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Form **990**

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
KAHALA SENIOR LIVING COMMUNITY INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
4389 MALIA STREET

City or town, state or country, and ZIP + 4
HONOLULU, HI 96821

D Employer identification number
99-0290103

E Telephone number
(808) 218-7000

G Gross receipts $ 62,067,621

F Name and address of principal officer
PATRICK DUARTE
4389 MALIA STREET
HONOLULU,HI 96821

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW KAHALANUI COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1989 | **M** State of legal domicile HI

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
In the spirit of ohana, Kahala Senior Living Community and its associates are dedicated to serving the unmet care needs of seniors in Hawaii We are a not-for-profit organization that provides a continuum of high quality residential and health care services enabling our residents to live a gracious Hawaiian lifestyle in an environment of dignity, respect, trust, and friendship

2	Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
3	Number of voting members of the governing body (Part VI, line 1a)	3	9
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	9
5	Total number of employees (Part V, line 2a)	5	357
6	Total number of volunteers (estimate if necessary)	6	83
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	332,184
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-138,892

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	1,200	32,665
	9	Program service revenue (Part VIII, line 2g)	24,202,124	26,249,513
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	875,431	615,787
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	311,415	332,184
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	25,390,170	27,230,149
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	9,493,281	9,722,250
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	20,063,588	19,515,165
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	29,556,869	29,237,415
	19	Revenue less expenses Subtract line 18 from line 12	-4,166,699	-2,007,266

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	189,651,079	184,908,856
	21	Total liabilities (Part X, line 26)	220,373,520	217,904,877
	22	Net assets or fund balances Subtract line 21 from line 20	-30,722,441	-32,996,021

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

****** | 2010-11-11
Signature of officer | Date

PATRICK DUARTE CEOPRESIDENT
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ STANLEY WACHI	Date 2010-11-11	Check if self-employed ▶ ☐	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ WACHI WATANABE CPA INC, 201 MERCHANT ST SUITE 2350, HONOLULU, HI 96813			EIN ▶ Phone no ▶ (808) 536-4444

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

TO PROVIDE A CONTINUUM OF RESIDENTIAL AND HEALTHCARE SERVICES TO SENIORS BASED ON FOUR DISTINCT LEVELS OF CARE OFFERED INDEPENDENT LIVING, ASSISTED LIVING, MEMORY SUPPORT, AND SKILLED NURSING

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 28,829,251 including grants of $) (Revenue $ 26,249,513)

SEE ATTACHED STATEMENT

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶$ 28,829,251

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		No
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6	Yes	
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9	Yes	
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	Is the organization's answer to any of the following questions "Yes"? *If so,complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.*	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12	Yes	
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — 12A: Yes [ ] No [No]			
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		No

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		No
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable*	1a	30			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	357			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note:** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			2b	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		No
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		No
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		No
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body	**1a** 9			
b	Enter the number of voting members that are independent	**1b** 9			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		**2**		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		**3**	Yes	
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		**4**		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?		**5**		No
6	Does the organization have members or stockholders?		**6**		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		**7a**		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		**7b**		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?		**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		**9**		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	**10a**		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	**10b**		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	**11**	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	**12c**	Yes	
13	Does the organization have a written whistleblower policy?	**13**	Yes	
14	Does the organization have a written document retention and destruction policy?	**14**	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**	Yes	
b	Other officers or key employees of the organization	**15b**	Yes	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶HI

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

HUILAN KAMITA
4389 MALIA STREET
HONOLULU, HI 968211106
(808) 218-7000

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if the organization did not compensate any current or former officer, director, trustee or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Charles O Swanson Director	1 00	X						0	0	0
Philip H Ching Director	2 00	X						0	0	0
Evelyn Char RN MS Director	1 00	X						0	0	0
Charles Kelley MD Director, Vice Chairman	2 00	X						0	0	0
Roy King Director, Vice President	2 00	X						0	0	0
Toby Martyn Director	1 00	X						0	0	0
Laura Thompson Director, Secretary	1 00	X						0	0	0
Wendell Brooks Jr Director, Treasurer	2 00	X						0	0	0
Patrick Duarte CEO/President	40 00			X	X	X		180,077	0	0
Darlene Canto Director of Marketing	40 00				X	X		100,947	0	0
Sheila Chong Director	1 00	X						0	0	0
Wendy Wong Executive Director	40 00				X	X		129,459	0	0

1b Total . . . . ▶	410,483		

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶3

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	**(B)** Description of services	**(C)** Compensation
HECO PO Box 3978 Honolulu, HI 96812	Electricity	884,670
Marsh USA Inc PO Box 31000 Honolulu, HI 96849	Insurance	718,340
HFM Food Service PO Box 855 Honolulu, HI 96808	Food Vendor	587,439
Hawaii Medical Service Association PO Box 29330 Honolulu, HI 96821	Employee Benefit	497,419
King Food Service P O Box 971389 Honolulu, HI 96797	Food Vendor	483,234

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶16

Part VIII Statement of Revenue

Section	Line	Description			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	32,665				
	g	Noncash contributions included in lines 1a-1f $						
	h	**Total.** Add lines 1a-1f ▶			32,665			
Program Service Revenue				Business Code				
	2a	MONTHLY SERVICE FEES			20,208,414	20,208,414		
	b	SKILLED NURSING ANCILLARY THERAPY REVENUE			1,381,151	1,381,151		
	c	ENTRANCE FEES			5,480,569	5,480,569		
	d							
	e							
	f	All other program service revenue						
	g	**Total.** Add lines 2a–2f ▶			26,249,513			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) ▶			561,652			561,652
	4	Income from investment of tax-exempt bond proceeds ▶						
	5	Royalties ▶						
			(i) Real	(ii) Personal				
	6a	Gross Rents						
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss) ▶						
			(i) Securities	(ii) Other				
	7a	Gross amount from sales of assets other than inventory	34,891,607					
	b	Less cost or other basis and sales expenses	34,837,472					
	c	Gain or (loss)	54,135					
	d	Net gain or (loss) ▶			54,135			54,135
	8a	Gross income from fundraising events (not including $ ____ of contributions reported on line 1c) See Part IV, line 18	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from fundraising events ▶						
	9a	Gross income from gaming activities See Part IV, line 19	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from gaming activities ▶						
	10a	Gross sales of inventory, less returns and allowances	a					
	b	Less cost of goods sold	b					
	c	Net income or (loss) from sales of inventory ▶						
		Miscellaneous Revenue		Business Code				
	11a	GUEST MEALS		722,100	332,184		332,184	
	b							
	c							
	d	All other revenue						
	e	**Total.** Add lines 11a–11d ▶			332,184			
	12	**Total revenue.** See Instructions ▶			27,230,149	26,249,513	332,184	615,787

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0			
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	410,483	410,483		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	7,589,640	7,589,640		
7	Other salaries and wages	0			
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	133,705	133,705		
9	Other employee benefits	948,346	936,637	11,709	
10	Payroll taxes	640,076	640,076		
11	Fees for services (non-employees)				
a	Management	408,451	408,451		
b	Legal	47,923		47,923	
c	Accounting	46,952		46,952	
d	Lobbying	0			
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	53,423	53,423		
g	Other	1,206,169	1,204,721	1,448	
12	Advertising and promotion	136,646	136,646		
13	Office expenses	0			
14	Information technology	0			
15	Royalties . .	0			
16	Occupancy	0			
17	Travel	22,335		22,335	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	0			
20	Interest	5,635,858	5,635,858		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	4,169,038	4,169,038		
23	Insurance	521,328	521,328		
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	SUPPLIES	364,518	306,525	57,993	
b	EQUIPMENT RENTAL REPAIR	266,647	193,734	72,913	
c	POSTAGE	9,339	6,499	2,840	
d	RESIDENT RELATIONS	62,362	51,538	10,824	
e	INTERDEPARTMENTAL FOOD SERVICE	34,733	31,358	3,375	
f	All other expenses	6,529,443	6,399,591	129,852	
25	**Total functional expenses.** Add lines 1 through 24f	29,237,415	28,829,251	408,164	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

Section	Line	Description		(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		2,464,536	1	3,689,119
	2	Savings and temporary cash investments		18,036,657	2	13,225,910
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		227,846	4	298,829
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		33,983	8	42,312
	9	Prepaid expenses and deferred charges		207,203	9	163,373
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 153,313,977			
	b	Less accumulated depreciation	10b 19,870,279	137,349,890	10c	133,443,698
	11	Investments—publicly traded securities		15,060,104	11	19,021,392
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		16,270,860	15	15,024,223
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		189,651,079	16	184,908,856
Liabilities	17	Accounts payable and accrued expenses		314,942	17	314,989
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		71,855,000	20	70,900,000
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		524,968	21	739,842
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		147,678,610	25	145,950,046
	26	**Total liabilities.** Add lines 17 through 25		220,373,520	26	217,904,877
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		-30,722,441	27	-32,996,021
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		-30,722,441	33	-32,996,021
	34	Total liabilities and net assets/fund balances		189,651,079	34	184,908,856

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O . . .	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .	3b		

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
KAHALA SENIOR LIVING COMMUNITY INC

Employer identification number
99-0290103

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☑ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?	**11g(i)**		
(ii) a family member of a person described in (i) above?	**11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1- 9 above or IRC section (see instructions))	**(iv)** Is the organization in col (i) listed in your governing document?		**(v)** Did you notify the organization in col (i) of your support?		**(vi)** Is the organization in col (i) organized in the U S ?		**(vii)** Amount of support?
			Yes	**No**	**Yes**	**No**	**Yes**	**No**	
Total									

Part II Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) | 12 |

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f)) | 14 | 0 %

15 Public Support Percentage for 2008 Schedule A, Part II, line 14 | 15 |

16a **33 1/3% support test—2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2008.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

Part III Support Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	215			1,200	32,665	34,080
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	7,437,603	19,042,523	23,764,722	24,202,124	26,249,513	100,696,485
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5	7,437,818	19,042,523	23,764,722	24,203,324	26,282,178	100,730,565
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						100,730,565

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6	7,437,818	19,042,523	23,764,722	24,203,324	26,282,178	100,730,565
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	834,292	707,532	1,058,301	867,638	562,364	4,030,127
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b	834,292	707,532	1,058,301	867,638	562,364	4,030,127
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						0
13 **Total support** (Add lines 9, 10c, 11 and 12)	8,272,110	19,750,055	24,823,023	25,070,962	26,844,542	104,760,692

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	96 150 %
16	Public support percentage from 2008 Schedule A, Part III, line 15	16	95 550 %

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2009** (line 10c column (f) divided by line 13 column (f))	17	3 850 %
18	Investment income percentage from **2008** Schedule A, Part III, line 17	18	4 450 %

19a **33 1/3% support tests—2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☑

b **33 1/3% support tests—2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ☐

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Additional Data

Software ID:
Software Version:
EIN: 99-0290103
Name: KAHALA SENIOR LIVING COMMUNITY INC

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
SUPPLIES	364,518	306,525	57,993	
EQUIPMENT RENTAL REPAIR	266,647	193,734	72,913	
POSTAGE	9,339	6,499	2,840	
RESIDENT RELATIONS	62,362	51,538	10,824	
INTERDEPARTMENTAL FOOD SERVICE	34,733	31,358	3,375	

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
KAHALA SENIOR LIVING COMMUNITY INC

Employer identification number
99-0290103

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	1	
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)	32,665	
4	Aggregate value at end of year	32,665	

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☑ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☑ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶______________

4 Number of states where property subject to conservation easement is located ▶______________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶______________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ______________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ______________

(ii) Assets included in Form 990, Part X ▶ $ ______________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ______________

b Assets included in Form 990, Part X ▶ $ ______________

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☑ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

			Amount
c	Beginning balance	1c	524,968
d	Additions during the year	1d	1,034,062
e	Distributions during the year	1e	819,188
f	Ending balance	1f	739,842

2a Did the organization include an amount on Form 990, Part X, line 21? ☑ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

		(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a	Beginning of year balance					
b	Contributions					
c	Investment earnings or losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance					

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ▶ %

b Permanent endowment ▶ %

c Term endowment ▶ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

			Yes	No
	(i) unrelated organizations	3a(i)		
	(ii) related organizations	3a(ii)		
b	If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		149,809,554	18,404,598	131,404,956
d Equipment		1,283,348	351,526	931,822
e Other		2,221,075	1,114,155	1,106,920
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				133,443,698

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
ACCRUED INTEREST RECEIVABLE	109,335
CONSTRUCTION IN PROGRESS	29,328
DEFERRED FINANCING COSTS	5,902,901
ACCUMULATED AMORT -DEFERRED FINANCING COSTS	-2,141,385
DEFERRED SALES AND MARKETING COSTS	6,775,803
ACCUMULATED AMORT -CAP MARKETING	-3,285,800
PREPAID GROUND RENT	8,297,221
ACCUMULATED AMORT -PREPAID GROUND RENT	-663,180
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	15,024,223

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
RESIDENT LIABILITIES	302,030
ACCRUED PAYROLL	575,763
ACCRUED EXPENSES	463,119
ACCRUED BOND INTEREST EXPENSE	697,432
ENTERANCE FEE LIABILITY	141,834,795
DEFERRED RENT	3,023,560
ORIGINAL DISCOUNT, NET	-946,653
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	145,950,046

2. Fin 48 Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	27,230,149
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	29,237,415
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-2,007,266
4	Net unrealized gains (losses) on investments	4	-266,313
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	-266,313
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-2,273,579

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	27,176,726
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	27,176,726
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	27,176,726

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	29,450,305
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d	266,313		
e	Add lines **2a** through **2d**			2e	266,313
3	Subtract line **2e** from line **1**			3	29,183,992
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	29,183,992

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
XIII	2d	Net unrealized gains losses on investments
VI	2b	Initial deposit to secure position on the waitlist for independent living units

Additional Data

Software ID:
Software Version:
EIN: 99-0290103
Name: KAHALA SENIOR LIVING COMMUNITY INC

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	(b) Book value
ACCRUED INTEREST RECEIVABLE	109,335
CONSTRUCTION IN PROGRESS	29,328
DEFERRED FINANCING COSTS	5,902,901
ACCUMULATED AMORT -DEFERRED FINANCING COSTS	-2,141,385
DEFERRED SALES AND MARKETING COSTS	6,775,803
ACCUMULATED AMORT -CAP MARKETING	-3,285,800
PREPAID GROUND RENT	8,297,221
ACCUMULATED AMORT -PREPAID GROUND RENT	-663,180

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
KAHALA SENIOR LIVING COMMUNITY INC

Employer identification number
99-0290103

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☑ Compensation committee ☑ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**	Yes	
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	**5b**		No
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	**6b**		No
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
Patrick Duarte	(i) (ii)	180,077			5,402		185,479	134,901

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
KAHALA SENIOR LIVING COMMUNITY INC

Employer identification number
99-0290103

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased Yes	(g) Defeased No	(h) On Behalf of Issuer Yes	(h) On Behalf of Issuer No
A	State of Hawaii Department of Budget and Fianance	99-0266961	419800EU7	01-23-2003	140,709,368	To fund the construction of building improvements		X		X

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	143,868,156				
2	Gross proceeds in reserve funds	6,645,672				
3	Proceeds in refunding or defeasance escrows					
4	Other unspent proceeds					
5	Issuance costs from proceeds	2,035,015				
6	Working capital expenditures from proceeds	3,500,000				
7	Capital expenditures from proceeds	125,500,054				
8	Year of substantial completion	2005				

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
9	Were the bonds issued as part of a current refunding issue?		X								
10	Were the bonds issued as part of an advance refunding issue?		X								
11	Has the final allocation of proceeds been made?	X									
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X								
2	Are there any lease arrangements with respect to the financed property which may result in private business use?	X									

Part III Private Business Use *(Continued)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?		X								
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X								
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 200 %								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶										
6	Total of lines 4 and 5		0 200 %								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

Part IV Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X								
2	Is the bond issue a variable rate issue?		X								
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X								
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?		X								
b	Name of provider										
c	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5	Were any gross proceeds invested beyond an available temporary period?		X								
6	Did the bond issue qualify for an exception to rebate?		X								

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
KAHALA SENIOR LIVING COMMUNITY INC

Employer identification number
99-0290103

Identifier	Return Reference	Explanation
Form 990 VI	11a	A Form 990 draft is provided to the Board of Directors, officers and key management for review If the Board of Directors, officers, and key management are satisfied with the draft, the Board of Directors vote for approval of the draft Once approved the draft is finalized and filed by the Organizations accountants
Form 990 VI	12c	By signing an annual conflict of interest statement all officers, directors or trustees and key employees are required to disclose whether they have conflicts of interest in regards to the Organization
Form 990 VI	15	In the Organizations determination of the current CEO/Presidents compensation, its Executive Committee received the qualifications of the existing CEO/President, Pat Duarte along with industry-related information gathered from an independent third party executive recruiter and internal salaries for management personnel
Form 990 VI	19	The Organization has its governing documents and conflict of interest policy available in the Organizations library Its financial statements are available upon request from its CEO/President Pat Duarte

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Form **4562**

Depreciation and Amortization
(Including Information on Listed Property)

OMB No 1545-0172

2009

Department of the Treasury
Internal Revenue Service

▶ See separate instructions. ▶ Attach to your tax return.

Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
KAHALA SENIOR LIVING COMMUNITY INC	990T	99-0290103

Part I Election To Expense Certain Property Under Section 179
Note: *If you have any listed property, complete Part V before you complete Part I.*

1 Maximum amount See the instructions for a higher limit for certain businesses	1	250,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	250,000

6	**(a)** Description of property	**(b)** Cost (business use only)	**(c)** Elected cost
6			

7 Listed property Enter the amount from line 29	7			
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7			8	
9 Tentative deduction Enter the **smaller** of line 5 or line 8			9	
10 Carryover of disallowed deduction from line 13 of your 2008 Form 4562			10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)			11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11			12	
13 Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 12 ▶	13			

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property **)** (See instructions)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.**)** (See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2009	17	14,070
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	**(b)** Month and year placed in service	**(c)** Basis for depreciation (business/investment use only—see instructions)	**(d)** Recovery period	**(e)** Convention	**(f)** Method	**(g)** Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21 Listed property Enter amount from line 28			21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions			22	14,070
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23			

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

***Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 .						28		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles) . .												
31 Total commuting miles driven during the year .												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use? .												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2009 tax year (see instructions)					
43 Amortization of costs that began before your 2009 tax year				43	
44 Total. Add amounts in column (f) See the instructions for where to report . .				44	

Kahala Nui is a senior living community located in Honolulu, Hawaii that provides a continuum of residential and healthcare services to seniors. In Kahala Nui's effort to provide the best care possible for the population it serves, four distinct levels of care are offered; independent living, assisted living, memory support, and skilled nursing.

Kahala Nui has 270 independent living units for seniors who don't require assistance with activities of daily living. Housekeeping, dining, and transportation services are provided to these residents, enabling them to live in independently for a longer period of time. Recreational and wellness activities are also provided to enhance their health status and quality of life. Our residents in independent living range in age from 65 to 95, with an average age of 83 years.

Hi'olani is Kahala Nui's healthcare center located within the property, which offers residents the ability to remain at Kahala Nui even if their health status changes. Hi'olani provides assisted living services, memory support, and skilled nursing to residents who transfer from independent living and to individuals from the community. Hi'olani is licensed for 63 assisted living beds (including memory support) and 60 skilled nursing beds. Twenty of the skilled nursing beds are certified as Medicare beds and 4 are dually certified as Medicare/Medicaid beds.

As a continuing care retirement community, one of the prominent features of Kahala Nui's program for its independent living residents is the life care guarantee. Residents are guaranteed an assisted living and/or skilled nursing bed at Kahala Nui should the need arise. Furthermore, the resident will pay a substantially discounted rate for the service. The life care guarantee provides peace of mind for these seniors, something that is most important to their well-being.

Kahala Nui is committed to serving the elderly in the Honolulu community and to supporting the network of charitable organizations that serve Hawaii's health, human services, and cultural needs. The organization's board members, management, staff and residents are actively engaged in numerous initiatives to improve the lives of people that need assistance. While the residents of Kahala Nui benefit directly from the services that are offered, the community at large is also impacted by the organization and its stakeholders.

In addition to the medical services available to the residents of Kahala Nui, this senior living community also offers a variety of services to its residents which include:

- Casual and formal in-house dining for breakfast, lunch and dinner.
- Wellness programs
- Recreational events and activities open to members of the residents' families
- Complimentary housekeeping and linen services.
- Complimentary scheduled transportation to all major shopping malls and various religious and medical facilities.
- Cultural, social, and educational activities.
- Building and grounds maintenance.
- 24-hour security.
- Business services.

Kahala Nui is a senior living community that ensures the well-being of its residents by providing a safe and caring atmosphere that is ideal for a well-balanced lifestyle while offering the personal healthcare to cater to all of its residents.

Kahala Senior Living Community, Inc
FEIN 99-0290103
Fixed Assets
12/31/09

			Days in		12/31/08	Current Year Additions	12/31/09	12/31/08	Current Year Depreciation	12/31/09	Net
Landscape Improvements											
GL Account #							00-162500-00	00-162600-00	00-962600-00	00-162600-00	
Hiolani landscape renovation	10	04/30/07	977	35,021.98	35,021.98	-	35,021.98	(5,856.99)	(3,502.20)	(9,359.19)	25,662.79
Courtyard landscape renovation consultation	10	04/30/07	977	1,937.17	1,937.17	-	1,937.17	(323.93)	(193.68)	(517.61)	1,419.56
Install 25 bamboo plants	10	08/31/07	854	16,244.00	16,244.00	-	16,244.00	(2,169.25)	(1,624.44)	(3,793.69)	12,450.31
Install ginger plants	10	06/30/07	916	1,172.77	1,172.77	-	1,172.77	(176.49)	(117.24)	(293.73)	879.04
Stepping stones for lanais	10	10/31/07	793	15,673.65	15,673.65	-	15,673.65	(1,831.05)	(1,567.32)	(3,398.37)	12,275.28
Additional stepping stones	10	10/31/07	793	3,641.88	3,641.88	-	3,641.88	(425.48)	(364.20)	(789.68)	2,852.20
Sea of Green Maintenance and Projects	10	03/31/08	641	1,675.39	1,675.39	-	1,675.39	(125.64)	(167.52)	(293.16)	1,382.23
Landscape Improvements - April 2008	10	04/30/08	611	4,098.43	4,098.43	-	4,098.43	(273.20)	(409.80)	(683.00)	3,415.43
Sea of Gree landscaping - May 2008	10	05/31/08	580	1,848.69	1,848.69	-	1,848.69	(107.87)	(184.92)	(292.79)	1,555.90
Additional landscaping work - June 2008	10	06/30/08	550	1,479.06	1,479.06	-	1,479.06	(73.98)	(147.96)	(221.94)	1,257.12
Landscaping project - reclassed from CIP	10	01/01/08	731	24,620.00	24,620.00	-	24,620.00	(2,667.17)	(2,462.04)	(5,129.21)	19,490.79
Hiolani landscape renovation	3	12/01/09	31	2,984.29	-	2,984.29	2,984.29	-	-	-	2,984.29
Total Landscape Improvements					107,413.02	2,984.29	110,397.31	(14,031.05)	(10,741.32)	(24,772.37)	85,624.94
Leasehold Improvements - Buildings											
GL Account #							00-163000-00	00-163100-00	00-963100-00	00-163100-00	
CIP Allocation	40	02/15/05	1781	149,061,497.30	149,061,497.30	-	149,061,497.30	(14,440,758.01)	(3,726,537.48)	(18,167,295.49)	130,894,201.81
CIP Allocation	40	01/01/06	1461	1,599,772.85	1,599,772.85	-	1,599,772.85	(119,919.04)	(39,994.32)	(159,913.36)	1,439,859.49
CIP Allocation	40	01/01/07	1096	27,939.93	27,939.93	-	27,939.93	(1,395.90)	(698.52)	(2,094.42)	25,845.51
Litigation settlement received	40	02/15/05	1781	(1,800,000.00)	(1,800,000.00)	-	(1,800,000.00)	174,380.14	45,000.00	219,380.14	(1,580,619.86)
Litigation settlement received	40	02/15/05	1781	(311,000.00)	(311,000.00)	-	(311,000.00)	30,162.74	7,775.04	37,937.78	(273,062.22)
Co-Gen Plant room design	40	12/31/08	366	3,507.85	3,507.85	-	3,507.85	-	(87.72)	(87.72)	3,420.13
Nordic/PCL accrued expenses - AJE 4	40	02/15/05	1781	(86,955.00)	(86,955.00)	-	(86,955.00)	8,433.44	2,173.92	10,607.36	(76,347.64)
Total Leasehold Improvements - Buildings					148,494,762.93	-	148,494,762.93	(14,349,096.63)	(3,712,369.08)	(18,061,465.71)	130,433,297.22
Building Improvements											
GL Account #							00-163500.00	00-163600-00	00-961100-00	00-163600-00	
Parking lots signs	40	07/11/05	1635	6,218.71	6,218.71	-	6,218.71	(540.32)	(155.52)	(695.84)	5,522.87
Wall - AL dining room	40	08/08/05	1607	2,250.00	2,250.00	-	2,250.00	(191.19)	(56.28)	(247.47)	2,002.53
Barbershop space renovation	40	10/19/05	1535	6,058.00	6,058.00	-	6,058.00	(484.80)	(151.44)	(636.24)	5,421.76
Suite 230 renovation	40	10/12/05	1542	60,000.00	60,000.00	-	60,000.00	(4,830.48)	(1,500.00)	(6,330.48)	53,669.52
Dining room wall - Terrace	40	12/28/05	1465	3,630.00	3,630.00	-	3,630.00	(273.07)	(90.72)	(363.79)	3,266.21
Alli room - wall at kitch entry	40	12/28/05	1465	2,683.00	2,683.00	-	2,683.00	(201.86)	(67.08)	(268.94)	2,414.06
Alli and Terrace stone and wood base of wall	40	12/28/05	1465	3,030.00	3,030.00	-	3,030.00	(227.93)	(75.72)	(303.65)	2,726.35
Flooring	40	01/01/06	1461	1,327.00	1,327.00	-	1,327.00	(99.54)	(33.24)	(132.78)	1,194.22
Wall construction - resident's apartment	40	06/01/06	1310	1,258.00	1,258.00	-	1,258.00	(81.28)	(31.44)	(112.72)	1,145.28
Flood Repairs	40	07/01/06	1280	35,860.58	35,860.58	-	35,860.58	(2,243.54)	(896.52)	(3,140.06)	32,720.52
Fireman Insurance adjustment	40	05/01/06	1341	(22,491.24)	(22,491.24)	-	(22,491.24)	1,501.13	562.32	2,063.45	(20,427.79)
GFI Outlets	15	08/01/06	1249	940.00	940.00	-	940.00	(109.09)	(23.52)	(132.61)	807.39
Carpet installation	10	08/01/06	1249	1,268.64	1,268.64	-	1,268.64	(203.59)	(31.68)	(235.27)	1,033.37
Electrical install	15	08/01/06	1249	1,562.49	1,562.49	-	1,562.49	(181.36)	(39.12)	(220.48)	1,342.01
Bodyguard sensor for automatic door	40	09/01/06	1218	950.00	950.00	-	950.00	(55.41)	(23.76)	(79.17)	870.83
Carpet - 323	40	09/01/06	1218	4,385.03	4,385.03	-	4,385.03	(255.78)	(109.68)	(365.46)	4,019.57
Carpet - 535	40	09/01/06	1218	3,208.05	3,208.05	-	3,208.05	(187.04)	(80.16)	(267.20)	2,940.85
Carpet - 540	40	09/01/06	1218	2,480.45	2,480.45	-	2,480.45	(144.68)	(62.04)	(206.72)	2,273.73
Carpet - 320	40	09/01/06	1218	3,307.27	3,307.27	-	3,307.27	(192.87)	(82.68)	(275.55)	3,031.72
Carpet - 600	40	09/01/06	1218	4,762.47	4,762.47	-	4,762.47	(277.71)	(119.04)	(396.75)	4,365.72
Automatic Door	40	10/01/06	1188	19,780.00	19,780.00	-	19,780.00	(1,112.87)	(494.52)	(1,607.39)	18,172.61
Swing Gate	40	10/01/06	1188	20,250.05	20,250.05	-	20,250.05	(1,139.33)	(506.28)	(1,645.61)	18,604.44
Acoustic ceiling panels - Dining Room	40	10/01/06	1188	24,364.43	24,364.43	-	24,364.43	(1,370.79)	(609.12)	(1,979.91)	22,384.52
Carpet replacement - 607	40	10/01/06	1188	2,877.33	2,877.33	-	2,877.33	(161.82)	(71.88)	(233.70)	2,643.63
Hi'olani walkway renovation	40	10/01/06	1188	22,916.52	22,916.52	-	22,916.52	(1,289.28)	(572.88)	(1,862.16)	21,054.36
Locks for new gates	40	11/01/06	1157	411.47	411.47	-	411.47	(22.31)	(10.32)	(32.63)	378.84
Railing - Main Tower	40	11/01/06	1157	2,589.00	2,589.00	-	2,589.00	(140.11)	(64.68)	(204.79)	2,384.21
Power door opener - main lobby next to pond	40	11/01/06	1157	850.00	850.00	-	850.00	(46.01)	(21.24)	(67.25)	782.75
Wood bases in bathrooms of units 317, 416, and 61	40	12/01/06	1127	6,833.00	6,833.00	-	6,833.00	(355.95)	(170.88)	(526.83)	6,306.17
New outlets, conduits and breakers	40	12/01/06	1127	4,209.00	4,209.00	-	4,209.00	(219.24)	(105.24)	(324.48)	3,884.52
Modify 2 cabinets	40	01/31/07	1066	1,486.00	1,486.00	-	1,486.00	(71.24)	(37.20)	(108.44)	1,377.56
Additional work for Hiolani renovation	40	01/31/07	1066	1,000.00	1,000.00	-	1,000.00	(47.86)	(24.96)	(72.82)	927.18
Install double doors on 2nd floor in Hiolani	40	01/31/07	1066	3,598.00	3,598.00	-	3,598.00	(172.42)	(90.00)	(262.42)	3,335.58
Install more lighting, outlets in Hiolani Bldg	40	01/31/07	1066	14,267.00	14,267.00	-	14,267.00	(683.43)	(356.64)	(1,040.07)	13,226.93
Install emergency lighting in Hiolani	40	01/31/07	1066	3,274.00	3,274.00	-	3,274.00	(156.83)	(81.84)	(238.67)	3,035.33
Hiolani renovation - phase II	40	02/28/07	1038	2,338.71	2,338.71	-	2,338.71	(107.52)	(58.44)	(165.96)	2,172.75
Sound systems in dining rooms	40	02/28/07	1038	3,664.92	3,664.92	-	3,664.92	(168.60)	(91.68)	(260.28)	3,404.64
Final payment for acoustic ceiling panels in dining r	40	03/31/07	1007	24,364.42	24,364.42	-	24,364.42	(1,068.73)	(609.12)	(1,677.85)	22,686.57
Electrical work to hook up washers/dryers	40	03/31/07	1007	2,771.88	2,771.88	-	2,771.88	(121.65)	(69.36)	(191.01)	2,580.87
Drains for washers/dryers	40	03/31/07	1007	963.87	963.87	-	963.87	(42.30)	(24.12)	(66.42)	897.45
Light fixtures for driveway	40	03/31/07	1007	2,905.29	2,905.29	-	2,905.29	(127.40)	(72.60)	(200.00)	2,705.29
Wooden ramp for Unit #400	40	03/31/07	1007	1,396.00	1,396.00	-	1,396.00	(61.26)	(34.92)	(96.18)	1,299.82
Trench for new driveway lights & electrical work	40	04/30/07	977	7,500.00	7,500.00	-	7,500.00	(313.64)	(187.56)	(501.20)	6,998.80
Programming and CAD drawing fees for Hiolani rei	40	06/30/07	916	10,471.20	10,471.20	-	10,471.20	(394.11)	(261.84)	(655.95)	9,815.25
Deposit for Hallway carpet renovation	40	06/30/07	916	40,000.00	40,000.00	-	40,000.00	(1,505.21)	(999.96)	(2,505.17)	37,494.83
Install outlets	40	06/30/07	916	3,373.00	3,373.00	-	3,373.00	(126.97)	(84.36)	(211.33)	3,161.67

