

NOTICE TO DEVELOPERS

**REQUEST FOR PROPOSALS
RFP NO.: RFP-16-HHL-004**

HAWAIIAN HOME LANDS RENTAL HOUSING IN THE VILLAGES OF LAIOPUA

The DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL) is requesting proposals from qualified persons, developers or firms to provide a rental housing program for Hawaiian home lands within the Villages of Laiopua Hawaiian home lands properties. Offerors shall provide a rental housing proposal targeting qualified low income renters with an option to purchase the rental unit, financial counseling, homeownership training, and economic benefits through various loan, grant and/or Low Income Housing Tax Credit programs. DHHL will also consider proposals which include other types of housing opportunities.

The RFP shall be available on the DHHL website. The RFP documents can be reviewed and downloaded online at no cost. Go to <http://dhhl.hawaii.gov/procurement/>. It is the responsibility of interested Offerors to check the DHHL website for any Addenda issued by DHHL.

Direct all questions, in writing, to:

RFP Contact:

Stewart Matsunaga, Masterplanned Community Development Manager
Land Development Division
Department of Hawaiian Home Lands
Email: stewart.t.matsunaga@hawaii.gov
Phone: (808) 620-9283 Fax: (808) 620-9299

A **Pre-Proposal Conference** will be held on February 19, 2016, 10:00 am, at the West Hawaii Civic Center, Community Meeting Hale, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawaii, 96740. The Pre-Proposal Conference will be followed by an inspection of a proposed project site located in the nearby Villages of Laiopua, Village 4. Subcontractors and union representatives are also invited to attend. Persons needing special accommodations due to a disability may submit such requests to the RFP Contact.

Statements made by DHHL representatives at the Pre-Proposal Conference, Site Inspection, or otherwise during the solicitation process shall not be binding on DHHL unless confirmed by written Addendum. Direct all questions regarding the RFP, in writing, to the RFP Contact.

RFP-16-HHL-004

Proposals shall comply with the requirements of the RFP. Proposals that do not comply with the RFP may be subject to disqualification. DHHL reserves the right to amend the RFP by written addenda, to reject any and all proposals, or to waive any defects in said proposals where DHHL deems it is in the best interest of the State.

CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS PROHIBITED. If awarded a contract in response to this solicitation, offeror agrees to comply with HRS §11-355, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by the legislative body between the execution of the contract through the completion of the contract.

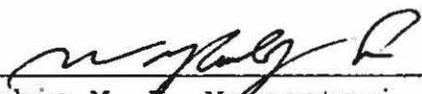
To be eligible to submit a bid, the Offeror and all subcontractors shall possess all required valid State of Hawaii licenses and specialty licenses needed to perform the work for this project.

This project is subject to Section 103D, Hawaii Revised Statutes, and to the payment of not less than the prevailing salaries and wages promulgated by the State of Hawaii, Department of Labor and Industrial Relations. Should Federal funds be used, Offeror shall also comply with U.S. Department of Housing and Urban Development (HUD) Federal Labor Standards and Provisions.

Written questions will be accepted up to 2:00 p.m., March 3, 2016. Questions may be submitted in writing, by fax, or by email to the RFP Contact. Any written questions received by the deadline shall be responded to via Addendum.

SEALED PROPOSALS ARE DUE: No later than 2:00 p.m.,
MAR 3 1 2016 at the Department of Hawaiian Home Lands,
91-5420 Kapolei Parkway, Kapolei, Hawaii 96707.

The envelope or enclosure containing Offerors proposal shall be sealed and clearly marked with the RFP number and title. Electronic responses shall not be accepted.



Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

RFP-16-HHL-004



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

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FEBRUARY 2016

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To be eligible to submit a bid, the Offeror and all subcontractors shall possess all required valid State of Hawaii licenses and specialty licenses needed to perform the work for this project.

This project is subject to Section 103D, Hawaii Revised Statutes, and to the payment of not less than the prevailing salaries and wages promulgated by the State of Hawaii, Department of Labor and Industrial Relations. Should Federal funds be used, Offeror shall also comply with U.S. Department of Housing and Urban Development (HUD) Federal Labor Standards and Provisions.

Written questions will be accepted up to 2:00 p.m., March 3, 2016. Questions may be submitted in writing, by fax, or by email to the RFP Contact. Any written questions received by the deadline shall be responded to via Addendum.

SEALED PROPOSALS ARE DUE: No later than 2:00 p.m., March 31, 2016 at the Department of Hawaiian Home Lands, 91-5420 Kapolei Parkway, Kapolei, Hawaii 96707.

The envelope or enclosure containing Offerors proposal shall be sealed and clearly marked with the RFP number and title. Electronic responses shall not be accepted.

SIGNED 2-2-16.

Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

RFP-16-HHL-004

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ATTACHMENT & EXHIBITS

Attachment 1: OFFER FORM, OF-1

- Exhibit A: File Plan (Preliminary), Village 4 Subdivision, Phase 1 - Akau, Villages of Laiopua
File Plan 2478, Village 5, Villages of Laiopua
- Exhibit B: Development Agreement (Sample)
- Exhibit C: Lease Agreement (Sample)
- Exhibit D: DHHL Applicant Survey
- Exhibit D: DHHL Lessee Survey

SECTION ONE
INTRODUCTION AND INFORMATION

1.1 TERMS AND ACRONYMS USED THROUGHOUT THE SOLICITATION

BAFO	=	Best and Final Offer.
Contract	=	Refers collectively to the Development Agreement and all other documents executed as a result of this RFP, including all attachments, exhibits, and supplemental documents attached thereto.
Contractor	=	Any individual, partnership, firm, corporation, joint venture, or representative or agent, awarded a contract as a result of this solicitation.
Development Agreement	=	The agreement between DHHL and Contractor which specifies the terms and conditions applicable to the development of the property.
DHHL	=	Department of Hawaiian Home Lands, of the State of Hawaii.
Chairman	=	Chairman of the Hawaiian Homes Commission , who administers the Department of Hawaiian Home Lands
GET	=	General Excise Tax.
HAR	=	Hawaii Administrative Rules.
Head of the Purchasing Agency	=	“HOPA” aka Chairman
HRS	=	Hawaii Revised Statutes.
Offeror	=	Any individual, partnership, firm, corporation, joint venture, or representative or agent, submitting an offer in response to this solicitation.
Chief Procurement Officer	=	Head of the State Procurement Office
Successful Offeror	=	Any individual, partnership, firm, corporation, limited liability company, joint venture, or representative or agent, awarded a contract as a result of this solicitation.
Proposer	=	Offeror.
RFP	=	Request for Proposals.
State	=	State of Hawaii, including all departments, attached agencies, and political subdivisions.
Successful Offeror	=	Any individual, partnership, firm, corporation, joint venture, or representative or agent, awarded a contract as a result of this solicitation.

1.2 INTRODUCTION

The DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL) is requesting proposals from qualified persons, developers or firms to provide a rental housing program for Hawaiian home lands beneficiaries within and up to 60 percent area median income within the Villages of Laiopua Hawaiian home lands properties. The rental housing program shall provide qualified renters with an option to purchase the rental unit, financial counseling, homeownership training, and economic benefits through various loan, grant and/or low income housing tax credit programs. DHHL will also consider proposals which include other types of housing opportunities.

Currently, DHHL has subdivided lots in residential subdivisions in the Kona area that are available for the purposes of this rental housing RFP:

- Laiopua Village 4 Subdivision, Phase 1-Akau ; 118 lots
- Laiopua Village 5; 45 lots

See Exhibit A for the subdivision locations, lot sizes and subdivision layout. Upon request, DHHL will provide as-built construction plans.

The selected developer will be responsible for completing the development of the Project free of any liens or encumbrances in accordance with the requirements of DHHL.

1.3 RFP SCHEDULE AND SIGNIFICANT DATES

All times indicated herein are in Hawaii Standard Time (HST).

Advertise Request for Proposals	February 5, 2016
Pre-Proposal Conference and Site Inspection (Big Island)	February 19, 2016, 10:00 a.m. West Hawaii Civic Center, Community Meeting Hale, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawaii 96740 Site inspection to follow at Laiopua Village 4.

Deadline for Questions/Requests for Clarification	March 3, 2016, 2:00 p.m.
State Response to Questions via Addendum	March 9, 2016
Sealed Proposal Due	March 30, 2016 No later than 2:00 PM Hale Kalaniana'ole 91-5420 Kapolei Parkway Kapolei, Hawaii 96707
Estimated Contract Award Date	May 2016
Anticipated Contract Start Date	Subject to financing and execution of a Development Agreement

NOTE: DHHL reserves the right to adjust this timeline. Any timeline adjustments will be provided through Addendum.

1.4 **PRE-PROPOSAL CONFERENCE**

A **Pre-Proposal Conference** will be held on February 19, 2016 at 10:00 am at West Hawaii Civic Center, Community Meeting Hale, 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawaii 96740.

At the Pre-Proposal Conference, DHHL will provide information on the RFP, review the procurement schedule, and address informal questions. Following the Pre-Proposal Conference, Offerors may also inspect the proposed project site at Villages of Laiopua, Village 4 Subdivision, Phase 1-Akau. Additional site inspections for Offerors team and/or sub-contractors and sub-consultants may be arranged with the RFP Contact following the Pre-Proposal Conference.

Questions will be permitted at the Pre-Proposal Conference and/or Site Inspection. However, any statements made by DHHL representatives are only intended to give Offeror general direction and shall not be binding on DHHL unless confirmed by written Addendum. For an official response, submit all questions **in writing** to the RFP Contact by the deadline provided.

1.5 **QUESTIONS, CLARIFICATIONS, OR CHANGES**

Any Offeror that has questions or requires clarification of the information provided in this RFP must submit specific questions or requests **in writing** to the RFP Contact. The deadline for questions is specified in the RFP Schedule above. **Email is the preferred method of communication; it is the Offerors responsibility to ensure that the RFP Contact receives your written questions and requests for clarifications.**

a. **Addenda**

If DHHL determines that additional information or interpretation is necessary or that a change is needed regarding this RFP, such information will be supplied in addenda and distributed to all persons or firms who registered for this solicitation. Addenda shall have the same binding effect as though contained in this RFP. The Procurement Officer will issue all addenda no later than the date indicated in the Procurement Timeline, unless otherwise amended.

Up to the date and time that proposals are due, it is the responsibility of all parties interested in this RFP to refer frequently back to the DHHL website to check for any Addenda that have been issued for this RFP. Interested parties who have registered with DHHL for this proposal will receive courtesy notices of any addendum that has been issued for this RFP; however, interested parties are ultimately responsible for being aware of any addenda issued by DHHL.

b. **Statements by DHHL Representatives**

Statements made by DHHL representatives at the Pre-Proposal Conference, Site Inspection, or otherwise during the solicitation process shall not be binding on DHHL unless confirmed by written addendum.

For an official response, offerors shall submit all questions **in writing** to the RFP Contact.

c. Required Review

Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter **must be made in writing and should be received by the DHHL prior to the Deadline for Questions and Clarifications as stated in the Procurement Timeline.**

If Offeror takes exception to any terms, conditions, specifications, or other requirements described herein, Offeror initially should seek an informal resolution with the Procurement Officer. See HRS 103D-701 and HAR 3-126-3 prior to receipt of offers. If unresolved at the time offers are received, any exceptions taken to the terms, conditions, specifications, or other requirements described herein may be listed in the Exceptions section of the Offeror's proposal.

1.6 UNAUTHORIZED COMMUNICATIONS

The sole point of contact for this solicitation is the RFP Contact named on the front cover of this RFP. All questions and communications regarding this RFP shall be directed to the RFP Contact. Offerors shall not communicate about this RFP with members of the Selection Committee, the Hawaiian Homes Commission, or any DHHL employee not specifically named in this RFP, except upon invitation by the RFP Contact. Any unauthorized communications may be cause for proposal rejection.

1.7 CONTRACT TERM

The Contract term and any extensions or renewals shall be as specified in the Development Agreement. The option to extend the Contract will be at the sole discretion of the DHHL. The Contract shall be extended at the same rates as proposed in the original proposal, unless price adjustments are otherwise permitted at the sole discretion of DHHL. Any contract extensions or price adjustments must be mutually agreed upon in writing by DHHL and Contractor.

When interests of the State or the Contractor so require, the State or the Contractor may terminate the contract for convenience by providing six (6) weeks prior written notice to the contracted parties.

a. Multi-Term Contract Subject to Availability of Funds

Funds are available for only the initial term of the contract. The contractual obligation of both parties in each fiscal period succeeding the first is subject to the availability of funds. The State shall notify the contractor on a timely basis that funds are, or are not, available for the continuation of the contract for each succeeding fiscal period.

The contract will be cancelled if the funds are not available or otherwise made available to support continuation of performance in any fiscal period succeeding the initial term of the contract. This does not affect either the State's rights or the Contractor's rights under any termination clause of the contract.

In the event of cancellation, as provided in the paragraph above, Contractor will be reimbursed the unamortized, reasonably incurred, nonrecurring costs.

A unit price shall be given for each good or service, and the unit prices shall be the same throughout the contract, except to the extent price adjustment is allowed.

1.8 DOWNLOADED SOLICITATION

Any Offeror who downloads the solicitation documents online shall *register* its entity by fax or e-mail to the RFP Contact. Offeror will not receive formal notification of any Addenda to the RFP, and is responsible to check the DHHL website for the issuance of any Addenda.

1.9 GOVERNING LAWS AND RULES; COST OF LITIGATION

This RFP is being conducted pursuant to and in accordance with Hawaii Revised Statutes (HRS), Chapter 103D, and all applicable Hawaii Administrative Rules (HAR), including, but not limited to HAR 3-122. All proposals submitted in response to this RFP are subject to the HRS, HAR, and all terms, conditions, and requirements specified in the RFP.

The validity of the RFP and any of its terms or provisions, as well as the rights and duties of the State, DHHL, and any party submitting a response to the RFP, shall be governed by the laws of the State of Hawaii. All matters not specifically addressed in the RFP, or a subsequent contract entered into, will be governed by the HRS as well as applicable HAR and any other local, state, and federal rules, laws, and regulations pertaining to procurement and contracting with DHHL and the State of Hawaii.

Any action at law or equity to enforce or interpret the provisions of the RFP shall be brought in a state court or competent jurisdiction in Honolulu, Hawaii.

a. Cost of Litigation

In case the State or DHHL shall, without any fault on its part, be made a part to any litigation commenced by or against the protesting Offeror in connection with the RFP, the protesting Offeror shall pay all costs and expenses incurred by or imposed on the State or DHHL, including attorneys' fees.

1.10 RESERVATION OF RIGHTS

DHHL, in its sole discretion, reserves the right to:

- a. change or cancel this RFP;
- b. reject any or all proposals received in response to this RFP;
- c. determine whether a proposal submitted in response to this RFP fails to meet the requirements of the RFP in some material respect;
- d. obtain modification or clarification necessary to properly evaluate a proposal;
- e. obtain references regarding any Offeror's past performance from any source; and
- f. execute a contract with the Successful Offeror.

Neither issuance of this RFP nor evaluation of any proposal(s) obligates DHHL to award a contract from this RFP.

1.11 OFFEROR QUALIFICATIONS

Offeror must meet all of the qualification requirements in the RFP. Failure to meet the qualifications as specified in the RFP will likely have an adverse affect on Offeror's proposal evaluation, and may be grounds for rejection of a proposal.

1.12 SUBMISSION OF PROPOSAL

By submission of a proposal, Offerors warrant and represent that they have read and are familiar with the contractual requirements set forth in the RFP and its attachments and exhibits, the provisions of which are expressly incorporated into this RFP by reference as though fully set forth in its entirety herein.

Furthermore, the submission of a proposal shall constitute an incontrovertible representation by the Offeror of compliance with every requirement of the RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

Before submitting a proposal, each Offeror must:

- a. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments, exhibits, plans referred to herein, and any other relevant documents; and
- b. Be familiar with State, local, and federal laws, statutes, ordinances, rules, and regulations that may, in any manner, affect cost, progress, or performance of the work, the project, and/or the relevant property.

All submitted proposals shall become the property of the DHHL and be subject to public disclosure in accordance with HRS, Chapter 92F.

1.13 CONFIDENTIAL INFORMATION

If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer named on the cover of this RFP should be so advised in writing and provided with legal justification to support the confidentiality claim. Price is not considered confidential and will not be withheld.

An Offeror shall request in writing nondisclosure of designated trade secrets or other proprietary data considered confidential by law. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

Offerors may not mark an entire proposal confidential. Should a proposal be submitted in this manner, the DHHL reserves the right to hold no portion of the proposal as confidential, unless such a portion is determined by the Attorney General to be subject to disclosure pursuant to HRS, Chapter 92F.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Department of the Attorney General for confidentiality in accordance with HRS Chapter 92F. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror appeals pursuant to HRS §92F-42(1). If the request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with HRS §92F-15.5.

1.14 RESERVED

1.15 PROPOSAL AS PART OF THE CONTRACT

This RFP and the Successful Offeror's proposal, as accepted by DHHL, will be incorporated into the resulting Contract. In the event of conflicts between the RFP and the Successful Offeror's proposal, the RFP will always take precedence. The Successful Offeror is required to identify conflicting or omitted sections of the RFP requirements in its proposal.

1.16 ADDITIONAL TERMS AND CONDITIONS

Approvals. Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Confidentiality of Material. All material given to or made available to the Contractor by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the

CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

Nondiscrimination. No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for six (6) years from the date of final payment under the Agreement.

Correctional Industries. Goods and services available through Hawaii Correctional Industries (HCI) programs may be the same or similar to those awarded by competitive sealed bids or proposals. Agencies participating in DHHL requirements (price list) contracts may also procure directly from CI and shall not be considered in violation of the terms and conditions of any DHHL contract.

Competency of Offeror. The Procurement Officer shall determine whether the Successful Offeror has the financial ability, resources, skills, capability, and business integrity necessary to fulfill the Contract. For this purpose, either before or after the deadline for an offer, the DHHL may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to satisfactorily fulfill the Contract. Whenever it appears from answers to the questionnaire or otherwise, that the Successful Offeror is not fully qualified and able to fulfill the Contract, a written determination of non-responsibility of an offeror shall be made. The unreasonable failure of an offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such offeror. The decision of non-responsibility shall be final unless the offeror applies for administrative review pursuant to section 103D-709, HRS.

Preparation of Offer. An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all offers for that line item shall be rejected.

The State and DHHL reserves the right to add terms and conditions to the RFP and Contract. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluation.

1.17 CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS

If awarded a contract in response to this solicitation, Offeror agrees to comply with HRS §11-355, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by the legislative body between the execution of the contract through the completion of the contract.

1.18 CANCELLATION

Pursuant to HAR 3-122-96, DHHL reserves the right to cancel this RFP without liability when it is determined by DHHL, at its sole discretion, to be in the best interests of the State. In no event shall DHHL have any liability for a cancellation. The Offeror assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

1.19 REJECTION OF PROPOSALS

Pursuant to HAR 3-122-97, DHHL reserves the right to reject any or all proposals, in whole or in part, without liability, when it is determined by DHHL, at its sole discretion, to be in the best interest of the State. The Offeror assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

1.20 COSTS OF PROPOSAL PREPARATION

Costs for developing the proposal are solely the responsibility of the Offeror, whether or not any award results from this solicitation. State of Hawaii will not reimburse such costs.

SECTION TWO

BACKGROUND AND PROJECT OBJECTIVES

2.1 ABOUT DHHL

The Department of Hawaiian Home Lands (DHHL) was established by the Hawaiian Homes Commission Act (HHCA) in 1920. Passed by Congress and signed into law by President Warren Harding on July 9, 1921 (chapter 42, 42 Stat. 108), the HHCA provides for the rehabilitation of the native Hawaiians through a government-sponsored homesteading program. Native Hawaiians are defined as individuals having at least 50 percent Hawaiian blood.

The mission of DHHL is to manage the Hawaiian Home Lands trust effectively and to develop and deliver lands to native Hawaiians. DHHL works both independently and collaboratively towards developing self-sufficient and healthy communities. Pursuant to provisions of the HHCA, DHHL provides direct benefits to native Hawaiians in the form of 99-year homestead leases at an annual rental of \$1. In 1990, the Legislature authorized DHHL to extend leases for an aggregate term not to exceed 199 years (Act 305, Session Laws of Hawaii 1990; section 208, HHCA). Homestead leases are for residential, agricultural, or pastoral purposes. The intent of the homesteading program is to provide for economic self-sufficiency of native Hawaiians through the provision of land.

2.2 PROJECT OBJECTIVES

Due to financial challenges, particularly credit qualifications, DHHL waitlist applicants and undivided interest lessees have not been capable of qualifying for turnkey housing and owner-builder housing homestead offerings. DHHL wishes to pursue alternative housing methods to be able to shelter its beneficiaries, while providing financial and homeownership education and an incentive to be able to purchase a home. Currently, there are 229 Laiopua Undivided Interest lessees in line for housing, while as of December 31, 2014, there are 5,606 applicants on the Hawaii Islandwide Residential list who would take a second position after all Laiopua Undivided Interest lessees have been offered a housing opportunity.

Currently, DHHL's Kapolei Hoolimalima development offers a rent with option to purchase housing program for 70 applicants and undivided interest lessees. This program, funded in large part with Low Income Housing Tax Credits, is in its 15-year in-rent period. DHHL expects a large majority of the existing tenants to qualify to purchase the house which they occupy, many of whom are original tenants from 2001.

While DHHL's turnkey house production has been successful over the past 15 years, current residential waitlist applicants and undivided interest lessees have not been successful in qualifying for a mortgage for a single-family turnkey home, largely due to credit and debt issues. Therefore, DHHL believes that a rental program that offers applicants and lessees shelter and financial enhancement education, with an incentive for homeownership is a viable program.

DHHL Applicant Survey 2014 and DHHL Lessee Survey 2014 is attached as Exhibit D.

2.3 DESCRIPTION OF THE PROPERTY

See Exhibit A.

Proposed primary project site available:

Village 4, Phase 1 (Akau Subdivision), Villages of Laiopua. 118 lots

Additional available lots for Offerors Option:

Village 5, Villages of Laiopua. 45 lots
(Lots available: 7-36, 57-63, 69-71, 84, 104-106, 115, 118.)

As-built construction plans available upon request.

2.4 PROJECT GOALS

Developer may consider any and all lots available in Village 4, Phase 1 (Akau Subdivision), Villages of Laiopua for a Rent with Option to Purchase program, solely or blended with “For Sale” turnkey, self-help and/or vacant lot/owner-builder awards, or any combination, thereof. In each and every case, Developer shall define its total financial resources available and financial resources required, regardless of source.

Developer shall prepare a phasing plan for a Rent with Option to Purchase program, and any subsidiary housing program.

The Successful Offeror shall provide rental housing opportunities that lead to future homeownership to qualified families whose income does not exceed the area median income of 60 percent, adjusted to family size.

The Successful Offeror shall be required to fund any development cost balance shortfall that is not provided through grants, loans, and/or low income housing tax credit financing, etc.

The Successful Offeror shall provide a feasibility analysis of its rental housing program, including providing rental housing guidelines and procedures.

The Successful Offeror shall offer the rental units to qualified families according to DHHL’s Undivided Interest list, then to the DHHL Hawaii Islandwide Residential List, in rank order provided by DHHL. DHHL shall use its best efforts to provide lists of Hawaiian home lands applicants to the contracted Offeror.

The successful Offeror shall prepare a rental management process and management handbook, manage or cause the management of the rental program, oversee the on-going financial capability of the tenants and develop any programs to further enhance the tenants’ ability to purchase their unit.

The successful Offeror shall provide DHHL with a comprehensive and detailed offer and closing process that ensures the smooth transition from rental to purchase and lease closing.

SECTION THREE

PROPOSAL REQUIREMENTS AND EVALUATION CRITERIA

Offeror’s proposal shall describe in detail the Offeror’s ability and availability of services to meet the goals and objectives of this RFP and specifically the **SCOPE OF WORK** in **Section Two of this RFP**. When an interested Offeror submits a proposal, it shall be considered a complete plan for accomplishing all the work specified in the RFP. The Offeror’s proposal must demonstrate an understanding of and the ability to meet and perform all contractual requirements listed in the RFP. Offeror shall submit a proposal that includes an overall strategy, timeline and plan for accomplishing the work proposed as well as any expected results and potential shortfalls.

Proposals submitted in response to this RFP will be evaluated in accordance with the following Proposal Requirements and Evaluation Criteria. **INCLUDE A “TABLE OF CONTENTS” AND ORGANIZE YOUR PROPOSAL IN THE FOLLOWING ORDER, AS ADDRESSED IN THIS SECTION:**

- 3.1 Transmittal Letter
- 3.2 Offer Form
- 3.3 Organizational Background

- 3.4 Financial Feasibility
- 3.5 Experience
- 3.6 Project Understanding and Approach
- 3.7 Confidential Information
- 3.8 Exceptions
- 3.9 Additional Information

All proposal requirements listed as a “Mandatory Requirement” in this section must be addressed. PROPOSALS THAT DO NOT INCLUDE ALL MANDATORY SECTIONS WILL BE DEEMED NON-RESPONSIVE TO THIS RFP AND WILL NOT BE CONSIDERED FOR AWARD. Failure to address any other proposal requirements may also be deemed non-responsive and not considered for award.

3.1 TRANSMITTAL LETTER
(Proposal Requirement)

Provide a one- to two-page transmittal letter that summarizes Offeror’s proposal and confirms that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP. The transmittal letter should be in the form of a standard business cover letter on official business letterhead and signed by an authorized representative of Offeror.

If subcontractors will be used, append a statement to the transmittal letter from each subcontractor signed by an individual authorized to legally bind the subcontractor and stating, in addition to the paragraph above:

1. The general scope of work to be performed by the subcontractor; and
2. The subcontractor's willingness to perform the indicated work for DHHL in accordance with the RFP.

3.2 OFFER FORM
(Proposal Requirement)

Provide a signed Attachment 1, Offer Form OF-1, with the complete name and address of Offeror’s firm and the name, mailing address, telephone number, and fax number of the person the State should contact regarding the Offeror’s proposal.

3.3 ORGANIZATIONAL BACKGROUND – 10 POINTS
(Mandatory Requirement)

a. Legal Entity

Identify the legal entity constituting the developer that will execute and be bound by the terms and conditions of the Development Agreement and any other Contract resulting from this RFP.

b. Developer Description

Provide an accurate description of the developer, including narrative and quantitative metrics such as number of employees, dollar volume per year, and office locations, among other descriptive information.

c. Development Team

Identify the development team members, including any major consultants, who will be involved in the planning and implementation of the development. The consultants identified may include, but not necessarily be limited to, design architect and planners, economic / financial analysts, engineers, contractors, and legal counsel. Include resumes and current contact information, including email, phone number, and physical address for each proposed team member.

d. Team Roles

Identify the roles and submit resumes for the project manager and key individuals who will be involved in the development, implementation, and operation of the development.

Evaluation Criteria: The selection committee will review for a complete description of the legal developer entity and the development team members.

3.4 FINANCIAL FEASIBILITY – 35 POINTS (Mandatory Requirement)

Please note that DHHL will maintain the confidentiality of all financial information provided by Offerors as a part of this RFP process. Offerors shall provide proprietary financial information under separate cover, as specified in Section 1.13.

a. Summary of Financial Capacity

Provide a description of developer's financial capacity and backing, including general financial capabilities and partnerships. Describe the developer's need for and ability to raise equity and additional capital sources. Describe how pre-development costs will be funded.

b. Detailed Financial Qualifications

In order to demonstrate access to equity capital and financing resources to carry out entitlement and development of the property, provide the information indicated below.

1. Composition of current real estate portfolio.
2. Recent history (last five to seven years) in obtaining financing commitments, including type of project, financing source, and amounts committed.
3. Projects in pipeline, including status, development schedule and financial commitment required of developer, a description of project financing methods, sources, and amounts. Indicate any working relationship on other projects with members of the development team proposed for this Project.
4. Audited financial statements for the past three years.
5. Specific sources of debt/equity capital that may be used for this project, including relationship to the developer (outside lender, parent company, etc.) and contact information.
6. Adverse actions taken by any funding sources or financial institutions against the developer or joint venture partner, such as terminating or restricting the use of funds anytime during the past five years, if any.
7. Litigation in which developer (and any related affiliated entries) is involved or settled litigation over the last five years, if any.

c. Proposed Project Financing

Provide a sources and uses budget detailing how the proposed development will be financed. The project proforma shall show how funding is stacked and identify proposal assumptions and requirements asked of the State .

- Sources: Indicate the types of financial assistance to be used to complete the proposed development, plus any other types of financial assistance to be used. Provide documentation to support the commitment of these funds. If funds are not available to the project at the time of application submittal, please identify when you will apply for the identified funds. Also, please identify when the commitment may be expected.
- Uses: Provide an estimated budget for the acquisition, rehabilitation, and disposition of foreclosed homes (including soft costs such as developer fees, realtor fees, appraisals, inspections, marketing, carrying costs, etc.).
- Developer fee: Indicate the proposed developer fee, and all other fees proposed to be earned by affiliates of the developer, for each unit developed under this RFP.

Discuss the risks and benefits of Offeror's financing proposal and describe why Offeror's proposed financing strategy is the most advantageous to DHHL.

Evaluation Criteria: The selection committee will evaluate Offeror's demonstration of a credible ability to provide adequate funds for a purchase or raise or finance all costs, including pre-entitlement and other development costs. Financial strength and feasibility will be assessed on the basis of:

- **Strong financial standing and history.** Successful offerors will have a developer with a strong financial record.
- **Successful financing of comparable projects.** Responses including a description of how projects have been successfully funded (including pre-development costs) and equity raised on similar projects will receive higher scores.
- **Commitment of Funds.** Letters of support and other documentation showing the commitment of funds to this project.

3.5 EXPERIENCE – 30 POINTS *(Mandatory Requirement)*

a. Overview.

Provide an overview of Offeror's history and experience in developing affordable housing and homeownership opportunities. Identify your experience in working with federal programs, including the NAHASDA, CDBG or HOME program. Offerors must demonstrate an ability to compete for and access Low Income Housing Tax Credits.

b. Past Experience

Provide relevant examples of projects with similar development challenges that are in completion or have been successfully completed by Offeror. For each project identified, please provide the following information:

1. Project name and type.
2. Locations, including addresses, and photographs.
3. Size, mix of uses, and anchor tenants, if applicable.
4. Development timeline (from developer selection/site control to completion of construction, indicating phasing as relevant).
5. Project cost, capital and financing sources used, and indications of economic performance.
6. General description including role of development team and key project personnel, unique challenges of project, occupancy and history.
7. Identification of developer and explanation if different from the proposed developer for the property.

c. Development Team Members' Experience

Please provide relevant experience of the development team members. Provide no more than three projects per team member. Provide information including the project name, location, description, services provided, dates of service, and outcome of work effort. These projects may be the same as those submitted in response to the second paragraph of this section 3.5.

d. References

Please provide at least five (5) references for Offeror, including public and private entities.

Please note that DHHL reserves the right to evaluate references other than those provided in Offeror's proposal.

