

CENTRAL
PACIFIC
BANK



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Who am I?

- I teach the Honolulu Board of Realtor's affordable housing class, called HOPE (Home Ownership is Possible for Everyone)
- I train real estate agents who sell the units and loan officers at all the banks on affordable housing eligibility requirements
- Work very closely with developers to help them navigate the process of selling affordable unit
- Personally checked eligibility or my employees have for 1000's of affordable buyers in the HHFDC, HCDA, and C&C of Honolulu projects
- I've been in the unique position to have talked with 100's of affordable buyers to help them navigate the process of buying an affordable unit
- Passionate about affordable housing

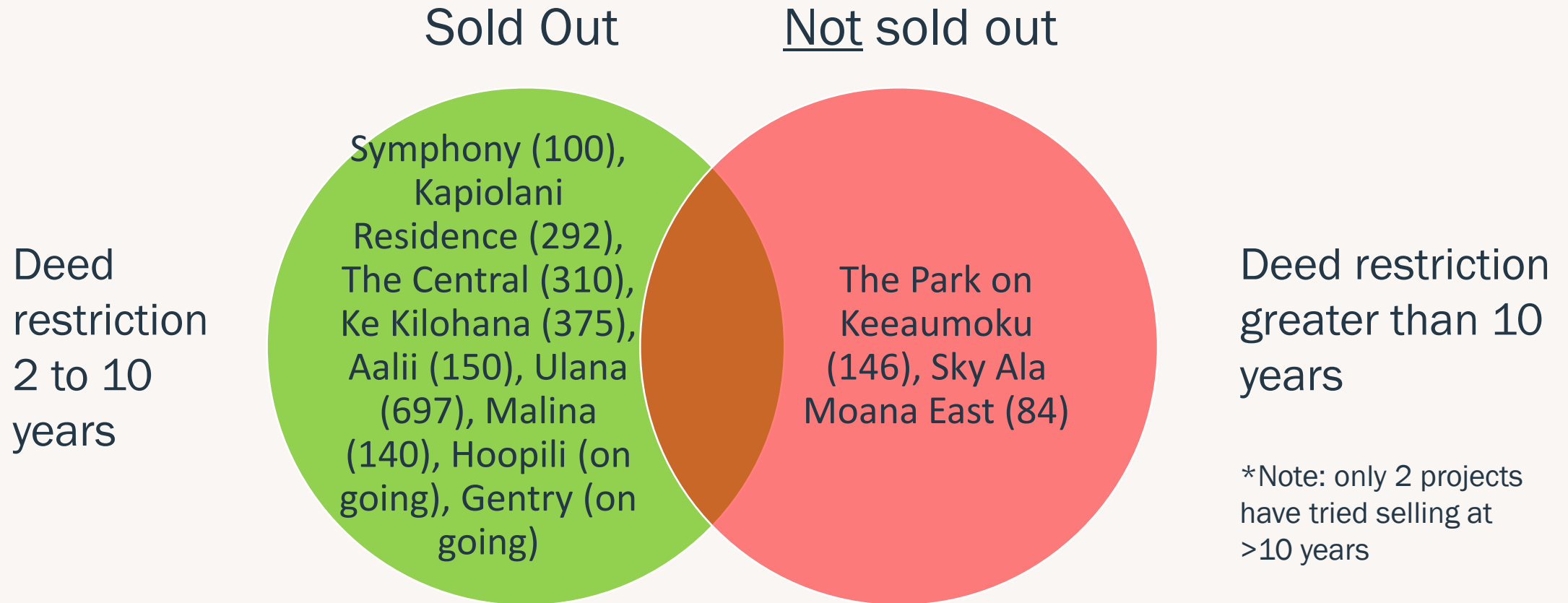
Who's it for?

Below Moderate, Moderate, Above Moderate

81% to 140% AMI (\$92,650 to \$162,120 family of 4)

- Working class neighbors
- They don't want to pay rent the rest of their lives
- They want to get on the housing ladder
- Market priced housing is not attainable and need a little help

Affordable Projects (sales started 2022 or before)



The Park on Keeaumoku

Marketing Period and Marketing Plan

The marketing period and Period of Affordability for the affordable units in the project are as follows:

Target Income Group	Requirement	Unit Count	Period of Affordability		
			1st Marketing Period	2nd Marketing Period	3rd Marketing Period
100% AMI	Chapter 38 AHR Units	49	30 Years	30 Years	30 Years
120% AMI	Chapter 38 AHR Units	46	30 Years	30 Years	30 Years
120% AMI	Resolution 19-224, CD1 ACB Units	51	30 Years	20 Years	10 Years
	Total	146			

Since sales started in October 2022, they've only sold 25 of 146 affordable housing units.

"1st Marketing Period" shall be the first 120 days from the date that the affordable housing lottery is held for the sale of the affordable units to the public.

