

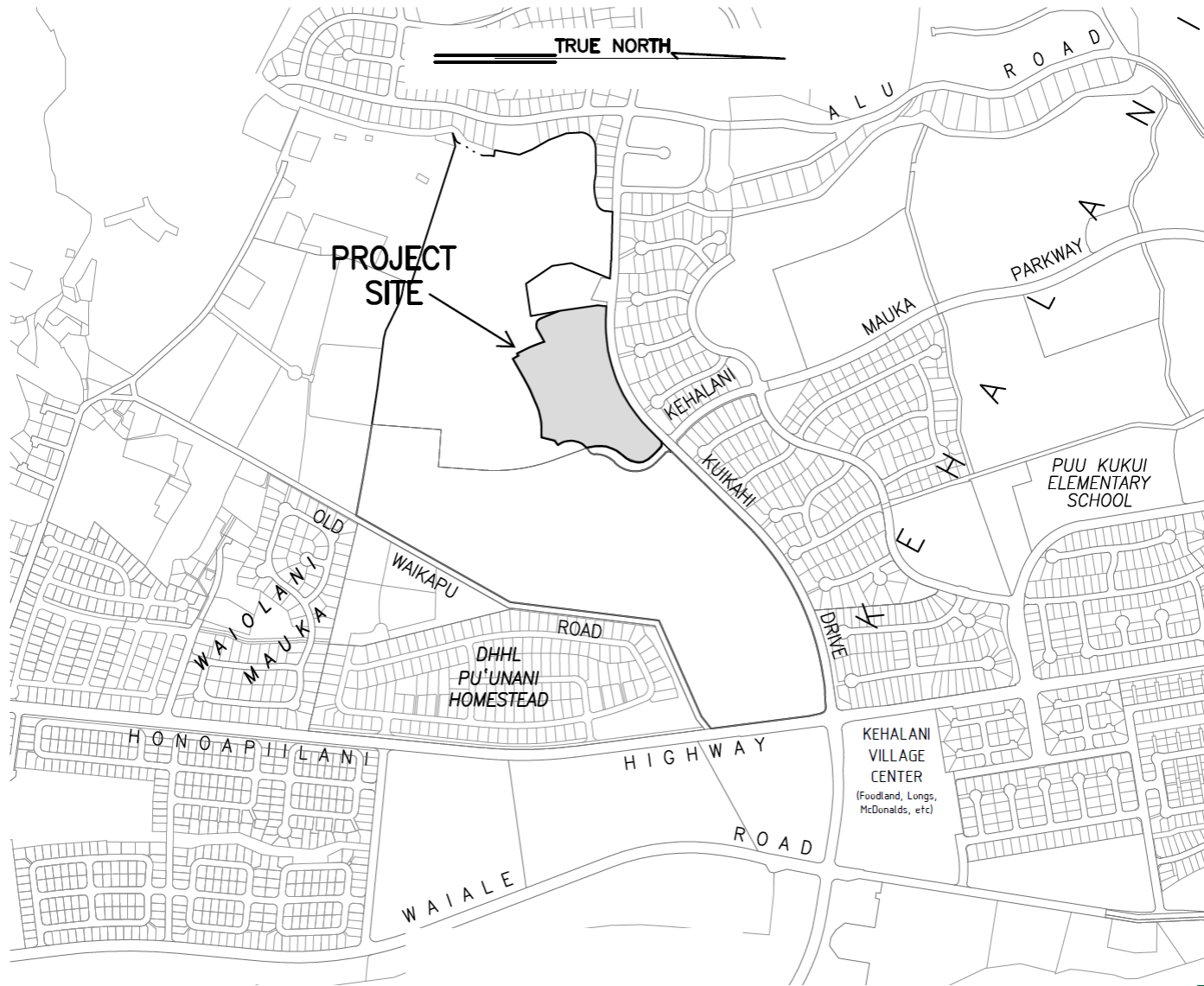


Kuikahi Residential

Wailuku, Maui

October 25, 2023

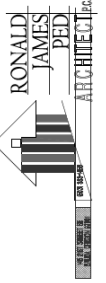
Kuikahi Residential Vicinity Map



Kuikahi Residential – Early Proposal Layout Plan



PROJECT: NEW APARTMENT VILLAGE PROJECT - KUIKAHI VILLAGE
 LOCATION: 10250 KUIKAHI DRIVE, KUIKAHI, HAWAII
 DATE: 10/29/2021
 DRAWN: J. J. [unreadable]
 CHECKED: [unreadable]
 SCALE: 1" = 80'-0"