Evaluation Criteria: The selection committee will evaluate the experience of the Offeror as a developer and the experience of the specific personnel and consultants proposed by Offeror for assignment to this project. Specifically, the selection committee will base its assessment of Offeror on the following:

- **Public-private development.** Proven ability to work with a public agency landowner toward a project that contributes to the agency's mission as well as reflecting sound private sector development practices.
- **Community appeal.** Demonstrate experience creating projects that establish a "place" within a broader community that draws in residents, workers, and visitors from around the project site.
- **Involvement with public outreach process.** Proven ability to successfully execute a public outreach strategy, including working with community organizations, public agencies, and regulatory bodies, elected officials, and members of the public to develop an acceptable development program.
- **Development team members' experience.** While the experience of the Offeror as a developer is most important, the selection committee will also evaluate proposed development team members' experience. Team members with relevant project experience will be judged most qualified to accomplish the scope specified in the RFP.
- **References.** The selection committee will evaluate the references provided. These references will be contacted and may be interviewed or surveyed by DHHL or its representatives. Inquiries will be related to the Offeror's performance in successfully planning, funding, and financing, entitling, and developing similar developments.

3.6 **PROJECT UNDERSTANDING AND APPROACH – 25 POINTS** (Mandatory Requirement)

a. **Physical and Market Context and Development Opportunities and Constraints**

Describe the key opportunities and constraints, as seen by Offeror from a market and planning perspective, and Offeror's experience addressing such issues or opportunities on past projects.

b. **Regulatory, Political and Community Context**

Summarize Offeror's understanding of the regulatory, political, and community context, including the key milestones or achievements that will help to achieve a successful project.

c. **Approach to Developing a Plan**

Summarize the Offeror's understanding of the process required for development of the property. Describe in detail Offeror's plan for undertaking that process and ensuring successful completion of the development. Include examples from the projects described in Offeror's response to the second paragraph of 3.5 above to illustrate successful strategies applied in previous planning efforts.

Include a specific timeline detailing the steps from start to completion of the development and the time required at each interval.

Evaluation Criteria: The selection committee will evaluate responses to determine the extent to which a viable approach to generating a development plan for the property is articulated. Specifically, what types of units are appropriate for the property and under what conditions? How will the Offeror determine the appropriate mix and scale of development? How will Offeror work with DHHL to advance mutual

interests? How will public outreach to community members and agencies be conducted? In addition, proposals which provide housing opportunities to applicants who qualify with incomes are lower than 80 percent area median incomes will be provided additional evaluation consideration.

3.7 CONFIDENTIAL INFORMATION
(Proposal Requirement, *if applicable*)

Confidential information shall be submitted in accordance with Section 1.13.

3.8 EXCEPTIONS
(Proposal Requirement, *if applicable*)

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, describe the exception taken, and provide a proposed alternative, if any.

Offeror initially should seek an informal resolution of any exceptions taken by notifying the RFP Contact in writing prior to the Deadline for Questions and Clarifications. Offeror’s notice shall reference the RFP section where exception is taken, describe the exception taken, and provide a proposed alternative, if any. If Offeror’s exception has not been resolved by the date on which proposals are due, Offeror shall include said exception in its proposal in accordance with the aforementioned provision.

3.9 ADDITIONAL INFORMATION
(Proposal Requirement, *if applicable*)

Any additional forms or information required or requested in the RFP and not specifically addressed in Section Three shall be marked appropriately and included at the end of the proposal. For instance, Offeror’s HCE Certificate of Vendor Compliance and insurance certificates would be included in this section.

SUMMARY OF MANDATORY REQUIREMENTS (EVALUATION CRITERIA) AND PROPOSAL REQUIREMENTS	
MANDATORY REQUIREMENTS (EVALUATION CRITERIA)	MAX POINTS PER CRITERION
<input type="checkbox"/> Organizational Background	10 Points
<input type="checkbox"/> Financial Feasibility	35 Points
<input type="checkbox"/> Experience	30 Points
<input type="checkbox"/> Project Understanding and Approach	25 Points
Total Available Points	100 Points
PROPOSAL REQUIREMENTS	
<input type="checkbox"/> Transmittal Letter	Not Scored
<input type="checkbox"/> Offer Form OF-1	Not Scored
<input type="checkbox"/> Responses to Evaluation Criteria	Scored
<input type="checkbox"/> Confidential Information, if applicable	Not Scored
<input type="checkbox"/> Exceptions, if applicable	Not Scored
<input type="checkbox"/> Additional Information, as required or requested	Not Scored

SECTION FOUR

PROPOSAL FORMAT AND SUBMISSION

4.1 PROPOSAL FORMAT

Guidelines for formatting proposals:

- a. Proposal includes a one-page transmittal letter as the first page of the proposal.
- b. Proposal includes the Offer Form in Attachment 1 as the second page of the proposal.
- c. Proposal includes all content specified in Section Three in the order presented therein.
- d. Proposal is double-sided when possible. A double-sided sheet is considered equal to two pages.
- e. Proposal is prepared simply and economically, and is comprised of recyclable and recycled materials. Proposal is stapled rather than bound.
- f. There is no page limit restriction on proposals.

Please do not include sales or promotional materials as part of the proposal unless requested.

Economy of Presentation. Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate for the purpose. Emphasis will be on completeness and clarity and content. If any additional information is required by the State regarding any aspects of the Offeror's proposal, it shall be provided within five (5) working days.

4.2 PROPOSAL SUBMISSION

All proposals submitted in response to this RFP are subject to the terms and requirements of this RFP. All matters not specifically addressed in this RFP, or a subsequent contract entered into as a result of this RFP, will be governed by the Hawaii Administrative Rules as well as applicable Hawaii Revised Statutes and other rules pertaining to procurement and contracting.

Provide one (1) original hardcopy proposal marked "ORIGINAL" and five (5) copies of the original marked "COPY" in a sealed envelope or box to RFP Contact and address, as described above.

It is imperative to note that the Offeror must submit only one original and the required number of copies. **DO NOT SUBMIT MORE THAN ONE ORIGINAL.**

The sealed envelope or box containing proposals will have the following information provided on the outside of the package:

- a. RFP title
- b. RFP number
- c. Offeror name
- d. Offeror address

It is the Offeror's sole responsibility to ensure that its proposal is delivered and time-stamped at the location above prior to the Proposal Due date in Section One, as amended. Proposals not time-stamped at the location above by the Proposal Due date will be considered late and shall not be considered for award.

Proposal forms referenced in the RFP are included in Section Seven. Thoroughly complete and sign all forms that must be submitted with the proposal. Proposals must conform to the Proposal Requirements and Evaluation Criteria described in Section Three, as amended.

Proposals which are incomplete and not responsive to required portions of the RFP may be deemed unacceptable. Unacceptable proposals shall not be considered for award.

Proposals shall be submitted using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and indicate exact legal name in the appropriate spaces on Offer Form page OF-1. Failure to do so may delay proper execution of the contract. See Attachment 1.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

A proposal security is NOT required for this RFP.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers of any item(s) may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.

SECTION FIVE

SELECTION AND AWARD

5.1 SELECTION

- a. The RFP is issued pursuant to Subchapter 6 of HAR Chapter 3-122, implementing HRS Section 103D-303.
- b. The procurement process begins with the issuance of the RFP and the formal response to any written questions or inquiries regarding the RFP. Changes to the RFP will be made only by Addendum.
- c. **Modification Prior to Submittal Deadline or Withdrawal of Offers.**
 8. The Offeror may modify or withdraw a proposal before the proposal due date and time.
 9. Any change, addition, deletion of attachment(s) or data entry of an Offer may be made prior to the deadline for submittal of offers.

- d. Proposals shall not be opened publicly, but shall be opened in the presence of at least two (2) government officials. The register of proposals and Offerors' proposals shall be open to public inspection after posting of the award.

All proposals and other material submitted by Offerors become the property of the State and may be returned only at the State's option.

- e. The Procurement Officer, or an evaluation committee selected by the Procurement Officer, shall evaluate the proposals in accordance with the evaluation criteria in Section Three. The proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.
- f. Proposals may be accepted on evaluation without discussion. However, if discussions are deemed necessary by DHHL, then prior to entering into discussions, a "priority list" of responsible Offerors submitting acceptable and potentially acceptable proposals shall be generated. The priority list may be limited to a minimum of three (3) responsible Offerors who submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Offeror's proposal.
- g. If, during discussions, there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Offerors who submit acceptable or potentially acceptable proposals.
- h. Following any discussions, priority-listed offerors may be invited to submit a best and final offer (BAFO), if necessary. The Procurement Officer or the appointed evaluation committee reserves the right to have additional rounds of discussions with the top three (3) priority-listed offerors prior to the submission of the BAFO.
- i. The date and time for Offerors to submit their BAFO, if necessary, is indicated in the RFP Schedule in Section One. This date is an estimate only. If Offeror does not submit a notice of withdrawal or a BAFO by the date indicated in the request for BAFO, the Offeror's immediate previous offer shall be construed as its BAFO.
- j. **Mistakes in Proposals.**
 2. Mistakes shall not be corrected after award of contract.

3. When the Procurement Officer knows or has reason to conclude before award that a mistake has been made, the Procurement Officer should request that the Offeror confirm the proposal. If the Offeror alleges mistake, the proposal may be corrected or withdrawn pursuant to this section.
4. Once discussions are commenced or after best and final offers are requested, any priority-listed Offeror may freely correct any mistake by modifying or withdrawing the proposal until the time and date set for receipt of best and final offers.
5. If discussions are not held, or if the best and final offers upon which award will be made have been received, mistakes shall be corrected to the intended correct offer whenever the mistake and the intended correct offer are clearly evident on the face of the proposal, in which event the proposal may not be withdrawn.
6. If discussions are not held, or if the best and final offers upon which award will be made have been received, an Offeror alleging a material mistake of fact which makes a proposal non-responsive may be permitted to withdraw the proposal if: the mistake is clearly evident on the face of the proposal but the intended correct offer is not; or the Offeror submits evidence which clearly and convincingly demonstrates that a mistake was made.

Technical irregularities are matters of form rather than substance evident from the proposal document, or insignificant mistakes that can be waived or corrected without prejudice to other Offerors; that is, when there is no effect on price, quality, or quantity. If discussions are not held or if best and final offers upon which award will be made have been received, the Procurement Officer may waive such irregularities or allow an Offeror to correct them if either is in the best interest of the State. Examples include the failure of an Offeror to: return the number of signed proposals required by the request for proposals; sign the proposal, but only if the unsigned proposal is accompanied by other material indicating the Offeror's intent to be bound; or to acknowledge receipt of an amendment to the request for proposal, but only if it is clear from the proposal that the Offeror received the amendment and intended to be bound by its terms; or the amendment involved had no effect on price, quality or quantity.

5.2 AWARD

- a. After receipt and evaluation of the BAFOs in accordance with the evaluation criteria in Section Three, the Procurement Officer or an evaluation committee will make its recommendation. The Procurement Officer will award the contract to the Offeror whose proposal is determined to be the most advantageous to the State taking into consideration price and the evaluation factors set forth in Section Three.
- b. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process. Once the award notice is posted, all proposals, successful and unsuccessful, become available for public inspection. Those sections that the Offeror and the State agree are confidential and/or proprietary in accordance with all applicable laws should be identified by the Offerors and shall be excluded from access.
- c. The Procurement Officer or an evaluation committee reserves the right to determine what is in the best interest of the State for purposes of reviewing and evaluating proposals submitted in response to the RFP. The Procurement Officer or an evaluation committee will conduct a comprehensive, fair and impartial evaluation of proposals received in response to the RFP.
- d. **Method of Award.** The award will be made to the responsive, responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria. Award(s), if any, resulting from this solicitation shall be posted to the State Procurement Office (SPO) website at <http://hawaii.gov/spo>.

A protest of an award or proposed award pursuant to §103D-302 or §103D-303, HRS, shall be submitted in writing to the Executive Director, within five (5) working days after the posting of the award of the Contract or, if requested, within five (5) working days after the debriefing is completed.

- e. **Responsibility of Highest-Scoring Responsive Offeror.** Pursuant to HRS Chapter 103D-310(c), the Selected Offeror shall at the time of award be compliant with all laws governing entities doing business in the State, including, but not limited to:
- 1) Chapter 237, tax clearance;
 - 2) Chapter 383, unemployment insurance;
 - 3) Chapter 386, workers' compensation;
 - 4) Chapter 392, temporary disability insurance;
 - 5) Chapter 393, prepaid health care; and
 - 6) Chapter 103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

As proof of compliance, offerors must furnish to the DHHL a current and valid Certificate of Vendor Compliance from the Hawaii Compliance Express (HCE) system. The State shall verify compliance on HCE. If an offeror is not compliant on HCE at the time of award, the offeror will not receive the award, even if a notice of intent to award was issued.

Hawaii Compliance Express. HCE is an electronic system that allows vendors/contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service; Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs.

Offerors should register with HCE at <https://vendors.ehawaii.gov> prior to submitting an offer. The annual registration fee is \$12.00 and the 'Certificate of Vendor Compliance' is accepted as proof of compliance for award, execution of the contract, and final payment.

Timely Registration on HCE. Offerors are advised to register on HCE soon as possible.

- f. The RFP, any addenda issued, and the Contractor's proposal shall become a part of the contract. All proposals shall become the property of the State of Hawaii.
- g. **Agreement Form and Execution.** The Successful Offeror shall be required to enter into a formal written agreement with the DHHL, in the form of a Contract for Goods and Services Based on Competitive Sealed Proposals, prior to commencement of the services, in accordance with the laws, rules and regulations of the State of Hawaii. See Exhibit A. The stated requirements appearing elsewhere in this RFP shall become part of the terms and conditions of the Contract as though incorporated into the Contract. DHHL reserves the right to add or modify any Contract term or condition prior to execution of the Contract.

Following award of the Contract, and within ten (10) days after the prescribed forms are presented to the Successful Offeror for signature, unless otherwise specified by DHHL, the Offeror shall execute and deliver to the DHHL a Contract in the form required by DHHL and in such number of counterparts as may be required by DHHL.

- h. **Insurance Requirements.** Within fifteen days after award of this Contract and prior to the execution of the Contract, unless otherwise specified by DHHL, the Successful Offeror shall furnish the Procurement Officer certificate(s) of insurance as evidence of the existence of the insurance coverage specified in Section Six, in amounts not less than the amounts specified therein. This insurance must be maintained during the entire performance period of the Contract at the Successful Offeror's own expense. Certificates of Insurance shall include the following language or an equivalent provision: "Should any policies be cancelled or altered before the expiration date thereof, the issuing insurer is required to provide the certificate holder twenty (20) days written notice" of the cancellation, and shall name the State of Hawaii and DHHL as additional insured.

SECTION SIX

SPECIAL PROVISIONS

6.1 CONTRACT DOCUMENTS

All services provided by Contractor under the Contract resulting from this RFP shall be in accordance with the documents listed below in descending order of precedence. A conflict in these documents shall be resolved in the priority listed below with the General Conditions to the Contract taking precedence over all other documents.

- a. Development Agreement. See the sample contract in Exhibit A;
- b. RFP No. RFP-14-HHL-001, including all addenda, attachments, exhibits, and supplemental documents included herein; and
- c. Contractor’s accepted proposal.

6.2 INSURANCE REQUIREMENTS

Contractor shall acquire and maintain the insurance coverage specified below, in amounts not less than the amounts specified, for the entire performance period of the Contract, at the Contractor’s own expense.

Contractor shall defend, indemnify, and hold harmless the DHHL, the State of Hawaii and its departments, boards, and agencies, and all their officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys’ fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the Contractor or the Contractor’s officers, employees, agents or subcontractors.

a. Workers’ Compensation

Contractor shall carry Workers’ Compensation insurance in such form and amount to satisfy the applicable state Workers’ Compensation Law. Workers’ Compensation must be issued by an admitted carrier authorized to do business in the State of Hawaii. Workers’ Compensation insurance premium expense for the Project personnel may be reimbursed by the DHHL upon review and approval.

b. Liability Insurance

The Contractor shall maintain the following minimum insurance limits and coverage, at no cost or expense to the State:

Coverage	Limits
Commercial General Liability	\$2,000,000 single limits per occurrence for bodily injury and personal property damage
Professional Liability (Errors & Omissions)	\$1,000,000.00 per occurrence \$2,000,000.00 annual aggregate
Automobile Insurance	Bodily injury liability limits of \$1,000,000.00 each person and \$1,000,000.00 per accident and property damage liability limits of \$1,000,000.00 per accident or \$1,000,000.00 combined single limit

A certificate of insurance evidencing the required insurance coverage and amounts shall be submitted to DHHL prior to commencement of services. **The State of Hawaii and DHHL shall each be named as additional insured on the certificate.** Furthermore, the insurance policy required by this Contract shall contain the following clauses or equivalent provisions, as approved by DHHL:

- a. "This insurance shall not be cancelled, limited in scope of coverage or non-renewed until after twenty (20) days written notice has been given to DHHL.
- b. "The State of Hawaii and the DHHL are both added as additional insured with respect to operations performed for the State of Hawaii and DHHL."
- c. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including all Supplemental Contracts.

During the entire term of this Contract, the Contractor agrees to deposit with the DHHL certificate(s) of insurance necessary to satisfy the DHHL that the insurance provisions of this Contract are being complied with and to keep such insurance in effect and the current certificate(s) therefore on deposit with the DHHL. Upon request of the DHHL, the Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this Contract, entitling the DHHL to exercise any or all of the remedies provided in this Contract for default of the Contractor.

The procuring of such required insurance shall not be construed to limit the Contractor's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, the Contractor shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.

6.3 PREVAILING WAGE RATE LAWS

Offeror shall comply with all applicable state and federal laws related to wage and labor. This includes, but is not necessarily limited to, HRS Chapter 104 and the federal Davis-Bacon Act requirements.

Pursuant to Section 805(b) of Title VIII of the Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA) Community Grant Program:

1. In general. Any contract or agreement for assistance, sale, or lease pursuant to this title shall contain -
 - A. a provision requiring that an amount not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, technicians employed in the development and all maintenance, and laborers and mechanics employed in the operation, of the affordable housing project involved (sic); and
 - B. a provision that an amount not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Act commonly known as the "Davis-Bacon Act" (46 Stat. 1494; chapter 411; 40 U.S.C. 276a et seq.) shall be paid to all laborers and mechanics employed in the development of the affordable housing involved.
2. Exceptions. Paragraph (1) and provisions relating to wages require under paragraph (1) in any contract or agreement for assistance, sale, or lease under this title, shall not apply to any individual who performs the services for which the individual volunteered and who is not otherwise employed at any time in the construction work and received no compensation or is paid expenses, reasonable benefits, or a nominal fee for those services.

6.4 CONTRACT ADMINISTRATOR

For the purposes of this contract, an authorized representative of the Land Development Division of DHHL shall be designated the Contract Administrator.

The DHHL reserves the right to change the designated Contract Administrator. Any changes to the Contract Administrator shall be provided in writing to the Contractor. Once the Contractor has assumed management responsibilities for the property, all communications regarding approvals, reports, requests, and any other contractual item will be directed to the Contract Administrator.

6.5 CONTRACT MODIFICATIONS - UNANTICIPATED AMENDMENTS

During the course of this contract, the Contractor may be required to perform additional work that will be within the general scope of the initial contract. When additional work is required, the Contract Administrator will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work.

Changes to the contract may be modified only by written agreement signed by the DHHL and Contractor representative authorized to sign contracts on behalf of the Contractor.

The Contractor will not commence additional work until a supplemental agreement has been fully executed.

6.6 ADDITION OR MODIFICATION OF TERMS AND CONDITIONS

The State and DHHL reserves the right to add or modify terms and conditions of the Contract. These additional or modified terms and conditions will be within the scope of the RFP.

6.7 CONTRACT EXECUTION

Successful Offeror receiving award shall enter into a formal written contract. No performance or payment bond is required for this contract.

No work is to be undertaken by the Contractor prior to the commencement date. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If an option to extend is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract for the additional extension period. The Contractor or the State may terminate the extended contract at any time without cause upon six (6) weeks prior written notice.

6.8 PAYMENT

HRS Section 103-10 provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of contract to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by HRS §103-10, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

6.9 SUBCONTRACTING

No work or services shall be subcontracted or assigned without the prior written approval of the State. No subcontract shall under any circumstances relieve the Contractor of his/her obligations and liability under this contract with the State.

6.10 CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

6.11 NON-DISCRIMINATION

The Contractor shall comply with all applicable federal and State laws prohibiting discrimination against any person on the grounds of race, color, national origin, religion, creed, sex, age, sexual orientation, marital status, handicap, or arrest and court records in employment and any condition of employment with the Contractor or in participation in the benefits of any program or activity funded in whole or in part by the State.

6.12 CONFLICTS OF INTEREST

The Contractor represents that neither the Contractor, nor any employee or agent of the Contractor, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the Contractor's performance of this contract.

6.13 WAIVER

The failure of the State to insist upon the strict compliance with any term, provision or condition of this contract shall not constitute or be deemed to constitute a waiver or relinquishment of the State's right to enforce the same in accordance with this contract.

6.14 SEVERABILITY

In the event that any provision of this contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this contract.

6.15 CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS

It has been determined that funds for this contract have been appropriated by a legislative body.

Therefore, Offeror, if awarded a contract in response to this solicitation, agrees to comply with HRS 11-355, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by a legislative body.

6.16 COMPLIANCE WITH APPLICABLE LAWS

Contractor must comply with all applicable local, state, and federal laws, rules, and regulations.

SECTION SEVEN

ATTACHMENTS AND EXHIBITS

- Attachment 1: OFFER FORM, OF-1
- Exhibit A: File Plan _____, Village 4, Phase 1 (Akau Subdivision), Villages of Laiopua
File Plan _____, Village 5, Villages of Laiopua
- Exhibit B: Development Agreement (Sample)
- Exhibit C: Lease Agreement (Sample)

**OFFER FORM
OF-1**

**HAWAIIAN HOMELANDS RENTAL HOUSING IN THE VILLAGES OF LAIOPUA
RFP-16-HHL-004**

Head of the Purchasing Agency
Department of Hawaiian Home Lands
91-5420 Kapolei Parkway
Kapolei, Hawaii 96707

Dear Sir or Madam:

The undersigned has carefully read and understands the terms and conditions specified in this Request for Proposals, including all attachments, exhibits, and addenda, and in the General Conditions, attached in Exhibit A and made a part of the Contract; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, the undersigned:

- 1) is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts;
- 2) is certifying that the price(s) submitted was (were) independently arrived at without collusion;
- 3) is certifying that Offeror shall comply with all applicable federal and State laws prohibiting discrimination against any person on the grounds of race, color, national origin, religion, creed, sex, age, sexual orientation, marital status, handicap, or arrest and court records in employment and any condition of employment with the Contractor or in participation in the benefits of any program or activity funded in whole or in part by the State;
- 4) is certifying that Offeror shall comply with all applicable federal and State wage and labor laws, including, but not necessarily limited to, HRS Chapter 104 and the federal Davis-Bacon Act;
- 5) acknowledges and agrees that Offeror shall comply with HRS Section 11-355, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by a legislative body; and
- 6) acknowledges and agrees that Offeror shall comply with all the requirements, provisions, terms, and conditions specified in this RFP.

Offeror is:

- Sole Proprietor Partnership *Corporation Joint Venture
 Other: _____

*State of incorporation: _____

Hawaii General Excise Tax License I.D. No. _____ Federal Tax I.D. No. _____

Payment address (if other than street address below): _____
City, State, Zip Code: _____

Business address (street address): _____
City, State, Zip Code: _____

Respectfully submitted:

Date: _____ (x) _____
Authorized (Original) Signature

Telephone No.: _____

Fax No.: _____

Name and Title (Please Type or Print)

E-mail Address: _____

**** Exact Legal Name of Company (Offeror)**

**If Offeror is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the awarded contract will be executed: _____ .

VILLAGES OF LA'IOPIA, VILLAGE 4 (AKAU)
 LAND SITUATED ON THE WESTERLY SIDE OF MANAWALE'A STREET
 THE SOUTH SIDE OF KANIHOALE AT THE VILLAGE OF LA'IOPIA
 PHASE II (FILE PLAN 2243)
 AT KEALAKEHE, NORTH KONA, ISLAND OF HAWAII, HAWAII

BEING ALL OF LOT 18 AND PORTIONS OF LOTS 19 AND 20
 OF THE VILLAGE OF LA'IOPIA, PHASE I (FILE PLAN 2126)
 BEING ALSO A PORTION OF THE GOVERNMENT LAND OF KEALAKEHE
 SUBDIVIDED INTO LOTS 1 TO 121, INCLUSIVE, REMAINDER LOT 122
 AND ROADWAY LOTS R-1 TO R-8, INCLUSIVE,
 DESIGNATION OF EASEMENTS E-1 TO E-17, INCLUSIVE, CA-1, M-1,
 D-1 TO D-25, INCLUSIVE, DMA-1, AND SD-1
 PS-1 TO PS-4, INCLUSIVE, DMA-1, AND SD-1
 CANCELLATION OF EASEMENT 17 AS SHOWN ON FILE PLAN 2126
 Area = 61.215 ACRES

OWNER: DEPARTMENT OF HAWAIIAN HOME LANDS
 91-5420 KAPOLEI PARKWAY, ROOM 124
 KAPOLEI, HAWAII 96707

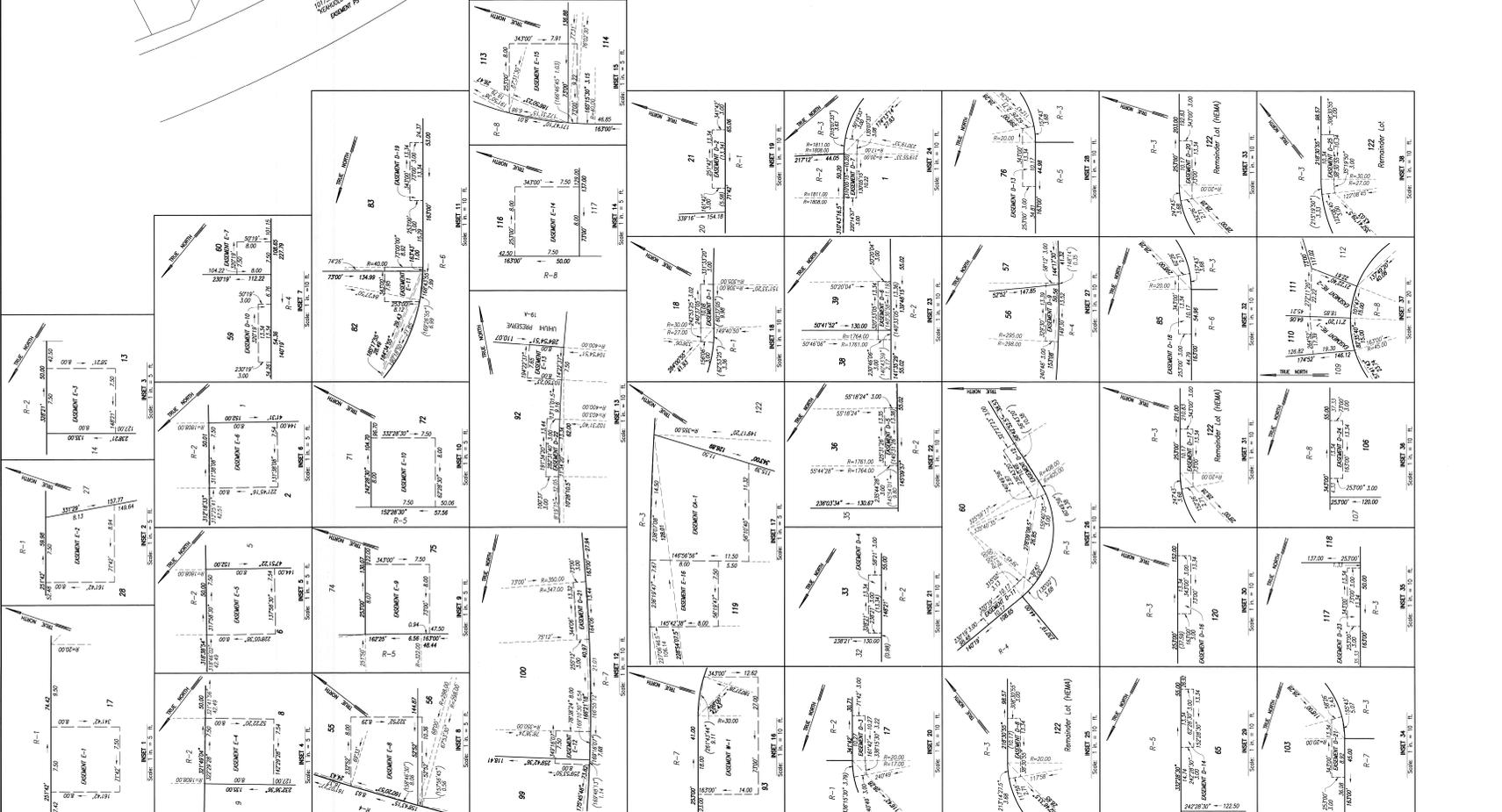
THIS MAP IS FROM AN ACTUAL SURVEY ON THE GROUND
 MADE BY ME UNDER THE DIRECT SUPERVISION OF THE
 STATE SURVEYOR AND IS ACCURATE TO THE
 WITH MY FIELD BOOKS AND CALCULATION FOLDER
 FILED UNDER JOB NUMBER 39-26.



ENGINEERS SURVEYORS HAWAII, INC.
 100 NORTH KONA STREET
 HONOLULU, HAWAII 96817
 OCTOBER 14, 2015
 LICENSED PROFESSIONAL LAND SURVEYOR
 CERTIFICATE NUMBER 10007

I hereby certify that the description of survey and
 map hereon is true and correct as shown on the
 and mathematical correctness but not on the ground
 and the same is approved in accordance with Sections
 502-17, 18 and 19 of the Hawaii Revised Statutes.
 Honolulu, Hawaii

STATE LAND SURVEYOR



NOTES:
 1. All areas and coordinates referred to Government
 2. See other phases of this project for more details.
 3. See other phases of this project for more details.

AREA OF EASEMENTS:
 E-1 for Easement for Electric and Gas Lines, 17 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-2 for Easement for Electric and Gas Lines, 18 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-3 for Easement for Electric and Gas Lines, 19 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-4 for Easement for Electric and Gas Lines, 20 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-5 for Easement for Electric and Gas Lines, 21 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-6 for Easement for Electric and Gas Lines, 22 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-7 for Easement for Electric and Gas Lines, 23 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-8 for Easement for Electric and Gas Lines, 24 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-9 for Easement for Electric and Gas Lines, 25 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-10 for Easement for Electric and Gas Lines, 26 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-11 for Easement for Electric and Gas Lines, 27 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-12 for Easement for Electric and Gas Lines, 28 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-13 for Easement for Electric and Gas Lines, 29 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-14 for Easement for Electric and Gas Lines, 30 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-15 for Easement for Electric and Gas Lines, 31 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-16 for Easement for Electric and Gas Lines, 32 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.
 E-17 for Easement for Electric and Gas Lines, 33 Area = 66.84 sq. ft. in favor of Hawaii Electric and Gas Company, Inc.



