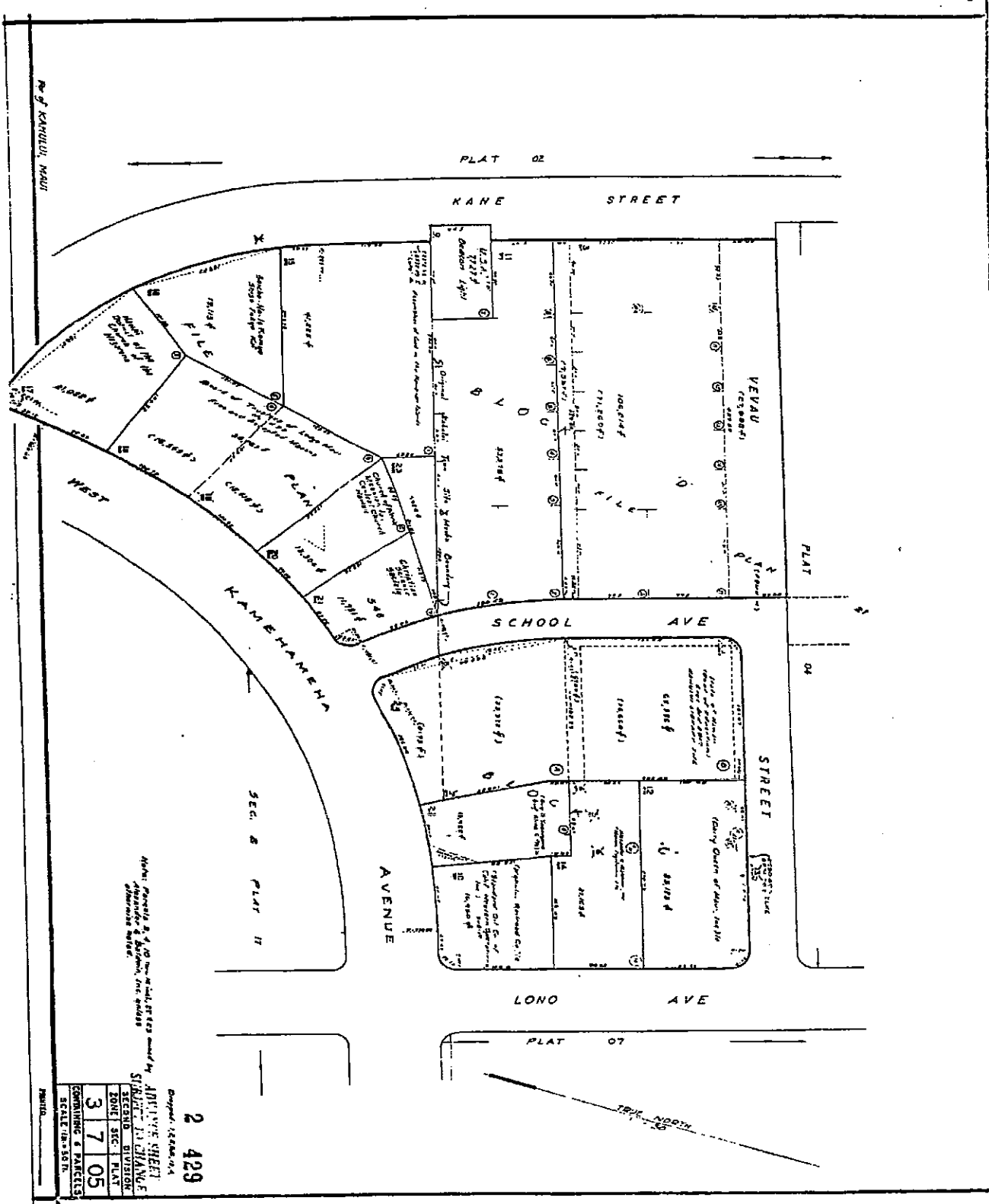
NOTE: ALL PARCELS OWNED BY ALEXANDER B. SALDORN, INC.

UNLESS OTHERWISE NOTED

ADVANCE CITY
SURVEY DIVISION
3 7 04

SCALE: 1/8"=20'
CONTAINING 6 PARCELS
DATE: 10/15/07
BY: [Signature]
CHECKED: [Signature]
APPROVED: [Signature]
PLAT NO. 3 7 04
SECTION 37
TOWNSHIP 04
RANGE 03
COUNTY 04

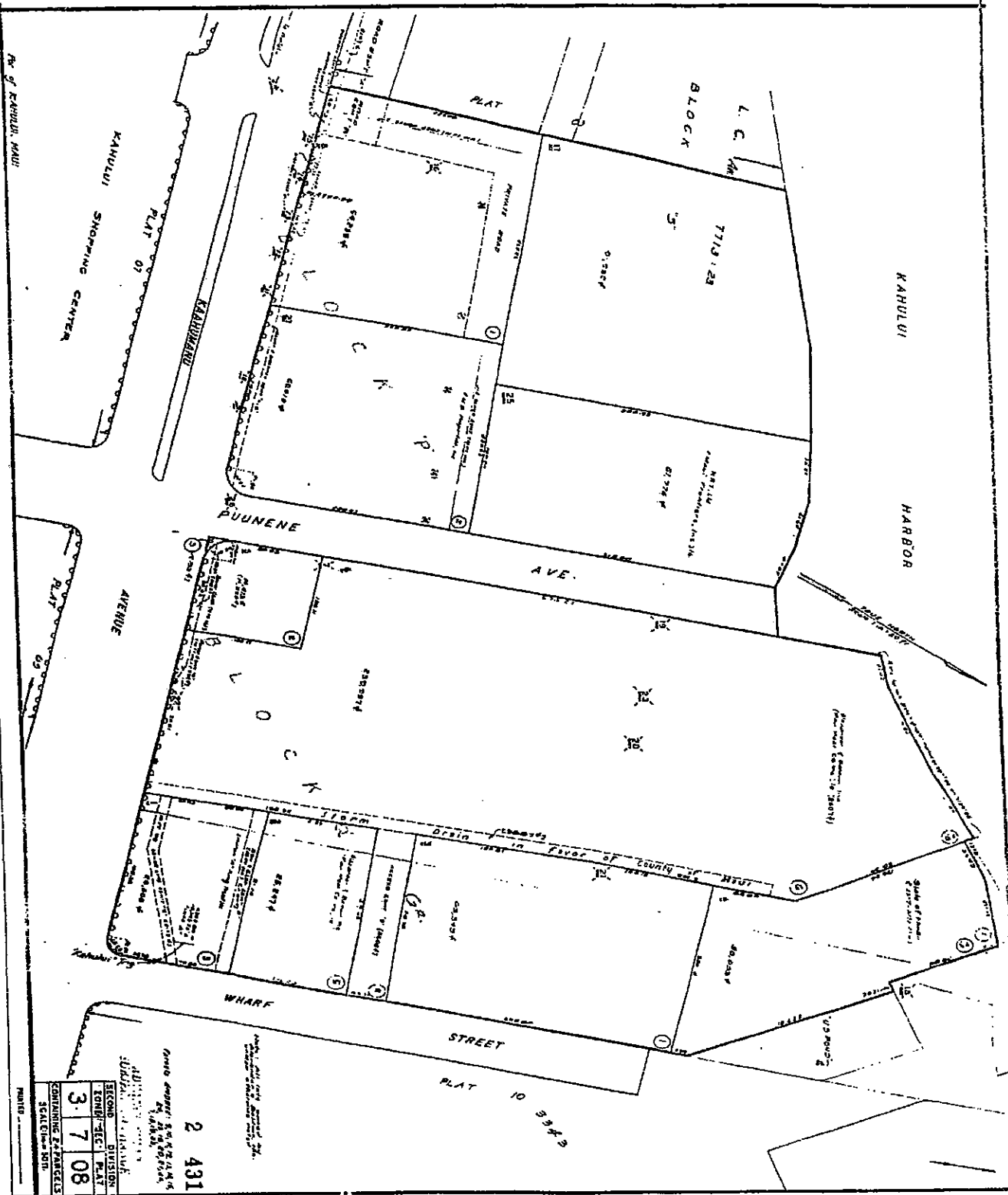
North Arrow 8/2/04



Recorder's Office
 Recording of Writing, Typing or Printing UNSATISFACTORY
 This document when received.

2 429

ADDITIONAL SHEET
 SUBJECT TO CHANGE
 SECOND DIVISION
 ZONE SEC 1 PLAT
 3 7 05
 CONTAINING 6 PARCELS
 SCALE 1/8" = 30 FT.

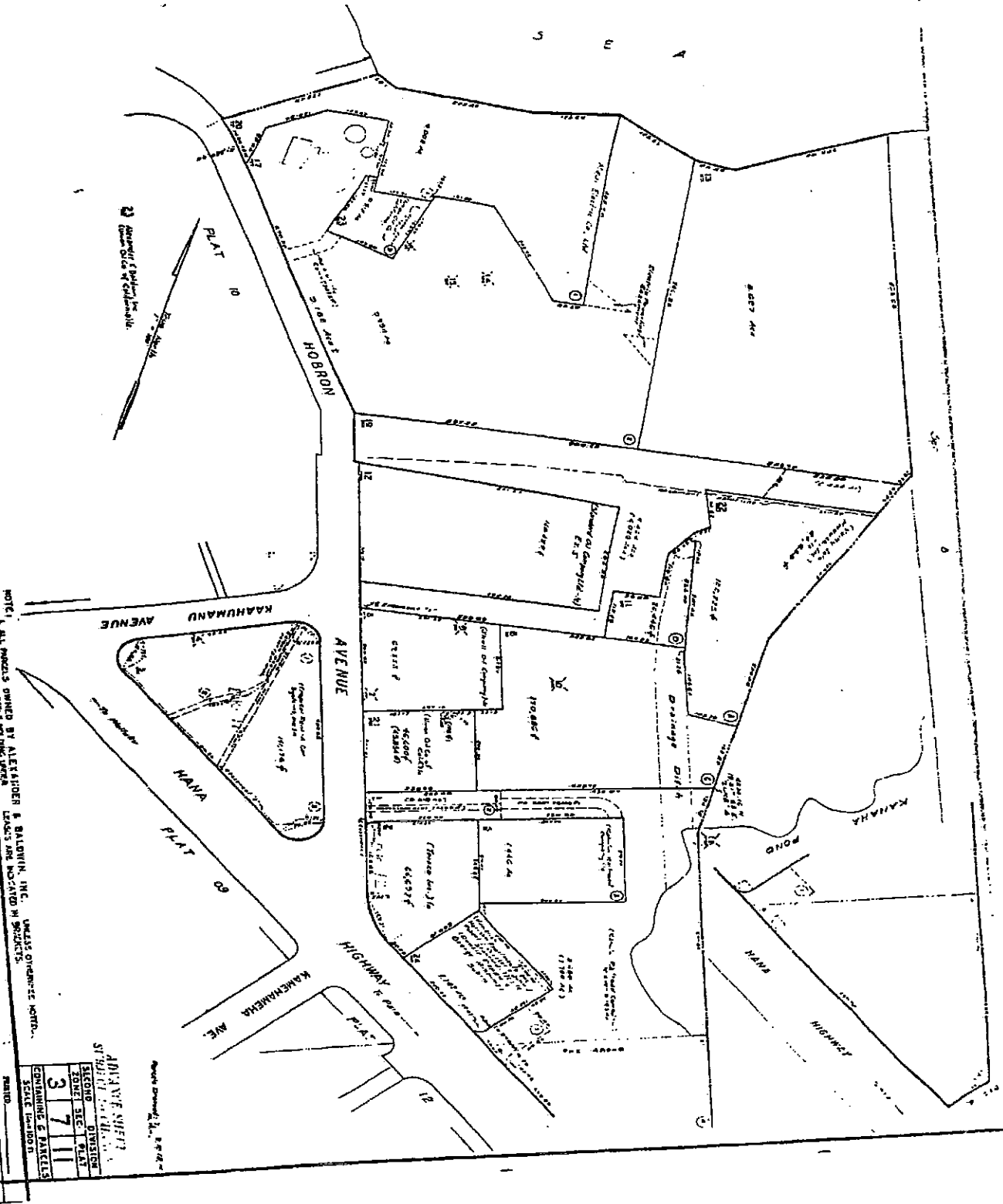


Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 Document when received.

2 431

SECOND DIVISION	3 7 08
CONTRACT PLAT	
CONTAINING 2 PARCELS	
SCALE 1/8" = 10'	

2 434
No. of KAHULUI MAPS



NOTE: ALL PARCELS OWNED BY ALEXANDER & BALDWIN, INC. ARE SHOWN IN NORTH.
 1. ALL PARCELS OWNED BY ALEXANDER & BALDWIN, INC. ARE SHOWN IN NORTH.
 2. ALL PARCELS OWNED BY ALEXANDER & BALDWIN, INC. ARE SHOWN IN NORTH.

ADVISORY SHEET

SECTION	DIVISION
3	7
PLAT	PLAT
3	7
PLAT	PLAT
3	7

CONTINUED ON REVERSE SIDE

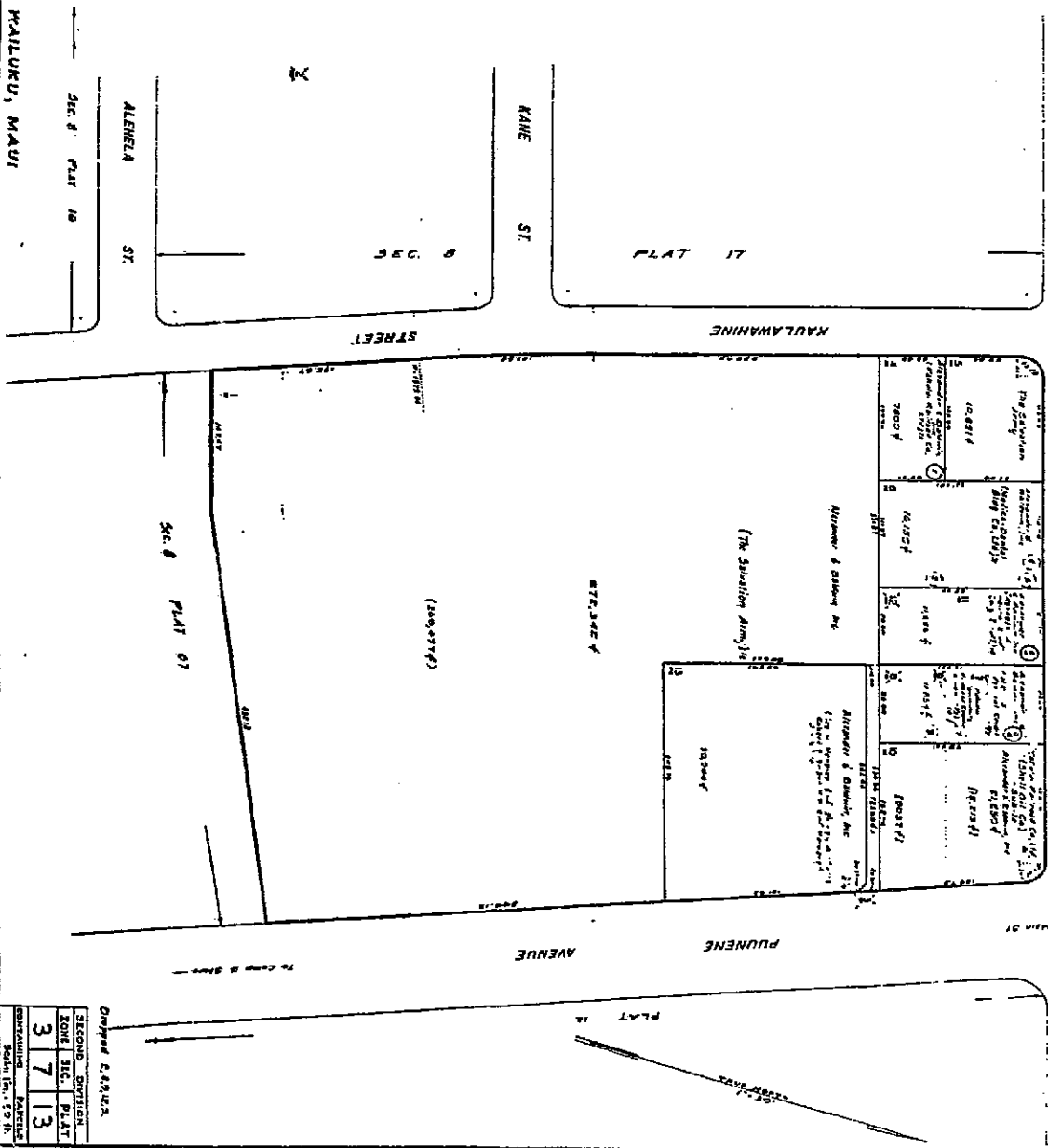
Recorder's Memo of Writing, Typing or Printing UNSATISFACTORY
 when received.

23006 645

2 436

Part of KAHLUI TOWN SITE, WAILUKU, MAUI

KAMEHAMEHA AVENUE



Recorder's Memo
 of Printing, Typing or Printing UNSATISFACTORY
 Document when received.

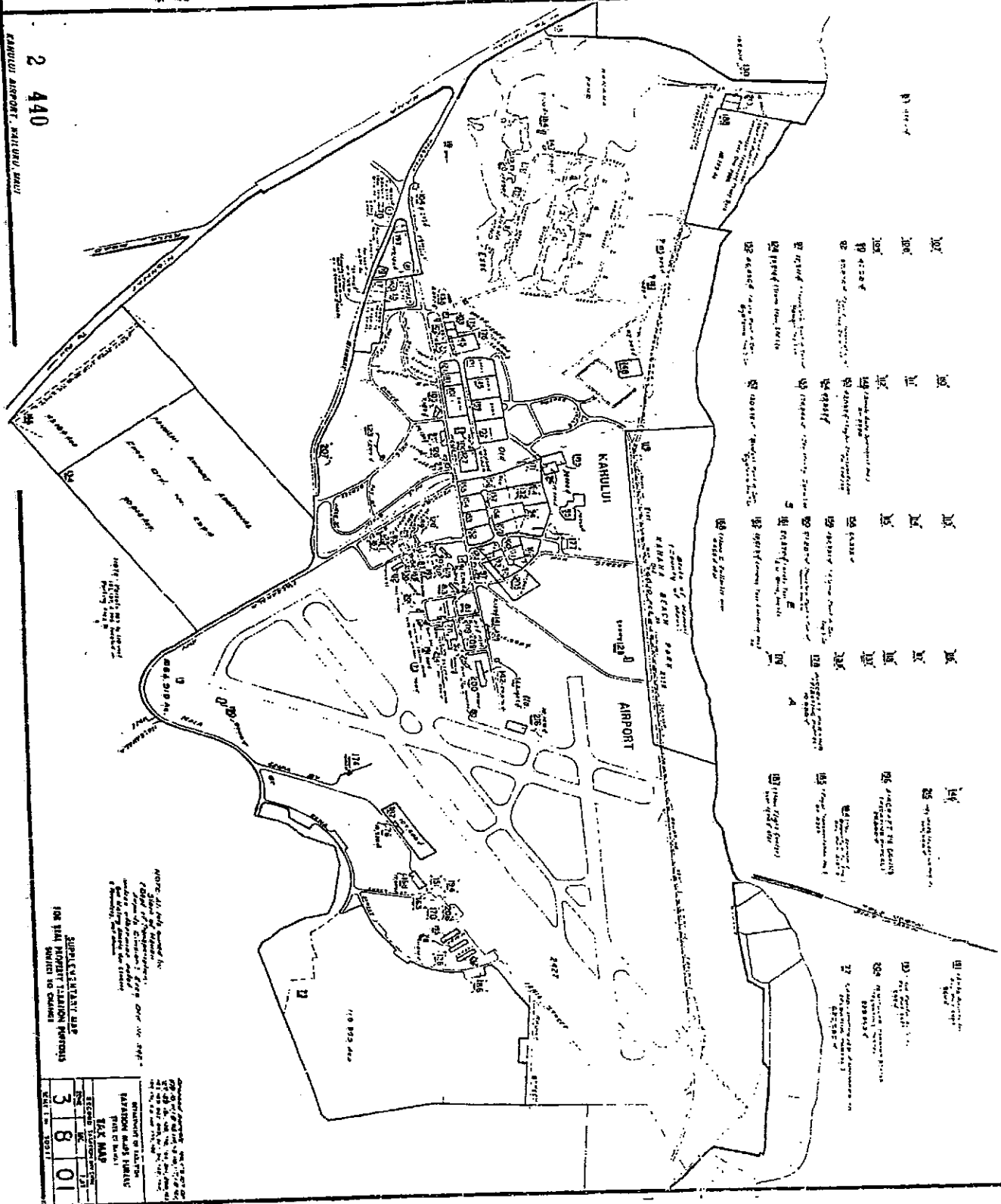
Divided CARDS.

SECOND DIVISION	ZONE	SIC.	PLAT
3	7	13	

DRAWING PANELS
 Scale (in. = 10 ft.)
 PART B

ST. NO. DATE: 12, 1957

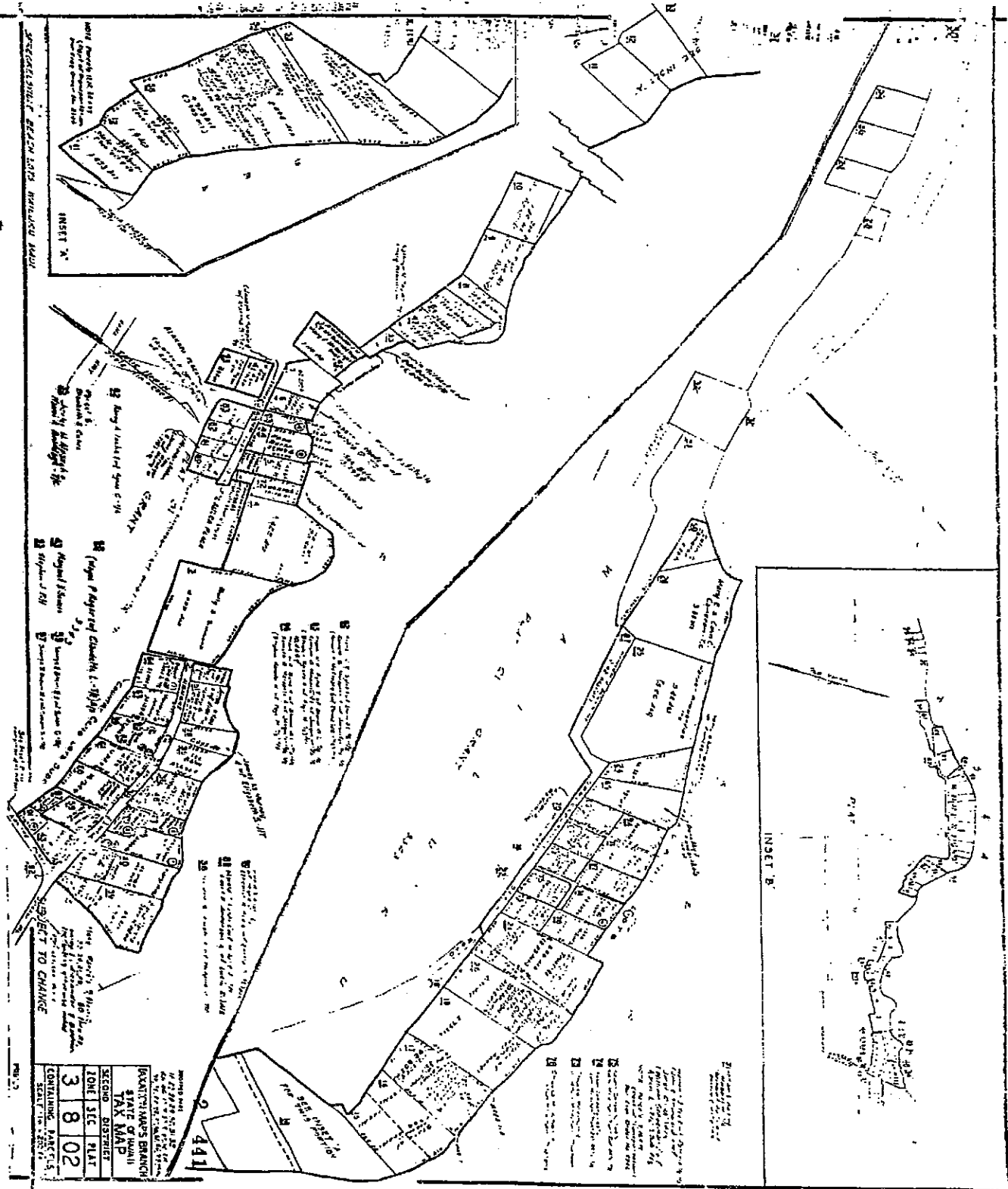
2 440
KAWAII AIRPORT, KAWAII, HAWAII



Recorder's Memo, Issued in Lieu of Writing, Typing or Printing UNSATISFACTORY
Document when Received.

APPROX. 1/2 mile square in area.
Shown on map are buildings, roads, and other structures.
The map is a plan view of the airport and surrounding area.
The map is drawn to a scale of 1 inch = 100 feet.
The map is drawn to a scale of 1 inch = 100 feet.
The map is drawn to a scale of 1 inch = 100 feet.

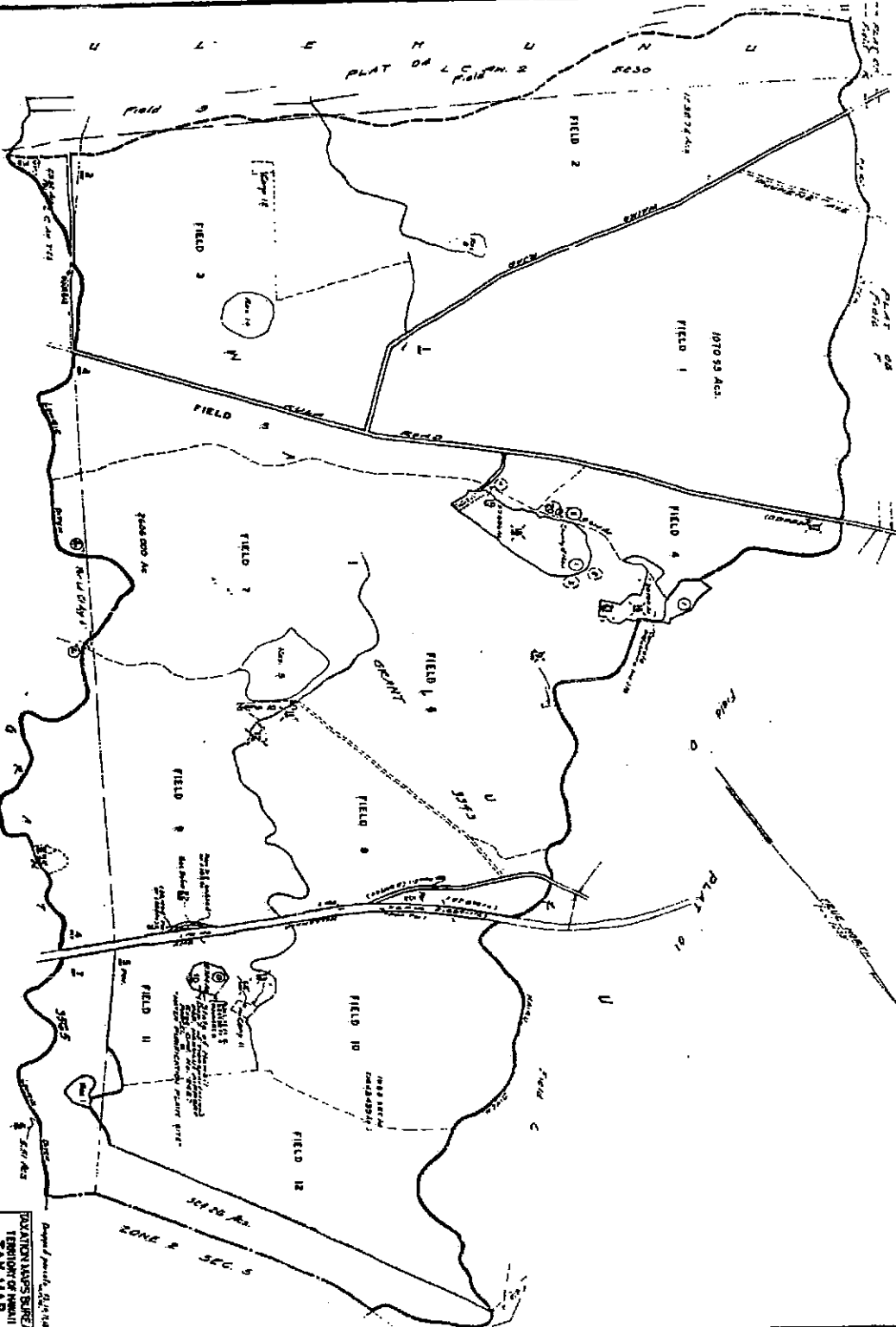
SUPPLEMENTAL MAP	
FOR THIS PROJECT	
DRAWN BY: [Name]	
CHECKED BY: [Name]	
DATE: 12, 1957	
SCALE: 1" = 100'	
TAX MAP	
3	8
0	1



Recorder's Memo: Lack of Clarity of Writing, Typing or Printing UNSATISFACTORY
 This document is void when received.

KAWAII MAPS BRANCH	
STATE OF HAWAII	
TAX MAP	
SECOND DISTRICT	
ZONE SIC	PLAT
3	8 02
CONTAINING 1 PAGE(S)	
SHEET 1 OF 1	

2 442



THE HAWAIIAN ISLANDS

ZONE 2 SEC. 5

PLAT 04 L.C. 2

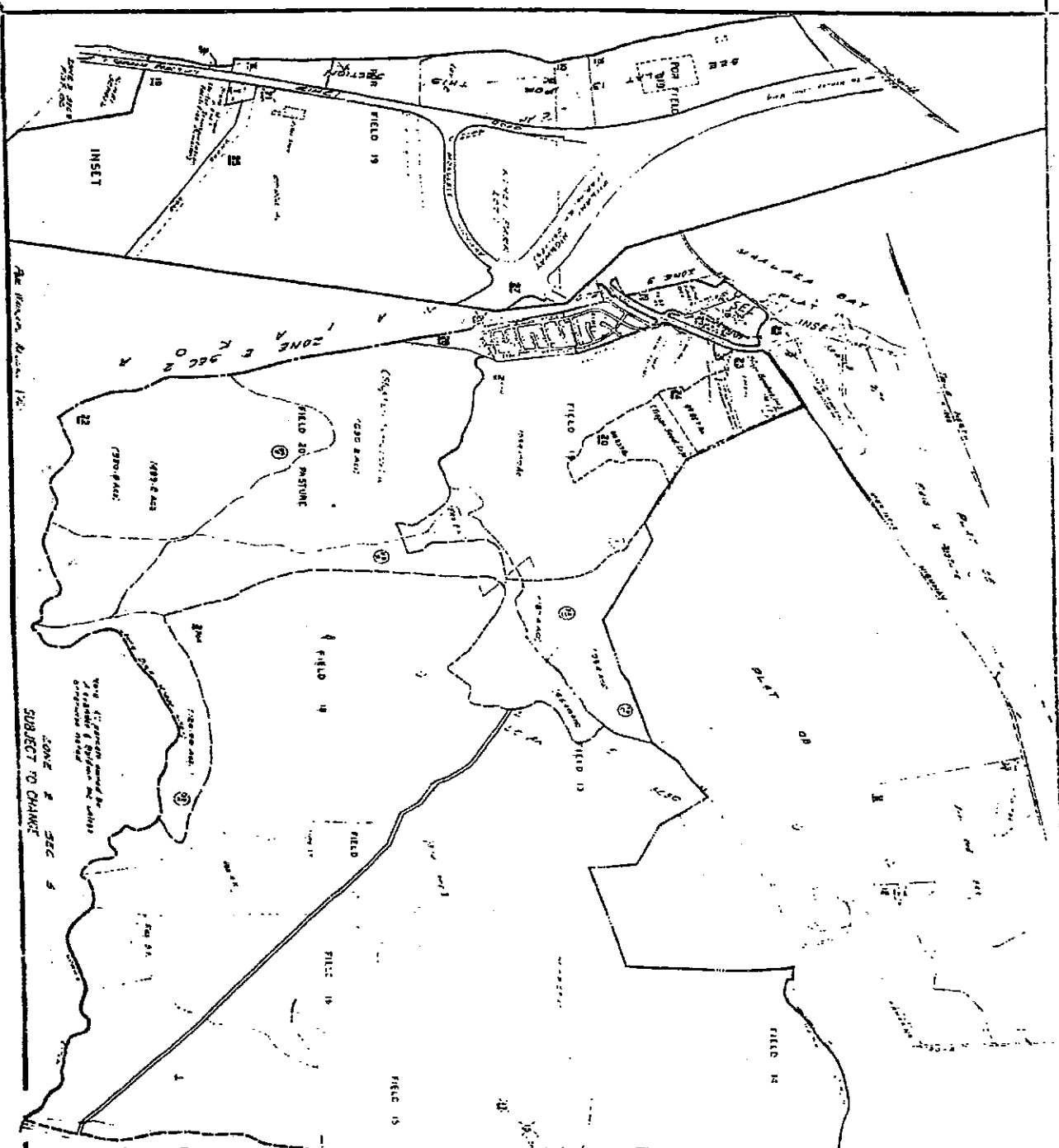
1070.53 AC.

SUBJECT TO CHANGE

PLAT	04
SECTION	5
ZONE	2
SCALE	1" = 100 FT.

Recorder's Office
 The filing, Typing or Printing UNSATISFACTORY
 when received.

23006 649



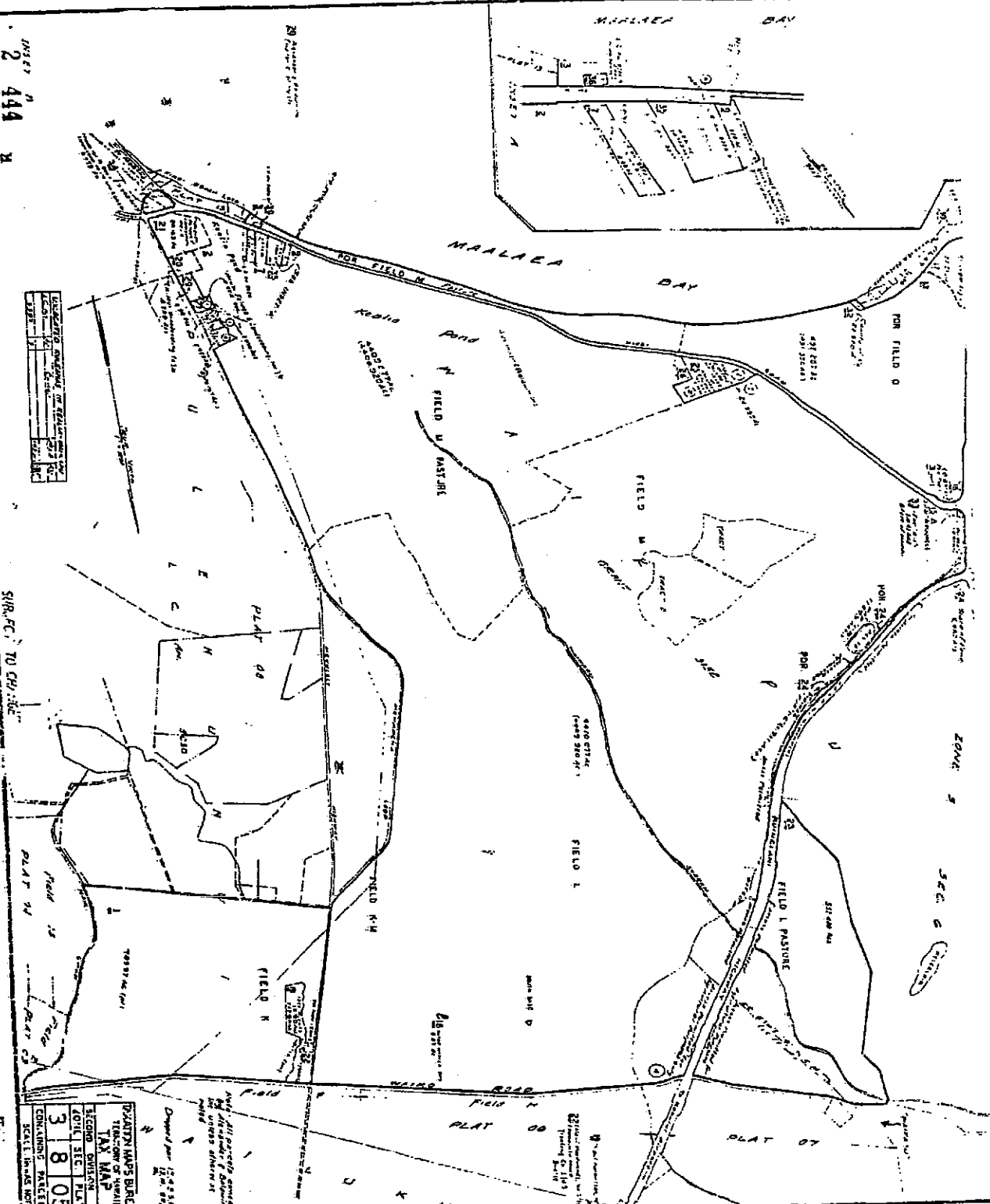
Record of this map is being kept in the office of the Surveyor General, Washington, D.C. and will be available for inspection when received.

2 443
 DIVISION OF REVENUE
 TAX MAP
 SECOND DIVISION
 TOWN SEC. 2, T. 11 N., R. 10 W., S. 11
 3 8 04
 CONTAINING PANELS 3
 SCALE 1" = 40' AS NOTED

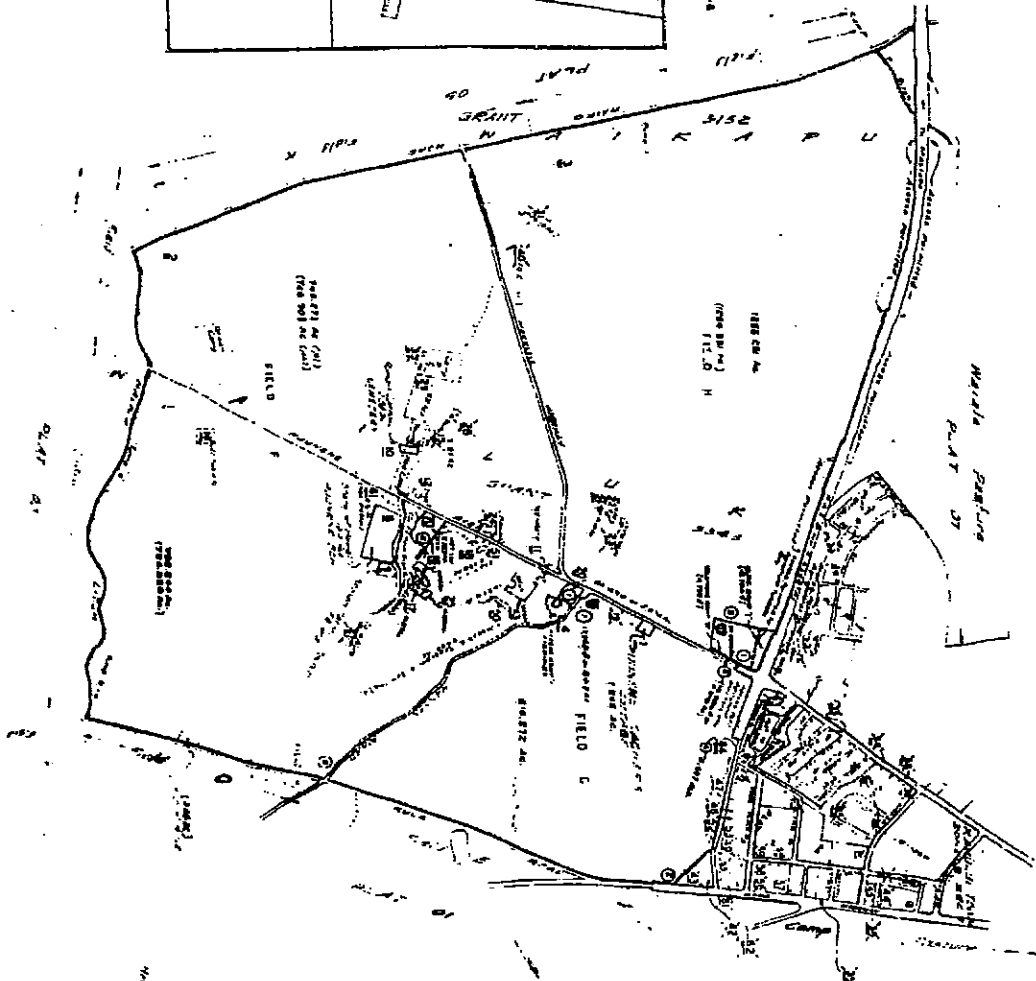
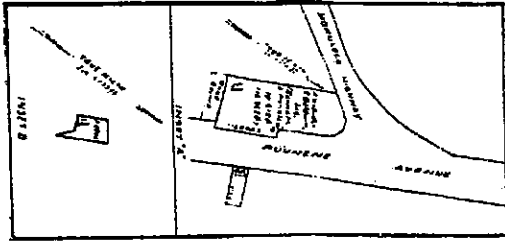
23006 650

INSET
2 444

See Attached Plans, Map



Recorder's Memo of this title, Typing or Printing UNSATISFACTORY
subject when received.



Recorder's Name: _____
 Date of Printing, Typing or Printing UNSATISFACTORY
 Amount when received: _____

48 (General) - 27 (48) -

SUBJECT TO CHANGE

2 445

RECORDS DIVISION
 DIVISION OF REVENUE
 TAX MAP

RECORDS DIVISION	3
DIVISION OF REVENUE	8
TAX MAP	01

CONTAINING MAPS

SCALE 1/4" = 1'

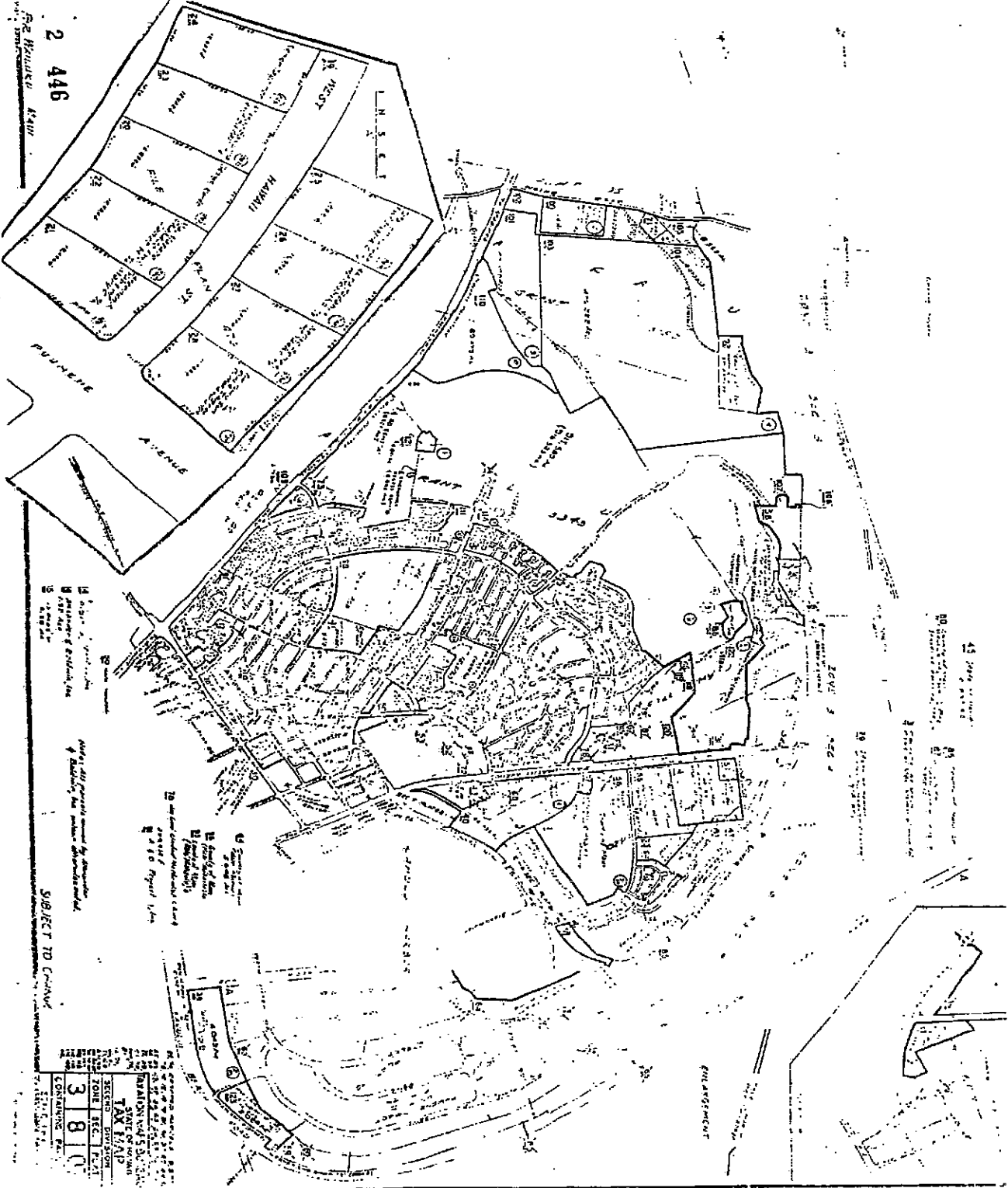
Note: All lot numbers are subject to change.

1. The map is a plan of the land shown on the map.

2. The map is a plan of the land shown on the map.

3. The map is a plan of the land shown on the map.

2 446



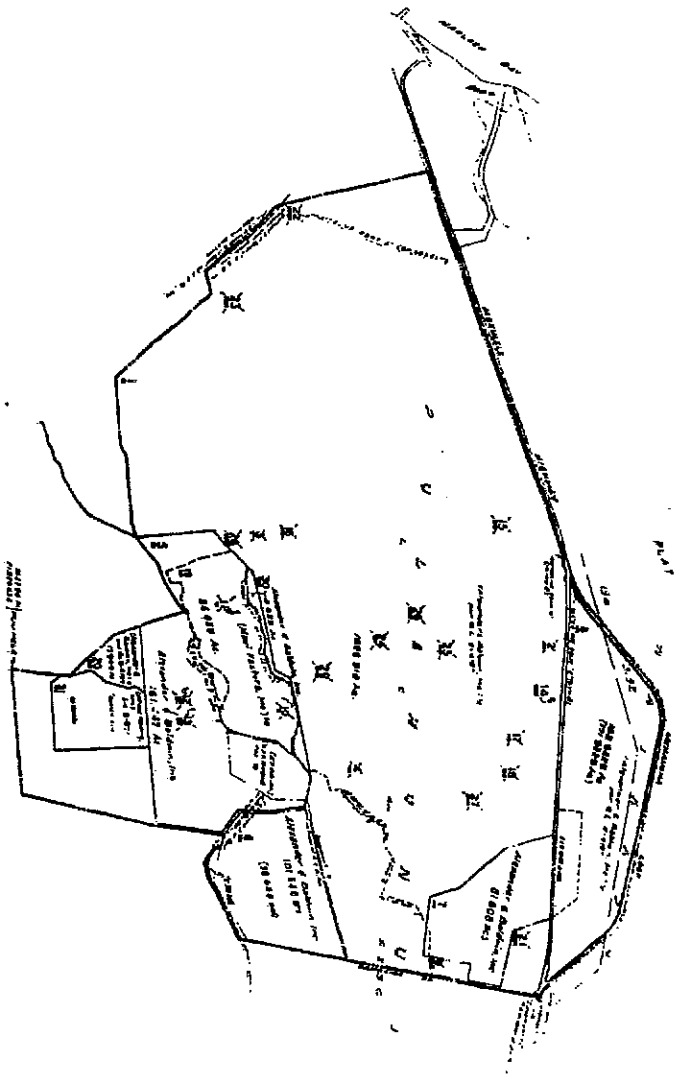
Recorder's Record of this Plat of Writing, Typing or Printing UNSATISFACTORY
 unless corrected by the owner of the land shown hereon when received.

14. Other provisions of law.
 15. Payment of ad valorem tax.
 16. Payment of ad valorem tax.
 17. Payment of ad valorem tax.
 18. Payment of ad valorem tax.
 19. Payment of ad valorem tax.
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 97. Payment of ad valorem tax.
 98. Payment of ad valorem tax.
 99. Payment of ad valorem tax.
 100. Payment of ad valorem tax.

SUBJECT TO GRANT

PLAT	3810
SECTION	1-1
DIVISION	
TAX MAP	
REVISION	
DATE	
BY	
FOR	
CONTAINS	

Recorder's Office
 If the listing, typing or printing UNSATISFACTORY
 please return when received.



PLAT 00

Apply for title and other information
 at the office of the Registrar

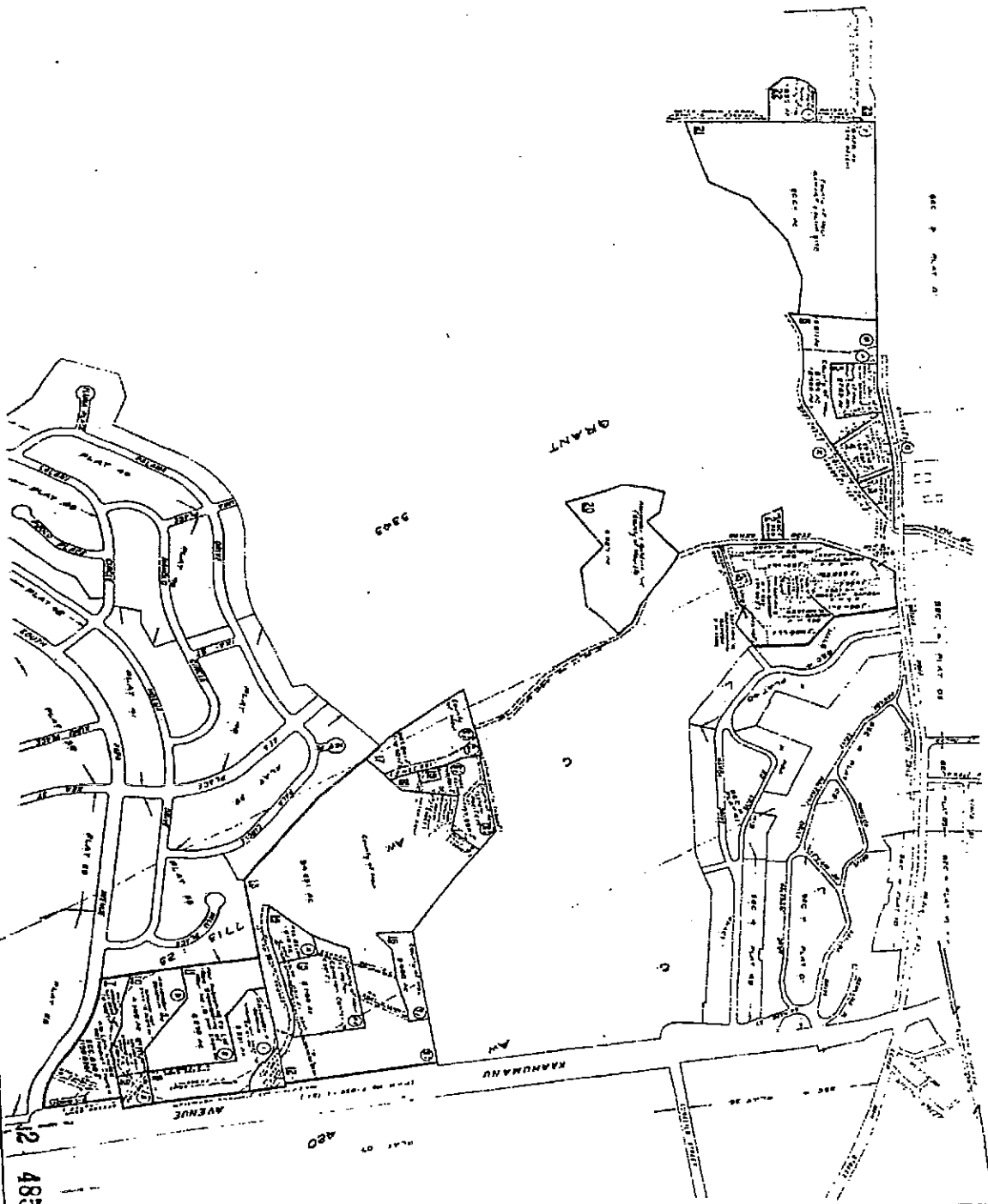
SUBJECT TO CHANGE

2 447

Original/Title/2/447
QUANTUM MAPS BUREAU
TAX MAP
SECOND DIVISION
ZONE SEC. 1 & 2
3 8 08
CONTAINING PARCELS
SCALE: 1" = 1000'

Map of Pastors & Mission, Hawaii, Maui

Recorder's Mason & Co. of Writing, Typing or Printing UNSATISFACTORY
Document when received.

