

COUNCIL OF THE COUNTY OF MAUI
HOUSING, HUMAN SERVICES, AND
TRANSPORTATION COMMITTEE

October 5, 2018

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Housing, Human Services, and Transportation Committee, having met on September 20, 2018, makes reference to County Communication 18-312, from the Director of Housing and Human Concerns, transmitting a proposed resolution entitled "AUTHORIZING THE GRANT OF THE REAL PROPERTY LOCATED AT 95 OHANA HANA LOOP, WAILUKU, MAUI, HAWAII, TO HOUSING AND LAND ENTERPRISE OF MAUI DBA NA HALE O MAUI."

The purpose of the proposed resolution is to grant the County-owned property identified for real property tax purposes as tax map keys (2) 3-5-036:046 and a 50 percent interest in (2) 3-5-036:057 (collectively referred to as "the property"), to Housing and Land Enterprise of Maui, dba Na Hale O Maui ("Na Hale O Maui") to allow the property to remain in the workforce housing inventory in perpetuity.

Your Committee notes pursuant to Section 3.36.090, Maui County Code, the Council may authorize the grant of real property by resolution.

Your Committee further notes on June 15, 2018, the Council adopted Resolution 18-109 entitled, "AUTHORIZING THE PURCHASE OF THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY NUMBER (2) 3-5-036:046 AND AN UNDIVIDED INTEREST IN THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY NUMBER (2) 3-5-036:057 PURSUANT TO THE BUYBACK PROVISIONS CONTAINED IN THE WAIKAPU GARDENS PHASE II AFFORDABLE HOUSING AGREEMENT, AS AMENDED." The purpose of Resolution 18-109 was to authorize the acquisition of the real property identified as tax map keys (2) 3-5-036:046 and the undivided

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one-half interest in tax map key (2) 3-5-036:057 for \$519,882.93, plus any additional closing costs.

The Housing Administrator reported the County acquired the property on July 13, 2018 for \$522,035.59. He noted the Department of Housing and Human Concerns considered multiple methods of disposal and recommended that granting the property to Na Hale O Maui was in the best interest of the County.

Na Hale O Maui is a nonprofit organization dedicated to securing and preserving a permanent supply of affordable housing alternatives for low and moderate-income households in Maui County.

Na Hale O Maui utilizes the community land trust model, which separates the value of the land from home improvements. The land is held in trust, and the home is sold to income-qualified homeowners at a below-market price, subject to a 99-year sustainable ground lease.

The Housing Administrator further noted Na Hale O Maui's community land trust model will allow the property to remain affordable in perpetuity. Proceeds from the sale of the property will be used by Na Hale O Maui to purchase another home and provide housing to another Maui family.

Na Hale O Maui's Executive Director said the home, if granted to Na Hale O Maui, could be sold to a qualified buyer for less than \$400,000.

Your Committee clarified, for the record, the tax map key number for the 50 percent interest in the shared driveway lot in Exhibit "A" of the proposed resolution is tax map key (2) 3-5-036:057.

Your Committee voted 4-0 to recommend adoption of the proposed resolution and filing of the communication. Committee Chair Crivello and members Hokama, King, and White voted "aye." Committee Vice-Chair Carroll and members Atay and Guzman were excused.

COUNCIL OF THE COUNTY OF MAUI

HOUSING, HUMAN SERVICES, AND TRANSPORTATION COMMITTEE

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**Committee
Report No. _____**

Your Housing, Human Services, and Transportation Committee
RECOMMENDS the following:

1. That Resolution _____, attached hereto, entitled
"AUTHORIZING THE GRANT OF THE REAL PROPERTY
LOCATED AT 95 OHANA HANA LOOP, WAILUKU, MAUI,
HAWAII, TO HOUSING AND LAND ENTERPRISE OF MAUI
DBA NA HALE O MAUI," be ADOPTED; and

2. That County Communication 18-312 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of
the Council.



STACY CRIVELLO, Chair

hht:cr:18051aa:ssm

Resolution

No. _____

AUTHORIZING THE GRANT OF THE REAL PROPERTY LOCATED AT
95 OHANA HANA LOOP, WAILUKU, MAUI, HAWAII, TO
HOUSING AND LAND ENTERPRISE OF MAUI DBA NA HALE O MAUI

WHEREAS, the County of Maui acquired the property located at 95 Ohana Hana Loop, Wailuku, Maui, Hawaii 96793, identified as Tax Map Key No. (2) 3-5-036:046, also acquired was a fifty percent interest in Tax Map Key No. (2) 3-5-036:057, which is a shared driveway lot, hereinafter collectively referred to as the "Property"; and