Kahala Senior Living Community, Inc
FEIN 99 0290103
Fixed Assets
12/31/09

			Days in		12/31/08	Current Year Additions	12/31/09	12/31/08	Current Year Depreciation	12/31/09	Net
Install dutch doors on 4th and 5th floor	40	07/31/07	885	4,847.00	4,847.00	-	4,847.00	(172.13)	(121.20)	(293.33)	4,553.67
Billed resident for repair to hole in wall	40	07/31/07	885	(1,159.00)	(1,159.00)	-	(1,159.00)	41.22	29.04	70.26	(1,088.74)
Hiolani Renovation - floors 1 & 6 consulting fee	40	11/30/07	763	18,340.31	18,340.31	-	18,340.31	(497.99)	(458.52)	(956.51)	17,383.80
Consulting fee for new storage area	40	11/30/07	763	931.94	931.94	-	931.94	(25.28)	(23.28)	(48.56)	883.38
Final payment for carpet renovation in Hiolani	40	12/31/07	732	68,685.02	68,685.02	-	68,685.02	(1,717.08)	(1,717.08)	(3,434.16)	65,250.86
Automatic Door	40	10/31/07	793	7,953.81	7,953.81	-	7,953.81	(232.30)	(198.84)	(431.14)	7,522.67
Roll-down gate in garage	40	01/31/08	701	188.48	188.48	-	188.48	(4.29)	(4.68)	(8.97)	179.51
Motor for roll down gate in garage	40	01/31/08	701	2,825.00	2,825.00	-	2,825.00	(64.79)	(70.68)	(135.47)	2,689.53
Fence enclosure for storage in P3	40	01/31/08	701	7,962.82	7,962.82	-	7,962.82	(182.49)	(199.08)	(381.57)	7,581.25
Light fixtures - storage area in parking garage	40	02/29/08	672	2,915.00	2,915.00	-	2,915.00	(60.70)	(72.84)	(133.54)	2,781.46
Hi'olani renovations - The Floor Store	40	03/31/08	641	35,554.34	35,554.34	-	35,554.34	(666.63)	(888.84)	(1,555.47)	33,998.87
Blinds/shades - 4th and 5th Floor Hi'olani (Desing '	40	04/30/08	611	2,132.21	2,132.21	-	2,132.21	(35.52)	(53.28)	(88.80)	2,043.41
Carpet - AJE 2	40	04/01/06	1371	(8,785.54)	(8,785.54)	-	(8,785.54)	605.36	219.60	824.96	(7,960.58)
Install carpet tiles - AL Fitness area	10	04/30/09	246	911.27	-	911.27	911.27	-	(60.72)	(60.72)	850.55
Electrical work - AL Fitness area	40	04/30/09	246	2,777.00	-	2,777.00	2,777.00	-	(46.32)	(46.32)	2,730.68
Install electrical lines - AL Fitness area	40	04/30/09	246	1,080.00	-	1,080.00	1,080.00	-	(18.00)	(18.00)	1,062.00
Install doors by Casual Dining & Hiolani	15	05/31/09	215	3,843.74	-	3,843.74	3,843.74	-	(149.45)	(149.45)	3,694.29
Electrical work - Concierge Renovation	40	09/30/09	93	5,875.00	-	5,875.00	5,875.00	-	(36.72)	(36.72)	5,838.28
AL Dining Room & Concierge Desk Area	40	09/30/09	93	51,300.00	-	51,300.00	51,300.00	-	(320.64)	(320.64)	50,979.36
Automatic door	15	12/15/09	17	2,260.00	-	2,260.00	2,260.00	-	-	-	2,260.00
Installed automatic door	3	12/03/09	29	3,800.00	-	3,800.00	3,800.00	-	-	-	3,800.00
Power for new automatic door	3	12/03/09	29	475.00	-	475.00	475.00	-	-	-	475.00
Automatic door - reclass from CIP	15	12/15/09	17	17,840.00	-	17,840.00	17,840.00	-	-	-	17,840.00
Energy mgmt project	15	12/31/09	1	10,844.50	-	10,844.50	10,844.50	-	-	-	10,844.50
Total Building Improvements					493,534.93	101,006.51	594,541.44	(23,319.91)	(12,970.49)	(36,290.40)	558,251.04
Equipment- Fixed											
GL Account #							00-164000-00	00-164100-00	00-964100-00	00-164100-00	
CIP Allocation	15	02/15/05	1781	281,320.05	281,320.05	-	281,320.05	(72,676.50)	(18,754.68)	(91,431.18)	189,888.87
Heat plate dispenser	15	04/06/05	1731	2,227.07	2,227.07	-	2,227.07	(554.97)	(148.44)	(703.41)	1,523.66
Proof/Hot cabinet	15	06/30/05	1646	2,120.61	2,120.61	-	2,120.61	(495.54)	(141.36)	(636.90)	1,483.71
Cook and hold cabinet	15	04/13/05	1724	7,359.07	7,359.07	-	7,359.07	(1,824.49)	(490.56)	(2,315.05)	5,044.02
Crescent table	15	04/21/05	1716	3,073.31	3,073.31	-	3,073.31	(757.42)	(204.84)	(962.26)	2,111.05
Crescent table - channel alum	15	04/21/05	1716	1,877.78	1,877.78	-	1,877.78	(462.79)	(125.16)	(587.95)	1,289.83
Riser - channel alum	15	04/21/05	1716	1,333.32	1,333.32	-	1,333.32	(328.66)	(88.92)	(417.58)	915.74
Plywood table aluminum edge	15	04/21/05	1716	815.29	815.29	-	815.29	(200.95)	(54.36)	(255.31)	559.98
Pool and spa heater	15	01/01/06	1461	2,995.00	2,995.00	-	2,995.00	(598.70)	(199.68)	(798.38)	2,196.62
Alarm system installation	15	01/01/06	1461	854.16	854.16	-	854.16	(170.80)	(57.00)	(227.80)	626.36
Elevator upgrade	15	01/01/06	1461	25,072.35	25,072.35	-	25,072.35	(5,011.79)	(1,671.48)	(6,683.27)	18,389.08
Pool and spa heater electrical	15	02/01/06	1430	710.00	710.00	-	710.00	(137.85)	(47.28)	(185.13)	524.87
Installation of Code Alert system	15	02/01/06	1430	8,829.24	8,829.24	-	8,829.24	(1,714.90)	(588.60)	(2,303.50)	6,525.74
Code Alert system	15	02/01/06	1430	16,400.00	16,400.00	-	16,400.00	(3,185.38)	(1,093.32)	(4,278.70)	12,121.30
Pool and spa heater plumbing	15	02/01/06	1430	5,139.00	5,139.00	-	5,139.00	(998.15)	(342.60)	(1,340.75)	3,798.25
Alarm system - Nursing	15	02/01/06	1430	1,406.36	1,406.36	-	1,406.36	(273.12)	(93.72)	(366.84)	1,039.52
Elevator upgrade (TYCO)	15	03/01/06	1402	5,182.26	5,182.26	-	5,182.26	(980.05)	(345.48)	(1,325.53)	3,856.73
Analog line cards	15	05/01/06	1341	2,896.58	2,896.58	-	2,896.58	(515.49)	(193.08)	(708.57)	2,188.01
Tyco/Simplex	15	07/01/06	1280	5,691.88	5,691.88	-	5,691.88	(949.58)	(379.44)	(1,329.02)	4,362.86
Door contacts - Code Alert Alarm System	15	03/01/06	1402	828.12	828.12	-	828.12	(156.60)	(55.20)	(211.80)	616.32
Emergency exit	15	08/01/06	1249	2,313.00	2,313.00	-	2,313.00	(372.79)	(154.20)	(526.99)	1,786.01
COGEN Panel install	15	08/01/06	1249	12,912.50	12,912.50	-	12,912.50	(2,081.18)	(860.88)	(2,942.06)	9,970.44
Refrigerator - 217	15	09/01/06	1218	825.00	825.00	-	825.00	(128.25)	(54.96)	(183.21)	641.79
Fire sensor NAC card in electric rm for Hiolani	15	01/31/07	1066	552.79	552.79	-	552.79	(70.60)	(36.84)	(107.44)	445.35
Washing machines/dryers for AL	15	03/31/07	1007	2,951.69	2,951.69	-	2,951.69	(345.28)	(196.80)	(542.08)	2,409.61
New washer/dryer installation	15	04/30/07	977	1,245.00	1,245.00	-	1,245.00	(138.85)	(83.04)	(221.89)	1,023.11
Wander-guard equip/installation for 3rd floor	15	04/30/07	977	3,367.54	3,367.54	-	3,367.54	(375.47)	(224.52)	(599.99)	2,767.55
Speakers and sound systems for Dining Rooms	15	05/31/07	946	13,528.14	13,528.14	-	13,528.14	(1,431.72)	(901.92)	(2,333.64)	11,194.50
Backflow prevention repair	15	05/31/07	946	6,352.62	6,352.62	-	6,352.62	(672.26)	(423.48)	(1,095.74)	5,256.88
Co-gen panel - reimbursement from development	15	09/30/07	824	(12,912.50)	(12,912.50)	-	(12,912.50)	1,078.84	860.88	1,939.72	(10,972.78)
Pull station - reimbursement from development	15	09/30/07	824	(5,691.88)	(5,691.88)	-	(5,691.88)	475.52	379.44	854.96	(4,836.92)
Replace motor for pool pump	15	10/31/07	793	3,500.00	3,500.00	-	3,500.00	(272.54)	(233.28)	(505.82)	2,994.18
Heater for pool	15	12/31/07	732	2,926.70	2,926.70	-	2,926.70	(195.12)	(195.12)	(390.24)	2,536.46
Wiring for alarm system	15	08/31/07	854	11,600.00	11,600.00	-	11,600.00	(1,032.64)	(773.28)	(1,805.92)	9,794.08
Install hose bibb on roof	15	12/31/06	1097	1,259.78	1,259.78	-	1,259.78	(168.08)	(84.00)	(252.08)	1,007.70
Generators (2)	15	01/31/08	701	2,825.70	2,825.70	-	2,825.70	(172.70)	(188.40)	(361.10)	2,464.60
Final payment - co-gen	15	07/31/08	519	24,753.92	24,753.92	-	24,753.92	(687.60)	(1,650.24)	(2,337.84)	22,416.08
Installation of new water valve	15	05/31/08	580	1,044.50	1,044.50	-	1,044.50	(40.60)	(69.60)	(110.20)	934.30
Install burner for water heater	15	06/30/08	550	3,403.14	3,403.14	-	3,403.14	(113.46)	(226.92)	(340.38)	3,062.76
Tint fitness center windows	15	06/30/08	550	2,196.62	2,196.62	-	2,196.62	(73.20)	(146.40)	(219.60)	1,977.02
Steamer for kitchen	15	09/30/08	458	14,278.53	14,278.53	-	14,278.53	(237.99)	(951.96)	(1,189.95)	13,088.58
Sensors - Lighting in common areas & stairs	15	01/31/09	335	4,477.22	-	4,477.22	4,477.22	-	(273.57)	(273.57)	4,203.65
Timers - energy mgmt	15	03/31/09	276	2,191.00	-	2,191.00	2,191.00	-	(109.53)	(109.53)	2,081.47
Water heater	15	03/31/09	276	3,941.83	-	3,941.83	3,941.83	-	(197.10)	(197.10)	3,744.73
Sensors - energy mgmt	15	03/31/09	276	612.77	-	612.77	612.77	-	(30.60)	(30.60)	582.17
Sensors for lighting	15	04/30/09	246	1,225.55	-	1,225.55	1,225.55	-	(54.48)	(54.48)	1,171.07
Light fixtures - energy mgmt	15	05/31/09	215	5,617.22	-	5,617.22	5,617.22	-	(218.47)	(218.47)	5,398.75
Sensors for lighting	15	07/31/09	154	1,339.61	-	1,339.61	1,339.61	-	(37.20)	(37.20)	1,302.41
Install sensors for energy mgmt	10	09/30/09	93	850.00	-	850.00	850.00	-	(21.24)	(21.24)	828.76
Total Equipment- Fixed					469,364.24	20,255.20	489,619.44	(99,049.70)	(32,232.91)	(131,282.61)	358,336.83