VILLAGES OF LA'OPUA VILLAGE 5

LAND SITUATED ON THE WESTERLY SIDE OF KEANALEHU DRIVE AND THE EASTERLY SIDE OF LOT 13 OF THE VILLAGES OF LA'OPUA, PHASE 1 (FILE PLAN 2128) AT KEALAKEHE, NORTH KONA, ISLAND OF HAWAII, HAWAII Being a portion of Grant S-16,004 to Department of Hawaiian Home Lands Being also, all of Lot 14 of The Villages of La'opua Phase 1, (File Plan 2128)

SUBDIVIDED INTO LOTS 1 TO 124, INCLUSIVE AND DESIGNATION OF EASEMENTS 1 TO 44, INCLUSIVE

AREA = 23.592 Acres

SUBJECT, HOWEVER, to the following Existing Easements: Easement 3 for Electrical Purposes as shown on The Villages of La'opua, Phase 1 (File Plan 2128) affecting Lots 38 and 39. Easement 15 for Drainage Purposes as shown on The Villages of La'opua, Phase 1 (File Plan 2128) affecting Lot 22. Easement 16 for Drainage Purposes as shown on The Villages of La'opua, Phase 1 (File Plan 2128) affecting Lot 37.

OWNER: Department of Hawaiian Home Lands ADDRESS: P.O. Box 1879 Honolulu, Hawaii 96805

This map is from an actual survey of the ground made by or under the direct supervision of the undersigned between August 15, 2010 and November 24, 2010 and may be checked by the State Land Surveyor with my field books numbers 531 and 584 and calculation folder CD-117.

1221 Kapiolani Blvd., Ste. 1008 Honolulu, Hawaii 96814 September 9, 2010



ACE LAND SURVEYING LLC Kevin K. Kea Exp. 4/12 Licensed Professional Land Surveyor Certificate No. 10928

I hereby certify that the description of survey and map hereon has been examined and checked as to form and mathematical correctness, but not on the ground and the same is approved in accordance with Sections 502-17, 18 and 19 of the Hawaii Revised Statutes. Honolulu, Hawaii April 25, 2011

State Land Surveyor

State of Hawaii Office of Conveyances Received for filing this 25th day of April A.D. 2011 at 8:00 A.M. and filed in File No. 2479 Registrar of Conveyances

Metes and Bounds description recorded in Document No. 2011-066922

- NOTES: AREA OF EASEMENTS: Easement 1 for Sewer Purposes affecting Lot 1 = 252 Sq. Ft. Easement 2 for Drain Purposes affecting Lot 2 = 34 Sq. Ft. Easement 3 for Electrical Purposes affecting Lot 3 = 42 Sq. Ft. Easement 4 for Drain Purposes affecting Lot 7 = 34 Sq. Ft. Easement 5 for Electrical Purposes affecting Lot 13 = 34 Sq. Ft. Easement 6 for Planting Screen Purposes affecting Lot 22 = 1,278 Sq. Ft. Easement 7 for Drain Purposes affecting Lot 23 = 34 Sq. Ft. Easement 8 for Drain Purposes affecting Lot 26 = 43 Sq. Ft. Easement 9 for Mulch Purposes affecting Lot 27 = 868 Sq. Ft. Easement 10 for Electrical Purposes affecting Lot 28 = 78 Sq. Ft. Easement 11 for Drain Purposes affecting Lot 31 = 34 Sq. Ft. Easement 12 for Drain Purposes affecting Lot 32 = 34 Sq. Ft. Easement 13 for Drain Purposes affecting Lot 33 = 34 Sq. Ft. Easement 14 for Drain Purposes affecting Lot 37 and 38 = 3,080 Sq. Ft. Easement 15 for Drain Purposes affecting Lot 37 = 38 and 38 = 1,087 Sq. Ft. Easement 16 for Planting Screen Purposes affecting Lot 35 to 46, inclusive = 9,732 Sq. Ft. Easement 17 for Electrical Purposes affecting Lot 42 = 34 Sq. Ft. Easement 18 for Drain Purposes affecting Lot 43 = 34 Sq. Ft. Easement 19 for Drain Purposes affecting Lot 44 = 34 Sq. Ft. Easement 20 for Drain Purposes affecting Lot 45 = 42 Sq. Ft. Easement 21 for Drain Purposes affecting Lot 47 = 42 Sq. Ft. Easement 22 for Drain Purposes affecting Lot 51 = 24 Sq. Ft. Easement 23 for Drain Purposes affecting Lot 52 = 42 Sq. Ft. Easement 24 for Planting Screen Purposes affecting Lot 54, inclusive and 76 to 78, inclusive = 8,591 Sq. Ft. Easement 25 for Drain Purposes affecting Lot 54 = 42 Sq. Ft. Easement 26 for Drain Purposes affecting Lot 74 = 34 Sq. Ft. Easement 27 for Drain Purposes affecting Lot 74 = 34 Sq. Ft. Easement 28 for Drain Purposes affecting Lot 74 = 34 Sq. Ft. Easement 29 for Drain Purposes affecting Lot 74 = 34 Sq. Ft. Easement 30 for Drain Purposes affecting Lot 74 = 34 Sq. Ft. Easement 31 for Electrical Purposes affecting Lot 66 = 42 Sq. Ft. Easement 32 for Drain Purposes affecting Lot 66 = 34 Sq. Ft. Easement 33 for Drain Purposes affecting Lot 85 = 34 Sq. Ft. Easement 34 for Common Access Purposes affecting Lot 104 = 1,079 Sq. Ft. Easement 35 for Common Access Purposes affecting Lot 105 = 1,056 Sq. Ft. Easement 36 for Drain Purposes affecting Lot 108 = 44 Sq. Ft. Easement 37 for Drain Purposes affecting Lot 108 = 34 Sq. Ft. Easement 38 for Drain Purposes affecting Lot 111 = 42 Sq. Ft. Easement 39 for Planting Screen Purposes affecting Lot 79 to 83, inclusive, 105, 106, 118, 119 and 1 = 11,616 Sq. Ft. Easement 40 for Drain Purposes affecting Lot 1 and 118 = 78 Sq. Ft. Easement 41 for Drain Purposes affecting Lot 106 to 113, inclusive = 3,178 Sq. Ft. Easement 42 for Drain Purposes affecting Lot 106 to 113, inclusive = 3,178 Sq. Ft. Easement 43 for Drain Purposes affecting Lot 106 to 113, inclusive = 3,178 Sq. Ft. Easement 44 for Utility Purposes affecting Lot 1 = 3,200 Sq. Ft.

PLAT NO. 44986

DEPARTMENT OF HAWAIIAN HOME LANDS

AND



RENT-TO-OWN WITHIN VILLAGE 6 AT THE VILLAGES OF KAPOLEI

29 JUN 2 00 1998
KAP

DEVELOPMENT AGREEMENT

DEC 31 1998

(DATE)

DEVELOPMENT AGREEMENT

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DEVELOPMENT AGREEMENT

This Development Agreement covers the development of the Rent to Own Project within Village 6 at the Villages of Kapolei, Tax Map Key: 9-1-16: 61 por. for the Department of Hawaiian Home Lands by the Developer named below.

1. EFFECTIVE DATE OF THIS AGREEMENT

The execution of the Development Agreement by the Developer shall constitute a binding offer on its part to carry out each phase of the Project pursuant to the terms and conditions herein and the contract will become effective provided that the Development Agreement is fully executed by the DHHL and all other State authorities.

The effective date of this Agreement shall be the later of the dates that all signatories have executed this Agreement or the date that the DHHL endorses thereto its certificate that there is available an unexpended appropriation of funds as required by section 103D-309, HRS and that said funds are encumbered in the full amount of the DHHL's obligation under this Agreement. If this effective date does not occur within the 60 days after the Developer executed the agreement, the Developer may withdraw by notice in writing to the contact person from the Project without further obligation or penalty to the DHHL.

2. PARTIES; NOTICES

Department of Hawaiian Home Lands
1099 Alakea Street, Suite 2000
Honolulu, Hawaii 96813

Attention: [REDACTED]

Mailing Address:

P. O. Box 1879
Honolulu, Hawaii 96805

DEVELOPER: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

All notices between the parties shall be in writing and shall be mailed or delivered to the foregoing addresses. Either party may change its address for the receipt of notices by giving written notice of such change to the other party.

3. DEVELOPMENT AGREEMENT

This Development Agreement shall include the Request for Proposals, all addenda, the sample General Lease, attachments and amendments required to complete the Project. In the event of any conflict or inconsistency between said documents and this Agreement, this Agreement shall control.

4. DEFINITIONS

Agreement – This Development Agreement.

Chairman – Chairman of the Hawaiian Homes Commission.

Commission – The Hawaiian Homes Commission (HHC).

Completion of Construction of a Building or Other Improvement – When such building or other improvement has in fact been substantially completed in accordance with the Project Plans so that the improvements can be accepted and utilized for the purpose for which they are intended (excepting only as to slight or unimportant defects which have crept in undesignedly and are capable of being remedied at a comparatively small, ascertainable cost, and for punch list items which are to be completed in due course); and notice of substantial completion has been published and filed as required by Hawaii law.

Cost Certification – Verification by an independent Certified Public Accountant or an independent public accountant licensed by the State of Hawaii that expenses charged against the Project and submitted by Developer to DHHL or interim lender for payment related to the planning, design, construction, administration, management, promotion, sales, marketing, financing or other activities that contributed to the development and sale of the Project. Said verification shall be made in accordance with the Cost Certification procedures as agreed to by Developer and DHHL.

County – The county in which the Project is situated.

Department of Hawaiian Home Lands (DHHL) – A public body responsible for administering the day to day operations of the Hawaiian Homes Commission Act, 1920, as amended.

Developer – The developer named as a party to this Agreement including its successors and permitted assigns.

Development Rights – The right to enter the Project Land and to develop the project to the terms and conditions in the development Agreement, including but not limited to all of the Developer's right, title and interest in the Project Land and Project, including all buildings, improvements, fixtures, equipment and other personal property thereon, attached to the Project or used in connection therewith, the Project plans, construction and design contracts, sales contracts, and escrow agreements.

Economic unit - shall mean the prevailing minimum lot size required under R-5 residential zoning of the City & County of Honolulu Zoning or Land Use Code.

FHA – The Federal Housing Administration.

HAR – The Hawaii Administrative Rules.

Hawaiian Home Lands Trust Fund (HHL Trust Fund) – The trust fund created by Act 14, Special Session Laws of Hawaii, 1995, which established a trust fund within the State treasury to which all specified appropriations from the State legislature shall be deposited therein.

Hawaiian Homes Commission Act, 1920 (HHCA) – The Act of July 9, 1921, c 42, 42 Stat. 108, which is now part of the Hawaii State Constitution, and is subject to amendment or repeal as prescribed in Article XII of the Hawaii State Constitution.

Housing and Community Development Corporation of Hawaii (HCDCH) – A public body and body corporate and politic of the State of Hawaii, established pursuant to Chapter 201G, Hawaii Revised Statutes.

HRS – The Hawaii Revised Statutes, as amended.

Low Income Housing Tax Credits (LIHTC) – a program under Section 42 of the Internal Revenue Code to provide affordable housing.

Median Income – The median income for the City and County of Honolulu, as determined by the United States Department of Housing and Urban Development from time to time and as adjusted for family size.

Native Hawaiian – Defined as any descendant of not less than one-half (50%) part of the blood of the races inhabiting the Hawaiian Islands previous to 1778 and eighteen (18) years of age.

Offeror – A business submitting a proposal in response to this RFP.

Offsite Infrastructure – Physical facilities and improvements located outside the boundary of the Project which provides access and support to the Project. Such physical facilities and improvements include roads and main lines for water, sewer, gas, electricity, drainage, telephone and cable television.

Premises - shall mean the lands turned over to the Developer under the terms of this Agreement and all buildings and improvements now or hereinafter constructed and installed on the land.

Project – The Project that is being developed pursuant to this RFP and this Agreement to include Feasibility, LIHTC Application, development and operation of RTO units.

Project Cost – Cost related to completing the Project, including architectural design, engineering and construction management expenses, construction of single family residential units and related improvements, expenses to be paid at unit closing, management fees and

overhead or administrative expenses, and other costs, but not including Developer profit.

Project Lands – The subject property of this Agreement as described as TMK: 9-1-16:61 por., Kapolei, Oahu, Hawaii, including roads and utilities as referred to in Section 9.02A(7) herein and more specifically described in the attendant Exhibits A, B, C, F and G.

Proposal – A document submitted by an Offeror in response to this RFP.

Rent-to-Own Project – A uniquely Hawaiian project that provides native Hawaiian beneficiaries with an alternative method to achieving homeownership through the assistance of the Tax Credit for Low Income Rental Housing Program, Tax Reform Act of 1986, as amended.

Selection Committee – A committee consisting of a maximum of eight (8) persons, appointed by the Chairman, which will evaluate and present the proposals for this Project to the HHC for approval.

Selected Developer – The Offeror selected and approved by the HHC.

Turn Key Unit – Method of developer financed and constructed units that fit HHL Rent-to-Own Project needs and/or approach.

Village 6 Project – A Project under, owned and developed by the Department of Hawaiian Home Lands.

Villages of Kapolei – A master planned residential community with HCDCH is developing on certain lands in Kapolei, Ewa, Island of Oahu, Hawaii.

Villages of Kapolei Association – The master homeowner's association for the overall Villages of Kapolei master planned residential community.

5. LIST OF ATTACHMENTS

The following items are incorporated into and become part of the Development Agreement.

<u>Attachment</u>	<u>Description</u>
A-1	Request for Proposals for Rent-To-Own Project within Village 6, Solicitation No. RFP-97-HHL-005.
A-2	Addendum No. 1 to RFP-97-HHL-005
B-1	[REDACTED] proposals dated July 30, 1997
B-2	[REDACTED] Revised Proposal, September 9, 1998.
C	HHC Agenda Item No. F-2 September 22, 1998 pertaining to the selection of the Developer and Development of Project
D	Project Feasibility Study To be attached at completion of Phase 1 to include but not be limited to the Attachments as listed below: Description of Project Lands and Encumbrances Project Description

- Project Budgets
- Cash Flow Schedules
- Project Schedules
- Market Feasibility Report
- Developer's Sales/Rental Programs
- Sales / Rental Price Schedules
- Interim Lender's Means of Cure for Developer's Default
- Cost Certification Process
- Warranty Program
- Form of Performance and Payment Bond
- Partnership or Other Agreements for the Implementation of any Low Income Housing Tax Credit Programs.
- E Reserved
- F Transfer Agreement dated May 6, 1997
- G Preliminary Site Plan

6. RECITALS

A. Under HHCA, Section 220.5, the DHHL is authorized to enter into and carry out contracts to develop available lands for homestead, commercial, and multi-purpose projects by Project developer agreement, where

1. the Project developer agreement is defined as any lease, sublease, conditional leasing agreement, disposition agreement, financing agreement, or other agreement or combination of agreement, entered into for the purpose of developing one or more projects, and
2. where any lands disposed of under a Project Developer Agreement shall be subject to withdrawal at any time during the term of the agreement, with reasonable notice; and provided that any the rental shall be reduced in proportion to the value of the portion withdrawn and the Developer shall be entitled to receive from the DHHL the proportionate value of the Developer's permanent improvements so taken in the proportion that they bear to the unexpired term of the Agreement, or the Developer, in the alternative, may remove land relocate the Developer's improvements to the remainder of the lands occupied by the Developer.

B. On April 30, 1997, the DHHL announced and advertised a "Request for Proposals" which was directed to private Developers who met the qualifications described therein to submit a proposal for the development of the housing Project, described therein.

C. The DHHL reviewed the applications and proposals submitted by Developers who responded to the "Request for Proposals", including Developer's application and Developer's Project Proposal dated July 30, 1997.

D. Pursuant to Agenda Item No. F-2 dated September 22, 1998 and attached hereto as Attachment A, the Commission selected [REDACTED] to develop and operate the

Rent-to-Own Project within Village 6 at the Villages of and authorized the Chairman to negotiate a three phase Development Agreement.

1. Phase 1: Preparation of the Rent to Own (RTO) Project Feasibility Study for implementing the RTO Low-Income Housing Tax Credit (LIHTC) Program including a study of the impact of a rent-to-own program on the Department of Hawaiian Home Land's Trust and a study on DHHL's waiting list policies, with the assistance and review of the DHHL's attorneys and staff.
2. Phase 2: Subject to the approval of the Project Feasibility Study by the Hawaiian Homes Commission, which approval shall be entirely within the Commission's discretion, submit and process the LIHTC application(s) to the appropriate governmental agencies for approval.
3. Phase 3: Implementation: Proceed with the RTO Project development upon satisfaction of the following conditions:
 - a. Award of LIHTC in the minimum amount(s) as determined by the approved Project feasibility model(s),
 - b. Upon mutual agreement by Developer and DHHL in the event LIHTC amounts are below recommended minimum amounts, and
 - c. Receipt of DHHL written notice to proceed, of which is subject to availability of sufficient funds as approved in Hawaiian Home Lands fiscal year 1999 Trust Fund Budget.

E. This Agreement covers the development of the Project and

1. Establishes the terms and conditions under which Developer will develop the Feasibility Study;
2. Establishes the intent, scope, and the Form of Agreement for Phase 3 Implementation of the Project for which DHHL and the Developer will enter into upon satisfactory completion of all terms and conditions of Phase 1 and Phase 2 by the Developer of which such terms and conditions shall be subject to approval by the Commission, and DHHL for Phase 1 and Phase 2 respectively.
3. Sets forth the responsibilities, risks and roles of the DHHL and Developer.
4. If any provision of this Agreement as applied to any party or circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall not in any way affect to the maximum extent permissible by law any other provision of this Agreement or the validity or enforceability of this document as a whole.
5. All prior representations and agreements including any memorandum of understanding between the parties are merged into this Agreement. The terms of this Agreement may not be waived, modified or in any way changed by implication, conduct, correspondence or otherwise by the Developer except as provided in the Development Agreement.

Any waiver by the DHHL in whole or in part of any terms or conditions hereunder shall be specific and not general.

The terms and conditions of this Agreement including the attachments supersede all prior correspondence and negotiation and are subject to all laws, regulations and interpretations which now or may in the future affect the DHHL.

F. The parties agree as follows:

7. GENERAL DESCRIPTION OF THE PROJECT

A. Name. The name of the Project is Rent-to-Own Project within Village 6.

The name(s) of the Project may be changed only with the DHHL's written consent.

B. Location. The Project Lands and encumbrances are described in Attachment F and G, which is attached hereto and made a part hereof by reference. The Project Land is identified as TMK: 9-1-16: 61 por., Kapolei, Oahu, Hawaii

C. Project Description. The Project is described in Attachment C, HHC Agenda Item F-2, which is attached hereto and incorporated by reference. The Project will contain the following housing units:

Approximate Number of Units	Type of Unit
71	Developers Rent to Own Units
0	Self-Help Units
<u>0</u>	Other: N/A
71	TOTAL NUMBER OF UNITS

The Project shall consist of three (3) phases as follows:

Phase 1 - Project Feasibility Study: For each LIHTC Program (Nine Percent and Four Percent) the Developer shall complete a professionally prepared planning and development study that will determine Project feasibility through marketing studies, examination of existing laws, administrative rules and DHHL policies, and financial modeling to provide DHHL with sufficient details for Project implementation. In the implementation of the RTO LIHTC program, the study shall include a legal analysis of the impact of the LIHTC program on Hawaiian Homes Commission's trust responsibilities for the Hawaiian Homes Commission Act of 1920, as amended, and waiting list policies. The completed report shall contain an Executive Summary of the Study results.

In part, the Feasibility Study shall detail the Rent to Own Sales Program to include but not limited to the following:

(1) Description of the Rent to Own Sales Program

- a. General. A written description of Developer's sales and rental program shall be developed, reviewed and accepted by the DHHL. The description shall include estimated rental prices and future purchase prices.
- b. Eligibility. Eligibility, Qualification Requirements and Selection Procedures shall be developed and proposed by the Developer and subject to acceptance by DHHL.
- c. Documents. The following documents shall be furnished to the DHHL shall include but not be limited to:
 - (1) Final rental and sales price schedule for all units
 - (2) Sales/Rental contract
 - (3) Specimen DHHL General Lease
 - (4) Broker's Agreement/Property Management Agreement
 - (5) Performance and payment bond covering the construction of the units.
 - (6) Project Schedule
 - (7) Specimen Unit Rental Lease with Option to Purchase -

(2) Disclosures. The Developer understands and accepts all risks for the following conditions and the Developer shall have full responsibility for disclosing or failure to disclose:

- a. That the Commission at it's discretion, may terminate this Agreement prior to proceeding with Phase 2 without recourse in any form or manner by Developer.
- b. In the event LIHTC Program approval(s), by any agency having jurisdiction over such approvals, is not approved in writing within 9 months from the date of application for "9%" tax credits, then this Agreement shall terminate in accordance with the provisions of this Agreement. Notwithstanding the denial of "9%" tax credits, the Developer shall have the option to further apply for "4%" tax credits, for which a denial of such application or non-acceptance within 4 months, shall also cause termination of this Agreement.
- c. In the event that Phase 2 LIHTC funds are approved in amounts as recommended in the Phase 1 Feasibility Study, and DHHL elects to terminate the Project at its convenience the provisions of Section 9.44 Termination for Convenience, of this Agreement shall apply.
- d. Any discovery by the Developer during Phase 1 of the Feasibility Study that proves beyond a reasonable doubt that the Project is not feasible shall require the Developer to immediately notify DHHL of said discovery. DHHL may then Terminate for Convenience as provided under Section 9.44 of this Agreement, except that 9.44D. (3)(c) shall not apply under the condition described in this

subparagraph only.

(3) Encumbrances. The Developer understands and accepts that the Project Land will have the following encumbrances:

- a. The terms and conditions of the Transfer Agreement dated May 6, 1997 between the Housing Finance and Development Corporation, now the Housing and Community Development Corporation of Hawaii and the DHHL.
- b. The Declaration of Conditions, Covenants, and Restrictions (DCC&R). The Developer shall cause all owners of all units in the Project to be subject to the DCC&Rs covering the Project as accepted by the DHHL.

(4) Low Income Tax Credit Partnership Agreement

The Feasibility Study shall also provide a facsimile agreement of any corporations, partnerships, or other entities to be formed specifically for the implementation of the Project. Details shall include the schedules of investment, expected return, and responsibilities of each partner or firms in such form as to represent a prefinal draft of the proposed agreement.

Phase 2 – LIHTC Application(s): Subject to the approval of the HCC, which approval shall be entirely within the Commission's discretion, submit and process the LIHTC application(s) to the appropriate governmental agencies. Prepare in cooperation with the DHHL the modifications to this Development Agreement in accordance with the terms and conditions of the Feasibility Study or other conditions as set forth by the HHC in the approval of the Feasibility Study. Such modifications shall also include the provisions for the development of the Project consistent with this Agreement.

Phase 3 – Implementation: Upon successful award of LIHTC from Phase 2 above, and subject to the approval of the DHHL and the conditions as established in Phase 1 and Phase 2, proceed with the RTO Project, upon DHHL issuance of a Notice To Proceed with Phase 3 Implementation to Developer. That in the event the DHHL elects to proceed with Phase 3 – Implementation of the Project, the Project shall proceed in accordance with the provisions of Paragraph 9.03 RENT-TO-OWN PROJECT IMPLEMENTATION as modified and approved by the DHHL. The basis for such modifications shall include but not be limited to findings of the Feasibility Study relating to uses, schedules, rent requirements, payments to DHHL, or conditions of LIHTC approving agencies as caused by award or conditions of award of LIHTC as approved by such approving agency, or other conditions as established by the DHHL. DHHL shall not unreasonably withhold approval.

In the event that the HHC approved Phase 1 and the DHHL fails to approve proceeding with Phase 2 or Phase 3 of the Project, and where the Developer has recommended proceeding with Phase 2 or Phase 3 consistent with and based on the provisions of this paragraph 7.C., then such action shall be deemed a Termination for Convenience and subject to the terms of Section 9.44 of this Agreement.

8. RESERVED

9. TERMS AND CONDITIONS

9.01 INTENT OF DEVELOPMENT AGREEMENT, DUTY OF DEVELOPER

The intent of the Development Agreement is to provide for the development, complete in every detail according to industry standards and practices, of the Project described for the stated pricing within the time established by the Development Agreement. The Developer has the duty to furnish all professional services, design and inspection services, quality control, labor, materials, equipment, tools, transportation, incidentals and supplies and to determine and provide the means and methods necessary to complete the work and market and rent/sell the houses in accordance with the terms of the Development Agreement.

9.02 RESPONSIBILITIES, AUTHORITY & DEVELOPMENT RIGHTS

A. The DHHL's Responsibilities

(1) DHHL Approval. The DHHL shall have an ongoing involvement in the Project and may at any time inspect, monitor, observe any and all aspects of the Project, and may reject any portion of the Project for failure to conform to the DHHL approved Project documents.

The DHHL intends to closely follow all aspects of the Project and will require that the Developer and its contractor, subcontractors, consultants and subconsultants meet the terms and requirements of this Agreement and complete all planning, development, design, and house building according to plans and specifications approved by the DHHL in accordance with this Agreement.

(2) Interim Lenders Agreement. The DHHL shall upon written request by the Developer enter into an agreement with the Interim Lender allowing the Interim Lender means to cure a default of the interim loan by the Developer.

(3) DHHL Funds. The DHHL will provide encumbered funds in the amount of One hundred forty thousand dollars (\$140,000.00). The funds are for the implementation of Phase 1 (90%) and Phase 2 (10%) of the Project.

(4) Exemptions. Reserved.

(5) Native Hawaiian Certification. The DHHL will promptly provide Developer with the Residential Waiting List for Oahu. The DHHL will assist the Developer in updating the addresses and listing of applicants who have received blood quantum and eligibility certifications.

(6) HCDCH Assistance. DHHL shall request HCDCH assistance to certify the persons or entities who are contractually participating in the Project and are involved in the design, development/planning, construction, financing, marketing and sale of the Project

and whom the DHHL has approved in writing, for exemption from applicable Hawaii general excise taxes on gross income received from the Project pursuant to section 201G, HRS.

(7) The DHHL as "Master Developer" for Kapolei Village 6 shall provide architectural and engineering design drawings and specifications for the site including the roadway system, subdivision of lots, drainage, and on-site infrastructure and all other requirements. House lots shall meet HUD/FHA standards. The DHHL shall provide to the Developer the following:

- (a) A County approved Subdivision map.
- (b) A File Plan recorded at the State of Hawaii's Bureau of Conveyance.
- (c) A soils investigation and analysis. All individual lots conveyed to the Developer shall be certified by DHHL's Soils Engineer for compaction required by FHA.
- (d) "As-built" plans for the infrastructure, roadways and utilities to the Developer.

(8) For the Project Land, DHHL shall provide to the Developer finished lots with live utilities up to the lot, street access for public and construction traffic and lot grading with finished house pads.

(9) **Time Requirements & Completion Deadline**

Completion Deadline: Time is of the essence. DHHL shall deliver to the Developer the Project Lands in substantial conformance to the requirements of this Agreement's Section 9.02A(7) & (8) by October 1, 2000.

Minimum Turnover Requirements: Time is of the essence. DHHL shall deliver to the Developer at minimum:

- First 5 contiguous lots no later than October 1, 2000
- Next 20 contiguous lots no later than January 1, 2001
- Last 30 contiguous lots no later than June 1, 2001

B. Developer's Responsibility

The Developer shall be responsible for but not limited to the following:

(1) The Developer shall upon its execution of the Development Agreement appoint a team captain who shall be its authorized representative for the entire Project. In the event the team captain must be replaced, the replacement must at least meet the requirements stated in the Request for Proposals and shall be acceptable to the DHHL.

(2) The Developer shall plan the development in strict conformity with this Agreement by implementing the work required under the Phases of this Project as described including the feasibility and application for LIHTC. The development process shall

include but not be limited to the following:

(a) Developer shall be responsible for acquiring approvals and permits for the house plans. The Developer may use house plans as provided by DHHL. DHHL shall allow minor changes to materials and design that do not significantly change the community theme.

(b) The Developer shall submit its planning, architectural, engineering, and all other professional service contracts for review prior to execution. The DHHL shall complete its review within 14 days of receipt.

(c) All contracts between Developer and its contractors, engineers, architects and other consultants shall be consistent with and shall not be in conflict with Developer's obligations under this Agreement. Copies will be made available to the DHHL on request. It is understood and agreed that the Developer, in agreement with DHHL, shall bid and award a contract(s) for the construction of all homes. All savings, if any, of any kind or nature (except for non-direct construction cost savings) accruing during the course of the construction of homes, shall be reflected as a savings in the cost of the unit, its rental, sale, or the Project Cost and shall not be accrued as additional profit to the Developer unless mutually agreed between the Developer and DHHL.

(d) Developer will provide to the DHHL the name of each contractor, engineer, architect and other consultant (not already identified in Developer's Project Proposal) together with a copy of each construction contract for work over \$50,000 and will not enter into a contract with any person or firm to which the DHHL shall make a reasonable written objection within 14 days after its receipt of said information or contract.

(e) If the DHHL does not complete its review of any submittal under this subsection (2) within 14 days of receipt, the Developer may proceed as if the DHHL's review was completed.

(3) Provide any modified architectural and engineering design drawings and technical specifications to each house model to the DHHL for its review and comment. The DHHL shall have fourteen (14) days to review and comment. If the DHHL does not complete its review and comments within 14 days, the Developer may proceed as if the review by the DHHL was completed.

(4) Construct and rent the houses free of all liens.

(5) Provide and implement a warranty program.

(6) Time Requirements

(a) Time is of the essence for this Development Agreement. A "Project Notice to Proceed" for Phase 1 Project Feasibility Study, Phase 2 LIHTC Application(s) and Phase 3 Implementation will be the initial notice to proceed with each phase by the DHHL to the Developer after this Agreement shall have become effective.

(b) House construction shall proceed based on interim lenders or Tax Credit requirements. Developer will proceed in good faith and with due diligence to build

and have initial rental of homes on all lots as required by the Tax Credit award.

(c) The parties acknowledge that the Developer will be dedicating staff and investing funds into the development of this Project. DHHL agrees that any failure on its part to comply with the Completion Deadline and the Minimum Turnover Requirements set forth in Section 9.02A(9) will cause significant damages to the Developer. In lieu of proving actual damages caused by delays in the construction of the Project infrastructure, it is agreed that for each and every day beyond the Completion Deadline that the DHHL shall pay the Developer \$30 per lot per day as liquidated damages.

Additionally, DHHL acknowledges that if DHHL fails to deliver lots acceptable to the Developer or as required by Section 9.02.A (7) & (8), and within Time Requirements as shown in Section 9.02A. (9), then the Developer may suffer loss of LIHTC. If certain units do not receive LIHTC, and where DHHL did not meet the "Minimum Turnover Schedule", then DHHL shall purchase all affected house units at a cost equal to the affected unit's Project Cost plus any actual land or infrastructure cost paid by the Developer, and the Developer's scheduled profit.

(d) The DHHL will respond to all Developer's requests for acceptance of plans and specifications within the following time limits:

(i) 14 days from the DHHL's receipt of initial submittal in the case of a first review; and

(ii) 7 days from the DHHL's receipt of any revision in the case of each revision submitted to change an element previously disapproved by the DHHL;

(iii) 14 days from the DHHL's receipt of any revision initiated by Developer not in response to the DHHL's disapproval.

