

PAUL J. SULLA, JR.

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Hawaii County Land Use Commission
Hilo, HI 96720

Reference: Lot 2-B-2-B containing an area of 11.707 acres.
See Exhibit "A" attached for complete legal description.
Waikoloa, District of South Kohala, Island of Hawai'i.
Tax Map Key No. (3) 6-8-002-058 ("Lot 2-B-2-B")

To whom it may concern:

1. I, Paul J Sulla Jr. of Hilo HI, under oath, make the following declaration from my personal knowledge. I acted as and am competent to make the following declaration.
2. I am the manager of Plumeria at Waikoloa LLC ("Plumeria") and also acted as attorney for Plumeria at all times relevant to the facts herein.
3. Title to Lot 2-B-2-B was conveyed to Plumeria by warranty deed from Waikoloa Highlands, Inc. a Colorado Corporation (WHI), dated May 1, 2017 and signed by its Director, Natalia Batichtcheva. The warranty deed was subsequently recorded at the Bureau of Conveyances of the State of Hawaii (Bureau) on January 29, 2018 as Doc. No. A-66030880.
4. No money was paid by Plumeria to WHI as consideration for the conveyance. I prepared and filed the Conveyance Tax Certificate using \$55,000 as the value of the transaction and paid the applicable conveyance tax to the state. The value of \$55,000 was based on taking the tax office assessed value for the entire ~731 acres and allocating 11/731th of that amount for the approximately 11 acres subdivided from the 731 acres.
5. Prior to closing on the deed, Title Guaranty Escrow Services made me aware of one mortgage that encumbered the property: a mortgage to 77 Holdings, LLC, a Utah limited liability company ("77 Holdings") recorded at the Bureau on February 17, 2015 as Document No. A-55340074.

6. I found that 77 Holdings was managed by a certain Joe Brown of Utah. When I contacted Mr. Brown, he said the loan had been paid off and he would immediately send a release of mortgage to my office. I received the release and escrow had it recorded with the documents at the Bureau of Conveyances. No money was paid by Plumeria to 77 Holdings.
7. I was not aware of the mortgage to Aclaime Debt Partners, LLC a Utah limited liability company ("Aclaime") recorded at the Bureau on November 14, 2012 as Document No. A-47080677. Since escrow did not make me aware of any other encumbrances, I can only assume that this release had been taken care prior to the closing.
8. Plumeria sold Lot 2-B-2-B to Pua Melia LCC, a Hawaii LLC, conveying title by Warranty Deed dated April 24, 2018 and recorded on May 11, 2018 at the Bureau as Document No. A-67050158.
9. No money was paid from this transaction, or by the parties to this transaction, to Waikoloa Highlands, Inc. or its creditors, officers, directors, shareholders, or employees. No money was paid from this transaction, or by the parties to this transaction, to Waikoloa Mauka LLC, or to its creditors, officers, members, managers, or employees.

The preceding statements are true and made under the penalties of the law of Hawaii.

Sincerely,



Paul J. Sulla Jr.