Kahala Senior Living Community, Inc
FEIN 99-0290103
Fixed Assets
12/31/09

			Days in		12/31/08	Current Year Additions	12/31/09	12/31/08	Current Year Depreciation	12/31/09	Net
Equipment- Movable											
GL Account #							00-165000 00	00-165100-00		00-165100-00	
CIP Allocation	15	02/15/05	1781	461,714 44	461 714 44	-	461,714 44	(119,279 74)	(30,780 96)	(150,060 70)	311,653 74
Bose speakers for dining room	15	11/14/05	1509	1,249 92	1,249 92	-	1,249 92	(260 76)	(83 28)	(344 04)	905 88
CD player for dining room	15	11/14/05	1509	161 45	161 45	-	161 45	(33 73)	(10 80)	(44 53)	116 92
Sara 3000	15	04/11/05	1726	16,376 40	16,376 40	-	16,376 40	(4,066 18)	(1,091 76)	(5,157 94)	11,218 46
Rub Brow	15	05/18/05	1689	4,035 55	4,035 55	-	4,035 55	(974 74)	(269 04)	(1,243 78)	2,791 77
Software license installation	15	07/11/05	1635	10,750 00	10 750 00	-	10,750 00	(2,490 47)	(716 64)	(3,207 11)	7,542 89
LCD monitors	15	08/29/05	1586	5,204 89	5,204 89	-	5,204 89	(1,159 31)	(347 04)	(1,506 35)	3,698 54
Cardwatch	15	09/23/05	1561	7,550 00	7 550 00	-	7,550 00	(1,647 04)	(503 28)	(2,150 32)	5,399 68
46" piano	15	11/17/05	1506	4,427 06	4,427 06	-	4,427 06	(921 40)	(295 20)	(1,216 60)	3,210 46
Healthcare products	15	09/28/05	1556	2,501 83	2 501 83	-	2,501 83	(543 52)	(166 80)	(710 32)	1,791 51
Printers - Laserjet	15	12/09/05	1484	1,790 73	1 790 73	-	1,790 73	(365 50)	(119 40)	(484 90)	1,305 83
5 Liter concentrator w/o OSD	15	12/09/05	1484	1,168 84	1,168 84	-	1,168 84	(238 51)	(77 88)	(316 39)	852 45
CIP Allocation	15	01/01/06	1461	7,827 13	7,827 13	-	7,827 13	(1,564 54)	(521 76)	(2,086 30)	5,740 83
Defribulator machine	15	02/01/06	1430	2,910 82	2,910 82	-	2,910 82	(565 36)	(194 04)	(759 40)	2,151 42
Therapy equipment	15	03/01/06	1402	2,669 28	2 669 28	-	2,669 28	(504 82)	(177 96)	(682 78)	1,986 50
Pressure Washer	15	04/01/06	1371	1,295 37	1,295 37	-	1,295 37	(237 69)	(86 40)	(324 09)	971 28
Floor scrubber	15	05/01/06	1341	2,566 65	2,566 65	-	2,566 65	(456 81)	(171 12)	(627 93)	1,938 72
Piano - Hiolani	15	06/01/06	1310	4,800 00	4 800 00	-	4,800 00	(827 15)	(320 04)	(1,147 19)	3,652 81
2 Trash compactor bins	15	06/01/06	1310	2,703 11	2,703 11	-	2,703 11	(465 82)	(180 24)	(646 06)	2,057 05
Delta - Upgrade for two way radio system	15	07/01/06	1280	2,615 86	2,615 86	-	2,615 86	(436 38)	(174 36)	(610 74)	2,005 12
Alarm system CCTV	15	10/01/06	1188	2,291 65	2,291 65	-	2,291 65	(343 80)	(152 76)	(496 56)	1,795 09
Carpet steamer	15	10/01/06	1188	1,510 41	1 510 41	-	1,510 41	(226 59)	(100 68)	(327 27)	1,183 14
Floor cleaner/scrubber	15	12/01/06	1127	1,093 74	1 093 74	-	1,093 74	(151 96)	(72 96)	(224 92)	868 82
Genie Ariel work platform	15	12/01/06	1127	7,468 70	7,468 70	-	7,468 70	(1,037 28)	(497 88)	(1,535 16)	5,933 54
Freezer/ice maker	15	12/01/06	1127	2,171 00	2,171 00	-	2,171 00	(301 51)	(144 72)	(446 23)	1,724 77
Welding and fabrication for dishwasher	10	01/01/06	1461	1,375 25	1 375 25	-	1,375 25	(412 35)	(137 52)	(549 87)	825 38
Pasta maker	10	02/01/06	1430	2,354 19	2,354 19	-	2,354 19	(685 91)	(235 44)	(921 35)	1,432 84
Gas grill - dining	10	06/01/06	1310	4,398 93	4,398 93	-	4,398 93	(1,137 02)	(439 92)	(1,576 94)	2,821 99
AJE 16	10	12/31/06	1097	(4,582 80)	(4,582 80)	-	(4,582 80)	917 08	458 28	1,375 36	(3,207 44)
Drain cleaning machine	10	01/31/07	1066	780 68	780 68	-	780 68	(149 65)	(78 12)	(227 77)	552 91
Tenor ukulele	10	01/31/07	1066	499 00	499 00	-	499 00	(95 64)	(49 92)	(145 56)	353 44
Poly truck for Housekeeping	10	01/31/07	1066	815 00	815 00	-	815 00	(156 15)	(81 48)	(237 63)	577 37
Spring platform lifts for Housekeeping	10	01/31/07	1066	341 60	341 60	-	341 60	(65 50)	(34 20)	(99 70)	241 90
Multi sprayer for Housekeeping	10	01/31/07	1066	378 27	378 27	-	378 27	(72 46)	(37 80)	(110 26)	268 01
Flat screen TV's	10	01/31/07	1066	6,291 07	6,291 07	-	6,291 07	(1,205 56)	(629 16)	(1,834 72)	4,456 35
Reverse AJE 16	10	01/31/07	1066	4,582 80	4,582 80	-	4,582 80	(878 16)	(458 28)	(1,336 44)	3,246 36
Grand Piano for Piano Lounge	10	02/28/07	1038	15,178 00	15,178 00	-	15,178 00	(2,791 95)	(1,517 76)	(4,309 71)	10,868 29
Projector for Hiolani Activities	10	02/28/07	1038	758 23	758 23	-	758 23	(139 49)	(75 84)	(215 33)	542 90
Cleaning machine for housekeeping	10	03/31/07	1007	2,303 66	2,303 66	-	2,303 66	(404 23)	(230 40)	(634 63)	1,669 03
Ipods for IL	10	04/30/07	977	1,791 08	1,791 08	-	1,791 08	(299 59)	(179 16)	(478 75)	1,312 33
Generator for emergencies/supplies	10	04/30/07	977	6,745 32	6 745 32		6,745 32	(1,084 96)	(674 52)	(1,759 48)	4,985 84
New printers for marketing & TV for IL	10	04/30/07	977	3,109 68	3,109 68	-	3,109 68	(520 00)	(310 92)	(830 92)	2,278 76
52" Plasma TV	10	05/31/07	946	1,570 53	1,570 53	-	1,570 53	(249 34)	(157 08)	(406 42)	1,164 11
Digital Camera for Marketing	10	05/31/07	946	942 39	942 39	-	942 39	(149 56)	(94 20)	(243 76)	698 63
2 - motor vacuum	10	08/31/07	854	921 36	921 36	-	921 36	(123 06)	(92 16)	(215 22)	706 14
10' adj paralell bars	10	08/31/07	854	2,839 50	2,839 50	-	2,839 50	(379 15)	(283 92)	(663 07)	2,176 43
50% deposit for safes for units	10	10/31/07	793	1,667 54	1,667 54	-	1,667 54	(194 86)	(166 80)	(361 66)	1,305 88
Demolition hammer kit	10	10/31/07	793	839 08	839 08	-	839 08	(98 00)	(83 88)	(181 88)	657 20
Blu Ray DVD player for Hiolani	10	11/30/07	763	1,282 64	1 282 64	-	1,282 64	(139 32)	(128 28)	(267 60)	1,015 04
Earphone kits for Nursing	10	12/31/07	732	914 00	914 00	-	914 00	(91 44)	(91 44)	(182 88)	731 12
Install wiring for new radio system for Hiolani	10	12/31/07	732	1,650 00	1,650 00	-	1,650 00	(165 00)	(165 00)	(330 00)	1,320 00
Radios for Hiolani	10	12/31/07	732	5,375 00	5,375 00	-	5,375 00	(537 48)	(537 48)	(1,074 96)	4,300 04
50%down payment for bose system for Hiolani	10	12/31/07	732	1,647 59	1,647 59	-	1,647 59	(164 76)	(164 76)	(329 52)	1,318 07
Final payment for bose system for Hiolani	10	12/31/07	732	1,647 59	1,647 59	-	1,647 59	(164 76)	(164 76)	(329 52)	1,318 07
Warmer for kitchen	10	03/31/07	1007	6,099 47	6 099 47	-	6,099 47	(1,070 21)	(609 96)	(1,680 17)	4,419 30
Hot thermal transports for Hiolani	10	03/31/07	1007	4,513 09	4 513 09	-	4,513 09	(791 86)	(451 32)	(1,243 18)	3,269 91
Food processor for the kitchen	10	06/30/07	916	1,329 84	1,329 84	-	1,329 84	(200 15)	(132 96)	(333 11)	996 73
Installation of soup kettle	10	09/30/07	824	2,303 66	2,303 66	-	2,303 66	(288 73)	(230 40)	(519 13)	1,784 53
60 gallon soup kettle	10	09/30/07	824	24,078 52	24,078 52	-	24,078 52	(3,017 45)	(2,407 80)	(5,425 25)	18,653 27
Mixer	10	09/30/07	824	837 58	837 58	-	837 58	(104 97)	(83 76)	(188 73)	648 85
Cutter/Mixer for Kitchen	10	11/30/07	763	4,264 92	4,264 92	-	4,264 92	(463 19)	(426 48)	(889 67)	3,375 25
Two vacuums- Crestek	10	12/31/07	732	1,974 06	1 974 06	-	1,974 06	(197 40)	(197 40)	(394 80)	1,579 26
Tyco Hi'olani Paging System	10	12/31/07	732	36,526 77	36,526 77	-	36,526 77	(3,652 68)	(3,652 68)	(7,305 36)	29,221 41
Earbuds for Hi'olani radio upgrades	10	01/31/08	701	250 08	250 08	-	250 08	(15 29)	(16 68)	(31 97)	218 11
Hi'olani Radio upgrades	10	01/31/08	701	8,901 82	8 901 82	-	8,901 82	(543 95)	(593 40)	(1,137 35)	7,764 47
Key machine	10	02/29/08	672	855 16	855 16	-	855 16	(47 50)	(57 00)	(104 50)	750 66
Wireless pendants	10	02/29/08	672	1,325 00	1 325 00	-	1,325 00	(73 60)	(88 32)	(161 92)	1,163 08
Ride-on floor machine	10	02/29/08	672	5,675 03	5,675 03	-	5,675 03	(315 30)	(378 36)	(693 66)	4,981 37
Floor cleaning machine	10	02/29/08	672	1,041 88	1,041 88	-	1,041 88	(57 90)	(69 48)	(127 38)	914 50
Piano - Hiolani	10	03/31/08	641	4,816 75	4,816 75	-	4,816 75	(240 84)	(321 12)	(561 96)	4,254 79
Drum kit - activities	10	03/31/08	641	838 68	838 68	-	838 68	(41 94)	(55 92)	(97 86)	740 82
Geri menu	10	04/30/08	611	8,778 00	8,778 00	-	8,778 00	(390 16)	(585 24)	(975 40)	7,802 60
Wanderguard transmitter	10	04/30/08	611	1,762 99	1,762 99	-	1,762 99	(78 32)	(117 48)	(195 80)	1,567 19
5 vacuum cleaners	10	09/30/08	458	2,879 58	2,879 58	-	2,879 58	(72 00)	(288 00)	(360 00)	2,519 58
Projector for seminars	10	10/31/08	427	1,901 11	1 901 11	-	1,901 11	(31 68)	(190 08)	(221 76)	1,679 35
Ice machine for kitchen	10	10/31/08	427	5,624 81	5,624 81	-	5,624 81	(93 74)	(562 44)	(656 18)	4,968 63
Installation of ice machine	10	10/31/08	427	1,419 89	1,419 89	-	1,419 89	(23 66)	(141 96)	(165 62)	1,254 27
Filters for ice machine	10	10/31/08	427	534 03	534 03	-	534 03	(8 90)	(53 40)	(62 30)	471 73

