

Olga Geling
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Honolulu, HI 96815

December 4, 2009

Ilikai AOA Board of Directors
John Popovich, Ilikai AOA Manager
Richard Emery, Hawaii First

VIA EMAIL
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Cc: Milton Motooka, Ilikai AOA legal counsel

VIA EMAIL

RESPONSE REQUESTED

Re: Delinquencies and related fees

Dear Board of Directors, Mr. Popovich, and Mr. Emery:

Richard Emery stated on several occasions that delinquencies are now in excess of \$1,490,000, of which circa \$1,260,000 are Anekona delinquencies. However, Richard Emery also informed that these figures include various fees related to efforts that were supposed to help collect those delinquencies, such as the quoted amount of \$125K-\$135K in fees to Lyle Hosoda. (Lyle Hosoda was recommended by Richard Emery and contracted specifically to focus on collection of Anekona delinquencies, wasn't he?) Bundling the delinquencies and fees could be misleading.

- 1) Could Richard Emery please break down the dollar amounts and provide the following information:
 - a. The amount of Anekona delinquencies for the commercial units
 - b. The amount of Anekona delinquencies for the residential units
 - c. The amount of Anekona delinquencies collected by this Board and Lyle Hosoda
 - d. The amount of fees to Lyle Hosoda for his services
 - e. The amount of fees to Chris Goodwin to collect Anekona delinquencies (according to Richard Emery, some of those may be included in the \$1,490,000 total)
 - f. The amount of fees to Hawaii First/Richard Emery to collect Anekona delinquencies, over and above the regular fees to Hawaii First
 - g. The amount of non-Anekona delinquencies
 - h. The amount of legal fees to collect non-Anekona delinquencies and to whom
 - i. The amount of fees to Hawaii First/Richard Emery to collect non-Anekona delinquencies, over and above the regular fees to Hawaii First

- 2) Also, could you please detail when, how, how much etc of the Anekona delinquencies are you envisioning to collect? What has the Board done, is doing and planning to do to collect those?

Yours truly,

Olga Geling, Ph.D.