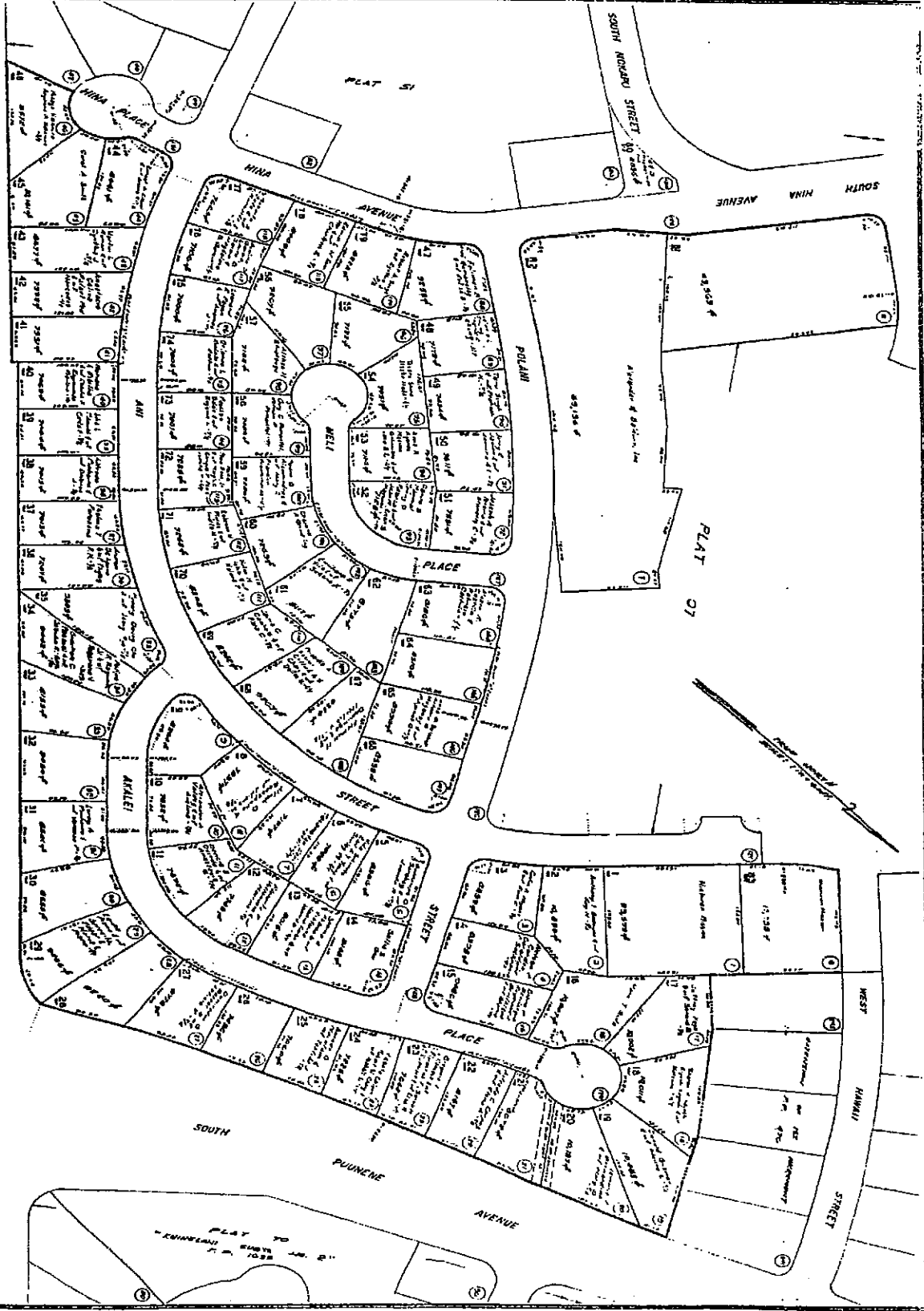


- 1. New proposed road line
- 2. New existing road line
- 3. New proposed utility line
- 4. New proposed water line
- 5. State of Hawaii
- 6. Federal Government
- 7. County of Hawaii

NON PROPERTY ASSISTANT PURPOSES
SHOULD BE PRINTED

COUNTY OF HAWAII	
TAX MAPS SECTION	
TAX MAP	
3	8
4	6

485



Recorder's Memorandum of Writing, Typing or Printing UNSATISFACTORY
If this document when received.

23006 655

FOR PRODUCT ASSISTANCE PURPOSES

3	8	71
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OFFICE OF THE COUNTY CLERK
COUNTY OF HAWAII
HONOLULU, HAWAII

DATE RECORDED: 10/15/07

FILE NUMBER: 23006 655

RECORDED BY: [signature]

RECORDED AT: [signature]

THIRD:

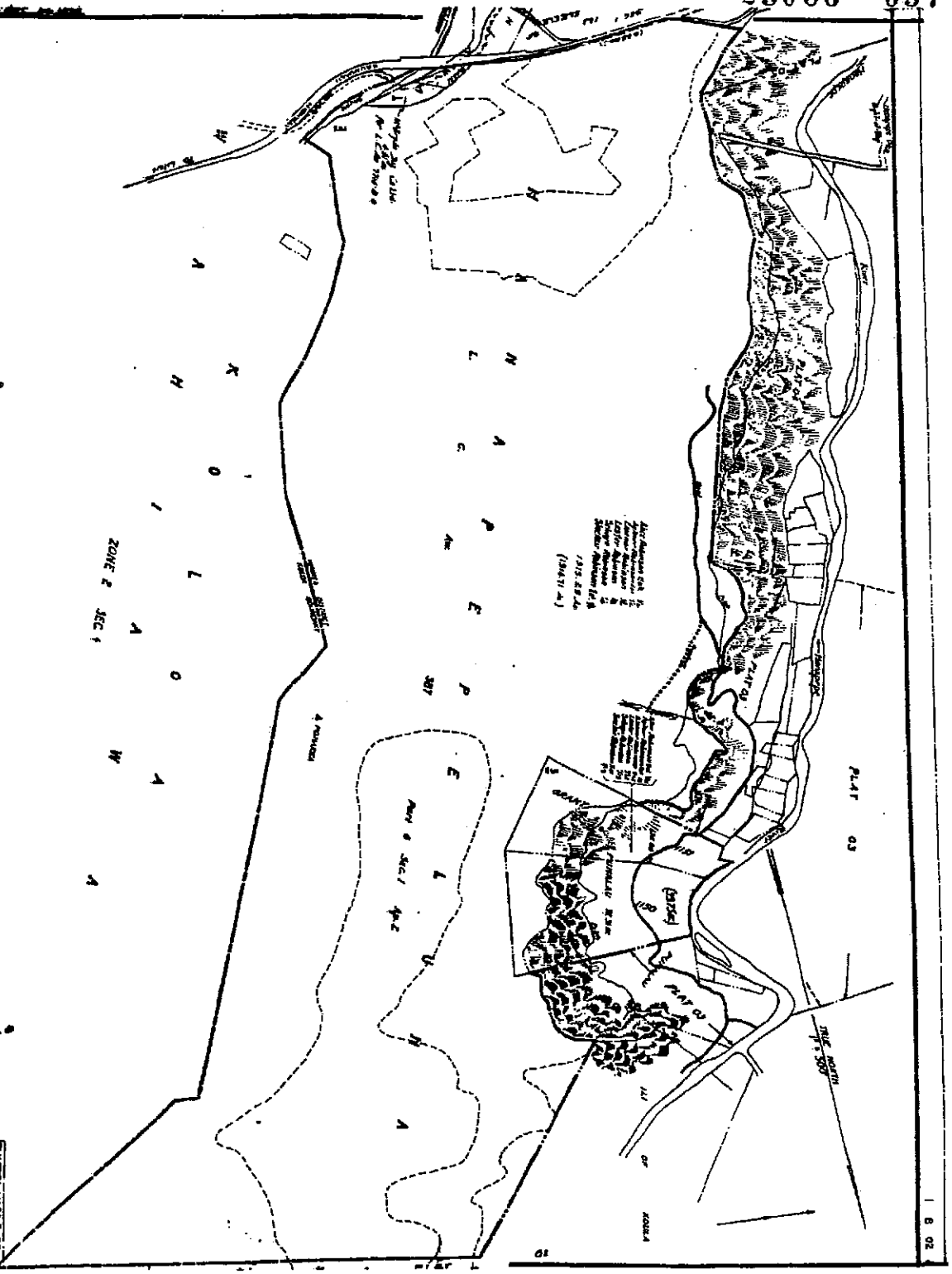
23006 656

All of those certain parcels of land situate in the County of Kauai, State of Hawaii, designated upon the Tax Maps for the Fourth Division, State of Hawaii (copies of which are attached hereto and made a part hereof) as follows:

<u>TAX KEY</u> <u>FOURTH DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>	<u>TAX KEY</u> <u>FOURTH DIVISION</u>	<u>AREA SHOWN</u> <u>ON TAX MAP</u>
1-8-002-001	4.5100	2-4-007-025	227.5300
1-8-005-011	0.9100	2-4-007-026	2.1200
1-8-005-014	2.6800	2-4-010-008	0.1140
1-9-001-005	0.5300	2-5-006-001	0.3460
1-9-001-016	2.9660	2-5-006-005	2.3000
1-9-002-015	3.3320	2-5-006-017	0.0450
1-9-002-016	0.1100	2-6-003-003	5.3000
1-9-004-023	5.9210	2-6-003-004	0.0790
1-9-007-001	19.5030	2-6-003-019	2.0100
1-9-012-024	1.4370	2-6-003-021	0.2430
2-1-001-002	0.7900	2-6-003-023	0.1160
2-1-001-015	3.7500	2-6-003-031	309.9400
2-1-001-038	8.9230	2-6-003-033	10.6000
2-1-002-001	25.9890	2-6-003-034	34.1400
2-1-003-011	0.2300	2-6-003-035	47.5700
2-1-003-024	0.3200	2-6-003-044	0.3556
2-1-003-025	0.6614	2-6-003-054	10.8800
2-1-003-026	1.2620	2-6-004-010	0.7510
2-1-003-027	0.0680	2-6-004-011	1.4790
2-3-002-021	6.7000	2-6-004-016	26.4600
2-3-002-024	0.1700	2-6-004-017	0.2350
2-3-002-045	1.5000	2-6-004-018	3.2380
2-3-006-004	0.8600	2-6-004-038	310.6040
2-3-007-007	0.0900	2-6-004-044	7.8970
2-3-007-014	0.2892	2-6-004-045	10.6520
2-3-009-017	2.5500	2-6-011-016	0.4710
2-4-001-010	1.0000	2-7-007-001	2.1140
2-4-001-015	0.6800		
2-4-006-007	0.0070		
2-4-006-019	0.1800		
2-4-006-021	0.1100		
2-4-007-004	44.8900		
2-4-007-024	21.7400		

Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 when received.

23006 657



4 59

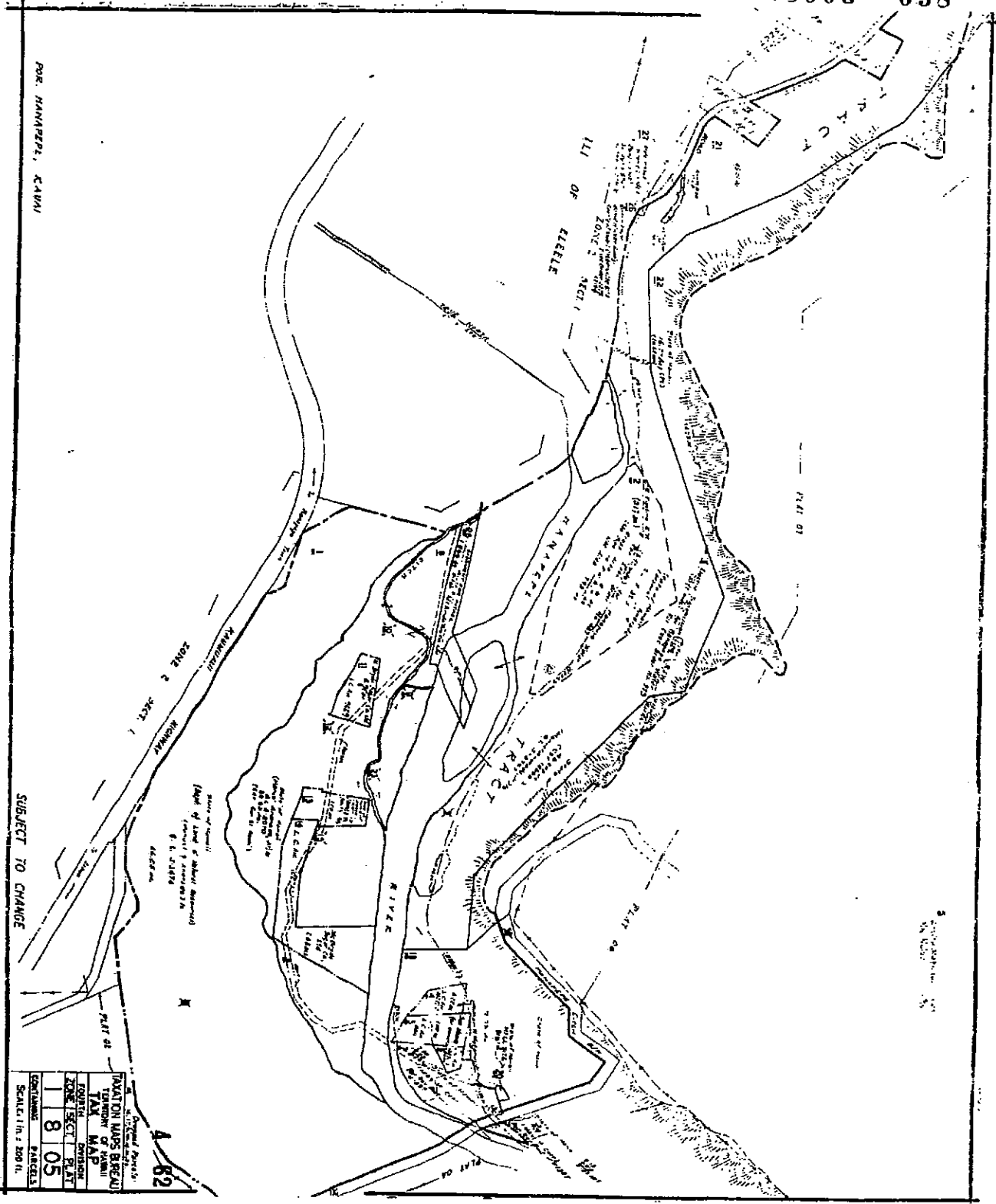
PORTION OF HAWAII, KAUAI

SUBJECT TO CHANGE

PLANTATION BUREAU	
TERRITORY OF HAWAII	
TAX MAP	
SCALE	1 IN = 500 FT
DATE	18 02
BY	
FOR	
CONTAINING	1 SHEET
SCALE	1 IN = 500 FT

23006 658

Recorder's Memo: [Illegible] Writing, Typing or Printing UNSATISFACTORY
[Illegible] when received.



FOR HANAHAHA, KAWAII

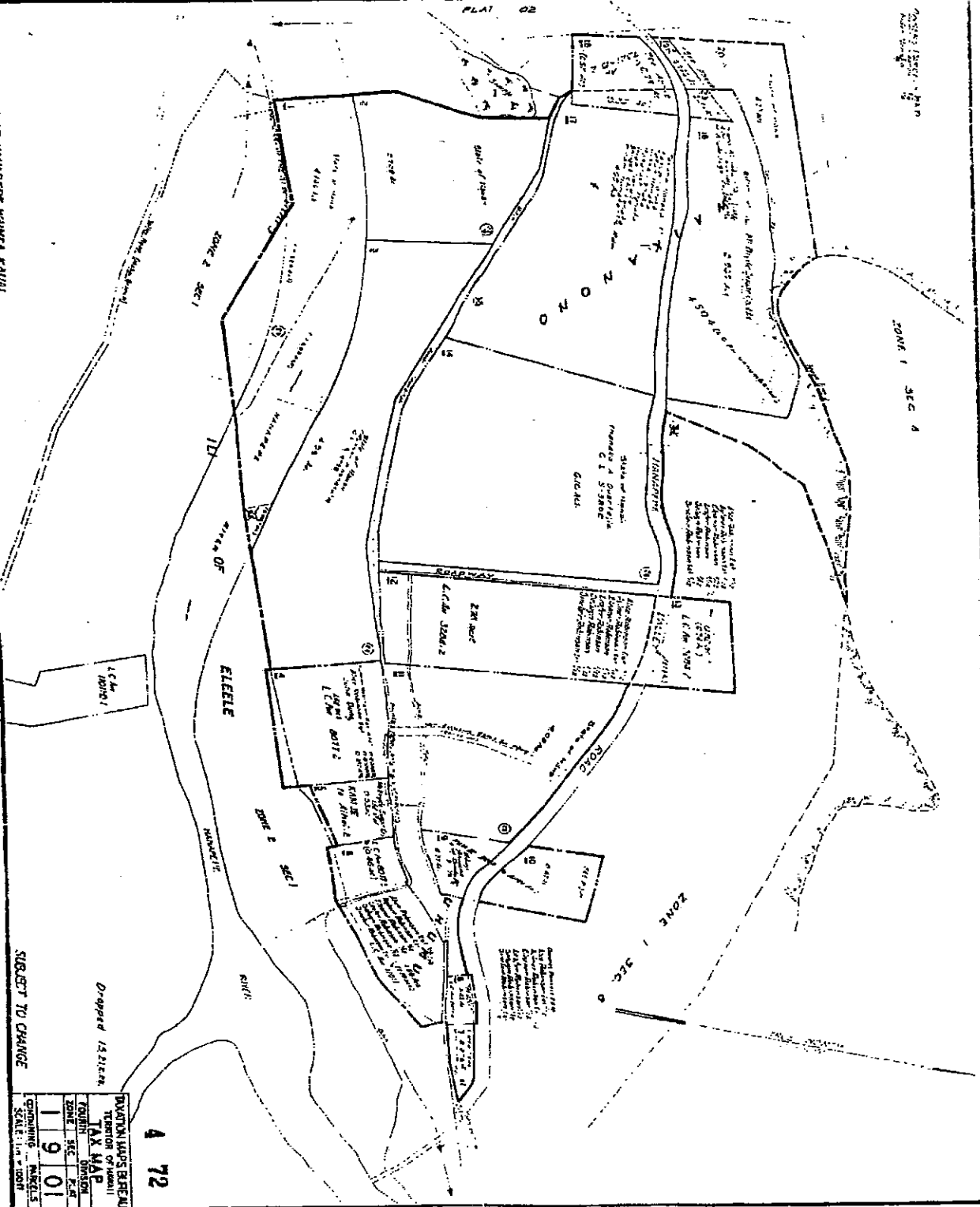
SUBJECT TO CHANGE

SECTION	8
PLAT	05
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REVISION	
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DATE	

A 62

PORTION OF MAPS 1077, 1012, 1011, 1010

PLAN 02



Recorder's Memo: This map is being filed, Typing or Printing UNSATISFACTORY when received.

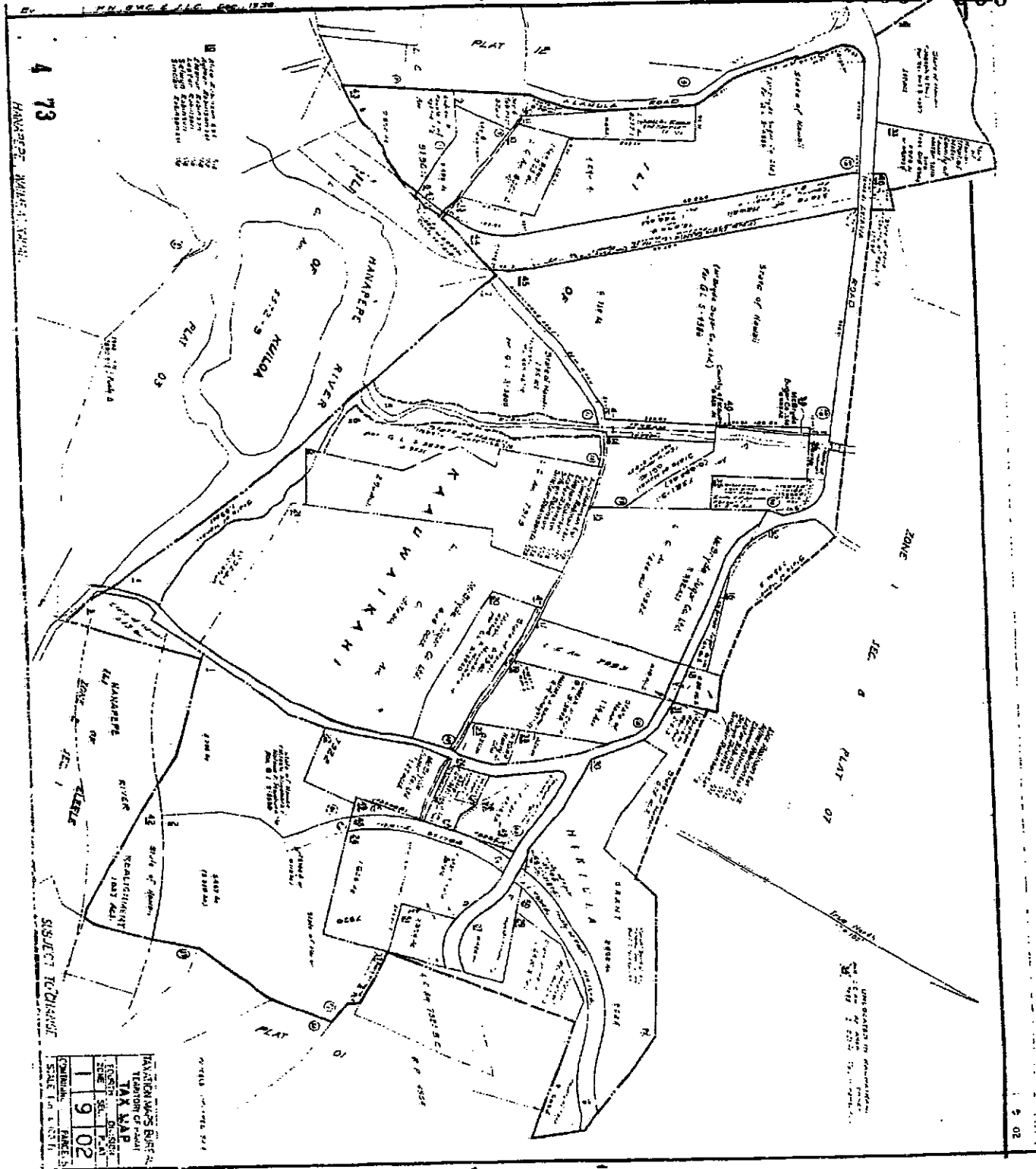
SUBJECT TO CHANGE

HAWAIIAN TAX BUREAU	
TERRITORY OF HAWAII	
TAX MAP	
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DRAWING - 100%	

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23006 660

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B Area of Abandonment
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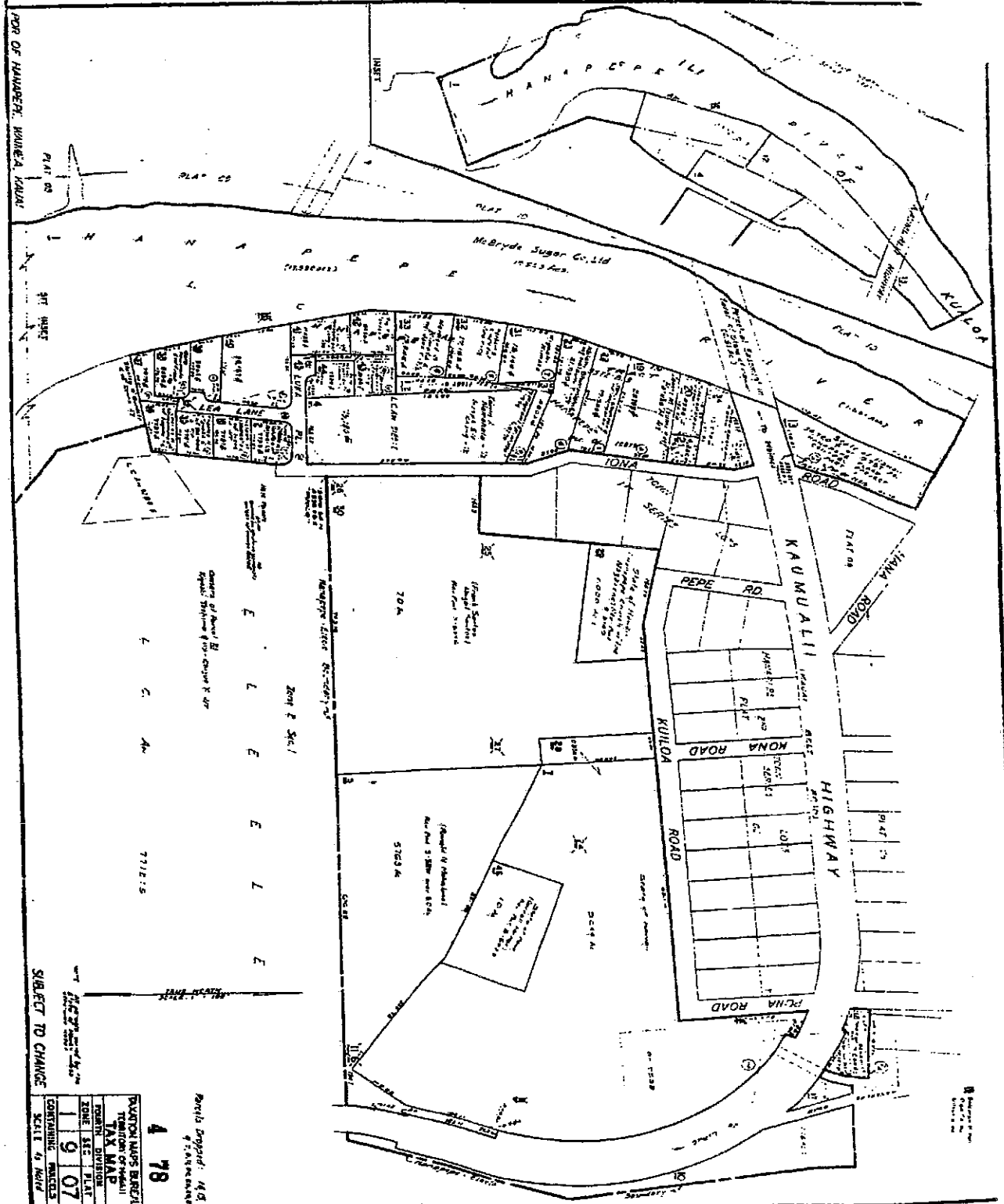
SUBJECT TO CHANGE

NAVIGATION MAPS BOARD
 TERRITORY OF HAWAII
 T.A. MAP
 REVISION NO. 1
 DATE 1902

CONTINUED	DATE
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Recorder's Office
 Printing, Typing or Printing UNSATISFACTORY
 amount when received.

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Recorder's Memo: This map is being filed, Typing or Printing UNSATISFACTORY
 Payment when received.

RECEIVED
 SUBJECT TO CHANGE

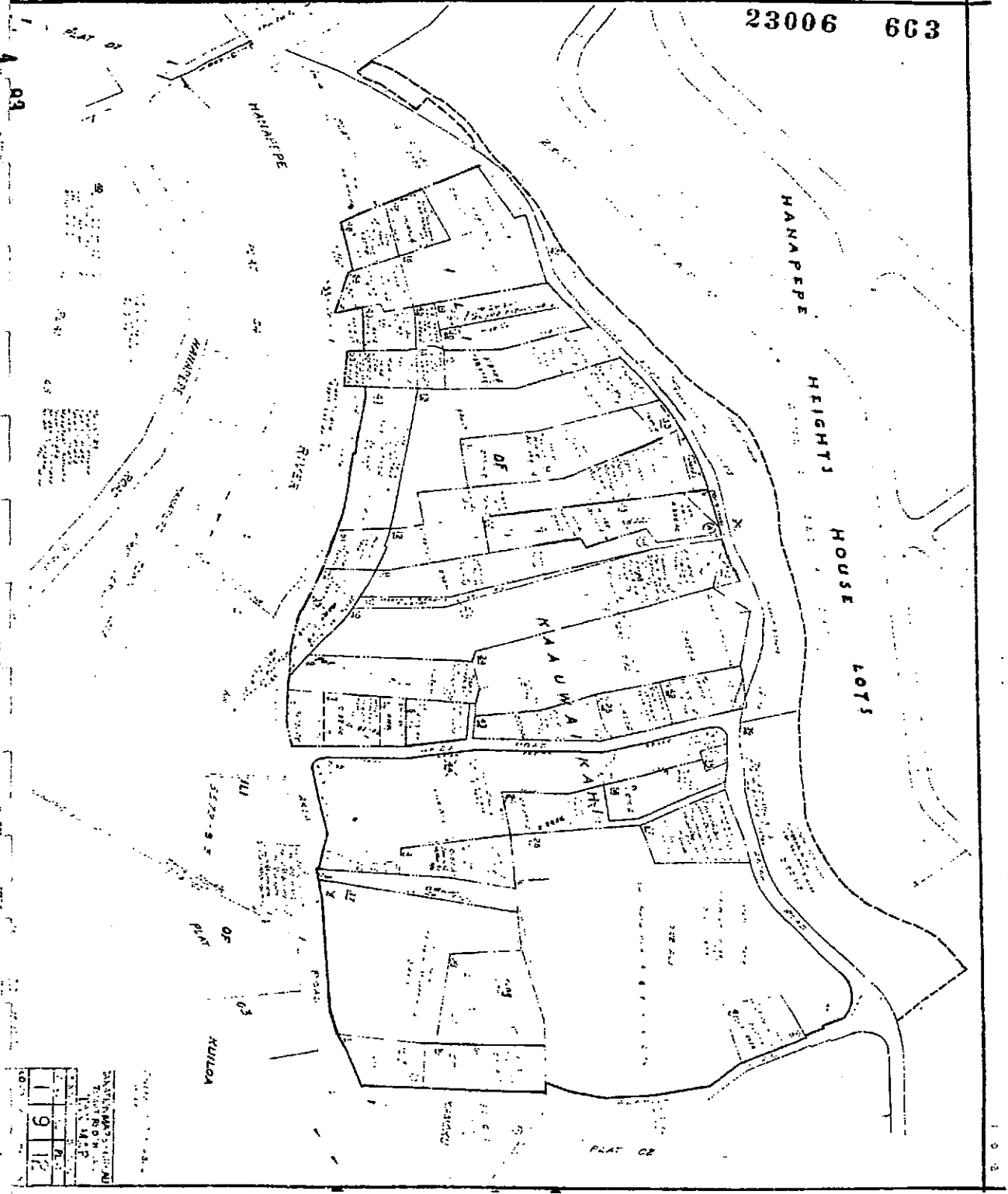
PLAT NO.	1
ZONE SEC. PLAT	9 07
CONTAINING PARCELS	SCALE 4 INCHES

4 78

North-South
 4:30 PM

23006 663

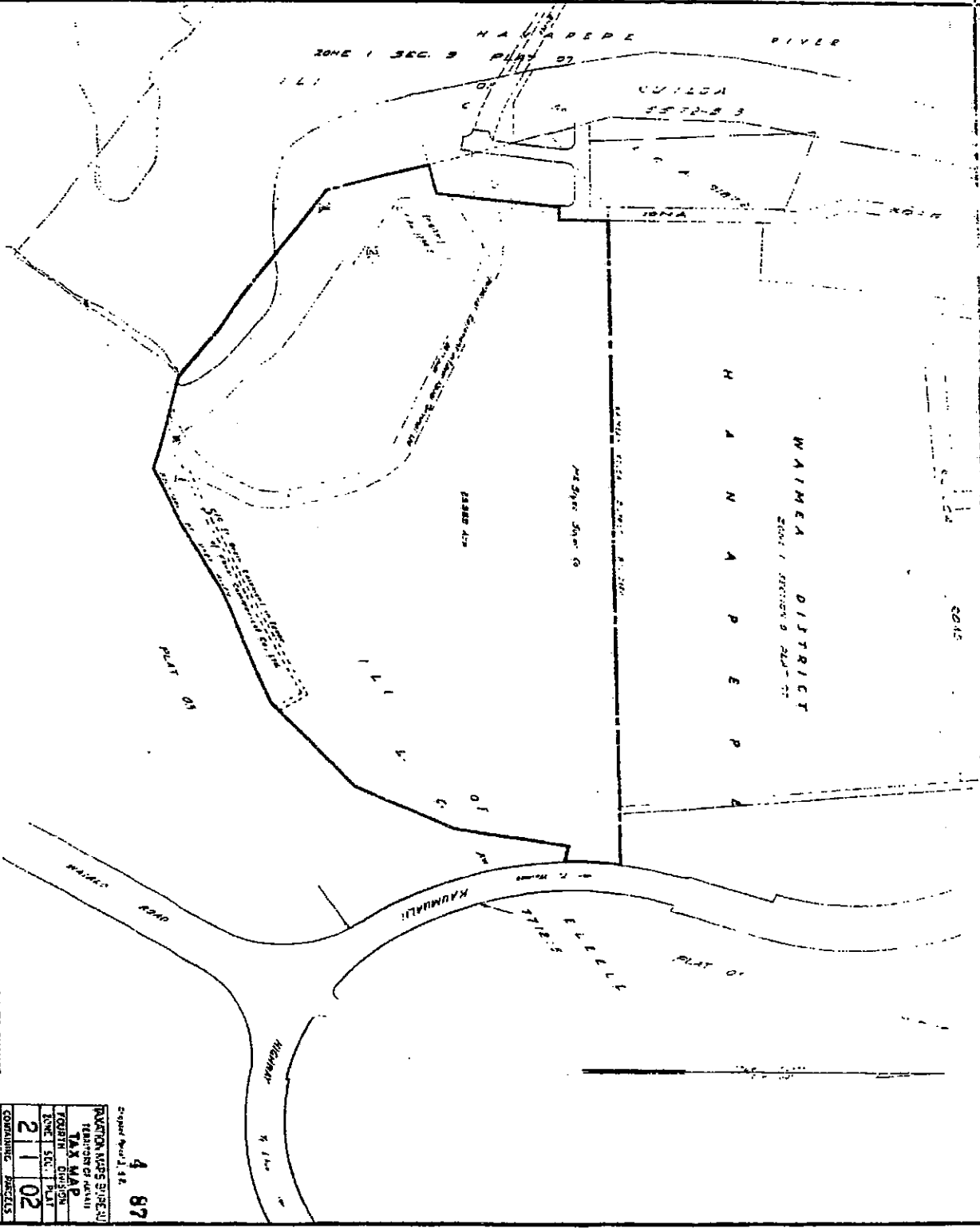
Recorder's Office
Writing, Typing or Printing UNSATISFACTORY
When Received.



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23006 665

PORTION OF 141 OF EEELE, KOLA, KAUAU.

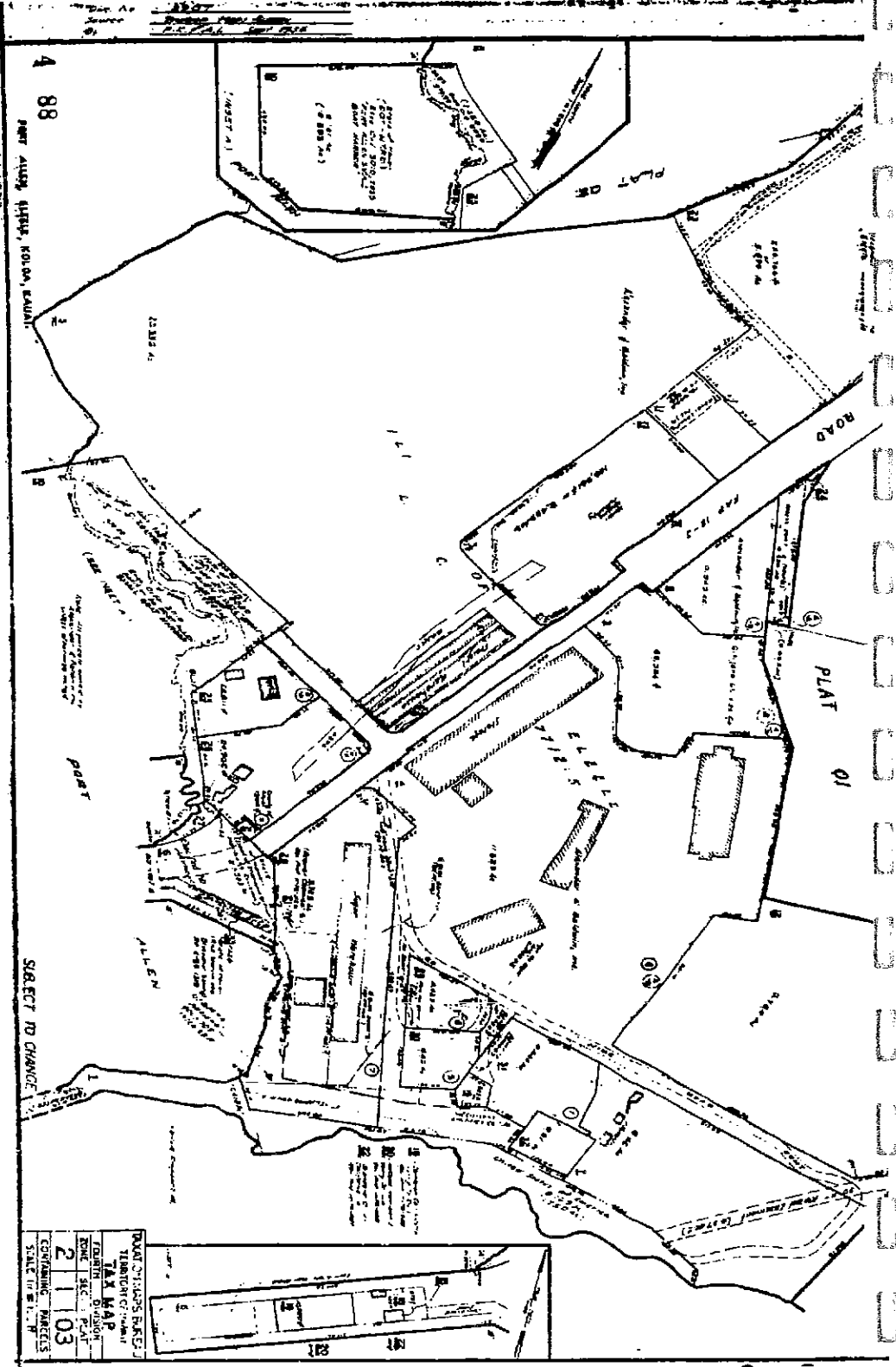


SUBJECT TO CHANGE

4 87

PORTION MAPS SHOWN	
TERRITORY OF HAWAII	
T.M.S. MAP	
FOURTH DIVISION	
ZONE	SEC. 9
21	02
CONTAINING	
PARCELS	
SECTION 9, T.M.S. MAP	
HAWAII	

Recorder's Office
 Recording, Typing or Printing UNSATISFACTORY
 when received.



4 88

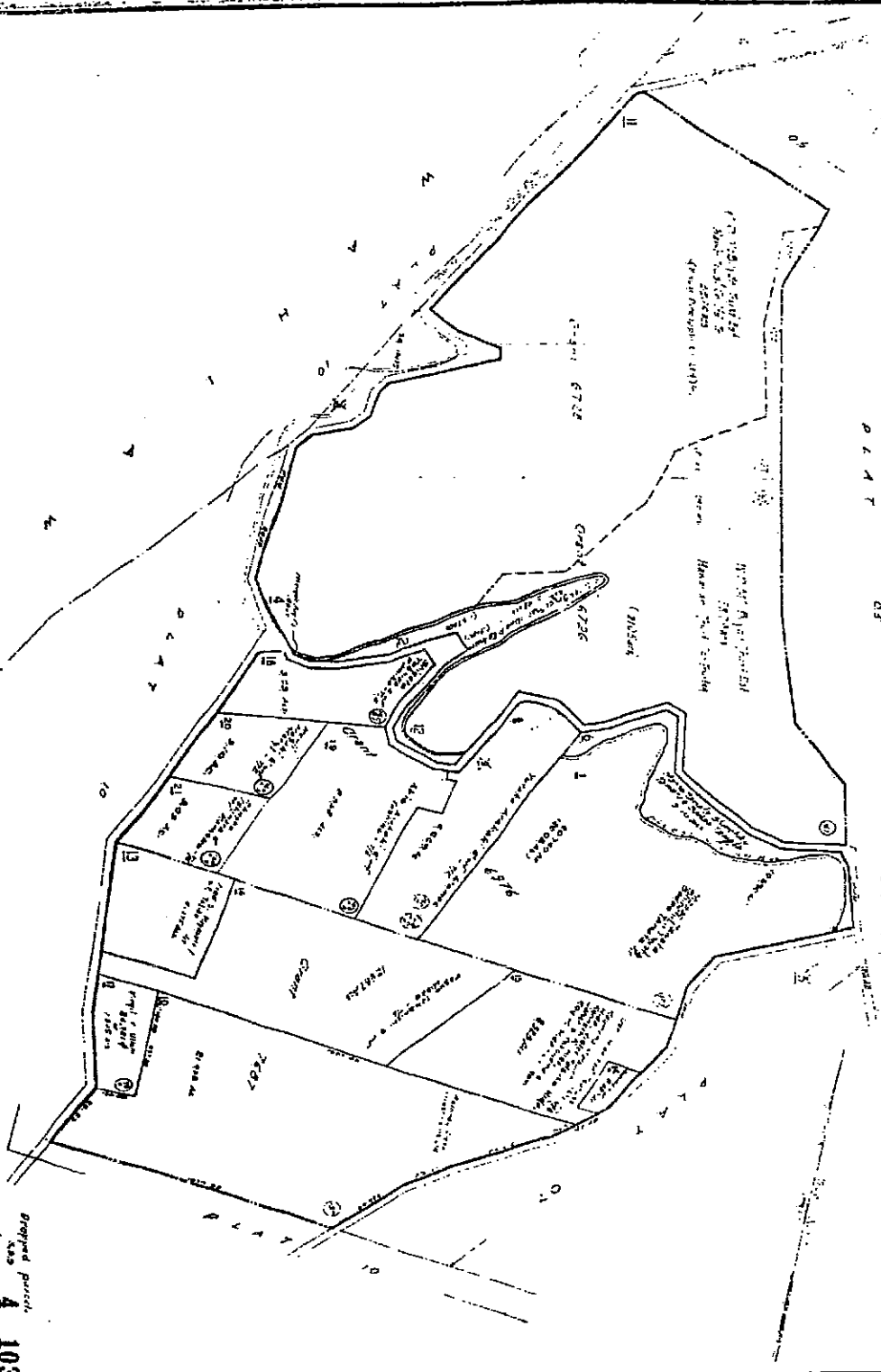
PORT ALLEN, ILLINOIS, KOLON, KADAN

SUBJECT TO CHANGE

PORT ALLEN, ILLINOIS, KOLON, KADAN			
DRAWN BY: [Name]			
CHECKED BY: [Name]			
DATE: [Date]			
SCALE: 1:500			
SHEET NO. 03			

T 01 0

PORTION OF KALAHOU HOMESTEAD, 2ND SERIES, KONA, KAUAI.



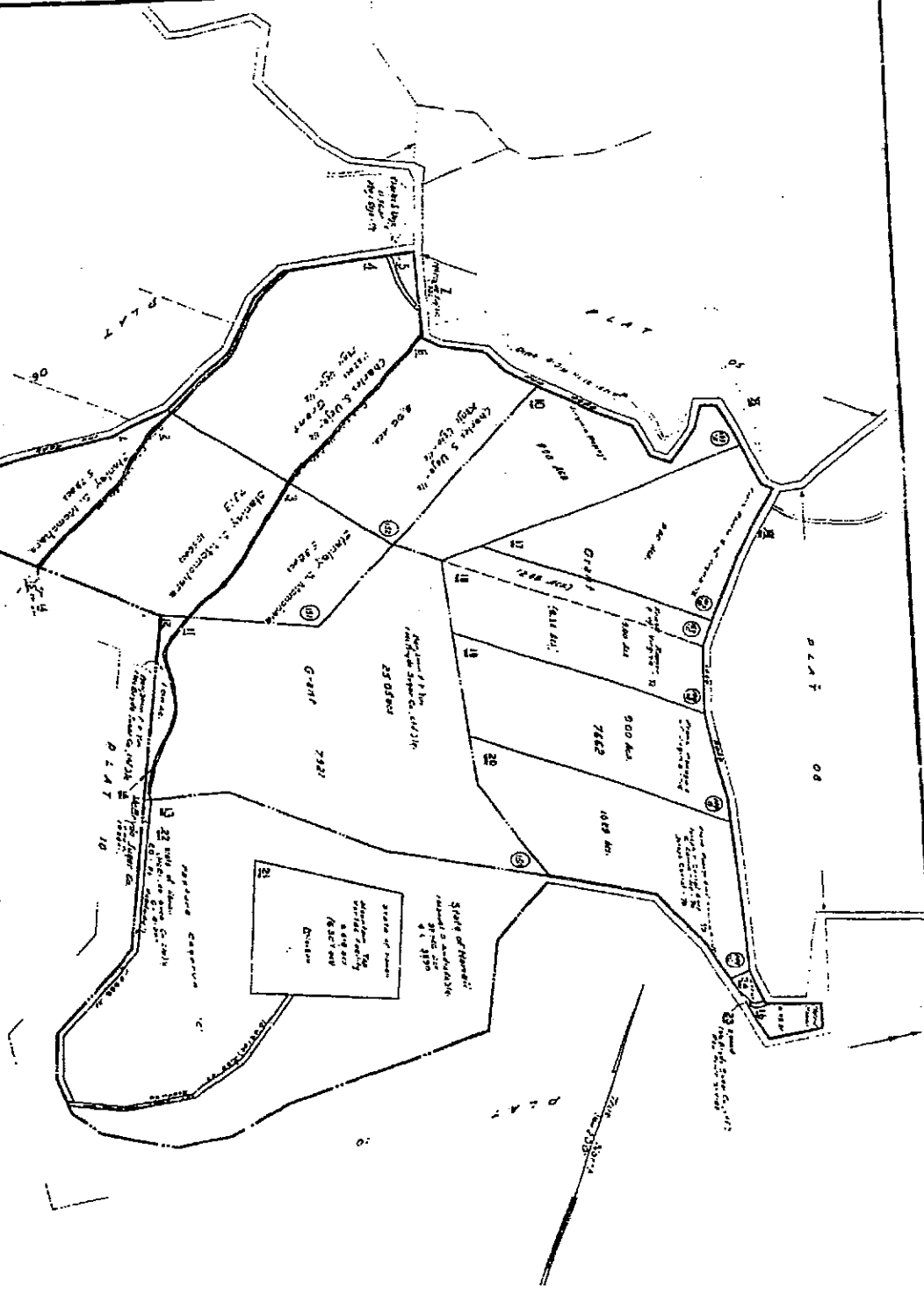
Recorder's Office
 All filings, Typing or Printing UNSATISFACTORY
 must be reworked and resubmitted when received.

SUBJECT TO CHANGE

Proposed parcel
 size
 4 103

DIVISIONS BUREAU	
OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES	
TAX MAP	
NO. OF PAGES	2
NO. OF SHEETS	3
NO. OF PARCELS	06
CONTAINING PARCELS	
SCALE: 1" = 200'	

Recorder's Office
Recording, Typing or Printing UNSATISFACTORY
Document when received.



4 104

PORTION OF KALIHIWA HONOLULU, 2ND SERIES, TRAIL, KAUAI

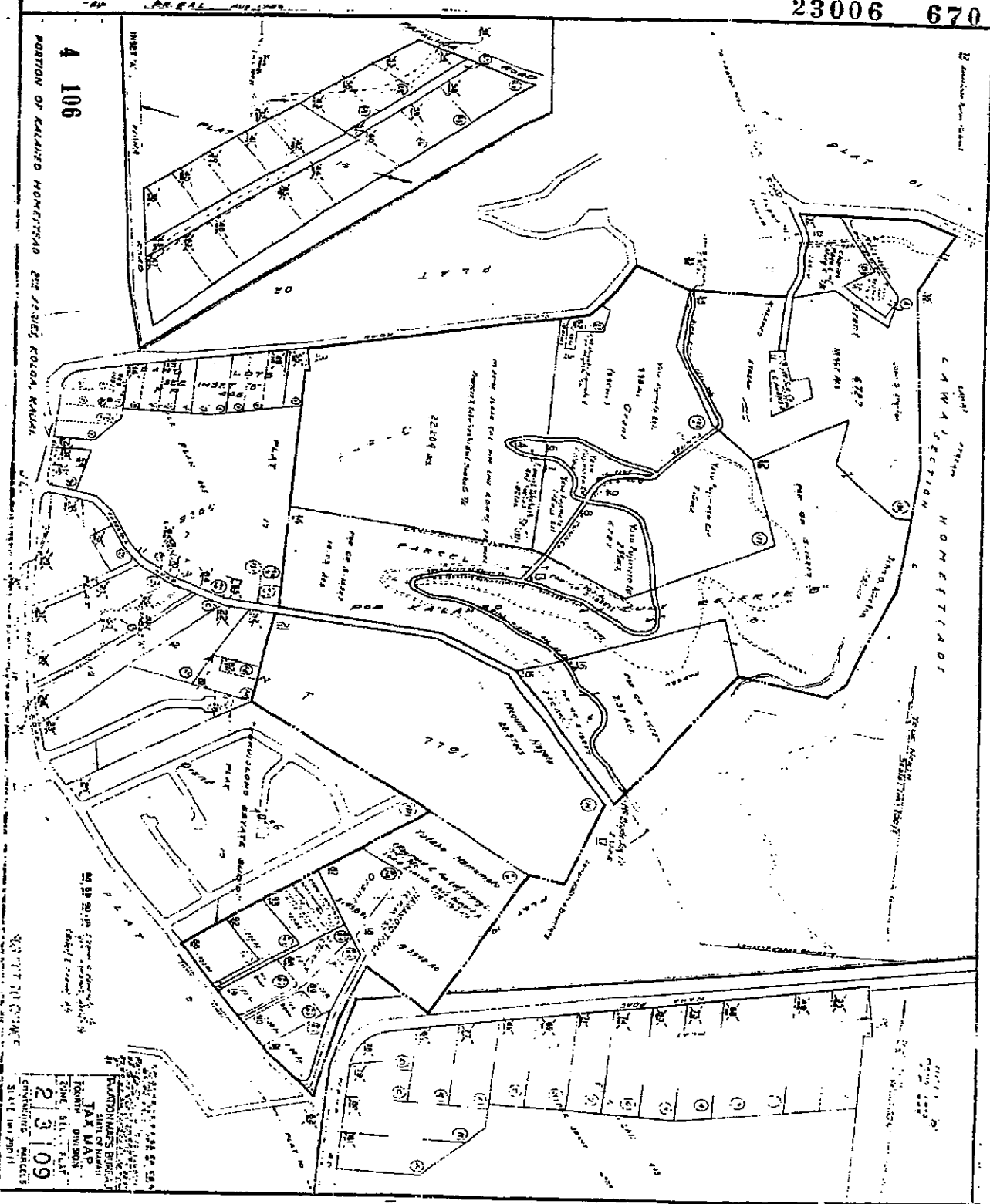
SUBJECT TO...

REVISION MAPS SECTION			
TERRITORIAL MAPS			
TAX MAP			
FOURTH DIVISION			
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CONTAINING PARCELS			

23006 670

4 106

BOSTON OF KALANEO HOMETIADIS 212 JAMES COLON, KALIA



Recorder's Review of Printing, Typing or Printing UNSATISFACTORY
 Applicant when received.