Kahala Senior Living Community, Inc
FEIN 99-0290103
Fixed Assets
12/31/09

			Days in		12/31/08	Current Year Additions	12/31/09	12/31/08	Current Year Depreciation	12/31/09	Net
Wireless microphone	10	12/31/08	366	3,600.00	3,600.00	-	3,600.00	-	(240.00)	(240.00)	3,360.00
Life Fitness Exercise bike	10	01/31/09	335	2,335.79	-	2,335.79	2,335.79	-	(214.17)	(214.17)	2,121.62
WaterRower machine	10	01/31/09	335	1,495.00	-	1,495.00	1,495.00	-	(137.06)	(137.06)	1,357.94
Balance-Life Fitness equipment	10	04/30/09	246	101.64	-	101.64	101.64	-	(6.80)	(6.80)	94.84
T5XR exercise machine - AL	10	05/31/09	215	6,604.00	-	6,604.00	6,604.00	-	(385.21)	(385.21)	6,218.79
Maxi Move scale	10	06/30/09	185	7,576.48	-	7,576.48	7,576.48	-	(378.84)	(378.84)	7,197.64
Ice machines for Hiolani 4th floor	10	06/30/09	185	3,466.20	-	3,466.20	3,466.20	-	(173.31)	(173.31)	3,292.89
Ice machines for Hiolani 5th floor	10	06/30/09	185	3,466.21	-	3,466.21	3,466.21	-	(173.31)	(173.31)	3,292.90
Vital signs monitor	10	09/30/09	93	6,523.56	-	6,523.56	6,523.56	-	(163.08)	(163.08)	6,360.48
Holding cabinet	10	12/14/09	18	2,755.55	-	2,755.55	2,755.55	-	-	-	2,755.55
Total Equipment- Movable					759,404.73	34,324.43	793,729.16	(162,560.30)	(57,682.34)	(220,242.64)	573,486.52
Furniture & Fixtures											
GL Account #							00-167000-00	00-167100-00		00-167100-00	
CIP Allocation	10	02/15/05	1781	1,760,453.73	1,760,453.73	-	1,760,453.73	(682,195.95)	(176,045.40)	(858,241.35)	902,212.38
Hanging traffic signs for parking garage	10	06/06/05	1670	4,034.52	4,034.52	-	4,034.52	(1,440.72)	(403.44)	(1,844.16)	2,190.36
50% deposit for partitions for admin office	10	05/17/05	1690	411.73	411.73	-	411.73	(149.27)	(41.16)	(190.43)	221.30
3 computers for nursing	10	06/23/05	1653	4,084.12	4,084.12	-	4,084.12	(1,439.36)	(408.36)	(1,847.72)	2,236.40
3 signs - pool rules and fitness room	10	05/16/05	1691	1,770.82	1,770.82	-	1,770.82	(642.59)	(177.12)	(819.71)	951.11
50% deposit for POS hardware	10	07/21/05	1625	8,489.00	8,489.00	-	8,489.00	(2,926.75)	(848.88)	(3,775.63)	4,713.37
Final payment for partitions for admin office	10	07/29/05	1617	411.73	411.73	-	411.73	(141.04)	(41.16)	(182.20)	229.53
Furniture for nursing	10	07/12/05	1634	2,374.36	2,374.36	-	2,374.36	(824.51)	(237.48)	(1,061.99)	1,312.37
5 lighting fixtures for garage	10	10/03/05	1551	1,500.00	1,500.00	-	1,500.00	(486.75)	(150.00)	(636.75)	863.25
Mixer/Amp	10	10/13/05	1541	298.95	298.95	-	298.95	(96.17)	(29.88)	(126.05)	172.90
Final payment for hardware for POS system	10	09/23/05	1561	13,965.45	13,965.45	-	13,965.45	(4,570.03)	(1,396.56)	(5,966.59)	7,998.86
2 Aquariums for nursing	10	10/20/05	1534	5,824.00	5,824.00	-	5,824.00	(1,862.71)	(582.36)	(2,445.07)	3,378.93
Gravel path & landscape lighting	10	12/20/05	1473	5,404.00	5,404.00	-	5,404.00	(1,638.06)	(540.36)	(2,178.42)	3,225.58
File cabinet for Nursing	10	01/01/06	1461	733.71	733.71	-	733.71	(219.94)	(73.32)	(293.26)	440.45
Carpet installation	10	02/01/06	1430	3,156.23	3,156.23	-	3,156.23	(919.53)	(315.60)	(1,235.13)	1,921.10
File cabinet for Business Office	10	02/01/06	1430	1,116.22	1,116.22	-	1,116.22	(325.18)	(111.60)	(436.78)	679.44
Dining room chairs	10	03/01/06	1402	20,405.75	20,405.75	-	20,405.75	(5,788.64)	(2,040.60)	(7,829.24)	12,576.51
Pool area umbrellas	10	03/01/06	1402	3,539.98	3,539.98	-	3,539.98	(1,004.21)	(354.00)	(1,358.21)	2,181.77
Furniture dining tables and bases	10	07/01/06	1280	7,452.82	7,452.82	-	7,452.82	(1,865.12)	(745.32)	(2,610.44)	4,842.38
Range	10	10/01/06	1188	185.00	185.00	-	185.00	(41.61)	(18.48)	(60.09)	124.91
Servco Pacifico	10	10/01/06	1188	(9.05)	(9.05)	-	(9.05)	2.10	0.96	3.06	(5.99)
4 flat screen TVs	10	12/01/06	1127	4,166.62	4,166.62	-	4,166.62	(868.02)	(416.64)	(1,284.66)	2,881.96
Cash Advance - Turner model	10	12/01/06	1127	5,000.00	5,000.00	-	5,000.00	(1,041.71)	(500.04)	(1,541.75)	3,458.25
AJE 16	10	12/01/06	1127	544.34	544.34	-	544.34	(113.45)	(54.48)	(167.93)	376.41
CIP Allocation	10	01/01/07	1096	20,405.75	20,405.75	-	20,405.75	(4,077.92)	(2,040.60)	(6,118.52)	14,287.23
Watering pots and circulating system	10	01/31/07	1066	1,937.17	1,937.17	-	1,937.17	(371.16)	(193.68)	(564.84)	1,372.33
Silk plants (50% down payment)	10	07/31/07	885	5,729.32	5,729.32	-	5,729.32	(813.69)	(572.88)	(1,386.57)	4,342.75
Filing Cabinet for Marketing	10	03/31/07	1007	508.55	508.55	-	508.55	(89.26)	(50.88)	(140.14)	368.41
File Cabinet for Business Office	10	05/31/07	946	640.14	640.14	-	640.14	(101.56)	(63.96)	(165.52)	474.62
Glass Table Top	10	05/31/07	946	956.69	956.69	-	956.69	(151.84)	(95.64)	(247.48)	709.21
Furniture for Casual Dining	10	05/31/07	946	11,844.83	11,844.83	-	11,844.83	(1,880.34)	(1,184.52)	(3,064.86)	8,779.97
Vertical File/Hanging clamps	10	05/31/07	946	1,385.66	1,385.66	-	1,385.66	(220.00)	(138.60)	(358.60)	1,027.06
Reimbursement	10	06/30/07	916	(692.83)	(692.83)	-	(692.83)	104.24	69.24	173.48	(519.35)
Final payment for silk flowers	10	07/31/07	885	5,729.31	5,729.31	-	5,729.31	(813.69)	(572.88)	(1,386.57)	4,342.74
Employee lockers	10	08/31/07	854	1,375.00	1,375.00	-	1,375.00	(183.64)	(137.52)	(321.16)	1,053.84
Hanging files for blueprints	10	08/31/07	854	692.83	692.83	-	692.83	(92.47)	(69.24)	(161.71)	531.12
File Cabinet for AL	10	08/31/07	854	613.77	613.77	-	613.77	(82.03)	(61.44)	(143.47)	470.30
68" HD TV for Hiolani	10	11/30/07	763	2,517.78	2,517.78	-	2,517.78	(273.43)	(251.76)	(525.19)	1,992.59
Install outlets in Hiolani	10	12/31/07	732	445.00	445.00	-	445.00	(44.52)	(44.52)	(89.04)	355.96
Console for Hiolani entertainment system	10	12/31/07	732	2,166.23	2,166.23	-	2,166.23	(216.60)	(216.60)	(433.20)	1,733.03
File cabinet & bulletin board for Lifestyles	10	10/31/07	793	1,124.88	1,124.88	-	1,124.88	(131.36)	(112.44)	(243.80)	881.08
Refinish teak furniture	10	02/29/08	672	2,690.79	2,690.79	-	2,690.79	(224.20)	(269.04)	(493.24)	2,197.55
Standup gardens - Hi'olani	10	04/30/08	611	2,160.00	2,160.00	-	2,160.00	(144.00)	(216.00)	(360.00)	1,800.00
Silk flowers	10	10/31/08	427	4,755.04	4,755.04	-	4,755.04	(79.26)	(475.56)	(554.82)	4,200.22
Fabric - Kahala Terrace chairs	10	10/31/08	427	6,111.34	6,111.34	-	6,111.34	(101.86)	(611.16)	(713.02)	5,398.32
Reupholster Dining Room chairs	10	12/31/08	366	5,513.08	5,513.08	-	5,513.08	-	(551.28)	(551.28)	4,961.80
Tea Set	10	11/30/08	397	1,390.13	1,390.13	-	1,390.13	(23.16)	(138.96)	(162.12)	1,228.01
Round table	10	01/31/09	335	1,305.34	-	1,305.34	1,305.34	-	(119.68)	(119.68)	1,185.66
Reupholster Dining Room chairs	10	01/31/09	335	2,382.20	-	2,382.20	2,382.20	-	(218.35)	(218.35)	2,163.85
Reupholster Dining Room chairs	10	02/28/09	307	4,083.77	-	4,083.77	4,083.77	-	(340.30)	(340.30)	3,743.47
Reupholster Dining Room chairs	10	03/31/09	276	3,198.95	-	3,198.95	3,198.95	-	(239.94)	(239.94)	2,959.01
Valet stand	10	05/31/09	215	4,156.88	-	4,156.88	4,156.88	-	(242.48)	(242.48)	3,914.40
Reupholster pool furniture	10	05/31/09	215	4,960.52	-	4,960.52	4,960.52	-	(289.38)	(289.38)	4,671.14
Tablewares - Hiolani	5	09/30/09	93	6,343.66	-	6,343.66	6,343.66	-	(317.19)	(317.19)	6,026.47
Tablewares - Hiolani (soup bowls)	5	10/31/09	62	648.38	-	648.38	648.38	-	(21.62)	(21.62)	626.76
Tableware - back order	5	12/03/09	29	648.38	-	648.38	648.38	-	-	-	648.38
Total F&F					1,935,314.49	27,728.08	1,963,042.57	(720,610.97)	(195,320.14)	(915,931.11)	1,047,111.46
Unit Renovations											
GL Account #							00-167500-00	00-167600-00		00-167600-00	
Joyce Timpson & Association Inc FTE-pla	5	04/01/06	1371	2,163.01	2,163.01	-	2,163.01	(1,190.44)	(432.60)	(1,623.04)	539.97
Joyce Timpson & Association Inc Pikake	5	04/01/06	1371	1,778.63	1,778.63	-	1,778.63	(978.85)	(355.68)	(1,334.53)	444.10
Joyce Timpson & Association Inc FFE Mem	5	04/01/06	1371	234.37	234.37	-	234.37	(129.04)	(46.92)	(175.96)	58.41

Kahala Senior Living Community, Inc
FEIN 99-0290103
Fixed Assets
12/31/09

			Days in		12/31/08	Current Year Additions	12/31/09	12/31/08	Current Year Depreciation	12/31/09	Net
Jim Nabors-kitchen cabinet	5	07/01/06	1280	9,876.00	9,876.00	-	9,876.00	(4,942.96)	(1,975.20)	(6,918.16)	2,957.84
Joyce Timpson & Association Inc model m	5	07/01/06	1280	12,139.26	12,139.26	-	12,139.26	(6,075.71)	(2,427.84)	(8,503.55)	3,635.71
Joyce Timpson & Association Inc mgmt fe	5	07/01/06	1280	6,999.96	6,999.96	-	6,999.96	(3,503.55)	(1,400.04)	(4,903.59)	2,096.37
Closet Systems-33313	5	08/01/06	1249	470.80	470.80	-	470.80	(227.68)	(94.20)	(321.88)	148.92
Closet Systems of Hawaii Lehua #440	5	08/01/06	1249	524.97	524.97	-	524.97	(253.84)	(105.00)	(358.84)	166.13
Annie Ruth Collins upgrade reimbursement	5	08/01/06	1249	3,177.64	3,177.64	-	3,177.64	(1,536.43)	(635.52)	(2,171.95)	1,005.69
G&S Shutter Designs	5	08/01/06	1249	22,920.00	22,920.00	-	22,920.00	(11,082.19)	(4,584.00)	(15,666.19)	7,253.81
First Hawaiian Bank-92806	5	09/01/06	1218	539.00	539.00	-	539.00	(251.42)	(107.76)	(359.18)	179.82
Design-5	5	09/01/06	1218	2,133.32	2,133.32	-	2,133.32	(995.32)	(426.72)	(1,422.04)	711.28
Closet Systems of Hawaii	5	09/01/06	1218	470.80	470.80	-	470.80	(219.69)	(94.20)	(313.89)	156.91
Servco Pacific Inc dishwasher-unit 217	5	09/01/06	1218	985.41	985.41	-	985.41	(459.68)	(197.04)	(656.72)	328.69
City Mill	5	10/01/06	1188	76.84	76.84	-	76.84	(34.58)	(15.36)	(49.94)	26.90
Kahala Senior Living Community, Inc pet	5	10/01/06	1188	100.00	100.00	-	100.00	(45.05)	(20.04)	(65.09)	34.91
Annie Ruth Collins reimb for upgrade pac	5	10/01/06	1188	6,679.56	6,679.56	-	6,679.56	(3,006.46)	(1,335.96)	(4,342.42)	2,337.14
Closet Systems of Hawaii	5	10/01/06	1188	182.28	182.28	-	182.28	(82.07)	(36.48)	(118.55)	63.73
Betsy Kagawa refund for closet systems u	5	10/01/06	1188	2,427.14	2,427.14	-	2,427.14	(1,092.40)	(485.40)	(1,577.80)	849.34
Design-5	5	10/01/06	1188	474.00	474.00	-	474.00	(213.34)	(94.80)	(308.14)	165.86
Force Electric, Inc install outlets in	5	10/01/06	1188	4,000.00	4,000.00	-	4,000.00	(1,800.41)	(800.04)	(2,600.45)	1,399.55
Servco Pacific Inc range for unit #217	5	10/01/06	1188	1,653.12	1,653.12	-	1,653.12	(744.03)	(330.60)	(1,074.63)	578.49
Closet Systems of Hawaii	5	10/01/06	1188	470.80	470.80	-	470.80	(211.95)	(94.20)	(306.15)	164.65
Design-5 unit #200	5	10/01/06	1188	2,133.32	2,133.32	-	2,133.32	(960.25)	(426.72)	(1,386.97)	746.35
Design-5 unit #500	5	10/01/06	1188	2,133.32	2,133.32	-	2,133.32	(960.25)	(426.72)	(1,386.97)	746.35
Design-5 unit #501	5	10/01/06	1188	2,133.32	2,133.32	-	2,133.32	(960.25)	(426.72)	(1,386.97)	746.35
Terence Fowler reimbursement	5	11/01/06	1157	496.88	496.88	-	496.88	(215.18)	(99.36)	(314.54)	182.34
Jack Harmon drapes & cabinets upgrade re	5	11/01/06	1157	24,717.55	24,717.55	-	24,717.55	(10,705.31)	(4,943.52)	(15,648.83)	9,068.72
Ralph Uemae reimbursement for Westpac In	5	11/01/06	1157	1,487.07	1,487.07	-	1,487.07	(644.00)	(297.36)	(941.36)	545.71
CIP allocation	5	12/01/06	1127	1,180.20	1,180.20	-	1,180.20	(491.75)	(236.04)	(727.79)	452.41
The Floor Store carpet in unit 416	5	12/01/06	1127	9,703.49	9,703.49	-	9,703.49	(4,043.19)	(1,940.76)	(5,983.95)	3,719.54
Closet Systems of Hawaii closet in unit	5	12/01/06	1127	470.80	470.80	-	470.80	(196.21)	(94.20)	(290.41)	180.39
Closet Systems of Hawaii closet in Ilima	5	12/01/06	1127	2,590.46	2,590.46	-	2,590.46	(1,079.30)	(518.04)	(1,597.34)	993.12
The Floor Store carpet in unit #304	5	12/01/06	1127	2,480.45	2,480.45	-	2,480.45	(1,033.51)	(496.08)	(1,529.59)	950.86
The Floor Store carpet in unit 617	5	12/01/06	1127	3,476.44	3,476.44	-	3,476.44	(1,448.51)	(695.28)	(2,143.79)	1,332.65
Shari Saiki Design Studio proposal #9642	5	12/01/06	1127	12,572.86	12,572.86	-	12,572.86	(5,238.72)	(2,514.60)	(7,753.32)	4,819.54
CNJ Appliance Plus	5	12/01/06	1127	300.00	300.00	-	300.00	(125.00)	(60.00)	(185.00)	115.00
Servco Pacific Inc unit #317	5	12/01/06	1127	2,686.38	2,686.38	-	2,686.38	(1,119.29)	(537.24)	(1,656.53)	1,029.85
G&S Shutter Designs unit #400	5	12/01/06	1127	5,644.00	5,644.00	-	5,644.00	(2,351.71)	(1,128.84)	(3,480.55)	2,163.45
G&S Shutter Designs	5	12/01/06	1127	525.00	525.00	-	525.00	(218.75)	(105.00)	(323.75)	201.25
G&S Shutter Designs unit #501	5	12/01/06	1127	2,100.00	2,100.00	-	2,100.00	(875.00)	(420.00)	(1,295.00)	805.00
AJE	5	12/31/06	1097	14,933.24	14,933.24	-	14,933.24	(5,976.74)	(2,986.68)	(8,963.42)	5,969.82
Unit renovations	5	01/31/07	1066	24,639.97	24,639.97	-	24,639.97	(9,443.12)	(4,928.04)	(14,371.16)	10,268.81
Unit renovations	5	02/28/07	1038	29,375.34	29,375.34	-	29,375.34	(10,807.19)	(5,875.08)	(16,682.27)	12,693.07
Unit renovations	5	03/31/07	1007	58,871.72	58,871.72	-	58,871.72	(20,658.93)	(11,774.40)	(32,433.33)	26,438.39
Unit renovations	5	04/30/07	977	45,204.92	45,204.92	-	45,204.92	(15,119.97)	(9,041.04)	(24,161.01)	21,043.91
Unit renovations	5	05/31/07	946	945.00	945.00	-	945.00	(300.03)	(189.00)	(489.03)	455.97
Unit renovations	5	06/30/07	916	10,999.97	10,999.97	-	10,999.97	(3,311.51)	(2,199.96)	(5,511.47)	5,488.50
Unit renovations	5	07/31/07	885	21,919.33	21,919.33	-	21,919.33	(6,226.46)	(4,383.84)	(10,610.30)	11,309.03
Unit renovations	5	08/31/07	854	17,555.68	17,555.68	-	17,555.68	(4,688.80)	(3,511.20)	(8,200.00)	9,355.68
Unit renovations	5	09/30/07	824	20,345.79	20,345.79	-	20,345.79	(5,099.50)	(4,069.20)	(9,168.70)	11,177.09
Unit renovations	5	10/31/07	793	2,835.59	2,835.59	-	2,835.59	(662.55)	(567.12)	(1,229.67)	1,605.92
Unit renovations	5	11/30/07	763	157.07	157.07	-	157.07	(34.15)	(31.44)	(65.59)	91.48
Unit renovations	5	12/31/07	732	13,671.32	13,671.32	-	13,671.32	(2,734.32)	(2,734.32)	(5,468.64)	8,202.68
Unit Renovations - January	5	01/31/08	701	5,189.52	5,189.52	-	5,189.52	(951.39)	(1,037.88)	(1,989.27)	3,200.25
Unit Renovations - Febuary	5	02/29/08	672	4,631.50	4,631.50	-	4,631.50	(771.90)	(926.28)	(1,698.18)	2,933.32
Unit Renovations - March	5	03/31/08	641	7,715.31	7,715.31	-	7,715.31	(1,157.31)	(1,543.08)	(2,700.39)	5,014.92
Unit Renovations - April	5	04/30/08	611	11,985.92	11,985.92	-	11,985.92	(1,598.16)	(2,397.24)	(3,995.40)	7,990.52
Unit Renovations - May	5	05/31/08	580	14,373.75	14,373.75	-	14,373.75	(1,676.92)	(2,874.72)	(4,551.64)	9,822.11
Unit Renovations - June	5	06/30/08	550	6,639.78	6,639.78	-	6,639.78	(663.96)	(1,327.92)	(1,991.88)	4,647.90
Unit Renovations - July	5	07/31/08	519	27,566.32	27,566.32	-	27,566.32	(2,297.20)	(5,513.28)	(7,810.48)	19,755.84
Unit Renovations - August	5	08/31/08	488	16,240.80	16,240.80	-	16,240.80	(1,082.72)	(3,248.16)	(4,330.88)	11,909.92
Unit Renovations - September	5	09/30/08	458	4,402.09	4,402.09	-	4,402.09	(220.11)	(880.44)	(1,100.55)	3,301.54
Unit Renovations - October	5	10/31/08	427	8,390.00	8,390.00	-	8,390.00	(279.66)	(1,677.96)	(1,957.62)	6,432.38
Unit Renovations - November	5	11/30/08	397	4,807.54	4,807.54	-	4,807.54	(80.13)	(961.56)	(1,041.69)	3,765.85
Unit Renovations - December	5	12/31/08	366	3,756.03	3,756.03	-	3,756.03	-	(751.20)	(751.20)	3,004.83
Unit Renovations - February	5	02/28/09	307	9,928.72	-	9,928.72	9,928.72	-	(1,654.80)	(1,654.80)	8,273.92
Unit Renovations - March	5	03/31/09	276	14,419.87	-	14,419.87	14,419.87	-	(2,162.97)	(2,162.97)	12,256.90
Unit Renovations - April	5	04/30/09	246	6,814.15	-	6,814.15	6,814.15	-	(908.56)	(908.56)	5,905.59
Unit Renovations - May - AL	5	05/31/09	215	4,611.70	-	4,611.70	4,611.70	-	(538.02)	(538.02)	4,073.68
Unit Renovations - May - IL	5	05/31/09	215	2,653.78	-	2,653.78	2,653.78	-	(309.61)	(309.61)	2,344.17
Unit Renovations - June - IL	5	06/30/09	185	3,485.38	-	3,485.38	3,485.38	-	(348.54)	(348.54)	3,136.84
Unit Renovations - July	5	07/31/09	154	6,760.33	-	6,760.33	6,760.33	-	(563.35)	(563.35)	6,196.98
Unit Renovations - September - IL	5	09/30/09	93	7,762.81	-	7,762.81	7,762.81	-	(388.14)	(388.14)	7,374.67
Unit Renovations - August	5	08/31/09	123	3,566.39	-	3,566.39	3,566.39	-	(237.76)	(237.76)	3,328.63
Unit Renovations - September - AL	5	09/30/09	93	1,501.53	-	1,501.53	1,501.53	-	(75.09)	(75.09)	1,426.44
Unit Renovations - IL	5	10/31/09	62	3,893.24	-	3,893.24	3,893.24	-	(129.78)	(129.78)	3,763.46
Unit Renovations - AL	5	10/31/09	62	1,454.97	-	1,454.97	1,454.97	-	(48.50)	(48.50)	1,406.47
Range	5	12/23/09	9	1,360.21	-	1,360.21	1,360.21	-	-	-	1,360.21
Replace carpet	5	12/02/09	30	1,539.93	-	1,539.93	1,539.93	-	-	-	1,539.93
Replace carpet	5	12/18/09	14	2,930.91	-	2,930.91	2,930.91	-	-	-	2,930.91
Replace carpet	3	09/21/09	102	2,706.73	-	2,706.73	2,706.73	-	(225.57)	(225.57)	2,481.16