(7) The Developer or any guarantor shall not be involved in any voluntary bankruptcy, reorganization, arrangement or insolvency proceeding without prior notice to and consent of the DHHL.

(8) The Developer shall furnish to the DHHL copies of all building permits. The Developer shall pay all fees and costs for such permits, approvals and agreements.

(9) The Developer shall furnish the DHHL prior to closing each house sale a certification by an architect or engineer licensed by the State that the improvements have been completed in accordance with the accepted plans and specifications.

(10) The Developer shall permit the DHHL to review Notice(s) of Completion prior to filing. The DHHL shall complete its review within two (2) working days of receipt, otherwise such notice(s) shall be deemed accepted. A certified copy of the Affidavits of Notice(s) of Completion duly filed in the appropriate State Circuit Court shall be furnished to the DHHL. Such notice will be filed as soon as possible after the architect or engineer has certified the housing units and improvements for each building permit issued as having been completed.

(11) After compliance of the rental period and as units become eligible for conversion to homeownership, the Developer shall furnish the DHHL with an Escrow

Agreement for approval. All payments made by purchasers for the purchase of units in the Project must be deposited in escrow. Developer shall enter into a written escrow agreement with the escrow. The escrow and the form and content of the escrow agreement shall be subject to the DHHL's prior acceptance. Escrow shall disburse funds strictly in accordance with the conditions set forth in the accepted Escrow Agreement. Escrow shall retain only such funds that are necessary to pay escrow fees and closing costs and sales commissions, if any, and shall immediately disburse the balance of such funds to repay interim loans to lenders, the DHHL and to pay any remaining funds to the Developer.

(12) The Developer, surety, contractor, purchasers of the units or anyone else, including any class or association of purchasers or owners of the units, shall not have any claim or action against the DHHL arising out of any defect in design, workmanship or materials by virtue of the fact that the DHHL reviewed, inspected or accepted the work, it being understood that the DHHL by such review, inspection or acceptance makes no warranty or representation of any kind with respect thereto. Language similar to this paragraph shall be prominently included in all rental and sales agreements and promotional literature.

(13) Nothing contained in the Development Agreement shall create a contractual relationship between the DHHL and any designer, consultant, contractor, subcontractor, supplier or person or entity that the Developer may utilize directly, indirectly or in any way on the Project.

C. Development Rights

The DHHL grants to the Developer the development rights to develop the Project on the Project Land. The development rights do not establish or imply that the Developer shall have any legal or equitable rights, title or interest in any part of the Project Land.

The development rights are limited to permission to enter the Project Land to conduct such surveys, inspections, tests and other studies necessary and to allow the Developer to plan, design and develop, market and construct the Project in accordance with the Development Agreement.

D. Authority

(1) Authority of the Chairman

The Chairman is the Chief Procurement Officer for the DHHL. The Chairman shall make final and conclusive decisions on all questions which may arise relating to the quality and acceptability of the planning, design, construction, marketing, rental and sale of the Project, and the interpretation and the acceptable fulfillment of the Development Agreement on the part of the Developer, the compensation under the Development Agreement and the mutual rights of the parties to the Development Agreement, unless fraudulent, or unless Developer brings an action seeking arbitration or judicial review of the decision in a circuit court of this State within six months from the date of receipt of said decision.

(2) Authority of the Project Manager

The Project Manager's authority shall be as delegated by the Chairman from time to time or as set forth in the Project Notice to Proceed. The Project Manager's authority is vested exclusively in the Chairman except when specific authority to act has been delegated by the Project Manager to a specific person or persons. Such delegation of authority may be established by the Development Agreement; otherwise, it shall not be effective or binding upon the DHHL or the Developer until such written notification of the delegation is received by the Developer.

(3) Authority of the Inspector

The Inspector shall observe and inspect the contract performance and materials. The Inspector does not have any authority vested in the Project Manager unless specifically delegated in writing.

The Inspector may offer advice and recommendations to the Developer, but any such advice or recommendations are not directives from the Project Manager.

The Inspector has no authority to allow deviations from the Development Agreement and may reject any and all work that the Inspector deems is not in conformity with the contract requirements. Failure of an Inspector at any time to reject non-conforming work shall not be considered a waiver of the DHHL's right to require work in strict conformity with the Development Agreement as a condition of final acceptance.

If the Developer disagrees with an act of or communication by the Inspector, the Developer may contact the Project Manager who will then review the matter and either resolve it or refer it to the Chairman.

(4) Authority of Consultants

The DHHL may engage outside Consultants at the DHHL's expense for limited or full observation to supplement the inspections performed by the DHHL and governmental agencies. Unless otherwise specified in writing to the Developer, such retained Consultants will have the authority of an Inspector.

E. Publicity

All press releases relating to the Project, regardless of who initiates their issuance, shall be subject to approval by both the DHHL and Developer.

9.03 RENT-TO-OWN PROJECT IMPLEMENTATION

Upon completion and acceptance of the Project as witnessed by the notification to Developer of the Project Closeout Date as defined in Paragraph 9.48, Developer, notwithstanding other conditions of this Development Agreement, shall proceed with the organization, management and individual sales or rental of the Project in accordance with the

following terms and conditions:

A. Terms, Rents, Payments

(1) Term: To Be Determined by Phase 1 Feasibility Study as approved by the HHC and HCDCH approval.

(2) Rents: To Be Determined by Phase 1 Feasibility Study as approved by the HHC and HCDCH approval.

(3) Payments: Annual rental payments as provided above shall be payable in advance, but not more than one (1) year in advance, without notice or demand, in equal quarterly installments due and payable on or before the first (1st) day of January, April, July and October of each and every year during the term. The rental shall be due and payable in the manner and on the dates hereinabove stipulated; provided, however, that if the initial period for which the rental is due and payable is less than a full quarterly period, the rental shall be appropriately prorated to reflect the amount due and payable for such shorter initial period.

B. Reservations

Withdrawal of Lands. DHHL reserves the right to withdraw all or any portion of the premises for any public purpose, and also reserves the right to withdraw any portion of the demised premises for other than a public use, which demised premises shall, at the time of withdrawal, constitute an economic unit, provided, that, the portion not withdrawn shall also be an economic unit. The right to withdraw reserved under this paragraph shall be exercised only after a minimum one (1) years prior written notice is given to DEVELOPER. The DEVELOPER will be entitled to compensation for those improvements made by DEVELOPER which have been approved by DHHL, on any portion of the premises withdrawn, in an amount equal to the proportionate value of DEVELOPER'S improvements so withdrawn in the proportion that it bears to the unexpired Term as provided in Paragraph 9.03A.1; provided, that DEVELOPER may, in the alternative, remove or relocate its improvements to the remainder of the demised premises occupied by DEVELOPER. If only a portion of the demised premises is withdrawn, the rental for the remaining portion will be reduced in proportion to the rental value of the premises withdrawn. Developer shall be entitled to compensation for other costs related to DHHL's withdrawal of lands including but not limited to contract cancellation fees and obligations to investors and customers as previously established in writing.

C. Agreements and Covenants

(1) Payment of rent. That DEVELOPER shall pay the rent to DHHL at the times, in the manner and form provided in this Development Agreement and at the place specified above, or at any other place DHHL may from time to time designate, in legal tender of the United States of America.

(2) Taxes and assessments. (a) That DEVELOPER shall pay or cause to be paid, when due, the amount of all taxes, rates, assessments and other outgoings of every

description as to which the premises or any part, or any improvements, or DHHL or DEVELOPER, are now or may be assessed or become liable by authority of law during the term of this Agreement; provided, however, that with respect to any assessment made under any betterment or improvement law which may be payable in installments, DEVELOPER shall be required to pay only those installments, together with interest, which become due and payable during the term. (b) That DEVELOPER shall reimburse to DHHL, upon demand, any and all conveyance and transfer taxes payable with respect to this transaction, or with respect to any document to which DEVELOPER is a party, creating or transferring an interest or an estate in the premises.

(3) Utility services. That DEVELOPER shall pay or caused to be paid all charges, duties, rates and, other outgoings of every description, including water, sewer, gas, refuse collection, relocation of utility poles and lines or any other charges, as to which the premises or any part, or any improvements, or DHHL or DEVELOPER may become liable for during the term, whether assessed to or payable by DHHL or DEVELOPER.

(4) Issuance and relocation of utility easements. (a) That DEVELOPER may request an easement for utility purposes or relocation of an existing utility easement and, if so approved by DHHL, DEVELOPER shall pay all costs related to the issuance and installation of a new utility easement or relocation of an existing utility easement. (b) That DHHL may issue utility easements or relocate existing utility easements without DEVELOPER'S approval provided the issuance or relocation thereof does not unreasonably interfere with DEVELOPER'S use of the premises. In such event, DHHL shall pay for all costs related to the issuance and installation of a new utility easement or relocation of an existing easement, unless the issuance or relocation is being done at the request of a utility company, in which case the utility company shall pay all the related costs.

(5) Sanitation, etc. That DEVELOPER shall keep the premises and improvements in a strictly clean, sanitary and orderly condition.

(6) Waste and unlawful, improper or offensive use of premises. That DEVELOPER shall not strip or commit, suffer or permit to be committed any waste, nuisance, strip or unlawful, improper or offensive use of the premises, or any part thereof, nor, without the prior written consent of DHHL, cut down, remove or destroy, or suffer to be cut down, removed or destroyed, any trees now growing on the premises.

(7) Compliance with laws. That DEVELOPER shall, if applicable, comply with the requirements of any municipal, state and federal authorities and observe any municipal ordinances and state and federal statutes, applicable to the premises, now in force or which may be in force.

(8) Inspection of premises. That DEVELOPER will permit DHHL and its agents, at all reasonable times as to cause as little interference with DEVELOPER'S use of the premises as is reasonably possible during the term of this Agreement, to enter into and upon the premises to inspect and examine the same and determine the state of repair and condition thereof, including without limitation the right to inspect DEVELOPER'S records regarding compliance with all applicable rules and regulations.

(9) DHHL's approval of improvements. That DEVELOPER shall not at any time during the term construct, place, maintain and install on the premises any building,

structure or improvement of any kind and description except with the prior written consent of DHHL and upon those conditions DHHL may impose, unless otherwise provided in the Agreement. The DEVELOPER may make nonstructural alterations not exceeding Twenty Five Thousand Dollars (\$25,000.00) in cumulative costs per alteration during the term of this Agreement without DHHL'S consent. DEVELOPER shall own these improvements until the expiration or termination pursuant to a breach of this Agreement, at which time the ownership shall automatically be vested in DHHL.

(10) Repairs to improvements. That DEVELOPER shall at its own expense, keep, repair and maintain all buildings and other improvements now existing or hereafter constructed or installed on the premises in good order, condition and repair, reasonable wear and tear excepted.

(11) Liens. That DEVELOPER will not commit or suffer any act or neglect which results in the premises, any improvement of DEVELOPER becoming subject to any attachment, lien, charge, or encumbrance, except as provided in this Agreement or as otherwise approved by DHHL, and shall indemnify, defend, and hold DHHL harmless from and against all attachments, liens, charges, and encumbrances and all resulting expenses, including reasonable attorney's fees.

(12) Character of use. That DEVELOPER shall use the demised premises solely for residential and such other purposes as is permitted under R-5 zoning regulations of the City and County of Honolulu;

(13) Subletting. To Be Determined by Phase 1 Feasibility Study as approved by the HHC, HCDCH approval, and may be subject to the "Sublease Rent Participation Policy" adopted by the HHC on April 24, 1987 for non-Native Hawaiian renters.

(14) Mortgage. That, except as provided in this Agreement, DEVELOPER shall not mortgage, hypothecate or pledge the premises or any portion or any interest without the prior written approval of DHHL and any such mortgage, hypothecation or pledge without such approval shall be null and void.

(15) Indemnity. That DEVELOPER shall indemnify, defend and hold DHHL harmless (a) from and against any claims or demands for loss, liability or damage, including claims for property damage, bodily injury or wrongful death, arising out of or resulting from any use, occupancy, maintenance, or enjoyment of the premises in DEVELOPER'S use or control, including any accident, fire or nuisance, or growing out of or caused by any failure on the part of DEVELOPER to maintain the premises in a safe condition, or by any act or omission of DEVELOPER; and (b) from and against all actions, suits, damages and claims by whomsoever brought or made by reason of the non-observance or non-performance of any of the terms, covenants and conditions of this Agreement or the rules, regulations, ordinances and laws of the federal, state, municipal or county governments.

(16) Costs of litigation. That in case DHHL shall, without any fault on its part, be made a party to any litigation commenced by or against DEVELOPER (other than condemnation proceedings), DEVELOPER shall pay all costs, including reasonable attorney's fees, and expenses incurred by or imposed on DHHL; furthermore, DEVELOPER shall pay all costs, including reasonable attorney's fees, and expenses which may be incurred by or paid by DHHL in enforcing the covenants and agreements of this Agreement, in recovering possession

of the premises or in the collection of delinquent rental, taxes and any and all other charges.

(17) Insurance. Immediately upon completion of construction of improvements, without any lapse in coverage, and at all time thereafter, DEVELOPER shall procure and maintain at no cost to DHHL with responsible insurance carrier the following insurance:

i Worker's Compensation Insurance. As required by state law, including and without limitation, employer's liability insurance for all employees of any general performing any work on any improvements being constructed on the premises.

ii Comprehensive General Liability Insurance. Against claims for personal injury (including bodily injury and death and property damage). Such insurance shall provide coverage for broad form property damage and personal injury insurance with a \$1,000,000 minimum limit per occurrence for combined bodily injury and property damage and in the aggregate amount of \$2,000,000 where applicable, so long as such insurance is available on reasonable commercial terms.

iii Fire and Extended Coverage Insurance. The DEVELOPER shall, at its sole cost, maintain all-risk property insurance covering the building(s) on the Premises, including but not limited to, DEVELOPER'S leasehold improvements, alterations, additions, trade fixtures and personal property from time to time in, on or upon the Premises and upon every reconstruction, repair and replacement therefor in an amount not less than one hundred percent (100%) of their full replacement cost. This requirement will include Builder's Risk Insurance during any period of construction.

iv Business Interruption Insurance. The DEVELOPER shall procure and maintain, at its own cost and expense, in full force and effect throughout the entire term of this Agreement, a business interruption insurance policy to assure rental payment for at least six (6) months in the event of a natural disaster or occurrence beyond the control of DEVELOPER. The policy shall name DHHL as the beneficiary of the policy and a certificate so stating shall be forwarded to DHHL upon each renewal of the policy.

All policies of insurance required to be maintained pursuant to this paragraph 17, "Insurance", covering loss or damage to any of DEVELOPER'S property shall provide that the insurer is required to provide DHHL with at least thirty (30) days (or ten (10) days in the case of nonpayment of premiums) prior written notice to cancellation or non-renewal of any policy. The DEVELOPER will pay all premiums thereon when due and will from time to time deposit promptly with DHHL current policies of such insurance or certificates thereof. All public liability and property damage policy shall be in the joint names of and for the mutual and joint benefit and protection of DHHL, DEVELOPER, subtenants and mortgagees, as their interests may appear and shall contain a provision that DHHL, although named as an additional insured, shall not be denied any recovery under the policy(s) for any loss occasioned to it, its servants, agents and employees by reasons of the acts, omissions and/or negligence of DEVELOPER which recovery would be possible if DHHL were not named as an additional insured. As often as any such policy shall expire or terminate, DEVELOPER shall procure and maintain, renewal or additional policies in like manner and to like extent. All public liability, property damage and other casualty policies shall be written as primary policies, not contributing with and not in excess off coverage which DHHL may carry.

That DEVELOPER will, at its own expense, at all times during the term of this Agreement, keep insured all buildings and other improvements erected on the premises in the

joint names of, DEVELOPER and the Mortgagee, if any, as their interests may appear, against loss or damage by fire including perils specified in the extended coverage endorsement and in an amount equal to the maximum insurable value thereof, in an insurance company or companies approved by DHHL, and will pay the premiums at the time and place the same are payable; that the policy or policies of insurance shall be made payable in case of loss to DEVELOPER and the Mortgagee, if any, as their interests may appear and shall be deposited with the Mortgagee; and that any proceeds derived therefrom in the event of total or partial loss shall be immediately available to, and as soon as reasonably possible, be used by DEVELOPER for rebuilding, repairing, or otherwise reinstating the same buildings in a good and substantial manner according to the plans and specifications approved in writing by DHHL or its designated representative; provided, however, that with the approval of DHHL, DEVELOPER may terminate this Agreement and pay the balance owing on any mortgage and DEVELOPER shall then receive that portion of the proceeds which the unexpired term of this Agreement at the time of the loss or damage bears to the whole of the term, to retain the balance of the proceeds.

The DHHL shall retain the right at any time to review the coverage, form, and amount of the insurance required by this Agreement. If, in the opinion of DHHL, the insurance provisions in this Agreement do not provide adequate protection for DHHL, DHHL may require DEVELOPER to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. The DHHL'S requirements shall be reasonable but shall be designed to assure protection for and against the kind and extent of the risks which exist at the time a change in insurance is required. The DHHL shall notify DEVELOPER in writing of changes in the insurance requirements and DEVELOPER shall deposit copies of acceptable insurance policies or certificates thereof, with DHHL incorporating the changes within thirty (30) days of receipt of notice.

The procuring of the required policy(s) of insurance (i) shall not release or relieve DEVELOPER of its responsibility, nor be construed to release or relieve DEVELOPER of its responsibility, under this Agreement as set forth herein or limit the amount of its liability under this Agreement, and (ii) shall not be deemed or construed to fulfill the indemnification provisions and requirements of this Agreement.

(18) Performance bond and security deposit. That DEVELOPER shall, at its own cost and expense, within thirty (30) days from the Project Closeout Date, deposit with DHHL and thereafter keep in full force and effect during the term of this Agreement, a good and sufficient surety bond, conditioned upon the full and faithful observance and performance by DEVELOPER of all of the terms, covenants and conditions of this Agreement. The amount of the bond shall equal the annual rental under the Agreement, the initial amount to be established at the time of issuance of the Phase 3 Notice to Proceed with Implementation to Developer, and thereafter shall be adjusted to equal the annual rental determined at each lease rental reopening date and each stepped-up lease rental date. There shall be attached to the bond an affidavit by a surety or sureties pursuant to and in accordance with the provisions contained in Section 78-20, Hawaii Revised Statutes, provided, however, DEVELOPER may furnish a bond in like amount, conditioned as aforesaid, executed by DEVELOPER alone as obligor, if, in lieu of any surety or sureties, DEVELOPER shall also furnish and at all times thereafter keep and maintain on deposit (payable on demand or after such period as DHHL may stipulate) bonds, stocks or other negotiable securities properly endorsed, or executed and deliver to DHHL a deed or deed of trust of real property, all of such character as shall be satisfactory to DHHL and valued in the aggregate at not less than the principal amount of the bond. It is agreed that the

value at which any securities may be accepted and at any time thereafter held by DHHL under the foregoing proviso shall be determined by DHHL, and that DEVELOPER may, with the approval of DHHL, exchange other securities or money for any of the deposited securities, if in the judgment of DHHL the substitute securities or money shall be at least equal in value to those withdrawn.

(19) It is further agreed that DEVELOPER may substitute the sureties with a security deposit equal to three months of the established rent pursuant to an action taken by the Hawaiian Homes Commission on June 26, 1990. The security deposit shall be adjusted to equal the three months rental determined at each lease rental reopening date. The deposit will be refunded without interest to DEVELOPER at the expiration of the Agreement or assignment of the Agreement. In the event of non-performance and upon termination of the Agreement, DHHL shall have the option to declare the deposit forfeited as liquidated damages or apply it as an offset to amounts owed by DEVELOPER.

(20) DHHL's lien. That DHHL shall have a lien on all the buildings and other improvements placed on the premises by DEVELOPER, on all property kept or used on the premises, whether the same is exempt from execution or not and on the rents of all improvements and buildings located on the premises for all DHHL'S costs, attorneys' fees, rent reserved, for all taxes and assessments paid by DHHL on behalf of DEVELOPER, and for the payment of all money provided in this Agreement to be paid by DEVELOPER, and such lien shall continue until the amounts due are paid. DHHL's lien shall be subordinate of investors and mortgagees as approved by DHHL.

(21) Bond and financial information. That DEVELOPER will before commencing construction of any improvements on the premises deposit with DHHL a bond or certificate, in an amount equal to the construction cost of the improvements and in form and with surety satisfactory to DHHL, guaranteeing the completion of the construction of improvements free and clear of all mechanics' and materialmen's liens, together with such information and evidence as DHHL may reasonably require to assure that DEVELOPER is able to and will make all payments required by contract to be made as and when DEVELOPER is required to do so.

(22) Termination. To Be Determined by Phase 1 Feasibility Study as approved by the HHC and HCDCH approval.

(23) Abandonment by Developer. That DEVELOPER agrees that should DEVELOPER breach this Agreement and abandon the premises, this Agreement shall continue in effect so long as DHHL does not terminate the Agreement or DEVELOPER'S right to possession; and DHHL may enforce all of its rights and remedies under this Agreement, including the right to recover the rent as it becomes due under this Agreement; and further, that DHHL need not mitigate its damages in the event DEVELOPER abandons the premises and DEVELOPER hereby expressly agrees to make DHHL whole in accordance with the terms of this Agreement.

(24) Fees, processing/documentation. That DEVELOPER agrees to pay to DHHL, a reasonable fee for DHHL'S processing of consents and assignments and providing documents required or authorized by the terms, covenants and conditions of this lease. The amount of the processing fee and documentation fee shall be determined by DHHL, provided the fee be not less than seventy-five dollars (\$75.00) nor more than one hundred fifty dollars (\$150.00).

D. Further Agreements

(1) Mortgage. That upon due application and with the written consent of DHHL, Developer may mortgage the improvements, or any interest, or create a security interest in the leasehold land. If the mortgage or security interest is to a recognized lending institution in either the State of Hawaii or elsewhere in the United States, the consent may extend to foreclosure and sale of Developer's interest at the foreclosure to any purchaser, including the mortgagee, without regard to whether or not the purchaser is qualified to lease, own or otherwise acquire and hold the land or any interest. The interest of the mortgagee or holder shall be freely assignable.

(2) Breach. That time is of the essence of this Agreement and if DEVELOPER shall become bankrupt, or shall abandon the premises, or if this Agreement and the premises shall be attached or taken by operation of law, or if DEVELOPER shall fail to observe and perform any of the terms, covenants and conditions contained in this Agreement and on its part to be observed and performed, DHHL shall deliver a written notice of the breach or default by service, as provided by Section 634-35, or 634-36, Hawaii Revised Statutes, or by registered mail, or certified mail to DEVELOPER at its last known address, and to each mortgagee or holder of record having a security interest in the premises, making demand upon DEVELOPER to cure or remedy the breach or default within sixty (60) days from the date of receipt of the notice; provided that where the breach involves a failure to make timely rental payments pursuant to the Agreement, the written notice shall include a demand upon DEVELOPER to cure the breach within less than sixty (60) days, but not less than five (5) business days, after receipt of the notice. Upon failure of DEVELOPER to cure or remedy the breach or default within the time period provided herein or within such additional period as DHHL may allow for good cause, DHHL may, subject to the provisions of Section 171-21, Hawaii Revised Statutes, at once re-enter the premises or any part, and upon or without such entry, at its option, terminate this Agreement without prejudice to any other remedy or right of action for arrearages of rent and interest at the legal rate pursuant to Section 478, Hawaii Revised Statutes, or for any preceding or other breach of contract; and in the event of termination, all buildings and improvements shall remain and become the property of DHHL; furthermore, DHHL shall retain all rent paid in advance as damages.

(3) Rights of holder of record of a security interest. In the event DHHL seeks to forfeit the privilege, interest, or estate created by this Agreement, each recorded holder of a security interest may, at its option, cure or remedy the default or breach, if the same can be cured or remedied by the payment of money or, if such is not the case, by performing or undertake in writing to perform all the terms, covenants and conditions contained in the Agreement on DEVELOPER'S part to be performed, capable of performance by the holder, as determined by DHHL, within the time period provided in Section 171-20, Hawaii Revised Statutes, or within the additional period as DHHL may allow for good cause and add the cost to the mortgage debt and the lien of the mortgage. Upon failure of the holder to exercise its option, DHHL may: (a) pay to the holder from any monies at its disposal the amount of the mortgage debt, together with interest and penalties, and secure an assignment of the debt and mortgage from the holder or if ownership of the privilege, interest or estate shall have vested in the holder by way of foreclosure, or action in lieu thereof, DHHL shall be entitled to the conveyance of the privilege, interest or estate upon payment to the holder of the amount

of the mortgage debt, including interest and penalties, and all reasonable expenses incurred by the holder in connection with the foreclosure and preservation of its security interest, less appropriate credits, including income received from the privilege, interest or estate subsequent to the foreclosure; or (b) if the property cannot be reasonably reassigned without loss to the State, then terminate the outstanding privilege, interest or estate without prejudice to any other right or remedy for arrearages of rent or for any preceding or other breach or default and use its best efforts to redispense of the affected land to a qualified and responsible person free and clear of the mortgage and the debt secured; provided that a reasonable delay by DHHL in instituting or prosecuting its rights or remedies under this provision and Section 171-21 of the Hawaii Revised Statutes shall not operate as a waiver of these right or to deprive it of the remedy when it may still otherwise hope to resolve the problems created by the breach or default involved. Section 171-19, Hawaii Revised Statutes to the contrary notwithstanding, the proceeds of any redispension under the terms of this provision and Section 171-21, Hawaii Revised Statutes, shall be applied; first, to reimburse DHHL for costs and expenses in connection with the redispension; second, to discharge in full any unpaid purchase price or other indebtedness owing DHHL in connection with the privilege, interest or estate terminated; third, to the mortgagee to the extent of the value received by the State upon redispension which exceeds the fair market value of the land as previously determined by the State's appraiser; and fourth, to the owner of the privilege, interest, or estate.

(4) Condemnation. That, if at any time, during the term of this Agreement, any portion of the premises should be condemned, or required for public purposes by the State of Hawaii, or any county or city and county, or any other governmental agency or subdivision, the rental shall be reduced in proportion to the value of the portion of the premises condemned. The DEVELOPER shall be entitled to receive from the condemning authority (a) the value of growing crops, if any, which DEVELOPER is not permitted to harvest and (b) the proportionate value of DEVELOPER'S permanent improvements so taken in the proportion that it bears to the unexpired term of the Agreement; provided, that DEVELOPER may, in the alternative, remove and relocate its improvements to the remainder of the demised premises occupied by DEVELOPER. The DEVELOPER shall not by reason of the condemnation be entitled to any claim against DHHL for condemnation or indemnity for leasehold interest and all compensation payable or to be paid for or on account of the leasehold interest by reason of the condemnation shall be payable to and be the sole property of DHHL. The foregoing rights of DEVELOPER shall not be exclusive of any other to which DEVELOPER may be entitled by law. Where the portion taken renders the remainder unsuitable for the use or uses for which the land was leased, DEVELOPER shall have the option to surrender this Agreement and be discharged and relieved from any further liability therefor; provided, that DEVELOPER may remove the permanent improvements constructed, erected and placed by it within any reasonable period allowed by DHHL.

(5) Right to enter. That DHHL and agents or representatives shall have the right to enter and cross any portion of the premises for the purpose of performing any public or official duties; provided, however, in the exercise of these rights, DHHL shall not interfere unreasonably with DEVELOPER or DEVELOPER'S use and enjoyment of the premises.

(6) Acceptance of rent not a waiver. That the acceptance of rent by DHHL shall not be deemed a waiver of any breach by DEVELOPER of any term, covenant or condition of this Agreement, nor of DHHL'S right to re-entry for breach of covenant, nor of DHHL'S right to declare and enforce a forfeiture for any such breach, and the failure of DHHL to

insist upon strict performance of any such term, covenant or condition, or to exercise any option conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any term, covenant, condition or option.

(7) Extension of time. That notwithstanding any provision contained in this Agreement when applicable, DHHL may for good cause shown, allow additional time beyond the time or times specified in the Agreement for DEVELOPER to comply, observe and perform any of the Agreement terms, covenants and conditions.

(8) Justification of sureties. Any bonds required by this Agreement shall be supported by the obligation of a corporate surety organized for the purpose of being a surety and qualified to do business in the State of Hawaii, or by not less than two personal sureties, corporate or individual, for which justifications shall be filed as provided in Section 78-20, Hawaii Revised Statutes; provided, however, DEVELOPER may furnish a bond in like amount, conditioned as aforesaid, executed by it alone as obligor, if, in lieu of any surety or sureties, it shall also furnish and at all times thereafter keep and maintain on deposit with DHHL security in certified checks, certificates of deposit (payable on demand or after such period as DHHL may stipulate), bonds, stocks or other negotiable securities properly endorsed, or execute and deliver to DHHL a deed or deeds of trust of real property, all of such character as shall be satisfactory to DHHL and valued in the aggregate at not less than the principal amount of the bond. It is agreed that the value at which any securities may be accepted and at any time thereafter held by DHHL under the foregoing proviso shall be determined by DHHL, and that DEVELOPER may, with the approval of DHHL, exchange other securities or money for any of the deposited securities if in the judgment of DHHL the substitute securities or money shall be at least equal in value to those withdrawn. It is further agreed that substitution of sureties or the substitution of a deposit of security for the obligation of a surety or sureties may be made by DEVELOPER, but only upon the written consent of DHHL and that until such consent be granted, which shall be discretionary with DHHL, no surety shall be released or relieved from any obligation.

(9) Waiver, modification, reimposition of bond provision. Upon substantial compliance by DEVELOPER of the terms, covenants and conditions herein contained on its part to be observed or performed, DHHL at its discretion may waive or suspend the performance bond and/or improvement bond requirements or may modify the same by reducing the amount; provided, however, that DHHL reserves the right to reactivate or reimpose the bond and/or bonds in and to their original tenor and form at any time throughout the term of this Agreement.

(10) Quiet enjoyment. That DHHL covenants and agrees with DEVELOPER that upon payment of the rent at the times and in the manner provided and the observance and performance of these terms, covenants and conditions on the part of DEVELOPER to be observed and performed, DEVELOPER shall and may have, hold, possess and enjoy the premises for the term of the Agreement, without hindrance or interruption by DHHL or any other person or persons lawfully claiming by, through or under it.

(11) Interest, costs and fees. The interest rate on any and all unpaid or delinquent rentals shall be at one percent (1%) per month, plus a service charge of FIFTY AND NO/100 DOLLARS (\$50.00) per month for each month of delinquency.

In case of any default by DEVELOPER in the performance of the terms, covenants and

conditions herein contained, DEVELOPER shall pay to DHHL any and all costs incurred in connection with the default, including reasonable attorneys' fees. In the event that any indebtedness arising hereunder is placed in the hands of a collector or an attorney for collection, or suit is instituted for collection, DEVELOPER shall pay, in addition to the indebtedness, reasonable collector's and/or attorneys' fees, together with all costs.