WHEREAS, Housing & Land Enterprise of Maui, dba Na Hale O Maui ("Na Hale"), has submitted a County of Maui, In-Kind Grant Application, attached hereto and made a part hereof as Exhibit "A"; and

WHEREAS, the County desires to grant the Property in fee simple to Na Hale; and

WHEREAS, in accordance with Section 3.44.030, MCC, the Council may authorize the disposition of real property in fee simple; and

WHEREAS, Council may, if it finds that it is in the public interest dispose of real property in a manner other than by public auction; and

WHEREAS, in accordance with Section 3.36.090, MCC, the Council may authorize the grant of real property by resolution; and

WHEREAS, in accordance with Section 3.44.070, MCC, the Council may waive the appraisal requirement for disposition of real property; now, therefore;

Resolution No. _____

BE IT RESOLVED, by the Council of the County of Maui:

1. That it finds that it is in the public interest to grant the real property to Na Hale; and
2. That it waives the appraisal requirement; and
3. That it authorizes the grant of the fee simple interest in the Property to Na Hale; and
4. That it does hereby authorize the Mayor, or the Mayor's duly authorized representative, to execute all necessary documents to further the intent of this resolution; and
5. That certified copies of this resolution shall be transmitted to the Mayor, the Finance Director, the Director of the Department of Housing and Human Concerns.

APPROVED AS TO FORM AND LEGALITY



JEFFREY T. UEOKA
Deputy Corporation Counsel
County of Maui
2018-1155
2018-08-30 Resolution

**County of Maui
In-Kind Grant
95 Ohana Hana Loop**

Type of Use: In-kind Grant
Project/Program: For-Sale Housing
Occupancy: 1 family
Income Qualification: At or below 120% Area Median Income
Period of Affordability: In Perpetuity

Project: 95 Ohana Hana Loop (Existing Home)
Subdivision: Waikapu Gardens, Phase II
Location: Wailuku, HI 96793
Bedroom/Bathrooms: 4BR/2.5Bath
Living Area: 1,700 Square Feet
Year Built: 2015
Land Area: 7,700 Square Feet
Driveway Land Area: 2,324 Sq Feet (50% Interest)
Tax Map Key: (II) 3-5-036:046
(II) 3-5-103: 057 (50% interest in driveway)

Entity: Housing & Land Enterprise of Maui, dba Na Hale O Maui,
nonprofit Community Land Trust
EIN: 20-5325361
Name & Title of Authorized Signers: Cassandra J L Abdul, Executive Director
David L Ward, President

Address: 190 N Church Street
Wailuku, HI 96793
Phone: (808) 304-3533
email: info@na-hale-o-maui.org

Who will Own the Property After occupancy: Na Hale O Maui
Homeowner owns improvements
Na Hale O Maui retains the land

Certification of Authorized Official:

To the best of my knowledge and belief, data, attachments and exhibits in this application are true and correct. The documents have been duly authorized by the governing body of the entity and the entity will comply with all federal, state and county rules and regulations if the in-kind grant is awarded.

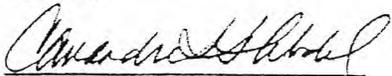

Cassandra Abdul, Executive Director

EXHIBIT "A"

Organization.

Housing and Land Enterprise of Maui, dba Na Hale O Maui (NHOM) is a nonprofit 501(c)(3) grassroots membership organization founded in 2006. Our mission is *to secure and preserve a permanent supply of affordable housing alternatives for low and moderate-income households in Maui County.* Na Hale O Maui serves income-qualified households that earn 80% to 140% of the Area Median Income (AMI.) The exact AMI for each house is determined by the funding source.

NHOM utilizes the Community Land Trust model, which separates the value of the land from the improvements. The land is held in trust, and the home is sold to income-qualified homeowners at a truly affordable, below-market price, subject to a 99-year sustainable ground lease. The homeowner has the right to renew the ground lease for an additional 99-year period.

The CLT utilizes a shared appreciation formula designed to give the homeowner a fair return on their investment, while providing future homebuyers housing at an affordable price. When the homeowner is ready to sell, the CLT may exercise its option to repurchase the home. The CLT model keeps homes affordable in perpetuity, homeowner after homeowner, generation after generation. Current affordable- and workforce-housing programs contain deed restrictions that allow homes to go to fair market in a relatively short time. Once the home moves to market rates, replacement of the affordable home requires additional investments of public funds (typically at a higher cost.) The CLT model, in contrast, retains the public investment made in CLT homes in the property in perpetuity.

NHOM has the privilege of collaborating with the County of Maui's Affordable Housing Fund to acquire, rehabilitate, build, and sell single-family homes to income-qualified island families. NHOM has effectively doubled the amount of homes originally made possible with federal, state and county grants. Today, there are 33 CLT homes, including one previous in-kind grant of a Waikapu Gardens house from the County of Maui.