Kalala Senior Living Community, Inc
FEIN 99-0290103
Fixed Assets
12/31/09

			Days in		12/31/08	Current Year Additions	12/31/09	12/31/08	Current Year Depreciation	12/31/09	Net
Total Unit Renovations					534,461 95	75,390 65	609,852 60	(167,586 00)	(114,483 81)	(282,069 81)	327,782 79
Computer											
GL Account #							00-168000-00	00-168100-00		00-168100-00	
CIP Allocation	3	02/15/05	1781	144,846 49	144,846 49	-	144,846 49	(144,846 49)	-	(144,846 49)	-
2 Analog cards	3	05/16/05	1691	8,648 90	8,648 90	-	8,648 90	(8,648 90)	-	(8,648 90)	-
AVWARE Software	3	12/19/05	1474	848 07	848 07	-	848 07	(848 07)	-	(848 07)	-
SonicWALL Software	3	12/22/05	1471	342 00	342 00	-	342 00	(342 00)	-	(342 00)	-
Computer software	3	01/01/06	1461	672 77	672 77	-	672 77	(672 44)	(0 33)	(672 77)	-
Manager Plus Software (Quest)	3	03/01/06	1402	720 00	720 00	-	720 00	(680 82)	(39 18)	(720 00)	-
Software for Medicare billing (VisionShare)	3	03/01/06	1402	747 76	747 76	-	747 76	(707 06)	(40 70)	(747 76)	-
Computer - Business office	3	06/01/06	1310	1,254 51	1 254 51	-	1,254 51	(1,080 88)	(173 63)	(1,254 51)	-
Computer software upgrade - Sonicwall	3	08/01/06	1249	1,692 60	1,692 60	-	1,692 60	(1,364 04)	(328 56)	(1,692 60)	-
CIP Allocation	3	01/01/07	1096	(39,786 22)	(39,786 22)	-	(39,786 22)	39,786 22	-	39,786 22	-
Amortization software	3	09/30/07	824	2,000 00	2,000 00	-	2,000 00	(835 52)	(666 72)	(1,502 24)	497 76
Fox systems set up fee	3	12/31/07	732	2,500 00	2,500 00	-	2,500 00	(833 28)	(833 28)	(1,666 56)	833 44
Fox systems user fee	3	12/31/07	732	1,425 00	1 425 00	-	1,425 00	(474 96)	(474 96)	(949 92)	475 08
Purchased 2 computers	3	07/31/07	885	4,190 04	4 190 04	-	4,190 04	(1,983 73)	(1,396 68)	(3,380 41)	809 63
3 computers	3	12/31/07	732	2,340 31	2,340 31	-	2,340 31	(780 12)	(780 12)	(1,560 24)	780 07
Computers (2)	3	01/31/08	701	5,072 91	5,072 91	-	5,072 91	(1,550 01)	(1,690 92)	(3,240 93)	1,831 98
PM Work program	3	02/29/08	672	14,397 20	14,397 20	-	14,397 20	(3,999 20)	(4,799 04)	(8,798 24)	5,598 96
PM Work program expenses	3	05/31/08	580	1,752 59	1,752 59	-	1,752 59	(340 76)	(584 16)	(924 92)	827 67
5 Dell monitowers	3	07/31/08	519	5,424 37	5,424 37	-	5,424 37	(753 40)	(1,808 16)	(2,561 56)	2,862 81
Printer	3	10/31/09	62	1,156 71	-	1 156 71	1,156 71	-	(64 26)	(64 26)	1,092 45
Total Computer					159,089 30	1,156 71	160,246 01	(130,955 46)	(13,680 70)	(144,636 16)	15,609 85
Vehicles											
GL Account #							00-169000-00	00-169100-00		00-169100-00	
CIP Allocation	5	02/15/05	1781	28,437 97	28,437 97	-	28,437 97	(22,040 13)	(5,687 64)	(27,727 77)	710 20
2006 Nissan King Cab Truck for Maintenance	5	01/31/07	1066	20,400 00	20,400 00	-	20,400 00	(7,818 14)	(4,080 00)	(11,898 14)	8,501 86
Logo on new truck	5	02/28/07	1038	329 84	329 84	-	329 84	(121 38)	(66 00)	(187 38)	142 46
2008 Van w/lift	5	07/31/08	519	48,617 78	48,617 78	-	48,617 78	(4,051 50)	(9,723 60)	(13,775 10)	34,842 68
Total Vehicles					97,785 59	-	97,785 59	(34,031 15)	(19,557 24)	(53,588 39)	44,197 20
Total Fixed Assets					153,051 131 18	262,845 87	153,313 977 05	(15,701,241 17)	(4,169,038 03)	(19,870,279 20)	133,443,697 85

Ziegler
REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
06-12-08	01-02-09	75,000 00	FNMA 4.750% Due 01-02-13	74,512	75,000	487	
02-14-08	01-15-09	1,570 77	FHLMC REMIC SERIES R015 AN 3.750% Due 02-15-13	1,570	1,571	1	
08-08-08	01-15-09	553 99	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	549	554	5	
10-09-08	01-15-09	1,169.08	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,157	1,169	12	
09-08-05	01-15-09	1,191.51	FHRR R001 AE 4.375% Due 04-15-15	1,182	1,192		9
05-22-08	01-25-09	792 39	SBA LOAN #508428 PRIME +0 325% (M/M) 3 575% Due 11-25-19	844	792	-52	
05-29-08	01-25-09	1,562.42	SBA LOAN #508381 PRIME +0 575% (M/M) 3 825% Due 09-25-19	1,678	1,562	-115	
03-02-04	01-25-09	309 45	SBA POOL #506736 PRIME + 875% (Q/M) 4.125% Due 05-25-10	332	309		-23
03-02-04	01-25-09	185 54	SBA POOL #506248 PRIME + 375% (M/M) 3 625% Due 05-25-12	199	186		-14
02-13-04	01-25-09	383.73	SBA POOL #506818 PRIME -0 1250% (Q/M) 3.125% Due 02-25-16	412	384		-29
07-20-07	01-25-09	334 09	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	349	334		-15

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Ziegler
REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
05-11-04	01-25-09	180 27	SBA POOL #506893 PRIME -0.125% (Q/M) 3 125% Due 01-25-13	192	180		-12
07-20-07	01-25-09	128 36	SBA POOL #506893 PRIME -0 125% (Q/M) 3 125% Due 01-25-13	132	128		-4
05-11-04	01-25-09	131.49	SBA POOL #506893 PRIME -0 125% (Q/M) 3 125% Due 01-25-13	140	131		-9
07-20-07	01-25-09	93 63	SBA POOL #506893 PRIME -0 125% (Q/M) 3.125% Due 01-25-13	96	94		-3
09-16-05	01-25-09	319.00	SBA POOL #507442 PRIME + 0 375 (Q/M) 3 625% Due 05-25-16	346	319		-27
09-16-05	01-25-09	1,286.24	SBA POOL #507440 PRIME + 0.375 (Q/M) 3 625% Due 12-25-14	1,389	1,286		-103
09-16-05	01-25-09	388.29	SBA POOL #507486 PRIME + 1 015 (Q/M) 4 265% Due 06-25-15	425	388		-37
06-21-06	01-25-09	793.11	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	790	793		3
12-07-06	02-05-09	330,000.00	UNITED STATES TREAS NTS 4 625% Due 11-15-09	331,186	340,325		9,139
08-09-06	02-05-09	325,000 00	FNMA 5 375% Due 08-15-09	327,101	333,034		5,933
02-14-08	02-15-09	1,961.43	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,961	1,961		1

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REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
08-08-08	02-15-09	1,149 01	FHLMC CMO SERIES 2632 NE 4.000% Due 06-15-13	1,139	1,149	10	
10-09-08	02-15-09	1,068 81	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,058	1,069	11	
09-08-05	02-15-09	1,357 00	FHRR R001 AE 4 375% Due 04-15-15	1,346	1,357		11
05-22-08	02-25-09	8,750 62	SBA LOAN #508428 PRIME +0 325% (M/M) 3 575% Due 11-25-19	9,319	8,751	-569	
05-29-08	02-25-09	1,767 24	SBA LOAN #508381 PRIME +0 575% (M/M) 3 825% Due 09-25-19	1,898	1,767	-130	
03-02-04	02-25-09	310 96	SBA POOL #506736 PRIME + .875% (Q/M) 4 125% Due 05-25-10	334	311		-23
03-02-04	02-25-09	186 21	SBA POOL #506248 PRIME + 375% (M/M) 3 625% Due 05-25-12	200	186		-14
02-13-04	02-25-09	385 29	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	414	385		-29
07-20-07	02-25-09	335.45	SBA POOL #506818 PRIME -0 1250% (Q/M) 3.125% Due 02-25-16	351	335		-15
05-11-04	02-25-09	181 00	SBA POOL #506893 PRIME -0 125% (Q/M) 3 125% Due 01-25-13	193	181		-12
07-20-07	02-25-09	128 89	SBA POOL #506893 PRIME -0.125% (Q/M) 3 125% Due 01-25-13	133	129		-4

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REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. 2003A Debt Service Reserve

(knuidsra)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
05-11-04	02-25-09	132 02	SBA POOL #506893 PRIME -0 125% (Q/M) 3 125% Due 01-25-13	141	132		-9
07-20-07	02-25-09	94 01	SBA POOL #506893 PRIME -0 125% (Q/M) 3 125% Due 01-25-13	97	94		-3
09-16-05	02-25-09	320 43	SBA POOL #507442 PRIME + 0 375 (Q/M) 3 625% Due 05-25-16	348	320		-27
09-16-05	02-25-09	566.86	SBA POOL #507440 PRIME + 0 375 (Q/M) 3 625% Due 12-25-14	612	567		-45
09-16-05	02-25-09	390 23	SBA POOL #507486 PRIME + 1 015 (Q/M) 4 265% Due 06-25-15	427	390		-37
06-21-06	02-25-09	1,115.57	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,111	1,116		5
02-14-08	03-15-09	2,879 79	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	2,879	2,880		1
08-08-08	03-15-09	3,624 36	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	3,593	3,624	32	
10-09-08	03-15-09	1,168 56	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,157	1,169	12	
09-08-05	03-15-09	1,732.68	FHRR R001 AE 4.375% Due 04-15-15	1,719	1,733		13
03-27-07	03-19-09	165,000 00	FNMA 4 750% Due 03-12-10	164,970	170,999		6,029
11-08-06	03-19-09	50,000 00	FHLMC 4 000% Due 12-15-09	48,745	51,174		2,429