(12) Hazardous materials. DEVELOPER shall not cause or permit the escape, disposal or release of any hazardous material. DEVELOPER shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials, nor allow to be brought into the premises any such materials except to use in the ordinary course of DEVELOPER'S business, and then only after written notice is given to DHHL of the identity of such materials and upon DHHL'S sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by DEVELOPER, then DEVELOPER shall be responsible for the reasonable costs thereof. In addition, DEVELOPER shall execute affidavits, representations and the like from time to time at DHHL'S request concerning DEVELOPER'S best knowledge and belief regarding the presence of hazardous materials on the premises placed or released by DEVELOPER.

DEVELOPER agrees to indemnify, defend, and hold DHHL harmless, from any damages and claims resulting from the release of hazardous materials on the premises occurring while DEVELOPER is in possession or elsewhere if caused by DEVELOPER or persons acting under DEVELOPER. These covenants shall survive the expiration or earlier termination of the Agreement.

For the purpose of this Agreement, the term "hazardous material" as used herein shall include any substance, waste or material designated as hazardous or toxic or radioactive or other similar term by any present or future federal, state or local statute, regulation or ordinance, as amended from time to time, including but not limited to the following statutes and regulations promulgated pursuant to them:

Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq. ("RCRA")
Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") amended by Superfund Amendments and Reauthorization Act of 1986 ("SARA"), 42 U.S.C. 9601 et seq.
Clean Air Act, 42 U.S.C. Sections 7401 et seq.
Clean Water Act of 1977, 33 U.S.C. 1251 et seq.
Pesticide Act of 1978, 7 U.S.C. 13 et seq.
Toxic Substances Control Act ("TSCA"), 15 U.S.C. 2601 et seq.
Safe Drinking Water Act, 42 U.S.C. 300(f) et seq.
Hazardous Materials Transportation Act, 49 U.S.C. 1801 et seq.
Chapter 128D, Hawaii Revised Statutes
Chapters 342B through 342N, Hawaii Revised Statutes,

and including but not limited to petroleum, petroleum based substances, asbestos, polychlorinated-biphenyls ("PCBs"), formaldehyde, and also including any substance designated by federal, state or local regulation, now or in the future, as presenting a risk to human health or the environment.

9.04 – 9.10 RESERVED

9.11 PAYMENT OF DHHL FUNDS TO THE DEVELOPER

A. Project Budget

The total price of \$140,000 for the Phase 1 and Phase 2 portion of the work is a maximum price for that portion of the scope of work described in Section 7.C. The Developer shall receive payments for all costs related to Phase 1 and Phase 2 of the work described in Section 7.C, including Developer's fee. Said payments in the aggregate shall not exceed said guaranteed maximum price, provided that DHHL shall not make or cause to be made any change orders or time extensions that result in delays or additional costs.

B. RESERVED

C. Monthly Payments; Retainage for DHHL Funds.

1. Phase 1 and Phase 2, Payments to Developer.

On a monthly basis, the Developer shall present a current monthly invoice for progress payment for the work showing the percentage completion based on work or accomplished for each item on the Schedule of Values together with an updated progress schedule and estimated time for completing the Project and the "Project Management" amount applicable to that billing period as shown on the Project budget. The Project Manager shall review the invoice, make any adjustments to the percentages presented that the Project Manager finds necessary and then the DHHL will process the estimate for payment after retaining ten percent (10%). The retained amount will be processed for payment at the final settlement less any setoffs or deductions that may be required. In the event payments are made on a "Time and Material" basis, payment shall be made monthly upon presentation of the Developers Statement of services rendered, accompanied by evidence of disbursements. Prior to starting work Developer shall provide the Project Manager with an estimate of services required for various portions of the work for approval to proceed.

Phase 3, Implementation. Payments to DHHL

Upon issuance of "Notice to Proceed with Phase 3 Implementation" Developer may be required to pay DHHL the following items:

1. The maintenance fee annuity that may be prorated to all lots in Village 6 Project.
2. Prorata Architectural fees and on-site building and related cost such as the cost of the structural building pads, compaction tests and certifications, and other related cost as

related to the design and construction of housing units.

3. The Total Federal / State Tax Credit Equity for Eligible Infrastructure Cost.
4. Lease Rent Premium and Rents over the term of the Development Agreement (to be negotiated).

D. Warranty of Clear Title – Phase 1 Feasibility Study. The Developer warrants and guarantees that all Phase 1 work and materials covered by progress or partial payments made thereon by the DHHL shall be free and clear of all liens, claims, security interests or encumbrances, and shall become the sole property of the DHHL. This provision shall not, however, be construed as an acceptance of the work nor shall it be construed as relieving the Developer from the sole responsibility for all materials and work upon which payments have been made, or as waiving the right of the DHHL to require the fulfillment of all the items of the contract.

E. Payments on Completion. Upon substantial completion of the Phase 1 or Phase 2, the final payment amount for that portion of the work, less all previous payments and less any retainage and sums that may have been deducted in accordance with the provisions of the Development Agreement, will be paid to the Developer, provided the Developer has submitted a Tax Clearance Certificate from the Department of Taxation and the Internal Revenue Service.

Sums necessary to meet any claims of any kind by the State may be retained from the sums due the Developer until said claims have been fully and completely discharged or otherwise satisfied.

F. RESERVED

9.12 NO WAIVER OF LEGAL RIGHTS

The Project Manager shall not be precluded or estopped by any measurements, estimate or certificate made either before or after the completion and acceptance of the work and payment therefor, from showing the true amount and character of the work performed and materials furnished by the Developer, or from showing that any such measurement estimate or certificate is untrue or incorrectly made, or rejecting the work or materials that do not conform in fact to the contract. The Project Manager shall not be precluded or estopped, notwithstanding any such measurement, estimate or certificate and payment in accordance therewith, from recovering from the Developer and the sureties for which the DHHL is an obligee such damages as the DHHL may sustain by reason of the Developer's failure to comply with the terms of the Development Agreement. Neither the acceptance by the Project Manager or any representative of the Project Manager, nor any payment for or acceptance of the whole or any part of the work, nor any extension of time, or any possession taken by the Project Manager, shall operate as a waiver of any portion of the Development Agreement, or of any power herein reserved, or any right to damage herein provided. A waiver of any notice requirement or breach of the Development Agreement shall not be held to be a waiver of any other notice requirement or subsequent breach.

9.13 RESERVED

9.14 PROJECT DEVELOPMENT SCHEDULE

The Developer shall provide its schedule to complete the development, construction and marketing of the Project within the period based upon the Developer's interpretation of the intended market and not to exceed three (3) years from the Project Notice to Proceed for Phase 3.

The Developer shall submit three (3) sets of its detailed Project schedule to the DHHL prior to the start of the work. The purpose of the schedule is to allow the DHHL to monitor the Developer's progress on the work. The schedule shall account for normal inclement weather, unusual soil or other conditions that may influence the progress of the work, schedules and coordination required by any utility, off- or on-site fabrications and all other pertinent factors that relate to progress.

Submittal or the DHHL's receipt of the construction schedule shall not imply the DHHL's approval of the schedule's breakdown, its individual elements and any critical path that may be shown; and shall not imply the Developer's guarantee that each element of the schedule will be met on time (it being acknowledged, for example, that several items such as governmental approvals are not in Developer's power to control). All items of work required for the Project whether or not shown on the schedule and regardless of how they are shown on the schedule remain the duty of and at the risk of the Developer. Any acceptance or approval of the schedule (1) shall be for general format only and not for sequences or durations thereon, and (2) shall not be deemed an agreement by the DHHL that the development and/or construction means, methods and resources shown on the schedule will result in work that conforms to the Development Agreement requirements, and (3) shall not in any manner alter the Developer's duty and risks to perform all items of work in conformance with the Agreement.

The Project completion date is established for the benefit of the DHHL and cannot be changed without an appropriate change order issued by the DHHL. If Developer shall complete the work earlier than the Project completion date, Developer will not be entitled to any additional compensation by virtue of having completed early.

9.15 ASSIGNMENT OR CHANGE OF NAME

A. Assignment - The identity of the Developer is of material importance to the DHHL. The Developer shall not sublet, sell, transfer, assign or otherwise dispose of this Development Agreement or any part hereof or any right, title or interest herein or any monies due or to become due hereunder without the prior written consent of the Chairman, except that the Chairman will not withhold his consent to Developer's assignment of this Agreement to an institutional lender as security for a loan(s) to finance Developer's outlays in performing this Agreement.

B. If the Developer desires to assign the Development Agreement (other than to its lender), the assignee must submit a "Developer's Application and Qualification Form", meet all requirements imposed by the DHHL, and must be acceptable to the DHHL. If the DHHL shall consent to an assignment of the Development Agreement, no assignment unless specifically provided for in writing signed by the Chairman will result in the release of the Developer, any guarantor or security from the obligation undertaken in the Development

Agreement.

C. In all events, the Developer may assign money due or to become due it under the contract and such assignment will be recognized by the DHHL, if given proper notice thereof, to the extent permitted by law; but any assignment of monies shall be subject to all proper set-offs in favor of the DHHL and to all deductions provided in the Development Agreement and particularly all monies withheld or unpaid, whether assigned or not, shall be subject to use by the DHHL for the completion of the work in the event that the Developer should be in default therein.

D. Recognition of a Successor in Interest; Assignment - When in the best interest of the DHHL, a successor in interest may be recognized in an assignment agreement in which the transferor and the transferee and the DHHL shall agree that:

(1) The transferee assumes all of the transferor's obligations;

(2) Transferor remains liable for all obligations under the contract;

and

(3) The transferor shall continue to furnish, and the transferee shall also furnish, all required bonds.

E. Change of Name - When a Developer requests to change the name in which it holds a Development Agreement with the DHHL, the Chairman shall, upon receipt of a document indicating such change of name (for example: an amendment to the articles of incorporation of the corporation), enter into an agreement with the requesting Developer to effect such a change of name. The agreement changing the name shall specifically indicate that no other terms and conditions of the contract are thereby changed.

(1) All change of name or novation agreements effected hereunder other than by the Chairman shall be reported to the Chairman within thirty (30) days of the date of the date that the agreement becomes effective.

(2) Notwithstanding the provisions of paragraphs D and E above, when a Developer holds contracts with more than one purchasing agency of the State, the novation of change of name agreements herein authorized shall be processed through the State Comptroller with notice provided to the DHHL.

9.16 RELATIONSHIP BETWEEN THE DEVELOPER AND THE DHHL

The Developer is an independent contractor. The Development Agreement does not establish any partnership, joint venture, employer and employee or other agency relationship between the DHHL and Developer nor is the DHHL in any way to be deemed the Developer or a seller/rentor of the housing units in the Project. The Developer, including any person acting by, through, under or for the benefit of the Developer, will not represent or hold itself out as being a partner, joint venture, employee, servant or agent of the DHHL nor will the Developer, including any person acting by, through, under or for the benefit of the Developer, have any authority to bind, act for or represent the DHHL in any respect nor shall anyone represent that the houses are sold/rented, guaranteed or warranted by the DHHL.

9.17 PROSECUTION OF THE WORK; PROJECT NOTICE TO PROCEED

All work done prior to the Project's Phase 1 Notice to Proceed shall be performed in accordance with the Development Agreement documents, but will only be considered authorized work and be paid for as provided in the Agreement.

9.18 COMMENCEMENT REQUIREMENTS

Prior to beginning work, the Developer shall submit the following to the DHHL:

- A. Identification of the team captain of the Developer
- B. Provide permits and licenses which are required prior to the commencement of the work. See Subsection 9.20 "PERMITS AND LICENSES".
- C. Proof of insurance coverage. Certificate of insurance or other documentary evidence satisfactory to the DHHL that the Developer has in place all insurance coverage required by the contract. See Section 9.19 "INSURANCE REQUIREMENTS".

9.19 INSURANCE REQUIREMENTS

A. Obligation of Developer

(1) The Developer shall not commence any construction work until it obtains, at its own expense, all required insurance with a company authorized by law to issue such insurance in the State of Hawaii.

All insurance described herein will be maintained by the Developer for the full period of the contract and in no event will it be terminated or otherwise allowed to lapse prior to written certification of final acceptance of the work by the DHHL.

(2) Certificate(s) of Insurance acceptable to the DHHL for all insurance required shall be filed with the DHHL prior to commencement of the work. These certificates shall contain a provision that coverage afforded under the policies will not be canceled or changed until at least thirty (30) days written notice has been given to the DHHL by registered mail. The insurance policies shall name the DHHL as an additional insured and such coverage shall be noted on the Certificate. Should any policy be canceled before final acceptance of the work by the DHHL, and the Developer fails to immediately procure replacement insurance as specified, the DHHL, in addition to all other remedies it may have for such breach, may procure such insurance and deduct the cost thereof from any money due to the Developer.

The Developer shall, from time to time, furnish the DHHL, when requested, satisfactory proof of coverage of each type of insurance required or a copy of the

actual policies covering the work. Failure to comply with the DHHL's request may result in suspension of the work, and shall be sufficient grounds to withhold future payments due the Developer and to terminate the contract for Developer's default.

(3) Nothing contained in these insurance requirements is to be construed as limiting the extent of the Developer's responsibility for payment of damages resulting from its operations under the Development Agreement, including the Developer's obligation to pay liquidated damages, nor shall it affect the Developer's separate and independent duty to defend, indemnify and hold the DHHL harmless pursuant to other provisions of this contract. In no instance will the DHHL's exercise of an option to occupy and use completed portions of the work relieve the Developer of its obligation to maintain the required insurance until the date of final acceptance of the work.

(4) All insurance described herein shall cover the insured for all work to be performed under the Development Agreement, all work performed incidental thereto or directly or indirectly connected therewith, including traffic detour work or other work performed outside the work area and all change order work.

B. Types of Insurance

The Developer shall purchase and maintain insurance described below which shall provide coverage against claims arising out of the Developer's operations under the Development Agreement, whether such operations be by the Developer itself or by any designer, contractor, subcontractor or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable.

(1) **Worker's Compensation.** The Developer and all its designers, consultants, contractors and subcontractors shall obtain full worker's compensation insurance coverage for all persons who they employ or may employ in carrying out the work under the Development Agreement. This insurance shall be in strict conformity with the requirements of the most current and applicable State of Hawaii Worker's Compensation Insurance laws in effect on the date of the execution of the Development Agreement and as modified during the duration of the Development Agreement.

(2) **Commercial General Liability Insurance and Automobile Insurance.** Developer's commercial general liability insurance and automobile liability insurance shall both be obtained in a combined, single limit of not less than \$1,000,000; \$2,000,000 aggregate for personal injury, death and personal occurrences, arising directly or indirectly out of, or in connection with, the performance of work under the Development Agreement.

(3) **Builder's Risk Insurance.** The Developer shall provide builder's risk insurance effective prior to moving onto the Project Land for Phase 3, during the progress of the construction work and until final acceptance by the Developer upon completion of the Project covering the house general contractor and all subcontractors.

(4) **Architects and Engineers Errors and Omissions Insurance**

(5) **Performance and Payment Bond** in accordance with the provisions of the General Lease.

The Developer shall provide insurance against architectural and/or engineering errors or omissions for claims arising out of the design and construction of the Project, in the amount of \$500,000 per occurrence and \$1,000,000 in the aggregate, exclusive of defense costs.

The policy may provide a deduction or self-insured retention up to ten percent (10%) of the policy limits. With respect to all losses up to any deductible or self-insured retention amount, the relationship between the Developer and the DHHL shall be that of insurer and additional insured as if no deductible existed.

9.20 PERMITS AND LICENSES

The Developer shall be responsible only for permits, fees and approvals directly related to the house construction such as Building Permits.

9.21 RESERVED

9.22 RESERVED

9.23 PREVAILING WAGES (Section 104 Hawaii Revised Statutes)

All construction contracts shall comply with the wage and labor requirements consistent with Section 104, HRS, to the extent applicable.

9.24 RESERVED

9.25 RESERVED

9.26 RESERVED

9.27 RESERVED

9.28 DEVELOPER'S RESPONSIBILITY FOR THE WORK; RISK OF LOSS

That until the end or earlier termination of the portion of the Project for development of all building improvements, the Developer shall take every necessary precaution against injury or damage to any part of the work by the action of the elements or from any other cause whatsoever, whether arising from the execution or from the non-execution of the Project.

The Developer shall rebuild, repair, restore and make good all injuries or damage to any portion of the Project occasioned by any cause before the end or such termination and shall bear the risk and expense thereof, but only to the extent that such risks shall be covered (or are required to be covered) by insurance required by this contract (including any deductible, which shall be Developer's responsibility).

The risk of damage to the Project from any hazard or occurrence that is required to be insured against under this Agreement (whether or not actually insured) is that of Developer (and its insurer) unless the risk of loss is placed elsewhere by the express language in the Development Agreement. No claims for any such loss or damage shall be recognized by the DHHL, nor will any such loss or damage excuse the complete and satisfactory performance of the Development Agreement by Developer.

9.29 LAWS TO BE OBSERVED

The Developer at all times shall observe and comply with all Federal, State and local laws or ordinances, rules and regulations which in any manner affect those engaged or employed in the work, the materials used in the work, and the conduct of the work. The Developer shall also comply with all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the work. Any reference to such laws, ordinances, rules and regulations shall include any amendments thereto before and after the date of this contract.

The Developer shall defend, protect, hold harmless and indemnify the State and its Departments and Agencies and all their officers, representatives, employees or agents against any claim or liability arising from or based on the violation of any such laws, ordinances, rules and regulations, orders or decrees, whether such violation is committed by the Developer or its Contractor(s) and Subcontractor(s) or any employee of either or both. If any discrepancy or inconsistency is discovered in the Development Agreement for the work in relation to any such laws, ordinances, rules and regulations, orders or decrees, the Developer shall forthwith report the same to the Chairman in writing.

Attention is directed to the Hawaii Employment Relations Act, Chapter 377, H.R.S., Hawaii Employment Security Law, Chapter 393, H.R.S., Wage and Hour Law, Chapter 387, H.R.S., Payment of Wages, Chapter 388, H.R.S., Industrial Safety, Chapter 376, H.R.S. and Worker's Compensation Law, Chapter 386, H.R.S.

9.30 STANDARD SPECIFICATIONS AND DETAILS

Standards and Specifications shall refer to such house plans, specifications and related documents as furnished by the DHHL to the Developer as prepared under Contract No. 44551 between R. M. Towill Corporation and DHHL. Any changes to such plans and specifications shall be approved by the DHHL in accordance with the provisions of this development Agreement and shall be revised prior to obtaining cost proposals and / or bids for such work.

9.31 SANITARY, HEALTH AND SAFETY PROVISIONS

The Developer shall provide and maintain in a neat, sanitary condition such accommodations for the use of its employees, its Contractor(s) and Subcontractor(s) as may be necessary to comply with the requirements of the State and local Boards of Health, or other bodies or tribunals having jurisdiction. Unless otherwise stated in the specifications, the

Developer shall install toilet facilities conveniently located at the job site and maintain same in a neat and sanitary condition for the use of the employees on the job site for the duration of the contract. The toilet facilities shall be considered incidental to and paid for under various Development Agreement payment provisions. These requirements shall not modify or abrogate in any way the requirements or regulations of the State Department of Health.

Attention is directed to Federal, State and local laws, rules and regulations concerning construction safety and health standards. The Developer shall not require any worker to work in surroundings or under conditions that are unsanitary, hazardous or dangerous to their health or safety.

9.32 PRESERVATION AND RESTORATION OF PROPERTY, TREES, MONUMENTS.

The Developer shall be responsible for the preservation of all public and private property, trees, landscape, monuments, and shall use every precaution necessary to prevent damage or injury thereto. The Developer shall use suitable precaution necessary to prevent damages to pipes, conduits and other underground structures; and shall protect carefully from disturbances or damage all land monuments and property marks until an authorized agent has witnessed or otherwise referenced their location and shall not remove them until directed. The Developer shall not injure or destroy trees or shrubs nor remove or cut them without permission of the DHHL. When or where any direct or indirect damage or injury is done to public or private property by or on account of any act, omission, neglect or misconduct in the execution of the work, or in consequence of the non-execution thereof on the part of the Developer, such property shall be restored by the Developer at the Developer's expense, to a condition similar or at least equal to that existing before such damage or injury was done, by repairing, rebuilding or otherwise restoring same, or the Developer shall make good such damage or injury in an acceptable manner. If the Developer fails to carry out the provisions of this subsection, the DHHL shall have the right to have them carried out and deduct the same from any money due or to become due the Developer or as may be required.

9.33 RESERVED

9.34 ENVIRONMENTAL POLLUTION CONTROL

A. General: Environmental pollution shall consist of the protection of the environment from pollution during and as a result of construction operations under the Development Agreement. The control of environmental pollution requires the consideration of air, water and land, and involves noise, dust, solid waste management as well as other pollutants. It is the responsibility of the DHHL and the Developer to investigate and comply with all applicable Federal, State, and City and County laws and regulations concerning environmental pollution control and abatement and to secure all necessary permits.

B. Protection of Landscape Features and Trees: Landscape features and trees within the Project area and outside the limits of permanent work performed under the Development Agreement shall be preserved in their present condition or be restored to a

natural condition that will not detract from the appearance of the surrounding area. Except in areas agreed to be cleared, the Developer shall not deface, injure or destroy trees or shrubs, or remove or cut them without approval. Any tree or other landscape feature scarred or damaged by the Developer's equipment or operation shall be restored as nearly as possible to its original condition at the Developer's expense.

C. **Water Pollution:** The Developer shall not pollute water resources including streams and drainage systems with fuel, oils, bituminous materials, calcium chloride, acids, construction waste, wash water, or other harmful materials. Surface drainage from cuts and fills, whether or not completed, and from borrow and waste disposal areas shall, if turbidity producing materials are present, be held in suitable sedimentation ponds or shall be graded to control erosion to meet acceptable limits. Objectionable construction discharges shall be processed, filtered, ponded or otherwise treated prior to their discharge into a waterway or drainage system. Disposal of any material, garbage, oil, grease, chemicals, trash and other similar materials on areas adjacent to streams or drainage systems shall not be allowed.

D. **Protection of Fish and Wildlife:** The Developer shall at all times perform all work and take such steps to prevent any interference or disturbance to fish and wildlife.

E. **Dust Control:** The Developer shall maintain all excavation, embankment, stockpiles and all other work within, adjoining or beyond the Project site free from dust which would cause a hazard or nuisance. Sprinkling, chemical treatment, bituminous treatment, or similar acceptable methods will be permitted to control dust. Sprinkling must be repeated at such intervals as to keep all pavements and disturbed areas at least damp enough to prevent dust nuisance at all times, and the Developer shall have sufficient equipment on the job to accomplish this.

F. **Construction Noise Abatement:** The Developer shall adhere to the requirements of the Department of Health and shall implement acceptable noise abatement methods to minimize the construction noise level.

Noise shall be kept within acceptable levels at all times in conformance with Title 11, Administration Rules, Chapter 43, Community Noise Control for Oahu; State Department of Health, Public Health Regulations. The Developer shall obtain and pay for community noise permit from the State Department of Health when the construction equipment or other devices emit noise at levels exceeding the allowable limits.

All internal combustion engine-powered equipment shall have mufflers to minimize noise and shall be properly maintained to reduce noise to acceptable levels.

G. **Contractors and Subcontractors:** Compliance with the provisions of this section by Contractors and Subcontractors will be the responsibility of the Developer.

H. **Non-Compliance:** The Developer shall notify the DHHL of any non-compliance with the foregoing provisions and the action to be taken. If the Developer fails or refuses to comply promptly, the DHHL may issue an order stopping all or part of the work until satisfactory corrective action has been taken. No extension of time or payment of any costs shall be made for the time lost due to such action.

I. **Payment:** The cost of environmental pollution control will be considered

incidental to and included in the prices for the various items of work.

9.35 RESPONSIBILITY FOR DAMAGE CLAIMS; INDEMNITY

The Developer shall indemnify the State and the DHHL against all loss of or damage to the State's or County's or the DHHL's existing property and facilities arising out of any act or omission committed by the Developer, any contractor, subcontractor, or their employees and agents in the performance of the Project, including the design, construction market and sales of the houses by the Developer, any contractor or subcontractor or their employees and agents. The Developer shall defend, hold harmless and indemnify the DHHL and the State, their employees, officers and agents against all losses, claims, suits, liability and expense, including but not limited to attorneys' fees, arising out of injury to or death of persons (including employees of the State and the DHHL, the Developer or any contractor or subcontractor) or damage to property resulting from or in connection with performance of the Project, including the design, construction marketing and sale of the houses and not caused by the negligent or purposeful act or omission of the State or the DHHL, their agents, officers and employees. The Developer's liability under this Section shall not include damages, awards or recoveries to the extent that the State or DHHL is found or determined to be partially liable. The State or the DHHL may participate in the defense of any claim or suit without relieving the Developer of any obligation hereunder. The purchase of liability insurance shall not relieve the Developer of the obligations described herein.

The Developer agrees that it will not attempt to hold the State and its Departments and Agencies and their officers, representatives, employees or agents, liable or responsible for any losses or damages to third parties from the action of inclement weather elements, the work to be done under this Agreement or from any unforeseen obstructions, acts of God, vandalism, or fires which may be encountered in the prosecution of the work.

The Developer shall pay all just claims for materials, supplies, tools, labor and other just claims against the Developer or any contract or subcontractor in connection with the Development Agreement and the surety bond will not be released by final acceptance and payment by the DHHL unless all such claims are paid or released. The DHHL may, but is not obligated to, withhold or retain as much of the monies due or to become due the Developer under the Development Agreement as is necessary to cover such just claims brought against the Developer until satisfactory proof of payment or the establishment of a payment plan is presented.

The Developer shall defend, indemnify and hold harmless the State and its Departments and Agencies and their officers, representatives, employees or agents from all suits, actions or claims of any character brought by any third-party who is not an officer, representative, employee or agent of the State and its Departments and Agencies, on account of any claims or amounts arising from or recovered under the Workers' Compensation Law or any other law, by-law, ordinance, order or decree, except for infrastructure design & other work done by or under the control of DHHL.

9.36 RESERVED

9.37 DEVELOPMENT AGREEMENT TIME

A. Time is of the essence for this Development Agreement.

B. Calculation of Contract Time

RESERVED pending completion of Phase 1 Project Feasibility Study.

C. Modifications of Contract Time

9.38 RESERVED

9.39 RESERVED

9.40 RESERVED

9.41 DISPUTES AND CLAIMS

A. As a condition precedent for any claim, the Developer must give notice in writing to the Chairman within thirty (30) days for claims for extra compensation, damages, or an extension of time is due for one or more of the following reasons:

(1) Requirements not clearly covered in the Development Agreement;

(2) An action or omission by the DHHL requiring performance changes beyond the scope of the Development Agreement.

B. The Developer shall at all times continue with performance of the Development Agreement in full compliance with the directions of the DHHL. Continued performance by the Developer shall not prejudice any claim for additional compensation, damages, or an extension of time for completion, provided:

(1) The notice of claim be given in writing by the Developer within the time set forth; and

(2) Prior to the commencement of the work involved; or

(3) Within thirty (30) calendar days after the Developer first knew of the occurrence of any action or omission if the Developer did not have knowledge prior to the commencement of the work; or

C. The notice required by the previous subsection shall clearly state the Developer's intention to make claim and the reasons why the Developer believes that additional compensation, changes or an extension of time may be remedies to which it is entitled.

D. The Chairman will first try to resolve the claim by mutual agreement. The Chairman may hold informal discussions with the Developer or bring in others who did not participate in the matter to conduct discussions. The Chairman may appoint an independent committee or mediator to encourage resolution.

If the claim cannot be resolved by mutual agreement, the Chairman, after written request by the Developer, shall promptly issue a written decision after the Chairman has reviewed the facts and secured any necessary assistance from legal, fiscal and other advisors.

The decision will be sent to the Developer by Certified Mail, Return Receipt Requested.

The decision will be rendered as soon as practicable but not later than the time required by HRS Chapter 103. If no decision is rendered by the end of said period, the Developer may proceed as if the decision was adverse.

The decision will be rendered according to Subchapter 3, H.A.R. Title 3, Subtitle 11, Chapter 126, subject to appeal.

E. Claims asserted by the DHHL against the Developer which cannot be resolved by mutual agreement shall be decided by the Chairman whose decision shall be rendered according to H.A.R. Chapter 3-126, subject to appeal.

F. Interest on amounts ultimately determined to be due to a Developer or the DHHL shall be payable at the Statutory rate applicable to judgments against the DHHL under Chapter 662, H.R.S. from the date of receipt of the original written notice to the DHHL until the date of decision or judgment, whichever is later.

G. The Developer shall comply with any decision of the Chairman and proceed diligently with performance of this Development Agreement pending final resolution by a circuit court of this State of any controversy arising under, or by virtue of, this contract, except where there has been a material breach of contract by the DHHL; provided that in any event the Developer shall proceed diligently with the performance of the contract where the Chief Procurement Officer has made a written determination that continuation of work under the contract is essential to the public health and safety, pending resolution of the dispute.

9.42 FAILURE TO COMPLETE THE INFRASTRUCTURE WORK ON TIME

A. Where required by Section 9.02.A (9), when the DHHL fails to complete the site work or any portion of the work within the time or times fixed in the contract or any extension thereof, it is agreed the DHHL shall pay liquidated damages or other penalties and damages to the Developer as required by Section 9.02.B (6)(c)

9.43 DEFAULT AND TERMINATION OF CONTRACT FOR CAUSE

A. Termination for cause under this section shall mean the termination of the Developer's right to complete all work as described in Section 7.C on the site, except for

any house(s) which are subject to an agreement of sale or rent for which the applicant chooses not to exercise its right to terminate.

B. RESERVED

C. Default - The Developer is in default when the Developer refuses or fails to perform the work under this Agreement, or any separable part thereof, in material breach of this Agreement. Developer shall have fifteen (15) calendar days to cure a default which can be remedied and cured by the payment of money.

If a default cannot be remedied by the payment of money, Developer shall have thirty (30) calendar days in which to cure such default. Developer shall immediately proceed with taking all action necessary to cure the default. If Developer shall immediately proceed with taking all action necessary to cure the default, then Developer shall have such longer period of time as may be mutually agreed by the parties during such thirty (30) day period to effect a cure provided that Developer proceeds with reasonable diligence. During such period of default, Developer shall protect the Project from loss, damage, vandalism, waste or other destruction and shall maintain the Project Schedule to the extent that it is practicable to do so. Developer shall provide the DHHL staff and/or the DHHL Designated Project Manager with progress reports upon reasonable request.

Upon the occurrence of such default, the DHHL may, but shall not be required to, advance funds or agree to undertake to advance funds over and above the undisbursed Interim Loan proceeds, to any third party or for any reason to eliminate or reduce the risk of loss resulting from such default. Such agreement or agreements by the DHHL shall be in such form and have such content, the funds advanced shall be in such amount, and such advances shall be made at such time or times and upon such terms and conditions as the DHHL, in its judgment, deems appropriate, necessary or useful to eliminate, reduce or indemnify the DHHL or the Project against any such danger. All sums paid or agreed to be paid by the DHHL pursuant to such agreements or undertakings shall be for the account of Developer. Developer shall reimburse the DHHL, upon demand, for any such sums paid by the DHHL together with interest at ten percent (10%) per annum until the date of reimbursement. If the Developer shall fail to cure the default within the time period provided above, the Chairman may, by written notice to the Developer, declare the Developer in breach and terminate the Developer's right to proceed with the work or the part of the work as to which there has been delay or other breach of contract. In such event, the DHHL may take over the work and perform the same to completion by contract or otherwise, using any contract balance and retainage, and may take possession of and utilize in completing the work the materials, appliances and plant as may be on the site of the work and necessary therefor. Whether or not the Developer's right to proceed with the work is terminated, the Developer and the Developer's sureties shall be liable for any damage to the DHHL resulting from the Developer's refusal or failure to complete the work within the specified time.