NHOM provides education, training and support to ensure our homebuyers and homeowners understand the leasehold arrangement, can successfully maintain their homes and make payments. As a result no CLT homes have been lost to foreclosure.

Need:

The [Affordable Rental Housing Report and Ten-Year Plan](#) (July 2018) states:

Hawai'i has had an affordable housing crisis for decades. In 1970, nearly 50 years ago, the Hawai'i State Legislature, recognizing the importance of affordable housing to the fabric of our society, enacted Act 105 (Session Laws of Hawai'i 1970), to address the severe shortfall of affordable housing for lower- and middle-income residents. Almost a half century later, a critical shortage of affordable housing not only continues to exist, it has grown to crisis proportions/The State Department of Business, Economic Development and

Tourism, Measuring Housing Demand in Hawai'i, 2015- 2025 study (Department of Business, Economic Development & Tourism, 2015), projects that the state will require 64,693 housing units to meet demand by 2025. Nearly 70% (43,828) of the units will be needed for low-income households earning 80% or less of the Area Median Income

"Projected housing need Statewide, approximately 64,100 housing units are projected to be needed from 2014 - 2020. This includes an estimated backlog of approximately 25,900 housing units and the projected demand for approximately 38,200 new housing units to accommodate household growth (based on the State's 2040 population projections).

"Households with incomes of 80% and below the area median Income (AMI) are targeted for rental assistance while households with incomes from 80-140% AMI are targeted for homeownership assistance.... Approximately 27,200 affordable rental housing units and 16,500 affordable for-sale units are estimated to be needed by 2020. (Source: Ricky Cassiday, Rental Housing Study, 12/30/2014)

"As noted In the Needs Assessment, statewide approximately 64,100 housing units are projected to be needed from 2014 -2020. This includes an estimated backlog or unmet need of approximately 25,900 housing units, of which approximately 18 700 are needed by households with income of 140% AMI and below.

"... There is an unmet need for approximately 11,600 affordable rental housing units and 7,100 affordable for-sale units. (Rick Cassiday, Affordable Rental Housing Study Update 2014, December 2014.)"

The 2010-2014 Consolidated Plan for the County of Maui states on page 27:

"Households with incomes at 80% of HUD median income and below are estimated to be in need of rental housing and households with Incomes between 80 percent and 140 percent of HUD median income are estimated to be in need of affordable for-sale housing. By 2015, approximately 17,400 affordable rental housing units and nearly 8,800 affordable for-sale units are projected to be needed." (Attachment #3)

The 2015-2019 Draft Consolidated Plan for the County of Maul Summary of Housing Needs (p.29) sets forth "Housing Problems for Maui County, defined as households with one of the following four needs:

1. Substandard Housing- lacking complete plumbing or kitchen facilities.
2. Overcrowding -more than one person per room (and none of the problem).
3. Housing cost burden greater than 30% of income (and none of the problems).
4. Housing cost burden greater than 50% of income (and none of the problems)."

The list of housing problems (above) considers each issue independently, and not in combination. However, we have found that most households who participate in our

program contend with substandard or overcrowded housing situations. We routinely hear about living situations with multiple generations in a single 'home,' and households of six in a 1- or 2-bedroom apartment.

The high cost and the very small number of available Maui rental units are well documented. Our program participants struggle with housing cost burdens much greater than 30%, and often more than 50% of their income, even when holding down multiple Jobs.

The need for affordable housing on Maui is evidenced by rising home ownership costs, compounded by relatively low wages in one of the highest cost-of-living areas in the nation. Working families in Hawaii face the highest housing prices in the nation, and often do not earn enough to meet housing costs. The median income in Maui County is \$68,777 (US Census, 2016), and the median price of a single family home is \$769,000 (Realtors Association of Maui, July 2018.) The median income cannot qualify for or support a mortgage of a median priced home. Many professionals, including teachers, police officers, firefighters, construction, hotel, retail and County workers, cannot afford to live in the communities they serve.

The lack of affordable homes has a detrimental impact on our community as a whole. Many low and moderate-income families have been forced to leave Hawaii in search of a home and lifestyle they can afford, and many more are at risk. Further, housing affects overall quality of life, as families must make tough choices when burdened with high monthly living costs. Lack of access to affordable housing inhibits a family's ability to pay for other important budget items such as nutritious food, preventative medical care, insurance, reliable transportation and quality childcare, according to the Hawaii Appleseed Project report.

Analysis and justification for the grant.

The natural increase and net in-migration of Maui residents far exceeds our capacity to provide housing. The combined efforts of private for-profit and nonprofit developers and government has not met the demand, despite continuing efforts on the part of all parties.

Everyone is aware of the problem. We have not found the right solution; a combination of incentives and reduced regulatory burden that will increase the delivery of housing in Maui County.