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REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. 2003A Debt Service Reserve

(knuidsra)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
12-07-06	03-19-09	170,000 00	FHLMC 4 000% Due 12-15-09	166,778	173,993		7,215
03-08-07	03-19-09	95,000 00	UNITED STATES TREAS NTS 4.750% Due 02-15-10	95,683	98,473		2,791
04-05-07	03-19-09	100,000 00	UNITED STATES TREAS NTS 4 750% Due 02-15-10	100,500	103,656		3,156
10-05-06	03-19-09	250,000 00	FHLB 5 000% Due 09-18-09	251,156	255,384		4,229
03-12-08	03-19-09	165,000.00	FNMA 4 000% Due 03-19-13	164,794	165,000		206
05-11-04	03-19-09	16,240 13	SBA POOL #506893 PRIME -0 125% (Q/M) 3.125% Due 01-25-13	17,296	16,260		-1,035
07-20-07	03-19-09	10,448 95	SBA POOL #506893 PRIME -0 125% (Q/M) 3 125% Due 01-25-13	10,749	10,462		-287
11-12-08	03-20-09	170,000.00	FFCB 3 375% Due 11-18-11	170,000	171,970	1,970	
09-16-05	03-25-09	45,490 80	SBA POOL #507440 PRIME + 0 375 (Q/M) 3 625% Due 12-25-14	49,130	46,429		-2,701
05-22-08	03-25-09	61,375.24	SBA LOAN #508428 PRIME +0 325% (M/M) 3.575% Due 11-25-19	65,365	62,948	-2,416	
05-29-08	03-25-09	56,063 08	SBA LOAN #508381 PRIME +0 575% (M/M) 3 825% Due 09-25-19	60,198	57,850	-2,347	
09-16-05	03-25-09	33,460 63	SBA POOL #507442 PRIME + 0 375 (Q/M) 3 625% Due 05-25-16	36,305	34,224		-2,081

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REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
03-02-04	03-25-09	7,438 21	SBA POOL #506248 PRIME +.375% (M/M) 3 625% Due 05-25-12	7,996	7,410		-586
03-02-04	03-25-09	4,218 88	SBA POOL #506736 PRIME + .875% (Q/M) 4 125% Due 05-25-10	4,533	4,224		-308
09-16-05	03-25-09	35,337.90	SBA POOL #507486 PRIME + 1 015 (Q/M) 4 265% Due 06-25-15	38,684	36,586		-2,098
05-22-08	03-25-09	395 95	SBA LOAN #508428 PRIME +0 325% (M/M) 3.575% Due 11-25-19	422	396	-26	
05-29-08	03-25-09	1,592 46	SBA LOAN #508381 PRIME +0 575% (M/M) 3 825% Due 09-25-19	1,710	1,592	-117	
03-02-04	03-25-09	315 72	SBA POOL #506736 PRIME + 875% (Q/M) 4 125% Due 05-25-10	339	316		-23
03-02-04	03-25-09	189.17	SBA POOL #506248 PRIME + 375% (M/M) 3 625% Due 05-25-12	203	189		-14
02-13-04	03-25-09	11,870 78	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	12,759	11,871		-888
07-20-07	03-25-09	10,334 99	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	10,811	10,335		-476
09-16-05	03-25-09	343 79	SBA POOL #507442 PRIME + 0 375 (Q/M) 3 625% Due 05-25-16	373	344		-29
09-16-05	03-25-09	600 00	SBA POOL #507440 PRIME + 0 375 (Q/M) 3 625% Due 12-25-14	648	600		-48

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REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

						Gain Or Loss	
Open Date	**Close Date**	**Quantity**	**Security**	**Cost Basis**	**Proceeds**	**Short Term**	**Long Term**
09-16-05	03-25-09	415 38	SBA POOL #507486 PRIME + 1 015 (Q/M) 4 265% Due 06-25-15	455	415		-39
06-21-06	03-25-09	1,689 95	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,683	1,690		7
07-20-07	03-25-09	556.88	SBA POOL #506893 PRIME -0 125% (Q/M) 3.125% Due 01-25-13	573	557		-16
02-13-04	03-25-09	26,765 91	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	28,769	26,808		-1,961
07-20-07	03-25-09	22,681.68	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	23,726	22,717		-1,009
04-09-08	04-01-09	170,000.00	FNMA 3 150% Due 04-01-11	170,000	170,000	0	
08-08-08	04-15-09	4,852.06	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	4,810	4,852	42	
10-09-08	04-15-09	1,477 17	FHLMC REMIC SERIES 2874 2.787% Due 06-15-18	1,462	1,477	15	
09-08-05	04-15-09	2,038 40	FHRR R001 AE 4 375% Due 04-15-15	2,023	2,038		16
02-14-08	04-15-09	2,355 21	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	2,354	2,355		1
06-21-06	04-25-09	1,645 82	FNMA REMIC TRUST 2006-B1 6.000% Due 06-25-16	1,639	1,646		7

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REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. 2003A Debt Service Reserve

(knuidsra)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
07-20-07	04-25-09	558 34	SBA POOL #506893 PRIME -0 125% (Q/M) 3.125% Due 01-25-13	574	558		-16
05-22-08	04-25-09	397 12	SBA LOAN #508428 PRIME +0 325% (M/M) 3 575% Due 11-25-19	423	397	-26	
05-29-08	04-25-09	364.63	SBA LOAN #508381 PRIME +0 575% (M/M) 3 825% Due 09-25-19	392	365	-27	
03-02-04	04-25-09	316 80	SBA POOL #506736 PRIME + 875% (Q/M) 4 125% Due 05-25-10	340	317		-24
03-02-04	04-25-09	189 74	SBA POOL #506248 PRIME + 375% (M/M) 3 625% Due 05-25-12	204	190		-14
07-20-07	04-25-09	541 18	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	566	541		-25
09-16-05	04-25-09	601.82	SBA POOL #507440 PRIME + 0 375 (Q/M) 3 625% Due 12-25-14	650	602		-48
09-16-05	04-25-09	416 81	SBA POOL #507486 PRIME + 1 015 (Q/M) 4 265% Due 06-25-15	456	417		-39
09-16-05	04-25-09	344 83	SBA POOL #507442 PRIME + 0 375 (Q/M) 3 625% Due 05-25-16	374	345		-29
11-24-08	05-07-09	170,000 00	FNMA 4 090% Due 05-07-13	169,575	170,000	425	
02-14-08	05-15-09	1,556 79	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,556	1,557		1

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REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
08-08-08	05-15-09	4,419 13	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	4,380	4,419	39	
10-09-08	05-15-09	1,664 61	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,648	1,665	17	
09-08-05	05-15-09	1,896 03	FHRR R001 AE 4 375% Due 04-15-15	1,881	1,896		15
05-19-08	05-21-09	120,000.00	FNMA 3 250% Due 05-21-21	120,000	120,000		0
06-21-06	05-25-09	1,603 96	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,597	1,604		7
02-14-08	06-15-09	1,636 01	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,635	1,636		1
08-08-08	06-15-09	3,464 61	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	3,434	3,465	30	
10-09-08	06-15-09	1,226 63	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,214	1,227	12	
09-08-05	06-15-09	1,870 53	FHRR R001 AE 4 375% Due 04-15-15	1,856	1,871		15
07-06-07	06-17-09	250,000 00	UNITED STATES TREAS NTS 4 500% Due 05-15-10	246,582	258,994		12,412
07-20-07	06-25-09	0 88	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	1	1		0
06-21-06	06-25-09	1,604 60	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,598	1,605		7

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REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
02-14-08	07-15-09	1,744 49	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,744	1,744		1
08-08-08	07-15-09	5,048 38	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	5,004	5,048	44	
10-09-08	07-15-09	1,321 52	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,308	1,322	13	
09-08-05	07-15-09	2,071 12	FHRR R001 AE 4 375% Due 04-15-15	2,055	2,071		16
07-20-07	07-25-09	0 88	SBA POOL #506818 PRIME -0.1250% (Q/M) 3 125% Due 02-25-16	1	1		0
06-21-06	07-25-09	1,466 93	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,461	1,467		6
12-19-07	08-06-09	325,000.00	FHLB 4 625% Due 02-18-11	333,018	342,400		9,383
10-20-08	08-13-09	130,000 00	UNITED STATES TREAS NTS 4 875% Due 07-31-11	140,227	139,430	-797	
11-08-06	08-15-09	135,000 00	UNITED STATES TREAS NTS 4 875% Due 08-15-09	135,654	135,000		-654
02-14-08	08-15-09	1,433 83	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,433	1,434		1
08-08-08	08-15-09	3,657 64	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	3,626	3,658		32

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REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. 2003A Debt Service Reserve

(knuidsra)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
10-09-08	08-15-09	1,331 73	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,318	1,332	13	
09-08-05	08-15-09	1,759 76	FHRR R001 AE 4 375% Due 04-15-15	1,746	1,760		14
03-08-07	08-18-09	130,000.00	FNMA 4 750% Due 12-15-10	129,982	136,867		6,885
07-20-07	08-25-09	0 89	SBA POOL #506818 PRIME -0.1250% (Q/M) 3 125% Due 02-25-16	1	1		0
06-21-06	08-25-09	1,502 50	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,496	1,502		6
08-18-09	09-15-09	4,548.06	FHLMC REMIC SERIES 2843 4.000% Due 01-15-18	4,681	4,548	-133	
02-14-08	09-15-09	1,325.39	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,325	1,325		1
08-08-08	09-15-09	2,704.32	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	2,681	2,704		24
10-09-08	09-15-09	1,151 71	FHLMC REMIC SERIES 2874 2.787% Due 06-15-18	1,140	1,152	12	
09-08-05	09-15-09	1,526 12	FHRR R001 AE 4 375% Due 04-15-15	1,514	1,526		12
08-12-09	09-25-09	3,539 95	FNMA PASS-THRU SHRT 10 YEAR 4.000% Due 03-01-14	3,662	3,540	-122	
07-20-07	09-25-09	0.89	SBA POOL #506818 PRIME -0 1250% (Q/M) 3.125% Due 02-25-16	1	1		0

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REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. 2003A Debt Service Reserve
(knuidsra)
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
06-21-06	09-25-09	1,507 85	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,501	1,508		6
02-14-08	10-15-09	1,537 29	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,537	1,537		1
08-08-08	10-15-09	1,862.97	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	1,847	1,863		16
10-09-08	10-15-09	1,248 02	FHLMC REMIC SERIES 2874 2 787% Due 06-15-18	1,236	1,248		12
08-18-09	10-15-09	4,017 04	FHLMC REMIC SERIES 2843 4 000% Due 01-15-18	4,134	4,017	-117	
09-08-05	10-15-09	1,378 56	FHRR R001 AE 4 375% Due 04-15-15	1,368	1,379		11
08-12-09	10-25-09	3,709 08	FNMA PASS-THRU SHRT 10 YEAR 4.000% Due 03-01-14	3,837	3,709	-127	
07-20-07	10-25-09	0 89	SBA POOL #506818 PRIME -0 1250% (Q/M) 3.125% Due 02-25-16	1	1		0
06-21-06	10-25-09	1,375 31	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,370	1,375		6
05-06-09	10-28-09	200,000 00	JPMORGAN CHASE & CO FDIC TLGP 2 125% Due 12-26-12	201,626	202,730	1,104	
03-08-07	11-05-09	150,000 00	FNMA 4 750% Due 12-15-10	149,979	156,973		6,994

*Inception date 1/31/03

Ziegler

REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. 2003A Debt Service Reserve

(knuidsra)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
02-14-08	11-15-09	1,310 79	FHLMC REMIC SERIES R015 AN 3.750% Due 02-15-13	1,310	1,311		1
08-08-08	11-15-09	3,594 83	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	3,563	3,595		31
10-09-08	11-15-09	1,231 36	FHLMC REMIC SERIES 2874 2.787% Due 06-15-18	1,219	1,231		12
08-18-09	11-15-09	3,533 31	FHLMC REMIC SERIES 2843 4 000% Due 01-15-18	3,636	3,533	-103	
09-08-05	11-15-09	1,423 59	FHRR R001 AE 4 375% Due 04-15-15	1,413	1,424		11
08-12-09	11-25-09	3,438 51	FNMA PASS-THRU SHRT 10 YEAR 4 000% Due 03-01-14	3,557	3,439	-118	
07-20-07	11-25-09	0.89	SBA POOL #506818 PRIME -0.1250% (Q/M) 3 125% Due 02-25-16	1	1		0
10-06-09	11-25-09	4,859 30	FN 254752 4.000% Due 03-01-13	5,002	4,859	-143	
06-21-06	11-25-09	1,436.72	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	1,431	1,437		6
03-19-09	12-08-09	510,000 00	FNMA 2 000% Due 01-09-12	514,794	520,735	5,941	
02-14-08	12-15-09	1,472 61	FHLMC REMIC SERIES R015 AN 3 750% Due 02-15-13	1,472	1,473		1
09-08-05	12-15-09	1,644 38	FHRR R001 AE 4 375% Due 04-15-15	1,632	1,644		13

*Inception date 1/31/03

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REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. 2003A Debt Service Reserve

(knuidsra)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
08-08-08	12-15-09	2,983 18	FHLMC CMO SERIES 2632 NE 4 000% Due 06-15-13	2,957	2,983		26
10-09-08	12-15-09	1,295 68	FHLMC REMIC SERIES 2874 2.787% Due 06-15-18	1,283	1,296		13
08-18-09	12-15-09	3,330 53	FHLMC REMIC SERIES 2843 4.000% Due 01-15-18	3,428	3,331	-97	
06-21-06	12-25-09	979 06	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	975	979		4
08-12-09	12-25-09	3,581 62	FNMA PASS-THRU SHRT 10 YEAR 4 000% Due 03-01-14	3,705	3,582	-123	
10-06-09	12-25-09	3,714 41	FN 254752 4 000% Due 03-01-13	3,824	3,714	-109	
07-20-07	12-25-09	0.89	SBA POOL #506818 PRIME -0 1250% (Q/M) 3 125% Due 02-25-16	1	1		0
TOTAL GAINS						10,247	77,202
TOTAL LOSSES						-7,815	-14,944
				4,752,304	**4,816,994**	**2,432**	**62,258**