D. Additional Rights and Remedies - The rights and remedies of the DHHL and Developer provided in this contract are in addition to any other rights and remedies provided by law.

E. Costs and Charges for Infrastructure

Cost and charges for infrastructure, if any, shall be determined by mutual

agreement from the results of Phase 1 and Phase 2.

F. **Erroneous Termination for Cause** - If, after notice of termination of the Developer's right to proceed under this section, it is determined for any reason that good cause did not exist to allow the DHHL to terminate as provided herein, the rights and obligations of the parties shall be the same as, and the relief afforded the Developer shall be limited to, the provisions contained in Section 9.44 "TERMINATION FOR CONVENIENCE".

9.44 TERMINATION FOR CONVENIENCE

A. **Termination** - The Chairman may, when the interests of the DHHL so require, terminate this Development Agreement in whole or in part, for the convenience of the DHHL. The Chairman shall give written notice of the termination to the Developer specifying the part of the Agreement terminated and when termination becomes effective.

B. **Developer's Obligations** - The Developer shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Developer will stop work to the extent specified. The Developer shall also terminate outstanding orders, contracts and subcontracts as they relate to the terminated work. The Developer shall settle the liabilities and claims arising out of the termination of contracts, subcontracts and orders connected with the terminated work and the DHHL shall promptly provide the funds necessary to make all such settlement payments. The Chairman may direct the Developer to assign the Developer's right, title, and interest under terminated orders, contracts or subcontracts to the DHHL. The Developer must still complete the work not terminated by the notice of termination.

C. **Right to Construction and Goods** - The Chairman may require the Developer to transfer title and delivery to the DHHL in the manner and to the extent directed by the Chairman, the following:

(1) Any completed work; and

(2) Any partially completed construction, goods, materials, tools, dies, jigs, fixtures, plans, drawings, information and contract rights (hereinafter called "construction material") that the Developer has specifically produced or specially acquired for the performance of the terminated part of this contract.

(3) The Developer shall protect and preserve all remaining property in the possession of the Developer in which the DHHL has an interest. If the DHHL does not elect to retain any such property, the Developer shall make good faith efforts to sell such property and construction material for the DHHL's account in accordance with the standards of section 490:2-706, HRS.

D. Compensation

(1) The Developer shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data, submitted to the extent required by subchapter 15, chapter 3-122 and 3-123, HAR. If the Developer fails to file a termination claim within one year from the effective date of termination,

the DHHL may pay the Developer, if at all, an amount set in accordance with this section.

(2) The Chairman and the Developer may agree to a settlement provided the Developer has filed a termination claim supported by cost or pricing data submitted as required and that the settlement does not exceed the total development cost plus settlement costs reduced by payments previously made by the DHHL, the proceeds of any sales of house construction supplies, and construction materials under paragraph 9.44.C of this clause, and the Development Agreement price of the work not terminated.

(3) Absent complete agreement, the DHHL shall pay the Developer the following amounts, less any payments previously made under the contract.

(a) Infrastructure

1) All of the Developer's costs related to all infrastructure acquisition, fees or lease rent incurred prior to the effective date of the notice of termination plus a five percent (5%) markup on the actual direct costs.

2) All costs to Developer paid to contractors, subcontractors, architects, engineers and consultants by way of contract termination charges will be reimbursed to Developer. Such termination charges will, under the terms of each construction contract, not exceed the sum of the progress payments for work completed and materials provided to the date of termination, plus retainage applicable to said work, plus reasonable demobilization charges, less salvage.

(b) The Developer's right to build, rent and sell each house that is under Agreement of Sale or Rent, or for which construction has begun shall not be terminated by the DHHL for its convenience. Construction shall be deemed "begun" when each slab shall have been formed and ready for concrete pour.

(c) The DHHL shall pay the Developer three percent (3%) of the established direct construction cost for each house that is not pre-sold, pre-rented or deemed "begun" at the termination for convenience date. The provisions of this subparagraph 9.44D.(3)(c) shall not apply to Phase 1 or Phase 2 except for those conditions set forth in Section 7.C (2)iii and 7.C(4).

(4) Costs claimed, agreed to, or established by the DHHL shall be in accordance with chapter 3-123, HAR.

(5) If the total of the payment for termination for convenience exceeds the encumbered funds, payment for the excess above the encumbered balance shall be subject to funding by the HHC.

9.45 RESERVED

9.46 RESERVED

9.47 FINAL INSPECTIONS & ACCEPTANCE OF LOTS

The Developer will provide the DHHL a punchlist of specific deficiencies. DHHL shall make all property pins for each lot visible for the Developer at Final Inspections. The Developer shall be responsible for property pins after Final Acceptance.

9.48 PROJECT CLOSEOUT DATE

When the DHHL notifies the Chairman the date that the work has been satisfactorily completed in compliance with the contract, the Chairman shall declare the Project complete and accepted and will notify the Developer in writing of the Project closeout date. The Project closeout date is the date on which the Developer is relieved of the responsibility for the Project as discussed in Section 9.028 "DEVELOPER'S RESPONSIBILITY FOR WORK; RISK OF LOSS", and shall immediately and without lapse in coverage insure the Project as required under the terms and conditions set forth in the General Lease. Responsibilities of the Developer under the General Lease shall survive the Project Closeout Date, unless such responsibilities are revised or amended prior to the Project Closeout Date.

9.49 FINAL SETTLEMENT OF CONTRACT

The contract will be considered settled after the Project closeout date and when the following items have been satisfactorily submitted:

A. Necessary Submissions

- (1) All written guarantees required by the contract.
- (2) Reserved
- (3) Reserved
- (4) Closing documents or rental agreements for each and every house.
- (5) Certificate of building occupancy as required.
- (6) Certificate of Soil and Wood Treatments.
- (7) Specimen Homeowner / Renters manual.
- (8) All other documents required by the Development Agreement.

The Developer shall submit the final estimate and the above applicable closing documents within thirty (30) days of the Project closeout date.

9.50 GUARANTEE OF WORK

A. In addition to any required warranties, all work and equipment for the portion of the work paid shall be guaranteed by the Developer against defects in materials, equipment or workmanship for one year from the date of Project occupancy or as otherwise specified in the documents.

B. If, within any guarantee period, repairs or changes are required in connection with the guaranteed work, which in the reasonable opinion of the DHHL is necessary due to materials, equipment or workmanship which are inferior, defective or not in accordance with the terms of the contract, the Developer shall within fifteen (15) working days and without expense to the DHHL commence and thereafter proceed diligently to:

(1) Place in satisfactory condition in every instance all such guaranteed work and correct all defects therein; and

(2) Make good and repair or replace to new or pre-existing condition all damages to the building, facility, work or equipment or contents thereof, resulting from such defective materials, equipment or installation thereof.

C. Whenever a manufacturer's or installer's guarantee on any product hereinafter specified exceeds one year, this guarantee shall become part of this contract in addition to the Developer's guarantee. The Developer shall complete the guarantee forms in the name of the DHHL and submit such forms to the manufacturer within such time required to validate the guarantee. The Developer shall submit to the DHHL a photocopy of the completed guarantee form for the DHHL's record as evidence that such guarantee form was executed by the manufacturer.

D. If a defect is discovered during a guarantee period, all repairs and corrections to the defective items when corrected shall again be guaranteed for the original full guarantee period. The guarantee period shall be tolled and suspended for all work affected by any defect. The guarantee period shall restart for its remaining duration upon confirmation by the DHHL that the deficiencies have been repaired or remedied.

9.51 WORK OF AND CHARGES BY UTILITIES

The Developer shall be responsible for scheduling and coordinating the work with the utility companies and applicable Governmental agencies for permanent service installation and connections or modifications to existing utilities. The Developer shall make available all portions of the work necessary for the utility companies to do their work. The DHHL shall not bear the risk of any damage to the contract work caused by any utility company, and work of repairing such damage and delay costs must be resolved between the Developer and the utility company and their insurers.

9.52 RIGHT TO AUDIT RECORDS

Pursuant to Section 103D-317 HRS the DHHL, at reasonable times and places, may audit the books and records of a Developer, prospective designer, contractor or prospective contractor, subcontractor and prospective subcontractor relating to the Developer's or subcontractor's cost or pricing data. The books and records shall be maintained by the Developer and subcontractor(s) for a period of three years from the date of final payment under such contract.

9.53 RECORDS MAINTENANCE, RETENTION AND ACCESS

The Developer and any subcontractor whose contract for services is valued at \$10,000 or more shall, in accordance with generally acceptable accounting practices, maintain fiscal records and supporting documents and related files, papers, and reports that adequately reflect all direct and indirect expenditures and management and fiscal practices related to the Developer and designer, contractor or subcontractor's performance of services under this Agreement.

The representative of the DHHL, the Comptroller of the State of Hawaii, the Attorney General and the Legislative Auditor of the State of Hawaii shall have the right of access to any book, document, paper, file, or other record of the Developer and any designer, contractor or subcontractor that is related to the performance of services under this Agreement in order to conduct an audit or other examination and/or to make copies, excerpts and transcripts for the purposes of monitoring and evaluating the designer, contractor and subcontractor's performance of services and the designer, contractor and subcontractor's program, management, and fiscal practices to assure the proper and effective expenditure of funds and to verify all costs associated with any claims made under this Agreement.

9.54 GENERAL TERMS

A. Approval and Consent. Except as otherwise provided in this Agreement, where the consent or approval of the DHHL or Developer is required by any provision of this Agreement, such approval or consent shall not be unreasonably withheld or delayed. Except as otherwise provided in this Agreement, if no written objection is received by Developer or the DHHL within fifteen (15) calendar days after the request for approval and consent is delivered, then such approval and consent shall be deemed to have been given.

B. Attorney's Fees and Costs. Should any litigation be commenced between the parties hereto concerning this Agreement, the subject matter of this transaction or the rights and duties of either in relation thereto, the prevailing party in such litigation shall be entitled to (in addition to such other relief as may be granted) a reasonable sum for its attorney's fees and costs of litigation as shall be determined by the court.

C. Amendments. This Agreement may not be amended or modified in any respect except by an instrument in writing executed by the parties.

D. Cooperation. Upon written Notice to Proceed with Phase 3 Implementation the parties shall cooperate with one another in effecting the Phase 3 portion of the Agreement and agree to execute such further and additional mutually approved

documentation required to facilitate and complete the transactions contemplated in this Agreement. The DHHL is responsible to subdivide the Project Land in accordance with the DHHL's approved subdivision plan, including signing such documents as may be required for such purposes. DHHL shall prepare all required subdivision plans and documents and use its best efforts to obtain all subdivision approvals necessary for the contemplated Project.

E. Governing Law. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Agreement shall be brought in a state court of competent jurisdiction in Honolulu, Hawaii.

F. Binding Effect of Agreement. This Agreement shall be binding upon and inure to the benefit of the DHHL, its successors and assigns; and upon and to Developer, its successors and permitted assigns.

G. Gender and Number. The use of any pronoun in reference to the DHHL or Developer shall be construed to mean the singular or plural, the masculine, feminine, or neuter, as the instruction and context may require.

H. Captions. All captions used in this Agreement are for convenience only, and are not to be construed as limiting in any manner the context of any paragraph, section or particular provision.

I. No Party Deemed Drafter. The parties agree that neither party shall be deemed to be the drafter of this Agreement, and that in the event this Agreement is ever construed by a court of law, such court shall not construe this Agreement or any provision hereof against either party as the drafter of this Agreement.

J. Counterparts. This Agreement may be executed in any number of counterparts. Each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one Agreement.

K. Invalidity of Provision. If any provision of this Agreement as applied to any party or to any circumstances shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

L. Computation of Periods. All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, unless the period of time specifies business days, provided that if the date or last date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday or state or national holiday, such act or notice shall be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.

M. Interpretation. This Agreement shall be interpreted in a manner, which is consistent with all applicable laws, rules and regulations.

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STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

DEVELOPMENT LEASE

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
DEVELOPMENT LEASE

THIS INDENTURE OF LEASE, made this 18th day of MAY, 2001 (the "**Commencement Date**"), by and between the State of Hawaii, by its **DEPARTMENT OF HAWAIIAN HOME LANDS**, whose principal place of business is 335 Merchant Street, Honolulu, Hawaii, and post office address is P. O. Box 1879, Honolulu, Hawaii 96805, hereinafter called the "**LESSOR**," and **VILLAGE 6 RTO LP**, a Hawaii limited partnership, whose principal place of business and post office address is c/o Mark Development, Inc., 3165 Waiialae Avenue, Honolulu, HI 96816 Attn: Mr. Craig Y. Watase, hereinafter called the "**LESSEE**."

WITNESSETH:

THAT, the Lessor, for and in consideration of the rent to be paid and of the terms, covenants and conditions herein contained, all on the part of the Lessee to be kept, observed and performed, does lease to the Lessee, and the Lessee does lease from the Lessor, certain premises (the "**premises**" or "**demised premises**") within Village 6 at the Villages of Kapolei, Tax Map Key: 9-1-16: 61 por., owned by the Department of Hawaiian Home Lands and more particularly described in Exhibit A attached hereto and made a part hereof, for the purpose of development, rental and sale of the Rent to Own Project (the "**Project**") on the premises, which Project is more particularly described in that certain Development Agreement (Contract No. 44936), between Lessor and Mark Development, Inc., as Developer, dated December 31, 1998, as amended by Supplemental Agreement No. 1 to Development Agreement (Contract No. 44936) dated October 1, 1999, and as amended and restated by Amended and Restated Development Agreement (Contract No. 44936) dated MAY 18th, 2001 (the "**Development Agreement**"), and as assigned to Lessee by that certain Assignment and Consent dated November 18, 1999. The premises are comprised of 70 subdivided lots (each called a "**Lot**" and collectively called "**Lots**"). Each subdivided Lot, together with the improvements thereon from time to time, is hereafter called a "**Unit**".

TO HAVE AND TO HOLD the demised premises unto the Lessee for a term commencing on the Commencement Date (defined above) up to and including December 31, 2056, unless sooner terminated as hereinafter provided, the Lessor reserving and the Lessee yielding and paying to the Lessor at the Office of the Department of Hawaiian Home Lands, Honolulu, Oahu, State of Hawaii, a net annual rental for each and every year during the term as follows:

1. Rental.

PERIOD	RENT	CONDITIONS
From the Commencement Date to the date of substantial completion of the Project improvements (the "Construction Period")	None	
From the end of the Construction Period through December 31, 2016	\$1.00 per Lot per Annum	<ul style="list-style-type: none"> • Compliance with the requirements of the Internal Revenue Service ("IRS") for the Low Income Housing Tax Credits program under Section 42 of the Internal Revenue Code to provide affordable housing ("LIHTC")
From January 1, 2017 through December 31, 2031	As determined by Lessor subject to Affordable Rental requirements	<ul style="list-style-type: none"> • Compliance with requirements of Housing and Community Development Corporation of Hawaii ("HCDCH"), a public body and body corporate and politic of the State of Hawaii, established pursuant to Chapter 201G, Hawaii Revised Statutes. • Lessor Option to Purchase any Units that are not purchased by tenants pursuant to exercise of Tenant Option under rent-to-own program. Lessor Option and Tenant Option may be exercised at any time after the earlier of (i) the day after the date on which Lessee's general partner (Hawaii Assisted Housing, Inc., a Hawaii non profit corporation ("HAHI")) acquires the project pursuant to an option or a right of first refusal that HAHI holds under a separate agreement which provides an option to purchase the Project at fair market value (subject to, however, any and all applicable restrictions, including the limitations and restrictions of this Development Lease) and a right of first refusal to purchase the Project for the remaining debt plus federal, state and local taxes attributable to such sale (the "HAHI Rights") or

		<p>such HAHI Rights have expired, or (ii) April 1, 2017. Any acquisition of the project by HAHI pursuant to the HAHI Rights shall be subject to the continuing rights of the tenants under Tenant Option and of Lessor under the Lessor Option. If HAHI acquires the project pursuant to the HAHI Rights, the purchase price for the project and any Units in the project pursuant to the Lessor Option and Tenant Option shall be at the Remaining Debt Plus Closing Costs (as defined in Article Three, Section 18 of this Lease); otherwise, the purchase price pursuant to the Lessor Option and the Tenant Option shall be at the greater of (i) fair market value (subject, however, to any and all applicable restrictions, including the limitations and restrictions of this Lease), or (ii) the Remaining Debt Plus Closing Costs.¹</p>
<p>From January 1, 2032 through December 31, 2056</p>	<p>As Determined by Lessor subject to Affordable Rental requirements²</p>	<ul style="list-style-type: none"> • After 1/1/2032, Lessor shall have the option, in its sole and absolute discretion, to require that all unsold Units shall be transferred to Lessor for fair market of the Units (subject, however, to any and all applicable restrictions, including the limitations and restrictions of this Lease); except that, if HAHI acquires the project pursuant to the HAHI Rights, any such unsold Units shall be transferred by HAHI to Lessor without cost. Lessee shall remove within 60 days all Lessee's personal property as required by Lessor in accordance with Article Two, Section 22, Termination.

¹ Lessor shall have the option to purchase any Unit that a tenant has not exercised its option to purchase after the initial tenant offering at the same terms and conditions as set forth by HCDCH less commissions; provided that Lessor shall continue to rent such Units to low income tenants under the Low Income Housing Tax Credit program and in accordance with the affordability restrictions as set forth in the application for the remaining period of the Lease term or until such Unit is sold at the maximum price of which is restricted to the amount necessary to retire the outstanding debt, closing costs and related expenses. The

HCDCH is entitled to impose a penalty should the Units sell for an amount in excess of the aforementioned formula.

² Lessor at its option may require the payment of rent for each Lot at a rate not to exceed the lower of (a) the annual rate of 6% of the Fair Market Value of the Lot in fee simple; and (b) the amount by which the affordable LIHTC rents received from the Project exceed its operating expenses (including debt service); provided, however, that, in no event, shall the rent exceed the fair rent for the land as subject to the restrictions of this Lease. Final determination of factors contributory to rent increases, as based on prior year(s) financial audits, shall be determined by the Lessor.

2. PAYMENTS Annual rental payments as provided above shall be payable in advance, but not more than one (1) year in advance, without notice or demand, in equal quarterly installments due and payable on or before the first (1st) day of January, April, July and October of each and every year during the term. The rental shall be due and payable in the manner and on the dates hereinabove stipulated; provided, however, that if the initial period for which the rental is due and payable is less than a full quarterly period, the rental shall be appropriately prorated to reflect the amount due and payable for such shorter initial period.

3. OWNERSHIP AND OPERATION OF PROJECT: All provisions as required by HCDCH in its allocation of LIHTC's on June 18, 1999 shall apply. Lessor shall be substituted for HCDCH in any event that said HCDCH shall relinquish its control over any item as applicable to the ownership and operation of the project.

ARTICLE ONE

Lessor and Lessee agree that the numbered provisions prior to this Article One are intended to be included in and incorporated into this Development Lease as if otherwise stated in an Article.

RESERVATIONS

RESERVING UNTO THE LESSOR THE FOLLOWING:

1. Minerals and waters.

a. All minerals as hereinafter defined, in, on, or under the premises, and the right, on its own behalf or through persons authorized by it, to prospect for, mine and remove such minerals and to occupy and use so much of the surface of the ground as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, including strip mining. "Minerals," as used herein, shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, including all geothermal resources, in, on, or under any land, fast or submerged; provided, that "minerals" shall not include sand, gravel, rock or other material suitable for use and when used in road construction in furtherance of the Lessee's permitted activities on the demised premises and not for sale to others.

b. All surface waters, ground waters, and water systems, appurtenant to the premises and the right on its own behalf or through persons authorized by it, to capture, divert or impound the same and to occupy and use so much of the demised premises as may be required in the exercise of this right reserved.

c. As a condition precedent to the exercise by the Lessor of any rights reserved in this paragraph 1, just compensation shall be paid to the Lessee for any of the Lessee's improvements taken which amount is to be determined in the manner set forth in paragraph 3, and the rental will be reduced in proportion to the rental value of the premises of which the Lessee is deprived.

2. Prehistoric and historic remains. All prehistoric and historic remains found on the premises.

3. Withdrawal. The right to withdraw all or any portion of the premises for any public purpose, and also reserves the right to withdraw any portion of the demised premises for other than a public use, which demised premises shall, at the time of withdrawal, constitute an economic unit, provided, that, the portion not withdrawn shall also be an economic unit, provided, that, the portion not withdrawn shall also be an economic unit. The right to withdraw reserved under this paragraph 3 shall be exercised only after a minimum one (1) year prior written notice is given to the Lessee. The Lessee will be entitled to fair compensation for those improvements made by the Lessee, which have been approved by the Lessor on any portion of the premises withdrawn, in an amount equal to the proportionate value of the Lessee's improvements that the unexpired term of the Development Lease bears to the full term of the lease; provided, that the Lessee may, in the alternative, remove or relocate its improvements to the remainder of the demised premises occupied by the Lessee. If only a portion of the demised premises is withdrawn, the rental for the remaining portion will be reduced in proportion to the rental value of the premises withdrawn. The Lessee shall be entitled to compensation and other costs related to the Lessor's withdrawal of lands including, an amount equal to the Recapture Amount (as defined in Article Three, Section 18 of this Development Lease). NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS DEVELOPMENT LEASE, THIS DEVELOPMENT LEASE MAY NOT BE TERMINATED AS A RESULT OF THE INVALIDITY OR UNENFORCEABILITY OF THE COMMISSION'S REQUIREMENT THAT SALES, RENTALS, USES OR OCCUPANCIES OF THE PROJECT BE RESTRICTED TO NATIVE HAWAIIANS.

ARTICLE TWO

THE PARTIES HEREIN COVENANT AND AGREE AS FOLLOWS:

1. Payment of rent. That the Lessee shall pay the rent to the Lessor at the times, in the manner and form provided in this lease and at the place specified above, or at any other place the Lessor may from time to time designate, in legal tender of the United States of America.

2. Taxes, assessments, etc. (a) That the Lessee shall pay or cause to be paid, when due, the amount of all taxes, rates, assessments and other outgoings of every description as to which

the premises or any part, or any improvements, or the Lessor or the Lessee, are now or may be assessed or become liable by authority of law during the term of this lease; provided, however, that with respect to any assessment made under any betterment or improvement law which may be payable in installments, the Lessee shall be required to pay only those installments, together with interest, which become due and payable during the term. (b) That the Lessee shall reimburse to the Lessor, upon demand, any and all conveyance and transfer taxes payable with respect to this transaction, or with respect to any document to which the Lessee is a party, creating or transferring an interest or an estate in the premises.

3. Utility services. That the Lessee shall pay when due all charges, duties, rates and other outgoings of every description, including water, sewer, gas, refuse collection, relocation of utility poles and lines, maintenance fees to the Villages of Kapolei Association, or any other charges, as to which the premises or any part, or any Improvements, or the Lessor or the Lessee may become liable for during the term, whether assessed to or payable by the Lessor or the Lessee.

4. Issuance and relocation of utility easements. (a) That the Lessee may request an easement for utility purposes or relocation of an existing utility easement and, if so approved by the Lessor, the Lessee shall pay all costs related to the issuance and installation of a new utility easement or relocation of an existing utility easement. (b) The Lessor may issue utility easements or relocate existing utility easements without the Lessee's approval provided the issuance or relocation thereof does not unreasonably interfere with the Lessee's use of the premises. In such event, the Lessor shall pay for all costs related to the issuance and installation of a new utility easement or relocation of an existing easement, unless the issuance or relocation is being done at the request of a utility company, in which case the utility company shall pay all the related costs.

5. Sanitation, etc. That the Lessee shall keep the premises and improvements in a strictly clean, sanitary and orderly condition.

6. Waste and unlawful, improper or offensive use of premises. That the Lessee shall not strip or commit, suffer or permit to be committed any waste, nuisance, strip or unlawful, improper or offensive use of the premises, or any part thereof, nor, without the prior written consent of the Lessor, cut down, remove or destroy, or suffer to be cut down, removed or destroyed, any trees now growing on the premises.

7. Compliance with laws. That the Lessee shall, if applicable, comply with all of the requirements of all municipal, state and federal authorities and observe all municipal ordinances and state and federal statutes, applicable to the premises, now in force or which may be in force.

8. Inspection of Premises. That the Lessee will permit the Lessor and its agents, at all reasonable times as to cause as little interference with Lessee's use of the premises as is reasonably possible during the lease term, to enter into and upon the premises to inspect and examine the same and determine the state of repair and condition thereof, including without limitation the right to inspect Lessee's records regarding compliance with all applicable rules and regulations.

9. Lessor's approval of improvements. That the Lessee shall not at any time during the term construct, place, maintain and install on the premises any building, structure or improvement of any kind and description except with the prior written consent of the Lessor and upon those conditions the Lessor may impose, unless otherwise provided in the Lease. The Lessee may make nonstructural alterations not exceeding Twenty Five Thousand Dollars (\$25,000.00) in cumulative costs per alteration during the term of this Lease without the Lessor's consent. The Lessee shall own these improvements until the expiration or termination pursuant to a breach of this lease, at which time the ownership shall automatically be vested in the Lessor.

10. Repairs to improvements. That the Lessee shall at its own expense, keep, repair and maintain all buildings and other improvements now existing or hereafter constructed or installed on the premises in good order, condition and repair, reasonable wear and tear excepted.

11. Liens. That the Lessee will not commit or suffer any act or neglect which results in the premises, any improvement or the leasehold estate of the Lessee becoming subject to any attachment, lien, charge, or encumbrance, except as provided in this lease or as otherwise approved by Lessor, and shall indemnify, defend, and hold the Lessor harmless from and against all attachments, liens, charges, and encumbrances and all resulting expenses, including reasonable attorney's fees.

12. Character of use. That the Lessee shall use the demised premises solely for residential rental purposes and such other purpose as is permitted under the R-5 zoning regulations of the City and County of Honolulu. The following uses within the present County zoning are expressly prohibited:

- (1) Public dumps.
- (2) Sales, storage and sorting of junk, waste, scrap, discarded or salvaged materials, machinery, automobiles or equipment.

13. Assignments and Subletting, etc. That the Lessee, except for a conveyance to Hawaii Affordable Housing, Inc., a Hawaii non profit corporation ("HAHI") pursuant to the exercise of a purchase option between HAHI and Lessee, and as otherwise provided in this Lease or in the Development Agreement, shall not transfer, assign, or permit any other person to occupy or use the premises or any portion, or transfer or assign this lease or any interest, either voluntarily or by operation of law, except by way of devise, bequest or intestate succession, and any transfer or assignment made shall be null and void; provided that with the prior written approval of the Lessor the assignment and transfer of this lease or any portion may be made if (a) the Lessee becomes mentally or physically disabled; (b) extreme economic hardship is demonstrated to the satisfaction of the Lessor; (c) it is to the corporate successor of the Lessee; (d) it contains the personal residence of the Lessee; (e) in the case of commercial, industrial, hotel, resort, apartment, and other business uses, the Lessee was required to put in substantial building improvements; provided, further, that prior to the approval of any assignment of lease, the Lessor shall have the right to review and approve the consideration paid by the assignee and may condition its consent to the assignment of the lease on payment by the Lessee of a premium based on the amount by which the consideration for the assignment, whether by cash, credit, or otherwise, exceeds the depreciated cost of improvements and trade fixtures being transferred to

the assignee. Also, partners of the Lessee may make assignments of partnership interests in the Lessee and such assignments shall not be deemed assignments under this provision. The Lessee may rent or sublet Units in accordance with the Development Agreement.

14. Mortgage. That, except as provided in this lease, the Lessee shall not mortgage, hypothecate or pledge the premises or any portion of this lease or any interest without the prior written approval of the Lessor and any such mortgage, hypothecation or pledge without such approval shall be null and void.

15. Indemnity. That the Lessee shall indemnify, defend and hold the Lessor harmless (a) from and against any claims or demands for loss, liability or damage, including claims for property damage, bodily injury or wrongful death, arising out of or resulting from any use, occupancy, maintenance, or enjoyment of the premises in the Lessee's use or control, including any accident, fire or nuisance, or growing out of or caused by any failure on the part of the Lessee to maintain the premises in a safe condition, or by any act or omission of the Lessee; and (b) from and against all actions, suits, damages and claims by whomsoever brought or made by reason of the non-observance or non-performance of any of the terms, covenants and conditions of this lease or the rules, regulations, ordinances and laws of the federal, state, municipal or county governments. It is understood and agreed that the provisions of this section in its entirety, shall apply to any claims, demands, actions, suits, damages made as a result of the Lessor's requirement that restricts all residential occupancies to native Hawaiian applicants, except to the extent such requirement is invalid or unenforceable.

16. Costs of litigation. That in case the Lessor shall, without any fault on its part, be made a party to any litigation commenced by or against the Lessee (other than condemnation proceedings), the Lessee shall pay all costs, including reasonable attorney's fees, and expenses incurred by or imposed on the Lessor; furthermore, the Lessee shall pay all costs, including reasonable attorney's fees, and expenses which may be incurred by or paid by the Lessor in enforcing the covenants and agreements of this lease, in recovering possession of the premises or in the collection of delinquent rental, taxes and any and all other charges.

17. Insurance. Immediately upon completion of construction of improvements, without any lapse in coverage, and at all time thereafter, the Lessee shall procure and maintain at no cost to the Lessor with responsible insurance carrier the following insurance:

i Worker's Compensation Insurance. As required by state law, including and without limitation, employer's liability insurance for all employees of any general performing any work on any improvements being constructed on the premises.

ii Comprehensive General Liability Insurance. Against claims for personal injury (including bodily injury and death and property damage). Such insurance shall provide coverage for broad form property damage and personal injury insurance with a \$1,000,000 minimum limit per occurrence for combined bodily injury and property damage and in the aggregate amount of \$2,000,000 where applicable, so long as such insurance is available on reasonable commercial terms.

iii Fire and Extended Coverage Insurance. The Lessee shall, at its sole cost, maintain all-risk property insurance covering the building(s) on the Premises, including but not limited to, the Lessee's leasehold improvements, alterations, additions, trade fixtures and personal property from time to time in, on or upon the Premises and upon every reconstruction, repair and replacement therefor in an amount not less than one hundred percent (100%) of their full replacement cost. This requirement will include Builder's Risk Insurance during any period of construction.

iv Business Interruption Insurance. The Lessee shall procure and maintain, at its own cost and expense, in full force and effect throughout the entire term of this Lease, a business interruption insurance policy to assure rental payment for at least six (6) months in the event of a natural disaster or occurrence beyond the control of the Lessee. The policy shall name the Lessor as the beneficiary of the policy and a certificate so stating shall be forwarded to the Lessor upon each renewal of the policy.