Housing is a large part of the high cost of living. Hawaii is the state with the highest cost of living in the nation. Maui costs more to live in than Honolulu. Lowering the cost of living is equivalent to a boost in GDP...." [Schlomach, The Importance of the Cost of Living and Policies to Address it," GoldwaterInstitute.org, p.2, Nov 16, 2017. Schlomach goes on to state that "there is a strong correlation between cost of living and per capita personal income."

Despite recent increases in the minimum wage, individual purchasing power has not increased. Rather, wages are business expenses; increased wages leads to higher cost to do business, and increases prices of goods and services. Lower the cost of living would have an immediate beneficial impact of Hawaii families.

The Community Land Trust program helps NHOM families by reducing their cost of housing significantly. Generally, the mortgage a NHOM family pays is easily half the cost of the current fair market rental for the same size home. In addition, there is no more worry that the landlord will raise the rent or sell the unit.

NHOM homeowners have the opportunity to reduce the number or change the jobs they work. Some homeowners have been able to change or start a career.

95 Ohana Hana Loop is located in the Waikapu area of Central Maui. The majority of the homebuyers entering the NHOM program work and/or live in Central Maui and express an interest in owning a home in the area.

Every house counts. 95 Ohana Hana Loop is one additional home that will afford one additional island family an opportunity for homeownership. For that family, it will be the start of a better life in Maui. For our community, it means one additional home that will remain affordable in perpetuity. This house will not go to market in 7.5 years or less. Na Hale O Maui will become a steward for one additional home and family. The affordability for the home will continue homeowner after homeowner, generation after generation. No other program in Maui can make that pledge.

Project Description:

95 Ohana Hana Loop is a 2-story, 4 bedroom, 2.5 bath single family home built in 2016. The owner initially purchased the home from the developer with a 10-year deed restriction. Two and one-half years of the deed restricted period have expired, with 7.5 years remaining before the home will go to fair market sale price.

The previous owner offered the home to the County of Maui in 2018, as required by the deed restriction. The County of Maui exercised its option to purchase the home. The home is accessed by a separate roadway lot, shared with an adjacent homeowners. Each homeowner has an undivided 50% interest in the access driveway. It is likely subject to a maintenance agreement between the two neighbors who own and use the driveway. The home is surrounded by at least 8 other neighboring homes.

Public Purposed to be served

Developers maintain that Affordable and/or workforce housing is only financially feasible through various subsidies, via State §201H and/or County of Maui §2.96 streamline processes. The process may reduce, exempt or modify development requirements that result in cost savings that the developer would otherwise bear (and eventually pass on to homeowners.)

Affordable housing has been built on Maui. However, units are only affordable for the initial homeowner during the deed-restricted period. Most affordable and workforce housing units have been sold at fair market rates in 10 years or less. Thus the inability to maintain the number of affordable and workforce housing units, let alone keep up with the demand from income-qualified families, is a serious challenge.

When affordable/workforce housing is sold at market rates, a new investment subsidy must be made in order to simply maintain the number of affordable units. Generally, each new subsidy must be large that the previous affordable/workforce housing subsidy since material and labor costs have increased significantly over time.

Granting the home in-kind to Na Hale O Maui will make the home permanently affordable ensuring that it will never go to market price. The subsidy invested in the property (the in-kind grant value) will remain with the property in perpetuity. The homeowner has the ability to receive a fair but reduced share of any appreciation. The next income-qualified buyer will purchase the home at a truly affordable price.

The public purpose – maintaining any grant subsidy in the property and keeping the home affordable – is consistently achieved by Na Hale O Maui.

The objectives intended to be achieved

Na Hale O Maui currently has 33 homes in its portfolio. Each sale of a NHOM home is made to an income-qualified island family. The homes remain truly affordable to the next homebuyer, and future generations.

Na Hale O Maui exercised its Option to Purchase four existing NHOM homes. Three additional income-qualified families now live in those homes, with the fourth resale scheduled to close August 31, 2018. NHOM facilitated the sale of an additional home from an existing homeowner to a new income-qualified homebuyer from NHOM's Qualified Buyer list. Two of our selling homeowners have moved to market-rate Maui homes as a result of their disciplined savings over time (the difference between the mortgage and market rental rates, principal paid on the loan, and shared appreciation.)

Granting the home in-kind to Na Hale O Maui will convert the affordability period from the remaining 7.5 years to a permanently affordable home, ensuring that it will never go to market price. The value of the in-kind grant will remain in the property in perpetuity, homeowner after homeowner, generation after generation. NHOM is the only affordable and/or workforce housing program to accomplish this worthy goal.

