

Land Board Chairman
Kalanimoku Building
1151 Punchbowl St.
Honolulu, HI 96813

May 17, 2021

Aloha Land Board Members

Thank you for awarding us a 10 year lease in 2015. We believe that you would be proud of what we have done to bring a busted up facility back to life as an inviting and inexpensive group camping resource for the people of Hawaii, mostly done with donated money and a huge amount of community labor

As you may be aware, Camp Hale Koa in Kokee was shut down by order of the DLNR in October of 2019 down due to EPA violations for cesspool conversions that were to have been done ten years before our nonprofit group the Camp Hale Koa Association took on the lease of the camp.

The past due violations nor the need to convert the cesspools that served the camp were not disclosed to us by the DLNR when we signed the lease nor at any point before surprise closure.

Our lawyer was told that the DLNR would be offering us an additional ten year lease (we have only a few years left on our current lease) with the expectation that we would, at our expense, put in the septic system needed to reopen the camp.

Since the DLNR forced the closure of the camp we have consistently offered to pay for and install septic system with a lease that would allow us 30 years to pay off the cost. (The estimated bid in 2020 for a new septic system came in at \$300,000)

As you can see by the attached documents, it would utterly impossible for us to find or borrow the funds to pay for such an expense with only a ten year lease even if the camp was full every weekend and all summer long. And no donor, even though they believe in our mission to provide an affordable place for groups and families to camp, is willing to put up their money for such a short term lease.

We would respectfully petition the Land Board for a 30 year lease for Camp Hale Koa so that we can get to work on getting a loan to replace the septic systems and reopen this asset.

Thank you in advance,



Rick Bundschuh
Executive Director, Camp Hale Koa Association
808-639-6146



PO Box 735 Lawai, Hawaii 96765 www.camphalekoa.com

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Aloha Land Board Members

Attached please find our P&L statements as well as the bid we recieved for the conversion of the cesspools at the camp to a septic system and current bank rates for a loan at 10, 20 and 30 years.

As you can no doubt tell, the income of the camp would never be enough to continue with needed repairs, refurbishments and bills as well as paying for a septic system with only a ten or twenty year lease.

Thank you for taking the time to look this over.



Rick Bundschuh
Executive Director, Camp Hale Koa Association
808-639-6146



PO Box 735 Lawai, Hawaii 96765 www.camphalekoa.com

PROPOSAL

CLYDE SOUZA SERVICES, LLC.
 PO Box 924 Kalaheo, Hi. 96741
 (808)639-2356
 clyde@clydesouzaservices.com
 Contractor license #C-22129



PROPOSAL SUBMITTED TO:		JOB TO BE PERFORMED AT:	
NAME: Camp Hale Koa		PHONE	DATE: 1/7/21
ADDRESS:		JOB NAME:	
ARCHITECT:	DATE OF PLANS:	JOB LOCATION: Kokee	

We hereby submit specification and estimates for:
 Supply materials and labor to install 3 septic systems according to plan.
 Doesn't include any tree removal.

We hereby propose to finish materials and labor- complete in accordance with the above specifications, for the sum of:
Three hundred thousand Dollars
 (\$ 300,000.00)

With payment to be made as follows:

Note: This proposal may be
 withdrawn by us if not
 accepted within 30
 days

**Authorized
 Signature: Clyde Souza**

Acceptance of Proposal
 The above prices, specifications and
 conditions are satisfactory and are hereby
 accepted. You are authorized to do the work
 as specified. Payment will be made as
 outlined above.

Date of Acceptance:

Signature

Signature

THANK YOU FOR YOUR BUSSINESS



First Hawaiian Bank.

Lihue Branch

May 18, 2021

Rick Bundschuh
Head Pastor
Kauai Christian Fellowship
2731 Ala Kinoiki
Koloa, HI 96756

Dear Mr. Bundschuh:

Subject: Loan Rates & Terms

First Hawaiian Bank is pleased to inform you that based on the information that you provided in your email dated 5/17/21, we provide the following proposed commercial mortgage loan financing as follows:

Financing Summary

Borrowers:	Kauai Christian Fellowship
Guarantors:	None
Property:	Pu'uka Pele Lots 55-58, Waimea Kauai
TMK:	(4) 1-4-002-055
Septic Install Cost:	\$300,000
Maximum Financing Amount:	\$300,000
Loan fee:	1.50% (4,500)
Maximum Loan to Value Ratio:	The lesser of 100% of septic install cost or appraised value.
Maximum Leasehold Amortization:	Maximum amortization cap at 10 years less total lease period.
Known Leasehold Rent Period:	Minimum 5 years remaining on known leasehold rent period.
Loan Options (select one):	Three loan options below are based on 10, 20, & 25-year amortizations.