PLANTING AND BUREAU
 TAX MAP
 TOWN OF
 DIVISION
 2 3 09
 STATE

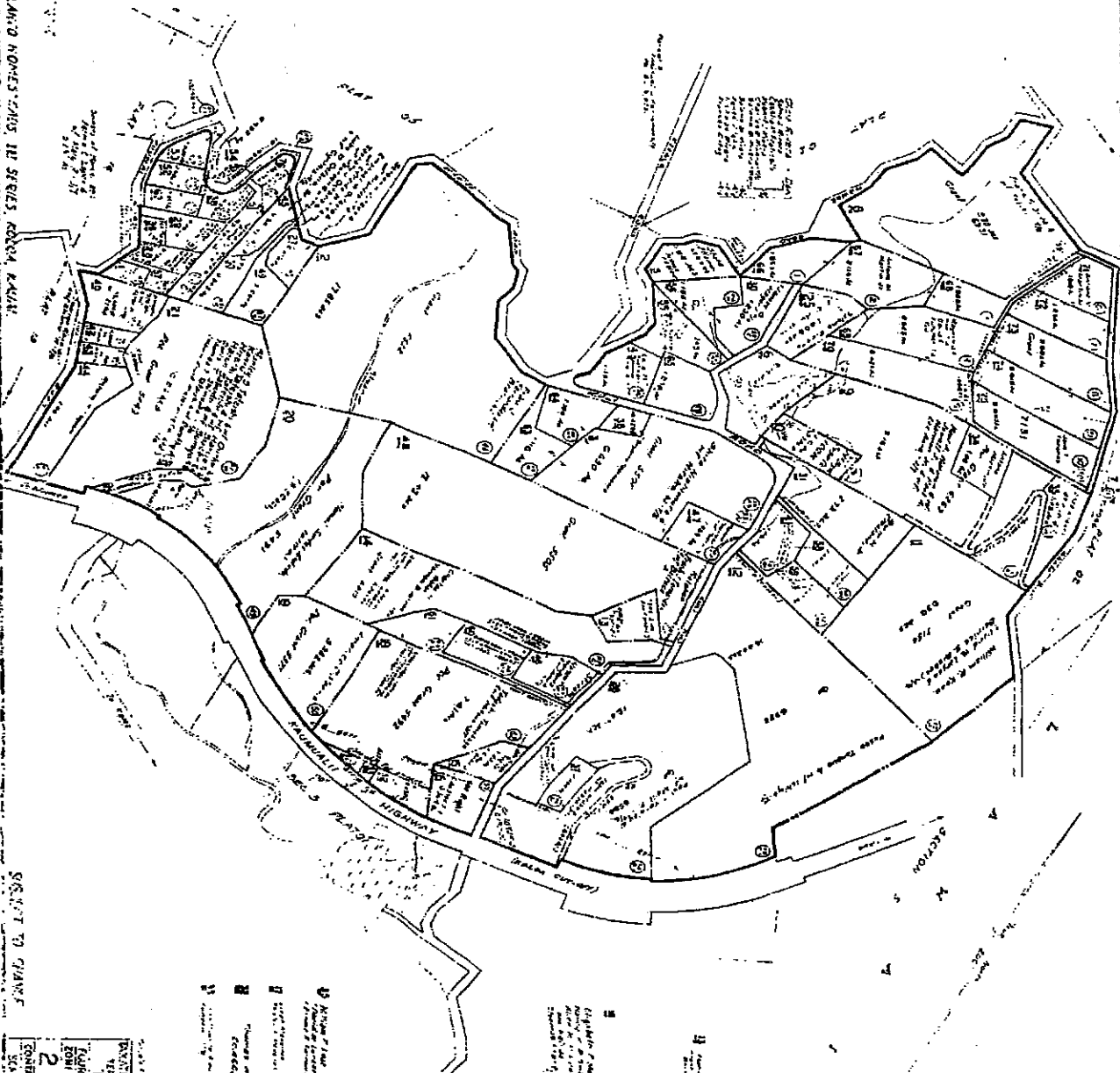
23006 671

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PORTION OF KALANIO HOMESTEAD IN SECT. 10, T. 15N., R. 15W., HAWAII

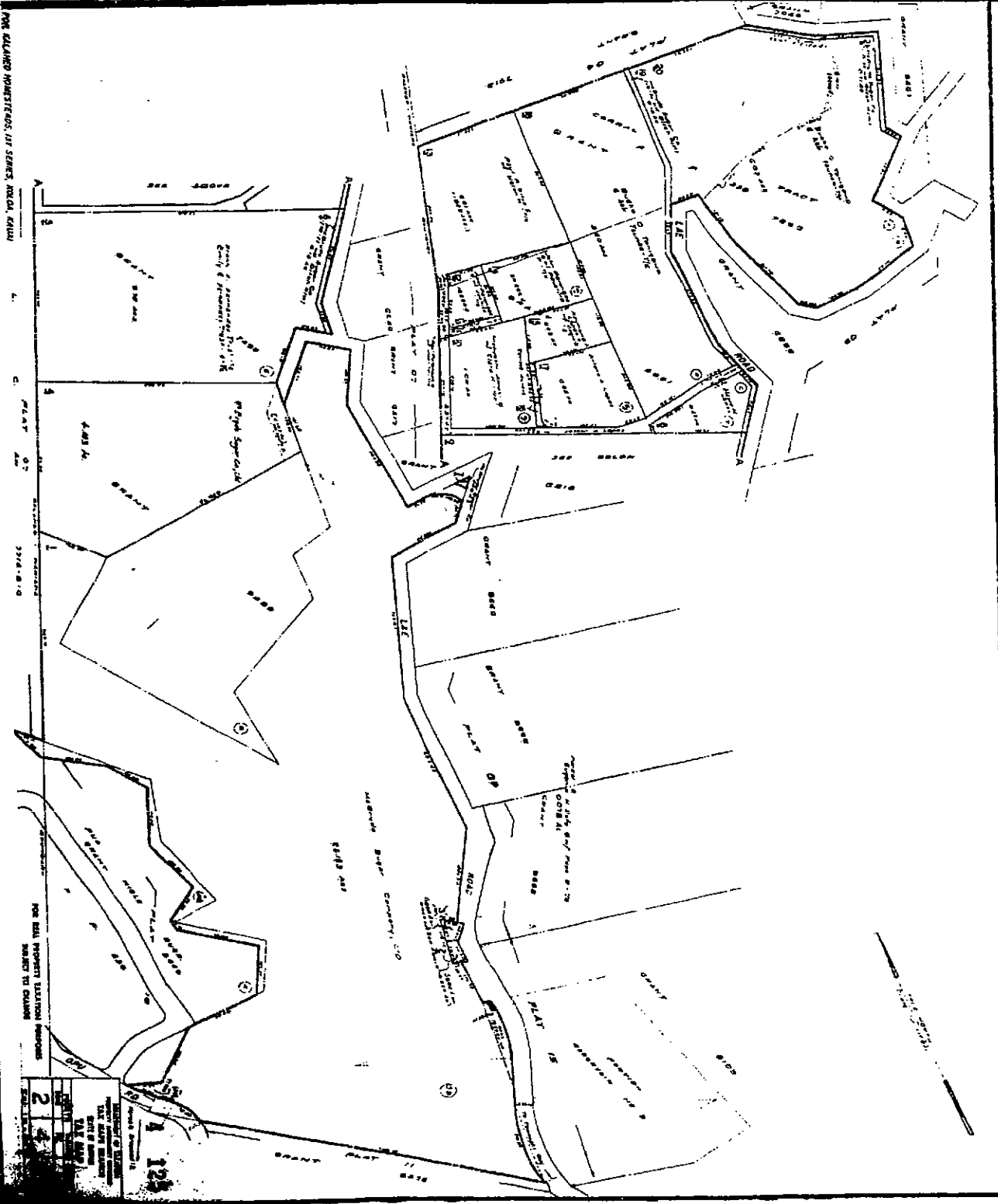
SECTION 10

DISTRICT OF HAWAII
 COUNTY OF HONOLULU
 TAX MAP
 2 4 01
 CONTAINING 12 PAGES
 FILED IN THE OFFICE OF THE
 COUNTY ENGINEER
 HONOLULU, HAWAII



Recorder's Office
 Office of Billing, Typing or Printing UNSATISFACTORY
 Statement when received.

23006 672



FOR CALLED HOMETOWN, 1st SERIES, R.O.L.D. 4214

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Recorder's Office
 All Plans, Typing or Printing UNSATISFACTORY
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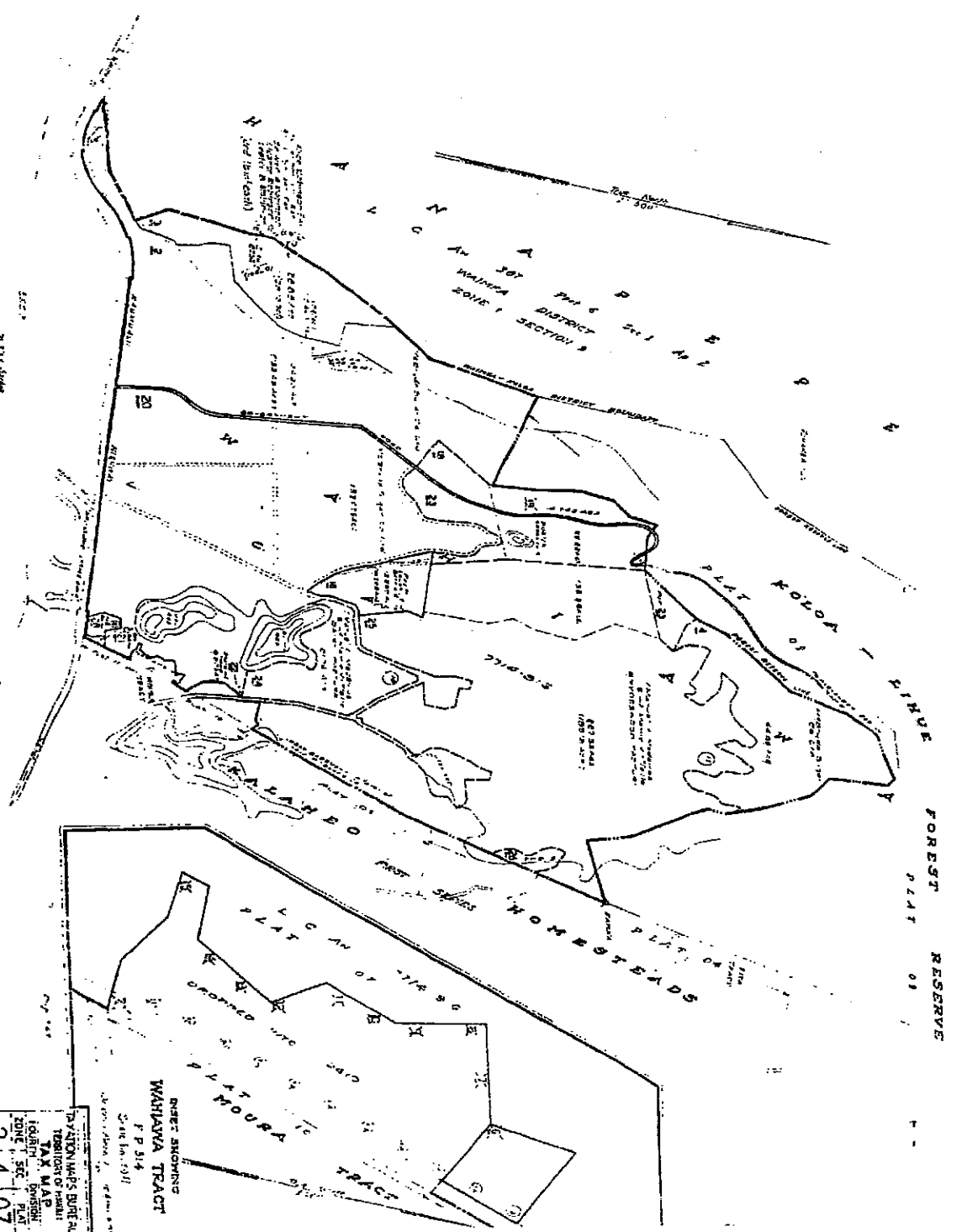
23006 673

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N.W. TOWN OF WAHAWA, KONO, MAUI.

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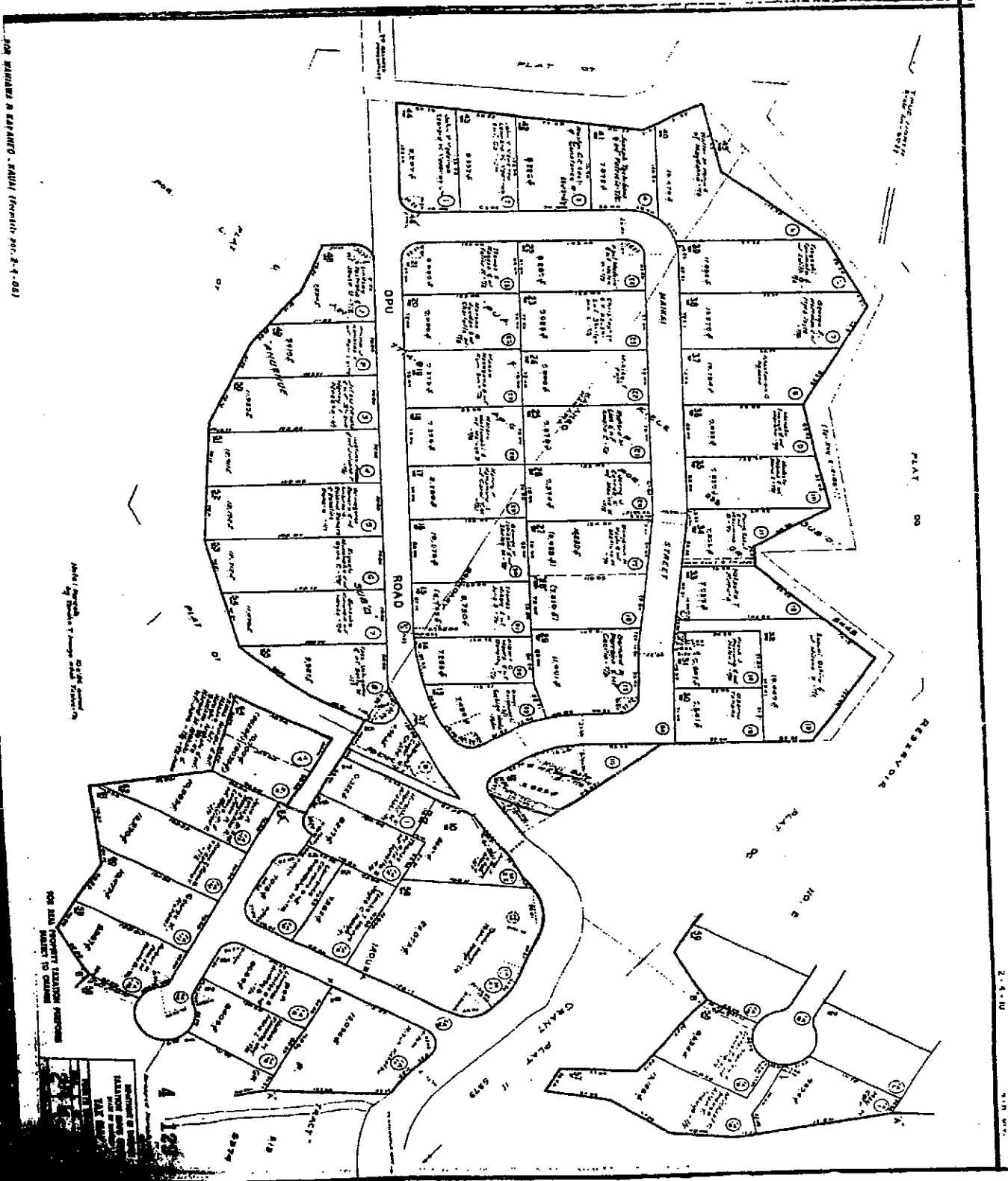
SUBJECT TO CHANGE



DEED SHOWING
WAHAWA TRACT
P.P. 514
Scale 1/4" = 50'
No. 126, 1911

TRAYTON MAP'S SURVEY PL.
RECORD OF DEEDS
TAX MAP
OWNER'S
ZONE 2
SEC. 4
PL. 07
COMPASSIONATE
REDEVELOPMENT
SCALE 1/4" = 50'
MAP

Recorder's Receipt
The original of this instrument, together with a true and correct copy thereof, was presented to me for recording on this day of _____, 19____, and I have caused the same to be recorded in _____ of _____, Maui, Hawaii, Territory, at _____ o'clock of _____ day of _____, 19____.



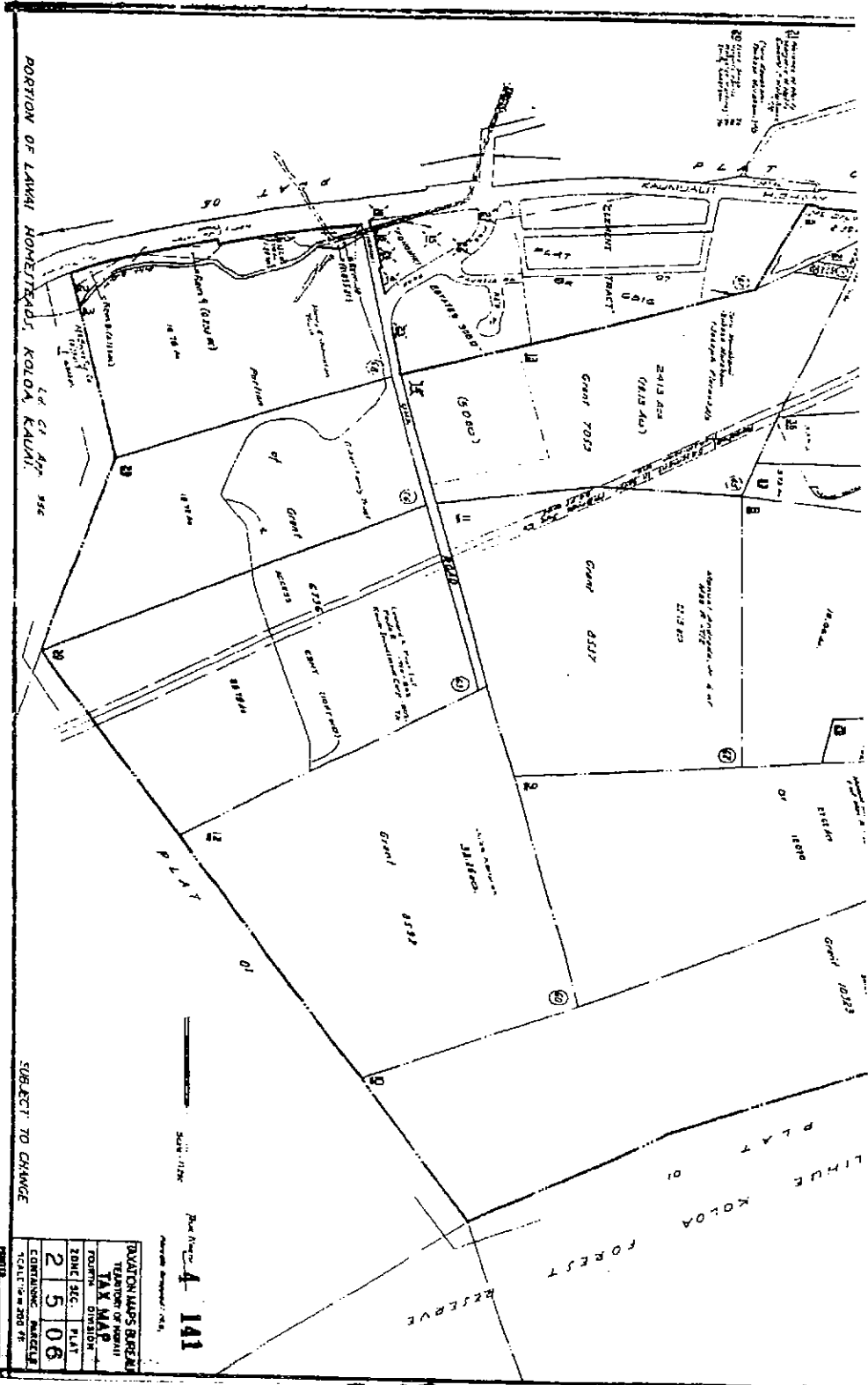
FOR RANSOME & COMPANY - SALES (Form 101) - 3-4-63

Map of Section 7, Township 35N, Range 12E, T13S, R12E, S7E, 7th Principal Meridian, State of Kansas

SEE ALL PROPERTY TAXES REFERRED TO ON THIS MAP

THE STATE OF KANSAS
 DEPARTMENT OF REVENUE
 TAX MAP NO. 1111
 1111
 1111

Recorder's Memorandum of Writing, Typing or Printing UNSATISFACTORY
 when received.



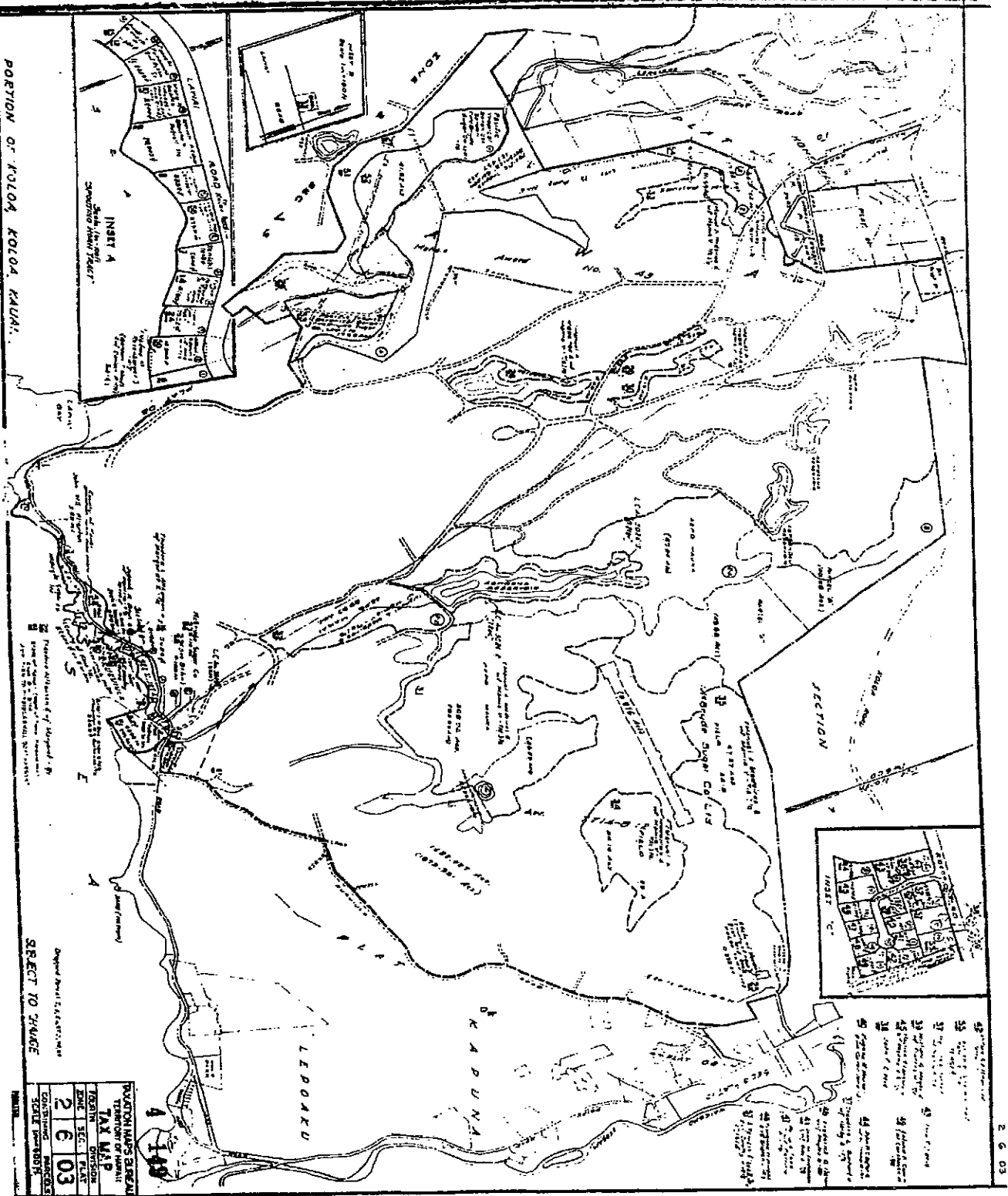
DIVISION OF LANDS BUREAU			
TELEPHONE DIVISION			
TAX MAP			
FORM NO.	DIVISION	PLAT	
2	5	06	
CONTINUING SERIES			
SCALE 1" = 120'			

SUBJECT TO CHANGE

Dec 1944
Map No. 4 141

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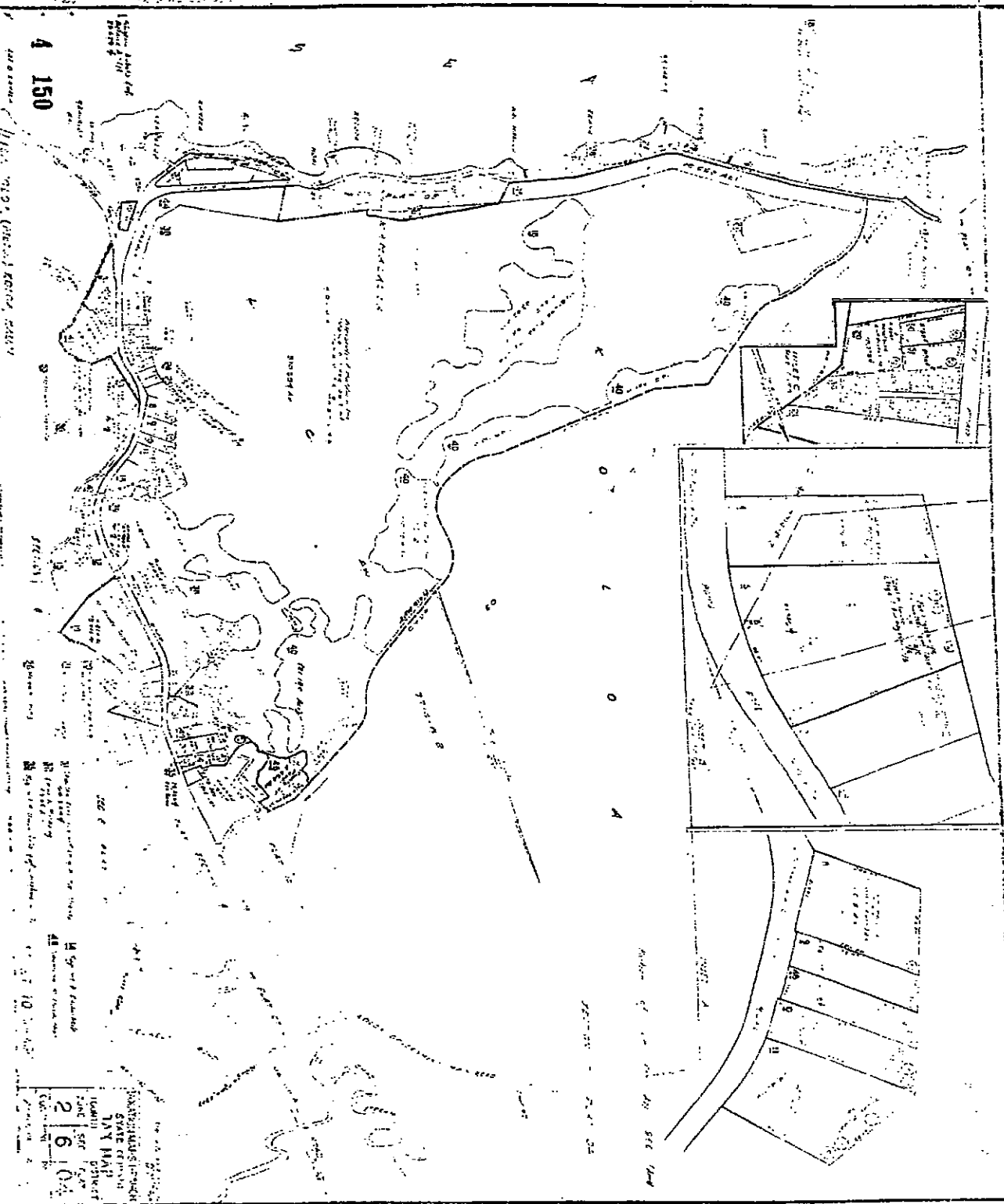
Recorder's Memo: [Illegible] on Writing, Typing or Printing UNSATISFACTORY
 [Illegible] present when received.



2 6 03

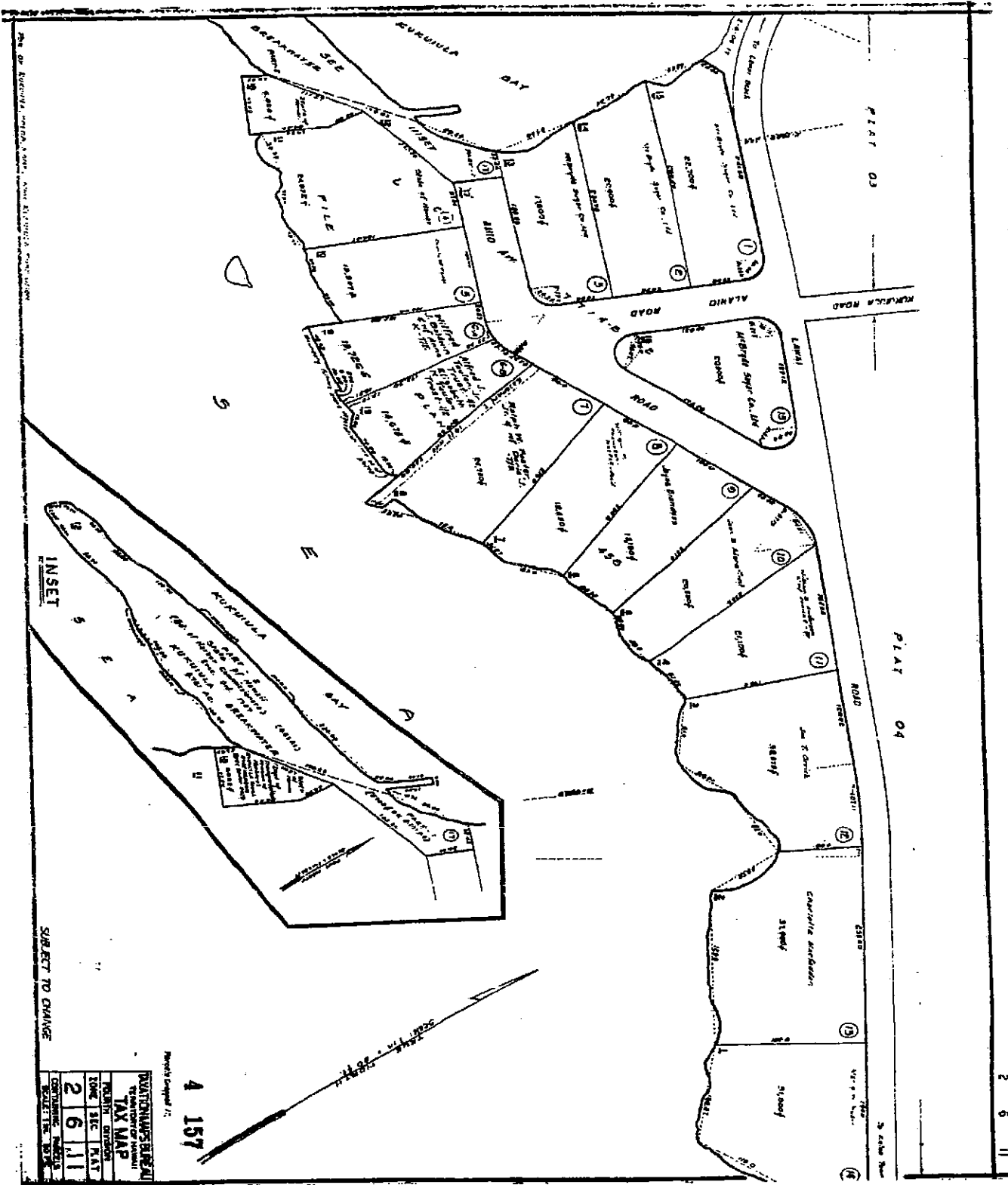
TERRITORY OF HAWAII	
COUNTY OF KAUAI	
TOWN OF KOLOA	
SECTION TO CHANGE	
SECTION	4 149
OWNER	[Illegible]
DATE	2 6 03
BY	[Illegible]
FOR	[Illegible]

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Recorder's Memo
 Writing, Typing or Printing UNSATISFACTORY
 Submit when received.

STATE OF IOWA
 LAYMAN
 2 6 10

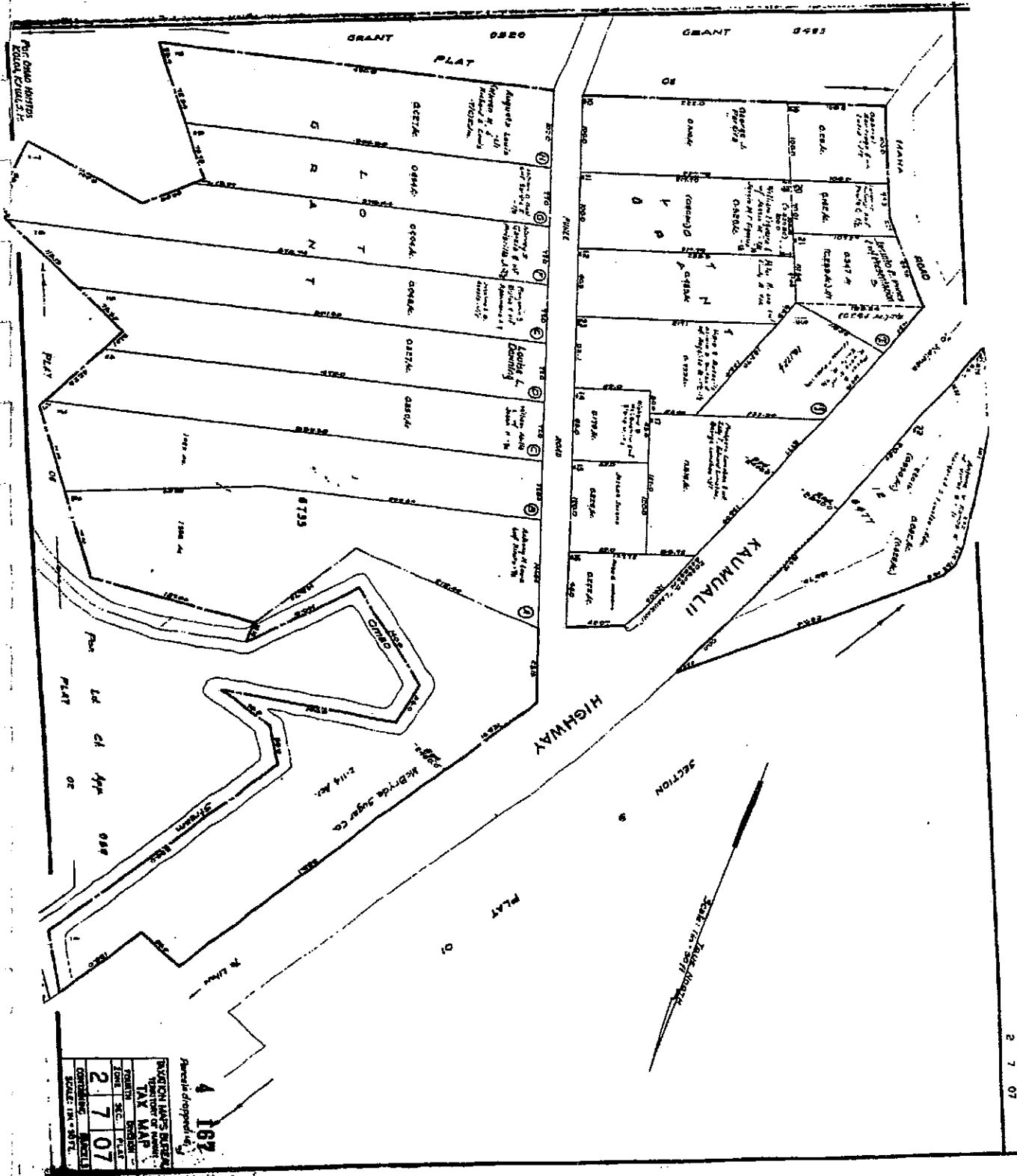


Recorder's Office
 Writing, Typing or Printing UNSATISFACTORY
 when received.

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DIVISION OF REVENUE
 TAX MAP
 COUNTY OF...
 TOWN OF...
 SECTION...
 PLAT...
 CONTAINING...
 SUBJECT TO CHANGE

23006 679



Recorder's Office
 Printing, Typing or Printing UNSATISFACTORY
 when received.

2 7 07

Prepared by
4 1897
 RAYMOND LAM'S BUREAU
 TOWN OF KAUWULI
 TAX MAP
 ZONE 1 SEC. 9 T. 14 S.
2 7 07
 SCALE IN CHAINS

23006 680

SUBJECT, HOWEVER, TO, as to all of the land described above, any and all encumbrances affecting the land described above existing as of the date of this instrument.

TOGETHER WITH BUT SUBJECT TO, as to all of the land described above, any and all leases affecting portion or portions of the land described above existing as of the date of this instrument, and all rents reserved thereunder, and the benefit of all the lessee's covenants and all rights and remedies of the lessor contained therein.

R-167

STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

JAN 11, 2000 08:01 AM

Doc No(s) 2000-003694

/s/CARL T. WATANABE
ACTING
REGISTRAR OF CONVEYANCES

LAND COURT

REGULAR SYSTEM

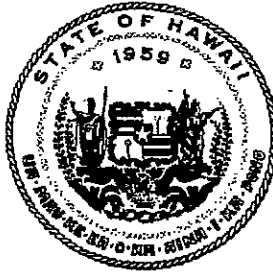
AFTER RECORDATION, RETURN BY MAIL PICK-UP TO:

ALEXANDER & BALDWIN, INC.
822 Bishop Street 2nd Floor
Honolulu, HI 96813
Attn: Charles W. Loomis, Esq.

TGA (A&B Inc.)

NUMBER OF PAGES: 2

CERTIFICATE OF MERGER



Department of Commerce and Consumer Affairs

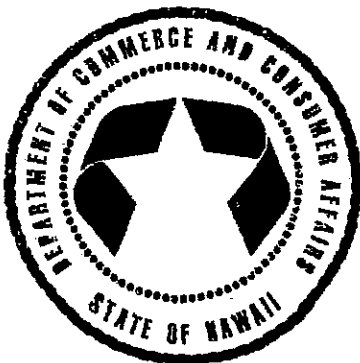
CERTIFICATE OF MERGER

I, KATHRYN S. MATAYOSHI, Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that pursuant to the Articles of Merger and Plan of Merger of ALEXANDER & BALDWIN, INC., a Hawaii corporation, filed in this Department on December 15, 1999, in accordance with the provisions of Section 415-75 of the Hawaii Revised Statutes, A&B-HAWAII, INC., a Hawaii corporation, was merged with and into ALEXANDER & BALDWIN, INC. on December 31, 1999, at 11:59 p.m.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, State of Hawaii, this 3rd day of January, 2000.

Director of Commerce and Consumer Affairs

By Amy Oha
for Commissioner of Securities



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State of Hawaii

Department of Treasury and Regulation

Honolulu

It is hereby certified that the attached is a true and exact copy of:

CERTIFICATE OF TREASURER OF THE STATE OF HAWAII OF MERGER

of

HAWAIIAN COMMERCIAL AND SUGAR COMPANY, LIMITED

with and into

ALEXANDER & BALDWIN, LIMITED

issued on January 3, 1962.



*In witness whereof, I have hereunto
set my hand and affixed the seal of the
Department of Treasury and Regulation, at
Honolulu, this 4th day of January, 1962.*

Treasurer, State of Hawaii

IN THE DEPARTMENT OF TREASURY AND REGULATION

STATE OF HAWAII

In the Matter of the Merger of)
HAWAIIAN COMMERCIAL AND SUGAR)
COMPANY, LIMITED)
with and into)
ALEXANDER & BALDWIN, LIMITED)

CERTIFICATE OF TREASURER OF THE
STATE OF HAWAII OF MERGER

IN THE DEPARTMENT OF TREASURY AND REGULATION

STATE OF HAWAII

In the Matter of the Merger of)
 HAWAIIAN COMMERCIAL AND SUGAR)
 COMPANY, LIMITED)
 with and into)
 ALEXANDER & BALDWIN, LIMITED)

CERTIFICATE OF TREASURER OF THE
 STATE OF HAWAII OF MERGER

ALEXANDER & BALDWIN, LIMITED, a Hawaii corporation,
 and HAWAIIAN COMMERCIAL AND SUGAR COMPANY, LIMITED, a like
 corporation, having filed in the Office of the Treasurer of
 the State of Hawaii for approval a Merger Agreement by and
 between the said ALEXANDER & BALDWIN, LIMITED, and HAWAIIAN
 COMMERCIAL AND SUGAR COMPANY, LIMITED, dated as of December
 29, 1961, together with accompanying certificates of approval,
 pursuant to and in compliance with the provisions of Chapter
 173, Revised Laws of Hawaii 1955, and it appearing therefrom
 and from the documents on file in this office that all of the
 provisions of said Chapter 173 have been fully complied with,
 and that the Treasurer should certify that said merger has
 been effected in compliance with said Chapter 173,

IT IS THEREFORE ORDERED that said Merger Agreement
 be and it is hereby approved;

AND in compliance with Section 173-11 of the Revised
 Laws of Hawaii 1955,

IT IS HEREBY FURTHER CERTIFIED AS FOLLOWS:

(1) That the name of each constituent corporation is as follows: Hawaiian Commercial and Sugar Company, Limited, and Alexander & Baldwin, Limited;

(2) That the name of the surviving corporation is as follows: Alexander & Baldwin, Limited;

(3) That the names of the officers and directors of the surviving corporation, at the time of the filing of the Merger Agreement, are as follows:

<u>Name</u>	<u>Office</u>	<u>Address</u>
J. W. Cameron	Chairman of the Board	Paia, Maui
C. C. Cadagan	President, General Manager and Director	4014 Poli Hiwa Place Honolulu, Hawaii
J. T. Waterhouse	Vice President and Director	3850 Round Top Drive Honolulu, Hawaii
J. G. McIntosh	Vice President and Director	2130 Ralston Avenue Hillsborough, Calif.
R. L. Kingsbury	Vice President	1920-92nd Street, N.E. Bellevue, Washington
W. E. Sheehan	Vice President and Secretary	3871 Old Pali Road Honolulu, Hawaii
H. H. Goss	Vice President	4803 Kolohala Street Honolulu, Hawaii
R. G. Jamieson	Treasurer	4809 Kolohala Street Honolulu, Hawaii
A. H. Gorie	Assistant Treasurer	220 Highland Avenue Piedmont, California
R. S. Waterhouse	Assistant Treasurer and Director	2125 Keeaumoku Street Honolulu, Hawaii
C. G. Ruff	Assistant Treasurer	5538 Pia Street Honolulu, Hawaii
R. H. Cox	Assistant Secretary	1951 Kakela Drive Honolulu, Hawaii
E. F. Major	Assistant Secretary	4370 Kahala Avenue Honolulu, Hawaii
E. S. Benedict	Assistant Secretary	220 Selton Drive Menlo Park, Calif.
A. F. Baldwin	Director	Puunene, Maui

<u>Name</u>	<u>Office</u>	<u>Address</u>
R. H. Baldwin	Director	Makawao, Maui
E. Benner, Jr.	Director	4473 Aukai Avenue Honolulu, Hawaii
A. L. Castle	Director	23 Jack Lane, Honolulu, Hawaii
C. E. Hanson	Director	1510 Ualakaq Place Honolulu, Hawaii
J. B. Hurd	Director	115 Lexford Road Piedmont, Calif.
J. R. Judd	Director	2490 Makiki Heights Drive Honolulu, Hawaii
R. A. Peterson	Director	2130 Mauna Place Honolulu, Hawaii
C. B. Wightman	Director	2022 Kakela Drive Honolulu, Hawaii

(4) That said Merger Agreement and all necessary certificates of approval required by said Chapter 173 were filed in the office of the Treasurer of the State of Hawaii on Tuesday, the 2nd day of January, 1962, at 7:47 A. M.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Treasurer's Office of the State of Hawaii at Honolulu, State of Hawaii, this 3rd day of January, 1962.



Oliver R. Aiu
Treasurer of the State of Hawaii

Entered of Record **JAN 16 1962** at 10:44 o'clock A. M.
and compared. **OLIVER R. AIU** Registrar of Conveyances.
By [Signature] Clerk

IN THE DEPARTMENT OF TREASURY AND REGULATION
STATE OF HAWAII

In the Matter of the Amendment
of the Articles of Association

of

ALEXANDER & BALDWIN, LIMITED

Changing the Name of the Corporation

to

ALEXANDER & BALDWIN, INC.

CERTIFICATE OF CHANGE OF NAME



SMITH, WILD, BEEBE & CADES
Fourth Floor
Bishop Trust Building
Honolulu, Hawaii

4191 PART 482

IN THE DEPARTMENT OF TREASURY AND REGULATION
STATE OF HAWAII

In the Matter of the Amendment
of the Articles of Association
of
ALEXANDER & BALDWIN, LIMITED
Changing the Name of the Corporation
to
ALEXANDER & BALDWIN, INC.

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CERTIFICATE OF CHANGE OF NAME

IT IS HEREBY CERTIFIED that pursuant to and in accordance with Section 172-20, Revised Laws of Hawaii 1955, as amended, there has been duly filed in the Department of Treasury and Regulation of the State of Hawaii a verified certificate showing that at a special meeting of the stockholders of ALEXANDER & BALDWIN, LIMITED duly called and held for that purpose, among others, Article FIRST of the Articles of Association of said corporation was amended by a vote of not less than two-thirds of all of the corporation's issued and outstanding stock having voting power; that the Treasurer of the State of Hawaii has determined that such amendment is not in conflict with Section 172-11 of the Revised Laws of Hawaii 1955, as amended; that by the aforesaid amendment the name of the corporation has been changed from ALEXANDER & BALDWIN, LIMITED to ALEXANDER & BALDWIN, INC; that such change of name, in accordance with law, shall become effective upon the filing of this Certificate in the Bureau of Conveyances of the State of Hawaii.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Treasurer's Office, State of Hawaii at Honolulu, Hawaii, this 2nd day of January, 1962.

Oliver K. Aho
Treasurer, State of Hawaii

Entered of Record JAN 3 1962 at 3:55 o'clock P. M.
and compared. Oliver K. Aho Registrar of Conveyances.
By [Signature] Clerk

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 000-00565

AB ALEXANDER & BALDWIN, INC.
(Exact name of registrant as specified in its charter)

Hawaii
(State or other jurisdiction of
incorporation or organization)

99-0032630
(I.R.S. Employer
Identification No.)

822 Bishop Street
Post Office Box 3440, Honolulu, Hawaii 96801
(Address of principal executive offices and zip code)

808-525-6611
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common Stock, without par value	NYSE

Securities registered pursuant to Section 12(g) of the Act:
None

Number of shares of Common Stock outstanding at February 11, 2010:

41,071,571

Aggregate market value of Common Stock held by non-affiliates at June 30, 2009:

\$937,803,905

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Documents Incorporated By Reference

Portions of Registrant's Proxy Statement dated March 11, 2010 (Part III of Form 10-K)

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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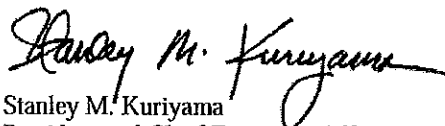
MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Alexander & Baldwin, Inc. has the responsibility for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, the company's principal executive and principal financial officers and effected by the company's board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting only provides reasonable assurance with respect to financial statement presentation and preparation. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2009. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework*. Based on its assessment, management believes that, as of December 31, 2009, the Company's internal control over financial reporting is effective. The Company's independent registered public accounting firm, Deloitte & Touche LLP, has issued an audit report on the Company's internal control over financial reporting. That report appears on page 58 of this Form 10-K.



Stanley M. Kuriyama
President and Chief Executive Officer

February 25, 2010



Christopher J. Benjamin
Senior Vice President, Chief Financial Officer and
Treasurer

February 25, 2010

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Alexander & Baldwin, Inc.
Honolulu, Hawaii


We have audited the accompanying consolidated balance sheets of Alexander & Baldwin, Inc. and subsidiaries (the "Company") as of December 31, 2009 and 2008, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2009. We also have audited the Company's internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alexander & Baldwin, Inc. and subsidiaries as of December 31, 2009 and 2008, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.



Honolulu, Hawaii
February 25, 2010

ALEXANDER & BALDWIN, INC.
CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per-share amounts)

	Year Ended December 31,		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Operating Revenue:			
Ocean transportation	\$ 887	\$ 1,021	\$ 1,003
Logistics services	321	436	433
Real estate leasing	84	79	72
Real estate sales	16	225	23
Agribusiness	97	119	120
Total operating revenue	<u>1,405</u>	<u>1,880</u>	<u>1,651</u>
Operating Costs and Expenses:			
Cost of ocean transportation services	740	825	789
Cost of logistics services	280	381	381
Cost of real estate sales and leasing	59	229	47
Cost of agribusiness goods and services	130	133	120
Selling, general and administrative	154	163	165
Total operating costs and expenses	<u>1,363</u>	<u>1,731</u>	<u>1,502</u>
Operating Income	42	149	149
Other Income and (Expense):			
Gain on insurance settlement and other	--	8	1
Gain on consolidation of HS&TC (Note 3)	5	--	--
Equity in income of real estate affiliates	--	9	23
Impairment loss on investment	(2)	(2)	--
Interest income	--	1	3
Interest expense	(25)	(24)	(19)
Income From Continuing Operations Before Income Taxes	20	141	157
Income taxes	8	52	59
Income From Continuing Operations	12	89	98
Income from discontinued operations, net of income taxes (Note 2)	32	43	44
Net Income	<u>\$ 44</u>	<u>\$ 132</u>	<u>\$ 142</u>
Basic Earnings per Share of Common Stock:			
Continuing operations	\$ 0.29	\$ 2.17	\$ 2.30
Discontinued operations	0.79	1.04	1.04
Net income	<u>\$ 1.08</u>	<u>\$ 3.21</u>	<u>\$ 3.34</u>
Diluted Earnings per Share of Common Stock:			
Continuing operations	\$ 0.29	\$ 2.15	\$ 2.27
Discontinued operations	0.79	1.04	1.03
Net income	<u>\$ 1.08</u>	<u>\$ 3.19</u>	<u>\$ 3.30</u>
Weighted Average Number of Shares Outstanding:			
Basic	41.0	41.2	42.5
Diluted	41.1	41.5	43.1

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2009	2008	2007
Cash Flow from Operating Activities:			
Net income	\$ 44	\$ 132	\$ 142
Adjustments to reconcile net income to net cash provided by operations:			
Depreciation and amortization	105	101	93
Deferred income taxes	1	19	26
Gains on disposal of assets, net of impairment losses	(51)	(91)	(64)
Casualty gain from receipt of insurance proceeds	--	(8)	--
Gain on consolidation of HS&TC	(5)	--	--
Share-based expense	9	11	17
Equity in income of affiliates, net of distributions	(1)	11	1
Changes in operating assets and liabilities:			
Accounts and notes receivable	(16)	24	(9)
Inventories	(6)	(6)	(3)
Prepaid expenses and other assets	(5)	3	12
Deferred dry-docking costs	10	(9)	(22)
Liability for employee benefit plans	--	(3)	(3)
Accounts and income taxes payable	20	(37)	19
Other liabilities	11	(17)	14
Real Estate Developments Held for Sale:			
Real estate inventory sales	5	184	11
Expenditures for real estate inventory	(6)	(39)	(110)
Net cash provided by operations	<u>115</u>	<u>275</u>	<u>124</u>
Cash Flows from Investing Activities:			
Capital expenditures for property and developments	(31)	(109)	(122)
Proceeds from disposal of income-producing property, investments and other assets	32	19	18
Proceeds from insurance settlement related to 2005 casualty loss	--	8	--
Deposits into Capital Construction Fund	(4)	(7)	(30)
Withdrawals from Capital Construction Fund	4	8	30
Acquisition of businesses, net of cash acquired	10	(27)	--
Payments for purchases of investments	(48)	(60)	(43)
Proceeds from sale and maturity of investments	6	19	2
Net cash used in investing activities	<u>(31)</u>	<u>(149)</u>	<u>(145)</u>
Cash Flows from Financing Activities:			
Proceeds from issuance of long-term debt	241	127	139
Payments of long-term debt and deferred financing costs	(288)	(138)	(88)
Proceeds from (payments on) short-term borrowings, net	13	(5)	15
Repurchases of capital stock	--	(59)	(33)
Proceeds from issuance of capital stock, net of excess tax benefit	(1)	2	8
Dividends paid	(52)	(51)	(48)
Net cash used in financing activities	<u>(87)</u>	<u>(124)</u>	<u>(7)</u>
Cash and Cash Equivalents:			
Net increase (decrease) for the year	(3)	2	(28)
Balance, beginning of year	19	17	45
Balance, end of year	<u>\$ 16</u>	<u>\$ 19</u>	<u>\$ 17</u>
Other Cash Flow Information:			
Interest paid, net of amounts capitalized	\$ (24)	\$ (25)	\$ (25)
Income taxes paid	\$ (38)	\$ (63)	\$ (55)
Non-cash Activities:			
Debt assumed in real estate purchase	\$ --	\$ 11	\$ --
Tax-deferred property sales	\$ 109	\$ 112	\$ 83
Tax-deferred property purchases	\$ (95)	\$ (46)	\$ (91)

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except per-share amount)

	December 31,	
	2009	2008
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 16	\$ 19
Accounts and notes receivable, less allowances of \$10 for 2009 and \$8 for 2008	172	163
Inventories	43	28
Real estate held for sale	36	20
Deferred income taxes	6	--
Section 1031 exchange proceeds	1	23
Prepaid expenses and other assets	33	31
Total current assets	307	284
Investments in Affiliates	242	208
Real Estate Developments	88	78
Property – net	1,536	1,590
Employee Benefit Plan Assets	3	3
Other Assets	204	187
Total	\$ 2,380	\$ 2,350
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Notes payable and current portion of long-term debt	\$ 65	\$ 52
Accounts payable	132	105
Payroll and vacation benefits	18	18
Uninsured claims	9	10
Deferred income taxes	--	1
Accrued and other liabilities	73	52
Total current liabilities	297	238
Long-term Liabilities		
Long-term debt	406	452
Deferred income taxes	428	414
Employee benefit plans	116	122
Uninsured claims and other liabilities	48	52
Total long-term liabilities	998	1,040
Commitments and Contingencies (Note 12)		
Shareholders' Equity		
Capital stock – common stock without par value; authorized, 150 million shares (\$0.75 stated value per share); outstanding, 41.0 million shares in 2009 and 2008	33	33
Additional capital	210	204
Accumulated other comprehensive loss	(81)	(96)
Retained earnings	934	942
Cost of treasury stock	(11)	(11)
Total shareholders' equity	1,085	1,072
Total	\$ 2,380	\$ 2,350

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the three years ended December 31, 2009
(In millions, except per-share amounts)

	Capital Stock				Additional Capital	Accumulated Other Compre- hensive Loss	Retained Earnings	Total
	Issued		In Treasury					
	Shares	Stated Value	Shares	Cost				
Balance, December 31, 2006	46.2	35	3.6	(11)	179	(19)	843	1,027
Net income	—	—	—	—	—	—	142	142
Other comprehensive income, net of tax:								
Defined benefit plans:								
Net gain (loss)	—	—	—	—	—	14	—	14
Less: Amortization of net (gain) loss	—	—	—	—	—	1	—	1
Total comprehensive income								157
Shares repurchased	(0.7)	(1)	—	—	(4)	—	(28)	(33)
Shares issued	0.5	—	—	—	8	—	—	8
Share-based compensation	—	—	—	—	17	—	—	17
Adjustment to initially adopt accounting for uncertain tax positions	—	—	—	—	—	—	2	2
Dividends (\$1.12 per share)	—	—	—	—	—	—	(48)	(48)
Balance, December 31, 2007	46.0	34	3.6	(11)	200	(4)	911	1,130
Net income	—	—	—	—	—	—	132	132
Other comprehensive income, net of tax:								
Defined benefit plans:								
Net loss/prior service cost	—	—	—	—	—	(93)	—	(93)
Less: Amortization of net loss/prior service cost	—	—	—	—	—	1	—	1
Total comprehensive income								40
Shares repurchased	(1.4)	(1)	—	—	(8)	—	(50)	(59)
Shares issued	—	—	—	—	1	—	—	1
Share-based compensation	—	—	—	—	11	—	—	11
Dividends (\$1.23 per share)	—	—	—	—	—	—	(51)	(51)
Balance, December 31, 2008	44.6	33	3.6	(11)	204	(96)	942	1,072
Net income	—	—	—	—	—	—	44	44
Other comprehensive income, net of tax:								
Defined benefit plans:								
Net gain/prior service (cost)	—	—	—	—	—	7	—	7
Less: Amortization of net loss/prior service cost	—	—	—	—	—	8	—	8
Total comprehensive income								59
Excess tax benefit and share withholding	—	—	—	—	(3)	—	—	(3)
Share-based compensation	—	—	—	—	9	—	—	9
Dividends (\$1.26 per share)	—	—	—	—	—	—	(52)	(52)
Balance, December 31, 2009	44.6	\$ 33	3.6	\$ (11)	\$ 210	\$ (81)	\$ 934	\$ 1,085

See notes to consolidated financial statements.