The activities and services to be performed:

Vacant homes tend to deteriorate the longer they remain unoccupied. This generally requires more repairs that need to be made. Na Hale O Maui, upon a grant from the County of Maui, will obtain a professional inspection report and make any necessary repairs to rehabilitate the home and bring it up to marketable condition.

Na Hale O Maui offers one solution to this community-wide challenge and a life-changing opportunity to a small number of Maui families. The NHOM CLT model provides education, guidance and support before and after selling quality homes to island families. The CLT model ensures that NHOM homes remain affordable in perpetuity, a permanent community benefit.

Prospective homebuyers must complete a 4-step process in order to be place on the Qualified Buyer List. This includes: 1) attending a Na Hale O Maui Community Land

Trust orientation seminar; 2) attending a HUD approved Homebuyer Financing Class; 3) meeting with a loan officer and obtaining a pre-qualification letter; and 4) meeting with the housing coordinator to review the ground lease, resale formula and homebuyer selection policies and procedures. Once on the Qualified Buyer list, the applicants will be notified when homes are ready for sale.

The income eligibility requirement for a NHOM home is generally set by the funder. In this instance, NHOM anticipates selling the home to an island family earning less than 120% of AMI. Historically, Na Hale O Maui homeowners are between 30 to 50 years of age. Ninety one percent of our homeowners have children and close to 50% self-identify as Native Hawaiian or Pacific Islander.

The probable efficiency and effectiveness of the proposed grant in achieving the intended objectives, compared with other alternatives

There is great demand for truly affordable NHOM homes. Providing an in-kind grant of 95 Ohana Hana Loop to Na Hale O Maui will change the length of affordability from the remaining 7.5 years to perpetuity. NHOM is the first and only fully functional Community Land Trust in Hawaii. No other for-profit or nonprofit organization protects the affordability of homes in the same way. NHOM homes never go to market prices; they remain affordable homeowner after homeowner, generation after generation.

The number of qualified buyers who typically attend a NHOM home showing averages up to 22 families/individuals for each available NHOM home. As many as 14 prospective buyers pursue initial qualification requirements. On average, there are 3-4 prospective buyers who complete the application process and participate in the Home Selection process for each home we sell. Our Home Buyer Selection Committee employs a blind selection process, using primary and secondary criteria, to determine the buyer of each NHOM home.

Each component of NHOM's 4-step process helps ensure that prospective homebuyers are fully informed as to the fundamental details and atypical nature of the real estate transaction (i.e. involving a sustainable leasehold interest in the land and restrictions of the ground lease agreement related to occupancy, resale, inheritance and alterations.) The process has proven effective. To date, with 33 homebuyers, Na Hale O Maui maintains a 0% default rate. All NHOM homeowners have stayed in their homes, remained current on their payments, or sold their home earning a share of any appreciation. One NHOM family was able to purchase a market-rate home.

NHOM may provide a matching grant, based on need, of up to \$10,000 to assist the buyer with the down payment and closing costs. To date, Na Hale O Maui has provided \$105,200 in matching grants to our homeowners.

The target group to be affected

Income qualification is a primary criteria in NHOM's blind selection process.

The County of Maui has generally set the income qualification requirement for homes funded by the Affordable Housing fund at or below 120% of the Area Median Income as determined by HUD. Na Hale O Maui' Community Land trust portfolio of 33 homes consists of 4 homes that sold to families earning 80% - 100% of AMI, 20 homes sold to families earning between 100.1% - 120% of AMI, and 9 homes sold to families earning between 120.1% – 140% of AMI. The Kahoma Homes project will add 8 homes in the 80% – 100% AMI category, and 4 homes in the 100.1% - 120% AMI.

We anticipate selling the subject property to an income-qualified family up to 120% of the Area Median Income for Maui County. The allowable income is adjusted by the size of the household. Currently, a household of 4 under the 2018 income guidelines, may earn up to 97,680.

Measures by which the effectiveness of the grant is to be evaluated:

The effectiveness of the grant will be measured by the sale of the home to an income-qualified family that completes NHOM's 4-step process to become a Qualified Buyer, participates in the NHOM Buyer Selection process, enters into a contract to purchase the home, qualifies for a mortgage and closes escrow to occupy and own the home. Further, the homeowner will be able to demonstrate what they learned in the 8-hour HUD approved financial homebuyer education class, by maintaining the home and remaining current on their financial obligations, including but not limited to the mortgage, insurance, HOA dues and lease rent.

Outcome

The long-term community result we seek is to rehabilitate the subject property, in order to provide an opportunity for a low- to moderate-income family to purchase a quality home at below market rates to. The home will remain affordable in perpetuity

This safe, secure home will be the entry for an island family to the life-changing benefits of home ownership. Our constituents gain knowledge about the leasehold process, education on managing their money, matching grants to help if needed with upfront costs, and support throughout the process of buying their home. "In addition to tangible financial benefits, research has shown the homeownership bring substantial social benefits for families, communities and the country as a whole." [Economist Commentaries, Promoting Home Ownership, by Selma Hepp, Research Economist, 3/27/2012] Studies have shown that children are more likely to perform better academically, join extra-curricular activities and organizations, and graduate from high school.