Loan Option #1

Term:	10 years
Amortization:	10 Years
Interest Rate:	4.50% fixed for the first 5 years. Thereafter to be adjusted for the final 5 years at prevailing rates (final rates to be determined upon final loan approval).
Repayment:	Principal and interest payments based on 10-year amortization. Initially: \$3,110 (\$37,320 annually).
Prepayment Charge:	Declining Fixed

Loan Option #2

Term: 10 years
Amortization: 20 Years
Interest Rate: 4.50% fixed for the first 5 years.
Thereafter to be adjusted for the final 5 years at prevailing rates (final rates to be determined upon final loan approval).
Repayment: Principal and interest payments based on 20-year amortization.
Initially: \$1,898 (\$22,776 annually).
Prepayment Charge: Declining Fixed

Loan Option #3

Term: 10 years
Amortization: 25 Years
Interest Rate: 4.50% fixed for the first 5 years.
Thereafter to be adjusted for the final 5 years at prevailing rates (final rates to be determined upon final loan approval).
Repayment: Principal and interest payments based on 25-year amortization.
Initially: \$1,668 (\$20,016 annually)
Prepayment Charge: Declining Fixed

Please be advised that this is based solely on information you provided to us. This is neither a loan approval nor a commitment. Interest Rates and terms are subject to change and are still subject to the approval of the proper lending authority.

We at First Hawaiian Bank are committed to being first in customer service and satisfaction. We hope you will select First Hawaiian Bank for your mortgage needs as well as other banking needs. If you have any questions, please call me at 632-2935.

Sincerely,



Jonathan D. Murata
Commercial Banking Associate

Camp Hale Koa
c/o Kauai Christian Fellowship, Joe McEvoy
2731 Ala Kinoiki
Koloa HI 96756

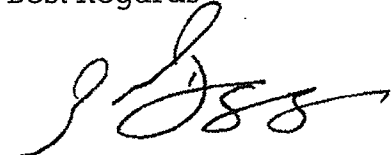
Dear Joe:

Per your request as to the amount of monthly payment that would be due were to CDF to make a loan to Camp Hale Koa for \$300,000, here are the payment amounts that would be due for various amortizations based on a 1% loan fee, 6% loan interest rate, and approximately \$10,000 in additional closing costs:

- 10 year amortization - \$3,474.94
- 20 year amortization - \$2,242.43
- 30 year amortization - \$1,876.59

These numbers do not represent a commitment to lend on behalf of CDF Capital, they are simply for comparative purposes in the event we were to enter into some type of loan arrangement.

Best Regards -

A handwritten signature in black ink, appearing to read "Brad Dupray".

Brad Dupray
Senior Vice President, Ministry Development
CDF Capital

3:17 PM

07/13/20

Accrual Basis

Camp Hale Koa
Profit & Loss
January through December 2017

	<u>Jan - Dec 17</u>
Income	
Donation	1,000.00
Program Income	37,353.50
Total Income	<u>38,353.50</u>
Expense	
Advertising	204.75
Bank/Merchant Fees	7.00
Gas	1,544.22
Insurance	2,427.84
Maintenance & Repairs	
Elec & Water Refurb Project	4,435.36
Labor	4,124.00
Materials	9,750.36
Maintenance & Repairs - Other	11,642.90
Total Maintenance & Repairs	<u>29,952.62</u>
Miscellaneous	1,413.19
Postage	58.00
Property Taxes	369.66
Utilities	
Electric	4,126.09
Propane	4,257.53
Telephone	707.50
Water	64.17
Total Utilities	<u>9,155.29</u>
Total Expense	<u>45,132.57</u>
Net Income	<u><u>-6,779.07</u></u>

3:16 PM

07/13/20

Accrual Basis

Camp Hale Koa
Profit & Loss
January through December 2018

	<u>Jan - Dec 18</u>
Income	
Donation	7,450.00
Program Income	44,314.70
	<hr/>
Total Income	51,764.70
Expense	
Bank/Merchant Fees	0.50
Gas	1,293.91
Insurance	2,323.16
Land Lease	458.37
Maintenance & Repairs	
Elec & Water Refurb Project	751.27
Labor	8,968.08
Materials	24,837.49
Remodel	5,333.31
Maintenance & Repairs - Other	300.00
	<hr/>
Total Maintenance & Repairs	40,190.15
Miscellaneous	4,421.98
Mystery Mountain Camp	-1,050.00
Postage	62.00
Property Taxes	422.90
Supplies	271.83
Utilities	
Electric	4,714.07
Propane	4,641.21
Telephone	711.69
Water	13.50
	<hr/>
Total Utilities	10,080.47
	<hr/>
Total Expense	58,475.27
	<hr/>
Net Income	<u><u>-6,710.57</u></u>

Camp Hale Koa
Profit & Loss
January through December 2019

	<u>Jan - Dec 19</u>
Income	
Donation	28,482.86
Program Income	52,566.87
Total Income	<u>81,049.73</u>
Expense	
Gas	2,298.45
Insurance	2,516.77
Land Lease	1,000.08
Lasertag	200.00
Maintenance & Repairs	
Labor	9,049.00
Materials	22,109.26
Remodel	6,498.53
Septic	2,515.93
Maintenance & Repairs - Other	3,141.35
Total Maintenance & Repairs	<u>43,314.07</u>
Miscellaneous	9,589.69
Postage	79.85
Property Taxes	476.14
Supplies	244.52
Utilities	
Electric	5,531.58
Propane	5,951.93
Telephone	781.60
Water	36.00
Total Utilities	<u>12,301.11</u>
Total Expense	<u>72,020.68</u>
Net Income	<u><u>9,029.05</u></u>