ALEXANDER & BALDWIN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business: Founded in 1870, Alexander & Baldwin, Inc. ("A&B" or the "Company") is incorporated under the laws of the State of Hawaii. A&B operates in five segments in three industries: Transportation, Real Estate and Agribusiness. These industries are described below:

Transportation: The Transportation Industry consists of Ocean Transportation and Logistics Services segments. The Ocean Transportation segment, which is conducted through Matson Navigation Company, Inc. ("Matson"), a wholly-owned subsidiary of A&B, is an asset-based business that derives its revenue primarily through the carriage of containerized freight between various U.S. Pacific Coast, Hawaii, Guam, China and other Pacific island ports. Additionally, the Ocean Transportation segment has a 35 percent interest in an entity (SSA Terminals, LLC or "SSAT") that provides terminal and stevedoring services at U.S. Pacific Coast facilities. The Logistics Services segment, which is conducted through Matson Integrated Logistics, Inc. ("MIL"), a wholly-owned subsidiary of Matson, is a non-asset based business that is a provider of domestic and international rail intermodal service ("Intermodal"), long-haul and regional highway brokerage, specialized hauling, flat-bed and project work, less-than-truckload, expedited/air freight services and warehousing and distribution services (collectively "Highway"). Warehousing and distribution services are provided by Matson Global Distribution Services, Inc. ("MGDS"), a wholly-owned subsidiary of MIL. MGDS's operations also include Pacific American Services, LLC ("PACAM"), a San Francisco bay-area regional warehousing, packaging, and distribution company.

Real Estate: The Real Estate Industry consists of two segments, both of which have operations in Hawaii and on the U.S. Mainland. The Real Estate Sales segment generates its revenues through the development and sale of land and commercial and residential properties. The Real Estate Leasing segment owns, operates and manages retail, office and industrial properties. Real estate activities are conducted through A&B Properties, Inc. and various other wholly-owned subsidiaries of A&B.

Agribusiness: Agribusiness, which contains one segment, produces and transports bulk raw sugar, specialty food-grade sugars, and molasses; produces, markets, and distributes roasted coffee, green coffee and specialty food-grade sugars; provides general trucking services, mobile equipment maintenance and repair services, and self-service storage in Hawaii; and generates and sells, to the extent not used in the Company's operations, electricity. In the fourth quarter of 2009, the Company became the sole member in Hawaiian Sugar & Transportation Cooperative ("HS&TC"), a cooperative that provides raw sugar marketing and transportation services to its members, and therefore, the Company consolidated HS&TC beginning December 1, 2009 in accordance with Financial Accounting Standard Board ("FASB") Accounting Standards Codification ("ASC") Topic 810 related to consolidation.

Principles of Consolidation: The consolidated financial statements include the accounts of Alexander & Baldwin, Inc. and all wholly-owned and controlled subsidiaries, after elimination of significant intercompany amounts. Significant investments in businesses, partnerships, and limited liability companies in which the Company does not have a controlling financial interest, but has the ability to exercise significant influence, are accounted for under the equity method. A controlling financial interest is one in which the Company has a majority voting interest or one in which the Company is the primary beneficiary that absorbs the majority of the expected losses, or receives a majority of the expected residual returns, or both, of a variable interest entity.

Risks and Uncertainties: Factors that could adversely impact the Company's operations or financial results include, but are not limited to, the following: unfavorable economic conditions in the U.S., Guam, or Asian markets that result in a further decrease in consumer confidence or market demand for the Company's services and products; increased competition; replacement of the Company's significant operating agreements; reduction in credit availability; downgrade in the Company's credit rating that affects its ability to secure adequate financing and/or increase the cost of financing; failure to comply with restrictive financial covenants in the Company's credit facilities; insolvency of the Company's insurance carriers; insolvency and/or failure of joint venture partner to

perform; loss and/or insolvency of significant agents, customers, or vendors; unfavorable political conditions in domestic or international markets; strikes or work stoppages; increased cost of energy or labor; noncompliance with and/or changes in laws and regulations relating to the Company's business; unfavorable litigation or legal proceedings or government inquiries or investigations; adverse weather conditions; changes in the legal and regulatory environment; changes in accounting and taxation standards, including an increase in tax rates; an inability to achieve the Company's overall long-term goals; an inability to protect the Company's information systems; future impairment charges; increased pension costs; inadequate internal controls; and global or regional catastrophic events.

Use of Estimates: The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported. Significant estimates and assumptions are used for, but not limited to: (i) asset impairments, (ii) legal contingencies, (iii) allowance for doubtful accounts, (iv) revenue recognition for long-term real estate developments, (v) self-insured liabilities, (vi) pension and postretirement estimates, and (vii) income taxes. Future results could be materially affected if actual results differ from these estimates and assumptions.

Cash and Cash Equivalents: Cash equivalents consist of highly liquid investments with a weighted-average maturity of three months or less at the date of purchase. The Company carries these investments at cost, which approximates fair value. Outstanding checks in excess of funds on deposit totaled \$22 million and \$15 million at December 31, 2009 and 2008, respectively, and are reflected as current liabilities in the consolidated balance sheets.

Fair Value of Financial Instruments: The fair values of cash and cash equivalents, receivables and short-term borrowings approximate their carrying values due to the short-term nature of the instruments. The carrying amount and fair value of the Company's long-term debt at December 31, 2009 was \$471 million and \$475 million, respectively and \$504 million and \$471 million at December 31, 2008, respectively.

Allowance for Doubtful Accounts: Allowance for doubtful accounts are established by management based on estimates of collectibility. The changes in the allowance for doubtful accounts, included on the consolidated balance sheets as an offset to "Accounts and notes receivable," for the three years ended December 31, 2009 were as follows (in millions):

	Balance at <u>Beginning of year</u>	<u>Expense</u>	Write-offs <u>and Other</u>	Balance at <u>End of Year</u>
2007	\$14	\$--	\$(2)	\$12
2008	\$12	\$1	\$(5)	\$8
2009	\$8	\$3	\$(1)	\$10

Inventories: Sugar and coffee inventories are stated at the lower of cost (first-in, first-out basis) or market value. Materials and supplies inventory are stated at the lower of cost (principally average cost) or market value. Inventories at December 31, 2009 and 2008 were as follows (in millions):

	<u>2009</u>	<u>2008</u>
Sugar and coffee inventories	\$ 28	\$ 13
Materials and supplies inventories	15	15
Total	<u>\$ 43</u>	<u>\$ 28</u>

Dry-docking: Under U.S. Coast Guard rules, administered through the American Bureau of Shipping's alternative compliance program, all vessels must meet specified seaworthiness standards to remain in service. Vessels must undergo regular inspection, monitoring and maintenance, referred to as "dry-docking," to maintain the required operating certificates. These dry-docks occur on scheduled intervals ranging from two to five years, depending on the vessel's age. Because the dry-docks enable the vessel to continue operating in compliance with U.S. Coast Guard requirements and provide future economic benefits, the costs of these scheduled dry-docks are deferred and amortized until the next regularly scheduled dry-dock period. Routine vessel maintenance and repairs

that do not improve or extend asset lives are charged to expense as incurred. Deferred amounts are included on the consolidated balance sheets in non-current other assets. Amortized amounts are charged to operating expenses in the consolidated statements of income. Changes in deferred dry-docking costs are included in the consolidated statements of cash flows in cash flows from operating activities.

Property: Property is stated at cost, net of accumulated depreciation and amortization. Expenditures for major renewals and betterments are capitalized. Replacements, maintenance, and repairs that do not improve or extend asset lives are charged to expense as incurred. Costs of developing coffee orchards are capitalized during the development period and depreciated over the estimated productive lives. Upon acquiring commercial real estate that is deemed a business, the Company records land, buildings, leases above and below market, and other intangibles based on their fair values. Due diligence costs are expensed as incurred.

Depreciation: Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of property are as follows:

<u>Classification</u>	<u>Range of Life (in years)</u>
Vessels	10 to 40
Buildings	10 to 40
Water, power and sewer systems	5 to 50
Machinery and equipment	2 to 35
Other property improvements	3 to 35

Real Estate Developments: Expenditures for real estate developments are capitalized during construction and are classified as Real Estate Developments on the consolidated balance sheets. When construction is substantially complete, the costs are reclassified as either Real Estate Held for Sale or Property, based upon the Company's intent to either sell the completed asset or to hold it as an investment property, respectively. Cash flows related to real estate developments are classified as either operating or investing activities, based upon the Company's intention to sell the property or to retain ownership of the property as an investment following completion of construction.

For development projects, capitalized costs are allocated using the direct method for expenditures that are specifically associated with the unit being sold and the relative-sales-value method for expenditures that benefit the entire project. Capitalized development costs typically include costs related to land acquisition, grading, roads, water and sewage systems, landscaping, capitalized interest, and project amenities. Direct overhead costs incurred after the development project is substantially complete, such as utilities, maintenance, and real estate taxes, are charged to selling, general, and administrative expense as incurred. All indirect overhead costs are charged to selling, general, and administrative costs as incurred.

Capitalized Interest: Interest costs incurred in connection with significant expenditures for real estate developments, the construction of assets, or investments in joint ventures are capitalized during the period in which activities necessary to get the asset ready for its intended use are in progress. Capitalization of interest is discontinued when the asset is substantially complete and ready for its intended use. Capitalization of interest on investments in joint ventures is recorded until the underlying investee commences its principal operations, which is typically when the investee has other-than-ancillary revenue generation. Total interest cost incurred was \$26 million, \$25 million, and \$26 million in 2009, 2008, and 2007, respectively. Capitalized interest was \$1 million and \$7 million in 2008 and 2007, respectively. Capitalized interest in 2009 was not material.

Impairment of Long-Lived Assets: Long-lived assets are reviewed for possible impairment when events or circumstances indicate that the carrying value may not be recoverable. In such an evaluation, the estimated future undiscounted cash flows generated by the asset are compared with the amount recorded for the asset to determine if its carrying value is not recoverable. If this review determines that the recorded value will not be recovered, the amount recorded for the asset is reduced to estimated fair value. The Company has evaluated certain long-lived assets for impairment; however, no impairment charges were recorded as a result of this process. These asset impairment loss analyses are highly subjective because they require management to make assumptions and apply considerable judgments to, among others, estimates of the timing and amount of future cash flows, expected useful lives of the assets, uncertainty about future events, including changes in economic conditions, changes in operating

performance, changes in the use of the assets, and ongoing cost of maintenance and improvements of the assets, and thus, the accounting estimates may change from period to period. If management uses different assumptions or if different conditions occur in future periods, the Company's financial condition or its future operating results could be materially impacted.

Impairment of Investments: The Company's investments in unconsolidated affiliates are reviewed for impairment whenever there is evidence that fair value may be below carrying cost. An investment is written down to fair value if fair value is below carrying cost and the impairment is considered other-than-temporary. In evaluating the fair value of an investment, the Company reviews discounted projected cash flows associated with the investment and other relevant information. In evaluating whether an impairment is other-than-temporary, the Company considers all available information, including the length of time and extent of the impairment, the financial condition and near-term prospects of the affiliate, the Company's ability and intent to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value, and projected industry and economic trends, among others.

In determining the fair value of an investment and assessing whether any identified impairment is other-than-temporary, significant estimates and considerable judgments are involved. These estimates and judgments are based, in part, on the Company's current and future evaluation of economic conditions in general, as well as a joint venture's current and future plans. These impairment calculations are highly subjective because they also require management to make assumptions and apply judgments to, among others, estimates of the timing and amount of future cash flows, probabilities related to various cash flow scenarios, and appropriate discount rates. Changes in these and other assumptions could affect the projected operational results of the unconsolidated affiliates, and accordingly, may require valuation adjustments to the Company's investments that may materially impact the Company's financial condition or its future operating results. For example, if the current market conditions continue to deteriorate or a joint venture's plans change, additional impairment charges may be required in future periods, and those charges could be material.

In 2009, the Company evaluated certain investments in unconsolidated affiliates for impairment. As a result of this process, the Company recorded an impairment loss of approximately \$2.5 million related to its Ka Milo joint venture investment. Continued weakness in the real estate sector or difficulty in obtaining or renewing project-level financing may affect the value or feasibility of certain development projects owned by the Company or by its joint ventures and could lead to additional impairment charges in the future.

Goodwill and Intangible Assets: Goodwill and intangibles are recorded on the consolidated balance sheets as other non-current assets. Recorded goodwill is related to the acquisition of logistic service entities and earnout obligations (see Note 3). Recorded intangible assets are related to logistic service entity acquisitions as well as the acquisition of commercial properties. The Company reviews goodwill for potential impairment on an annual basis, or more frequently if indications of impairment exist. Intangible assets are reviewed for impairment whenever events or changes in circumstances would indicate the carrying amount of the intangible assets may not be recoverable. There were no impairments of goodwill or intangible assets in 2009, 2008, or 2007.

The changes in the carrying amount of goodwill for the years ended December 31, 2009 and 2008 were as follows (in millions):

	<u>Goodwill</u>
Balance, December 31, 2007	\$ 12
Additions	14
Balance, December 31, 2008	26
Additions	1
Balance, December 31, 2009	<u>\$ 27</u>

Intangible assets for the years ended December 31 included the following (in millions):

	2009		2008	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets:				
Customer lists	\$ 12	\$ (4)	\$ 12	\$ (3)
In-place leases	11	(4)	8	(2)
Other	8	(4)	6	(3)
Total assets	<u>\$ 31</u>	<u>\$ (12)</u>	<u>\$ 26</u>	<u>\$ (8)</u>

Aggregate intangible asset amortization was \$4 million, \$3 million, and \$2 million for 2009, 2008, and 2007, respectively. Future estimated amortization expense related to intangibles are as follows (in millions):

	Estimated Amortization
2010	\$ 4
2011	3
2012	2
2013	2
2014	1

Investment in Note Receivable: As of December 31, 2009, the Company had invested, as part of its real estate investment strategy, \$11 million in a note receivable secured by real estate. The note was classified as a non-current asset. At acquisition, due to evidence of deterioration of credit quality, it was probable that the Company would not be able to collect all contractually required payments. Accordingly, the note receivable was acquired at a discount. The note receivable was recorded at cost with no valuation allowance, and no interest income is being accrued.

1031 Exchange Proceeds: As of December 31, 2009 and 2008, the Company had \$61 million and \$71 million, respectively, of proceeds related to qualifying 1031 tax-deferred sales. These proceeds are classified as non-current assets on the consolidated balance sheets until reinvested in qualifying property.

Revenue Recognition: The Company has a wide range of revenue sources, including, shipping revenue, logistics revenue, property sales, rental income, and sales of raw sugar, molasses and coffee. Before recognizing revenue, the Company assesses the underlying terms of the transaction to ensure that recognition meets the requirements of relevant accounting standards. In general, the Company recognizes revenue when persuasive evidence of an arrangement exists, delivery of the service or product has occurred, the sales price is fixed or determinable, and collectibility is reasonably assured.

Voyage Revenue Recognition: Voyage revenue is recognized ratably over the duration of a voyage based on the relative transit time in each reporting period, commonly referred to as the percentage-of-completion method. Voyage expenses are recognized as incurred.

Logistics Services Revenue Recognition: The revenue for logistics services includes the total amount billed to customers for transportation services. The primary costs include purchased transportation services. Revenue and the related purchased transportation costs are recognized based on relative transit time, commonly referred to as the percentage-of-completion method. The Company reports revenue on a gross basis. The Company serves as principal in transactions because it is responsible for the contractual relationship with the customer, has latitude in establishing prices, has discretion in supplier selection, and retains credit risk.

Real Estate Sales Revenue Recognition: Sales are recorded when the risks and rewards of ownership have passed to the buyers (generally on closing dates), adequate initial and continuing investments have been received,

and collection of remaining balances is reasonably assured. For certain development projects that have material continuing post-closing involvement and for which total revenue and capital costs are reasonably estimable, the Company uses the percentage-of-completion method for revenue recognition. Under this method, the amount of revenue recognized is based on development costs that have been incurred through the reporting period as a percentage of total expected development cost associated with the development project. This generally results in a stabilized gross margin percentage, but requires significant judgment and estimates.

Real Estate Leasing Revenue Recognition: Real estate leasing revenue is recognized on a straight-line basis over the terms of the related leases, including periods for which no rent is due (typically referred to as "rent holidays"). Differences between revenue recognized and amounts due under respective lease agreements are recorded as increases or decreases, as applicable, to deferred rent receivable. Also included in rental revenue are certain tenant reimbursements and percentage rents determined in accordance with the terms of the leases. Income arising from tenant rents that are contingent upon the sales of the tenant exceeding a defined threshold are recognized only after the contingency has been resolved (e.g., sales thresholds have been achieved).

Sugar and Coffee Revenue Recognition: Revenue from bulk raw sugar sales and coffee sales is recorded when title to the product and risk of loss passes to third parties (generally this occurs when the product is shipped or delivered to customers) and when collection is reasonably assured.

Non-voyage Ocean Transportation Costs: Depreciation, charter hire, terminal operating overhead, and general and administrative expenses are charged to expense as incurred.

Agricultural Costs: Costs of growing and harvesting sugar cane are charged to the cost of inventory in the year incurred and to cost of sales as raw sugar is sold. Costs of growing coffee, excluding orchard development costs, are charged to inventory in the year incurred and to cost of sales as coffee is sold.

Discontinued Operations: The sales of certain income-producing assets are classified as discontinued operations if the operations and cash flows of the assets clearly can be distinguished from the remaining assets of the Company, if cash flows for the assets have been, or will be, eliminated from the ongoing operations of the Company, if the Company will not have a significant continuing involvement in the operations of the assets sold, and if the amount is considered material. Certain assets that are "held-for-sale," based on the likelihood and intention of selling the property within 12 months, are also treated as discontinued operations. Upon reclassification, depreciation ceases on assets reclassified as "held-for-sale." Sales of land and residential houses are generally considered inventory and are not included in discontinued operations.

Employee Benefit Plans: Certain Ocean Transportation subsidiaries are members of the Pacific Maritime Association ("PMA") and the Hawaii Stevedoring Industry Committee, which negotiate multiemployer pension plans covering certain shoreside bargaining unit personnel. The subsidiaries directly negotiate multiemployer pension plans covering other bargaining unit personnel. Pension costs are accrued in accordance with contribution rates established by the PMA, the parties to a plan or the trustees of a plan. Several trustee, non-contributory, single-employer defined benefit plans and defined contribution plans cover substantially all other employees.

Share-Based Compensation: The Company records compensation expense for all share-based payment awards made to employees and directors. The Company's various equity plans are more fully described in Note 11.

Basic and Diluted Earnings per Share ("EPS") of Common Stock: Basic earnings per share is determined by dividing net income by the weighted-average common shares outstanding during the year. The calculation of diluted earnings per share includes the dilutive effect of unexercised non-qualified stock options, non-vested common stock, and non-vested stock units. The computation of average dilutive shares outstanding excluded non-qualified stock options to purchase 1.8 million, 1.1 million, and 0.2 million shares of common stock for 2009, 2008, and 2007, respectively. These amounts were excluded because the options' exercise prices were greater than the average market price of the Company's common stock for the periods presented and, therefore, the effect would be anti-dilutive.

The denominator used to compute basic and diluted earnings per share is as follows (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Denominator for basic EPS: weighted average shares outstanding	41.0	41.2	42.5
Effect of dilutive securities:			
Outstanding stock options, non-vested stock, and non-vested stock units	<u>0.1</u>	<u>0.3</u>	<u>0.6</u>
Denominator for diluted EPS: weighted average shares outstanding	<u>41.1</u>	<u>41.5</u>	<u>43.1</u>

On January 27, 2010, the Company granted to employees, non-qualified stock options exercisable into 422,156 shares of common stock at \$33.02 per share, 69,540 shares of time-based restricted stock units, and 92,743 shares of performance-based restricted stock units. The time-based restricted stock units vests ratably over three years and the performance-based restricted stock units vests ratably over three years, provided that the one-year performance target is achieved.

Income Taxes: Significant judgment is required in determining the Company's tax liabilities in the multiple jurisdictions in which the Company operates. Deferred income taxes are provided for the tax effect of temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements. Deferred tax assets and deferred tax liabilities are adjusted to the extent necessary to reflect tax rates expected to be in effect when the temporary differences reverse. Adjustments may be required to deferred tax assets and deferred tax liabilities due to changes in tax laws and audit adjustments by tax authorities. To the extent adjustments are required in any given period, the adjustments would be included within the tax provision in the consolidated statements of income and/or consolidated balance sheets.

The Company has not recorded a valuation allowance for its deferred tax assets. A valuation allowance would be established if, based on the weight of available evidence, management believes that it is more likely than not that some portion or all of a recorded deferred tax asset would not be realized in future periods.

Restricted Net Assets of Subsidiaries: Matson is subject to restrictions on the transfer of net assets under certain debt agreements. These restrictions have not had any effect on the Company's shareholder dividend policy, and the Company does not anticipate that these restrictions will have any impact in the future. At December 31, 2009, the amount of net assets of Matson that may not be transferred to the Company was approximately \$286 million.

Derivative Financial Instruments: The Company periodically uses derivative financial instruments such as interest rate and foreign currency hedging products to mitigate risks. The Company's use of derivative instruments is limited to reducing its risk exposure by utilizing interest rate or currency agreements that are accounted for as hedges. The Company does not hold or issue derivative instruments for trading or other speculative purposes nor does it use leveraged financial instruments. All derivatives are recognized in the consolidated balance sheets at their fair value. At December 31, 2009 and 2008, there were no material derivative instruments held by the Company.

Comprehensive Income (Loss): Comprehensive income (loss) includes all changes in Shareholders' Equity, except those resulting from capital stock transactions. Accumulated other comprehensive loss principally includes amortization of deferred pension/postretirement costs. The components of other comprehensive loss, net of taxes, were as follows for the years ended December 31 (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Unrealized components of benefit plans:			
Pension plans	\$ (73)	\$ (90)	\$ 2
Postretirement plans	--	1	3
Non-qualified benefit plans	(6)	(5)	(6)
SSAT pension plan and other	<u>(2)</u>	<u>(2)</u>	<u>(3)</u>
Accumulated other comprehensive loss	<u>\$ (81)</u>	<u>\$ (96)</u>	<u>\$ (4)</u>

Environmental Costs: Environmental exposures are recorded as a liability and charged to operating expense when the environmental liability has been incurred and can be estimated. If the aggregate amount of the liability and the amount and timing of cash payments for the liability are fixed or reliably determinable, the environmental liability is discounted. An environmental liability has been incurred when both of the following conditions have been met: (i) litigation has commenced or a claim or an assessment has been asserted, or, based on available information, commencement of litigation or assertion of a claim or an assessment is probable, and (ii) based on available information, it is probable that the outcome of such litigation, claim, or assessment will be unfavorable. If a range of probable loss is determined, the Company will record the obligation at the low end of the range unless another amount in the range better reflects the expected loss. Certain costs, however, are capitalized in Property when the obligation is recorded, if the cost (1) extends the life, increases the capacity or improves the safety and efficiency of property owned by the Company, (2) mitigates or prevents environmental contamination that has yet to occur and that otherwise may result from future operations or activities, or (3) is incurred or discovered in preparing for sale property that is classified as "held-for-sale." The amounts of capitalized environmental costs were not material at December 31, 2009 or 2008.

Self-Insured Liabilities: The Company is self-insured for certain losses that include, but are not limited to, employee health, workers' compensation, general liability, real and personal property, and real estate construction warranty and defect claims. When feasible, the Company obtains third-party insurance coverage to limit its exposure to these claims. When estimating its self-insured liabilities, the Company considers a number of factors, including historical claims experience, demographic factors, and valuations provided by independent third-parties. Periodically, management reviews its assumptions and the valuations provided by independent third-parties to determine the adequacy of the Company's self-insured liabilities.

Impact of Recently Issued Accounting Standards: In October 2009, the FASB issued guidance on revenue arrangements with multiple deliverables effective for the Company's 2010 fiscal year, although early adoption is permitted. The guidance revises the criteria for separating, measuring, and allocating arrangement consideration to each deliverable in a multiple element arrangement. The guidance requires companies to allocate revenue using the relative selling price of each deliverable, which must be estimated if there is no history of selling the deliverable on a stand-alone basis nor third-party evidence of selling price. The adoption of this standard is not expected to have a material impact on the Company's financial position or results of operations.

In June 2009, the FASB issued guidance to revise the approach to determine when a variable interest entity ("VIE") should be consolidated. The new consolidation model for VIEs considers whether the Company has the power to direct the activities that most significantly impact the VIE's economic performance and shares in the significant risks and rewards of the entity. The guidance on VIEs requires companies to continually reassess VIEs to determine if consolidation is appropriate and provide additional disclosures. The guidance is effective for the Company in 2010. The Company is currently assessing the potential effect of this guidance on its consolidated financial statements.

In April 2009, the FASB issued authoritative guidance on accounting for assets acquired and liabilities assumed in a business combination that arise from contingencies that amend the provisions related to the initial recognition and measurement, subsequent measurement and disclosure of assets and liabilities arising from contingencies in a business combination under previously issued guidance. The revised authoritative guidance requires that such contingencies be recognized at fair value on the acquisition date if fair value can be reasonably estimated during the allocation period. This authoritative guidance will be effective for the Company in 2010. The adoption of this standard is not expected to have a material impact on the Company's financial position or results of operations.

Rounding: Amounts in the consolidated financial statements and Notes are rounded to millions, but per-share calculations and percentages were determined based on amounts before rounding. Accordingly, a recalculation of some per-share amounts and percentages, if based on the reported data, may be slightly different.

2. DISCONTINUED OPERATIONS

During 2009, the sales of an office/retail property on Oahu for \$37.9 million, a retail shopping center in California for \$20.3 million, an office building in Arizona for \$20.1 million, an industrial property on Oahu for \$13.0 million, an industrial property in California for \$8.3 million, and various parcels on Maui have been classified as discontinued operations. Additionally, a retail property on Oahu was classified as discontinued operations (the Company sold the property in January 2010).

During 2008, the sales of two retail properties on the mainland for \$61.2 million, one mainland office property for \$20.6 million, a multi-tenant residential rental property for \$12.1 million, three commercial properties on Maui for \$12.9 million, land previously leased to a telecommunications tenant on Maui for \$8.1 million, several commercial leased fee parcels on Maui for \$8.1 million, and various land parcels on Maui for \$2.4 million have been classified as discontinued operations.

During 2007, the sales of land leased to a retail tenant on Oahu for approximately \$46 million, five commercial properties on Maui for approximately \$42 million, a commercial property in California for approximately \$7 million, and a commercial property on Maui sold in 2008 have been classified as discontinued operations.

The revenue, operating profit, income tax expense and after-tax effects of these transactions for 2009, 2008, and 2007 were as follows (in millions, except per share amounts):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Sales Revenue	\$ 110	\$ 125	\$ 95
Leasing Revenue	\$ 14	\$ 26	\$ 35
Sales Operating Profit	\$ 44	\$ 55	\$ 51
Leasing Operating Profit	\$ 8	\$ 14	\$ 20
Income Tax Expense	\$ 20	\$ 26	\$ 27
Income from Discontinued Operations	\$ 32	\$ 43	\$ 44
Basic Earnings Per Share	\$ 0.79	\$ 1.04	\$ 1.04
Diluted Earnings Per Share	\$ 0.79	\$ 1.04	\$ 1.03

The results of operations from these properties in prior years were reclassified from continuing operations to discontinued operations to conform to the current year's accounting presentation. Consistent with the Company's intention to reinvest the sales proceeds into new investment property, the proceeds from the sales of property treated as discontinued operations were deposited in escrow accounts for tax-deferred reinvestment in accordance with Section 1031 of the Internal Revenue Code.

3. ACQUISITIONS AND RELATED-PARTY TRANSACTIONS

The Company's Hawaiian Commercial & Sugar Company division and Gay & Robinson ("G&R") were members in Hawaiian Sugar & Transportation Cooperative ("HS&TC"), a cooperative that provides raw sugar marketing and transportation services to its members. In the fourth quarter of 2009, G&R ceased the production of raw sugar. As a result of G&R's cessation of raw sugar production in the fourth quarter of 2009, G&R's membership in the cooperative terminated because a cooperative member must be an active producer. Consequently, upon G&R's withdrawal, the Company became the sole member in HS&TC and consolidated HS&TC beginning December 1, 2009.

The identifiable assets and liabilities from HS&TC were recorded based upon their estimated fair values at December 1, 2009. Approximately \$5 million of identifiable assets, net of liabilities, measured at fair value, was recorded as a gain and classified as Other Income (Expense) in the consolidated statements of income. In consolidation, approximately \$11 million of cash, \$6 million in fixed assets, \$8 million in inventory, \$2 million in prepaid and other assets, and \$22 million in accrued and other liabilities were recorded.

The Company consolidated the results of operations of HS&TC effective December 1, 2009. The Company has not presented unaudited pro forma results of operations because the consolidation of HS&TC is not material to its consolidated results of operations, financial position or cash flows.

Under the terms of a supply contract between HS&TC and C&H Sugar Company, Inc. ("C&H"), C&H is obligated to purchase, and HS&TC is obligated to sell, all of the raw sugar delivered to HS&TC by the Hawaii sugar growers, at prices determined by the quoted domestic sugar market. Revenue from raw sugar and molasses sold to HS&TC, prior to December 1, 2009, was \$38 million, \$45 million, and \$53 million during 2009, 2008, and 2007, respectively.

On August 29, 2008, Matson Global Distribution Services ("MGDS"), a wholly owned subsidiary of Matson Integrated Logistics, acquired substantially all of the assets and assumed certain liabilities of Pacific American Services, LLC ("PACAM"), a regional, warehousing, packaging and distribution company specializing in value-added handling of domestic, import and export goods, headquartered in Oakland, California. The acquired net tangible assets of PACAM consisted primarily of cash and cash equivalents, accounts receivable, prepaid expenses and fixed assets, partially offset by accounts payable, and other current and long-term liabilities that MGDS assumed. PACAM was acquired to expand the Company's warehousing and distribution service capabilities.

The purchase price was approximately \$24 million in cash, including transaction costs. The total purchase price was allocated to the tangible and intangible assets acquired and liabilities assumed based upon their estimated fair values at the acquisition date, with the excess purchase price allocated to goodwill. Approximately \$3 million was allocated to fixed assets, \$1 million was allocated to accounts receivable, accounts payable and other accrued liabilities, \$9 million was allocated to identifiable intangibles, principally customer relationships, and \$11 million was allocated to goodwill. Commencing with the date of the acquisition, identifiable intangibles are being amortized to general and administrative expense over an average useful life of 13 years. The goodwill recorded is deductible for tax purposes.

The results of operations of PACAM were included in the Company's consolidated financial statements effective August 29, 2008. The Company has not presented unaudited pro forma results of operations because the acquisition of PACAM is not material to its consolidated results of operations, financial position or cash flows.

4. INVESTMENTS IN AFFILIATES

At December 31, 2009 and 2008, investments consisted principally of equity in limited liability companies. The Company does not have a controlling financial interest in any of these investments and, accordingly, accounts for its investments using the equity method of accounting. Consolidated retained earnings at December 31, 2009 that represent undistributed earnings of investments in affiliates was approximately \$32 million. Dividends and distributions from unconsolidated affiliates totaled \$8 million, \$30 million, and \$36 million for the years ended December 31, 2009, 2008, and 2007, respectively.

The Company's investments in affiliates are summarized, by industry, as follows (in millions):

	<u>2009</u>	<u>2008</u>
Investment in Unconsolidated Affiliated Companies:		
Real Estate and Other	\$ 195	\$ 164
Transportation	<u>47</u>	<u>44</u>
Total Investments	<u>\$ 242</u>	<u>\$ 208</u>

Operating results include the Company's proportionate share of net income from its equity method investments. A summary of financial information for the Company's equity method investments by industry at December 31 is as follows (in millions):

	2009		2008	
	Real Estate	Transportation	Real Estate	Transportation
Current assets	\$ 48	\$ 60	\$ 61	\$ 46
Noncurrent assets	554	118	497	113
Total assets	<u>\$ 602</u>	<u>\$ 178</u>	<u>\$ 558</u>	<u>\$ 159</u>
Current liabilities	\$ 97	\$ 29	\$ 61	\$ 35
Noncurrent liabilities	111	26	148	11
Total liabilities	<u>\$ 208</u>	<u>\$ 55</u>	<u>\$ 209</u>	<u>\$ 46</u>

	Year Ended December 31,		
	2009	2008	2007
Real Estate:			
Operating revenue	\$ 14	\$ 73	\$ 132
Operating costs and expenses	9	47	90
Operating income	\$ 5	\$ 26	\$ 42
Income from continuing operations	\$ 1	\$ 22	\$ 38
Net income	\$ 1	\$ 22	\$ 38
Transportation:			
Operating revenue	\$ 476	\$ 505	\$ 519
Operating costs and expenses	470	502	494
Operating income	\$ 6	\$ 3	\$ 25
Income from continuing operations*	\$ 20	\$ 13	\$ 32
Net income	\$ 20	\$ 13	\$ 32

* Includes earnings from equity method investments held by the investee.

Real Estate: At December 31, 2009, the Company and its real estate subsidiaries had investments in various joint ventures that operate and/or develop real estate. The Company does not have a controlling financial interest in any of these ventures and, accordingly, accounts for its investments in the real estate ventures using the equity method of accounting. A summary of the Company's principal investments is as follows:

- a) **Kukui'ula:** In April 2002, the Company entered into a joint venture with DMB Communities II, an affiliate of DMB Associates, Inc., an Arizona-based developer of master-planned communities ("DMB"), for the development of Kukui'ula, a 1,000-acre master planned resort residential community located in Poipu, Kauai, planned for approximately 1,000 to 1,200 high-end residential units. The capital contributed by A&B to the joint venture, including the value of land initially contributed, was \$138 million as of December 31, 2009, and DMB has contributed \$161 million. The Company has a 50-percent voting interest in the venture.
- b) **Kai Malu at Wailea:** In April 2004, the Company entered into a joint venture with Armstrong Builders, Ltd. for development of the 25-acre MF-8 parcel at Wailea into 150 duplex units. Sales commenced in 2006, with 135 units closed as of year end. As of December 31, 2009, six of the remaining 15 units have been leased. The Company has a 50-percent voting interest in the venture.

- c) **Ka Milo at Mauna Lani:** In April 2004, the Company entered into a joint venture with Brookfield Homes Hawaii Inc. to develop a 30.5-acre residential parcel in the Mauna Lani Resort on the island of Hawaii. A total of 27 units were constructed in 2007 and 2008 and, as of year-end 2009, 20 units had closed. In December 2009, the project's construction loan, with a year-end balance of \$15.8 million, matured. The venture is negotiating with the lender to refinance the loan (see Note 12). Due to market conditions, the Company recorded an impairment loss of approximately \$2.5 million in December 2009. Construction of the remaining units in the project has been deferred until a new business plan is evaluated for the future construction of the remaining units. The Company has a 50-percent voting interest in the venture.
- d) **Crossroads Plaza:** In June 2004, the Company entered into a joint venture with Intertex Hasley, LLC, for the development of a 56,000-square-foot mixed-use neighborhood retail center on 6.5 acres of commercial-zoned land in Valencia, California. The property was acquired in August 2004 and construction of the center was completed in 2008. In August 2009, a \$12 million construction loan held by the venture matured. The joint venture is currently negotiating with the lender to extend the maturity date of the loan (see Note 12). As of December 31, 2009, occupancy was 85 percent. The Company has a 50-percent voting interest in the venture.
- e) **Bridgeport Marketplace:** In July 2005, the Company entered into a joint venture with Intertex Bridgeport Marketplace, LLC for the development of a 27.8 acres in Valencia, California. Construction of the center was completed in 2009 and is 95 percent leased. The Company has a 50-percent voting interest in the venture.
- f) **Waiawa:** In August 2006, the Company entered into a joint venture with an affiliate of Gentry Investment Properties, for the development of a 1,000-acre master-planned primary residential community (530 residential-zoned acres) in Central Oahu. In the second half of 2009, the master development agreement for the Waiawa lands between Kamehameha Schools and Gentry was terminated. However, because the joint venture has fee simple ownership, or the right to acquire at no cost, approximately 58 acres of developable land, in addition to 125 acres of gulch land required for the major project land bridge and road leading to the project, the venture and the Company continue to evaluate their options for the development of this master-planned community. The Company has a 50-percent voting interest in the venture.
- g) **Bakersfield:** In November 2006, the Company entered into a joint venture with Intertex P&G Retail, LLC, for the planned development of a 575,000 square-foot retail center on a 57.3-acre commercial parcel in Bakersfield, California. The parcel was acquired in November 2006. Development plans remain on hold due to current economic conditions. The Company has a 50-percent voting interest in the venture.
- h) **Kukui'ula Village:** In August 2007, the Company entered into a joint venture with DMB Kukui'ula Village LLC for the development of Kukui'ula Village, a planned 91,700 square-foot commercial center located at the entrance of the Kukui'ula project. Construction on 83,600 square feet commenced in 2008, was completed in March 2009, and the center opened for business in August 2009. As of December 31, 2009, the center was 56 percent leased. The Company has a 50-percent voting interest in the venture.
- i) **Santa Barbara Ranch:** In November 2007, the Company entered into a joint venture with Vintage Communities, LLC ("Vintage"), a residential developer headquartered in Newport Beach, California. Vintage and its affiliates intend to develop 1,040 acres for an exclusive large-lot subdivision, located 12 miles north of the City of Santa Barbara. The joint venture owns approximately 22 acres in the project. In 2008, due to the deterioration in the local real estate market, the Company recorded a \$3 million impairment loss. Additionally, in 2008, because the Company declined to provide any further equity funding, Vintage and its affiliate

had the option to purchase the Company's investment for \$15 million plus a 12 percent preferred return ("Preferred Return"). Since Vintage and its affiliate failed to exercise this option, the Company, in its sole discretion, has the right to cause the joint venture to sell certain Santa Barbara land parcels to satisfy the Company's investment basis plus the Preferred Return. The Company continues to evaluate alternatives to maximize the value of the venture's assets that serve as collateral for the repayment of its investment. The Company has a 50-percent voting interest in the venture.

- j) **Palmdale Trade & Commerce Center:** In December 2007, the Company entered into a joint venture with Intertex Palmdale Trade & Commerce Center LLC, for the planned development of a 315,000 square-foot mixed-use commercial office and light industrial condominium complex on 18.2 acres in Palmdale, California, located 60 miles northeast of Los Angeles and 25 miles northeast of Valencia. The parcel was contributed to the venture in 2008. Development plans were placed on hold due to current market conditions, although the venture is continuing with water infrastructure work. The Company has a 50-percent voting interest in the venture.

Transportation: Matson owns a 35-percent membership interest in an LLC with SSA Marine Inc., named SSA Terminals, LLC ("SSAT"), which provides stevedoring and terminal services at five terminals in three West Coast ports to the Company and other shipping lines. Matson accounts for its interest in SSAT under the equity method of accounting. The "Cost of transportation services" included approximately \$135 million, \$145 million, and \$150 million for 2009, 2008, and 2007, respectively, paid to this unconsolidated affiliate for terminal services.

The Company's equity in earnings of its unconsolidated transportation affiliate of \$6 million, \$5 million, and \$11 million for 2009, 2008, and 2007, respectively, were included on the consolidated statements of income with costs of transportation services because the affiliate is integrally related to the Company's Ocean Transportation segment, providing all terminal services to Matson on the U.S. West Coast.

5. PROPERTY

Property on the consolidated balance sheets includes the following (in millions):

	<u>2009</u>	<u>2008</u>
Vessels	\$ 1,216	\$ 1,209
Machinery and equipment	609	596
Buildings	507	522
Land	165	146
Water, power and sewer systems	119	115
Other property improvements	<u>99</u>	<u>112</u>
Total	2,715	2,700
Less accumulated depreciation and amortization	<u>(1,179)</u>	<u>(1,110)</u>
Property – net	<u>\$ 1,536</u>	<u>\$ 1,590</u>

6. CAPITAL CONSTRUCTION FUND

Matson is party to an agreement with the United States government that established a Capital Construction Fund ("CCF") under provisions of the Merchant Marine Act, 1936, as amended. The agreement has program objectives for the acquisition, construction, or reconstruction of vessels and for repayment of existing vessel indebtedness. Deposits to the CCF are limited by certain applicable earnings. Such deposits are tax deductions in the year made; however, they are taxable, with interest payable from the year of deposit, if withdrawn for general corporate purposes or other non-qualified purposes, or upon termination of the agreement. Qualified withdrawals for investment in vessels and certain related equipment do not give rise to a current tax liability, but reduce the depreciable bases of the vessels or other assets for income tax purposes.

Amounts deposited into the CCF are a preference item for calculating federal alternative minimum taxable income. Deposits not committed for qualified purposes within 25 years from the date of deposit will be treated as non-qualified withdrawals over the subsequent five years.

Under the terms of the CCF agreement, Matson may designate certain qualified earnings as "accrued deposits" or may designate, as obligations of the CCF, qualified withdrawals to reimburse qualified expenditures initially made with operating funds. Such accrued deposits to, and withdrawals from, the CCF are reflected on the consolidated balance sheets either as obligations of the Company's current assets or as receivables from the CCF. At December 31, 2009, Matson has accrued a \$4.4 million withdrawal from the CCF and a \$4.4 million deposit to the CCF, reflecting a zero net balance in the consolidated balance sheets.

As of December 31, 2009, there was no CCF deposit balance. As of December 31, 2008, the balance on deposit in the CCF totaled \$0.1 million.

7. NOTES PAYABLE AND LONG-TERM DEBT

At December 31, 2009 and 2008, notes payable and long-term debt consisted of the following (in millions):

	<u>2009</u>	<u>2008</u>
Revolving Credit loans, (0.68% for 2009 and 1.16% for 2008)	\$ 34	\$ 135
Title XI Bonds:		
5.27%, payable through 2029	44	46
5.34%, payable through 2028	42	44
Term Loans:		
6.90%, payable through 2020	100	--
4.79%, payable through 2020	73	81
5.55%, payable through 2017	50	50
5.53%, payable through 2016	50	50
4.10%, payable through 2012	25	30
5.56%, payable through 2016	25	25
6.20%, payable through 2013	11	11
6.38%, payable through 2017	8	8
7.42%, payable through 2010	3	6
4.31%, payable through 2010	3	6
5.88%, payable through 2014	3	3
7.55%, payable through 2009	--	7
7.57%, payable through 2009	--	2
Total debt	<u>471</u>	<u>504</u>
Less current portion	<u>(65)</u>	<u>(52)</u>
Long-term debt	<u>\$ 406</u>	<u>\$ 452</u>

Long-term Debt Maturities: At December 31, 2009, debt maturities during the next five years and thereafter are \$65 million in 2010, \$27 million in 2011, \$39 million in 2012, \$40 million in 2013, \$48 million in 2014 and \$252 million thereafter.

Revolving Credit Facilities: The Company has two revolving senior credit facilities with six commercial banks that expire in December 2011. The revolving credit facilities provide for an aggregate commitment of \$325 million, which consists of \$225 million and \$100 million facilities for A&B and Matson, respectively. Amounts drawn under the facilities bear interest at London Interbank Offered Rate ("LIBOR") plus a spread ranging from 0.225 percent to 0.475 percent based on the Company's S&P rating. The agreement contains certain restrictive

covenants, the most significant of which requires the maintenance of minimum shareholders' equity levels, minimum unencumbered property investment values, and a maximum ratio of debt to earnings before interest, depreciation, amortization and taxes. At December 31, 2009, \$34 million was outstanding and classified as current, \$10 million in letters of credit had been issued against the facility, and \$281 million remained available for borrowing.

Matson has a \$105 million secured reducing revolving credit agreement with DnB NOR Bank ASA and ING Bank N.V. that expires in June 2015. The maximum amount that can be outstanding on the facility declines in eight annual commitment reductions of \$10.5 million each, commencing in June 2007. The incremental borrowing rate for the facility is 0.225 percent over LIBOR through June 2010. For the remaining term, the incremental borrowing rate is 0.300 percent over LIBOR. The agreement contains certain restrictive covenants, the most significant of which requires the maintenance of minimum net worth levels, minimum working capital levels, and maximum ratio of long-term debt to net worth. At December 31, 2009, no amount was outstanding and approximately \$74 million remained available for borrowing.

The Company has a replenishing \$400 million three-year unsecured note purchase and private shelf agreement with Prudential Investment Management, Inc. and its affiliates (collectively, "Prudential") under which the Company may issue notes in an aggregate amount up to \$400 million, less the sum of all principal amounts then outstanding on any notes issued by the Company or any of its subsidiaries to Prudential and the amount of any notes that are committed under the note purchase agreement. The Prudential agreement contains certain restrictive covenants that are substantially the same as the covenants contained in the aggregate \$325 million revolving senior credit facilities. In 2009, the Company borrowed \$100 million at 6.9% with a final maturity in March 2020. The ability to draw additional amounts under the Prudential facility expires on April 19, 2012 and borrowings under the shelf facility bear interest at rates that are determined at the time of the borrowing. At December 31, 2009, approximately \$71 million was available under the facility.

The unused borrowing capacity under all revolving credit and term facilities as of December 31, 2009 totaled \$426 million.

Title XI Bonds: In August 2004, Matson partially financed the delivery of the *MV Maunawili* with \$55 million of 5.27 percent fixed-rate, 25-year term, U.S. government Guaranteed Ship Financing Bonds, more commonly known as Title XI bonds. These bonds, which are secured by the *MV Maunawili*, are payable in \$1.1 million semiannual payments.

In September 2003, Matson partially financed the delivery of the *MV Manukai* with \$55 million of 5.34 percent fixed-rate, 25-year term, Title XI bonds. These bonds, which are secured by the *MV Manukai*, are payable in \$1.1 million semiannual payments.

Vessel Secured Term Debt: Matson has an Amended and Restated Note Agreement with The Prudential Insurance Company of America and Pruco Life Insurance for \$120 million. Included in the agreement are Series A and Series B notes. Series A represents a \$15 million note and Series B represents 15-year term notes totaling \$105 million. Both series are secured by the *MV Manulani*. The Series A note carries interest at 4.31 percent with \$3 million currently outstanding. The Series B notes carry interest at 4.79 percent with \$73 million currently outstanding.

Real Estate Secured Term Debt: In June 2005, A&B Properties, Inc., a wholly owned subsidiary of the Company, assumed \$11.4 million of secured debt in connection with the purchase of an office building in Phoenix, Arizona. This term loan, with an outstanding amount of \$11 million at December 31, 2009, carries interest at 6.2 percent and matures in October 2013.

In December 2008, A&B Properties, Inc. assumed approximately \$13 million of secured debt, with a fair value of \$11 million at the time of acquisition, under two notes in connection with the purchase of the Midstate 99 Distribution Center in Visalia, California. At December 31, 2009, the notes had outstanding amounts of \$8 million and \$3 million, and carry interest at 6.38 percent and 5.88 percent, respectively. The \$9 million note matures in August 2017 and the \$4 million note matures in April 2014.

8. LEASES

The Company as Lessee: Principal non-cancelable operating leases include land, office and terminal facilities, containers and equipment, leased for periods that expire through 2036. Management expects that, in the normal course of business, most operating leases will be renewed or replaced by other similar leases. Rental expense under operating leases totaled \$30 million, \$31 million, and \$32 million for 2009, 2008, and 2007, respectively. Rental expense for operating leases that provide for future escalations are accounted for on a straight-line basis. Future minimum payments under non-cancelable operating leases as of December 31, 2009 were as follows (in millions):

	<u>Operating Leases</u>
2010	\$ 14
2011	13
2012	12
2013	12
2014	11
Thereafter	<u>25</u>
Total minimum lease payments	<u>\$ 87</u>

In addition to the future minimum lease payments above, the Company has an operating lease for terminal facilities in Honolulu that includes a minimum annual commitment, which is calculated by the lessor based on capital improvements by the lessor and an allocation of lessor operating expenses. The Company's payments of volume-based charges to the lessor must meet or exceed the minimum annual commitment. The Company's volume-based payments to the lessor were approximately \$16 million in 2009, \$16 million in 2008, and \$17 million in 2007, and there were no minimum annual guarantee payments in any year.

The Company as Lessor: The Company leases land, buildings, and land improvements under operating leases. The historical cost of, and accumulated depreciation on, leased property at December 31, 2009 and 2008 were as follows (in millions):

	<u>2009</u>	<u>2008</u>
Leased property - real estate	\$ 694	\$ 693
Less accumulated depreciation	<u>(101)</u>	<u>(102)</u>
Property under operating leases - net	<u>\$ 593</u>	<u>\$ 591</u>

Total rental income under these operating leases for each of the three years in the period ended December 31, 2009 was as follows (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Minimum rentals	\$ 78	\$ 82	\$ 80
Contingent rentals (based on sales volume)	<u>3</u>	<u>4</u>	<u>4</u>
Total	<u>\$ 81</u>	<u>\$ 86</u>	<u>\$ 84</u>

Future minimum rentals on non-cancelable leases at December 31, 2009 were as follows (in millions):

	<u>Operating Leases</u>
2010	\$ 67
2011	57
2012	43
2013	33
2014	24
Thereafter	<u>80</u>
Total	<u>\$ 304</u>

9. EMPLOYEE BENEFIT PLANS

The Company has funded single-employer defined benefit pension plans that cover substantially all non-bargaining unit employees and certain bargaining unit employees. In addition, the Company has plans that provide certain retiree health care and life insurance benefits to substantially all salaried and to certain hourly employees. Employees are generally eligible for such benefits upon retirement and completion of a specified number of years of credited service. The Company does not pre-fund these benefits and has the right to modify or terminate certain of these plans in the future. Certain groups of retirees pay a portion of the benefit costs.

Plan Administration, Investments and Asset Allocations: The Company has an Investment Committee that meets regularly with investment advisors to establish investment policies, direct investments and select investment options. The Investment Committee is also responsible for appointing investment managers. The Company's investment policy permits investments in marketable equity securities, such as domestic and foreign stocks, domestic and foreign bonds, venture capital, real estate investments, and cash equivalents. The Company's investment policy does not permit investment in certain types of assets, such as options, commodities, or real estate mortgages, or the use of certain strategies, such as short selling or the purchase of securities on margin.

The Company's investment strategy for its pension plan assets is to achieve a diversified mix of investments that provides for attractive long-term growth with an acceptable level of risk, but also to provide sufficient liquidity to fund ongoing benefit payments. The Company has engaged a number of investment managers to implement various investment strategies to achieve the desired asset class mix, liquidity and risk diversification objectives. The Company's weighted-average asset allocations at December 31, 2009 and 2008, and 2009 year-end target allocation, by asset category, were as follows:

	<u>Target</u>	<u>2009</u>	<u>2008</u>
Domestic equity securities	60%	61%	50%
International equity securities	10%	11%	12%
Debt securities	15%	15%	9%
Real estate	15%	8%	16%
Other and cash	—	5%	13%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

The Company's investments in equity securities primarily include domestic large-cap and mid-cap companies, but also include an allocation to international equity securities. Equity investments in the defined benefit plan assets do not include any direct holdings of the Company's stock but may include such holdings to the extent that the stock is included as part of certain mutual fund holdings. Debt securities include investment-grade and high-yield corporate bonds from diversified industries, mortgage-backed securities, and U.S. Treasuries. Other types of

investments include private equity investments in commercial real estate assets, and to a lesser extent, private equity investments in technology companies.

The expected return on plan assets is principally based on the Company's historical returns combined with the Company's long-term future expectations regarding asset class returns, the mix of plan assets, and inflation assumptions. One-, three-, and five-year pension returns (losses) were 16.8 percent, (3.7) percent, and 3.0 percent, respectively, and the long-term average return (since plan inception in 1989) has been approximately 8.3 percent. Over the long-term, the actual returns have generally exceeded the benchmark returns used by the Company to evaluate performance of its fund managers. Due to volatile market performance in recent years, the Company has reduced its long-term rate of return assumption from 8.5% in 2009 to 8.25% in 2010 and believes that the change is appropriate given the Company's investment portfolio's historical performance and the Company's target asset allocation.