Na Hale O Maui respectfully requests that the County of Maui provide a grant in-kind of 95 Ohana Hana Loop and the driveway approach. This will transform a house with 7.5 years of deed restrictions to a home that will always be affordable, homebuyer after homebuyer, generation after generation.

Attachments:

Picture - 95 Ohana Hana Loop and driveway access

Area map

Location Maps

Board of directors list

IRS 501(c)(3) determination letter

Operating budget

Balance sheet

Income/expense statement

95 Ohana Hana Place, Waikapu Gardens Phase II



Common Driveway

AREA MAP



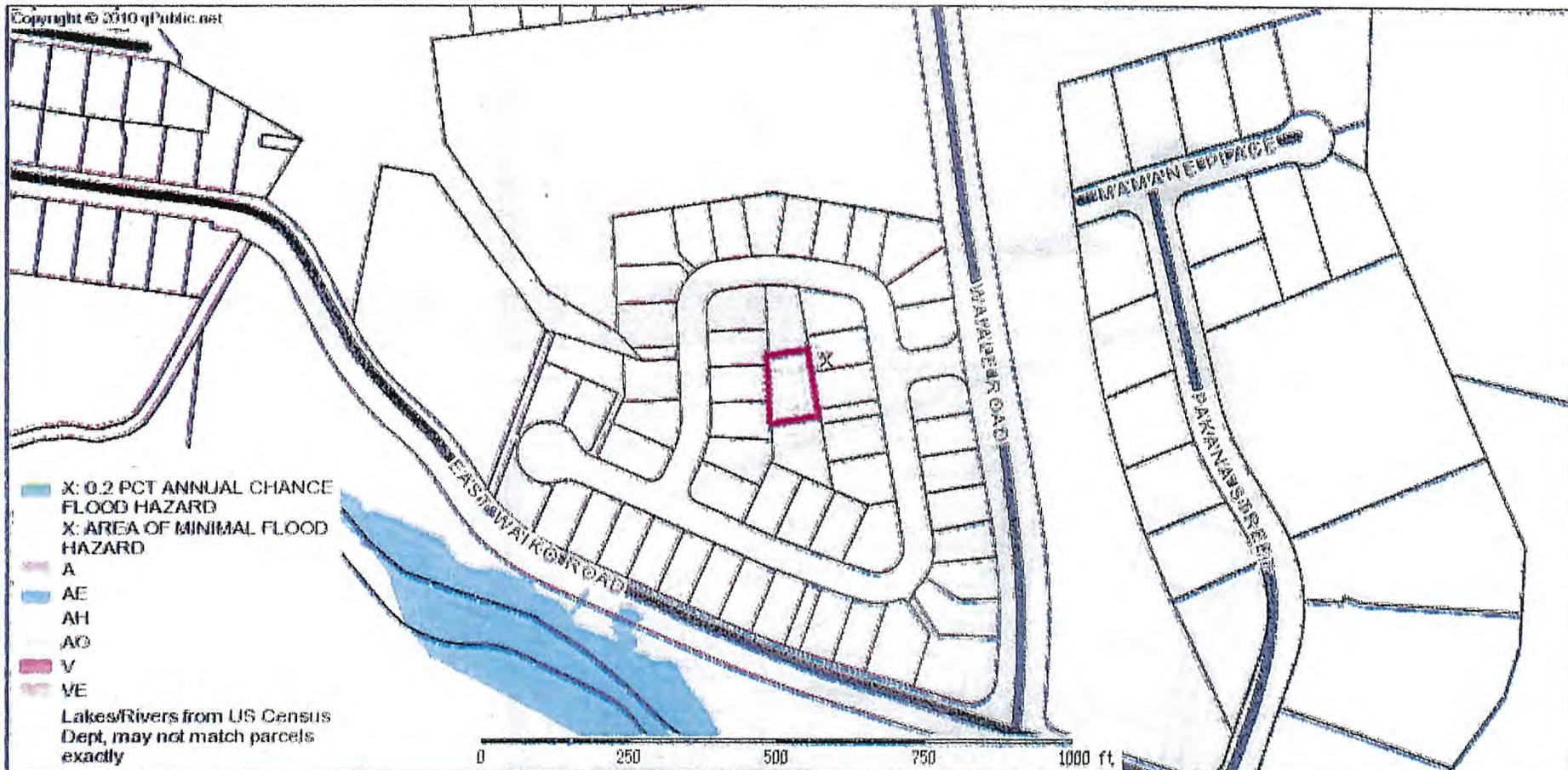
Area Map			
Parcel: 350360460000 Acres: 0			
Name	BECKER, MICHELLE	Land Value	\$141,200.00
Site	95 OHANA HANA LOOP	Building Value	\$364,300.00
Sale	\$505,500 on 01-2016 Vacant= Qual=	Misc Value	\$0.00
	C/O COUNTY OF MAUI	Just Value	\$0.00
Mail	200 S. HIGH ST.	Assessed Value	\$505,500.00
	WAILUKU HI 96793	Exempt Value	\$505,500.00
		Taxable Value	\$0.00



