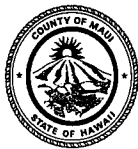


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COUNTY COUNCIL

COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

February 21, 2020

Mark James, Community Affairs Chair
Mortgage Bankers Association Hawaii
Bank of Hawaii
2969 Mapunapuna Place, Suite 100
Honolulu, Hawaii 96819
Mark.james@boh.com

Dear Mr. James:

**SUBJECT: BIENNIAL REVIEW OF RESIDENTIAL WORKFORCE
HOUSING POLICY (AH-10)**

At its February 5, 2020, meeting, the Maui County Council's Affordable Housing Committee reviewed the Residential Workforce Housing Policy, Chapter 2.96, Maui County Code. Several questions arose relating to mortgages that the Committee would appreciate receiving your comments on, namely: Why is 20 percent the standard amount for a down payment on a home? How was that standard or formula established in the industry?

The Committee members are aware that a larger down payment can help lower monthly mortgage payments and avoid private mortgage insurance. But why is 20 percent the "magic number"?

Your feedback by March 4, 2020, would be helpful to the Committee's efforts to improve workforce housing opportunities for Maui County residents. To ensure efficient processing, please include the relevant Committee item number in the subject line of your response.

Should you have any questions, please contact me or the Committee staff Alison Stewart at (808) 270-7661 or Stacey Vinoray at (808) 270-8006.

Sincerely,

A handwritten signature in black ink, appearing to read "Tasha Kama".

TASHA KAMA, Chair
Affordable Housing Committee

ah:ltr:010a01:ans