The Company's pension plan assets are held in a master trust and stated at estimated fair value, which is based on the fair values of the underlying investments. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy, which requires the pension plans to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and assigns the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the pension plans' own assumptions about the assumptions that market participants would use in pricing an asset or liability.

If the technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy, the lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Equity Securities: Domestic and international common stocks are valued by obtaining quoted prices on recognized and highly liquid exchanges.

Fixed Income Securities: Corporate bonds and U.S. government treasury and agency securities are valued based upon the closing price reported in the active market in which the security is traded. U.S. government agency and corporate asset-backed securities may utilize models, such as a matrix pricing model, that incorporates other observable inputs such as cash flow, security structure, or market information, when broker/dealer quotes are not available.

Real Estate, Private Equity, and Insurance Contract Interests: The fair value of real estate, private equity, and insurance contract interests are determined by the issuer based on the unit values of the funds. Unit values are determined by dividing the fund's net assets by the number of units outstanding at the valuation date. Fair value for underlying investments in real estate is determined through independent property appraisals. Fair value of underlying investments in private equity assets is determined based on information provided by the general partner taking into consideration the purchase price of the underlying securities, developments concerning the investee company subsequent to the acquisition of the investment, financial data and projections of the investee company provided to the general partner, and such other factors as the general partner deems relevant. Insurance contracts are principally invested in real estate assets, which are valued based on independent appraisals.

The fair values of the Company's pension plan assets at December 31, 2009, by asset category, are as follows (in millions):

Asset Category	Fair Value Measurements as of December 31, 2009			
	Total	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 7	\$ 7	\$ --	\$ --
Equity securities:				
U.S. large-cap	121	121	--	--
U.S. mid- and small-cap	36	36	--	--
International large-cap	30	30	--	--
Fixed income securities:				
U.S. Treasuries	1	--	1	--
Investment grade U.S. corporate bonds	2	--	2	--
High-yield U.S. corporate bonds	8	--	8	--
Mortgage-backed securities	28	--	28	--
Other types of investments:				
Real estate partnerships interests	23	--	--	23
Private equity partnership interests (a)	3	--	--	3
Insurance contracts	1	--	--	1
Total	\$ 260	\$ 194	\$ 39	\$ 27

(a) This category represents private equity funds that invest principally in U.S. technology companies.

The table below presents a reconciliation of all pension plan investments measured at fair value on a recurring basis using significant unobservable inputs (level 3) for the year ended December 31, 2009 (in millions):

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)			
	Real Estate	Private Equity	Insurance	Total
Beginning balance, January 1, 2009	\$ 38	\$ 4	\$ 1	\$ 43
Actual return on plan assets:				
Assets held at the reporting date	(13)	(1)	--	(14)
Assets sold during the period	--	--	--	--
Purchases, sales and settlements	(2)	--	--	(2)
Ending balance, December 31, 2009	<u>\$ 23</u>	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ 27</u>

Contributions are determined annually for each plan by the Company's pension administrative committee, based upon the actuarially determined minimum required contribution under the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, the Pension Protection Act of 2006 (the "Act"), and the maximum deductible contribution allowed for tax purposes. For the plans covering employees who are members of collective bargaining units, the benefit formulas are determined according to the collective bargaining agreements, either using career average pay as the base or a flat dollar amount per year of service. The benefit formulas for the remaining defined benefit plans are based on final average pay. The Company did not make any contributions during 2009 or 2008 to its defined benefit pension plans. In 2010, the Company expects to make required contributions of

approximately \$0.5 million. The Company's funding policy is to contribute cash to its pension plans so that it meets at least the minimum contribution requirements.

New employees earn retirement benefits based on a fixed percentage of their eligible compensation, plus interest. The plan interest credit rate will vary from year-to-year based on the ten-year U.S. Treasury rate. Employees hired on or after January 1, 2008 are fully vested upon completion of three years of service.

Benefit Plan Assets and Obligations: The measurement date for the Company's benefit plan disclosures is December 31st of each year. The status of the funded defined benefit pension plan and the unfunded accumulated post-retirement benefit plans at December 31, 2009 and 2008 are shown below (in millions):

	Pension Benefits		Other Post-retirement Benefits	
	2009	2008	2009	2008
Change in Benefit Obligation				
Benefit obligation at beginning of year	\$ 314	\$ 303	\$ 52	\$ 48
Service cost	8	8	1	1
Interest cost	19	19	3	3
Plan participants' contributions	--	--	2	2
Actuarial (gain) loss	(3)	(1)	1	2
Benefits paid	(17)	(16)	(5)	(5)
Settlements	--	(1)	--	--
Amendments	1	2	--	1
Benefit obligation at end of year	<u>\$ 322</u>	<u>\$ 314</u>	<u>\$ 54</u>	<u>\$ 52</u>
Change in Plan Assets				
Fair value of plan assets at beginning of year	244	379	--	--
Actual return on plan assets	33	(118)	--	--
Settlements	--	(1)	--	--
Benefits paid	(17)	(16)	--	--
Fair value of plan assets at end of year	<u>\$ 260</u>	<u>\$ 244</u>	<u>\$ --</u>	<u>\$ --</u>
Funded Status and Recognized Liability	<u>\$ (62)</u>	<u>\$ (70)</u>	<u>\$ (54)</u>	<u>\$ (52)</u>

The accumulated benefit obligation for the Company's qualified pension plans were \$297 million and \$284 million as of December 31, 2009 and 2008, respectively. Amounts recognized on the consolidated balance sheets and in accumulated other comprehensive loss at December 31, 2009 and 2008 are as follows (in millions):

	Pension Benefits		Other Post-retirement Benefits	
	2009	2008	2009	2008
Non-current assets	\$ 3	\$ 3	\$ --	\$ --
Current liabilities	--	--	(3)	(3)
Non-current liabilities	(65)	(73)	(51)	(49)
Total	<u>\$ (62)</u>	<u>\$ (70)</u>	<u>\$ (54)</u>	<u>\$ (52)</u>
Net loss (gain) (net of taxes)	\$ 70	\$ 87	\$ --	\$ (1)
Unrecognized prior service cost (net of taxes)	3	3	--	--
Total	<u>\$ 73</u>	<u>\$ 90</u>	<u>\$ --</u>	<u>\$ (1)</u>

The information for qualified pension plans with an accumulated benefit obligation in excess of plan assets at December 31, 2009 and 2008 is shown below (in millions):

	<u>2009</u>	<u>2008</u>
Projected benefit obligation	\$ 269	\$ 248
Accumulated benefit obligation	\$ 248	\$ 221
Fair value of plan assets	\$ 208	\$ 177

The estimated prior service cost for the defined benefit pension plans that will be amortized from accumulated other comprehensive loss into net periodic benefit cost in 2010 is \$0.7 million. The estimated net loss that will be recognized in net periodic pension cost for the defined benefit pension plans in 2010 is \$8.3 million. The estimated prior service cost and estimated net gain for the other defined benefit postretirement plans that will be amortized from accumulated other comprehensive loss into net periodic pension benefit in 2010 is negligible.

Unrecognized gains and losses of the post-retirement benefit plans are amortized over five years. Although current health costs are expected to increase, the Company attempts to mitigate these increases by maintaining caps on certain of its benefit plans, using lower cost health care plan options where possible, requiring that certain groups of employees pay a portion of their benefit costs, self-insuring for certain insurance plans, encouraging wellness programs for employees, and implementing measures to mitigate future benefit cost increases.

The Company has determined that its post-retirement prescription drug plans are actuarially equivalent to Part D of the Medicare Prescription Drug Improvement and Modernization Act of 2003. The 2009 post-retirement obligations include the benefits of the Act's subsidy. These amounts are not material.

Components of the net periodic benefit cost and other amounts recognized in other comprehensive loss for the defined benefit pension plans and the post-retirement health care and life insurance benefit plans during 2009, 2008, and 2007, are shown below (in millions):

	<u>Pension Benefits</u>			<u>Other Post-retirement Benefits</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Components of Net Periodic Benefit Cost/(Income)						
Service cost	\$ 8	\$ 8	\$ 7	\$ 1	\$ 1	\$ 1
Interest cost	19	18	17	3	3	3
Expected return on plan assets	(20)	(32)	(28)	--	--	--
Amortization of net (gain) loss	12	--	--	--	(1)	--
Amortization of prior service cost	1	1	--	--	--	--
Recognition of loss (gain) due to settlement	--	1	--	--	--	(1)
Net periodic benefit cost/(income)	<u>20</u>	<u>(4)</u>	<u>(4)</u>	<u>4</u>	<u>3</u>	<u>3</u>
Other Changes in Plan Assets and Benefit Obligations Recognized in Other Comprehensive Income (net of tax)						
Net loss (gain)	(10)	90	(12)	1	1	(2)
Amortization of unrecognized (loss) gain	(7)	--	--	--	1	--
Prior service cost	1	1	--	--	--	--
Amortization of prior service cost	(1)	--	--	--	--	--
Total recognized in other comprehensive income	<u>(17)</u>	<u>91</u>	<u>(12)</u>	<u>1</u>	<u>2</u>	<u>(2)</u>
Total recognized in net periodic benefit cost and other comprehensive income	<u>\$ 3</u>	<u>\$ 87</u>	<u>\$ (16)</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 1</u>

The weighted average assumptions used to determine benefit information during 2009, 2008, and 2007, were as follows:

	Pension Benefits			Other Post-retirement Benefits		
	2009	2008	2007	2009	2008	2007
Weighted Average Assumptions:						
Discount rate	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Expected return on plan assets	8.50%	8.50%	8.50%			
Rate of compensation increase	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Initial health care cost trend rate				9.00	9.00%	9.00%
Ultimate rate				5.00	5.00%	5.00%
Year ultimate rate is reached				2014	2013	2012

As a result of a decline in the market value of the Company's plan assets in 2008, the expected return on plan assets had decreased in 2009 and the amortization of net loss had increased, resulting in a net periodic pension cost of \$20 million for 2009.

If the assumed health care cost trend rate were increased or decreased by one percentage point, the accumulated post-retirement benefit obligation, as of December 31, 2009, 2008, and 2007 and the net periodic post-retirement benefit cost for 2009, 2008 and 2007, would have increased or decreased as follows (in millions):

	Other Post-retirement Benefits					
	One Percentage Point					
	Increase			Decrease		
	2009	2008	2007	2009	2008	2007
Effect on total of service and interest cost components	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Effect on post-retirement benefit obligation	\$ 5	\$ 5	\$ 5	\$ (4)	\$ (4)	\$ (4)

Non-qualified Benefit Plans: The Company has non-qualified supplemental pension plans covering certain employees and retirees, which provide for incremental pension payments from the Company's general funds so that total pension benefits would be substantially equal to amounts that would have been payable from the Company's qualified pension plans if it were not for limitations imposed by income tax regulations. The funded status, relating to these unfunded plans, totaled \$(34) million at December 31, 2009. A 5.0 percent discount rate was used to determine the 2009 obligation. The expense associated with the non-qualified plans was \$3 million for the year ended December 31, 2009 and \$4 million in each year ended December 31, 2008 and 2007. As of December 31, 2009, the amount recognized in accumulated other comprehensive income for unrecognized loss, net of tax, was approximately \$6 million, and the amount recognized as unrecognized prior service credit, net of tax, was negligible. The estimated net loss and prior service credit that will be recognized in net periodic pension cost in 2010 is negligible.

Estimated Benefit Payments: The estimated future benefit payments for the next ten years are as follows (in millions):

Year	Pension Benefits	Non-qualified Plan Benefits	Post-retirement Benefits
2010	\$ 18	\$ 23	\$ 3
2011	18	1	4
2012	19	1	4
2013	20	2	4
2014	21	1	4
2015-2019	118	9	21

Current liabilities of approximately \$26 million, related to non-qualified plan and postretirement benefits, are classified as accrued and other liabilities in the consolidated balance sheet as of December 31, 2009.

Multiemployer Plans: Matson participates in 11 multiemployer plans and has an estimated withdrawal obligation with respect to four of these plans that totals approximately \$89 million. Management has no present intention of withdrawing from and does not anticipate termination of any of these plans. Total contributions to the multiemployer pension plans covering personnel in shoreside and seagoing bargaining units were \$12 million in 2009, \$13 million in 2008, and \$12 million in 2007.

Union collective bargaining agreements provide that total employer contributions during the terms of the agreements must be sufficient to meet the normal costs and amortization payments required to be funded during those periods. Contributions are generally based on union labor paid or cargo volume. A portion of such contributions is for unfunded accrued actuarial liabilities of the plans being funded over periods of 25 to 40 years, which began between 1967 and 1976.

The multiemployer plans are subject to the plan termination insurance provisions of ERISA and are paying premiums to the Pension Benefit Guaranty Corporation ("PBGC"). The statutes provide that an employer who withdraws from, or significantly reduces its contribution obligation to, a multiemployer plan generally will be required to continue funding its proportional share of the plan's unfunded vested benefits.

Under special rules approved by the PBGC and adopted by the Pacific Coast longshore plan in 1984, Matson could cease Pacific Coast cargo-handling operations permanently and stop contributing to the plan without any withdrawal liability, provided that the plan meets certain funding obligations as defined in the plan. Accordingly, no withdrawal obligation for this plan is included in the total estimated withdrawal obligation.

Defined Contribution Plans: The Company sponsors defined contribution plans that qualify under Section 401(k) of the Internal Revenue Code and provides matching contributions of up to 4% of eligible employee compensation. During 2009, the 401(k) matching contributions were suspended for all employees who are participants in the Company's defined benefit plan. The Company's matching contributions expensed under these plans totaled \$1.4 million, \$2.0 million, and \$1.9 million for the years ended December 31, 2009, 2008, and 2007, respectively. The Company also maintains profit sharing plans, and if a minimum threshold of Company performance is achieved, provides contributions of 1 percent to 3 percent, depending upon Company performance above the minimum threshold. In 2010, the profit sharing plan was suspended. The contribution expense for these plans totaled \$1 million and \$2 million for the years ended December 31, 2008 and 2007, respectively. There was no profit sharing contribution expense recorded in 2009.

10. INCOME TAXES

The income tax expense on income from continuing operations for each of the three years in the period ended December 31, 2009 consisted of the following (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Current:			
Federal	\$ 26	\$ 56	\$ 55
State and Foreign	<u>2</u>	<u>4</u>	<u>4</u>
Current	28	60	59
Deferred	<u>(20)</u>	<u>(8)</u>	<u>--</u>
Total continuing operations tax expense	<u>\$ 8</u>	<u>\$ 52</u>	<u>\$ 59</u>

Income tax expense for 2009, 2008, and 2007 differs from amounts computed by applying the statutory federal rate to income from continuing operations before income taxes for the following reasons (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Computed federal income tax expense	\$ 7	\$ 49	\$ 55
State income taxes	4	4	5
Tax effect of HS&TC consolidation	(2)	--	--
Other—net	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>
Income tax expense	<u>\$ 8</u>	<u>\$ 52</u>	<u>\$ 59</u>

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31 of each year are as follows (in millions):

	<u>2009</u>	<u>2008</u>
Deferred tax assets:		
Capital loss carry-forward	\$ --	\$ 3
Benefit plans	70	75
Insurance reserves	10	9
Other	<u>12</u>	<u>11</u>
Total deferred tax assets	<u>92</u>	<u>98</u>
Deferred tax liabilities:		
Basis differences for property and equipment	287	304
Tax-deferred gains on real estate transactions	197	181
Capital Construction Fund	3	5
Joint ventures and other investments	5	6
Other	<u>22</u>	<u>17</u>
Total deferred tax liabilities	<u>514</u>	<u>513</u>
Net deferred tax liability	<u>\$ 422</u>	<u>\$ 415</u>

The realization of the deferred tax assets related to the capital loss carryover is dependent upon the future generation of capital gains. Management considers projected future transactions and tax planning strategies in making this assessment. As of December 31, 2009, the federal capital loss carryover has been fully utilized, and the Hawaii state capital loss carryover was not material.

The Company also has California alternative minimum tax credit carryforwards of approximately \$1 million at December 31, 2009 to reduce future California state income taxes over an indefinite period.

The Company's income taxes payable has been reduced by the tax benefits from share-based compensation. The Company receives an income tax benefit for exercised stock options calculated as the difference between the fair market value of the stock issued at the time of exercise and the option exercise price, tax effected. The Company also receives an income tax benefit for non-vested stock and restricted stock units when they vest, measured as the fair market value of the stock at the time of vesting, tax effected. The net tax benefits from share-based transactions were \$1.3 million and \$1.1 million for 2009 and 2008, respectively, and the portion of the tax benefit related to the excess of the amount reported as expense over the tax deduction was reflected as a reduction to additional capital in the consolidated statements of shareholders' equity.

A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows (in millions):

Balance at January 1, 2007	\$ 10
Additions for tax positions of prior years	3
Reductions for tax positions of prior years	(2)
Reductions for lapse of statute of limitations	(1)
Balance at December 31, 2007	10
Additions for tax positions of prior years	--
Reductions for tax positions of prior years	(1)
Reductions for lapse of statute of limitations	(3)
Balance at December 31, 2008	6
Additions for tax positions of prior years	--
Additions for tax positions of current year	3
Reductions for tax positions of prior years	--
Reductions for lapse of statute of limitations	(1)
Balance at December 31, 2009	<u>\$ 8</u>

Of the total unrecognized benefits, \$8 million at December 31, 2009 and \$6 million at December 31, 2008, represent the amount that, if recognized, would favorably affect the Company's effective rate in future periods. The Company does not expect a material change in gross unrecognized benefits in the next 12 months.

The Company recognizes potential accrued interest and penalties related to unrecognized tax benefits in income tax expense. To the extent interest and penalties are not ultimately assessed with respect to the settlement of uncertain tax positions, amounts accrued will be reduced and reflected as a reduction of the overall income tax provision. As of December 31, 2009 the amounts of accrued interest and penalty were not material.

The Company is no longer subject to U.S. federal income tax audits for years before 2005. The Internal Revenue Service may audit the Company's federal income tax returns for years subsequent to 2004. Additionally, the Company is routinely involved in state and local income tax audits. Substantially all material income tax matters have been concluded for years through 2004.

11. SHARE-BASED AWARDS

2007 Incentive Compensation Plan: The 2007 Incentive Compensation Plan (the "2007 Plan") serves as a successor to the 1998 Stock Option/Stock Incentive Plan, the 1998 Non-Employee Director Stock Option Plan, the Restricted Stock Bonus Plan and the Non-Employee Director Stock Retainer Plan (the "Predecessor Plans"). Under the 2007 Plan, 2,215,000 shares of common stock were initially reserved for issuance. As of December 31, 2009, 826,480 shares of its common stock were reserved for future issuance of share-based awards under the 2007 Plan. On January 28, 2010, the Board of Directors adopted an amended and restated 2007 Plan, subject to shareholder

approval at the 2010 Annual Meeting of Shareholders, which, among other things, authorizes the issuance of an additional 2,200,000 shares of A&B stock under the 2007 Plan.

The 2007 Plan consists of four separate incentive compensation programs: (i) the discretionary grant program, (ii) the stock issuance program, (iii) the incentive bonus program and (iv) the automatic grant program for the non-employee members of the Company's Board of Directors. Share-based compensation is generally awarded under three of the four programs, as more fully described below.

Discretionary Grant Program – Under the Discretionary Grant Program, stock options may be granted with an exercise price no less than 100 percent of the fair market value (defined as the closing market price) of the Company's common stock on the date of the grant. Options generally become exercisable ratably over three years and have a maximum contractual term of 10 years. The Company estimates the grant-date fair value of its stock options using a Black-Scholes-Merton option valuation model.

Stock Issuance Program – Under the Stock Issuance Program, shares of common stock or restricted stock units may be granted. Time-based equity awards vest ratably over three years. Provided certain performance targets are achieved, performance-based equity awards (granted prior to December 31, 2008) vest after one year, and performance-based equity awards granted after December 31, 2008 vest over three years.

Automatic Grant Program – The Automatic Grant Program supersedes and replaces the Company's 1998 Non-Employee Director Stock Option Plan and the Non-Employee Director Stock Retainer Plan. At each annual shareholder meeting, non-employee directors will receive an award of restricted stock units that entitle the holder to an equivalent number of shares of common stock upon vesting. Awards of restricted stock units granted under the program generally vest ratably over three years.

The shares of common stock authorized to be issued under the 2007 Plan may be drawn from shares of the Company's authorized but unissued common stock or from shares of its common stock that the Company acquires, including shares purchased on the open market or in private transactions.

Predecessor Plans: Adopted in 1998, the Company's 1998 Stock Option/Stock Incentive Plan ("1998 Plan") provided for the issuance of non-qualified stock options and common stock to employees of the Company. Under the 1998 Plan, option prices could not be less than the fair market value of the Company's common stock on the dates of grant and the options became exercisable over periods determined, at the dates of grant, by the Compensation Committee of the A&B Board of Directors that administers the plan. Generally, options vested ratably over three years and expired ten years from the date of grant. Payments for options exercised may be made in cash or in shares of the Company's stock. If an option to purchase shares is exercised within five years of the date of grant and if payment is made in shares of the Company's stock, the option holder may receive, under a reload feature, a new stock option grant for such number of shares as is equal to the number surrendered, with an option price not less than the greater of the fair market value of the Company's stock on the date of exercise or one and one-half times the original option price. The 1998 Plan also permitted the issuance of shares of the Company's common stock. Generally, grants of time-based, non-vested stock vests ratably over three years and performance-based, non-vested stock vests in one year, provided that certain performance targets are achieved. The 1998 Plan was superseded by the 2007 Plan and no further grants will be made under the 1998 Plan.

Director Stock Option Plans: The 1998 Director Stock Option Plan ("1998 Director Plan") was superseded by the 2007 Plan. Under the 1998 Non-Employee Director Stock Option Plan, each non-employee Director of the Company, elected at an Annual Meeting of Shareholders, was automatically granted, on the date of each such Annual Meeting, an option to purchase 8,000 shares of the Company's common stock at the fair market value of the shares on the date of grant. Each option to purchase shares generally became exercisable ratably over three years following the date granted.

The Company estimates the grant-date fair value of its stock options using a Black-Scholes-Merton option-pricing model.

The weighted average grant-date fair values of the options granted during 2009, 2008, and 2007 were \$2.79, \$7.88, and \$10.91, respectively, per option, using the range of assumptions provided in the table below:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expected volatility	24.8%	19.5%-19.8%	19.0%-19.5%
Expected term (in years)	5.8	5.8	5.8-5.9
Risk-free interest rate	1.9%	3.1%-3.5%	4.8%-5.0%
Dividend yield	5.4%	2.6%	2.1%-2.2%

- Expected volatility was primarily determined using the historical volatility of A&B common stock over the expected term, but the Company may also consider future events and other factors that it reasonably concludes marketplace participants might consider.
- The expected term of the awards represents expectations of future employee exercise and post-vesting termination behavior and was primarily based on historical experience. The Company analyzed various groups of employees and considers expected or unusual trends that would likely affect this assumption.
- The risk free interest rate was based on U.S. Government treasury yields for periods equal to the expected term of the option on the grant date.
- The expected dividend yield is based on the Company's current and historical dividend policy.

Application of alternative assumptions could produce significantly different estimates of the fair value of share-based compensation and, consequently, significantly affect the related amounts recognized in the consolidated statements of income.

The following table summarizes 2009 stock option activity for the Company's plans (in thousands, except exercise price amounts):

	2007	1998	1998	Total	Weighted Average Exercise Price	Weighted Average Contractual Life	Aggregate Intrinsic Value
	Plan	Employee Plan	Director Plan	Shares			
Outstanding January 1, 2009	480	1,316	239	2,035	\$39.71		
Granted	478	--	--	478	\$23.33		
Exercised	--	(11)	--	(11)	\$26.24		
Forfeited and expired	--	(14)	(43)	(57)	\$29.77		
Outstanding December 31, 2009	958	1,291	196	2,445	\$36.80	5.5	\$9,367
Vested or expected to vest	948	1,278	194	2,420	\$36.80	5.5	\$9,273
Exercisable December 31, 2009	161	1,199	196	1,556	\$38.50	4.3	\$4,002

The following table summarizes 2009 non-vested common stock and restricted stock unit activity (in thousands, except weighted-average, grant-date fair value amounts):

	2007 Plan Restricted Stock Units	Weighted Average Grant-Date Fair Value	Predecessor Plans Non-Vested Common Stock Shares	Weighted Average Grant-Date Fair Value
January 1, 2009	160	\$46.68	94	\$47.48
Granted	389	\$23.59	--	--
Vested	(100)	\$44.70	(79)	47.34
Forfeited	(22)	\$28.47	--	--
Outstanding December 31, 2009	427	\$27.06	15	48.19

A summary of the compensation cost and other measures related to share-based payments is as follows (in millions):

	2009	2008	2007
Share-based expense (net of estimated forfeitures):			
Stock options	\$ 4	\$ 3	\$ 3
Non-vested stock & restricted stock units	5	8	13
Total share-based expense	9	11	16
Total recognized tax benefit	(3)	(3)	(4)
Share-based expense (net of tax)	\$ 6	\$ 8	\$ 12
Cash received upon option exercise	\$ --	\$ 2	\$ 6
Intrinsic value of options exercised	\$ --	\$ 1	\$ 5
Tax benefit realized upon option exercise	\$ --	\$ 1	\$ 2
Fair value of stock vested	\$ 3	\$ 13	\$ 7

As of December 31, 2009, there was \$1.3 million of total unrecognized compensation cost related to unvested stock options. That cost is expected to be recognized over a weighted average period of approximately 1.5 years. As of December 31, 2009, unrecognized compensation cost related to non-vested stock and restricted stock units was \$4.8 million. The unrecognized cost for non-vested stock and restricted stock units is expected to be recognized over a weighted average period of 1.4 years.

12. COMMITMENTS, GUARANTEES AND CONTINGENCIES

Commitments, Guarantees and Contingencies: Commitments and financial arrangements, excluding capital lease commitments that are described in Note 8, included the following as of December 31, 2009 (in millions):

Standby letters of credit	(a) \$ 10
Bonds	(b) \$ 19
Benefit plan withdrawal obligations	(c) \$ 89

These amounts are not recorded on the Company's consolidated balance sheet and it is not expected that the Company or its subsidiaries will be called upon to advance funds under these commitments.

- (a) Consists of standby letters of credit, issued by the Company's lenders under the Company's revolving credit facilities. Approximately \$8 million of the letters of credit are required to allow the Company to qualify as a self-insurer for state and federal workers' compensation liabilities. The balance includes approximately \$2 million for insurance-related matters, principally in the Company's real estate business. In the event the letters of credit are drawn upon, the Company would be obligated to reimburse the issuer of the letter of credit. None of the letters of credit has been drawn upon to date, and the Company believes it is unlikely that any of these letters of credit will be drawn upon.
- (b) Consists of approximately \$1 million of construction bonds related to real estate projects in Hawaii, approximately \$16 million in U.S. customs bonds, and approximately \$2 million related to transportation and other matters. In the event the bonds are drawn upon, the Company would be obligated to reimburse the surety that issued the bond. None of the bonds has been drawn upon to date, and the Company believes it is unlikely that any of these bonds will be drawn upon.
- (c) Represents the withdrawal liabilities for multiemployer pension plans, in which Matson is a participant. The withdrawal liability aggregated approximately \$89 million as of the most recent valuation date. Management has no present intention of withdrawing from and does not anticipate termination of any of the aforementioned plans.

Indemnity Agreements: For certain real estate joint ventures, the Company may be obligated under bond indemnities in order to complete construction of the real estate development if the joint venture does not perform. These indemnities are designed to protect the surety. The Company recorded liabilities at fair value for three indemnities it provided in connection with surety bonds issued to cover construction activities, such as project amenities, roads, utilities, and other infrastructure, at three of its joint ventures. The recorded amount of the liabilities were not material at December 31, 2009 and 2008. Under the indemnities, the Company and its joint venture partners agreed to indemnify the surety bond issuer from all loss and expense arising from the failure of the joint venture to complete the specified bonded construction. The maximum potential amount of aggregate future payments is a function of the amount covered by outstanding bonds at the time of default by the joint venture, reduced by the amount of work completed to date. As of December 31, 2009, the maximum potential amount of aggregate future payments under bonds outstanding was \$67 million, computed as \$166 million of bonds outstanding, less the value of work completed, which totaled approximately \$99 million. The Company and its joint venture partners also entered into mutual indemnification agreements under which each partner agrees to indemnify the other partner for its share of the obligation under the bonds. Including amounts recoverable from the Company's joint venture partners under the mutual indemnification agreements, the Company's maximum potential amount of aggregate future payments under indemnities at December 31, 2009 was approximately \$37 million.

Completion Guarantees: For certain real estate joint ventures, the Company may be required to perform work to complete construction if the joint venture fails to complete construction. These guarantees are intended to assure the joint venture's lender that the project will be completed as represented to the lender. The Company recorded liabilities at fair value for two completion guarantees it provided in connection with joint venture development projects. The recorded amount of these liabilities were not material at December 31, 2009 and 2008. Under the completion guarantees, the Company and its joint venture partners agree to complete development of specified development work if the joint venture fails to complete development. The maximum potential amount of aggregate future payments related to the Company's completion guarantees is a function of the work agreed to be completed, reduced by the amount of work completed to date at the time of default by the joint venture. As of December 31, 2009, the maximum potential amount of aggregate future payments under completion guarantees outstanding was \$3 million, computed as \$15 million of project work guaranteed, less the value of work completed, which totaled approximately \$12 million. The Company's share of the maximum potential amount of aggregate future payments under indemnities at December 31, 2009 was approximately \$2 million.

Other Obligations: Certain of the businesses in which the Company holds a non-controlling interest have long-term debt obligations. In August 2009, a \$12 million construction loan held by one of the Company's real estate joint ventures matured. The joint venture is currently negotiating with the lender to extend the maturity date of the loan. The lender has tentatively agreed to a 36-month extension of the loan, conditioned upon a \$1.8 million

payment from the joint venture, an agreement to convert the loan to a 25-year amortization schedule, and certain other conditions. If the joint venture is not successful in consummating an extension of the loan and remains in default, the Company may be obligated to pay approximately \$2 million under a "re-margin" guarantee, under which the joint venture must maintain a minimum debt service coverage ratio of 1.3 to 1. As of December 31, 2009, the Company had not paid any amounts under the re-margin guarantee, but a liability of \$2 million was recorded with a corresponding increase to the Company's investment in the joint venture. In December 2009, a \$16 million construction loan held by one of the Company's real estate joint ventures matured. The joint venture is currently negotiating with the lender to extend the maturity date of the loan. If the joint venture is not successful in consummating an extension of the loan and remains in default, the Company may be obligated to pay \$1.8 million. As of December 31, 2009, the Company had not paid any amounts to the lender, but a liability of \$1.8 million was recorded with a corresponding increase to the Company's investment in the joint venture.

Other than obligations described above, investee obligations do not have recourse to the Company and the Company's "at-risk" amounts are limited to its investment. These investments are more fully described in Note 4.

Environmental Matters: As with most transportation, industrial and land development companies of its size, the Company's shipping, real estate, and agricultural businesses have certain risks that could result in expenditures for environmental remediation. It is the Company's policy, as part of its due diligence process for all acquisitions, to use third-party environmental consultants to investigate the environmental risks and to require disclosure from land sellers of known environmental risks. Despite these precautions, there can be no assurance that the Company will avoid material liabilities relating to environmental matters affecting properties currently or previously owned by the Company. No estimate of such potential liabilities can be made although the Company may, from time to time, purchase property which requires modest environmental clean-up costs after appropriate due diligence. In such instances, the Company takes steps prior to acquisition to gain assurance as to the precise scope of work required and costs associated with removal, site restoration and/or monitoring, using detailed investigations by environmental consultants. The Company believes that based on all information available to it, the Company is in compliance, in all material respects, with applicable environmental laws and regulations.

In late 2003, the Company paid \$1.6 million to settle a claim for payment of environmental remediation costs incurred by the current owner of a sugar refinery site in Hawaii that previously was sold by the Company in 1994. In connection with this settlement, the Company assumed responsibility to remediate certain parcels of the site and accrued an undiscounted obligation of approximately \$2 million for the estimated remediation costs. The commencement of environmental cleanup is dependent upon studies to be approved by the Department of Health of the State of Hawaii, which has not occurred as of December 31, 2009.

Other Contingencies: A&B owns 16,000 acres of watershed lands in East Maui that supply a significant portion of the irrigation water used by HC&S. A&B also held four water licenses to another 30,000 acres owned by the State of Hawaii in East Maui, which over the years has supplied approximately two-thirds of the irrigation water used by HC&S. The last of these water license agreements expired in 1986, and all four agreements were then extended as revocable permits that were renewed annually. In 2001, a request was made to the State Board of Land and Natural Resources (the "BLNR") to replace these revocable permits with a long-term water lease. Pending the conclusion by the BLNR of this contested case hearing on the request for the long-term lease, the BLNR has renewed the existing permits on a holdover basis. If the Company is not permitted to divert stream waters from State lands in East Maui for its use, it would have a material adverse effect on the Company's sugar-growing operations.

In addition, on May 24, 2001, petitions were filed by a third party, requesting that the Commission on Water Resource Management of the State of Hawaii ("Water Commission") amend interim instream flow standards ("IIFS") in 27 East Maui streams that feed the Company's irrigation system. On September 25, 2008, the Water Commission took action on eight of the petitions, resulting in some quantity of water being returned to the streams rather than being utilized for irrigation purposes. While the loss of the water as a result of the Water Commission's action on the eight petitions may not significantly impair the Company's sugar-growing operations, similar losses of water on the remaining 19 streams would have a material adverse effect on the Company's sugar-growing operations. In December 2009, the Water Commission conducted deliberations on the amendment of IIFS for the remaining 19 East Maui streams, deferring action for at least a three month period. The Company, at this time, is unable to determine what action the Water Commission will take with respect to all 27 streams.

On June 25, 2004, two organizations filed with the Water Commission a petition to amend IIFS for four streams in West Maui to increase the amount of water to be returned to these streams. The West Maui irrigation system provides approximately one-sixth of the irrigation water used by HC&S. The Water Commission's deliberations on whether to amend the current IIFS for the West Maui streams are currently ongoing, and an adverse decision could result in some quantity of water being returned to the streams, rather than being utilized for irrigation purposes, which may have a material adverse effect on the Company's sugar-growing operations. A decision by the Water Commission is not expected until mid-2010.

On December 10, 2007, the Shipbuilders Council of America, Inc. and Pasha Hawaii Transport Lines LLC filed a complaint against the U.S. Department of Homeland Security, the U.S. Coast Guard and the National Vessel Documentation Center in the U.S. District Court for the Eastern District of Virginia. The complaint sought review of a certificate of documentation with a coastwise endorsement issued by the National Vessel Documentation Center after concluding that Matson's C9 vessel Mokihana had not been rebuilt abroad. Matson intervened in the action. On December 4, 2009, the court granted summary judgment in favor of the government and Matson, and dismissed the plaintiffs' complaint with prejudice. The time to seek appellate review of this matter has expired.

On April 21, 2008, Matson was served with a grand jury subpoena from the U.S. District Court for the Middle District of Florida for documents and information relating to water carriage in connection with the Department of Justice's investigation into the pricing and other competitive practices of carriers operating in the domestic trades. Matson understands that while the investigation currently is focused on the Puerto Rico trade, it also includes pricing and other competitive practices in connection with all domestic trades, including the Alaska, Hawaii and Guam trades. Matson does not operate vessels in the Puerto Rico and Alaska trades. It does operate vessels in the Hawaii and Guam trades. Matson has cooperated, and will continue to cooperate, fully with the Department of Justice. If the Department of Justice believes that any violations have occurred on the part of Matson or the Company, it could seek civil or criminal sanctions, including monetary fines. The Company is unable to predict, at this time, the outcome or financial impact, if any, of this investigation.

The Company and Matson were named as defendants in a consolidated civil lawsuit purporting to be a class action in the U.S. District Court for the Western District of Washington in Seattle. The lawsuit alleged violations of the antitrust laws and also named as a defendant Horizon Lines, Inc., another domestic shipping carrier operating in the Hawaii and Guam trades. On August 18, 2009, the court granted the defendants' motion to dismiss the complaint. The court granted the plaintiffs leave to amend the complaint by May 10, 2010 to allege claims consistent with the court's order. If the plaintiffs file an amended complaint, the Company and Matson will continue to vigorously defend themselves in this lawsuit. The Company is unable to predict, at this time, the outcome or financial impact, if any, of this lawsuit if an amended complaint is filed.

In June 2006, Matson and its Long Beach terminal operator, SSAT LLC, completed negotiations of an amendment to the Preferential Assignment Agreement with the City of Long Beach that includes changes requested by Matson to implement its new China Service as well as environmental covenants applicable to vessels which call at Pier C. The environmental requirements are part of programs proposed by both the ports of Los Angeles and Long Beach designed to reduce airborne emissions in the port area. Under the amendment, Matson is required to install equipment on all its motor vessels to allow them to accept a shore-based electrical power source instead of using the vessel's diesel generators while in port ("cold ironing") and to phase out calls by its steamships by 2020. In December 2008, the Office of Administrative Law approved regulations put forth by the California Air Resources Board ("CARB") which mandate cold ironing of diesel powered container ships at major ports starting in 2014. The CARB regulations put the responsibility for shoreside electrical infrastructure on the terminal operator. Matson's lease agreement commits the Port of Long Beach to providing the shoreside infrastructure and construction commenced in 2009 and is expected to be completed in 2010. However, the Port of Oakland has not yet made a commitment to provide the required infrastructure at the Company's Oakland terminal and therefore, SSAT may be held responsible for this cost. SSAT submitted the required terminal plan to CARB on July 1, 2009, but the plan has not yet been approved. The cost of the required infrastructure improvements has not been estimated. The modifications to Matson's vessels to accommodate cold ironing will occur at each of their next scheduled out-of-water drydockings. Two vessels have been retrofitted through 2009 and one is scheduled for 2010. The estimated costs of the modifications are projected at \$13.7 million for the eight motor vessels including design and engineering costs, and the cost for vessel stepdown transformers to accommodate the power provided at the dock. As of

December 31, 2009, approximately \$4.3 million has been incurred. The costs of the modifications have been recorded as capital assets because they provide future economic benefits.

The Company is subject to possible climate change legislation, regulation and international accords. Numerous bills related to climate change, such as limiting and reducing greenhouse gas emissions through a "cap and trade" system of allowances and credits, have been introduced in the U.S. Congress. If enacted, these regulations could impose significant additional costs on the Company, including increased energy costs, higher material prices, and costly mandatory vessel and equipment modifications. The Company is unable to predict, at this time, the outcome or financial impact, if any, of future climate change related legislation.

The Company and certain subsidiaries are parties to other various legal actions and are contingently liable in connection with claims and contracts arising in the normal course of business, the outcome of which, in the opinion of management after consultation with legal counsel, will not have a material adverse effect on the Company's financial position or results of operations.

13. INDUSTRY SEGMENTS

Operating segments are components of an enterprise that engage in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company's chief operating decision maker is its Chief Executive Officer. Based on the foregoing, the Company has five segments that operate in three industries: Transportation, Real Estate and Agribusiness.

The Transportation Industry consists of two segments. Ocean Transportation carries freight between various U.S. Pacific Coast, major Hawaii ports, Guam, China and other Pacific ports and provides terminal, stevedoring and container equipment management services in Hawaii. Logistics Services arranges domestic and international rail intermodal service, long-haul and regional highway brokerage, specialized hauling, flat-bed and project work, less-than-truckload, expedited freight services, and warehousing and distribution services.

The Real Estate Industry consists of two segments. The Real Estate Sales segment generates its revenues through the development and sale of land, commercial and residential properties. The Real Estate Leasing segment owns, operates, and manages retail, office, and industrial properties. When property that was previously leased is sold, the revenue and operating profit are included with the Real Estate Sales segment.

Agribusiness, which consists of one segment, grows sugar cane and coffee; produces bulk raw sugar, specialty food-grade sugars, and molasses; produces, markets, and distributes roasted coffee, green coffee and specialty food-grade sugars; provides general trucking services, mobile equipment maintenance and repair services, and self-service storage in Hawaii; and generates and sells, to the extent not used in the Company's operations, electricity.

The accounting policies of the operating segments are described in the summary of significant accounting policies. Reportable segments are measured based on operating profit, exclusive of interest expense, general corporate expenses, and income taxes.

INDUSTRY SEGMENTS (CONTINUED)

Industry segment information for 2009, 2008, and 2007 is summarized below (in millions):

For the Year	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenue:			
Transportation:			
Ocean transportation	\$ 888.6	\$ 1,023.7	\$ 1,006.9
Logistics services	320.9	436.0	433.5
Real Estate:			
Leasing	103.2	107.8	108.5
Sales	125.6	350.2	117.8
Less amounts reported in discontinued operations ¹	(124.2)	(151.5)	(130.2)
Agribusiness ⁵	107.0	124.3	123.7
Reconciling Items ²	(16.3)	(10.7)	(9.2)
Total revenue	<u>\$ 1,404.8</u>	<u>\$ 1,879.8</u>	<u>\$ 1,651.0</u>
Operating Profit:			
Transportation:			
Ocean transportation ³	\$ 58.3	\$ 105.8	\$ 126.5
Logistics services	6.7	18.5	21.8
Real Estate:			
Leasing	43.2	47.8	51.6
Sales ³	39.1	95.6	74.4
Less amounts reported in discontinued operations ¹	(52.3)	(69.3)	(71.2)
Agribusiness ⁵	(27.8)	(12.9)	0.2
Total operating profit	67.2	185.5	203.3
Interest expense, net ⁴	(25.9)	(23.7)	(18.8)
General corporate expenses	(21.8)	(21.0)	(27.3)
Income from continuing operations before income taxes	19.5	140.8	157.2
Income taxes	7.6	51.5	59.3
Income from continuing operations	11.9	89.3	97.9
Discontinued operations	32.3	43.1	44.3
Net income	<u>\$ 44.2</u>	<u>\$ 132.4</u>	<u>\$ 142.2</u>

¹ Prior year amounts restated for amounts treated as discontinued operations. See Notes 1 and 2 for additional information.

² Includes inter-segment revenue, interest income, and other income classified as revenue for segment reporting purposes.

³ The Ocean Transportation segment includes approximately \$6.2 million, \$5.2 million, and \$10.7 million of equity in earnings from its investment in SSAT for 2009, 2008, and 2007, respectively. The Real Estate Sales segment includes approximately \$9.0 million and \$22.6 million in equity in earnings from its various real estate joint ventures for 2008 and 2007, respectively. Equity in earnings from joint ventures in 2009 was negligible.

⁴ Includes Ocean Transportation interest expense of \$9.0 million for 2009, \$11.6 million for 2008, and \$13.9 million for 2007. Substantially all other interest expense was at the parent company.

⁵ Includes a \$5.4 million gain recorded upon consolidation of HS&TC in 2009.

INDUSTRY SEGMENTS (CONTINUED)

As of December 31:	<u>2009</u>	<u>2008</u>	<u>2007</u>
Identifiable Assets:			
Ocean transportation ⁶	\$ 1,095.2	\$ 1,153.9	\$ 1,215.0
Logistics services	72.4	74.2	58.6
Real estate leasing	627.4	590.2	595.4
Real estate sales ⁶	415.6	344.6	408.9
Agribusiness	156.8	172.2	174.6
Other	12.2	15.1	26.6
Total assets	<u>\$ 2,379.6</u>	<u>\$ 2,350.2</u>	<u>\$ 2,479.1</u>
Capital Expenditures:			
Ocean transportation	\$ 12.7	\$ 35.5	\$ 65.8
Logistics services ⁷	0.6	2.4	2.0
Real estate leasing ⁸	108.8	100.2	124.5
Real estate sales ⁹	0.1	0.6	0.3
Agribusiness	3.4	15.2	20.5
Other	0.3	0.8	0.3
Total capital expenditures	<u>\$ 125.9</u>	<u>\$ 154.7</u>	<u>\$ 213.4</u>
Depreciation and Amortization:			
Ocean transportation	\$ 67.1	\$ 66.1	\$ 63.2
Logistics services	3.5	2.3	1.5
Real estate leasing ¹	19.5	17.9	15.7
Real estate sales	0.3	0.2	0.2
Agribusiness	11.9	11.5	10.7
Other	3.1	2.7	1.3
Total depreciation and amortization	<u>\$ 105.4</u>	<u>\$ 100.7</u>	<u>\$ 92.6</u>

⁶ The Ocean Transportation segment includes approximately \$47.2 million, \$44.6 million, and \$48.6 million related to its investment in SSAT as of December 31, 2009, 2008, and 2007, respectively. The Real Estate Sales segment includes approximately \$193.3 million, \$162.1 million, and \$134.1 million related to its investment in various real estate joint ventures as of December 31, 2009, 2008, and 2007, respectively.

⁷ Excludes expenditures related to Matson Integrated Logistics' acquisitions, which are classified as Payments for Purchases of Investments in Cash Flows from Investing Activities within the Consolidated Statements of Cash Flows.

⁸ Represents gross capital additions to the leasing portfolio, including gross tax-deferred property purchases that are reflected as non-cash transactions in the Consolidated Statements of Cash Flows.

⁹ Excludes capital expenditures for real estate developments held for sale which are classified as Cash Flows from Operating Activities within the Consolidated Statements of Cash Flows. Operating cash flows for capital expenditures related to real estate developments were \$6 million, \$39 million, and \$110 million for 2009, 2008, and 2007, respectively.

14. QUARTERLY INFORMATION (Unaudited)

Segment results by quarter for 2009 are listed below (in millions, except per-share amounts):

	2009			
	Q1	Q2	Q3	Q4
Revenue:				
Transportation:				
Ocean transportation	\$ 201.1	\$ 218.5	\$ 234.2	\$ 234.8
Logistics services	76.2	80.3	82.3	82.1
Real Estate:				
Leasing	27.2	25.9	25.2	24.9
Sales	25.2	21.3	14.9	64.2
Less amounts reported in discontinued operations ¹	(29.6)	(20.8)	(13.4)	(60.4)
Agribusiness ²	17.7	29.2	32.5	27.6
Reconciling Items ³	(2.3)	(2.8)	(3.0)	(8.2)
Total revenue	<u>\$ 315.5</u>	<u>\$ 351.6</u>	<u>\$ 372.7</u>	<u>\$ 365.0</u>
Operating Profit (Loss):				
Transportation:				
Ocean transportation	\$ (0.5)	\$ 21.1	\$ 24.2	\$ 13.5
Logistics services	1.5	1.8	2.2	1.2
Real Estate:				
Leasing	12.0	11.0	10.2	10.0
Sales	5.6	9.6	3.5	20.4
Less amounts reported in discontinued operations ¹	(11.3)	(12.1)	(5.5)	(23.4)
Agribusiness ²	(1.9)	(11.3)	(13.8)	(0.8)
Total operating profit	5.4	20.1	20.8	20.9
Interest Expense	(5.6)	(6.9)	(6.7)	(6.7)
General Corporate Expenses	(6.1)	(4.5)	(4.9)	(6.3)
Income From Continuing Operations before Income Taxes	(6.3)	8.7	9.2	7.9
Income taxes (benefit)	(2.3)	3.6	4.1	2.2
Income From Continuing Operations	(4.0)	5.1	5.1	5.7
Discontinued Operations ¹	7.0	7.5	3.4	14.4
Net Income	<u>\$ 3.0</u>	<u>\$ 12.6</u>	<u>\$ 8.5</u>	<u>\$ 20.1</u>
Earnings Per Share:				
Basic	\$ 0.07	\$ 0.31	\$ 0.21	\$ 0.49
Diluted	\$ 0.07	\$ 0.31	\$ 0.21	\$ 0.49

¹ See Note 2 for discussion of discontinued operations.

² Includes a \$5.4 million gain recorded upon consolidation of HS&TC in the fourth quarter of 2009.

³ Includes inter-segment revenue, interest income, and other income classified as revenue for segment reporting purposes.

Segment results by quarter for 2008 are listed below (in millions, except per-share amounts):

	2008			
	Q1	Q2	Q3	Q4
Revenue:				
Transportation:				
Ocean transportation	\$ 243.0	\$ 268.4	\$ 272.8	\$ 239.5
Logistics services	102.6	115.5	118.1	99.8
Real Estate:				
Leasing	28.8	27.3	26.2	25.5
Sales	187.4	31.2	77.2	54.4
Less amounts reported in discontinued operations ¹	(8.3)	(19.0)	(75.9)	(48.3)
Agribusiness	22.5	36.2	37.5	28.1
Reconciling Items ²	(1.5)	(2.6)	(3.0)	(3.6)
Total revenue	<u>\$ 574.5</u>	<u>\$ 457.0</u>	<u>\$ 452.9</u>	<u>\$ 395.4</u>
Operating Profit (Loss):				
Transportation:				
Ocean transportation	\$ 15.9	\$ 37.4	\$ 31.4	\$ 21.1
Logistics services	4.7	4.6	5.1	4.1
Real Estate:				
Leasing	13.9	12.6	11.1	10.2
Sales	41.4	9.1	25.8	19.3
Less amounts reported in discontinued operations ¹	(4.9)	(10.8)	(30.0)	(23.6)
Agribusiness	4.8	(4.9)	(6.7)	(6.1)
Total operating profit	<u>75.8</u>	<u>48.0</u>	<u>36.7</u>	<u>25.0</u>
Interest Expense	(6.1)	(5.6)	(5.8)	(6.2)
General Corporate Expenses	(5.7)	(5.4)	(5.3)	(4.6)
Income From Continuing Operations before				
Income Taxes	64.0	37.0	25.6	14.2
Income taxes	25.1	14.1	7.4	4.9
Income From Continuing Operations	<u>38.9</u>	<u>22.9</u>	<u>18.2</u>	<u>9.3</u>
Discontinued Operations¹	<u>3.2</u>	<u>6.7</u>	<u>18.6</u>	<u>14.6</u>
Net Income	<u>\$ 42.1</u>	<u>\$ 29.6</u>	<u>\$ 36.8</u>	<u>\$ 23.9</u>
Earnings Per Share:				
Basic	\$ 1.02	\$ 0.72	\$ 0.89	\$ 0.58
Diluted	\$ 1.01	\$ 0.71	\$ 0.89	\$ 0.58

¹ See Note 2 for discussion of discontinued operations.

² Includes inter-segment revenue, interest income, and other income classified as revenue for segment reporting purposes.

15. PARENT COMPANY CONDENSED FINANCIAL INFORMATION

Set forth below are the unconsolidated condensed financial statements of Alexander & Baldwin, Inc. ("Parent Company"). The significant accounting policies used in preparing these financial statements are substantially the same as those used in the preparation of the consolidated financial statements as described in Note 1, except that, for purposes of the tables presented in this footnote, subsidiaries are carried under the equity method.

The following table presents the Parent Company's condensed balance sheets as of December 31, 2009 and 2008 (in millions):

	<u>2009</u>	<u>2008</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1	\$ --
Accounts and other receivables, net	12	3
Inventories	6	--
Real estate held for sale	7	--
Income tax receivable	--	24
Section 1031 exchange proceeds	--	23
Prepaid expenses and other	15	23
Total current assets	<u>41</u>	<u>73</u>
Investments:		
Subsidiaries consolidated, at equity	1,210	1,131
Property, at Cost	455	432
Less accumulated depreciation and amortization	226	219
Property -- net	<u>229</u>	<u>213</u>
Other Assets	32	43
Total	<u>\$ 1,512</u>	<u>\$ 1,460</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 40	\$ 28
Accounts payable	10	8
Income taxes payable	24	--
Non-qualified benefit plans	17	4
Other	15	12
Total current liabilities	<u>106</u>	<u>52</u>
Long-term Debt	239	200
Employee Benefit Plans	22	49
Non-qualified Benefit Plans	8	17
Other Long-term Liabilities	4	6
Deferred Income Taxes	42	30
Due to Subsidiaries	6	34
Shareholders' Equity:		
Capital stock	33	33
Additional capital	210	204
Accumulated other comprehensive loss	(81)	(96)
Retained earnings	934	942
Cost of treasury stock	(11)	(11)
Total shareholders' equity	<u>1,085</u>	<u>1,072</u>
Total	<u>\$ 1,512</u>	<u>\$ 1,460</u>

The following table presents the Parent Company's condensed statements of income for the years ended December 31, 2009, 2008 and 2007 (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Revenue:			
Agribusiness	\$ 73	\$ 91	\$ 92
Real estate leasing	22	19	18
Real estate sales	8	6	6
Interest and other	2	3	8
Total revenue	<u>105</u>	<u>119</u>	<u>124</u>
Costs and Expenses:			
Cost of agribusiness goods and services	109	110	97
Cost of real estate sales and leasing	14	11	10
Selling, general and administrative	21	21	28
Interest and other	16	14	12
Income tax benefit	(21)	(16)	(7)
Total costs and expenses	<u>139</u>	<u>140</u>	<u>140</u>
Loss from Continuing Operations	(34)	(21)	(16)
Discontinued Operations, net of income taxes	<u>8</u>	<u>17</u>	<u>4</u>
Loss Before Equity in Income of Subsidiaries Consolidated	(26)	(4)	(12)
Equity in Income from Continuing Operations of Subsidiaries Consolidated	46	111	114
Equity in Income from Discontinued Operations of Subsidiaries Consolidated	<u>24</u>	<u>25</u>	<u>40</u>
Net Income	44	132	142
Other Comprehensive Income (Loss), net of income taxes	<u>15</u>	<u>(91)</u>	<u>15</u>
Comprehensive Income	<u>\$ 59</u>	<u>\$ 41</u>	<u>\$ 157</u>

The following table presents the Parent Company's condensed statements of cash flows for the years ended December 31, 2009, 2008 and 2007 (in millions):

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Cash Flows from Operations (including dividends received from subsidiaries)	<u>\$ 90</u>	<u>\$ 144</u>	<u>\$ 17</u>
Cash Flows from Investing Activities:			
Capital expenditures	(6)	(16)	(18)
Purchase of investments	(96)	(12)	--
Proceeds from disposal of property and sale of investments	<u>28</u>	<u>9</u>	<u>5</u>
Net cash used in investing activities	<u>(74)</u>	<u>(19)</u>	<u>(13)</u>
Cash Flows from Financing Activities:			
Change in intercompany payables/receivables	(13)	(4)	(15)
Proceeds from (repayments of) long-term debt, net	51	(16)	85
Proceeds from issuance of capital stock, including tax benefit	(1)	2	8
Repurchases of capital stock	--	(59)	(33)
Dividends paid	<u>(52)</u>	<u>(51)</u>	<u>(48)</u>
Net cash used in financing activities	<u>(15)</u>	<u>(128)</u>	<u>(3)</u>
Cash and Cash Equivalents:			
Net increase (decrease) for the year	1	(3)	1
Balance, beginning of year	--	<u>3</u>	<u>2</u>
Balance, end of year	<u>\$ 1</u>	<u>\$ --</u>	<u>\$ 3</u>
Other Cash Flow Information:			
Interest paid	\$ (13)	\$ (13)	\$ (12)
Income taxes paid, net of refunds	\$ (38)	\$ (63)	\$ (55)
Other Non-cash Information:			
Depreciation expense	\$ 17	\$ 15	\$ 15
Tax-deferred property sales	\$ 29	\$ 60	\$ --
Tax-deferred property purchases	\$ (40)	\$ (5)	\$ --

General Information: The Parent Company is headquartered in Honolulu, Hawaii and is engaged in the operations that are generally described in Note 13, "Industry Segments." Additional information related to the Parent Company is described in the foregoing notes to the consolidated financial statements.