The Maui County Assessor's Office makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll. PLEASE NOTE THAT THE PROPERTY APPRAISER MAPS ARE FOR ASSESSMENT PURPOSES ONLY NEITHER MAUI COUNTY NOR ITS EMPLOYEES ASSUME RESPONSIBILITY FOR ERRORS OR OMISSIONS ---THIS IS NOT A SURVEY---

Date printed: 08/06/18 : 18:30:45

95 OHANA HANA LOOP



95 Ohana Hana Loop			
Parcel: 350360460000 Acres: 0			
Name	BECKER, MICHELLE	Land Value	\$141,200.00
Site	95 OHANA HANA LOOP	Building Value	\$364,300.00
State	\$\$\$505,500 on 01-2016 Vacant= Qual=	Misc Value	\$0.00
County	C/O COUNTY OF MAUI	Net Value	\$0.00
Address	200 S. HIGH ST.	Assessed Value	\$505,500.00
City	WAILUKU HI 96793	Exempt Value	\$505,500.00
		Taxable Value	\$0.00



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COMMON DRIVEWAY



Driveway	
Parcel: 350360570000 Acres: 0	
Name	BECKER, MICHELLE
Site	E WAIKO RD
Site	95 OHANA HANA LOOP
Mail	WAILUKU HI 96793
Land Value	\$100.00
Building Value	\$0.00
Misc Value	\$0.00
Just Value	\$0.00
Assessed Value	\$100.00
Exempt Value	\$100.00
Taxable Value	\$0.00



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Date printed: 08/06/18 : 18:16:59



Housing and Land Enterprise of Maui, dba Na Hale O
Maui

Board of Directors
FY 2019

<u>Name</u>	<u>Office</u>
David Ward	President
David DeLeon	Vice President
Ka'imi Judd	Treasurer
Jamie Emberson	Secretary
Michael Spalding	Director
Cheryl Rietz	Director
Wailani Artates	Director-Homeowner
Christine Estomo	Director-Homeowner
Yvonne Wright	Director-Homeowner

Na Hale O Maui
Budget Overview
July 2018 through June 2019

	<u>Operations</u>	<u>Rehab Projects</u>	<u>New Construction</u>	<u>Total Budget</u>
Ordinary Income/Expense				
Income				
5000 · Proceeds from Sales of Houses	72,000	576,000	2,360,000	3,008,000
5030 · Developers Fee	0	0	0	0
5200 · Lease Fees	16,920	0	0	16,920
5400 · Private Foundation Grant Incorr	53,000	0	0	53,000
5500 · County Grants	0	0	1,000,000	1,000,000
5600 · Membership Dues	936	0	0	936
5700 · Individual & Bus Contributions	31,200	0	0	31,200
5750 · In-kind donations	15,000	0	0	15,000
5900 · Interest	200	0	0	200
Total Income	<u>189,256</u>	<u>576,000</u>	<u>3,360,000</u>	<u>4,125,256</u>
* Cost of Goods Sold				
9000 · Acquisition	0	660,400	0	660,400
9010 · Rehabilitation	0	12,000	2,282,280	2,294,280
9080 · Closing Expenses	0	2,400	0	2,400
9100 · Carrying Cost	0	9,450	0	9,450
Total COGS	<u>0</u>	<u>684,250</u>	<u>2,282,280</u>	<u>2,966,530</u>
Gross Profit	<u>189,256</u>	<u>-108,250</u>	<u>1,077,720</u>	<u>1,158,726</u>
Expense				
7000 · Payroll Expenses	84,520	18,620	55,860	159,000
8000 · Business Expenses	870	0	0	870
8100 · Contract Services	0	3,012	12,048	15,060
8200 · Facilities and Equipment	67,770	0	0	67,770
8300 · Operations Expenses	19,218	0	0	19,218
8400 · Insurance, Staff Develop, PR	14,305	0	0	14,305
8500 · Travel and Meetings	2,680	0	0	2,680
8700 · In-kind expense	15,000	0	0	15,000
Total Expense	<u>204,363</u>	<u>21,632</u>	<u>67,908</u>	<u>293,903</u>
Net Ordinary Income	<u>-15,107</u>	<u>-129,882</u>	<u>1,009,812</u>	<u>864,823</u>
Other Income/Expense				
Other Income				
9600 · Credit Card Rewards	150	0	0	150
Total Other Income	<u>150</u>	<u>0</u>	<u>0</u>	<u>150</u>
Net Other Income	<u>150</u>	<u>0</u>	<u>0</u>	<u>150</u>
Net Income	<u><u>-14,957</u></u>	<u><u>-129,882</u></u>	<u><u>1,009,812</u></u>	<u><u>864,973</u></u>