NEW APARTMENT PROJECT
BETSILL KUIKAHI VILLAGE
 KUIKAHI DRIVE & KEOLU MAUI PKWY

DATE: 8 MAR 2020
 DRAWN: [unreadable]
 JOB NO: 2008
A1.1

Recent News Headlines

US MORTGAGE RATES
NEARS 8%, FURTHER
SUPPRESSING
HOUSING DEMAND

BLOOMBERG
Oct 25, 2023

MORTGAGES WILL
REMAIN SKY-HIGH IN
2024, PUSHING
EXISTING HOME SALES
TO A 3-DECADE LOW,
GOLDMAN SACHS
SAYS

INSIDER BUSINESS
Oct 23, 2023

THERE'S NEVER
BEEN A WORSE
TIME TO BUY
INSTEAD OF RENT

WALL STREET JOURNAL
Oct 22, 2023

HOME SALES AT
LOWEST POINT
SINCE 2010 AS
HIGH MORTGAGE
RATES SQUEEZE
MARKET

WALL STREET JOURNAL
Oct 19, 2023

HERE'S WHAT 8%
MORTGAGE
RATES WILL DO
TO THE HOUSING
MARKET

BLOOMBERG Oct 18, 2023

THE 30-YEAR FIXED
MORTGAGE RATE
JUST HIT 8% FOR
THE FIRST TIME
SINCE 2000 AS
TREASURY YIELDS
SOAR

CNBC Oct 18, 2023

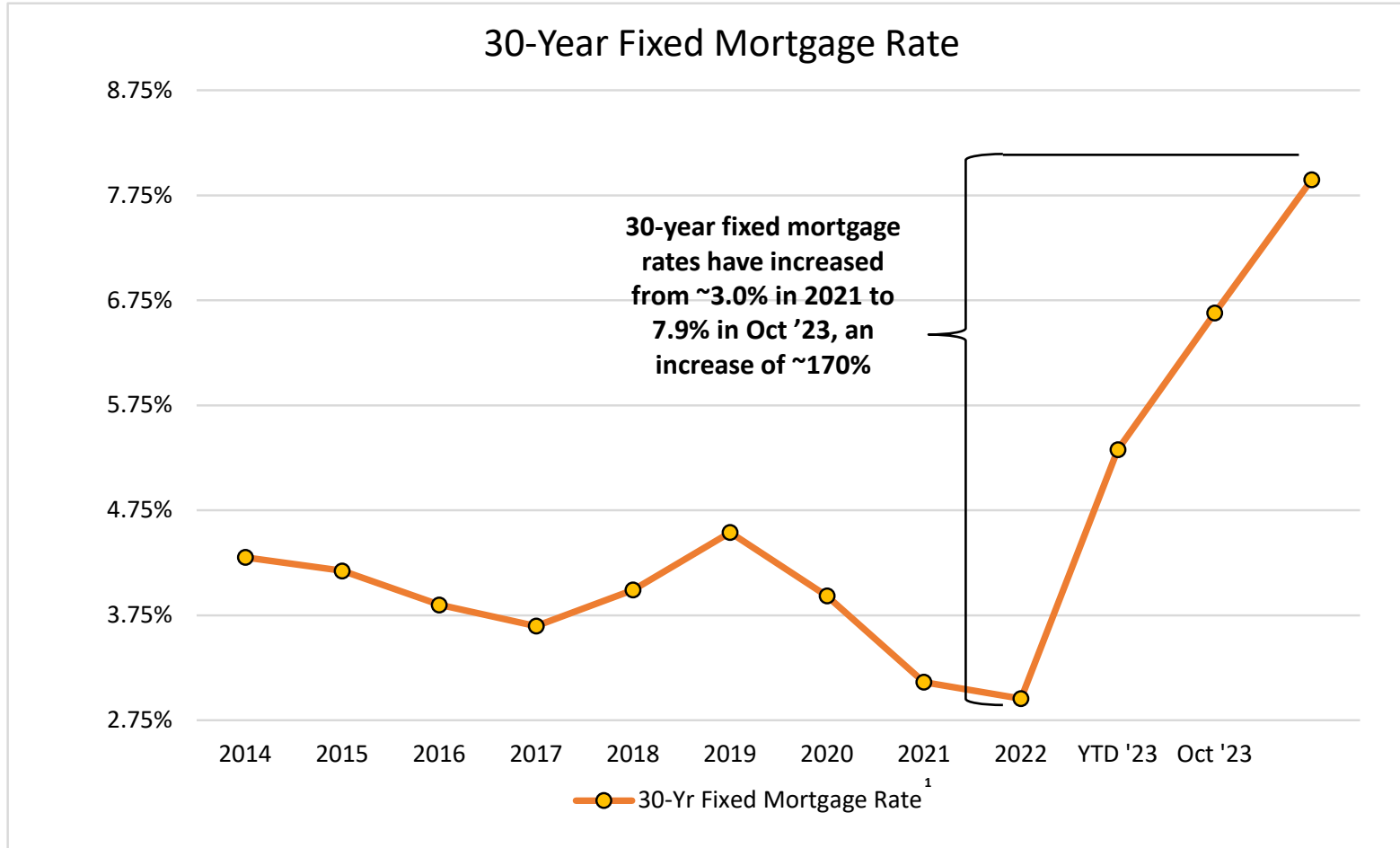
HOME SALES ON
TRACK FOR
SLOWEST YEAR
SINCE HOUSING
BUST