18. Additional Insurance Requirements. All policies of insurance required to be maintained pursuant to paragraph 17, "Insurance", covering loss or damage to any of the Lessee's property shall provide that the insurer is required to provide the Lessor with at least thirty (30) days (or ten (10) days in the case of nonpayment of premiums) prior written notice to cancellation or non-renewal of any policy. The Lessee will pay all premiums thereon when due and will from time to time deposit promptly with the Lessor current policies of such insurance or certificates thereof. All public liability and property damage policy shall be in the joint names of and for the mutual and joint benefit and protection of the Lessor, the Lessee, subtenants and mortgagees, as their interests may appear and shall contain a provision that the Lessor, although named as an additional insured, shall not be denied any recovery under the policy(s) for any loss occasioned to it, its servants, agents and employees by reasons of the acts, omissions and/or negligence of the Lessee which recovery would be possible if the Lessor were not named as an additional insured. As often as any such policy shall expire or terminate, the Lessee shall procure and maintain, renewal or additional policies in like manner and to like extent. All public liability, property damage and other casualty policies shall be written as primary policies, not contributing with and not in excess of coverage which the Lessor may carry.

That the Lessee will, at its own expense, at all times during the term of this lease, keep insured all buildings and other improvements erected on the premises in the joint names of, the Lessee and the Mortgagee, if any, as their interests may appear, against loss or damage by fire including perils specified in the extended coverage endorsement and in an amount equal to the maximum insurable value thereof, in an insurance company or companies approved by the Lessor, and will pay the premiums at the time and place the same are payable; that the policy or policies of insurance shall be made payable in case of loss to the Lessee and the Mortgagee, if any, as their interests may appear and shall be deposited with the Mortgagee; and that any proceeds derived therefrom in the event of total or partial loss shall be immediately available to, and as soon as reasonably possible, be used by the Lessee for rebuilding, repairing, or otherwise reinstating the same buildings in a good and substantial manner according to the plans and specifications approved in writing by the Lessor or its designated representative; provided, however, that with the approval of the Lessor, the Lessee may terminate this Lease and pay the balance owing on any mortgage and the Lessee shall then receive that portion of the proceeds which the unexpired term of this Lease at the time of the loss or damage bears to the whole of the

term, and the Lessor shall be entitled to retain the balance of the proceeds. Notwithstanding anything to the contrary, the Lessee shall be entitled to receive an amount equal to the Recapture Amount before any insurance proceeds are paid to Lessor.

The Lessor shall retain the right at any time to review the coverage, form, and amount of the insurance required by this lease. If, in the opinion of the Lessor, the insurance provisions in this lease do not provide adequate protection for the Lessor, the Lessor may require the Lessee to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. The Lessor's requirements shall be reasonable but shall be designed to assure protection for and against the kind and extent of the risks which exist at the time a change in insurance is required. The Lessor shall notify the Lessee in writing of changes in the insurance requirements and the Lessee shall deposit copies of acceptable insurance policies or certificates thereof, with the Lessor incorporating the changes within thirty (30) days of receipt of notice.

The procuring of the required policy(s) of insurance (i) shall not release or relieve the Lessee of its responsibility, nor be construed to release or relieve the Lessee of its responsibility, under this Lease as set forth herein or limit the amount of its liability under this Lease, and (ii) shall not be deemed or construed to fulfill the indemnification provisions and requirements of this Lease.

19. Performance bond and security deposit. That the Lessee shall, at its own cost and expense, within thirty (30) days from the Project Closeout Date (as defined in the Development Agreement), deposit with the Lessor and thereafter keep in full force and effect during the term of this Lease, a good and sufficient surety bond, conditioned upon the full and faithful observance and performance by the Lessee of all of the terms, covenants and conditions of this Lease. The amount of the bond shall equal the initial annual rental under the Lease, and thereafter shall be adjusted to equal the annual rental determined at each lease rental reopening date and each stepped-up lease rental date. There shall be attached to the bond an affidavit by a surety or sureties pursuant to and in accordance with the provisions contained in Section 78-20, Hawaii Revised Statutes, provided, however, the Lessee may furnish a bond in like amount, conditioned as aforesaid, executed by the Lessee alone as obligor, if, in lieu of any surety or sureties, the Lessee shall also furnish and at all times thereafter keep and maintain on deposit (payable on demand or after such period as the Lessor may stipulate) bonds, stocks or other negotiable securities properly endorsed, or executed and deliver to the Lessor a deed or deed of trust of real property, all of such character as shall be satisfactory to the Lessor and valued in the aggregate at not less than the principal amount of the bond. It is agreed that the value at which any securities may be accepted and at any time thereafter held by the Lessor under the foregoing provision shall be determined by the Lessor, and that the Lessee may, with the approval of the Lessor, exchange other securities or money for any of the deposited securities, if in the judgment of the Lessor the substitute securities or money shall be at least equal in value to those withdrawn.

It is further agreed that the Lessee may substitute the sureties with a security deposit equal to three months of the established rent pursuant to an action taken by the Hawaiian Homes Commission on June 26, 1990. The security deposit shall be adjusted to equal the three months rental determined at each lease rental reopening date. The deposit will be refunded without interest to the Lessee at the expiration of the Lease or assignment of the Lease. In the

event of non-performance and upon termination of the Lease, the Lessor shall have the option to declare the deposit forfeited as liquidated damages or apply it as an offset to amounts owed by the Lessee.

20. Lessor's Lien. That the Lessor shall have a lien on all the buildings and other improvements placed on the premises by the Lessee, on all property kept or used on the premises, whether the same is exempt from execution or not and on the rents of all improvements and buildings located on the premises for all Lessor's costs, attorneys' fees, rent reserved, for all taxes and assessments paid by the Lessor on behalf of the Lessee, and for the payment of all money provided in this lease to be paid by the Lessee, and such lien shall continue until the amounts due are paid. The Lessor's lien shall be subordinate to investors and mortgagees as approved by the Lessor.

21. Bond and financial information. That the Lessee will before commencing construction of any improvements on the premises deposit with the Lessor a bond or certificate, in an amount equal to the construction cost of the improvements and in form and with surety satisfactory to the Lessor, guaranteeing the completion of the construction of improvements free and clear of all mechanics' and materialmen's liens, together with such information and evidence as the Lessor may reasonably require to assure that the Lessee is able to and will make all payments required by contract to be made as and when the Lessee is required to do so.

22. Termination. That at the end of or earlier termination of this Lease, but not prior to January 1, 2056, unless all Units are sold or earlier termination is mutually agreed to, the Lessee shall, peaceably deliver unto the Lessor possession of the premises, together with all buildings and other improvements of whatever nature or name, now or hereafter erected or placed upon same, in good order and condition, reasonable wear and tear excepted. Furthermore, upon the expiration, termination, and/or revocation of this Lease, should the Lessee fail to remove any and all of the Lessee's personal property from the premises, after notice thereof, the Lessor may remove any and all personal property from the premises and either deem the property abandoned and dispose of the property or place the property in storage at the cost and expense of the Lessee, and the Lessee does agree to pay all costs and expenses for disposal, removal, or storage of the personal property.

23. Abandonment by Lessee. The Lessee agrees that should the Lessee breach this lease and abandon the premises, this lease shall continue in effect so long as the Lessor does not terminate the lease or the Lessee's right to possession; and the Lessor may enforce all of its rights and remedies under this lease, including the right to recover the rent as it becomes due under this lease; and further, that the Lessor need not mitigate its damages in the event the Lessee abandons the premises and the Lessee hereby expressly agrees to make the Lessor whole in accordance with the terms of this lease.

24. Fees, processing/documentation. The Lessee agrees to pay to the Lessor, a reasonable fee for the Lessor's processing of consents and assignments and providing documents required or authorized by the terms, covenants and conditions of this lease. The amount of the processing fee and documentation fee shall be determined by the Lessor, provided the fee be not less than seventy-five dollars (\$75.00) nor more than one hundred fifty dollars (\$150.00).

ARTICLE THREE

IT IS HEREBY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. Mortgage. That upon due application and with the written consent of the Lessor, the Lessee may mortgage this Development Lease and the improvements, or any interest, or create a security interest in the leasehold land. If the mortgage or security interest is to a recognized lending institution in either the State of Hawaii or elsewhere in the United States, the consent may extend to foreclosure and sale of the Lessee's interest at the foreclosure to any purchaser, including the mortgagee, without regard to whether or not the purchaser is qualified to lease, own or otherwise acquire and hold the land or any interest. The interest of the mortgagee or holder shall be freely assignable.

2. Breach. That time is of the essence of this lease and if the Lessee shall become bankrupt, or shall abandon the premises, or if this lease and the premises shall be attached or taken by operation of law, or if the Lessee shall fail to observe and perform any of the terms, covenants and conditions contained in this lease and on its part to be observed and performed, the Lessor shall deliver a written notice of the breach or default by service, as provided by Section 634-35, or 634-36, Hawaii Revised Statutes, or by registered mail, or certified mail to the Lessee at its last known address, and to each mortgagee or holder of record having a security interest in the premises, making demand upon the Lessee to cure or remedy the breach or default within sixty (60) days from the date of receipt of the notice; provided that where the breach involves a failure to make timely rental payments pursuant to the lease, the written notice shall include a demand upon the Lessee to cure the breach within less than sixty (60) days, but not less than five (5) business days, after receipt of the notice. Upon failure of the Lessee to cure or remedy the breach or default within the time period provided herein or within such additional period as the Lessor may allow for good cause, the Lessor may, subject to the provisions of Section 171-21, Hawaii Revised Statutes, at once re-enter the premises or any part, and upon or without such entry, at its option, terminate this lease without prejudice to any other remedy or right of action for arrearages of rent and interest at the legal rate pursuant to Section 478, Hawaii Revised Statutes, or for any preceding or other breach of contract; and in the event of termination, all buildings and improvements shall remain and become the property of the Lessor; furthermore, the Lessor shall retain all rent paid in advance as damages.

3. Rights of holder of record of a security interest. In the event the Lessor seeks to forfeit the privilege, interest, or estate created by this lease, each record holder of a security interest may, at its option, cure or remedy the default or breach, if the same can be cured or remedied by the payment of money or, if such is not the case, by performing or undertake in writing to perform all the terms, covenants and conditions contained in the lease on the Lessee's part to be performed, capable of performance by the holder, as determined by the Lessor, within the time period provided in Section 171-20. Hawaii Revised Statutes, or within the additional period as the Lessor may allow for good cause and add the cost to the mortgage debt and the lien of the mortgage. Upon failure of the holder to exercise its option, the Lessor may: (a) pay to the holder from any monies at its disposal the amount of the mortgage debt, together with interest

and penalties, and secure an assignment of the debt and mortgage from the holder or if ownership of the privilege, interest or estate shall have vested in the holder by way of foreclosure, or action in lieu thereof, the Lessor shall be entitled to the conveyance of the privilege, interest or estate upon payment to the holder of the amount of the mortgage debt, including interest and penalties, and all reasonable expenses incurred by the holder in connection with the foreclosure and preservation of its security interest, less appropriate credits, including income received from the privilege, interest or estate subsequent to the foreclosure; or (b) if the property cannot be reasonably reassigned without loss to the State, then terminate the outstanding privilege, interest or estate without prejudice to any other right or remedy for arrearages of rent or for any preceding or other breach or default and use its best efforts to redispense of the affected land to a qualified and responsible person free and clear of the mortgage and the debt secured; provided that a reasonable delay by the Lessor in instituting or prosecuting its rights or remedies under this provision and Section 171-21 of the Hawaii Revised Statutes shall not operate as a waiver of these right or to deprive it of the remedy when it may still otherwise hope to resolve the problems created by the breach or default involved. Section 171-19, Hawaii Revised Statutes to the contrary notwithstanding, the proceeds of any redispense under the terms of this provision and Section 171-21, Hawaii Revised Statutes, shall be applied; first, to reimburse the Lessor for costs and expenses in connection with the redispense; second, to discharge in full any unpaid purchase price or other indebtedness owing the Lessor in connection with the privilege, interest or estate terminated; third, to the mortgagee to the extent of the value received by the State upon redispense which exceeds the fair market value of the land as previously determined by the State's appraiser; and fourth, to the owner of the privilege, interest, or estate. Alliant Tax Credit Fund XV, Ltd., a Florida limited partnership ("Alliant"), their successors and/or assigns in their capacity as limited partner investors to the Developer, shall be deemed to be and treated as the record holders of security interests.

4. Condemnation. That, if at any time, during the term of this lease, any portion of the premises should be condemned, or required for public purposes by the State of Hawaii, or any county or city and county, or any other governmental agency or subdivision, the rental shall be reduced in proportion to the value of the portion of the premises condemned. The Lessee shall be entitled to receive from the condemning authority an amount equal to the Recapture Amount; provided, that the Lessee may, in the alternative, remove and relocate its improvements to the remainder of the demised premises occupied by the Lessee. The Lessee shall not by reason of the condemnation be entitled to any claim against the Lessor for condemnation or indemnity for leasehold interest and all compensation payable or to be paid for or on account of the leasehold interest by reason of the condemnation shall be payable to and be the sole property of the Lessee. The foregoing rights of the Lessee shall not be exclusive of any other to which the Lessee may be entitled by law. Where the portion taken renders the remainder unsuitable for the use or uses for which the land was leased, the Lessee shall have the option to surrender this lease and be discharged and relieved from any further liability therefor; provided, that the Lessee may remove the permanent improvements constructed, erected and placed by it within any reasonable period allowed by the Lessor.

5. Right to enter. The Lessor and agents or representatives shall have the right to enter and cross any portion of the premises for the purpose of performing any public or official duties; provided, however, in the exercise of these rights, the Lessor shall not interfere unreasonably with the Lessee or the Lessee's use and enjoyment of the premises.

6. Acceptance of rent not a waiver. That the acceptance of rent by the Lessor shall not be deemed a waiver of any breach by the Lessee of any term, covenant or condition of this lease, nor of the Lessor's right to re-entry for breach of covenant, nor of the Lessor's right to declare and enforce a forfeiture for any such breach, and the failure of the Lessor to insist upon strict performance of any such term, covenant or condition, or to exercise any option conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any term, covenant, condition or option.

7. Extension of time. That notwithstanding any provision contained in this lease when applicable, the Lessor may for good cause shown, allow additional time beyond the time or times specified in the lease for the Lessee to comply, observe and perform any of the lease terms, covenants and conditions.

8. Justification of sureties. Any bonds required by this lease shall be supported by the obligation of a corporate surety organized for the purpose of being a surety and qualified to do business in the State of Hawaii, or by not less than two personal sureties, corporate or individual, for which justifications shall be filed as provided in Section 78-20, Hawaii Revised Statutes; provided, however, the Lessee may furnish a bond in like amount, conditioned as aforesaid, executed by it alone as obligor, if, in lieu of any surety or sureties, it shall also furnish and at all times thereafter keep and maintain on deposit with the Lessor security in certified checks, certificates of deposit (payable on demand or after such period as the Lessor may stipulate), bonds, stocks or other negotiable securities properly endorsed, or execute and deliver to the Lessor a deed or deeds of trust of real property, all of such character as shall be satisfactory to the Lessor and valued in the aggregate at not less than the principal amount of the bond. It is agreed that the value at which any securities may be accepted and at any time thereafter held by the Lessor under the foregoing proviso shall be determined by the Lessor, and that the Lessee may, with the approval of the Lessor, exchange other securities or money for any of the deposited securities if in the judgment of the Lessor the substitute securities or money shall be at least equal in value to those withdrawn. It is further agreed that substitution of sureties or the substitution of a deposit of security for the obligation of a surety or sureties may be made by the Lessee, but only upon the written consent of the Lessor and that until such consent be granted, which shall be discretionary with the Lessor, no surety shall be released or relieved from any obligation.

9. Waiver, modification, reimposition of bond provision. Upon substantial compliance by the Lessee of the terms, covenants and conditions herein contained on its part to be observed or performed, the Lessor at its discretion may waive or suspend the performance bond and/or improvement bond requirements or may modify the same by reducing the amount; provided, however, that the Lessor reserves the right to reactivate or reimpose the bond and/or bonds in and to their original tenor and form at any time throughout the term of this lease.

10. Quiet enjoyment. The Lessor covenants and agrees with the Lessee that upon payment of the rent at the times and in the manner provided and the observance and performance of these terms, covenants and conditions on the part of the Lessee to be observed and performed, the Lessee shall and may have, hold, possess and enjoy the premises for the term of the lease, without hindrance or interruption by the Lessor or any other person or persons lawfully claiming by, through or under it.

11. Interest costs and fees. The interest rate on any and all unpaid or delinquent rentals shall be at one percent (1%) per month, plus a service charge of FIFTY AND NO/100 DOLLARS (\$50. 00) per month for each month of delinquency.

In case of any default by the Lessee in the performance of the terms, covenants and conditions herein contained, the Lessee shall pay to the Lessor any and all costs incurred in connection with the default, including reasonable attorneys' fees. In the event that any indebtedness arising hereunder is placed in the hands of a collector or an attorney for collection, or suit is instituted for collection, the Lessee shall pay, in addition to the indebtedness, reasonable collector's and/or attorneys' fees, together with all costs.

12. Hazardous materials. Lessee shall not cause or permit the escape, disposal or release of any hazardous material. Lessee shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials, nor allow to be brought into the premises any such materials except to use in the ordinary course of Lessee's business, and then only after written notice is given to Lessor of the identity of such materials and upon Lessor's sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by Lessee, then the Lessee shall be responsible for the reasonable costs thereof. In addition, Lessee shall execute affidavits, representations and the like from time to time at Lessor's request concerning Lessee's best knowledge and belief regarding the presence of hazardous materials on the premises placed or released by Lessee.

Lessee agrees to indemnify, defend, and hold Lessor harmless, from any damages and claims resulting from the release of hazardous materials on the premises occurring while Lessee is in possession or elsewhere if caused by Lessee or persons acting under Lessee. These covenants shall survive the expiration or earlier termination of the lease.

For the purpose of this lease, the term "hazardous material" as used herein shall include any substance, waste or material designated as hazardous or toxic or radioactive or other similar term by any present or future federal, state or local statute, regulation or ordinance, as amended from time to time, including but not limited to the following statutes and regulations promulgated pursuant to them:

Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq.
("RCRA")

Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") amended by Superfund Amendments and Reauthorization Act of 1986 ("SARA"), 42 U.S.C. 9601 et seq.

Clean Air Act, 42 U.S.C. Sections 7401 et seq.

Clean Water Act of 1977, 33 U.S.C. 1251 et seq.

Pesticide Act of 1978, 7 U.S.C. 13 et seq.

Toxic Substances Control Act ("TSCA"), 15 U.S.C. 2601 et seq.

Safe Drinking Water Act, 42 U.S.C. 300(f) et seq.

Hazardous Materials Transportation Act, 49 U.S.C. 1801 et seq.

Chapter 128D, Hawaii Revised Statutes

Chapters 342B through 342N, Hawaii Revised Statutes,

and including but not limited to petroleum, petroleum based substances, asbestos, polychlorinated-byphenyls ("PCBs"), formaldehyde, and also including any substance designated by federal, state or local regulation, now or in the future, as presenting a risk to human health or the environment.

13. Underground Storage Tank (UST). An UST is any tank, including underground piping connected to the tank, that has at least ten percent (10%) of its volume underground and is used for the storage of certain regulated substances like petroleum or certain hazardous chemical.

Prior special approval from the Lessor is required for the installation of such facility. All USTs are considered trade fixtures and are to be removed upon termination or expiration of the lease by the Lessee. Two (2) years prior to expiration of lease term, Lessee shall initiate testing of the surrounding ground for possible contamination and conduct clean up procedure, if necessary, in accordance with the State of Hawaii, Department of Health regulations.

14. Hawaii Law. This lease shall be construed, interpreted, and governed by the laws of the State of Hawaii.

15. Exhibits - Incorporation in lease. All exhibits referred to are attached to this lease and hereby are deemed incorporated by reference.

16. Partial invalidity. If any term, provision, covenant or condition of this lease (including, without limitation, the provisions regarding the Hawaiian Homes Commission's requirement that sales, rentals, uses or occupancies of the Project be restricted to Native Hawaiians) should be held to be invalid, void or unenforceable, the remainder of this lease shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

17. Authority of Lessor. Each of the persons executing this lease on behalf of the Lessor does hereby covenant and warrant that the Lessor has full right and authority to enter into this lease and has taken all action necessary to carry out the transaction contemplated herein so that when executed this lease constitutes a valid and binding obligation enforceable in accordance with its terms, and that each and all of the persons signing on behalf of the Lessor are authorized to do so.

18. Definitions. As used herein, unless clearly repugnant to the context:

- (a) "Chairman" shall mean the Chairman of the Department of Hawaiian Home Lands of the State of Hawaii or his/her successor.
- (b) "Holder of record of a security interest" is a person who is the owner or possessor of a security interest in the land leased and who has filed with the Department of Hawaiian Home Lands and with the Bureau of Conveyances of the State of Hawaii, or the Office of the Assistant Registrar of the Land Court of the State of Hawaii (as applicable) a copy of this interest.
- (c) "Lessee" shall mean and include the Lessee herein, its heirs, executors,

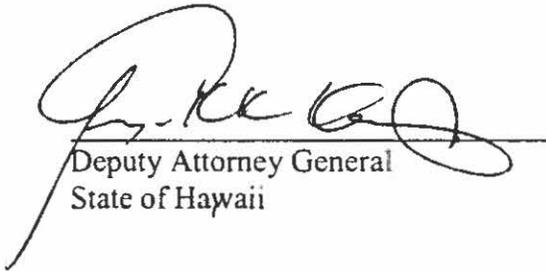
administrators, successors or permitted assigns.

- (d) "Premises" shall mean the land leased and all buildings and improvements now or hereinafter constructed and installed on the land leased.
- (e) The use of any gender shall include all genders, and if there be more than one lessee, then all words used in the singular shall extend to and include the plural.
- (f) "Economic unit" shall mean the prevailing minimum lot size required under the County Zoning or Land Use Code.
- (g) "Remaining Debt Plus Closing Costs" shall mean, when used with reference to any option described in this Lease, the then-remaining debt on the Unit or Units in question at the time that such option is exercised, plus closing costs relating specifically to the closing of the acquisition of such Unit or Units pursuant to the exercise of such option, but such term shall not include any amount in excess of the then-remaining debt or such closing costs that the optionor/seller of such Unit or Units may have been required to pay to purchase such Unit or Units on a fair market value or other basis prior to the sale of such Unit or Units pursuant to such option.
- (h) "Recapture Amount" shall mean the sum of (i) the Applicable Proportionate Amount (as defined below) of Alliant's original equity investment in the Lessee, (ii) the interest and penalties payable to the Internal Revenue Service or any other taxing authority resulting from the recapture of any and all tax credits related to the project, grossed up by any taxes payable on such amount, and (iii) the amount which the anticipated return on such Applicable Proportionate Amount of Alliant's original investment in Lessee is less than the return available at the time of the payment of the Recapture Amount. For purposes of this definition of the Recapture Amount, the term "Applicable Proportionate Amount" shall mean for each Unit the product of (A) the amount of the investor's original equity investment in Lessee divided by 70, multiplied by (B) the product of one-fifteenth (1/15) multiplied times the number of years remaining prior to the end of the unexpired 15-year period of the term of the Lease that starts from the end of the Construction Period.
- (i) The paragraph headings throughout this lease are for the convenience of the Lessor and the Lessee and are not intended to construe the intent or meaning of any of the provisions thereof.

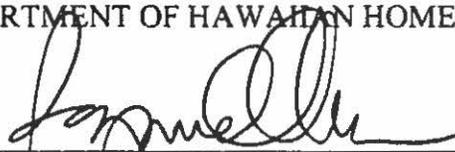
IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of the day and year first above written.

APPROVED BY THE HHC
AT ITS MEETING HELD ON

APPROVED AS TO FORM:

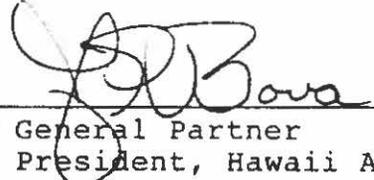

Deputy Attorney General
State of Hawaii

State of Hawaii
DEPARTMENT OF HAWAIIAN HOME LANDS

By 
Chairman
Hawaiian Homes Commission

LESSOR

VILLAGE 6 RTO LP, a Hawaii limited partnership

By 
Its General Partner
President, Hawaii Assisted Housing, In

By _____
Its

LESSEE

Its

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On this 18th day of May, 2001, before me appeared JOSEPH P. BOVA, to me personally known, who, being by me duly sworn, did say that he is the President of Hawaii Assisted Housing, Inc., a Hawaii corporation, and that said corporation is the general partner of VILLAGE 6 RTO LP, the limited partnership named in the foregoing instrument; that the instrument was signed in the name and behalf of VILLAGE 6 RTO LP by said corporation as its duly authorized general partner; that the instrument was so executed by said corporation by authority of its Board of Directors, and JOSEPH P. BOVA acknowledged the instrument to be the free act and deed of the partnership.

Rob Wet

Notary Public, State of Hawaii

My commission expires: 3/9/02



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**DHHL BENEFICIARIES STUDY APPLICANT
REPORT, 2014**



Prepared February, 2015

SMS Affiliations and Associations:

Experian
International Survey Research
Solutions Pacific, LLC
SMS Consulting, LLC
3i Marketing & Communications

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EXECUTIVE SUMMARY

- The Department of Hawaiian Home Lands (DHHL) continues its nearly 100-year commitment to meeting the land and housing needs of the Hawaiian community. Even as DHHL has made thousands of awards in recent years, the number of applicants has increased by 33 percent since 2008. The increase is attributed to younger Applicants who recently qualified for an award, as well as to older Hawaiians who have applied for the first time (although they could have applied many years ago). The list has grown exponentially faster than the Department's ability to provide awards.
- Based on applicants' indicated preferences, most are looking to DHHL to provide them with housing solutions. The most popular housing option among the applicant population is a single-family dwelling that is move-in ready.
- The percentage of DHHL applicants earning less than 80 percent of the HUD median income each year continues to decrease. In 2014, 45 percent of applicants were classified as below the 80 percent HUD median, compared to 48 percent in 2008 and 56 percent in 2003.
- O'ahu continues to be the most sought after location for many applicants, with over one-third of applicants listing O'ahu as their first choice for a Homestead Land Award.

INTRODUCTION

The State of Hawai'i Department of Hawaiian Home Lands (DHHL) was established in 1921 to manage the Hawaiian Home Lands trust. The mission of the Department is to manage effectively, develop raw land for use by qualified Applicants, facilitate land leases, and to develop and maintain self-sufficient and healthy communities on homestead land. To ensure that Departmental strategies and services are aligned with the interests of beneficiaries, DHHL has periodically commissioned surveys to evaluate their needs and preferences.

BACKGROUND

In 2014, the Department of Hawaiian Home Lands authorized a study among all of its beneficiaries -- current Lessees and Applicants for land awards. The purpose of the study was to assess the current condition and needs of DHHL beneficiaries. It was designed to be consistent with similar studies conducted in 1995, 2003, and 2008. These studies also serve to provide needed information in support of the Department's relationship with the U.S. Department of Housing and Urban Development (HUD) under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). HUD programs are designed to facilitate housing production and community development among qualified population segments. DHHL commissioned SMS Research to complete that study.

OBJECTIVES

The overall goal of the project was to provide DHHL with a comprehensive body of information to support planning for delivery of land awards to applicants and provides opportunities for community development among Homelands Lessees. Specific objectives for the Applicant survey included:

- To update applicant profiles and housing situations;
- To measure level of qualification for awards acceptance under NAHASDA programs;
- To investigate expectations for land awards;
- To assess applicant impressions for certain proposed land award types; and
- To measure applicant satisfaction with DHHL performance.

METHOD

There were two major surveys involved in this study, one focused on lessees and one centered on applicants. This report covers the survey of DHHL applicants for land awards. The lessee survey and other project components are covered in reports submitted separately.

The applicant survey was designed to provide large-sample, statistically reliable data on all applicants who were registered as of August 2014. Two related surveys were conducted to accomplish that task. The first survey was a self-administered mail survey designed to provide very broad coverage of the applicant group. The survey instrument was relatively brief to

maximize response rates and designed to include items that were directly comparable with the 1995, 2003, and 2008 surveys.

The survey instrument was mailed to all DHHL applicants with valid current addresses in the DHHL applicant database. Included within the applicant sample were 5,260 households (19.3%) that are current DHHL lessees who have applied for an additional award. Those households that are both lessees and applicants for an additional award are included in the results reported here. A total of 26,416 surveys were mailed to current applicants.

Included in the cover letter of the mail survey were instructions on how to complete the applicant survey online. The web-based version of the survey was identical to the mail version and simply provided an alternative method of completing the survey, should applicants find it more convenient to respond online. 368 applicants completed an online survey, seven percent of all responses.

SMS received completed mail survey forms from 4,601 applicants, and an additional 368 applicants chose to complete the web-based version of the mail survey. The total number of completed mail and online surveys (4,969) resulted in a return rate of 19.1 percent. The sample error for the mail and online survey was ± 1.2 percent at the 95 percent confidence level.

The second survey was a telephone survey conducted among a split sample of applicants. The survey instrument contained most of the same items that were included in the mail survey, along with additional items covering a broader range of subject matter. The telephone survey offers the advantage of being able to include open-ended questions that probe sensitive issues. The sample was drawn from was the same list of applicants used for the mail survey. The sample frame was stratified to separate applicants who had returned a mail/web survey and those who had not returned a mail/ web survey. A total of 1,001 telephone interviews were completed, 500 from mail/web survey respondents and 501 from non-respondents. The sample error for the telephone survey of applicants was ± 3.01 percentage points at the 95 percent confidence level.

Similar to prior iterations respondents to the telephone-only survey were younger with an average age of 51.6 (median 53) compared with mail survey respondents with an average age of 56.8 (57 median). There were no other significant differences in demographics between the two groups.

The three survey modes, mail, web, and phone, obtained information from an unduplicated total of 5,470 DHHL applicants, or about 21 percent of the Department's master list of applicants.

Based on examination of the data sets, it is our professional opinion that the results of the DHHL applicant surveys detailed in this report represent an unbiased, statistically reliable, representative sample of the characteristics, conditions, and opinions of all applicants on the list as of August 2014.