Long-term Debt: At December 31, 2009 and 2008, long-term debt consisted of the following (in millions):

	<u>2009</u>	<u>2008</u>
Revolving Credit loans (0.76% for 2009 and 1.12% for 2008)	\$ 24	\$ 55
Term Loans:		
6.90%, payable through 2020	100	--
5.53%, payable through 2016	50	50
5.55%, payable through 2017	50	50
5.56%, payable through 2016	25	25
4.10%, payable through 2012	25	30
7.42%, payable through 2010	3	6
6.20%, payable through 2013	2	3
7.55%, payable through 2009	--	7
7.57%, payable through 2009	--	2
Total	<u>279</u>	<u>228</u>
Less current portion	<u>(40)</u>	<u>(28)</u>
Long-term debt	<u>\$ 239</u>	<u>\$ 200</u>

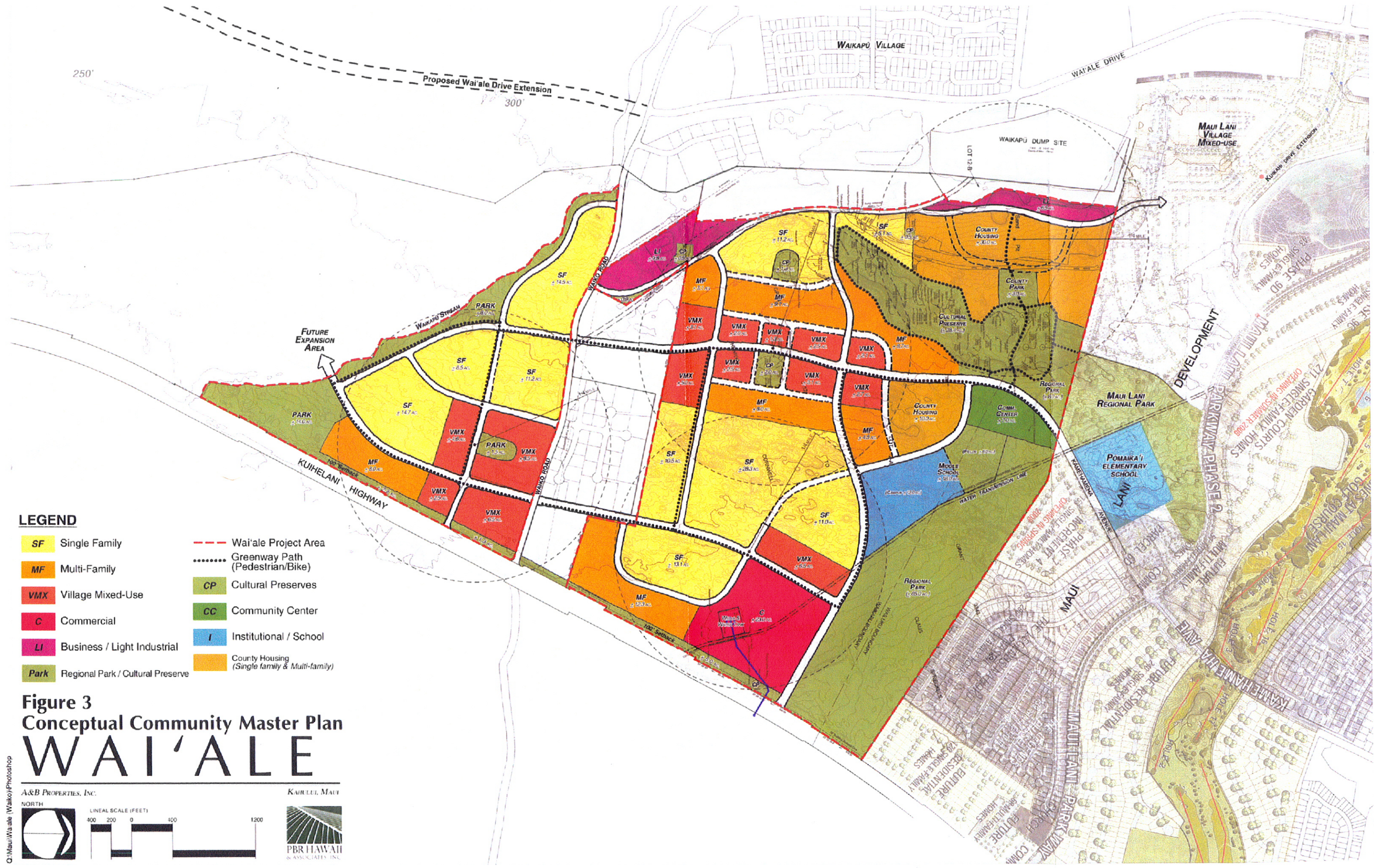
Long-term Debt Maturities: At December 31, 2009, maturities of all long-term debt during the next five years are \$40 million in 2010, \$16 million in 2011, \$27 million in 2012, \$21 million in 2013, \$33 million in 2014, and \$142 million thereafter.

Revolving Credit Facilities: The Company has a revolving senior credit facility with six commercial banks that expires in December 2011. The revolving credit facility provides for a commitment of \$225 million. Amounts drawn under the facility bear interest at London Interbank Offered Rate ("LIBOR") plus a spread ranging from 0.225 percent to 0.475 percent based on the Company's S&P rating. The agreement contains certain restrictive covenants, the most significant of which require the maintenance of minimum shareholders' equity levels, minimum unencumbered property investment values, and a maximum ratio of total debt to earnings before interest, depreciation, amortization, and taxes. At December 31, 2009, \$24 million was outstanding and classified as current, \$2 million in letters of credit had been issued against the facility, and \$199 million remained available for borrowing.

The Company has a replenishing \$400 million three-year unsecured note purchase and private shelf agreement with Prudential Investment Management, Inc. and its affiliates (collectively, "Prudential") under which the Company may issue notes in an aggregate amount up to \$400 million, less the sum of all principal amounts then outstanding on any notes issued by the Company or any of its subsidiaries to Prudential and the amount of any notes that are committed under the note purchase agreement. The Prudential agreement contains certain restrictive covenants that are substantially the same as the covenants contained in the aggregate \$325 million revolving senior credit facilities. The ability to draw additional amounts under the Prudential facility expires on April 19, 2012 and borrowings under the shelf facility bear interest at rates that are determined at the time of the borrowing. At December 31, 2009, \$71 million was available under the facility.

Real Estate Secured Term Debt: In June 2005, the Company, together with its real-estate subsidiaries, purchased an office building in Phoenix, Arizona, and assumed \$11 million of mortgage-secured debt. A&B owns approximately 24 percent of the Phoenix office building. At December 31, 2009, approximately \$2 million of the \$11 million was recorded on the parent company's books, consistent with ownership of the property. The property is jointly and severally owned by three subsidiaries of the Company.

Dividends from Subsidiaries: The Company received dividends from Matson totaling \$60 million for each of the last three years ended December 31, 2009, 2008, and 2007.



LEGEND

SF Single Family	 Wai'ale Project Area
MF Multi-Family	 Greenway Path (Pedestrian/Bike)
VMX Village Mixed-Use	CP Cultural Preserves
C Commercial	CC Community Center
LI Business / Light Industrial	I Institutional / School
Park Regional Park / Cultural Preserve	County Housing (Single family & Multi-family)

Figure 3
Conceptual Community Master Plan
WAI'ALE

A&B PROPERTIES, INC. KAUIHUI, MAUI

NORTH

LINEAL SCALE (FEET)

400 200 0 100 1200

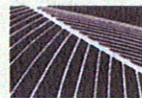
PBR HAWAII & ASSOCIATES, INC.

WAI'ALE



ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE

PREPARED BY:



PBR HAWAII
& ASSOCIATES, INC.

AUGUST 2010

EXHIBIT "7"

WAI'ALE
ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE

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WAI'ALE
ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE

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1.0 INTRODUCTION



WAI'ALE
ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE

1.0 INTRODUCTION

This environmental impact statement preparation notice (EISPN) is prepared in accordance with Chapter 343, *Hawaii Revised Statutes* (HRS) for the Wai'ale Community Project (hereafter "Wai'ale" or "Project") on the island of Maui.

1.1 SUMMARY

Project Name:	Wai'ale
Location:	Waikapū, Wailuku, Maui
Judicial District:	Wailuku
Landowner:	Alexander & Baldwin, Inc.
Applicant:	A&B Properties, Inc.
Tax Map Key (TMK):	TMK (2) 3-8-005: 023 (por.) and 037, and (2) 3-8-007: 071, 101 (por.), and 104
Project Area:	Approximately 545 acres
Existing Use:	Pasture (cattle and horses), cattle feed lot, orchid farm, base yard, sand stockpile and fallowed sugar fields.
Proposed Use:	A master planned residential community that would include: Village Mixed Use, Commercial, Business/Light Industrial, Multi Family and Single Family Residential, Community Center, Regional Park, Neighborhood Parks, Greenways and Open Space, Cultural Preserves, Middle School, and related infrastructure, including a possible wastewater treatment plant. 50 acres of the subject lands will be donated to the County of Maui with the following specified land use allocations: Affordable Housing (40 acres), Neighborhood Park (3 acres), and Community Center (7 acres).
Land Use Designations:	State Land Use: Agricultural Wailuku-Kahului Community Plan: Agriculture County Zoning: Agricultural Draft Maui Island Plan (December 2009): within Urban Growth Area

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Special Management Area: Outside of the Special Management Area (SMA)

**Permits/Approvals
Required:**

Compliance with Chapter 343, *Hawaii Revised Statutes*
State Land Use District Boundary Amendment
Community Plan Amendment
Project District (Phase I)/Change in Zoning
Project District (Phases II)
Project District (Phase III)/Subdivision Approval
Compliance with Chapter 6E, *Hawaii Revised Statutes*
Grading/Building Permits
National Pollutant Discharge Elimination System Permit

Accepting Authority: State of Hawai'i Land Use Commission

1.2 LOCATION

The approximately 545.229 acre Wai'ale property is located at Wailuku and Waikapū, Maui, adjacent and south of the Maui Lani project (See Figure 1). The Wai'ale property borders Kuihelani Highway on the east. Waiko Road intersects Kuihelani Highway and divides the property into two sections, one section lies north of Waiko Road (approximately 422.594 acres) and the other south of Waiko Road (approximately 122.635 acres).

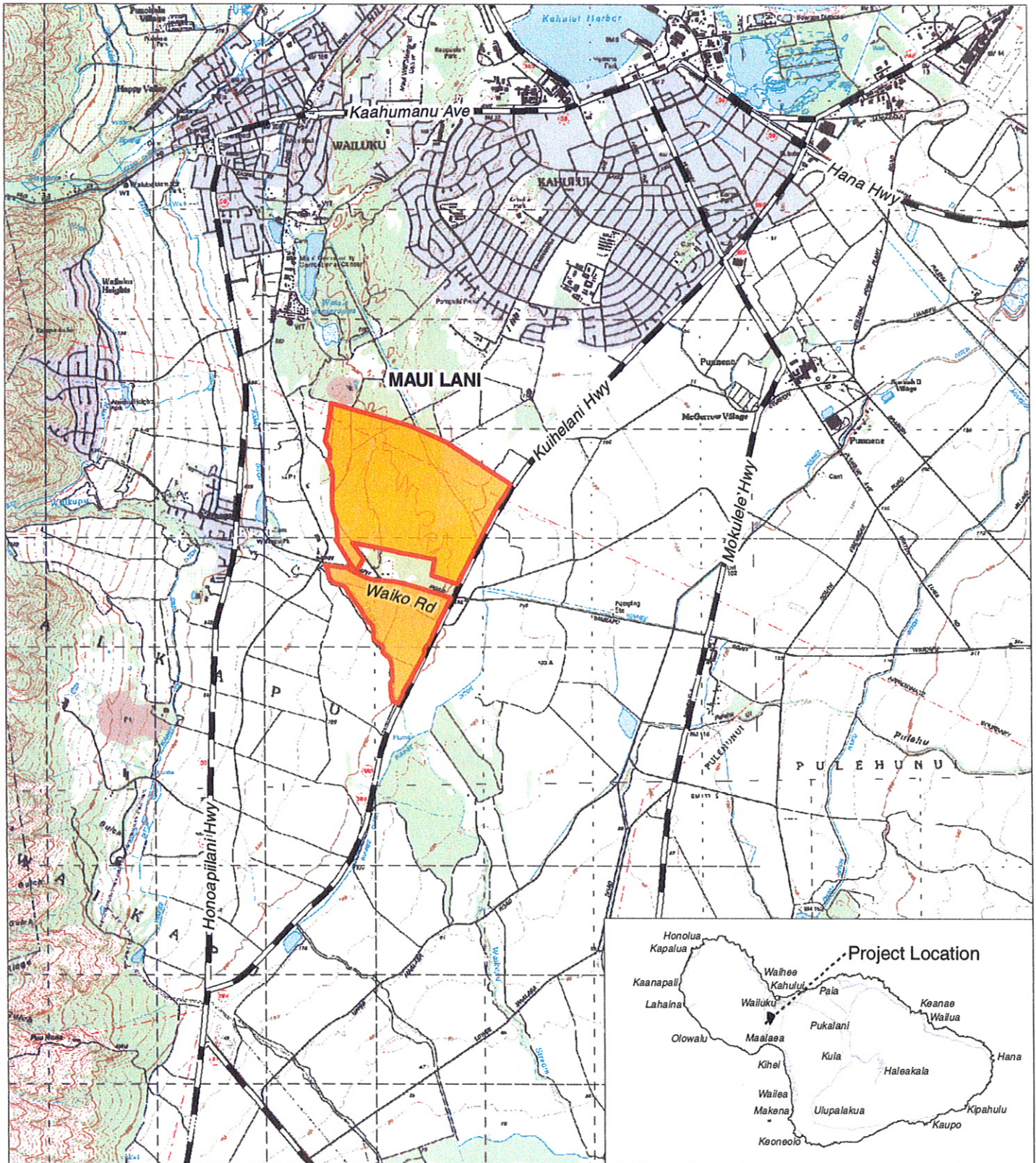
1.3 LAND OWNERSHIP

Alexander & Baldwin, Inc. owns the properties identified as TMK (2) 3-8-005: 023 (por.) and 037; and (2) 3-8-007: 071, 101 (por.), and 104 (See Figure 2).

1.4 IDENTIFICATION OF THE APPLICANT

The applicant is A&B Properties, Inc.

Contact: Mr. Grant Chun, Vice President
A&B Properties, Inc.
P. O. Box 156
Kahului, Hawai'i 96732
Phone: (808) 872-4312
Fax: (808) 871-7497



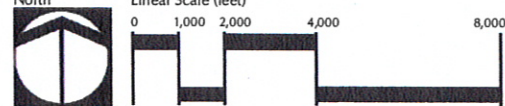

LEGEND

 Project Area

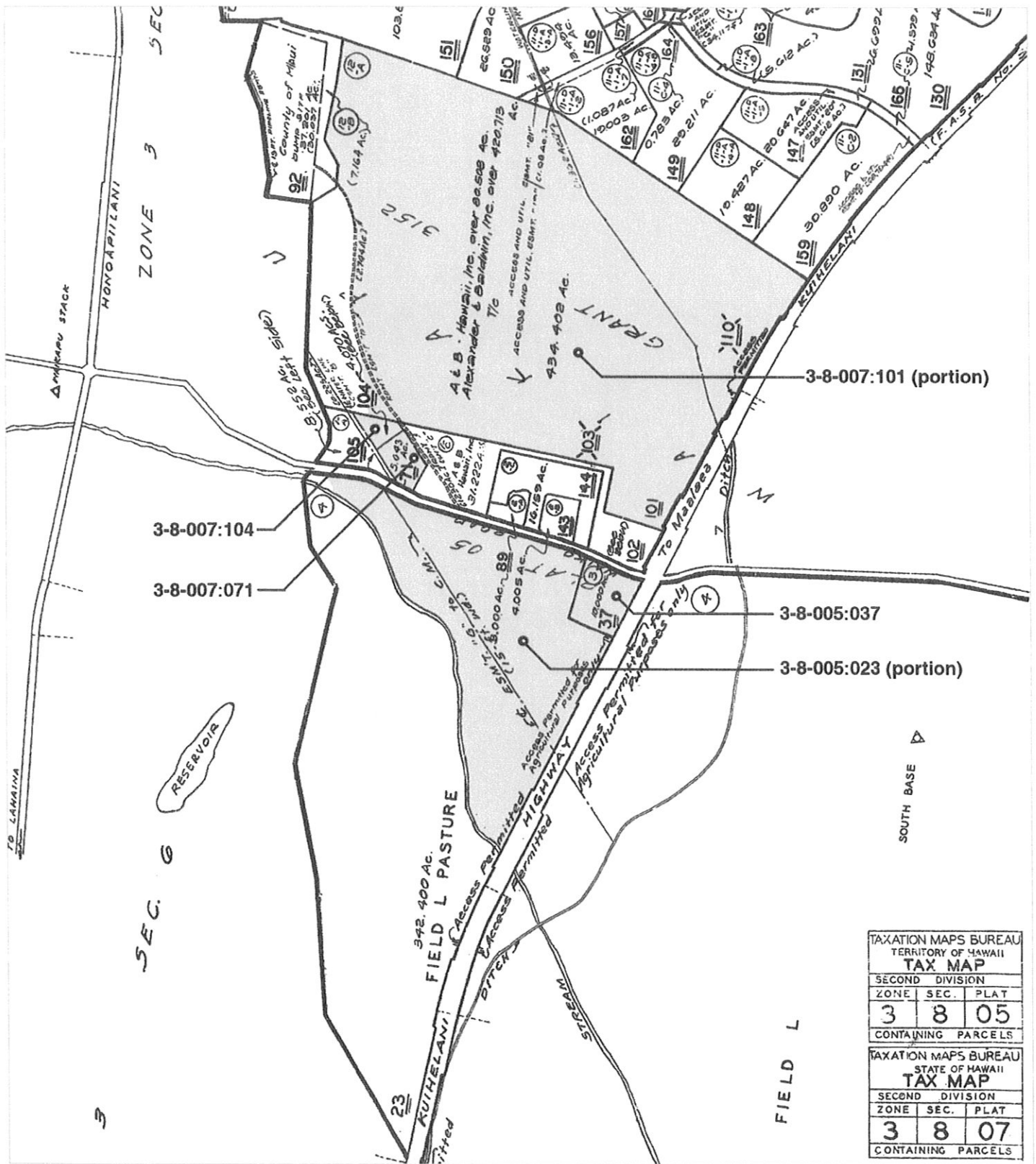
Figure 1
Regional Location
WAI'ALE

A&B PROPERTIES, INC. KAHULUI, MAUI

North Lineal Scale (feet)

Source: U.S. Geological Survey (GIS)
Disclaimer: This graphic has been prepared for general planning purposes only.



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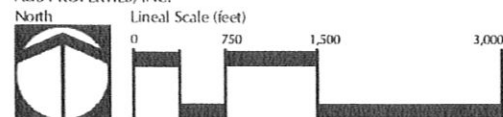
 Project Area

Figure 2
Tax Map Key

WAI'ALE

A&B PROPERTIES, INC.

KAHULUI, MAUI



Source: Tax Map Key: 3-8-05:xxx and 3-8-07:xxx
Disclaimer: This graphic has been prepared for general planning purposes only.

TAXATION MAPS BUREAU TERRITORY OF HAWAII TAX MAP		
SECOND DIVISION		
ZONE	SEC.	PLAT
3	8	05
CONTAINING PARCELS		
TAXATION MAPS BUREAU STATE OF HAWAII TAX MAP		
SECOND DIVISION		
ZONE	SEC.	PLAT
3	8	07
CONTAINING PARCELS		

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1.5 IDENTIFICATION OF ACCEPTING AUTHORITY

In accordance with Chapter 343, HRS, privately-initiated EIS documents must be accepted by the government agency empowered to approve permits for a project. "The authority to accept a final statement shall rest with the agency receiving the request for approval." The accepting authority for the Wai'ale EIS is the State of Hawai'i Land Use Commission (LUC).

Contact: Mr. Dan Davidson, Executive Officer
State of Hawai'i
Land Use Commission
P.O. Box 2359
Honolulu, Hawai'i 96804
Phone: (808) 587-3822
Fax: (808) 587-3827

1.6 IDENTIFICATION OF THE ENVIRONMENTAL CONSULTANT

The environmental consultant is PBR HAWAII.

Contact: Mr. Vincent Shigekuni, Vice President
PBR HAWAII
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI 96813
Phone: (808) 521-5631
Fax: (808) 523-1402

1.7 COMPLIANCE WITH STATE OF HAWAI'I AND COUNTY OF MAUI ENVIRONMENTAL LAWS

This document has been prepared in accordance with the provisions of *Hawaii Revised Statutes* (HRS) Chapter 343 and *Hawaii Administrative Rules* (HAR) Title 11, Department of Health, Chapter 200, Environmental Impact Rules. Section 343-5, HRS, establishes nine "triggers" that require compliance with these regulations. The applicable "trigger" for the preparation of this environmental assessment includes:

- Possible use of State and/or County lands related to infrastructure connections and access to State or County roadways;
- Possible development of an onsite wastewater treatment facility; and
- Amendments to the *Wailuku-Kahului Community Plan* (County General Plan)

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Section 343-5, HRS also requires an environmental assessment or environmental impact statement for projects involving the use of State or County funds or lands. Use of State or County lands or funds could include, but not be limited to on- and off- site infrastructure improvements relating to roadways, water, sewer, utility and drainage facilities affecting State and/or County lands relating to the project. While the specific nature of all potential improvements is not known at this time, the Draft EIS will address all current and future instances involving the use of State or County lands or funds relating to Wai'ale.

Additionally, Section 343-5, HRS requires an environmental assessment or environmental impact statement for projects involving any amendments to existing county general plans where the amendment would result in designations other than agriculture, conservation, or preservation, except actions proposing any new county general plan or amendments to any existing county general plan initiated by a county. The proposed project will require an amendment to the Maui County *Wailuku-Kahului Community Plan*.

In satisfying a condition of zoning for the Maui Business Park (Phase II), A&B Properties, Inc. agreed to provide 50 acres of the Wai'ale project area to the County of Maui. The lands are to be used as follows: Affordable Housing (40 acres), Community Center (7 acres) and Neighborhood Park (3 acres). These lands and proposed uses are included within the scope of the Wai'ale project, and this EISPN.

1.8 STUDIES TO BE CONDUCTED AND INCLUDED IN THE EIS

A description of the existing natural and social environment, the possible alternatives to the project, and the potential impacts of the project and proposed mitigation measures are provided in this EISPN. The information contained in this report has been developed from site visits and generally available information regarding the characteristics of the site and surrounding areas. Technical studies to assess the existing natural and physical conditions of the site and potential impacts to the property and the surrounding area are being prepared and will be included in the Draft EIS. These include:

- Air Quality Study;
- Archaeological Inventory Survey;
- Cultural Impact Assessment;
- Faunal Survey;
- Floral Survey;
- Market Assessment and Fiscal Impact Study;
- Noise Study;
- Preliminary Engineering and Drainage Report; and
- Traffic Impact Analysis Report

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1.9 PUBLIC CONSULTATION

This project has undergone an extensive community planning process, including consultation with community leaders, the County of Maui administration and Maui residents. Public input was sought through four community meetings in August 2005.

The first community meeting on August 11 provided an orientation of the project, the planning process, and the formulation of a vision statement for Wai'ale. In the planning workshop held on August 13, residents had the opportunity to help develop the Wai'ale master plan. A community open house was held on August 20 to enable residents to provide additional input and refine the master plan. On August 25, the preferred conceptual master plan was presented to the community. Additionally, the community contributed to the formulation of the vision statement for Wai'ale (See Section 2.3.1).

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2.0 DESCRIPTION OF WAI'ALE



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2.0 DESCRIPTION OF WAI'ALE

This chapter provides background information and a general description of the Wai'ale project.

2.1 BACKGROUND INFORMATION

2.1.1 Location and Surrounding Uses

The approximately 545 acre Wai'ale property is located at Wailuku and Waikapū (See Figure 1). The Wai'ale property borders Kuihelani Highway on the east. Waiko Road intersects Kuihelani Highway and divides the property into two sections, one section lies north of Waiko Road comprised of approximately 422 acres and the other south of Waiko Road comprised of approximately 123 acres. Current access to the property is off of Waiko Road and Kuihelani Highway.

The property is bounded on the west by Waikapū Village and light industrial uses.

Maui Lani, adjacent to and north of Wai'ale, is a master planned mixed-use community including residential, commercial, recreational and educational uses. The 18-hole championship golf course, The Dunes at Maui Lani, is also located within Maui Lani.

The Waiolani Elua subdivision (25 single-family lots), the Waiolani Mauka subdivision (104 single-family lots), the Waiolani Pikake subdivision (38 single-family lots), and the Waikapū affordable housing subdivision located off Honoapi'ilani Highway in Waikapū have approximately 410 existing single-family home sites, with an additional 440 homes proposed to be developed. The expanded Waikapū residential area is west of Wai'ale.

Maui Tropical Plantation is also located west of Wai'ale and adjacent to Waikapū. The 60-acre plantation is a demonstration farm, open to the public for tours and special events.

2.1.2 Description of the Property

The approximately 545 acre Wai'ale property is divided into two sections by Waiko Road. The section located north of Waiko Road is comprised of approximately 422 acres. These lands are currently used for pasture (cattle and horses), a cattle feed lot, base yard, and sand stockpiling. Two potable water wells are located in the northeastern portion of the property near Kuihelani Highway. The section located south of Waiko Road is comprised of approximately 123 acres consisting mainly of fallowed sugar cane fields and an orchid farm.

The property is generally flat along the eastern boundary along Kuihelani Highway, with a gentle slope rising from the northeastern to the northwestern corner. At its lowest point (at

WAI'ALE

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the northeastern corner), the property is approximately 150 feet above mean sea level (msl). Higher elevations occur along the western edge of Waiko Road at approximately 310 above msl. Slopes generally increase from the north to the south, and the topography of the property at the southern tip is approximately 200 feet above msl. Waikapū Stream borders the southern edge of the property.

2.1.3 History of the Property

The southern portion of the Wai'ale site was previously cultivated for sugar cane production by the Hawaiian Commercial & Sugar Company (HC&S). Production ended in 2005, and fallowed sugar cane fields currently exist on the property south of Waiko Road. A portion of the lands north of Waiko Road was previously mechanically cultivated as a turf sod farm. Other portions of this area have been utilized for sand mining with the balance used for cattle and horse grazing and a cattle feed lot.

2.2 COMMUNITY PLANNING PROCESS

Wai'ale has been planned through a community-based process including meetings with key stakeholders, community leaders, the County of Maui Administration, and Maui residents. Questionnaires and informational meetings and planning workshops held in 2005 sought community input and participation in developing a vision and conceptual master plan for Wai'ale. The community has contributed to Wai'ale's conceptual master plan and vision statement, which envisions a socially integrated community with a unique sense of identity and character that makes both visitors and residents feel welcomed.

Community Meetings:

- August 11, 2005 – This meeting provided an orientation of the project area, the planning process, and the formulation of a vision statement for Wai'ale.
- August 13, 2005 – In this planning workshop, residents had the opportunity to help develop alternative conceptual master plans consistent with their vision for a new community.
- August 20, 2005 – At the community open house, residents were able to provide additional input on the project and refine the preferred master plan for Wai'ale.
- August 25, 2005 – The preferred conceptual master plan was presented to the community at this meeting.

A summary of the planning process and resultant conceptual master plan for Wai'ale is included as Appendix A. It should be noted that the original conceptual master plan for the property included approximately 826 acres; comprising of 474 acres contiguous to Maui Lani, extending to Kuihelani Highway and Waiko Road, and approximately 352 acres extending south from Waiko Road along Kuihelani Highway. The project was envisioned as a master planned community that would incorporate a mix of land uses to support the projected future

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community growth in Central Maui, including affordable housing and the potential for a new civic center for the County of Maui.

However, since that time, portions of the original project area have been sold to others and the lands south of Waikapū Stream (approximately 220 acres) were not designated within the Urban Growth area under the *Draft Maui Island Plan*. Although the lands south of Waikapū Stream are still envisioned as a future expansion area for Wai'ale, they are not included in this project.

While the final Maui Island Plan has not yet been adopted by the Maui County Council (See Section 5.2.2); a major element of the Maui Island Plan will be the Directed Growth Strategy, which will include Directed Growth Maps specifying "urban growth boundaries" for the island of Maui. As of July 2010, all of the subject lands north of Waikapū Stream are within the "urban growth boundary" of the Directed Growth Maps of put forth by: 1) the Planning Department; and 2) the General Plan Advisory Committee; and 3) the Maui Planning Commission.

Also, in satisfying a condition of zoning for the Maui Business Park (Phase II), A&B Properties, Inc. agreed to contribute 50 acres of the Wai'ale project area to the County of Maui. The lands are to be used as follows: Affordable Housing (40 acres), Community Center (7 acres) and Neighborhood Park (3 acres).

2.3 GENERAL DESCRIPTION OF WAI'ALE

2.3.1 Vision Statement for Wai'ale

Through the community-based planning process, the following vision statement was developed:

Create a socially integrated community with a "unique" sense of identity and character, capitalizing on its location and natural features. As an extension of Kahului "Dream City," it will be a community that makes both visitors and residents feel "welcome" and plans for the long-range community and civic facilities to support the central Maui region.

Some of the key community planning goals to achieve this vision includes:

- Provide walkable mixed-use neighborhoods.
- Provide homes for a variety of income ranges, ages, and lifestyles. If so desired, a resident can grow-up and spend their entire lives in the community with the appropriate housing types available.
- Plan for needed community facilities to meet the region's current and future needs.

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- Include a multi-modal transportation system that accommodates walking, biking, jogging and driving.
- Include commercial activities (including locally-owned stores and restaurants), schools, and other civic and recreational facilities.
- Respect the natural, historical, and cultural significance of the land.
- Capitalize on the views of Haleakalā, the West Maui Mountains and other significant landmarks.

2.3.2 Conceptual Community Master Plan for Wai'ale

Updates. Subsequent to the community-based planning process that resulted in the 2005 conceptual master plan, there have been several developments which have resulted in modifications to the conceptual community master plan. These include:

- Recommendation of the County of Maui Planning Department to limit the proposed development to the area north of Waikapū Stream within the 2030 planning horizon of the Maui Island Plan. The approximately 220 acres south of Waikapū Stream were not recommended for community growth at this time.
- Zoning Ordinance that required A&B Properties Inc. to contribute 50 acres to the County of Maui for Affordable Housing, Community Center, and Neighborhood Park.
- The County of Maui's public transportation system ("Maui Bus") was started. As of August 1, 2008, the Maui Bus public transit service consists of twelve (12) bus routes, all operated by Roberts Hawaii. These routes are funded by the County of Maui and provide service in and between various Central, South, West, Haiku and Upcountry Maui communities. All of the routes are operated seven days a week, including all holidays. All vehicles on the routes are ADA accessible. This results in a potentially positive impact to one of the key community planning goals of "Include a multi-modal transportation system..." by accommodating another alternative mode of transportation to cars.
- Portions of the original planning area were sold to others and are not included in the project.
- Maui Lani has continued its development and expansion to the north of Wai'ale. The expansion includes village mixed uses, residential neighborhoods, Pōmaika'i Elementary School (opened in 2007) and a regional park, which provide opportunity to coordinate and connect this planned community with Wai'ale.

Wai'ale is envisioned to be a community for residents to live, work, learn and play. Residential communities, including single-family homes and multi-family dwellings, will be connected to Village Mixed-Use areas supported with commercial, retail, office, civic and other public facilities through a system of pedestrian/bicycle paths and greenways (See Figure 3). Approximately 2,550 residential units are proposed for Wai'ale, including approximately 300 residential units within the 40 acres to be contributed to the County of Maui.

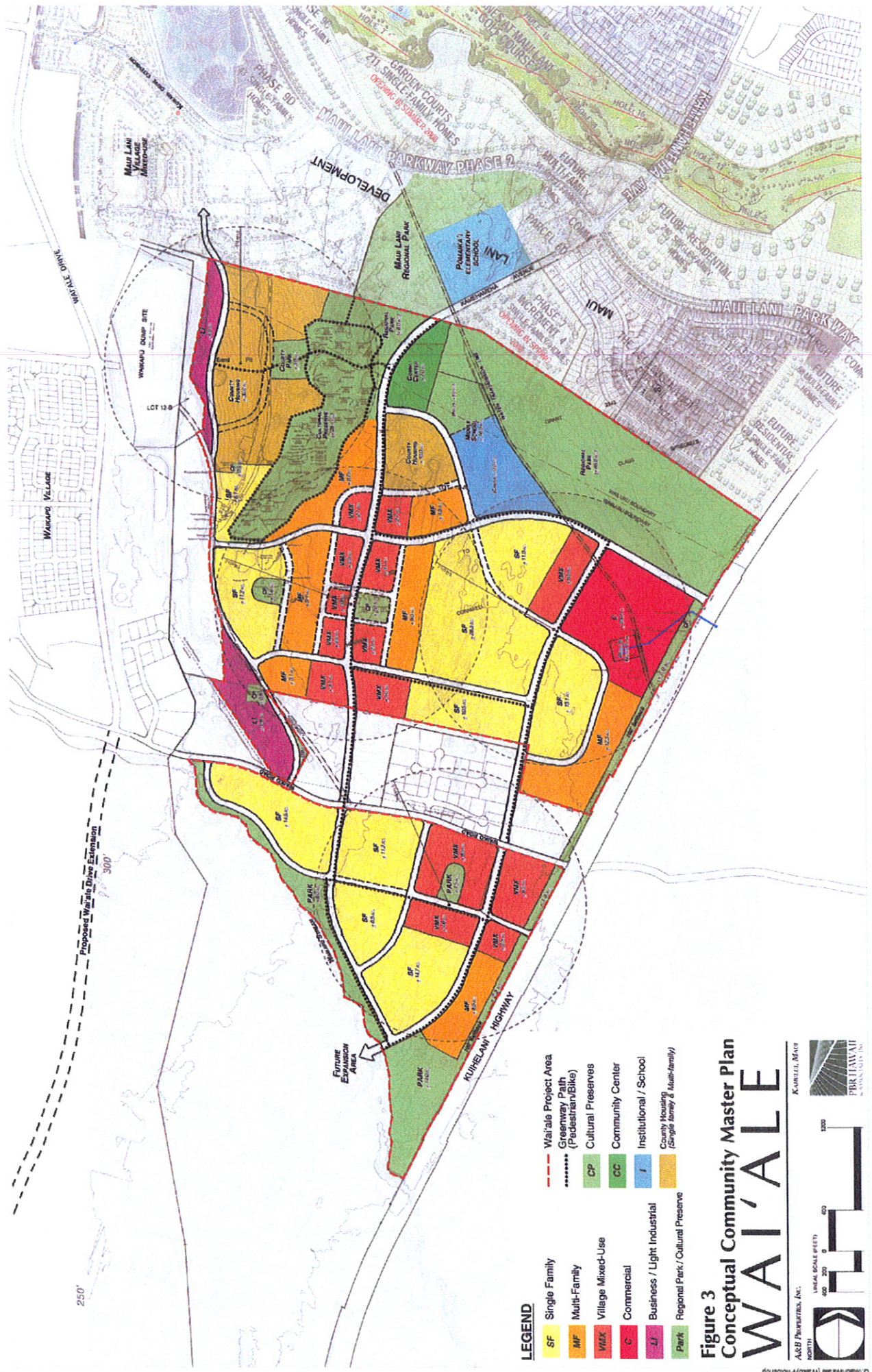





Figure 3
Conceptual Community Master Plan
WAI'ALE

A&E PROPERTIES, INC.
 KARELL MAY
 PIRLAWAI ASSOCIATES, INC.

LEGAL SCALE (FEET)
 0 200 400 600 800 1000 1200

NORTH

WAI'ALE

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Proposed land uses are shown in the updated conceptual master plan for Wai'ale (See Figure 3) and are generally described below. As described, the approximate land use areas are summarized generally and may be adjusted as the master plan is refined through the land use review and approval process.

Village Mixed Use. Commercial, office, retail, business, civic, social services and multi-family residential uses would be located on several parcels of land near the Kuihelani Highway/Waiko Road intersection, as well as along the extension of Kamehameha Avenue. Pedestrian and bicycle paths connecting these uses with the rest of the Wai'ale community (including schools and places of employment) encourage multi-modal transportation.

Commercial. To provide a variety of services and employment opportunities within Wai'ale, a commercial area is planned along Kuihelani Highway. The commercial area is approximately 23 acres, and is envisioned for commercial, office, retail, and business uses.

Business/Light Industrial. To meet regional and area demands and to provide for an additional employment center for Wai'ale, approximately 16 acres are planned to provide an area for light industrial type users and businesses.

Residential. Ranging from traditional single family homes to multi-family dwellings with a variety of live-work opportunities, there are approximately 202 acres planned for residential uses. Consistent with the *Draft Maui Island Plan's* Directed Growth Strategy for Central Maui, a total of approximately 2,550 residential units are planned at Wai'ale.

County of Maui Lands. Integrated into the conceptual master plan in the vicinity of the current terminus of Kamehameha Avenue in the north-western portion of Wai'ale, 50 acres of land are to be contributed to the County of Maui. The lands are to be used as follows: Affordable Housing (40 acres), Community Center (7 acres) and Neighborhood Park (3 acres). Approximately 300 residential units, including both multi-family and single family residences are assumed for the affordable housing.

Schools. To accommodate the educational needs of children living in Wai'ale and the surrounding neighborhoods, it has been estimated that one middle school site, totaling approximately 18 acres, may be needed, and has been provided for within Wai'ale.

Public Support Facilities & Regional Community Center. Public support and civic-related facilities and a regional community center would be located in the center of the Wai'ale community along the extension of Kamehameha Avenue. The regional community center is envisioned to be developed by the County of Maui on 7 acres, as part of the County of Maui lands.

Parks and Cultural Preserves. A regional park is proposed along the northern boundary of Wai'ale, providing a spatial separation between the neighborhoods of Wai'ale and Maui Lani.

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This park is intended to support regional and Wai'ale recreational activities and would be within walking distance or a bicycle ride from residential communities and schools. Additional neighborhood parks are provided within residential areas, as well as along the perimeter of Wai'ale. Parks, cultural preserves, and open space planned within Wai'ale total nearly 142 acres.

Greenways and Open Space. The conceptual master plan for Wai'ale includes greenways and open space along Kuihelani Highway, within residential communities, and along Waikapū Stream to enhance the visual character of the community.

Bicycle/Pedestrian Paths. Wai'ale is designed as a bikeable/walkable community. A system of linked paths will provide pedestrians and bicyclists with another option for transportation throughout the community. Residents would be able to travel from their homes to the Village Mixed Use, Commercial Center, parks, school, and other public uses on pedestrian and bicycle pathways that would run through a network of open spaces and greenways.

Landmark Buildings. At prominent locations within a community, there are opportunities to create buildings that have "landmark" qualities. These buildings could include civic or other institutional uses such as churches and will contribute to the overall character and visual orientation of the community.

2.4 DEVELOPMENT TIMETABLE AND PRELIMINARY COSTS


2.4.1 Development Timetable

The EIS process is expected to be completed and accepted by the State Land Use Commission (SLUC) in 2011. SLUC approval is anticipated in late 2011, followed by County approvals (community plan amendment, change in zoning, project district approvals) through about 2013.

2.4.2 Preliminary Development Costs

Estimated costs for the development of Wai'ale will be provided in the Draft EIS.

3.0 DESCRIPTION OF AFFECTED NATURAL ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATION MEASURES



3.0 DESCRIPTION OF THE AFFECTED NATURAL ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATION MEASURES

This chapter describes the existing conditions of the natural environment, potential impacts of Wai'ale on the environment, and mitigation measures to minimize such impacts.

3.1 CLIMATE

The climate of Maui is relatively uniform year-round. The project area experiences mild and uniform temperatures, moderate humidity, and a relatively consistent northeasterly tradewinds. Average temperatures recorded at the Kahului Airport range from a low of 63 degrees Fahrenheit to a high of 87 degrees Fahrenheit. August is historically the warmest month, and February is the coolest month. Average annual rainfall in the project area is approximately 20 to 30 inches, with the most rainfall occurring in January. Surface winds are usually from the northeast, with wind speeds averaging 16 to 18 miles per hour.

Potential Impacts and Mitigation Measures

The Wai'ale community is not expected to have a significant effect on climatic conditions and no mitigation measures are proposed.

3.2 GEOLOGY AND TOPOGRAPHY

The island of Maui is part of a volcanic mass consisting of at least six major volcanoes and one minor volcano. Presently, lower saddles between the volcanoes are flooded by shallow seawater, dividing the mass into four separate islands – Maui, Kaho'olawe, Lāna'i, and Moloka'i. In the geologically recent past, all islands were united as a single large island (MacDonald, Abbott, & Peterson 1983).

The island of Maui consists of two major volcanoes, West Maui and Haleakalā (East Maui). West Maui is older than East Maui. The broad gently-sloping plain connecting the two volcanoes, the Maui Isthmus, was formed when lavas of Haleakalā banked against the existing West Maui volcano. The West Maui volcano has passed through the principal stages of Hawaiian volcanism, and has produced four small post-erosional eruptions. The Haleakalā volcano erupted less than two centuries ago and is regarded as dormant (MacDonald, Abbott, & Peterson 1983).

Wai'ale is located in the central basin of Maui, where West Maui and East Maui meet. The property is generally flat along the eastern boundary along Kuihelani Highway, with a gentle slope rising from the northeastern to the northwestern corner. At its lowest point (at the

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northeastern corner), the property is approximately 150 feet above mean sea level (msl). Higher elevations occur along the western edge of Waiko Road at approximately 310 above msl. Slopes generally increase from the north to the south, and the topography of the property at the southern tip is approximately 200 feet above msl. Waikapū Stream borders the southern edge of the property. With a gentle overall terrain, the average slope is about three percent or less.

Potential Impacts and Mitigation Measures

While the Wai'ale community will alter how the land is currently used, the proposed improvements are relatively insignificant compared to the overall geological character of the site and region. Construction activities, such as grading, will alter the topography of the site to accommodate the Wai'ale community. Appropriate engineering, design and construction measures will be implemented to minimize potential erosion due to grading of soils during construction. Further information on soils and grading is provided in Section 3.3 below.

3.3 SOILS

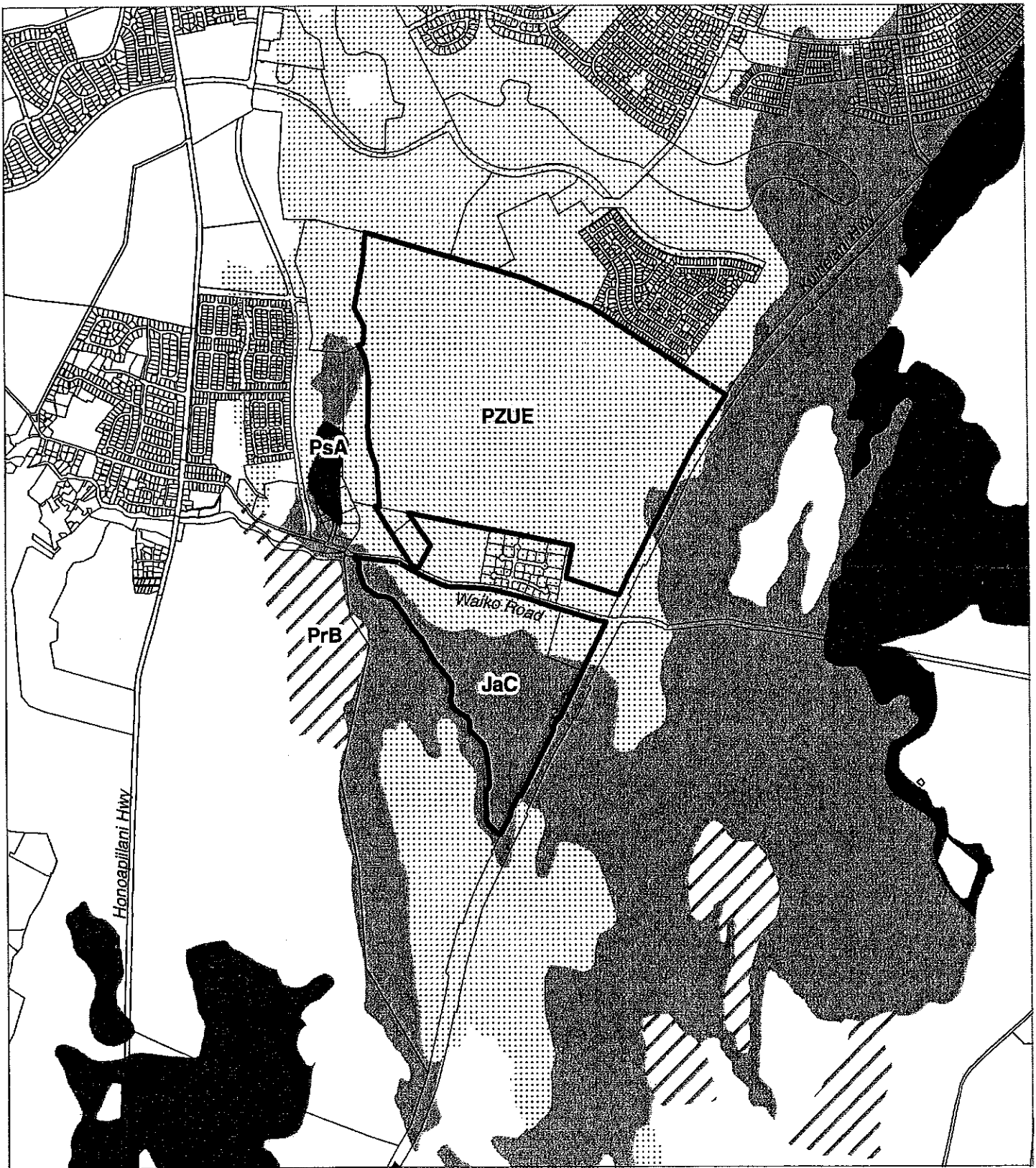
Three soil suitability studies have been prepared to describe the physical attributes of land and the relative productivity of different land types for agricultural production in Hawai'i. These studies include the U.S. Department of Agriculture, Natural Resource Conservation Services Soil Survey; 2) the University of Hawai'i, Land Study Bureau Detailed Land Classification; and 3) the State Department of Agriculture Agricultural Lands of Importance to the State of Hawai'i (ALISH) system.

3.3.1 Natural Resources Conservation Service Soil Survey

The *Soil Survey of the Islands of Kauai, Oahu, Maui, Molokai, and Lanai, State of Hawaii* (1972) classifies the soils of the Wai'ale site as Jaucas Sand, 0 to 15 percent slopes; Pulehu Clay Loam, 0 to 3 percent slopes; Pulehu Cobbly Silt Loam, 3 to 7 percent slopes; and Pu'uone Sand, 7 to 30 percent slopes (See Figure 4). Most of the project area contains soils classified as Pu'uone Sand or Jaucas Sand. There are small portions of soils classified as Pulehu Cobbly Silt Loam or Pulehu Clay Loam located near the project area.

Jaucas Sand, 0 to 15 percent slopes (JaC). This soil is used for pasture, sugarcane, truck crops and urban development. Permeability is rapid, and runoff is very slow to slow. The hazard of water erosion is slight, but wind erosion is a severe hazard where vegetation has been removed.

Pulehu Clay Loam, 0 to 3 percent slopes (PsA). This soil is used for sugarcane, truck crops and pasture. Permeability is moderate, runoff is slow, and the erosion hazard is no more than slight.



LEGEND

- Project Area
- JaC: Jaucas Sand, 0-15% slopes
- PsA: Pulehu Clay Loam, 0-3% slopes
- PrB: Pulehu Cobbly Silt Loam, 3-7% slopes
- PZUE: Puuone Sand, 7-30% slopes
- Others

Source: Natural Resources Conservation Service, 1970 (GIS)
 Disclaimer: This graphic has been prepared for general planning purposes only.

Figure 4
 Natural Resource Conservation Services Soil Survey
WAI'ALE

A&B PROPERTIES, INC. KAHULUI, MAUI

North Lineal Scale (feet)

PBR HAWAII & ASSOCIATES, INC.

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Pulehu Cobbly Silt Loam, 3 to 7 percent slopes (PrB). This soil is used for sugarcane. It is similar to Pulehu clay loam, 0 to 3 percent slopes (PsA), except that the texture is silt loam, and the surface layer is cobbly. Runoff is slow, and the erosion hazard is slight.

Pu'uone Sand, 7 to 30 percent slopes (PZUE). This soil is used for pasture and home sites. Permeability is moderately rapid above the cemented layer. Runoff is slow, and the hazard of wind erosion is moderate to severe.

3.3.2 Land Study Bureau Detailed Land Classification

The University of Hawai'i, Land Study Bureau (LSB) developed the Detailed Land Classification rating the productivity of land using the letters A, B, C, D, and E, with A representing the class of highest productivity and E the lowest. The majority of the Wai'ale site is located on lands classified as E (very poor) (See Figure 5). These lands have the lowest productivity rating under the Land Study Bureau classification system. Machine tillability is very poorly suited for these land, thus grazing is the typical use for this type of soil. A small portion at the northeastern boundary and a small portion along the northern boundary of the site are classified as C (fair).

3.3.3 Agricultural Lands of Importance to the State of Hawai'i (ALISH)

The Agricultural Lands of Importance to the State of Hawaii (ALISH) (1977) system classifies lands that are important to agriculture in Hawai'i as Prime, Unique, or Other, with all remaining lands termed Unclassified. When utilized with modern farming methods, Prime agricultural lands have a soil quality, growing season, and moisture supply necessary to produce sustained crop yields economically. Unique agricultural lands possess a combination of soil quality, growing season, and moisture supply to produce sustained high yields of a specific crop. Other agricultural lands include those that have not been rated as Prime or Unique. The soils on the Wai'ale site are classified as Other by the ALISH classification system (See Figure 6).

Potential Impacts and Mitigation Measures

Wai'ale will involve the use of approximately 545 acres of land, which represents approximately 0.2 percent of the roughly 246,000 acres of land in the State Agricultural district on the island of Maui. A more detailed assessment of the agricultural impact of the proposed project will be included in the Draft EIS.

3.4 NATURAL HAZARDS

Natural hazards impacting the Hawaiian Islands include hurricanes, tsunami, volcanic eruptions, earthquakes and floods. Devastating hurricanes have impacted Hawai'i twice in since 1980 – Hurricane 'Iwa in 1982 and Hurricane 'Iniki in 1992. While it is difficult to

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predict these natural occurrences, it is reasonable to assume that future events could be likely given the recent record.

Tsunamis are large, rapidly moving ocean waves triggered by a major disturbance of the ocean floor. They are usually caused by an earthquake, sometimes can be produced by a submarine landslide or a volcanic eruption. About 50 tsunamis have been reported in the Hawaiian Islands since the early 1800s, two of which were generated locally. Seven of these tsunamis caused major damage.

Volcanic hazards in the Maui are considered minimal due to the dormant status of the island's volcanoes.

In Hawai'i, most earthquakes are linked to volcanic activity rather than the movement of tectonic plates. Each year, thousands of earthquakes occur in Hawai'i, but the vast majority of them are only detectable with highly sensitive instruments. However, moderate and disastrous earthquakes have occurred in Hawai'i. The 1938 Maui Earthquake, with a magnitude of between 6.7 and 6.9 on the Richter Scale and an epicenter six miles north of Maui, created landslides and forced the closure of Hāna Highway. Damaged water pipes and ground fractures were reported in Lahaina. On October 15, 2006, a series of earthquakes, with magnitudes of 6.7 and 6.0, occurred west of the Big Island at Kiholo Bay. According to Maui Electric Company (MECO), this was the strongest earthquake felt throughout the islands in the past 23 years, and has been recorded as the largest seismic event to occur in the U.S. in 2006 according to U.S. Geological Survey data.