WALL STREET JOURNAL
Oct 16, 2023

MORTGAGE COST
SURGE MAKES IT
CHEAPER TO RENT
IN TOUGH US
MARKET

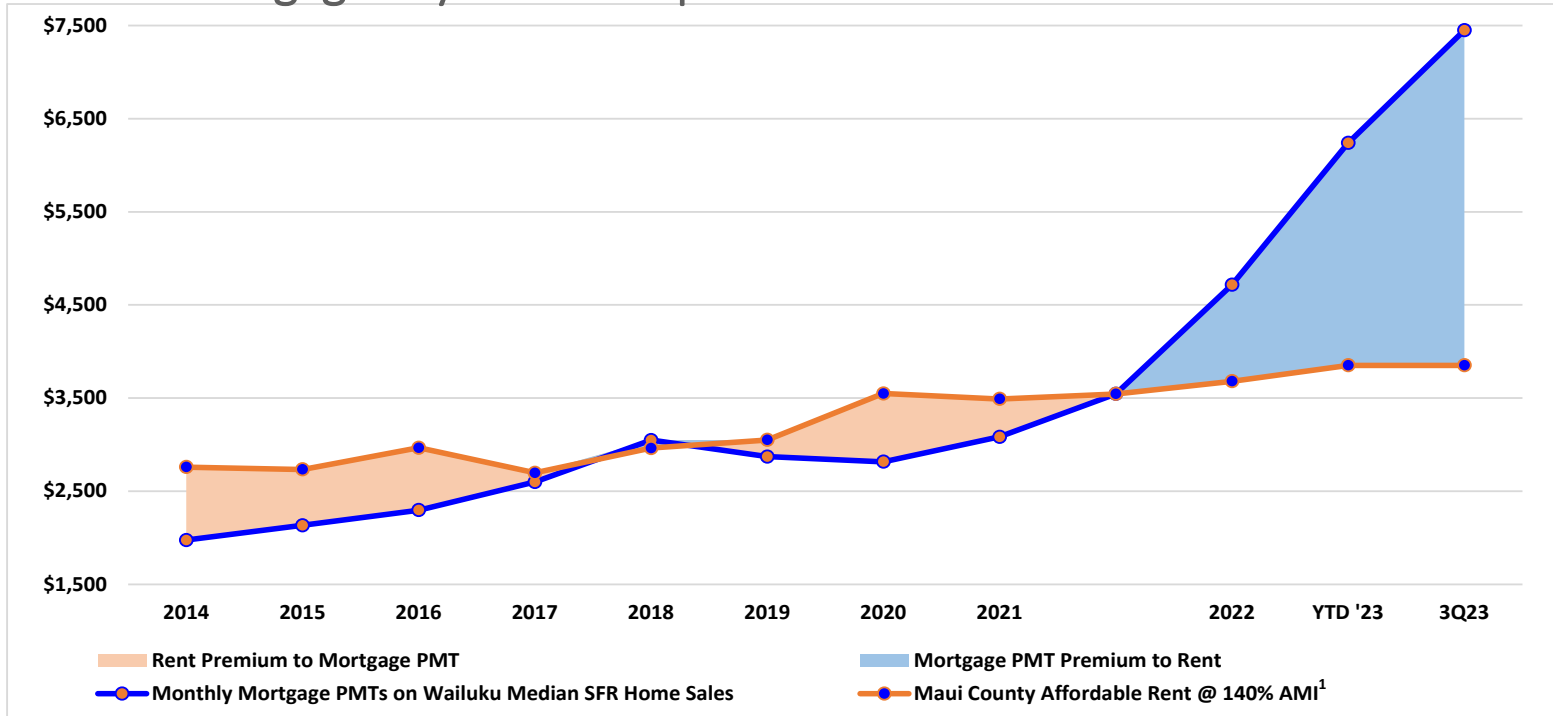
BLOOMBERG Oct 13, 2023

Mortgage Rate Impact on Home Affordability



1. Based on Freddie Mac historical 30-year fixed mortgage rates

Monthly Rent vs Mortgage Payment Comparison



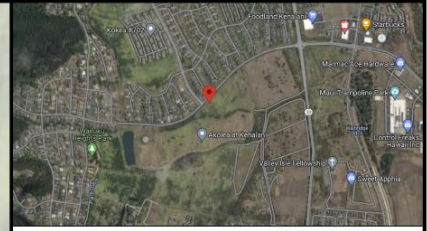
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD '23	3Q23
Wailuku Median Home Price	446,507	501,006	553,066	598,377	658,384	667,887	725,325	810,453	925,248	1,070,444	1,138,833
Down Payment	(44,651)	(50,101)	(55,307)	(59,838)	(65,838)	(66,789)	(72,532)	(81,045)	(92,525)	(107,044)	(113,883)
Mortgage Loan Amount	401,856	450,906	497,759	538,539	592,546	601,098	652,792	729,408	832,723	963,400	1,024,950
30-Yr Fixed Mortgage Rate	4.2%	3.8%	3.6%	4.0%	4.5%	3.9%	3.1%	3.0%	5.3%	6.6%	7.9%
Monthly Mortgage Payment	\$1,976	\$2,133	\$2,297	\$2,599	\$3,049	\$2,871	\$2,815	\$3,084	\$4,716	\$6,239	\$7,449