"2nd Marketing Period" shall be the 120-day period immediately following the first marketing period

"3rd Marketing Period" shall be the 120-day period immediately following the second marketing period

Sky Ala Moana East

Source of AH Requirement	Required No. of Ordinance Units	Term of Affordability	AMI		
			Target Income Group Under 1st Marketing Period	Target Income Group Under 2nd Marketing Period	Target Income Group Under 3rd Marketing Period
Chapter 38, Revised Ordinances of Honolulu (ROH)	21	30 years	100%	120%	140%
Chapter 38, (ROH)	21	30 years	120%	140%	140%

Source of AH Requirement	Required No. of <u>Community</u> Benefit Units	AMI	Term of Affordability Under 1st Marketing Period	Term of Affordability Under 2nd Marketing Period	Term of Affordability Under 3rd Marketing Period
			Resolution 18-248	42	120%

They have sold 14 of 84 units. Sales started in September 2022. The project is fully completed and move in ready. 70 unsold units are sitting vacant.

Take Away

Folks are refusing to buy units where the restricted period is greater than 10 years.

Clear distinction between rental and for sale housing programs is needed



There should be a rental program for folks not interested in buying or cannot buy

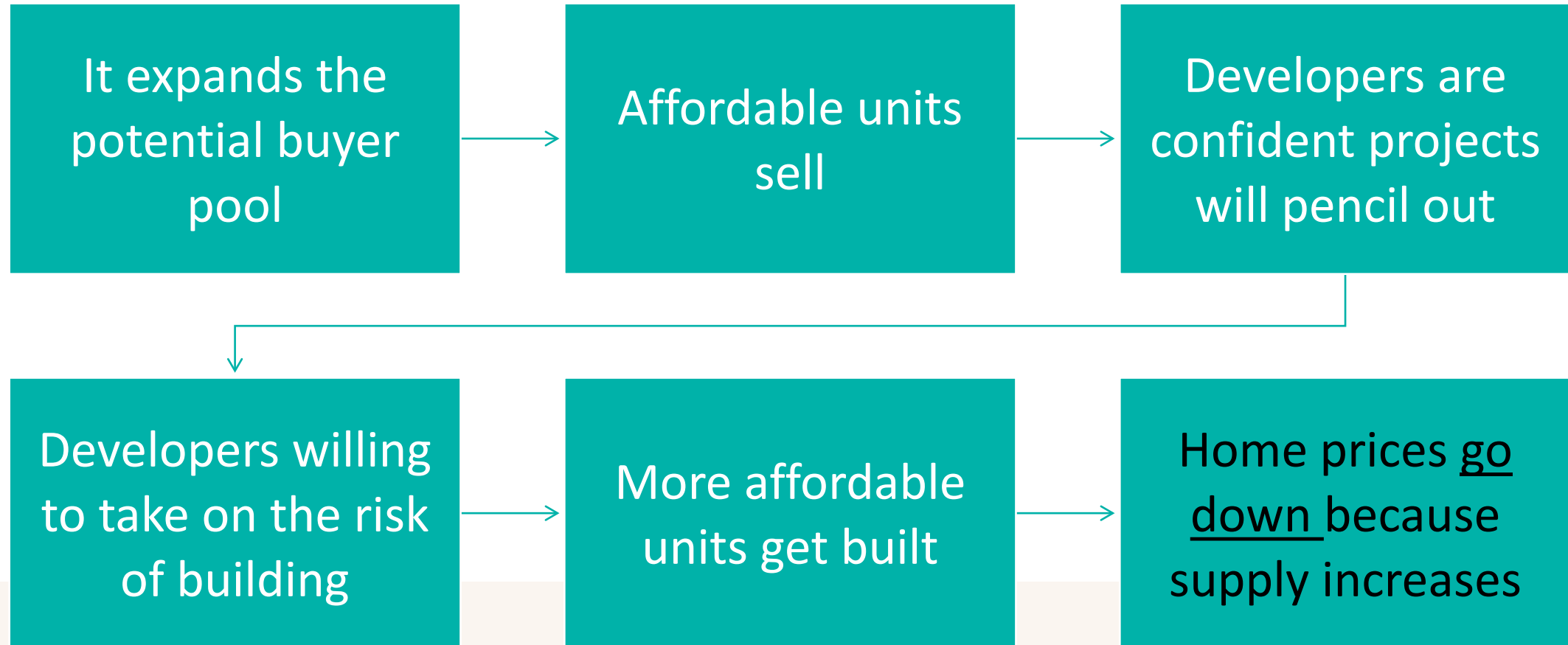


Separately, there should be a desirable for sale affordable housing program for below moderate to above moderate income folks who can qualify for a mortgage



Turning the for-sale program into a pseudo rental program increases the wealth gap because the below-moderate to above-moderate folks refuse to buy and will likely never get on the housing ladder

Why do we need to keep affordable for sale housing attractive enough that folks to want to buy them?



Median sales price comparison

Maui

SINGLE FAMILY HOMES	THIS MONTH DECEMBER 2023
Median Sale Price	▲ \$1,200,000
CONDOMINIUMS	THIS MONTH DECEMBER 2023
Median Sale Price	▲ \$870,000

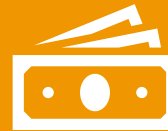
Oahu



More **Affordable** Housing



Policies that expand the affordable BUYER POOL



DEVELOPERS build more affordable housing



Allow efficiencies for SUPPORT GROUPS to help affordable buyers

Questions?