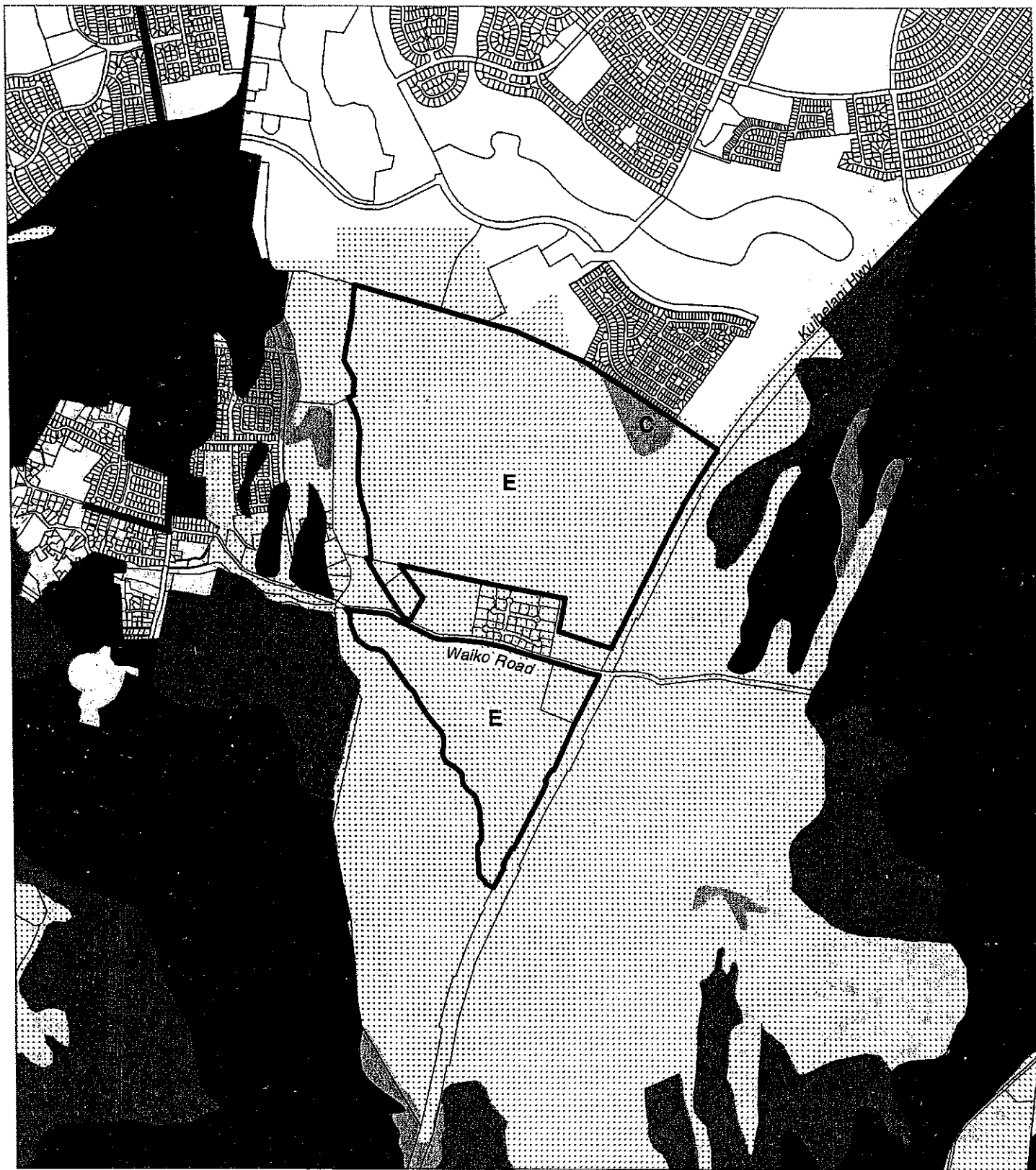
Flood hazards are primarily identified by the Flood Insurance Rate Map (FIRM) prepared by the Federal Emergency Management Agency (FEMA), National Flood Insurance Program. According to the FIRM, most of the Wai'ale project site is designated Zone C, which are areas of minimal flooding (See Figure 7). Waikapū Stream is situated south of the site. Areas along Waikapū Stream are designated Zone A, which are areas inundated by one percent annual chance flooding.

Potential Impacts and Mitigation Measures

The Wai'ale community will not exacerbate any hazard conditions. Potential damage caused by earthquakes and hurricanes will be mitigated, as all structures will be constructed in compliance with the Maui County Building Code. An extensive greenway will be located within the area near Waikapū Stream designated as Zone A.

3.5 FLORA

A Botanical and Fauna Survey of the Wai'ale site has been conducted by Robert Hobdy. The vegetation observed throughout the property was dominated by a variety of non-native plants, including buffelgrass, kiawe, koa haole, and guinea grass. Four native plant species (ilima,



LEGEND

Project Area	Productivity Rating	D: Poor
A: Excellent		E: Very Poor
B: Good		Not Classified
C: Fair		

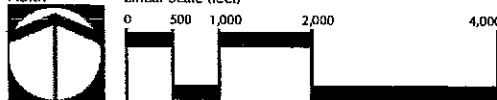
Figure 5
Detailed Land Classification
WAI'ALE

A&B PROPERTIES, INC.

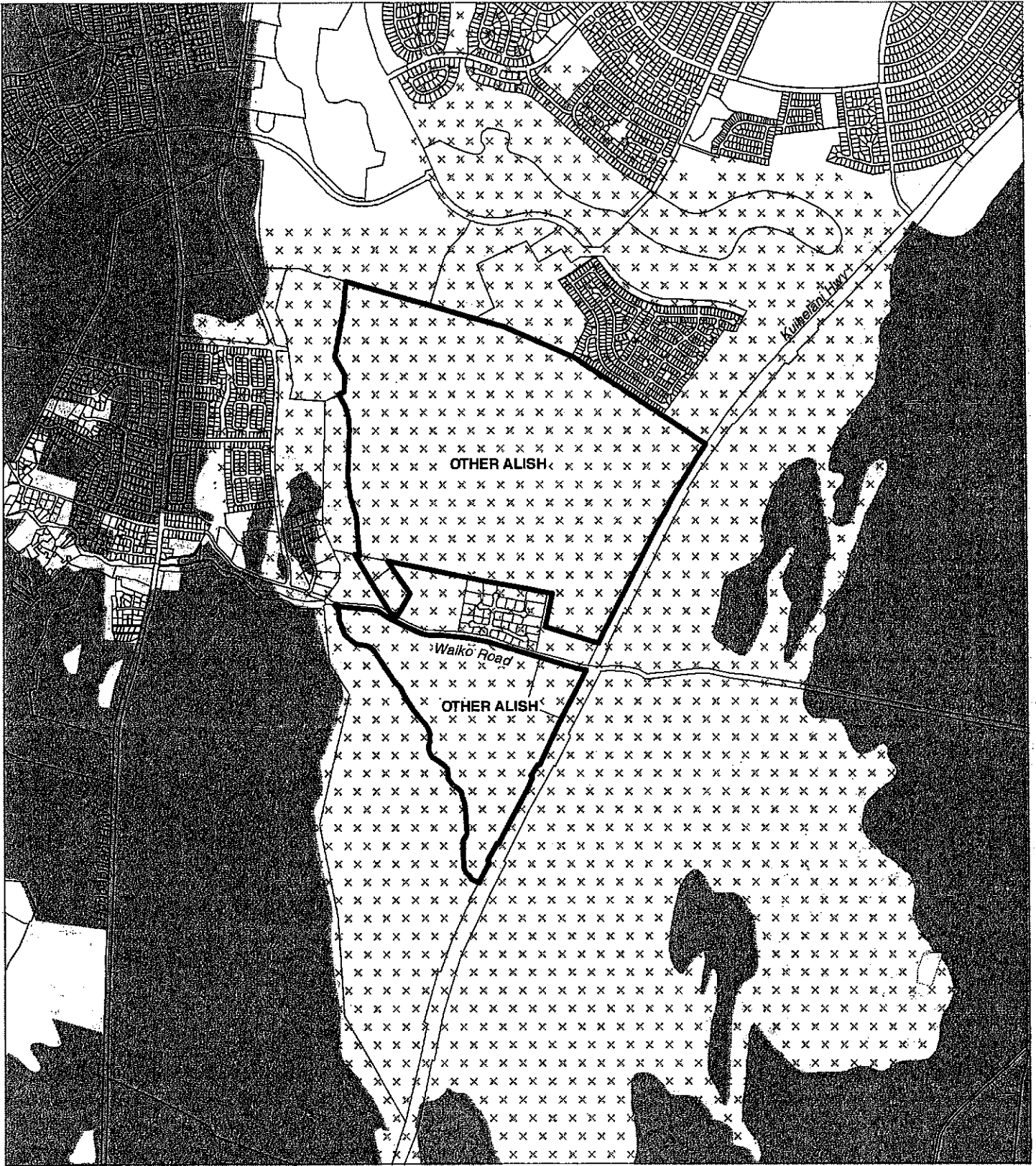
KAHULUI, MAUI

North

Lineal Scale (feet)



Source: Land Study Bureau, 1967 (GIS)
Disclaimer: This graphic has been prepared for general planning purposes only.



LEGEND







-  Project Area
-  Prime ALISH Lands
-  Other ALISH Lands
-  Unclassified ALISH

Figure 6
Agricultural Lands of Importance to the State of Hawai'i

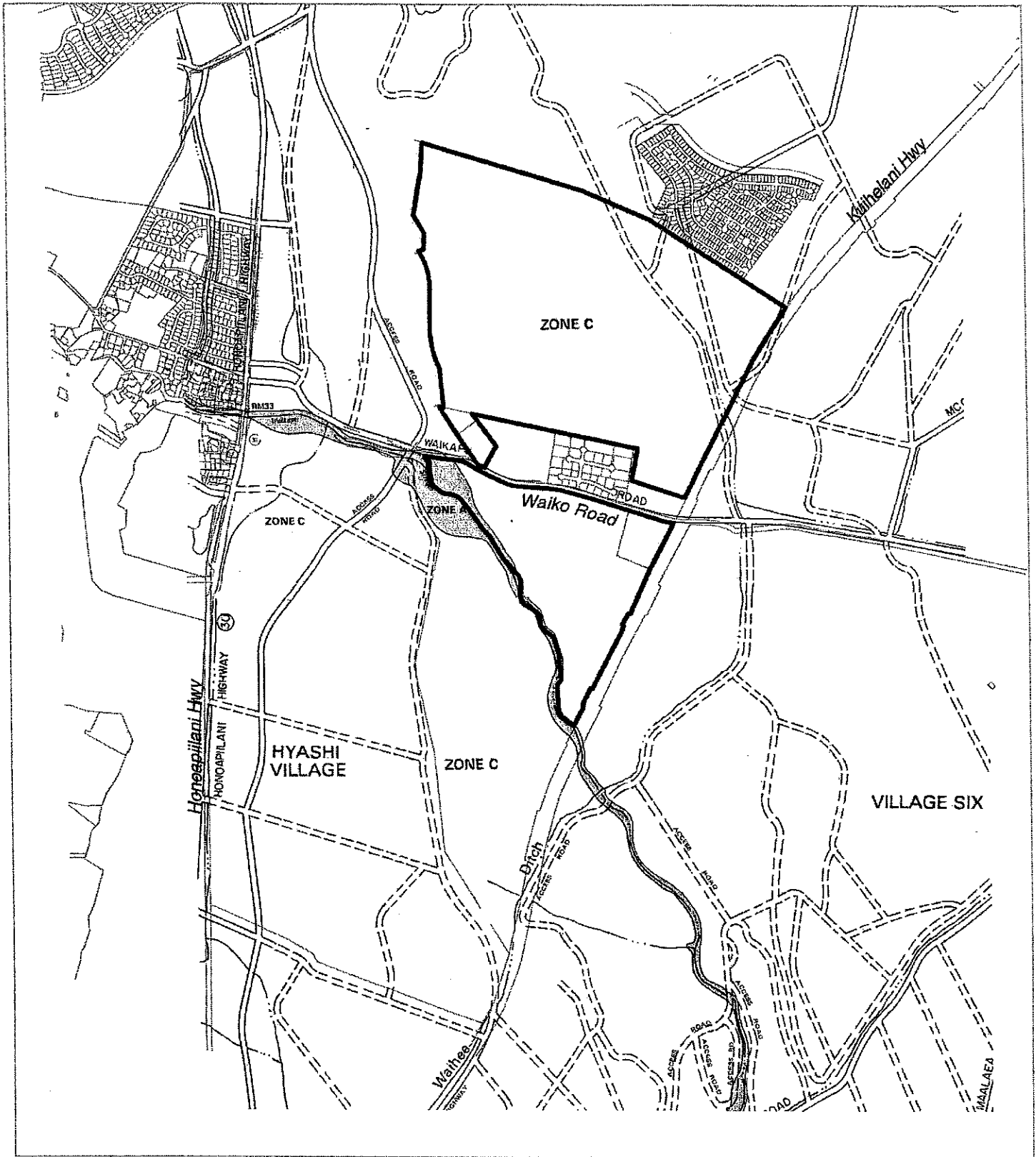
WAI'ALE

A&B PROPERTIES, INC. KAHULUI, MAUI

North Lineal Scale (feet)

Source: State Department of Agriculture, 1977 (GIS)
Disclaimer: This graphic has been prepared for general planning purposes only.



LEGEND

Project Area

Flood Zones

- A: Areas of 100-year flood
- C: Areas of minimal flooding

Figure 7
Flood Insurance Rate Map
WAI'ALE

A&B PROPERTIES, INC.

KAHULUI, MAUI

North

Lineal Scale (feet)



Source: Federal Emergency Management Agency (Panels 190 and 265)
Disclaimer: This graphic has been prepared for general planning purposes only.

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'uhaloa, kou, and popolo) and three Polynesian introduced plant species (kukui, niu, and ko), were found on the property, however all are common species found throughout the state of Hawai'i.

There were no federally-listed endangered or threatened native species found on the property.

Potential Impacts and Mitigation Measures

Due to the dominance of non-native plants and the absence of any rare or protected native plant species, the Wai'ale community is not anticipated to have a significant negative impact on botanical resources. The Botanical and Fauna Survey will be included in the Draft EIS.

3.6 FAUNA

As noted in Section 3.5, a Botanical and Fauna Survey of the Wai'ale site has been conducted by Robert Hobdy. Mammals observed on the property include: cattle, horses, axis deer, and mongoose. Other mammals likely to be found on the property include rats, mice, and feral cats. 17 bird species were observed, including 15 non native species, one indigenous water bird (black-crowned night heron) and one migrant bird (Pacific golden plover). No federally-listed endangered or threatened mammal, bird, or insect species were found on the property.

Potential Impacts and Mitigation Measures

Due to the dominance of non-native species and the absence of any federally-listed endangered or threatened mammal, bird, or insect species, the Wai'ale community is not anticipated to have a significant negative impact on fauna resources. The Botanical and Fauna Survey will be included in the Draft EIS.

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4.0 ASSESSMENT OF THE HUMAN ENVIRONMENT, POTENTIAL IMPACTS, AND MITIGATION MEASURES



4.0 ASSESSMENT OF THE HUMAN ENVIRONMENT, POTENTIAL IMPACTS AND MITIGATION MEASURES

This chapter describes the existing conditions of the human environment, potential impacts of Wai'ale, and mitigation measures to minimize any impacts.

4.1 ARCHAEOLOGICAL AND HISTORIC RESOURCES

The Wai'ale site was previously used for sugar cane cultivation, ranching, sod farm and sand mining. Burials have been identified on portions of the site and measures to preserve these sites are being undertaken in consultation with the State Department of Land and Natural Resources, Historic Preservation Division (SHPD) and the Maui/Lanai Islands Burial Council.

Potential Impacts and Mitigation Measures

An archaeological inventory survey of the site has been conducted and will be included in the Draft EIS. This includes archaeological work undertaken in conjunction with Hawaiian Cement's sand mining activities within the northwestern portion of the property. Mitigation measures, including a plan for long term preservation are being formulated. Several cultural preserves are planned within the project site to safeguard these burial sites.

The landowner, Alexander & Baldwin, Inc., and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites.

Should any historic remains be encountered during construction of Wai'ale, work in the vicinity of the find will cease immediately and the find will be protected from damage. The SHPD will be contacted immediately to assess the significance of the find and recommend appropriate mitigation measures, if necessary.

4.2 CULTURAL RESOURCES

A cultural impact assessment is being conducted to identify cultural resources associated with the Wai'ale site.

Potential Impacts and Mitigation Measures

The cultural impact assessment will identify existing cultural resources associated with the Wai'ale site and the Wai'ale's potential impact to such resources. The assessment will include research of historical records and documents and interviews with people knowledgeable about the area. The cultural impact assessment will be included in the Draft EIS.

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4.3 NOISE

Noise generators in the vicinity of Wai'ale are associated with nearby agricultural, industrial, and construction activities. Another noise source in the area can be attributed to vehicular traffic along Kuihelani Highway and Waiko Road. A noise study is being conducted to determine existing noise levels.

Potential Impacts and Mitigation Measures

Ambient noise conditions will be temporarily impacted by construction activities. Heavy construction equipment will likely be the dominant source of noise during project construction. The overall long term impact of Wai'ale on ambient noise levels is not anticipated to be significant. A noise study will project future noise levels with the Wai'ale community and will be included in the Draft EIS.

4.4 AIR QUALITY

Air quality in the vicinity of Wai'ale is relatively good with existing airborne emissions attributed primarily to nearby agricultural and industrial activities. Other potential sources of airborne emissions include construction activities at Maui Lani, vehicular traffic emissions, and volcanic emissions (vog). However, these sources are typically intermittent, with prevailing trade winds quickly dispersing any particulates which are generated. Air quality data available for the area from the DOH indicates that ambient air concentrations are well within State and national air quality standards. An air quality study is being conducted to identify existing conditions at the site.

Potential Impacts and Mitigation Measures

Anticipated air quality impacts attributed to the project include dust generated by short term construction-related activities. Dust control measures, such as regular watering and sprinkling, will be implemented to minimize wind-blow emissions. Grade and grubbed areas will be vegetated to mitigate dust-generated impacts. In the long term, Wai'ale is not expected to adversely impact local and regional ambient air quality. An air quality study will assess the impact of the project on air quality and will be included in the Draft EIS.

4.5 VISUAL RESOURCES

The Wai'ale site is situated within the central valley of Maui. The slopes of Haleakalā, Waikapū Valley, and the West Maui Mountains are visible from the site. However, the site itself is not considered a scenic or unique scenic corridor or area.

Potential Impacts and Mitigation Measures

Wai'ale will change the visual character of the site from primarily fallowed sugar cane fields and kiawe tree thickets to a master-planned community with residential, commercial, recreational and educational uses. Wai'ale will be extensively landscaped as part of the development improvements, to ensure visual buffering and softening of the built landscape. The master plan includes regional and neighborhood parks, greenways and open space.

4.6 SOCIO-ECONOMIC CHARACTERISTICS

The Wai'ale site is located in Central Maui, south of Wailuku and Waikapū. The Wailuku-Kahului area is the economic and population center of Maui. Maui's major harbor and airport are both located in Kahului, as are large residential communities.

4.6.1 Population

According to the *Maui County Community Plan Update Program: Socio-Economic Forecast* (SMS, 2002), the population of Maui increased from 91,361 persons in 1990 to 117,644 persons in 2000. The population of the *Wailuku-Kahului Community Plan* area was 41,503 persons in 2000 and was projected to be 48,397 persons in 2010 and 55,424 persons in 2020.

Potential Impacts and Mitigation Measures

Wai'ale is expected to provide Maui residents with new opportunities for home ownership. Wai'ale will add approximately 2,550 residential units, including affordable units, to the supply of housing on the island of Maui. According to the U.S. Census Bureau, the number of persons per household in Maui County in 2000 was 2.91. In comparison, the number of persons per household statewide in 2000 was 2.92.

Although the population of Maui is not expected to be significantly impacted by Wai'ale, the population of the Wailuku-Kahului area may increase as residents decide to move from their existing residences elsewhere on Maui to Wai'ale. A market study and fiscal impact analysis is being prepared for the project and will be included in the Draft EIS.

4.6.2 Housing

Wailuku and Kahului are primarily composed of older residential areas, mixed with business uses. Lot sizes in Wailuku vary and street patterns are reflective of older subdivisions. Residential areas in Kahului are newer, with wide curvilinear streets.

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According to the *Maui County Community Plan Update Program: Socio-Economic Forecast* (SMS, 2002), there were 12,852 households in the Wailuku-Kahului area in 2000. SMS projected the number of households in the Wailuku-Kahului area to be 15,985 and 19,051 in 2010 and 2020, respectively. However, the demand for housing is projected to be greater in each of those years. The projected housing demand is 16,826 homes for 2010; and 20,054 homes for 2020.

Over the past 10 to 15 years, the cost of residential housing in the region and on the island of Maui has increased dramatically. According to the U.S. Census Bureau, the median value of owner-occupied housing units in Maui County in 2000 was \$249,900 and the homeownership rate was 57.6 percent (this is slightly higher than the statewide average of 56.5 percent). According to data released by the Realtors Association of Maui, Maui island's median home price in December 2008 was \$567,500, down 2.5 percent from \$582,002 a year earlier.

Potential Impacts and Mitigation Measures

Wai'ale would add approximately 2,550 residential units, including affordable units, to the supply of housing on the island of Maui. Wai'ale would assist in providing relief to the current overall shortage of housing, and the sites central location suggests that its impact will be very beneficial to Maui's residential and commercial sectors. As such, no significant adverse impacts on housing are anticipated. .

A market study and fiscal impact analysis is being prepared and will be included in the Draft EIS. The study will assess the impact of the project on housing in Maui.

4.6.3 Economic Impact

Wailuku is the civic-financial-cultural center of Maui, and Kahului is the business and industrial center of Maui. The Wai'ale site is located south of Wailuku and Kahului.

Tourism is the primary economic engine of Maui, with many residents working in the service industry. In December 2008, the State Department of Business, Economic Development and Tourism (DBEDT) reported that compared to 2007, the number of visitors to Maui had dropped 14.8 percent for the first 11 months of the year, resulting in 1,921,407 visitors. Total visitors days on Maui also experienced a decline of 8.8 percent. Total visitor expenditures on Maui dropped by 10.9 percent to \$2.7 billion.

According to the U.S. Census Bureau, the median household income in Maui County was \$49,065 (in 2004) and per capita income \$22,033 (in 1999) in Maui County. In comparison, the statewide figures during the same time periods were (\$51,359 and \$21,525 respectively). In 2004, approximately 8.3 percent of families in Maui County fell below the poverty level, this compares to 9.0 percent statewide.

Potential Impacts and Mitigation Measures

Wai'ale will provide housing and employment opportunities in close proximity to the existing urban core and employment center at Wailuku-Kahului. During the development of Wai'ale, direct and indirect construction-related jobs will be offered. Construction industries, and industries supporting construction, will benefit from the project, as will other businesses that construction workers patronize. Longer term employment opportunities will also arise from commercial components of Wai'ale.

Development of Wai'ale will provide the State with revenue from personal income taxes and excise taxes (through the purchase of construction materials and payment of services) and the County with revenue from an increase in real property taxes from more intensive use of the project lands.

4.6.4 Employment

In December 2008, the State Department of Labor and Industrial Relations reported that the island of Maui's unemployment rate in November 2008 was 5.8 percent. This was an increase over October 2008 (5.1 percent) and November 2007 (3.3 percent).

Potential Impacts and Mitigation Measures

Wai'ale will provide numerous employment opportunities during construction and after development. Wai'ale will include schools, social services, and commercial, office, retail and civic uses that will offer employment to residents of the project and others on the island of Maui.

4.7 INFRASTRUCTURE

A preliminary engineering report was prepared for Wai'ale to provide information on existing infrastructure that would serve the project. The report also evaluated the adequacy of existing infrastructure and anticipated improvements that may be required for the project. This report will be updated and included in the Draft EIS.

4.7.1 Roadways and Traffic

Major roadways in the vicinity of the site include: Kuihelani Highway (adjacent to and east of the site), Waiko Road (bisects the site), Honoapi'ilani Highway and Wai'ale Road (west of the site), and Kamehameha Avenue (north of the site).

Kuihelani Highway is a four-lane, two-way State arterial highway running in a north-south direction between Kahului and Ma'alaea. Kuihelani Highway has traffic signals and turning

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lanes at major intersections, including Waiko Road. The posted speed limit varies between 30 and 55 miles per hour (mph).

Waiko Road, which intersects the Kuihelani Highway and divides the Wai'ale site into two sections, is a two-lane, County and privately-owned collector roadway connecting Honoapi'ilani Highway and Kuihelani Highway. The posted speed limit is 20 mph. Immediately east of Honoapi'ilani Highway, Waiko Road provides access to a residential community, and is owned by the County. Further east, Waiko Road provides access to industrial and livestock land uses and is privately-owned.

Honoapi'ilani Highway is a two-lane, undivided State highway running in a north-south direction between Wailuku Ma'alaea. The posted speed limit ranges between 30 and 55 mph near Waikapū. Honoapi'ilani Highway has a left-turn pocket into Waiko Road.

Wai'ale Road is a two-lane road running north from Waiko Road. Wai'ale Road becomes Lower Main Street near Ka'ahumanu Avenue. Wai'ale Road has been extended and improved as part of the Waikapū affordable housing subdivision (adjacent to and west of the Wai'ale site). The County's roadway master plan proposes an extension of Wai'ale Road from Waiko Road south to Honoapi'ilani Highway.

Kamehameha Avenue is a two-lane, County collector roadway within the adjacent Maui Lani project that currently terminates just north of the Wai'ale site.

Portions of the Wai'ale site are currently leased to companies for various uses. These businesses generate traffic, including deliveries of goods and services and employees commuting to/from work.

Potential Impacts and Mitigation Measures

A Traffic Impact Assessment Report (TIAR) is being prepared to assess the project's impact on traffic and identify measures required to mitigate the impacts. The TIAR will be included in the Draft EIS.

4.7.2 Drainage Facilities

The property is generally flat along the eastern boundary along Kuihelani Highway, with a gentle slope rising from the northeastern to the northwestern corner. At its lowest point (at the northeastern corner), the property is approximately 150 feet above mean sea level (msl). Higher elevations occur along the western edge of Waiko Road at approximately 310 above msl. Slopes generally increase from the north to the south, and the topography of the property at the southern tip is approximately 200 feet above msl. Waikapū Stream borders the southern edge of the property. With a gentle overall terrain, the average slope is about 3 percent or less.

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According to the Flood Insurance Rate Map, most of the Wai'ale site is designated Zone C, which are areas of minimal flooding (See Figure 7). Waikapū Stream is situated south of the project site. Areas along Waikapū Stream are designated Zone A, which are areas inundated by one percent annual chance flooding.

On-site surface runoff currently sheet flows across the Wai'ale site from the southwest to the northeast. The existing 100-year runoff from the Wai'ale site is estimated to be 1,592 cubic feet per second (cfs). Runoff eventually sheet flows onto Kuihelani Highway, where the highway's drainage facilities intercept the runoff and divert it to designated outlets. There are three major drainage crossings near the southeastern boundary of the site at Kuihelani Highway. A 42-inch culvert near the intersection of Waiko Road and Kuihelani Highway, intercepts runoff from a swale parallel to Kuihelani Highway.

Potential Impacts and Mitigation Measures

Waikapū Stream is situated to the south of the Wai'ale Site. While the stream is not included within the project, a park/open space greenway will be provided along the northern border of Waikapū Stream, within the Wai'ale site. The natural drainage characteristics of the stream will not be altered.

The Draft EIS will include a preliminary drainage report covering the drainage characteristics of the Wai'ale site, potential impacts resulting from Wai'ale, and proposed mitigation measures.

4.7.3 Water Facilities

Water service for the region is provided by the County Department of Water Supply. Domestic water and fire flow for the Waikapū area is provided by the Mokuhaul Wells in Happy Valley, from the 300,000-gallon Waikapū Tank. A series of 8- and 12-inch waterlines traverse Waiko Road providing service to existing users. An existing 12-inch main is also situated within Kamehameha Avenue in Maui Lani.

Potential Impacts and Mitigation Measures

To address the potable water needs of the project, the applicant is pursuing several alternatives. In cooperation with the County of Maui, the applicant is planning the development of a new water treatment facility on lands adjacent to the Wai'ale Reservoir, just north of the project site. The Wai'ale WTF ("WTF") is planned as a joint effort with the County of Maui to address a portion of the future potable water needs of both the County and the applicant.

The development of new potable well sources in Central Maui is another potable water alternative. The applicant has previously drilled two wells in the Kahului aquifer. These wells are situated within the northeastern portion of the Wai'ale site near Kuihelani Highway.

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Each of these wells has a sustainable capacity of approximately 0.648 MGD and demonstrates the potential for potable well sources to serve Wai'ale.

The Draft EIS will include a preliminary engineering report that will analyze the existing and proposed water system for Wai'ale based upon calculated water demands.

4.7.4 Wastewater Facilities

The County's existing Wailuku-Kahului Wastewater Reclamation Facility serving the greater Wailuku-Kahului region has a plant capacity of 7.9 mgd and currently treats an average of approximately 5.5 mgd. The facility is located on Amala Place in Kahului. According to the County Wastewater Reclamation Division, the facility's total allocation (including projects already permitted) is 6.9 mgd. Within Maui Lani, an existing 12-inch sewer line is situated within Kamehameha Avenue, just north of the Wai'ale site.

Potential Impacts and Mitigation Measures

The Draft EIS will include a preliminary engineering report that will estimate demand generated by Wai'ale and analyze wastewater collection and treatment requirements, as well as alternatives to accommodate the needs of Wai'ale.

4.7.5 Solid Waste

Single family residential solid waste collection service is provided by the County of Maui. Residential solid waste collected by the County is disposed of at the County's Central Maui Landfill, located to the southeast of Kahului airport. The County of Department of Environmental Management, Solid Waste Division operates the Central Maui Landfill. In addition to County-collected refuse, the Central Maui Landfill also accepts commercial solid waste from private collection companies. A new expansion to the Central Maui Landfill was recently opened. Accordingly to the County's Draft Integrated Solid Waste Management Plan (February 2008), there is adequate capacity at the Central Maui Landfill with planned improvements to 2026. A County green waste recycling facility is also located at the Central Maui Landfill.

Privately owned facilities, such as the Maui Demolition and Construction Landfill and Pohakulepo Concrete Recycling Facility, accept solid waste and concrete from demolition and construction activities. These facilities are located in Ma'alaea.

Potential Impacts and Mitigation Measures

Construction waste consisting of waste lumber, concrete, and other building materials will be generated during the development of Wai'ale. Whenever practical, solid wastes will be minimized and recycled. As required by the County of Maui, a solid waste management plan will be prepared to reduce solid waste disposal.

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Solid waste will also be generated by the proposed uses in Wai'ale; however, recycling will be encouraged. According to the U.S. Environmental Protection Agency, in 2006, individuals recycled 1.5 pounds of our individual waste generation rate of 4.6 pounds per day, for a net waste generation amount of 3.1 pounds per day. Assuming an average household size of 2.91 persons, and depending whether the project will ultimately yield 1,705 to 3,015 units, the solid waste generated by the project is estimated to average approximately 15,381 to 27,198 pounds per day.

The planned single family residential units within Wai'ale are anticipated to be served by the County's solid waste disposal facilities. Other project components, including commercial and multi-family residential units will likely be served by private waste collection companies.

4.7.6 Electrical and Communication Systems

Electrical power, telephone, and CATV services to the region are provided by Maui Electric Company, Hawaiian Telcom, and Oceanic Time Warner Cable of Hawaii, respectively.

Potential Impacts and Mitigation Measures

It is anticipated that electrical, telephone, and CATV service capacity will be available for Wai'ale, and the project will not have an adverse impact on the aforementioned service providers. However, the respective providers will be consulted regarding potential impacts to their facilities, as well as to identify mitigation measures.

4.8 PUBLIC SERVICES

4.8.1 Schools

The State Department of Education (DOE) operates two high schools, two intermediate schools, and four elementary schools in the Wailuku-Kahului region, these include:

- Henry P. Baldwin High School;
- Maui High School;
- 'Āao Intermediate School;
- Maui Waena Intermediate School;
- Kahului Elementary School;
- Lihikai Elementary School;
- Wailuku Elementary School; and
- Pōmaika'i Elementary School.

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Pōmaika'i Elementary School recently opened in 2007 and is situated just north of the Wai'ale site along Kamehameha Avenue in Maui Lani. Maui Community College, a branch of the University of Hawai'i system, is the primary higher education institution serving the island of Maui.

Potential Impacts and Mitigation Measures

To accommodate the educational needs of children living in Wai'ale and the surrounding neighborhoods, it is estimated that a middle school will be needed within the community (See Figure 3).

4.8.2 Police Protection

The Maui County Police Department (MPD) Wailuku Patrol District provides police protection services to the Wai'ale site. There are approximately 115 uniformed patrol officers and other personnel that serve this division.

Potential Impacts and Mitigation Measures

Residents and visitors of Wai'ale are likely to require police protective services at some time. The potential impact of Wai'ale on such services, and mitigation measures required, will be discussed further in the Draft EIS.

4.8.3 Fire Protection

The Maui County Department of Fire Control (MFD) provides fire protective services to the Wai'ale site. The Kahului Fire Station is located on Dairy Road. In 2009, there were approximately 48 fire fighters and other personnel in the Kahului District.

Potential Impacts and Mitigation Measures

Residents and visitors of Wai'ale are likely to require fire protective services at some time. The potential impact of Wai'ale on such services, and mitigation measures required, will be discussed further in the Draft EIS.

4.8.4 Health Care Services

The Maui Memorial Hospital, located in Kahului, is the only major medical facility on the island of Maui. Acute, general, and emergency care services are provided by the 194-bed facility.

Non-emergency health care is provided by clinics and offices throughout Wailuku-Kahului, such as Kaiser Permanente, which operates facilities in Wailuku and Maui Lani.

Potential Impacts and Mitigation Measures

Residents and visitors of Wai'ale are likely to require health care services at some time. The potential impact of Wai'ale on such services, and mitigation measures required, will be discussed further in the Draft EIS.

4.8.5 Recreational Facilities

Diverse recreational opportunities are available in the Wailuku-Kahului region. Numerous recreational parks and facilities are located in close proximity to the Wai'ale site. These include:

- Honoli'i Park;
- Kahului Community Center & Pool;
- Lihikai Park;
- Mokuhau Park;
- Pōmaika'i Park;
- Wai'ale Neighborhood Park;
- War Memorial Complex & Keopuolani Regional Park; and
- Wells Community Complex.

Potential Impacts and Mitigation Measures

Wai'ale's community conceptual master plan includes lands reserved for active regional and neighborhood parks, greenways and open space. The provision of lands for park purposes will be undertaken in consultation with the County Department of Parks and Recreation (DPR) to ensure that park and playground assessment requirements are appropriately addressed. The potential impact of Wai'ale on such recreational facilities, and mitigation measures required, will be discussed further in the Draft EIS.

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5.0 LAND USE CONFORMANCE



5.0 LAND USE CONFORMANCE

State of Hawai'i and County of Maui land use plans and polices relevant to Wai'ale, and required permits and approvals are described below.

5.1 STATE OF HAWAI'I

5.1.1 Chapter 343, Hawaii Revised Statutes

Compliance with Chapter 343, HRS is required as described in Section 1.7.

5.1.2 State Land Use Law Chapter 205, Hawaii Revised Statutes

The State Land Use Law (Chapter 205, HRS), establishes the State Land Use Commission (LUC) and gives this body the authority to designate all lands in the State into one of the four districts: Urban, Rural, Agricultural, or Conservation.

The Wai'ale site is within the State Agricultural District (See Figure 8). A State Land Use District Boundary Amendment will be sought to reclassify the site from the Agricultural District to the Urban district.

5.1.3 Hawaii State Plan, Chapter 226, Hawaii Revised Statutes

The *Hawaii State Plan* (Chapter 226, HRS), establishes a set of goals, objectives, and policies that serve as long-range guidelines for the growth and development of the State. The Draft EIS will include a discussion of how Wai'ale complies with appropriate goals, objectives, and policies of the plan.

State Functional Plans. The *Hawaii State Plan* directs State agencies to prepare functional plans for their respective program areas. There are 13 *State Functional Plans*, and those applicable to the proposed Wai'ale project will be discussed in the Draft EIS.

5.1.4 Coastal Zone Management Act, Chapter 205A, Hawaii Revised Statutes

The Coastal Zone Management (CZM) Program (Chapter 205A, HRS) was established to provide public recreational opportunities, protect coastal resources and ecosystems, reduce hazards, and manage development. Although Wai'ale will not be located near the shoreline nor within the Special Management Area (SMA), the Draft EIS will include a discussion of how Wai'ale complies with the objectives of the CZM Program.

5.2 COUNTY OF MAUI

County land use plans and ordinances that pertain to Wai'ale include the *Countywide Policy Plan*, *Draft Maui Island Plan*, the *Wailuku-Kahului Community Plan*, and the Maui County Code.

5.2.1 Countywide Policy Plan

The *Countywide Policy Plan* was adopted in March 2010 and is a comprehensive policy document for the County of Maui to the year 2030. The plan replaces the *General Plan of the County of Maui 1990 Update* and provides the policy framework for the development of the forthcoming Maui Island Plan as well as for updating the nine detailed Community Plans.

While the final Maui Island Plan has not yet been adopted by the Maui County Council (See Section 5.2.2); a major element of the Maui Island Plan will be the Directed Growth Strategy, which will include Directed Growth Maps specifying "urban growth boundaries" for the island of Maui. As of July 2010, all of the subject lands north of Waikapū Stream are within the "urban growth boundary" of the Directed Growth Maps of put forth by: 1) the Planning Department; and 2) the General Plan Advisory Committee; and 3) the Maui Planning Commission.

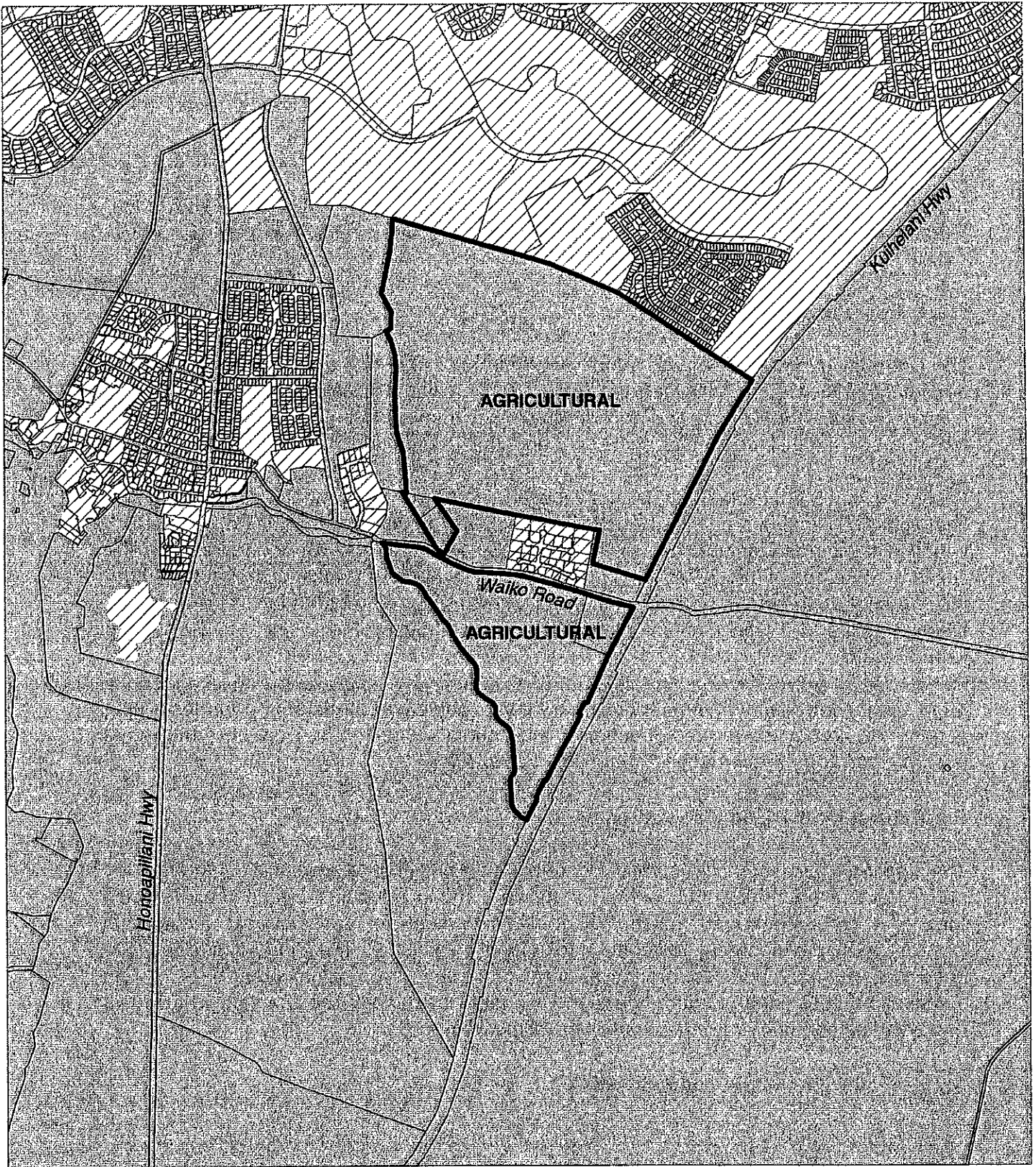
The *Countywide Policy Plan* provides broad goals, objectives, policies and implementing actions that portray the desired direction of the County's future. The Draft EIS will discuss how Wai'ale complies with the *Countywide Policy Plan*.

5.2.2 Draft Maui Island Plan (December 2009)

The *Draft Maui Island Plan* is part of the County's on-going effort to prepare a comprehensive policy document for the County of Maui to the year 2030. The plan is intended to provide a long-term comprehensive strategic planning document for the physical, economic, environmental development and cultural identity of the County. The *Draft Maui Island Plan* encompasses goals, policies, programs, and actions that are recommended based on an assessment of current and future needs and available resources. The Draft EIS will discuss how Wai'ale complies with the *Draft Maui Island Plan*.

5.2.3 Wailuku-Kahului Community Plan

The *Wailuku-Kahului Community Plan* is one of nine community plans developed to address both the general policies of the *General Plan* and the unique aspects of each region. It was last updated in 2002. The *Wailuku-Kahului Community Plan* Land Use Map designates the Wai'ale site as Agriculture (See Figure 9), although the Maui Department of Planning, Long Range Planning Division shows Wai'ale as a proposed project on its Central Maui Development Projects map.



LEGEND



-  Project Area
-  Agricultural
-  Urban

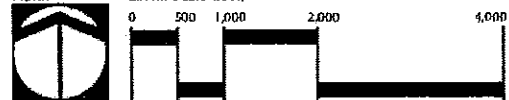
Figure 8
State Land Use Districts
WAI'ALE

A&B PROPERTIES, INC.

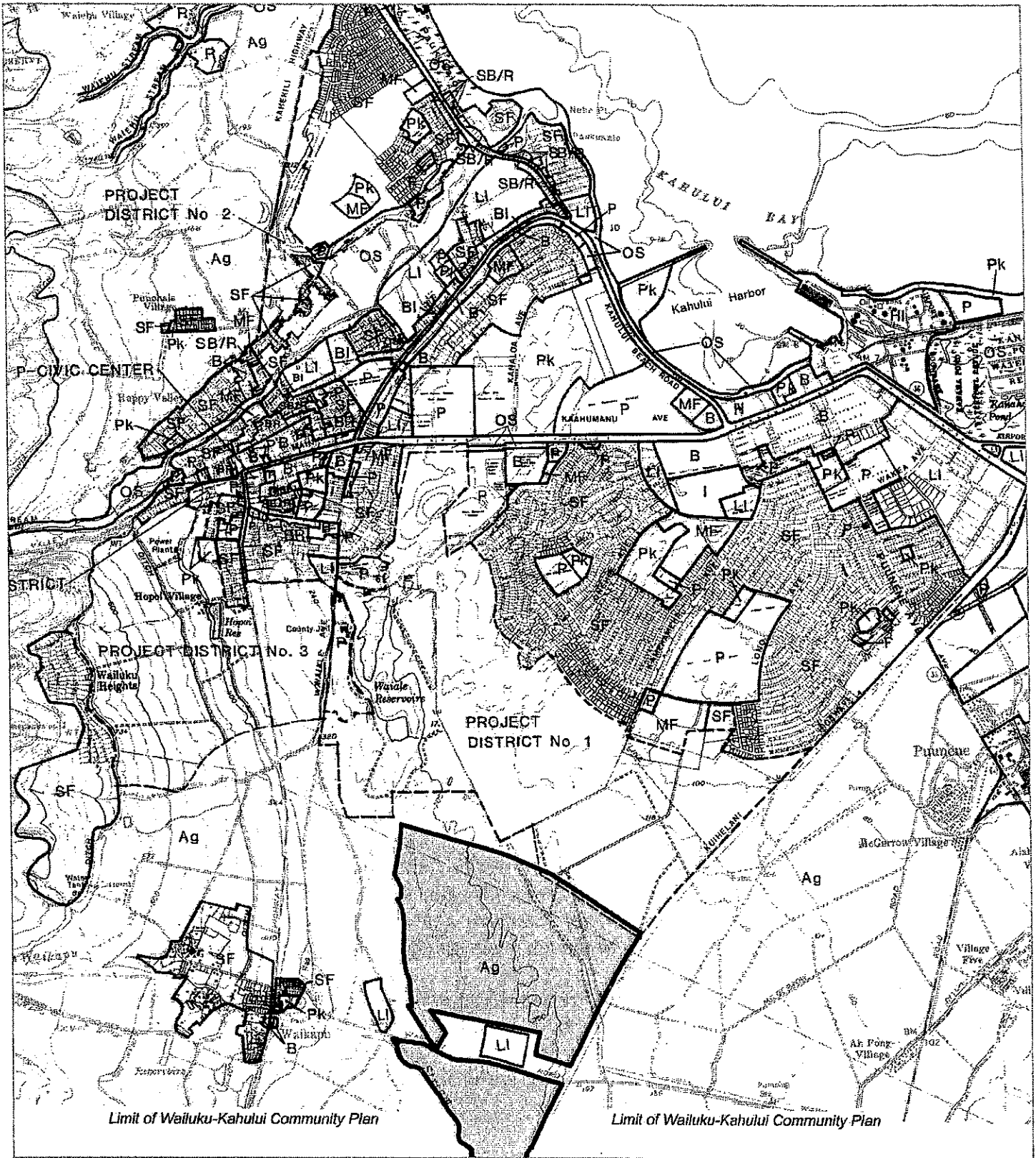
KAHULUI, MAUI

North

Lineal Scale (feet)



Source: State Land Use Commission, 2009 (GIS)
Disclaimer: This graphic has been prepared for general planning purposes only.



LEGEND

- AG** Agriculture
- [Shaded Box]** Project Area

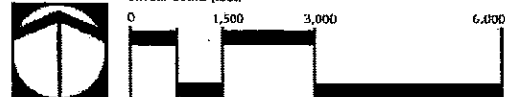
Figure 9
Wai'ale-Kahului Community Plan
WAI'ALE

A&B PROPERTIES, INC.

KAHULUI, MAUI

North

Linear Scale (feet)



Source: County of Maui Wai'ale-Kahului Community Plan (1990), Ordinance No. 9801 (Wai'ale-Kahului Community Plan 2002), effective June, 5, 2002.
Disclaimer: This graphic has been prepared for general planning purposes only.

WAI'ALE
ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE

A Community Plan Amendment will be sought to change the land use designation from Agricultural to Project District. The Draft EIS will discuss how Wai'ale complies with the relevant objectives and policies of the current *Wailuku-Kahului Community Plan*.

5.2.4 County Zoning

Wai'ale is within the County's Agricultural (AG) zoning district. A Change in Zoning from Agricultural to Project District will be sought from the County of Maui. According to Maui County Code Section 19.45.010, project districts are intended to provide for a flexible and creative planning approach, rather than specific land use designations, for quality developments. Development of a project district is subject to three phases of approval described as follows:

- **Phase 1:** Preparation and adoption of a project district zoning ordinance by the County Council.
- **Phase 2:** Preparation of a project district preliminary site plan and adoption of this plan by the County Planning Commission.
- **Phase 3:** Preparation and submittal of the project district final site plan to the planning director for final review and approval.

Maui County Code Section 19.30A.020 provides an agricultural district criteria and states that agricultural lands that meet at least two of the criteria should be given the highest priority for retention in the agricultural district. The agricultural district criteria are provided below.

- 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 non-irrigated 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.*

The Draft EIS will discuss why agricultural lands within the Wai'ale site should be rezoned to Project District.

5.2.5 Special Management Area

The Wai'ale site is not within the Special Management Area (SMA) defined by the County of Maui (See Figure 10).

WAI'ALE

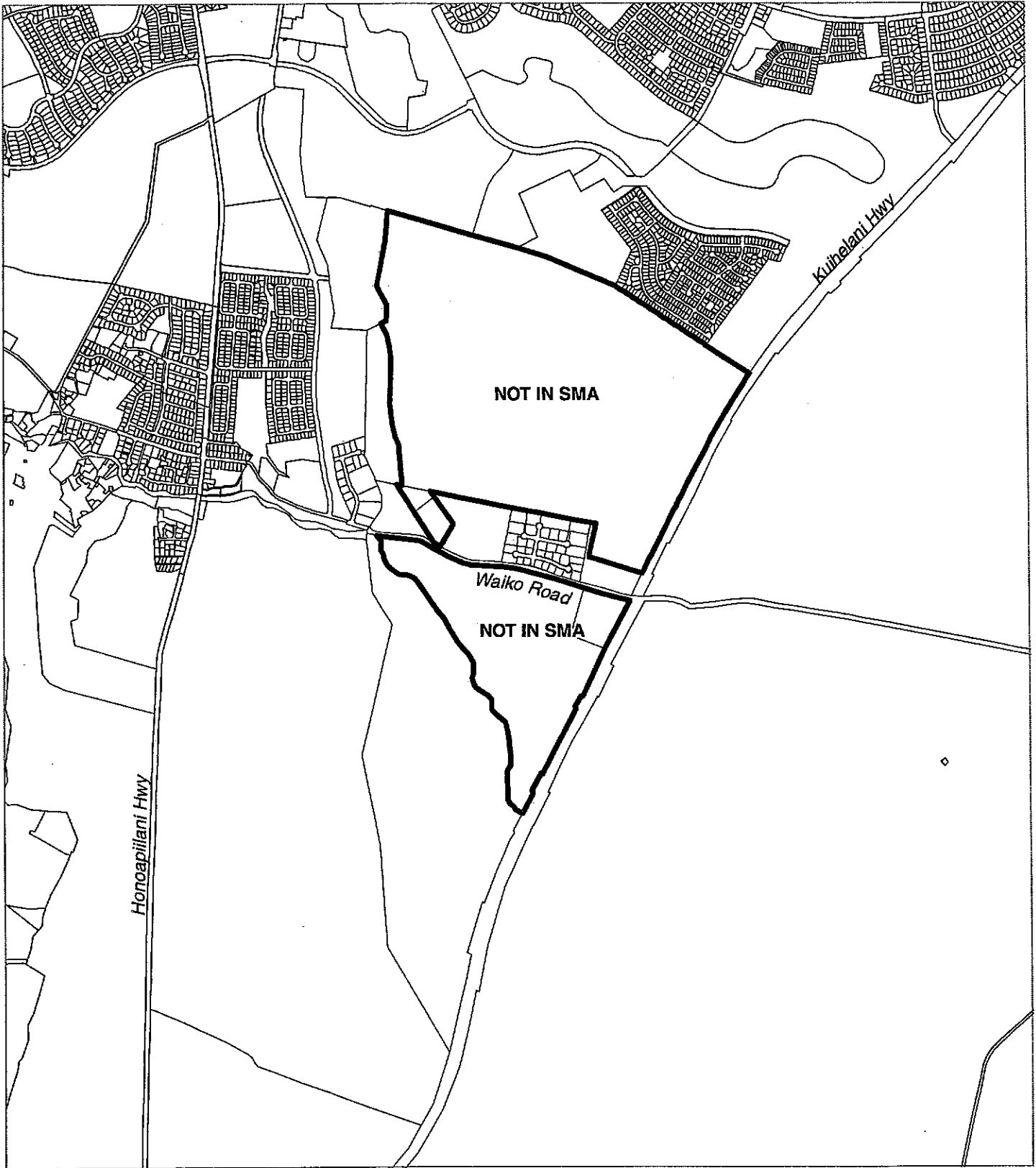
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5.3 PERMITS AND APPROVALS

An approximate list of anticipated permits and approvals required for the Wai'ale community is presented below.