Affordable Rent @ 140% AMI	\$2,759	\$2,734	\$2,967	\$2,697	\$2,963	\$3,050	\$3,549	\$3,491	\$3,680	\$3,851	\$3,851
Mortgage PMT Premium (\$)	(\$784)	(\$600)	(\$670)	(\$98)	\$86	(\$179)	(\$734)	(\$407)	\$1,036	\$2,388	\$3,598
Mortgage PMT Premium (x)	0.7x	0.8x	0.8x	1.0x	1.0x	0.9x	0.8x	0.9x	1.3x	1.6x	1.9x

1. Rents based on Maui County affordable guidelines using 3-bedroom at 140% AMI (e.g. highest affordability level since historic market rents were not available)

Kuikahi Residential – Overall Layout Plan



Kuikahi Residential – Overall Layout Plan



VICINITY MAP																																																											
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SITE INFORMATION MULTIFAMILY AREA 13.97 ACRES TOTAL AREA 14.97 ACRES DENSITY 13.49 DU/ACRE BUILDING / LANDSCAPE SETBACKS NORTH 25'/15' SOUTH 25'/15' EAST 25'/15' WEST 25'/15'																																																											
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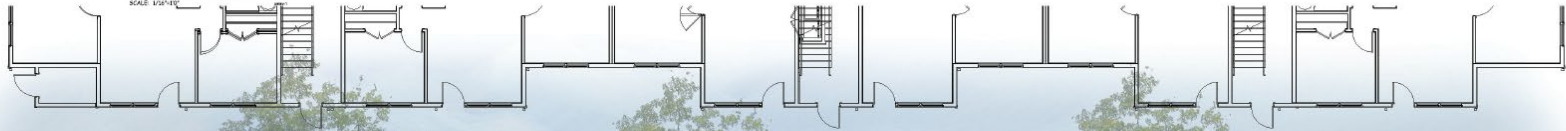
Kuikahi Residential – Elevation