* Cost of Goods Sold excludes land and subsidies.

**Na Hale O Maui
 Balance Sheet
 As of July 31, 2018**

	<u>Jul 31, 18</u>
ASSETS	
Current Assets	
Checking/Savings	
1001 · BOH Operating Acct	50,200.24
1002 · BOH EFT Acct	4,172.85
1003 · BOH Project Funding Acct	212,821.23
1012 · CPB savings	71,644.04
1015 · Petty Cash	200.00
1026 · Territorial Savings Bank	53,797.32
Total Checking/Savings	392,835.68
Accounts Receivable	-132.30
Other Current Assets	
12100 · Construction in Progress	228,088.00
1280 · Homebuyer Grant receivable	80,500.00
1406 · Buildings & Improvements	340,147.48
1560 · Prepaid Insurance	7,032.74
Total Other Current Assets	655,768.22
Total Current Assets	1,048,471.60
Fixed Assets	
1405 · Land	6,283,898.77
1414 · Building - Office	181,828.32
1415 · Furniture and Equipment	25,876.93
1420 · Vehicles	13,000.00
1425 · Accumulated Depreciation	-59,915.46
1430 · Website	4,671.79
Total Fixed Assets	6,449,360.35
Other Assets	
1520 · Security Deposits Asset	100.00
Total Other Assets	100.00
TOTAL ASSETS	<u>7,497,931.95</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	6,201.10
Credit Cards	374.89
Other Current Liabilities	
2020 · Line of Credit	320,275.00
2040 · Accrued Vacation	11,840.18
Total Other Current Liabilities	332,115.18
Total Current Liabilities	338,691.17
Total Liabilities	338,691.17
Equity	
3100 · Unrestricted Net Assets	6,924,861.13
3200 · BOD Designated Net Assets	235,703.01
Net Income	-1,323.36
Total Equity	7,159,240.78
TOTAL LIABILITIES & EQUITY	<u>7,497,931.95</u>

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Accrual Basis

Na Hale O Maui
Profit & Loss Budget vs. Actual
July 2018

	Jul 18	Budget	% of Budget
Ordinary Income/Expense			
Income			
5000 · Proceeds from Sales of Houses	0.00	0.00	0.0%
5030 · Developers Fee	0.00	0.00	0.0%
5200 · Lease Fees	1,369.40	1,410.00	97.1%
5400 · Private Foundation Grant Income	0.00	0.00	0.0%
5500 · County Grants	0.00	0.00	0.0%
5600 · Membership Dues	36.00	36.00	100.0%
5700 · Individual & Bus Contributions	13,350.00	1,100.00	1,213.6%
5750 · In-kind donations	0.00	0.00	0.0%
5900 · Interest	0.00	0.00	0.0%
Total Income	14,755.40	2,546.00	579.6%
Cost of Goods Sold			
9000 · Acquisition	5.21	0.00	100.0%
9010 · Rehabilitation	0.00	0.00	0.0%
9080 · Closing Expenses	41.00	0.00	100.0%
9100 · Carrying Cost	2,059.15	1,610.00	127.9%
Total COGS	2,105.36	1,610.00	130.8%
Gross Profit	12,650.04	936.00	1,351.5%
Expense			
7000 · Payroll Expenses	9,145.65	13,250.00	69.0%
8000 · Business Expenses	3.50	3.50	100.0%
8100 · Contract Services	846.27	680.00	124.5%
8200 · Facilities and Equipment	1,402.15	2,474.00	56.7%
8300 · Operations Expenses	1,240.94	664.50	186.7%
8400 · Insurance, Staff Develop, PR	1,325.47	534.17	248.1%
8500 · Travel and Meetings	9.42	15.00	62.8%
8700 · In-kind expense	0.00	0.00	0.0%
Total Expense	13,973.40	17,621.17	79.3%
Net Ordinary Income	-1,323.36	-16,685.17	7.9%
Other Income/Expense			
Other Income			
9600 · Credit Card Rewards	0.00	0.00	0.0%
Total Other Income	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.0%
Net Income	-1,323.36	-16,685.17	7.9%