TOTAL REALIZED GAIN/LOSS 64,690

†Inception date 1/31/03

Ziegler

REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. Long Term Reserve

(knuitsv) 65F/25E/10C

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
08-12-08	01-02-09	700,000 00	FHLMC 2 400% Due 04-02-09	697,788	700,000	2,212	
10-01-08	01-02-09	1,000,000.00	FHLB 3 900% Due 10-02-09	1,000,000	1,000,000	0	
04-04-08	01-09-09	500,000.00	FHLMC 2 450% Due 04-09-09	500,000	500,000	0	
12-08-08	01-23-09	600,000 00	FHLB 3 800% Due 09-12-11	600,000	600,000	0	
05-30-08	01-27-09	500,000 00	FNMA 4 100% Due 01-27-09	505,275	500,000	-5,275	
07-16-08	02-02-09	200,000.00	FNMA 3 000% Due 12-11-09	198,250	200,000	1,750	
04-14-08	02-09-09	500,000 00	FHLMC 3 750% Due 02-09-09	505,870	500,000	-5,870	
08-05-08	02-25-09	500,000 00	FHLMC 3 750% Due 02-25-09	502,435	500,000	-2,435	
06-02-08	02-27-09	500,000.00	FHLB 2 750% Due 02-27-09	500,470	500,000	-470	
01-26-09	03-03-09	1,000,000.00	HSBC FINANCE DCP 0 38% 0 000% Due 03-03-09	999,990	1,000,000	10	
03-31-08	03-13-09	225,000.00	FHLB 5 250% Due 03-13-09	231,381	225,000	-6,381	
12-10-08	03-16-09	1,000,000 00	DEERE JOHN CAP CORP MTNS BE 4 875% Due 03-16-09	1,004,610	1,000,000	-4,610	
07-30-08	03-23-09	200,000 00	FNMA 4 500% Due 03-23-09	201,916	200,000	-1,916	
12-22-08	03-30-09	750,000 00	FHLMC 1 000% Due 12-30-09	750,000	750,000	0	
02-05-09	04-01-09	1,000,000.00	CHEVRONTEXACO DCP 0 43% 0 000% Due 04-01-09	999,988	1,000,000	12	

*Inception date 3/31/08

Ziegler

REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. Long Term Reserve

(knuirsv) 65F/25E/10C

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
07-15-08	04-16-09	750,000.00	FHLB 3 375% Due 04-16-10	750,000	750,000	0	
02-09-09	04-22-09	750,000 00	AMERICAN HONDA DCP 0 65% 0.000% Due 04-22-09	749,987	750,000	13	
07-15-08	04-28-09	750,000 00	FNMA 3 000% Due 04-28-10	745,350	750,000	4,650	
03-27-08	04-29-09	100,000.00	FNMA 4.000% Due 04-29-09	101,845	100,000		-1,845
03-17-09	05-13-09	2,000,000 00	FHLMC DISC NOTE 0 16% 0 000% Due 05-13-09	2,000,000	2,000,000	0	
01-13-09	05-21-09	1,000,000 00	FHLMC 1 620% Due 01-20-11	1,000,000	1,000,000	0	
04-03-08	06-08-09	500,000 00	FFCB 5 050% Due 06-08-09	515,790	500,000		-15,790
04-08-08	06-08-09	500,000 00	FNMA 4 200% Due 06-08-09	510,745	500,000		-10,745
06-18-08	06-15-09	500,000 00	FNMA 6 375% Due 06-15-09	516,222	500,000	-16,222	
06-23-08	06-25-09	400,000 00	TOYOTA MTR CRD CORP MTN BE 4.000% Due 06-25-10	400,000	400,000		0
07-09-08	06-25-09	600,000 00	TOYOTA MTR CRD CORP MTN BE 4 000% Due 06-25-10	602,400	600,000	-2,400	
02-24-09	07-13-09	750,000 00	FHLMC 0 910% Due 01-13-10	749,250	750,000	750	
04-09-09	07-13-09	750,000 00	FHLMC 1 200% Due 10-13-10	750,000	750,000	0	
05-07-09	08-20-09	750,000.00	FNMA 1 500% Due 05-20-11	750,000	750,000	0	

*Inception date 3/31/08

Ziegler
REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. Long Term Reserve
(knuirsv) 65F/25E/10C
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
08-03-09	09-15-09	687,000 00	CATERPILLAR INC DEL 7 250% Due 09-15-09	692,008	687,000	-5,008	
05-26-09	09-15-09	1,000,000 00	GENERAL ELEC CAP CORP MTN BE 4 625% Due 09-15-09	1,010,560	1,000,000	-10,560	
09-25-09	10-07-09	140,000.00	BANK OF AMERICA CORP SENIOR NTS 4 875% Due 01-15-13	144,920	144,868	-52	
09-29-09	10-08-09	170,000.00	TARGET CORP 4 000% Due 06-15-13	177,201	177,575	374	
09-23-09	10-15-09	9,603 66	FHLMC REMIC SERIES R002 4 750% Due 07-15-15	9,844	9,604	-240	
09-30-09	10-16-09	90 00	WYETH	4,369	4,523	153	
09-30-09	10-21-09	0.65	PFIZER INC	11	12	1	
09-30-09	10-29-09	40 00	AUTOZONE INC	5,812	5,525	-287	
09-30-09	10-29-09	110 00	SILGAN HOLDINGS INC	5,758	5,933	174	
09-30-09	10-29-09	130 00	ACE LIMITED ORD	6,885	6,859	-26	
09-30-09	10-29-09	110 00	AT&T INC	2,971	2,887	-84	
09-30-09	10-29-09	170.00	BANK OF AMERICA	2,875	2,655	-220	
09-30-09	10-29-09	160 00	VERIZON COMMUNICATIONS	4,808	4,808	0	
09-30-09	10-29-09	210 00	ALTRIA GROUP INC	3,727	3,852	124	
09-30-09	10-29-09	210 00	FIDELITY NATL INFO SVC	5,277	4,656	-621	
09-30-09	10-29-09	260.00	WERNER ENTERPRISES INC	4,841	4,967	126	
09-30-09	10-29-09	320 00	BIOVAIL	4,810	4,264	-546	
09-30-09	10-29-09	340 00	BOSTON SCIENTIFIC CORPORATION	3,560	2,795	-764	
09-30-09	10-29-09	420 00	EL PASO CORP	4,372	4,302	-70	
09-30-09	10-29-09	740.00	SKYWORKS SOLUTIONS INC	9,731	7,720	-2,011	

*Inception date 3/31/08

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REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. Long Term Reserve

(knuirsv) 65F/25E/10C

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
09-29-09	10-29-09	170,000 00	DIAGEO CAPITAL PLC 5.200% Due 01-30-13	182,497	181,772	-724	
09-25-09	11-10-09	140,000 00	GENERAL ELEC CAP CORP MTN BE 3.500% Due 08-13-12	142,456	143,902	1,446	
09-23-09	11-15-09	10,344 17	FHLMC REMIC SERIES R002 4 750% Due 07-15-15	10,603	10,344	-259	
09-30-09	11-19-09	90 00	BURLINGTON NRTHN SANTA	7,174	8,823	1,649	
09-30-09	11-19-09	160 00	STANCORP FINANCIAL GROUP	6,473	5,874	-599	
09-30-09	11-19-09	400 00	UNUM GROUP	8,476	7,613	-863	
10-19-09	11-24-09	517,395 44	FN 888284 5.500% Due 04-01-37	542,618	550,299	7,680	
09-30-09	11-25-09	12,930 47	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	13,524	12,930	-594	
05-19-09	12-11-09	750,000 00	FHLMC 1 330% Due 08-18-10	755,010	755,205	195	
09-23-09	12-15-09	12,090 11	FHLMC REMIC SERIES R002 4 750% Due 07-15-15	12,392	12,090	-302	
07-01-09	12-24-09	1,000,000.00	FHLB 1.000% Due 01-13-12	1,000,000	1,001,900	1,900	
07-13-09	12-24-09	400,000 00	FHLB 1 300% Due 07-28-11	400,000	400,080	80	
04-30-09	12-24-09	1,000,000 00	FHLMC 1 625% Due 08-11-11	1,000,000	1,003,750	3,750	
02-05-09	12-24-09	1,000,000 00	FHLMC 2 000% Due 02-18-11	1,000,000	1,002,100	2,100	
04-29-09	12-24-09	1,000,000 00	FNMA 1 450% Due 05-12-11	1,000,000	1,003,000	3,000	

*Inception date 3/31/08

Ziegler
REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. Long Term Reserve
(knuirsv) 65F/25E/10C
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
04-01-09	12-24-09	1,000,000 00	FNMA 1 750% Due 04-15-11	1,000,000	1,003,900	3,900	
04-21-09	12-24-09	1,000,000.00	FNMA 1 700% Due 04-29-11	1,000,000	1,004,300	4,300	
09-30-09	12-25-09	8,811 51	FNMA REMIC TRUST 2006-B1 6 000% Due 06-25-16	9,216	8,812	-405	
09-30-09	12-28-09	20 00	GOOGLE INC	9,868	12,465	2,597	
09-30-09	12-28-09	30 00	INTUITIVE SURGICAL INC	7,692	9,227	1,536	
09-30-09	12-28-09	60 00	APPLE INC	11,071	12,778	1,708	
09-30-09	12-28-09	60 00	LAB CRP OF AMER HLDG	3,917	4,559	642	
10-29-09	12-28-09	60 00	FEDEX CORP	4,508	4,990	482	
10-29-09	12-28-09	60 00	PROASSURANCE CORP	3,058	3,284	227	
09-30-09	12-28-09	90 00	INTERNATIONAL BUSINESS MACHINES	10,646	11,865	1,219	
09-30-09	12-28-09	90 00	NOBLE ENERGY INC	5,933	6,560	627	
09-30-09	12-28-09	90 00	ABBOTT LABORATORIES	4,394	4,880	486	
10-29-09	12-28-09	90 00	EASTMAN CHEMICAL CO	5,006	5,520	515	
09-30-09	12-28-09	90 00	AIR PRODUCTS & CHEM	6,970	7,398	427	
09-30-09	12-28-09	90 00	MCKESSON HBOC INC	5,332	5,673	341	
10-29-09	12-28-09	90 00	CATERPILLAR INC	5,150	5,265	115	
09-30-09	12-28-09	110 00	OCCIDENTAL PETROLEUM	8,559	9,047	488	
09-30-09	12-28-09	110.00	POLARIS INDUSTRIES	4,445	4,727	281	
09-30-09	12-28-09	130 00	CHEVRON CORP NEW	9,147	10,062	915	
10-29-09	12-28-09	130 00	COMPUTER SCIENCE	6,688	7,537	849	
09-30-09	12-28-09	130 00	MERCK & CO INC NEW COM	4,073	4,820	747	

*Inception date 3/31/08

Ziegler
REALIZED GAINS AND LOSSES
Kahala Senior Living Community, Inc. Long Term Reserve
(knuirsv) 65F/25E/10C
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
10-29-09	12-28-09	130 00	AMERIPRISE FINANCIAL INC	4,583	5,143	560	
09-30-09	12-28-09	130 00	FISERV INC	6,173	6,337	164	
09-30-09	12-28-09	150.00	KRAFT FOODS INC CL A	3,871	4,105	234	
09-30-09	12-28-09	160 00	SEMPRA ENERGY	7,944	8,990	1,046	
09-30-09	12-28-09	160 00	COCA COLA CO	8,530	9,181	651	
09-30-09	12-28-09	170 00	AMERICAN EXPRESS CO	5,749	7,034	1,285	
09-30-09	12-28-09	170 00	WAL MART STORES	8,323	9,130	807	
09-30-09	12-28-09	170 00	PROCTER & GAMBLE CO	9,806	10,365	559	
09-30-09	12-28-09	170 00	VERIZON COMMUNICATIONS	5,109	5,695	586	
09-30-09	12-28-09	170.00	US BANCORP	3,687	3,830	143	
09-30-09	12-28-09	200 00	LINCARE HOLDINGS	6,212	7,634	1,422	
09-30-09	12-28-09	200 00	YUM! BRANDS INC	6,622	7,063	441	
10-29-09	12-28-09	210 00	MEADWESTVACO CORP	5,008	6,076	1,068	
09-30-09	12-28-09	210 00	PHILIP MORRIS INTL INC	10,084	10,242	158	
09-30-09	12-28-09	230.00	NORTHROP GRUMMAN CORP	11,889	13,030	1,142	
10-29-09	12-28-09	170 00	INTERNATIONAL PAPER	3,972	4,645	673	
11-19-09	12-28-09	60.00	INTERNATIONAL PAPER	1,494	1,639	145	
09-30-09	12-28-09	240 00	JOHNSON & JOHNSON	14,501	15,579	1,078	
09-30-09	12-28-09	240.00	RAYONIER INC	9,762	10,232	471	
09-30-09	12-28-09	260 00	WILLIAMS COMPANY INC	4,667	5,521	854	
10-29-09	12-28-09	260 00	DOW CHEMICAL CO	6,584	7,338	754	
10-29-09	12-28-09	260 00	COCA COLA ENTERPRISES	5,094	5,539	445	
10-29-09	12-28-09	210 00	R R. DONNELLEY	4,431	4,688	257	
11-19-09	12-28-09	50.00	R.R DONNELLEY	1,041	1,116	76	

*Inception date 3/31/08

Ziegler

REALIZED GAINS AND LOSSES

Kahala Senior Living Community, Inc. Long Term Reserve

(knuirsv) 65F/25E/10C

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
09-30-09	12-28-09	260 00	GRAFTECH INTL LTD	3,801	4,075	274	
09-30-09	12-28-09	260 00	CISCO SYSTEMS	6,102	6,242	140	
09-30-09	12-28-09	340 00	NORTHEAST UTILITIES	8,058	8,909	851	
09-30-09	12-28-09	350 00	HALLIBURTON CO	9,474	10,638	1,163	
09-30-09	12-28-09	400 00	TYCO INTERNATIONAL LTD SHS	13,632	14,278	646	
09-30-09	12-28-09	440 00	AT&T INC	11,884	12,454	569	
09-30-09	12-28-09	330 00	NATIONAL SEMICONDUCTOR	4,719	5,014	295	
10-29-09	12-28-09	140 00	NATIONAL SEMICONDUCTOR	1,885	2,127	243	
09-30-09	12-28-09	410.00	HOME DEPOT INC	10,873	11,920	1,047	
10-29-09	12-28-09	100 00	HOME DEPOT INC	2,602	2,907	306	
09-30-09	12-28-09	600.00	FORD MTR CO	4,434	6,186	1,752	
09-30-09	12-28-09	470.00	CORNING INC	7,247	9,087	1,840	
10-29-09	12-28-09	170 00	CORNING INC	2,583	3,287	704	
09-30-09	12-28-09	770.00	MICROSOFT CORP	19,689	23,858	4,169	
09-30-09	12-28-09	730.00	INTEL CORP	14,235	14,903	668	
10-29-09	12-28-09	80.00	INTEL CORP	1,543	1,633	90	
09-30-09	12-28-09	769 35	PFIZER INC	12,710	14,290	1,581	
10-16-09	12-28-09	88 65	PFIZER INC	1,553	1,647	94	
10-29-09	12-28-09	142 00	PFIZER INC	2,489	2,638	149	
09-25-09	12-28-09	140,000 00	MORGAN STANLEY 5 625% Due 09-23-19	139,723	141,208	1,485	
TOTAL GAINS						87,638	0
TOTAL LOSSES						-69,814	-28,380
				30,085,168	**30,074,613**	**17,825**	**-28,380**

TOTAL REALIZED GAIN/LOSS -10,555

†Inception date 3/31/08