-  BOARD & BATTEN 1
-  BOARD & BATTEN 2
-  LAP SIDING 1
-  LAP SIDING 2
-  ROOF
-  DOORS
-  TRIM



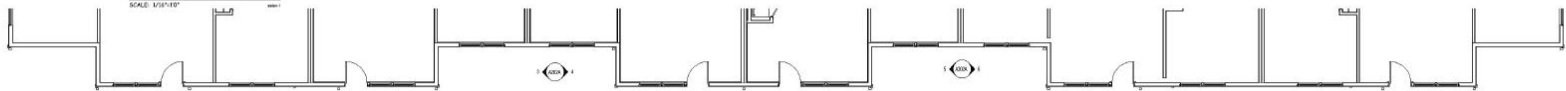
Front Elevation

SCALE: 1/8"=1'-0"



Rear Elevation

SCALE: 1/8"=1'-0"



L36 A

Affordable Multifamily Project Comparison

Unit Size Comparison

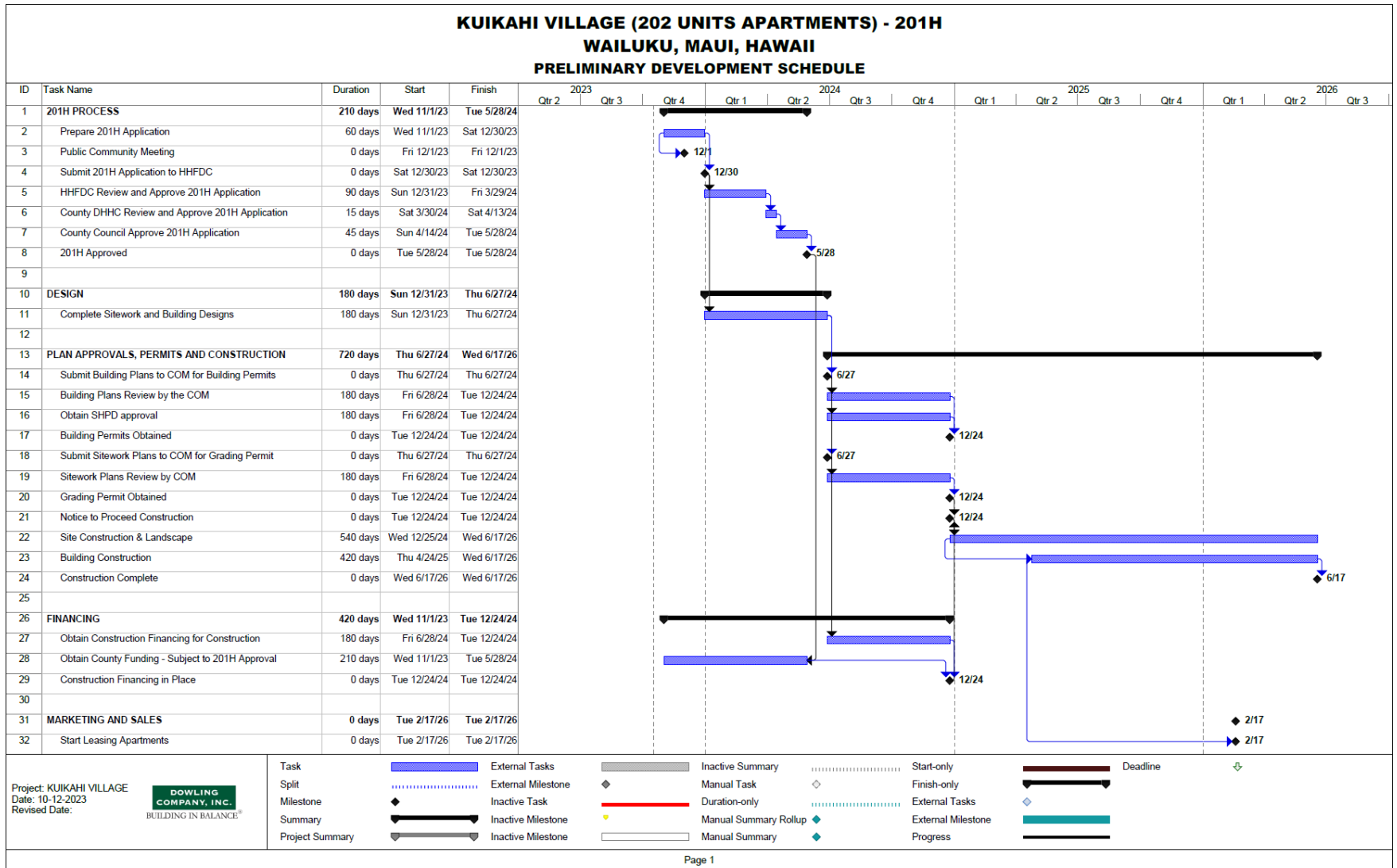
Property	Kuikahi Village (Wailuku)	Kaulana Mahina (Wailuku)		Kaiaulu o Kukuia (Lahaina)		Kaiaulu o Kupuohi (Lahaina)		Kaiwahine Village (Kihei)		Kenolio Apartments (Kihei)		Hale o Piikea I (Kihei)	
	Unit Area	Unit Area	% Larger	Unit Area	% Larger	Unit Area	% Larger	Unit Area	% Larger	Unit Area	% Larger	Unit Area	% Larger
Studio	591	420	141%	-	-	-	-	-	-	-	-	-	-
1-Bed	692	542	128%	-	-	696	99%	-	-	679	102%	528	131%
2-Bed	1,011	727	139%	939	108%	964	105%	736	137%	984	103%	722	140%
3-Bed	1,288	938	137%	1,094	118%	1,105	117%	1,104	117%	1,141	113%	1,046	123%