Table 1 – Anticipated Permits/Approvals

PERMIT/APPROVAL	RESPONSIBLE AGENCY
Chapter 343, HRS compliance	State Land Use Commission
State Land Use District Boundary Amendment	State Land Use Commission
Community Plan Amendment	County of Maui Planning Department Maui Planning Commission Maui County Council
Project District Phases I, II, and III Approval	County of Maui Planning Department Maui Planning Commission Maui County Council
Chapter 6E, HRS Compliance	State Historic Preservation Division
National Pollutant Discharge Elimination System (NPDES) Permit	State Department of Health
Grading/Building/Infrastructure/Site Development Permits	County of Maui Department of Public Works and Waste Management



LEGEND



-  Project Area
-  Special Management Area (SMA)

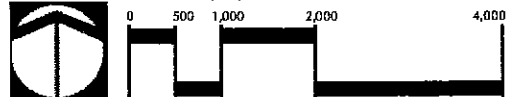
Figure 10
Special Management Area
WAI'ALE

A&B PROPERTIES, INC.

KAHULUI, MAUI


North

Lineal Scale (feet)



Source: County of Maui
Disclaimer: This graphic has been prepared for general planning purposes only.

6.0 ALTERNATIVES TO THE PROPOSED ACTION



6.0 ALTERNATIVES TO THE PROPOSED ACTION

In compliance with the provisions of Title 11, Department of Health (DOH), Chapter 200, Environmental Impact Statement Rules, Section 11-200-10(6), the alternatives considered are limited to those that would satisfy the objectives of the proposed mixed-use development, while minimizing the potential for adverse environmental impacts. The feasible alternatives must realistically address the project's economic characteristics while also responding to the surrounding land uses that will be impacted by the project. In conformance with applicable regulations, other possible alternatives have been investigated to identify alternative sites, the appropriate uses for the property, and how they would best be accomplished.

6.1 "NO-ACTION" ALTERNATIVE

Under this alternative, the site would remain as fallow agricultural land, underutilized in terms of meeting the County's need for a regional park and the demand for residential homes (including affordable homes) and accompanying land uses. The potential benefit of this alternative is that the site would provide open space. Implementation of this alternative will avoid: infrastructure impacts (solid waste, wastewater and additional stormwater runoff generated on site); visual impacts (appearance of the site changing from agricultural fields to a master-planned village development); traffic impacts; and construction-related impacts (such as construction noise, construction equipment exhaust emissions, temporary traffic disruption, fugitive dust and soil erosion).

If the site were to return to agricultural use, cultivation, harvesting and plowing of the site will expose soils to the erosional forces of wind and rainfall. The demand for housing could result in the following scenarios or combinations thereof: there would be more pressure to develop in the other districts, including the rural areas and other areas currently used for cultivation; there could be a demand for higher density housing in undeveloped areas of Kihei at a density not experienced to date; there would be more "doubling up" (larger number of persons per household, with more than one family under roof); those that are not willing to put up with the previously described scenarios may decide to relocate to the U.S. mainland where housing prices have dropped.

The "no-action" alternative was rejected because it is not consistent with the objectives of the proposed Wai'ale community.

6.2 ADDITIONAL ALTERNATIVES

A&B Properties, Inc. considered other site development and infrastructure alternatives prior to arriving at the current conceptual community master plan. The alternatives considered included the following:

WAI'ALE

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- Alternative sites on the island of Maui;
- Alternatives related to different designs/details of the proposed actions which would present different environmental impacts;
- Actions of a significantly different nature which would provide similar benefits with different environmental impacts; and/or
- The alternative of postponing action pending further study.

The Draft EIS will contain a discussion of the alternatives considered during the planning of the Wai'ale community.

7.0 FINDINGS AND DETERMINATION



7.0 FINDINGS AND DETERMINATION

Several technical studies are being conducted to provide a detailed assessment of the existing natural and socio-economic environment and how it may be impacted by Wai'ale. Based on a preliminary assessment of impacts and the significance criteria established by Section 11-200-12, HAR, Wai'ale:

- 1) May involve an irrevocable commitment to natural or cultural resources;
- 2) Will increase the range of beneficial uses of the environment;
- 3) Will not conflict with the State and County's long-term environmental policies, goals and guidelines;
- 4) Will substantially and positively affect the economic or social welfare, and cultural practices of the community or State;
- 5) Will not substantially affect public health;
- 6) May involve substantial secondary impacts such as population changes or effects on public facilities;
- 7) Will not involve a substantial degradation of environmental quality;
- 8) May cumulatively have a positive effect upon the environment from a land use point of view;
- 9) Will not substantially affect a rare, threatened, or endangered species or its habitat;
- 10) Will not detrimentally affect air or water quality or ambient noise levels;
- 11) Will not affect environmentally-sensitive areas such as a flood plain, tsunami zone, erosion prone areas and geologically hazardous land, estuary, fresh water, or coastal waters;
- 12) Will not substantially affect scenic vistas and view planes identified in County or State plans or studies; and
- 13) Will require additional energy consumption.

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8.0 CONSULTATION



8.0 CONSULTATION

8.1 AGENCIES AND COMMUNITY GROUPS CONSULTED

This project has undergone an extensive community planning process, including consultation with community leaders, the County of Maui administration, and Maui residents. Over 100 people provided input at community meetings held in August 2005. The following agencies and community groups were represented at the community meetings. Since 2005, consultation concerning the project has been ongoing with governmental agencies and community interests.

- Ah Fook's Super Market
- Bank of Hawaii
- CB Richard Ellis
- Central Pacific Bank
- Century 21
- Clinical Laboratories of Hawaii
- County of Maui Council
- County of Maui Department of Housing and Human Concerns
- County of Maui Department of Public Works & Environmental Management
- County of Maui Fire Department
- County of Maui Planning Commission
- County of Maui Planning Department
- County of Maui Police Department
- Division 15 Mechanical
- First Horizon Home Loans
- Hale Mahaolu
- Hale Makua
- Hawaiian Commercial & Sugar Company
- International Longshore and Warehouse Union
- Kahului Union Church
- Kapalua Land Company
- Keller Williams Realty
- Kula Community Association
- Lantern Comp. Consulting
- Lokahi Pacific
- M&E Pacific, Inc.
- Maalaea Properties, LLC
- Maui Economic Development Board
- Maui Economic Opportunity
- Maui Electric Company, Ltd.
- Maui High School
- Maui Hotel Association
- Maui Lani Development
- Maui Memorial Medical Center
- Maui Tomorrow
- Morgan Stanley
- Paia Learning Center
- Pukalani Dental Corporation
- Rogers Rentals
- Ronald Fukumoto Engineering
- St. Theresa Church
- State Department of Education
- State Department of Taxation
- State Department of Transportation
- State Office of Hawaiian Affairs
- Sunshine Helicopters
- The Maui News
- U.S. Department of Agriculture
- Valley Isle Marine Center
- Waikapu Community Association
- WEB Insurance

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8.2 AGENCIES, COMMUNITY GROUPS, AND INDIVIDUALS TO BE CONSULTED

This EISPN will be distributed to the following agencies and individuals.

State of Hawai'i

- Department of Agriculture
- Department of Business, Economic Development and Tourism
- Department of Business, Economic Development and Tourism – Office of Planning
- Department of Business, Economic Development and Tourism – Strategic Industries Division
- Department of Education
- Department of Health – Environmental Planning Office
- Department of Health – Office of Environmental Quality Control
- Department of Land and Natural Resources
- Department of Land and Natural Resources – Historic Preservation Division
- Department of Transportation
- Office of Hawaiian Affairs
- Representative Gilbert Keith-Agaran (9th Representative District)
- Representative Joe Bertram III (11th Representative District)
- Representative Joseph Souki (8th Representative District)
- Senator Shan Tsutsui (4th Senatorial District)
- University of Hawai'i – Environmental Center
- Kahului Public Library
- Wailuku Public Library

County of Maui

- Department of Fire and Public Safety
- Department of Housing and Human Concerns
- Department of Parks and Recreation
- Department of Planning
- Department of Public Works and Environmental Management – Development Services Administration
- Department of Water Supply
- Office of the Mayor
- Office of Economic Development
- Police Department
- County Council Chair G. Danny Mateo
- County Council Vice Chair Michael Molina
- County Councilmember Gladys Coelho Baisa
- County Councilmember Jo Anne Johnson
- County Councilmember Sol Kaho'ohalahala

WAI'ALE
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- County Councilmember Bill Kauakea Medeiros
- County Councilmember Wayne Nishiki
- County Councilmember Joseph Pontanilla
- County Councilmember Michael Victorino

Federal

- U.S. Department of the Army – Corps of Engineers
- U.S. Department of the Interior – Fish and Wildlife Services

Private

- Maui Electric Company
- Maui Tomorrow
- The Maui News

Community Organizations/Individuals

- Maui Lanai Development
- Waikapu Community Association
- Maui/Lanai Islands Burial Council
- Maui Electric Company
- Hawaiian Telcom
- Oceanic Time Warner Cable of Hawaii

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9.0 REFERENCES

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9.0 REFERENCES

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APPENDIX A: PLANNING PROCESS



WAI'ALE

COMMUNITY VISION STATEMENT

Create a socially integrated community with a unique sense of identity and character, capitalizing on its location and natural features.

As an extension of Kahului "Dream City", Wai'ale will be a community that makes both visitors and residents feel welcomed and plans for the long range community and civic facilities to support the Central Maui region.

KEY COMMUNITY PLANNING GOALS

- Provide walkable mixed-use neighborhoods.
- Provide homes for a variety of income ranges, ages, and lifestyles. If so desired, a resident can grow up and spend their entire life in the community with the appropriate housing types available.
- Plan for community facilities to meet the region's current and future needs.
- Include a multi-modal transportation system that accommodates walking, biking, jogging, and driving.
- Include commercial activities (including locally-owned stores and restaurants), schools, and other civic and recreational facilities.
- Respect the natural and historical significance of the land.
- Capitalize on the views of Haleakali, the West Maui Mountains, and other significant landmarks.

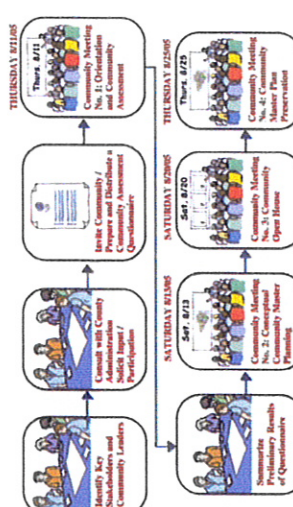
Manalo... a success... to all those who participated in and contributed to this important community planning effort... from insights over territory and we look forward to your continued participation as we move forward with our planning.

COMMUNITY PARTICIPANTS (AS OF SUMMER OF 2005)

- AB & S&B PROPERTIES, INC.**
A COMMITMENT TO SUSTAINABLE DEVELOPMENT, INC.
- Mercedith Chung**, Vice President
Grant Chan, Vice President
Chad H. Kasper, Vice President
Jeff Paulsen, Manager, Community Relations
Linda Howe, Manager, Community Relations
Alan Kapp, Manager, Land & Environmental
Paul O'Brien, Manager, Government Relations
Sharon Shimabukuro, Administrative Assistant
Mary "Cathy" Vercos, Vice President, Group
- For more information, please contact: Sharon Shimabukuro at: shimabukuro@abprop.com
- Tom Wynn**, President
Scott Abalos, Planner
Paula Hines, Planner
Chris Chertok, Graphic Designer
- Lisa Corcoran**
Steve Miller
Tom Krig
Blaine Kelychowski
Glenn Lusk
Willy Erickson
Darr Glasgow
Wesley Lo
Rev. David Terrell
Sam Green
Rob Johnson
Alan T. Smith
Janet Amadio
David Meyer
Mark Sherman
Steve Gaud
John Rider
Larry Lee
Mr. & Mrs. Barry Anderson
Steve Kalkas
Sharon Chapman
Conchobeth's Chiropractic Centers
Connie/Roberta Joe Pennington
Michelle Lynn
LeRoy Williams
Debra Wilton
Michelle Yee
From Blueberry Ridge/Biggles
Gayle Ballan
Kathleen Ross Aoki
Herman Anahulu
Sam's Rec
LL & Denise Vogel
James Lawrence
- Mark Tracy**
Mr. & Mrs. Manda Irwin
Yvonne Kallompos
Ken Kawabuchi
Steph Okagaki
Bill Bales
Colleen V. Chung
James Martin
Ann Martin
Kalle Keith
Karen Gilley
Michelle Kono
Mary Rager
Melissa Prince
Mr. & Mrs. Eric Oleson
Robert Oleson
Bonnie Langella
Wayne Hillig
Acquiline Pervin
Pauline Johnson
Kerrin Mederha
Kerrin Mederha
Ernie Gilroy
Rich Medlin
- Paula Hines**
Chad H. Kasper
Jeff Paulsen
Linda Howe
Alan Kapp
Paul O'Brien
Sharon Shimabukuro
Mary "Cathy" Vercos

WAI'ALE COMMUNITY PLANNING PROCESS

Wai'ale has been planned through a community-based process including meetings with key stakeholders, community leaders, the County of Maui Administrators, and Maui residents. Questionnaires, informational meetings, and planning workshops held in August 2005 sought community input and participation in developing a vision and conceptual master plan for Wai'ale.



Place & this experience. The feeling of being in the heart of a new community... the excitement of being part of something new... the sense of belonging to a community that is truly yours.



KEY PLANNING ELEMENTS

- Public Facilities and Future Civic Use Reserve**
 - Regional Park
 - Community Support Facilities
 - Social Services
 - Special Needs Housing
 - Mixed-Use "Town Center"
- Transportation Systems**
 - Roadways
 - Transit
 - Bike Paths
 - Pedestrian Paths
- Mix of Land Use/Smart Growth Principles**
 - Residential (Single-Family and Multi-Family)
 - Mixed-Use Business/Commercial (with Multi-Family Residential)
 - Light Industrial
 - Civic Uses/Town or Village Centers
 - Parks and Recreation
 - Open Space
- Site Attributes and Cultural/Burial Preserves**
 - Waikapu Stream
 - Light Industrial Uses
 - Preserving Views of West Maui Mountains and Haleakali
 - Preserving Existing Cultural Sites and Burials



It was gratifying to experience an open planning process that truly welcomed participation from diverse sectors of the community. — JOSEPH PONTANILLA, COUNCILMEMBER



VILLAGE CONCEPT



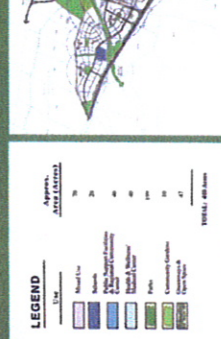
10-Minute Bike Ride to Village Center
5-Minute Walkable Neighborhoods

TRANSPORTATION SYSTEMS



Interconnected system of bike and pedestrian paths promotes a walkable community. Major roads provide more connections through the region. Minor roads laid out in a modified grid pattern promote connectivity and alternative routes through Wai'ale.

PLANNED PUBLIC FACILITIES



NEXT STEPS

- Complete Technical Studies (August 2005 - March 2006)**
 - Marking Fiscal Impact
 - Archaeology
 - Cultural
 - Flora and Fauna
 - Noise
 - Land Survey
 - Air Quality
- Refine Community Master Plan (September 2005 - Ongoing)**
 - Keep the community informed and involved in planning process
 - Put your name on our contact list
- Consult with the County Administration and State Agencies (September 2005 - Ongoing)**
- Begin Land Use Approval Process (November 2005 - Ongoing)**
- Participate in County Plan Updates (Ongoing)**

We want to make sure our kids can grow up and live on Maui in a community we can all feel proud of. — GRANT CHUN, A&S PROPERTIES



Village Center

- Neighborhood Commercial Uses
- Community Services
- Farmer's Market
- Connected to Residential Villages through Pedestrian and Bicycle Paths



Village Mixed Use (VMX)

- Commercial, Office Retail, Civic, and Multi-Family Residential Uses
- Connected with Community through Pedestrian and Bicycle Paths



Mixed Use

- Social Services
- Civic, Business, and Multi-Family Residential Uses



Schools

- Elementary School within Residential Village
- Middle School within 5-Minute Walk to Regional Community Center and Regional Park



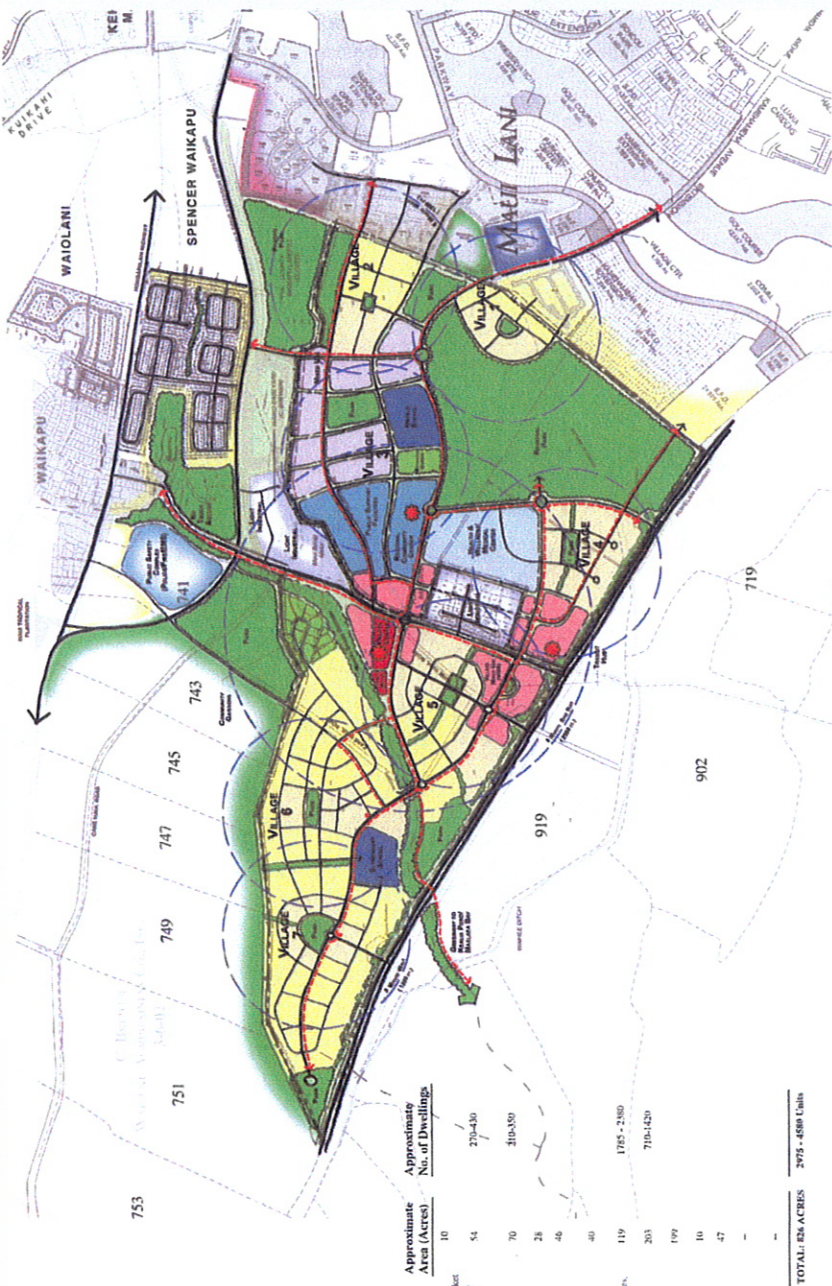
Public Support Facilities & Regional Community Center

- Public and Recreational Uses
- Community Center Similar to Neal Blaisdell Center



Health & Wellness / Medical Center

- Public Uses
- Adjacent to Regional Community Center and Park



Integrating the community's vision and conceptual plans for Waialeale, the Conceptual Community Master Plan illustrates the overall land use and circulation concept. The plan addresses the long term needs of Central Maui by providing recreational and civic areas to support the regional growth. As a community planned to meet the future housing needs, the master plan incorporates traditional neighborhood design with the key principles of Smart Growth.

10 PRINCIPLES OF SMART GROWTH

- 1 A mix of land uses
- 2 Compact building design
- 3 A range of housing opportunities and choices (density and types)
- 4 Walkable neighborhoods
- 5 Distinctive, attractive communities with a strong sense of place
- 6 Preservation of open spaces, farmland, natural beauty, and environmental areas
- 7 Development directed towards existing communities
- 8 A variety of transportation choices
- 9 Predictable, fair, and cost-effective development
- 10 Community and stakeholder collaboration in development decisions

The community of Maui needs to have vital services provided in a central location: a hospital site, a regional community center, a regional park, a location for county headquarters, affordable housing facility spaces, affordable housing and school sites. This project is a great step back to the Maui community.

-MAYOR ALAN K. ARAKAWA



Residential Villages

- Seven Residential Villages Offering a Variety of Housing Types
- Neighborhood Parks within Walking Distance
- Easily Accessible



Parks, Greenways & Open Space

- Regional Park and Neighborhood Parks near Residential Villages
- Greenways and Open Space Enhance Waialeale's Visual Character




Community Gardens

- Cultivated Fruits, Vegetables, and Flowers



Bicycle/Pedestrian Paths

- Encourages Multi-Modal Transportation and Integrated with Network of Open Spaces and Greenways
- Links All Land Uses within Waialeale



Landmark Buildings

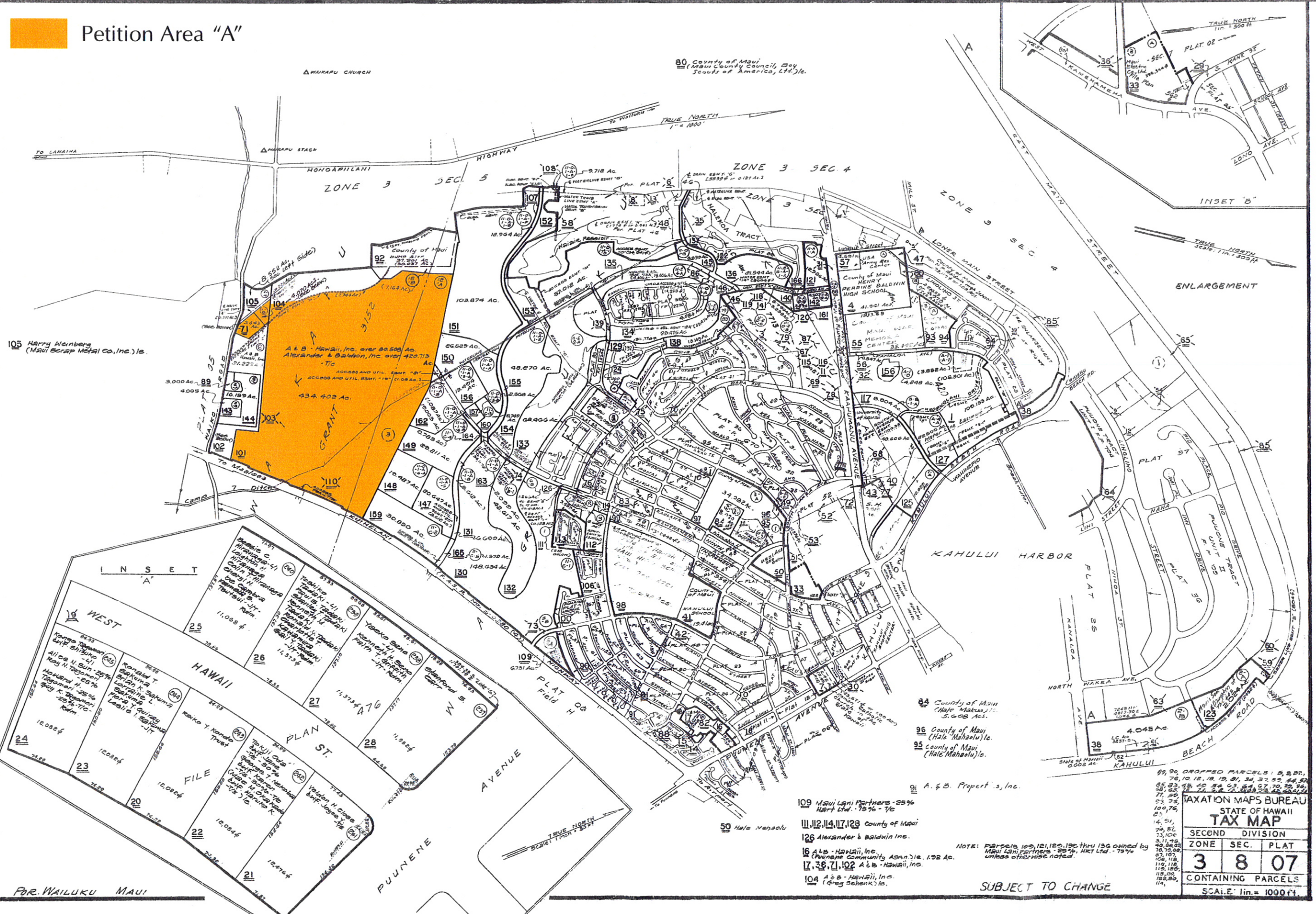
- Enhance Community's Character at Prominent Locations

LEGEND

Use	Description	Approximate Area (Acres)	Approximate No. of Dwellings
Village Center	Neighborhood commercial center	10	270-430
Mixed Use	Mix of commercial, office, retail, civic, and Multi-Family (MF) Residential (54 Dwelling Units (DU)/Acre)	54	310-350
Residential	Mix of MF dwellings (6-7, 45' height, 4 stories, 15-20 DU/Acre)	70	1785 - 2180
Health & Wellness/Medical Center	Single-Family detached and duplex homes (1.5-2 DU/Acre)	203	710-7420
Parks		199	
Community Gardens		10	
Greenways & Open Space		47	
Greenways & Multi-Pedestrian Paths		-	
Landmark Buildings		-	
TOTAL: 626 ACRES		2975 - 4880 Units	

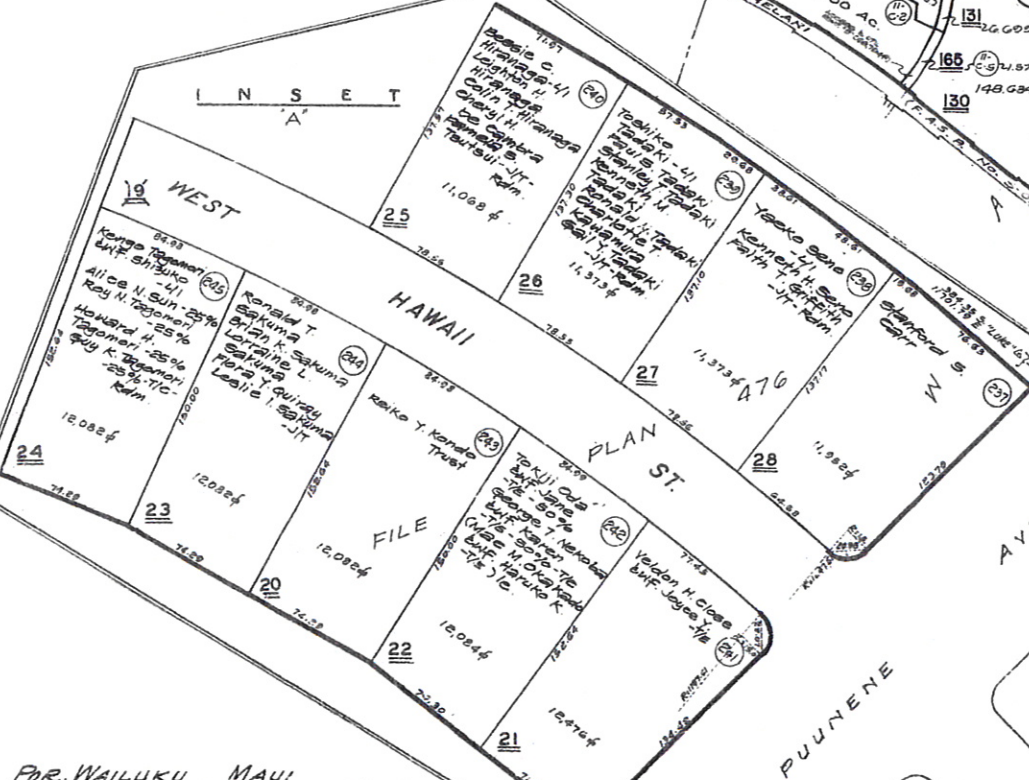
Conceptual Community Master Plan
WAI'ALE
 A&B PROPERTIES, INC.
 ARCHITECT: PBR

Petition Area "A"



NO. 1971
 MAY 2 1971
 DEC 15 1971
 SEP 28 1972
 JUN 1 1973
 MAY 16 1974
 FEB 28 1975
 MAY 10 1976
 JUN 1 1977
 MAY 1 1978
 JUN 1 1979
 JUN 1 1980
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 JUN 1 2012
 JUN 1 2013
 JUN 1 2014
 JUN 1 2015
 JUN 1 2016
 JUN 1 2017
 JUN 1 2018
 JUN 1 2019
 JUN 1 2020

105 Harry Weinberg
 (Maui Scrap Metal Co., Inc.)



FOR WAILUKU MAUI

80 County of Maui
 (Maui County Council, Boy
 Scouts of America, Ltd.)

- 84 County of Maui
 (Hale Mahalo), Inc.
 5.008 Ac.
- 96 County of Maui
 (Hale Mahalo), Inc.
- 95 County of Maui
 (Hale Mahalo), Inc.
- 91 A. & B. Properties, Inc.

- 109 Maui Lani Partners - 25%
 HART Ltd. - 75% - 7/6
- 111, 112, 114, 117, 123 County of Maui
- 126 Alexander & Baldwin Inc.
- 16 A & B - Hawaii, Inc.
 (Puunene Community Assn) 1.92 Ac.
- 17, 18, 21, 102 A & B - Hawaii, Inc.
- 104 A & B - Hawaii, Inc.
 (Greg Schenk), Inc.

NOTE: PARCELS 109, 121, 122, 123 THRU 136 OWNED BY
 MAUI LANI PARTNERS - 25%, HART LTD. - 75%
 UNLESS OTHERWISE NOTED.

TAXATION MAPS BUREAU		
STATE OF HAWAII		
TAX MAP		
SECOND DIVISION		
ZONE	SEC.	PLAT
3	8	07
CONTAINING PARCELS		
SCALE: 1 in. = 1000 FT.		

EXHIBIT "8"

SUBJECT TO CHANGE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
)	
To Amend the Agricultural Land)	
Use District Boundary into the)	
Urban District for approximately)	
545.229 acres at Wailuku and)	
Waikapu, County of Maui, State of)	
Hawai'i, TMK: 3-8-05: portion of)	
23 and 37, 3-8-07: 71, portion of)	
101 and 104)	
_____)	

AFFIDAVIT OF SERVICE OF PETITION
FOR LAND USE DISTRICT BOUNDARY AMENDMENT

BENJAMIN M. MATSUBARA, #993-0
CURTIS T. TABATA, #5607-0
Matsubara – Kotake
888 Mililani Street, 8th Floor
Honolulu, Hawai'i 96813

Attorneys for Petitioner
A&B PROPERTIES, INC.

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
)	
To Amend the Agricultural Land)	
Use District Boundary into the)	
Urban District for approximately)	
545.229 acres at Wailuku and)	
Waikapu, County of Maui, State of)	
Hawai'i, TMK: 3-8-05: portion of)	
23 and 37, 3-8-07: 71, portion of)	
101 and 104)	
_____)	

AFFIDAVIT OF SERVICE OF PETITION
FOR LAND USE DISTRICT BOUNDARY AMENDMENT

STATE OF HAWAII)	
	)	ss.:
CITY AND COUNTY OF HONOLULU)	

Benjamin M. Matsubara, being first duly sworn on oath, deposes and says:

A. Affiant is the attorney for Petitioner A&B Properties, Inc. and agent of the Petitioner for a State of Hawai'i Land Use District Boundary Amendment from Agricultural Land Use District to Urban District, identified as Docket No. A10-789, for land situated at Wailuku and Waikapu, County of Maui, Hawai'i and identified as Tax Map Key Nos. (2) 3-8-05: portion of 023 and 037 (2) 3-8-07: 071, portion of 101 and 104.

B. In compliance with §15-15-48(a) of the Hawai'i Administrative Rules ("HAR"), Affiant did on August 25, 2010, deposit in the United States Mail, postage

prepaid, by certified mail, a copy of the Petition for District Boundary Amendment, to
the following:

Mr. Abbey S. Mayer, Director
Office of Planning, State of Hawai'i
P.O Box 2359
Honolulu, Hawai'i 96804

Bryan C. Yee, Esq.
Deputy Attorney General
Department of the Attorney General
425 Queen Street
Honolulu, Hawai'i 96813

Ms. Kathleen Ross Aoki, Director
Maui County Planning Department
County of Maui, State of Hawai'i
250 South High Street
Wailuku, Maui, Hawai'i 96793

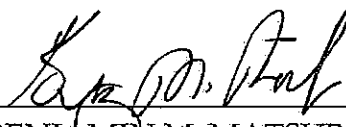
Mr. Jonathan Starr, Chairperson
Maui County Planning Commission
County of Maui, State of Hawai'i
250 South High Street
Wailuku, Maui, Hawai'i 96793

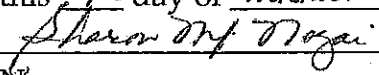
Brian Moto, Esq., Corporation Counsel
Department of the Corporation Counsel
County of Maui, State of Hawai'i
200 South High Street
Wailuku, Maui, Hawai'i 96793

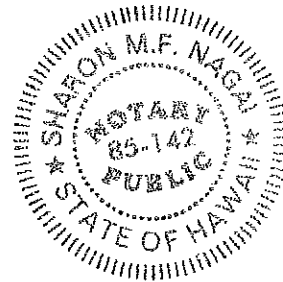
Mr. Greg Schenk
290 Halenani Drive
Wailuku, Maui, Hawai'i 96793

C. This Affidavit is provided in compliance with §15-15-50(c)(5), (C), HAR.

That further Affiant sayeth naught.


BENJAMIN M. MATSUBARA
Attorney for Petitioner
A&B PROPERTIES, INC.

Subscribed and sworn to me
this 24th day of August 2010

Name: **SHARON M.F. NAGAI**
Notary Public, State of Hawai'i
My Commission expires: 04-29-2013

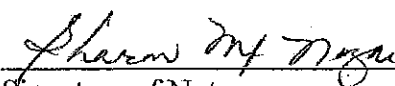


NOTARY CERTIFICATE (Hawai'i Administrative Rules §5-11-8)

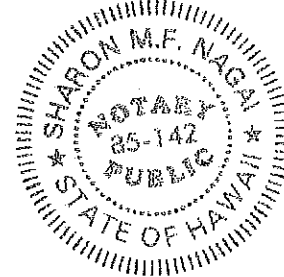
Document Identification or Description: Affidavit Of Service Of Petition For Land Use District Boundary Amendment

Doc. Date: AUGUST 24th, 2010 No. of Pages: 58

Jurisdiction: First Circuit
(in which notarial act is performed)


Signature of Notary AUGUST 24, 2010
Date of Certificate

SHARON M.F. NAGAI
Printed Name of Notary



(Official Stamp or Seal)

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A10-789
)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
)	
To Amend the Agricultural Land)	
Use District Boundary into the)	
Urban District for approximately)	
545.229 acres at Wailuku and)	
Waikapu, County of Maui, State of)	
Hawai'i, TMK: 3-8-05: portion of)	
23 and 37, 3-8-07: 71, portion of)	
101 and 104)	
_____)	

AFFIDAVIT OF SENDING OF NOTIFICATION OF PETITION FILING

EXHIBITS "1" AND "2"

BENJAMIN M. MATSUBARA, #993-0
CURTIS T. TABATA, #5607-0
Matsubara - Kotake
888 Mililani Street, 8th Floor
Honolulu, Hawai'i 96813

Attorneys for Petitioner
A&B PROPERTIES, INC.

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of) DOCKET NO. A10-789
)
A&B PROPERTIES, INC.) A&B PROPERTIES, INC.
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Urban District for approximately)
545.229 acres at Wailuku and)
Waikapu, County of Maui, State of)
Hawaii, TMK: 3-8-05: portion of)
23 and 37, 3-8-07: 71, portion of)
101 and 104)
_____)

AFFIDAVIT OF SENDING OF NOTIFICATION OF PETITION FILING

STATE OF HAWAII)
) ss.:
CITY AND COUNTY OF HONOLULU)

Benjamin M. Matsubara, being first duly sworn on oath, deposes and says:

A. Affiant is the attorney for Petitioner A&B PROPERTIES, INC. and agent of the Petitioner for a State of Hawaii Land Use District Boundary Amendment from the Agricultural Land Use District to the Urban Land Use District, identified as Docket No. A10-789, for land situated at Wailuku and Waikapu, County of Maui, Hawaii and identified as Tax Map Key Nos. (2) 3-8-05: portion of 023 and 037 (2) 3-8-07: 71, portion of 101 and 104.

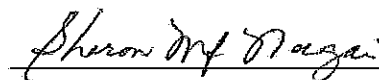
B. In compliance with §15-15-50(d) of the Hawai'i Administrative Rules ("HAR"), Affiant did on August 25, 2010, deposit in the United States Mail, postage prepaid, by regular mail, a copy of the Notification of Petition Filing, attached hereto as Exhibit "1", to the persons identified in the required mailing list, attached hereto as Exhibit "2."

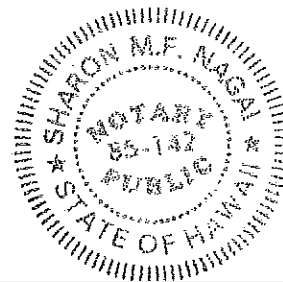
C. This Affidavit is provided in compliance with §15-15-50(d), HAR.

That further Affiant sayeth naught.


BENJAMIN M. MATSUBARA

Subscribed and sworn to me
this 24th day of AUGUST 2010

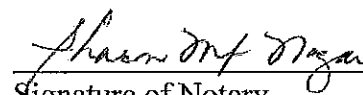

Name: **SHARON M.F. NAGAI**
Notary Public, State of Hawai'i
My Commission expires: 04-21-2013



NOTARY CERTIFICATE (Hawaii Administrative Rules §5-11-8)
Document Identification or Description: Affidavit of Sending of Notification of Petition Filing;
Exhibits "1" and "2"

Doc. Date: AUGUST 24, 2010 No. of Pages: 58

Jurisdiction: First Circuit
(in which notarial act is performed)


Signature of Notary AUGUST 24, 2010
Date of Certificate

SHARON M.F. NAGAI
Printed Name of Notary



(Official Stamp or Seal)

August 25, 2010

NOTIFICATION OF PETITION FILING

This is to advise you that a first amendment to amended petition to amend the State Land Use District Boundaries with the following general information has been submitted to the State of Hawai'i Land Use Commission:

Docket No: A10-789

Petitioner/Address: A&B Properties, Inc.
822 Bishop Street
Honolulu, Hawai'i 96813

Matsubara - Kotake
888 Millilani Street, 8th Floor
Honolulu, Hawai'i 96813

Landowners and A&B Properties, Inc.

Tax Map Key Number: (2) 3-8-05: por. 023 and 037, (2) 3-8-07: 71,
por. 101 and 104

Location: Wailuku and Waikapu, County of Maui,
State of Hawai'i

Requested Reclassification: Agricultural to Urban

Acreage: Approximately 545.229 acres

Proposed Use: Approximately 2,550 residential multi-family and single units, village mixed use, commercial, business/light industrial, community center, regional parks, neighborhood parks and sites for cultural preserve and school and related infrastructure.

You may review detailed information regarding the petition at the Land Use Commission ("Commission") office or the City and County of Honolulu, Department of Planning and Permitting located at 650 South King Street, Ground Floor, Honolulu, Hawai'i. The Commission's office is located at 235 S. Beretania Street, Room 406, Honolulu, Hawai'i. Office hours are from 7:45 a.m. to 4:30 p.m., Mondays through Fridays.

A hearing on this petition will be scheduled at a future date. If you are interested in participating in the hearing as a public witness, please write or call the Commission office at P.O. Box 2359, Honolulu, Hawai'i 96804-2359; telephone (808) 587-3822. If you intend to participate in the hearing as an intervenor, pursuant to § 15-15-52, Hawai'i Administrative Rules, you should file a Notice of Intent to Intervene with the Commission within 30 days of the date of this notice. Please contact the Commission office for further information.

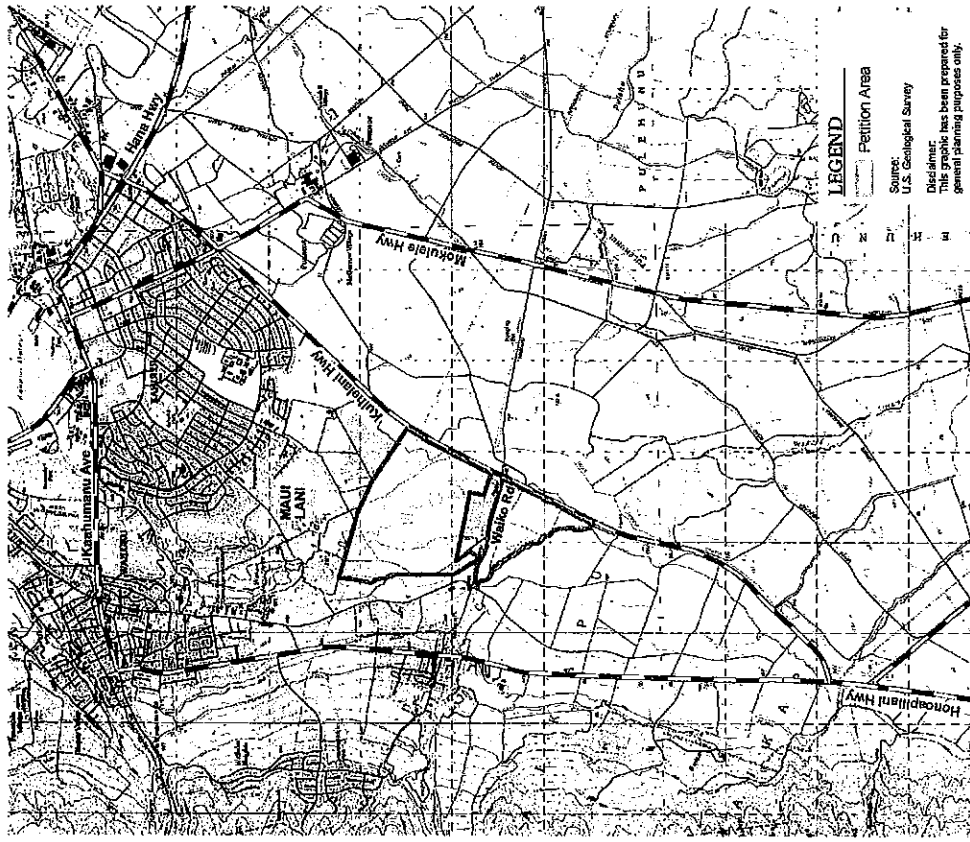
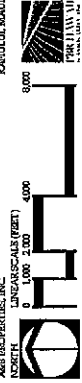


Exhibit 2
Location Map

WAI'ALE



JH Director of Capital Improvements
1951 East West Road
Honolulu, Hawaii 96822

Anthony J.H. Ching
State of Hawaii
Hawaii Community Development Authority
677 Ala Moana Boulevard, Suite 1001
Honolulu, Hawaii 96813

STATEWIDE MAILING LIST
Last Updated: 07/12/2010

Earth Justice Legal Defense Fund
Austin Building, Suite 400
223 South King Street
Honolulu HI 96813

Mr. Perry Artates
Hawaii Operating Engineers
95 Lono Avenue, Suite 104
Kahului HI 96732-1610

Ashford & Wriston Library
P. O. Box 131
Honolulu HI 96810

Associated Press
500 Ala Moana Boulevard, Suite 7-590
Honolulu, Hawaii 96813

Rose Marie H. Duey
Alu Like, Inc., Maui Island Center
1977 Kaohu Street
Wailuku HI 96793

Mr. Ikuto Taketa
c/o Hawaii Irrigation & Supply
803 Mapunapuna Street
Honolulu HI 96819

Michael J. Belles, Esq.
Belles Graham Proudfoot & Wilson
4334 Rice Street, Suite 202
Lihue HI 96766

Gene Zarro
22 Ulunui Place
Pukalani, HI 96768

Gary L. Blaich, M.D.
P. O. Box 1434
Kilauea HI 96754

Mr. James Garrigan
P O Box 3143
Kailua-Kona, Hawaii 96745

Mr. Kenneth Okamura
641 Polipoli Road
Kula, Hawaii 96790

James S. Greenwell
Lanihau Partners L.P.
3465 Waiialae Avenue, Suite 260
Honolulu HI 96816

Patrick Borge, Sr.
536 Haawina Street
Paia, Hawaii 96779-9609

P. Roy Catalani
Young Brothers, Ltd.
Pier 40 - P. O. Box 3288
Honolulu, HI 96801

Building Industry Association of Hawaii
P.O. Box 970967
Waipahu, HI 96797

Building Trades Council
Gentry Pacific Design Ctr. Ste. 215A
560 N. Nimitz Hwy. #50
Honolulu HI 96817

Roy A. Vitousek III
Cades Schutte LLP
75-170 Hualalai Road, Suite B-303
Kaulua-Kona HI 96740

Ms. Phyllis Cayan
99-060 Kauhale St, Apt. 607
Aiea HI 96701

Mr. Charles Trembath
4152 Palaumahu
Lihue HI 96766

Surety Kohala Corporation
P. O. Box 249
Hawi HI 96719

Mr. Bruce Tsuchida
Townscape
900 Fort Street Mall, #1160
Honolulu HI 96813

Ms. Meredith J. Ching
Alexander & Baldwin, Inc.
P. O. Box 3440
Honolulu HI 96801

Council Services Administration
Kauai County Council
3371-A Wilcox Road
Lihue, HI 96760

Ms. K. Chun
P. O. Box 3705
Honolulu HI 96811

City Desk Clerk-Public Hearings
Honolulu Star Bulletin
500 Ala Moana Boulevard, Unit 210
Honolulu, Hawaii 96813-4914

Ms. Eleanor Mirikitani
c/o Waikoloa Land Co.
150 Waikoloa Beach Drive
Waikoloa HI 96738

Mr. David Penn
P. O. Box 62072
Honolulu HI 96839

Castle & Cooke Hawaii
100 Kahalu Avenue, 2nd Floor
Mililani, Hawaii 96789

Mr. Lunakanawai Hauanio
P. O. Box 871
Capt. Cook HI 96704

Alan Kaufman, DVM
P O Box 297
Kula, HI 96790

Karen Piltz
Chun Kerr Dodd Beaman & Wong
745 Fort Street, 9th Floor
Honolulu, HI 96813

Mr. David Rae
The Estate of James Campbell
1001 Kamokila Boulevard
Kapolei HI 96707

United States Marine Corps
Commander, Marine Forces Pacific
Attn: G4. Box 64118
Camp H.M. Smith, Hawaii 96861-4118

Representative Cindy Evans
7th District
State Capitol, Room 311
Honolulu, Hawaii 96813

U.S. Fish and Wildlife Service
300 Ala Moana Blvd., Rm. 3-122
Honolulu HI 96813

Department of the Army
Directorate of Public Works
Attn: Planning Division
Schofield Barracks, Hawaii 96857-5013

Mr. Albert K. Fukushima
1841 Palamoi Street
Pearl City HI 96782

Mr. Ian Costa, Director
Planning Department - Kauai
4444 Rice Street, Suite 473
Lihue HI 96766

J. Gillmar
P. O. Box 2902
Honolulu HI 96802

Lynn Kaho'ohalahala
124 A Fleming Road
Lahaina, HI 96761

Isaac Hall, Esq.
2087 Wells Street
Wailuku HI 96793

The Hallstrom Group, Inc.
Suite 1350
1003 Bishop Street
Honolulu HI 96813

Ms. Esther Ueda
98-1784-B Kaahumanu Street
Pearl City HI 96782

Real Property Division
County of Kauai
4444 Rice Street
Lihue HI 96766

Mr. Randy Hara
C&C Department of Planning & Permitting
650 South King Street
Honolulu HI 96813

Hawaii's Thousand Friends
25 Malunui Ave., Suite 102, PMB.282
Kailua HI 96734

Jacqui Hoover, President
Hawaii Leeward Planning Conference
P. O. Box 2159
Kamuela HI 96743

Mr. Gordon Pang
Honolulu Advertiser
605 Kapiolani Boulevard
Honolulu, HI 96813

Mr. Norman Hayashi
563 West Kawaiiani Street
Hilo HI 96720

Mrs. Jan Higa & Company
3171 Waiialae Avenue
Honolulu HI 96816

Department of the Navy
Commander in Chief, U.S. Pacific Fleet
Commander in Chief
250 Makalapa Drive
Pearl Harbor, HI 96860-3131

U.S. Pacific Command
Commander in Chief
Box 64028
Camp H.M. Smith, Hawaii 96861-4028

Commander
Navy Region Hawaii
850 Ticonderoga Street, Suite 110
Pearl Harbor HI 96860-5101

Lawrence Ing, Esq.
Ing, Horikawa & Jorgensen
2145 Wells Street, Suite 204
Wailuku, Hawaii 96793-2222

Mrs. Dora Horikawa
99-645 Kaulainaahe Place
Aiea HI 96701-3542

Ms. Sara Collins
DLNR - Historical Preservation Division
601 Kamokila Blvd., Room 555
Kapolei HI 96707

Walter Mensching
RSS Ltd.
1658 Liholiho Street, Suite 306
Honolulu, Hawaii 96822

Mr. Alexander C. Kinzler
1100 Alakea Street Ste. 2900
Honolulu, HI 96813-2833

Roy A. Vitousek, III
Cades Schutte
75-170 Hualalai Rd., Ste 303
Kailua-Kona, HI 96740

Jill K. Veles, Legal Assistant
Oshima, Chun, Fong & Chung
841 Bishop Street, #400
Honolulu HI 96813

Isaac Fiesta
ILWU Local 142 - Hawaii Division
100 W. Lanikaula Street
Hilo, HI 96720

Libbie Kamisugi
2500 Aha Aina Place
Honolulu HI 96821

Collette M. Sakoda
Environmental Planning Solutions LLC
945 Makaiwa Street
Honolulu, HI 96816

Dwight Kauahikaua
Kawaiahao Plaza, Suite 108
567 South King Street
Honolulu HI 96813

PBR Hawaii
1719 Haleloki Street
Hilo, HI 96720

Verizon Hawaii, Inc.
Attn: Real Property Section
P O Box 2200
Honolulu, HI 96841

Lynn Peters
P.O. Box 11960
Honolulu, HI 96828-0960

Cheryl Izuka, Senior Title Officer
Title Guaranty of Hawaii, Inc.
235 Queen Street
Honolulu, Hawaii 96813

Attn.: Ms. Wanda Wehr
KITV News 4
801 S. King Street
Honolulu HI 96813

West Hawaii Today
Attn: Reed Flickinger
P. O. Box 789
Kailua-Kona HI 96745-0789

Mr. Chester Koga
R.M. Towill Corporation
2024 North King Street, Suite 200
Honolulu, Hawaii 96819

Benjamin A. Kudo, Esq.
Imanaka Kudo & Fujimoto
745 Fort Street, 17th Floor
Honolulu HI 96813

Mr. Kenneth Kupchak
Damon Key Bocken Leong & Kupchak
1003 Bishop Street, #1600
Honolulu HI 96813

Burt Lau, Esq.
999 Bishop St., Ste. 2600
Honolulu HI 96813

Land Use Research Foundation of Hawaii
700 Bishop Street, Suite 1928
Honolulu HI 96813

Dain P. Kane
Maui County Council
200 South High Street
Wailuku HI 96793

Pat Lee & Associates, Inc.
45-248A Pahikaua Place
Kaneohe HI 96744

League of Women Voters
49 South Hotel Street, Rm. 314
Honolulu HI 96813

Dickson C. H. Lee, Esq.
Takushi Wong Lee & Yee
841 Bishop Street, Suite 1540
Honolulu, Hawaii 96813

Michael Y. M. Loo
Princeville Corporation
P. O. Box 223040
Princeville HI 96722-3040

Life of the Land
76 North King Street, Suite 203
Honolulu HI 96817

Steven S.C. Lim, Esq.
Carlsmith Ball
121 Waianuenue Avenue
Hilo HI 96720

Crockett & Nakamura
38 S. Market Street
Wailuku, Hawaii 96793

Mr. Greg Apa, President
Leeward Land LLC
P. O. Box 2862
Waianae, Hawaii 96792

Benjamin M. Matsubara, Esq.
C.R. Kendall Building, 8th Floor
888 Mililani Street
Honolulu HI 96813

Sue White
1118 Maunawili Road
Kailua HI 96734

Metro Calendar
605 Kapiolani Blvd.
Honolulu HI 96802

William W.L. Yuen, Esq.
1001 Bishop Street, Suite 2700
Honolulu HI 96813-7984

Attn: Bonnie Stifel
McCorriston Miller Mukai MacKinnon
P. O. Box 2800
Honolulu HI 96803-2800

Bobby Jean Leithed-Todd, Director
County of Hawaii, Planning Department
101 Pauahi Street, Suite 3
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BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of)	DOCKET NO. A10-789
)	
A&B PROPERTIES, INC.	)	A&B PROPERTIES, INC.
)	
To Amend the Agricultural Land)	
Use District Boundary into the)	
Urban District for approximately)	
545.229 acres at Wailuku and)	
Waikapu, County of Maui, State of)	
Hawai'i, TMK: 3-8-05: portion of)	
23 and 37, 3-8-07: 71, portion of)	
101 and 104)	
_____)	

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing document was duly served upon the following by depositing the same in the U.S. Postal Service by certified mail (return receipt requested), postage prepaid, on August 25, 2010:

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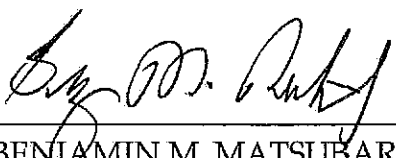
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