Affordability Target Comparison

Property	Kuikahi Village - Rental				Kaulana Mahina			
	Units	% of Units	Projected Rents ¹	% of Affordable	Units	% of Units	Projected Rents	% of Affordable
<= 80% AMI	34	17%	\$1,440	28%	55	17%	\$1,426	28%
<= 100% AMI	35	17%	\$1,920	29%	55	17%	\$1,901	28%
<= 120% AMI	34	17%	\$2,353	28%	55	17%	\$2,663	28%
<= 140% AMI	18	9%	\$2,816	15%	30	9%	\$3,295	15%
Affordable	121	60%	\$2,040	100%	195	60%	\$2,196	100%
Market	81	40%	\$3,019		129	40%	\$3,395	
Total	202	100%	\$2,432		324	100%	\$2,674	

1. Projected rents are weighted based on number of units and unit types (e.g. studio, 1-bed, etc). Affordable rents are based on Maui County 2023 Affordable Rent Guidelines, net of utility allowance.

Kuikahi Residential – Preliminary Development Schedule



Kuikahi Residential – Project Advantages

1. At current interest and mortgage rates, the original for-sale project is not feasible
2. County financial support structured as a low-interest rate loan instead of a grant – sustainable and circular for County to help future workforce housing projects
3. Accelerated project timeline
 - Kuikahi Village is the closest to shovel ready workforce housing development on Maui
 - County offsite infrastructure ready to service project
 - Construction plans completed
4. Project affordability
 - Shift from for-sale to rental execution given recent rise in mortgage rates
 - Rent: ~\$2,420 per month¹
 - Mortgage: ~\$4,077 per month²
 - Affordability tied to Maui County Affordable Rent Guidelines with affordability allocations set to that of Kaulana Mahina
 - Flexibility to switch to for-sale product in the future should mortgage rates decrease to affordable levels
5. Residents will be close to jobs, schools, medical facilities, police station, fire department, parks, grocery stores, etc
6. The efficiency of the rental project allows for more open space

1. Average rent per month based on Kuikahi Residential unit mix, Maui County Affordable Rent Guidelines, and market rents

2. Average mortgage payment per month based on unit mix, Maui County Affordable Sale Guidelines, and market sales prices

HLU Committee

From: lawrence@alaula.org
Sent: Wednesday, October 25, 2023 1:23 PM
To: HLU Committee
Subject: November 1, 2023 - HLU Committee Meeting Materials
Attachments: 23.10.25 - Kuikahi Residential Presentation.pdf

You don't often get email from lawrence@alaula.org. [Learn why this is important](#)

Aloha HLU Committee,

Please see the attached Kuikahi Village presentation materials for the November 1, 2023 agenda and meeting. Please let me know if you need anything else.

Mahalo,

Lawrence Carnicelli, B
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Broker, Hale Anuenue Realty
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Lawrence@Alaula.org
RB-18787