DHHL APPLICANTS

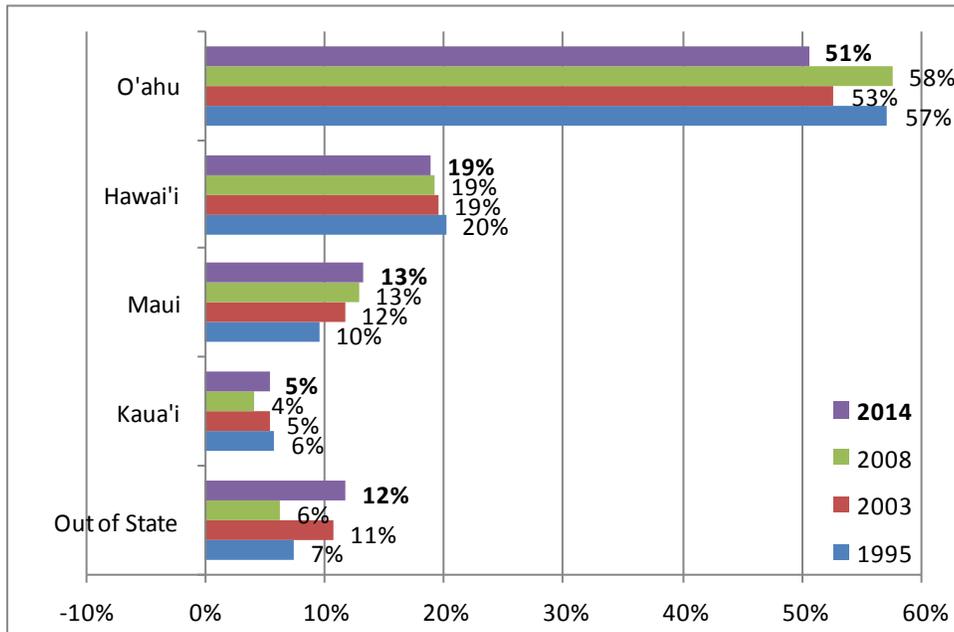
In the past six years, the total number of unduplicated DHHL applicants has increased by 30 percent, from 20,340 in 2008 to 26,416 in 2014. As shown in Figure 1, the percentage of applicants from each of Hawai'i's four counties and from outside the State has remained fairly consistent over the past two decades.

Around half of the applicants typically live on O'ahu, while about one in five currently reside in Hawai'i County. Approximately thirteen percent of DHHL applicants live in Maui County and five percent live on the island of Kaua'i.

A notable change in the present study was the increase in the percentage of applicants who currently reside outside the State of Hawai'i, either on the U.S. Mainland or in a foreign country. While only 6 percent of applicants lived outside the State in 2008, twice as many are not Hawai'i residents in the current study (12%).

Nearly all of the 3,207 non-resident applicants live on the U.S. Mainland (3,167). A very limited number of applicants, however, live in Guam (n=16) or in a foreign country (n=24).

Figure 1. Number of DHHL Applicants by Current County of Residence, 1995-2014



TYPES OF APPLICATIONS AND APPLICANT PREFERENCES

Based on applicant responses, the majority of DHHL applicants want a residential lot (50.7%). Applications for agricultural and pastoral lots were second and third most common (33% and 16%, respectively). O’ahu has the highest percentage of applications of all types (39%), followed by Hawai’i Island with 31 percent of all applications. Twenty percent of the applications were for awards in Maui County and the remaining applicants were seeking awards on Kauai’i.

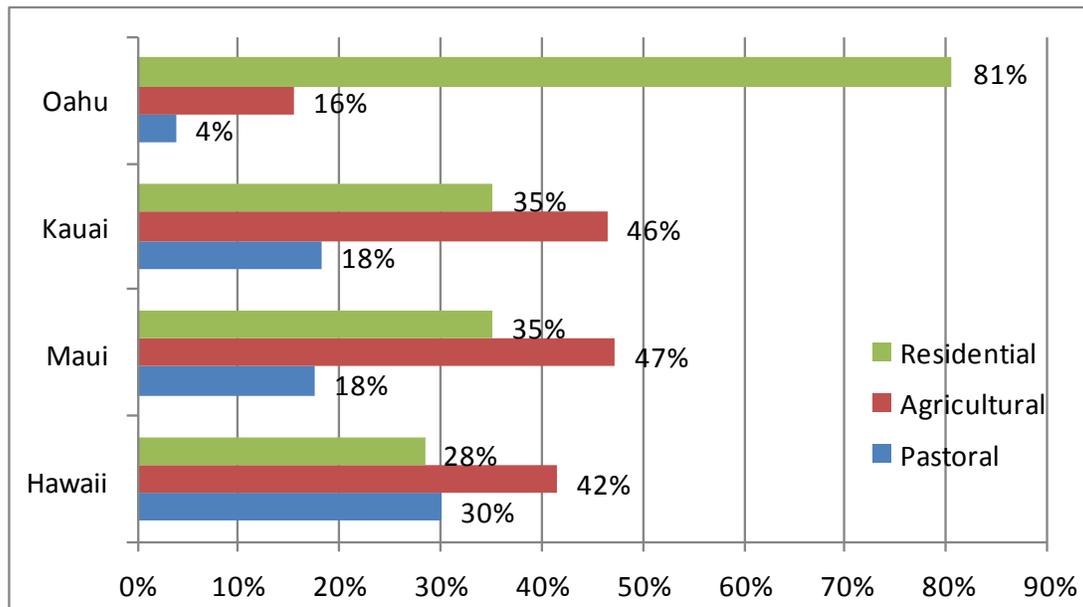
Table 1. Application Type and Island, 2014

	Oahu		Maui		Hawaii		Kauai		Total	
	Count	Pct	Count	Pct	Count	Pct	Count	Pct	Count	Pct
Residential	8,246	80.6%	1,831	35.1%	2,352	28.4%	887	35.2%	13,316	50.7%
Agricultural	1,593	15.6%	2,462	47.2%	3,440	41.5%	1,170	46.5%	8,665	33.0%
Pastoral	391	3.8%	918	17.6%	2,491	30.1%	461	18.3%	4,261	16.2%
Total	10,230	100.0%	5,211	100.0%	8,283	100.0%	2,518	100.0%	26,242	100.0%

The 990 responses for which an application type and/or island was not specified are excluded from these totals.

The distribution of responses is similar to the actual distribution of names on the three lists: residential (51%), agricultural (42%) and pastoral (6%). Based on phone calls received from applicants asking about the survey, some applicants cannot remember what list(s) they are on and some applicants who are also lessees believe that they are no longer on an applicant list now that they have received an award.

Figure 2. Application Type and Island, 2014



Residential

Based on survey responses, just over half of the applications across all islands are for residential lots (50.7%). Among residential applicants, nearly two-thirds would prefer a residential land award on the island of O’ahu (61.9%). The remainder of the residential applications were divided among the counties of Hawai’i (17.7%), Maui (13.8%), and Kaua’i (6.7%).

Among residential applicants, approximately two-thirds (68%) would choose to have a turn-key unit (a residential lot with a single-family dwelling). A lot with water, sewer, and electrical connections provided but no housing unit was a distant second with only 9.4 percent of residential applicants preferring this alternative.

Compared to applicants’ responses in 2008, a significantly greater percentage of current applicants would prefer a turn-key award (67.5%, +13.1 points). Notably fewer 2014 applicants are interested in an improved lot with water, sewer, and electricity but no house than in 2008 (9.4%, -7.1 points). In keeping with the overall aging of the applicant pool, a larger percentage of applicants would prefer kupuna housing now than did six years ago (3.9%, +2.6 points).

Table 2. Residential Applicants’ Housing Preferences, 2014

	Residential Applicants	
	Count	Pct
Housing Options - 1st Choice		
Turn-Key (lot with single-family house on it)	8,983	67.5%
Lot with water, sewer, electricity but no house	1,251	9.4%
An affordable rental unit	686	5.2%
Not Reported	603	4.5%
Apartment suited for senior citizens	516	3.9%
A rental unit with an option to buy	390	2.9%
Parcel of land that I can farm	385	2.9%
Condominium apartment I own	287	2.2%
Townhome in a duplex or quadplex	216	1.6%
Total	13,316	100.0%

Residential applicants are looking for both a specific type of unit, as well as a certain size lot for their award. Close to half of these applicants stated that a lot between one-half and one acre would be the smallest lot size they would accept. One in five said a slightly smaller lot, between 10,000 square feet and a half acre would be large enough, while another 17 percent reported their willingness to accept a lot of only 7,500 to 10,000 square feet.

Residential applicants were also asked a series of questions regarding their willingness to consider various other housing options. The goal of these questions was to gauge whether various incentives might encourage applicants to accept a townhome or condominium. As shown in Table 3, the ability to get into a home on DHHL land more quickly would prompt around 36 percent of residential applicants to accept something other than a turn-key award. This is up from the 29 to 35 percent of applicants in 2008 who were willing to consider multifamily units based on the various incentives proposed.

Table 3. Applicants' Willingness to Accept a Multifamily Housing Unit, 2008 and 2014

Would you be willing to accept a townhouse or multiplex unit if it meant you could get into a home...

	2008	2014
...with less cost?		
Would accept	29%	36%
Would <u>not</u> accept	42%	32%
Not sure, it depends	28%	32%
... closer to town?		
Would accept	30%	36%
Would <u>not</u> accept	44%	35%
Not sure, it depends	26%	29%
... faster?		
Would accept	35%	36%
Would <u>not</u> accept	41%	34%
Not sure, it depends	24%	30%

Agricultural

Forty-two percent of all DHHL applications are from persons seeking agricultural lands. Agricultural applicants are typically requesting land on Hawai'i Island (39.7%) or Maui (28.4%). The top choice among residential applicants, O'ahu is somewhat less popular among agricultural applicants and accounted for just 18.4 percent of all agricultural applications. Only 13.5 percent of agricultural applicants would choose to have their land award on Kaua'i.

Among the agricultural applicants who responded to the detailed phone survey, just over eight percent (8.4%) reported that they or their spouses are currently farming. Among those who are farming, 55 percent engage in subsistence farming, only growing enough crops to provide for the needs of their household members. An additional 20 percent are growing enough to provide for some, but not all, of the needs of their household members. A few of the agricultural applicants (1%) indicated that they are currently operating a commercial farm that provides for their families' needs without other employment.

When agricultural applicants were asked about what type of farming they intended to do on their award land, nearly six out of ten said subsistence farming was their primary goal (57.8%). Around one-quarter planned to use their award for supplemental farming (24.5%), and less than five percent hoped to engage in commercial farming (4.4%).

The vast majority of applicants plan to use their land award for a house and to farm (85%). Around one in ten had plans to build a house on the land (10.1%) and very few applicants for an agricultural award plan to use it for just crops or livestock only (3%).

Even with the intention to use the land primarily for crops or livestock, agricultural applicants generally are not seeking large tracts of land. When asked about the smallest lot size they would be willing to accept, well over half of these applicants (59%) reported that they would accept two acres or less. Another 23 percent indicated that a lot size between three and five acres would be acceptable.

Table 4. Agricultural Applicants' Farming Activities, 2014

	Agricultural Applicants	
	Count	Pct
Are you or your spouse currently farming?		
Yes	247	8.4%
No	2705	91.6%
Current Level of Farming		
Subsistence (grow crops to supply minimal needs of the immediate family living in the household)	161	65.2%
Supplemental (crops grown will supply some, but not all of the income/goods/services needed by the family)	73	29.6%
Commercial (crops grown will provide all of the income/goods/services needed by the family without other employment)	13	5.3%
Intended Usage of Agricultural Award		
Subsistence	1705	57.8%
Supplemental	723	24.5%
Commercial	130	4.4%
Not Reported	395	13.4%
Do you intend to build a house on the land, or just use it for crops or livestock?		
Build a house	297	10.1%
Both house and farm	2497	84.6%
Crops or livestock only	98	3.3%
Not Reported	60	2.0%
Smallest Acceptable Agricultural Lot Size		
2 acres or less	1741	59.0%
3 to 5 acres	680	23.0%
6 to 10 acres	127	4.3%
11 to 20 acres	16	0.5%
21 to 40 acres	41	1.4%
Not Reported	347	11.8%
Total	2,952	100.0%

Pastoral

Overall, DHHL received the fewest number of applications for pastoral lands (4,261). Nearly sixty percent of pastoral applicants would prefer land awards on Hawai'i Island (58.5%). The County of Maui (21.5%) is also a popular option among pastoral applicants. Only about ten percent of pastoral applicants are seeking land awards on Kaua'i or O'ahu.

PREFERRED LOCATIONS

As part of this survey, applicants were asked to identify the specific area where they would like to receive an award. Applicants were asked to provide their preferences without any indication as to where land might be available. Maps showing the location of Hawaiian Home Lands throughout the state are provided in the Appendix.

Table 5 summarizes applicants' first and second choice locations. Overall, applicants tend to prefer Homestead awards on O'ahu. Maui was the next most popular overall location. The most frequently mentioned first choice location was Leeward O'ahu (20.3%), followed closely by Windward O'ahu (13.3%). Close to ten percent of applicants indicated that any DHHL Homestead community on Maui would be their first choice for an award location (9.2%)

Table 5. Location Preference, First and Second Choices

	First Choice	Second Choice
Leeward Oahu	20.3%	18.8%
Windward Oahu	13.3%	11.2%
Maui, any	9.2%	7.9%
Oahu, any	6.3%	5.2%
South Kona-Kau	5.1%	3.7%
North Hawaii	4.5%	4.0%
North & South Hilo	4.4%	3.9%
Kauai any	4.3%	3.3%
PUC O'ahu	4.3%	7.0%
Makawao-Pukalani-Kula	3.8%	3.8%
Molokai	3.8%	2.6%
Central Oahu	3.7%	5.6%
North Kona	3.5%	3.1%
West Maui	2.2%	0.9%
Hawaii Island any	2.2%	8.2%
Wailuku-Kahului	2.0%	2.4%
Kawaihau	1.7%	2.7%
Paia-Haiku	1.0%	0.5%
Puna	1.0%	0.8%
Hana	0.9%	0.3%
Waimea	0.9%	1.9%
East Honolulu	0.6%	0.3%
Lihue	0.6%	0.4%
Kihei-Makena	0.2%	0.3%
Lanai	0.1%	0.6%
Koloa		0.5%
Hanalei		0.1%

PREFERRED UNIT CHARACTERISTICS

As would be expected based on the larger family sizes among DHHL applicant households, the vast majority of applicants reported needing three or more bedrooms in their next home (84.4%). Over seventy percent felt that they would only require two bathrooms in their next home (71.1%).

Table 6. Preferred Bedrooms and Bathrooms in Next Housing Unit, 2014

	Type of DHHL Application									
	Residential		Agricultural		Pastoral		Not Reported		Total	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Bedrooms Needed in Next Unit										
1 bedroom	228	1.8%	132	1.6%	70	1.7%	5	0.7%	435	1.7%
2 bedrooms	1,779	14.3%	1,046	12.8%	543	13.4%	163	21.5%	3,531	13.9%
3 bedrooms	5,259	42.2%	3,564	43.5%	1,664	41.2%	315	41.4%	10,802	42.4%
4 bedrooms	4,040	32.4%	2,569	31.4%	1,334	33.0%	212	27.9%	8,155	32.0%
5+ bedrooms	1,164	9.3%	882	10.8%	430	10.6%	65	8.6%	2,541	10.0%
Bathrooms Needed in Next Unit										
1 bathroom	1,031	8.5%	500	6.3%	261	6.7%	83	11.3%	1,875	7.6%
2 bathrooms	8,736	72.3%	5,567	70.3%	2,666	68.3%	544	73.4%	17,514	71.1%
3 bathrooms	2,068	17.1%	1,592	20.1%	869	22.3%	95	12.8%	4,624	18.8%
4+ bathrooms	240	2.0%	256	3.2%	107	2.7%	19	2.5%	621	2.5%

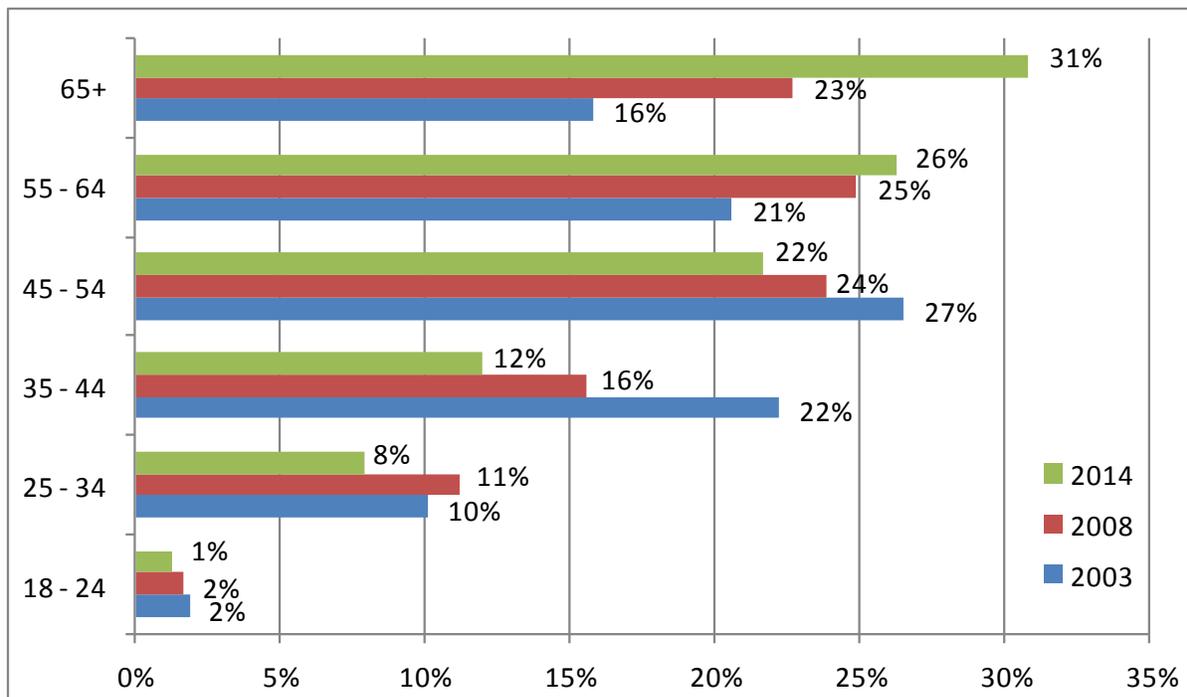
APPLICANT DEMOGRAPHIC CHARACTERISTICS

One of the major objectives of this study was to update the characteristics of the DHHL applicant pool. This section of the report updates general characteristics of current DHHL applicants.

AGE

In 2014, the median age of DHHL applicants was 57 years. Nearly one-third of the applicants are over the age of 65, an eight percentage point increase over 2008. Figure 6 clearly indicates that the applicant population is aging. With each iteration of the study, the number of applicants in the lower age ranges decreases while the proportion of applicants in the upper age ranges continues growing.

Figure 3: Age Distribution of Applicants by Year, 2003, 2008, and 2014



GENDER, MARITAL STATUS, AND BLOOD QUANTUM

At the present time, the majority of DHHL applicants are female (57.5%). More than sixty percent of applicants are married (61.2%), while very few (14.3%) have never been married. As the applicant population ages, we can expect that increasing numbers of them will be widowed or divorced.

The overwhelming majority of DHHL applicants have confirmed their eligibility for an award by having their Native Hawaiian blood quantum verified (93.8%). An additional two percent are still working through the verification process and the final four percent are unsure as to their status.

Table 7. Applicant Demographic Characteristics, 2014

	Type of DHHL Application								Total	
	Residential		Agricultural		Pastoral		Not Reported			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Respondent's Age										
18 to 24	102	0.8%	168	2.0%	74	1.8%			344	1.3%
25 to 34	891	7.0%	807	9.7%	288	7.0%	65	7.5%	2,050	7.9%
35 to 44	1,315	10.4%	1,076	12.9%	620	15.1%	100	11.6%	3,111	12.0%
45 to 54	2,416	19.0%	2,110	25.3%	930	22.7%	183	21.2%	5,639	21.7%
55 to 64	3,408	26.9%	2,188	26.2%	1,043	25.5%	204	23.6%	6,843	26.3%
65 to 74	3,004	23.7%	1,493	17.9%	814	19.9%	199	23.0%	5,509	21.2%
75 or older	1,558	12.3%	506	6.1%	329	8.0%	112	13.0%	2,505	9.6%
Respondent's Gender										
Male	5,447	42.3%	3,473	41.3%	1,849	44.3%	414	48.3%	11,182	42.5%
Female	7,424	57.7%	4,936	58.7%	2,324	55.7%	442	51.7%	15,126	57.5%
Respondent's Marital Status										
Married	7,935	61.5%	5,131	60.9%	2,600	62.1%	483	55.7%	16,149	61.2%
Never married	1,549	12.0%	1,471	17.5%	624	14.9%	133	15.3%	3,776	14.3%
Separated	231	1.8%	162	1.9%	59	1.4%			453	1.7%
Divorced	1,713	13.3%	966	11.5%	537	12.8%	143	16.5%	3,360	12.7%
Widowed	1,482	11.5%	694	8.2%	366	8.7%	108	12.4%	2,650	10.0%
Respondent's Native Hawaiian Blood Quantum Status										
Decided	11,703	92.6%	7,945	95.3%	3,906	95.0%	760	92.1%	24,313	93.8%
Pending	345	2.7%	126	1.5%	84	2.0%	10	1.2%	565	2.2%
Not Sure	585	4.6%	269	3.2%	124	3.0%	55	6.7%	1,032	4.0%

TECHNOLOGY USAGE

Overall, DHHL applicants are a fairly technology savvy group. Three out of four applicants has a computer in their home (75.5%). Among those who have a computer, nearly all of them indicated that their computer currently has a working internet connection (92.1%). When asked whether they used the computer to send emails and access websites, more than three-quarters of applicants reported that they engage in these activities (76%).

Knowing that DHHL applicants typically have access to a computer and understand how to go online to check their email or access various websites allows DHHL to utilize this means of communicating with applicants in the future.

Table 8. Use of Technology, 2014

	Type of DHHL Application								Total	
	Residential		Agricultural		Pastoral		Not Reported			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Have a Computer in the Home										
Yes	9,311	73.6%	6,490	78.2%	3,193	77.5%	557	66.7%	19,550	75.5%
No	3,334	26.4%	1,806	21.8%	925	22.5%	278	33.3%	6,343	24.5%
Computer is Connected to the Internet										
Yes	8,833	92.1%	6,190	93.0%	2,942	90.6%	530	88.3%	18,495	92.1%
No	753	7.9%	465	7.0%	305	9.4%	70	11.7%	1,593	7.9%
Use Computer to Send Email or Access Websites										
Me alone	1,589	15.3%	1,151	16.3%	431	12.4%	99	15.7%	3,270	15.2%
Me and others	5,901	56.8%	4,587	64.9%	2,289	65.5%	355	56.7%	13,132	60.8%
Others, not me	1,832	17.6%	787	11.1%	467	13.4%	98	15.7%	3,184	14.8%
No one	888	8.5%	473	6.7%	265	7.6%	69	11.0%	1,695	7.9%
Not sure	187	1.8%	68	1.0%	40	1.1%	5	0.8%	300	1.4%

HOUSEHOLD COMPOSITION

Understanding the composition of DHHL applicant households is an essential element in planning for the needs and preferences of future lessees.

Household Size

The size of DHHL applicant households has not changed significantly over the past two decades. The average household size among current applicants is four persons. The percentage of small applicant households that include only one or two people turned sharply upward in 2014, a continuation of the overall trend evident since 1992. Applicant households with three or four persons, however, have continued to gradually decline since 2003. The most recent data also suggests that percentage of large applicant households, those with seven or more people, has leveled off somewhat.

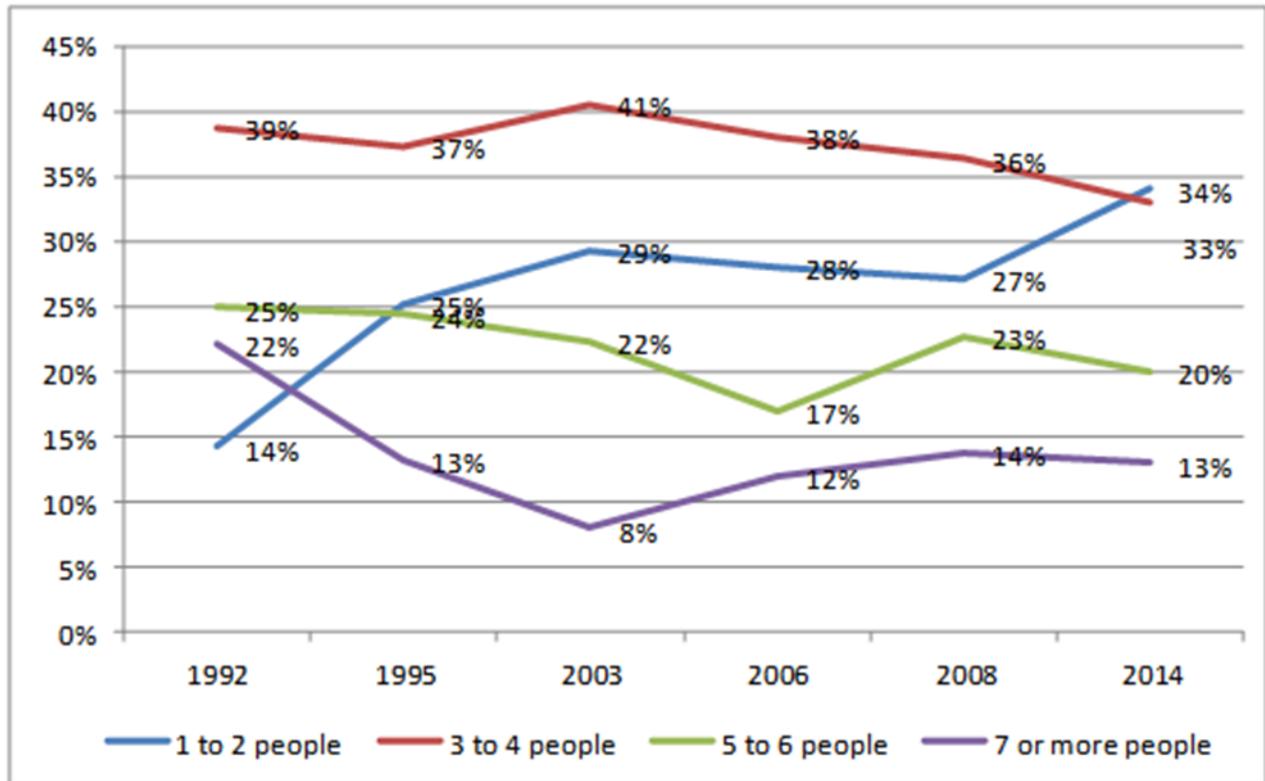
Table 9. Size of DHHL Applicant Households, 1992-2014

	2014	2008	2006 ^A	2003	1995	1992 ^B
Number of Household Members						
1 to 2 people	34%	27%	28%	29%	25%	14%
3 to 4 people	33%	36%	38%	41%	37%	39%
5 to 6 people	20%	23%	17%	22%	24%	25%
7 or more people	13%	14%	12%	8%	13%	22%

^A 2006 Hawaii Housing Policy Study

^B 1992 Housing Policy Consortium Study.

Figure 4. Applicant Household Size, 1992-2014



It is interesting to note that only forty percent of applicants stated that all their household members were related by blood, marriage, or adoption. Households with seven or more members most often include two or more family units.

When applicants were asked how many members of their current household would move with them if they received a DHHL award, the majority indicated that they expected between three and five family members to move with them. The average number of household members expected to move with applicants should they receive an award was 3.78 persons. The average number of family members was slightly higher for pastoral applicants (3.92).

Children

When evaluating the needs of DHHL applicants, it is essential to consider the number of children in these households. Applicant households are notably more likely to have children in them than non-Applicant or non-Hawaiian households¹. In the present study, approximately 41 percent of applicant households did not include any members under the age of 18 (41.4%). This was notably lower than the 48 percent of applicant households that had no children in 2008. The families of pastoral applicants (11.1%) are more likely to include four or more children than are the families of residential (9.9%) or agricultural applicants (8.2%).

¹ Hawaii Housing Policy Study 2012

Elderly

As is the case with children, understanding the prevalence of elderly persons in applicant households is essential. Nearly two-thirds of all applicant households do not include any elderly members over the age of 70 (65.4%). Applicants for agricultural land awards are least likely to have elderly family members (71.3%).

Employment

Only one in ten applicant households reported that none of the adults within the household were employed full-time outside the home for pay (10.3%). For the majority of applicants, there are typically one or two adults in the household who work full-time (71.7%). In some of the larger applicant households that include multiple families, there are as many as six adults or more who are employed full-time.

In addition to having household members who work full-time, more than half of applicant households also include one or two adults who are working on a part-time basis (52.5%).

While the applicant pool is employed in a wide variety of industries, the most common jobs among applicants working full-time are in construction (15.2%); transportation, warehousing & utilities (12.6%); health care & social assistance (12.1%); and other services (24.1%). Applicants who work part-time are most often working in the following industries: agriculture, forestry, fishing & hunting & mining (10.7%); Hotel & accommodations & food services (6.4%); and finance & insurance, real estate, rental & leasing (6%).

Table 10. Household Characteristics by Application Type, 2014

	Type of DHHL Application									
	Residential		Agricultural		Pastoral		Not Reported		Total	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Household Members Moving to DHHL Award										
None	123	1.1%	90	1.2%	30	0.8%	10	1.3%	253	1.1%
1 member	903	7.8%	570	7.5%	269	6.9%	91	12.2%	1,833	7.7%
2 members	2,922	25.4%	1,776	23.3%	937	23.9%	203	27.1%	5,839	24.5%
3-5 members	5,375	46.7%	3,863	50.7%	1,864	47.6%	327	43.5%	11,429	48.0%
6-10 members	2,095	18.2%	1,278	16.8%	794	20.3%	114	15.2%	4,281	18.0%
11+ members	89	0.8%	44	0.6%	24	0.6%	5	0.7%	162	0.7%
Average	3.77		3.75		3.92		3.56		3.78	
Household Members Under Age 18										
None	4,609	42.1%	3,153	41.5%	1,439	38.8%	300	45.1%	9,502	41.4%
1 member	2,165	19.8%	1,686	22.2%	681	18.4%	125	18.8%	4,657	20.3%
2 members	1,934	17.7%	1,323	17.4%	798	21.5%	96	14.4%	4,151	18.1%
3 members	1,157	10.6%	817	10.7%	381	10.3%	79	11.8%	2,434	10.6%
4+ members	1,083	9.9%	623	8.2%	411	11.1%	66	9.9%	2,183	9.5%
Household Members Over Age 70										
None	6,581	60.9%	5,049	71.3%	2,431	68.9%	381	57.1%	14,442	65.4%
1 member	2,426	22.4%	1,145	16.2%	657	18.6%	140	21.0%	4,368	19.8%
2 members	1,478	13.7%	723	10.2%	357	10.1%	125	18.7%	2,683	12.1%
3 members	155	1.4%	98	1.4%	33	0.9%			286	1.3%
4+ members	173	1.6%	68	1.0%	48	1.4%	22	3.3%	312	1.4%
Adults Employed Full-time										
None	1,195	11.2%	708	9.7%	317	8.8%	76	11.4%	2,296	10.3%
1-2 adults	7,554	70.8%	5,176	71.1%	2,721	75.8%	470	70.8%	15,921	71.7%
3-5 adults	1,844	17.3%	1,301	17.9%	518	14.4%	113	17.0%	3,776	17.0%
6+ adults	69	0.6%	96	1.3%	32	0.9%	5	0.8%	203	0.9%
Adults Employed Part-time										
None	3,413	46.6%	2,350	45.9%	1,004	41.2%	181	42.0%	6,947	45.4%
1-2 adults	3,760	51.3%	2,632	51.4%	1,396	57.3%	243	56.5%	8,032	52.5%
3-5 adults	142	1.9%	124	2.4%	34	1.4%	6	1.5%	306	2.0%
6+ adults	10	0.1%	13	0.3%	5	0.2%			28	0.2%

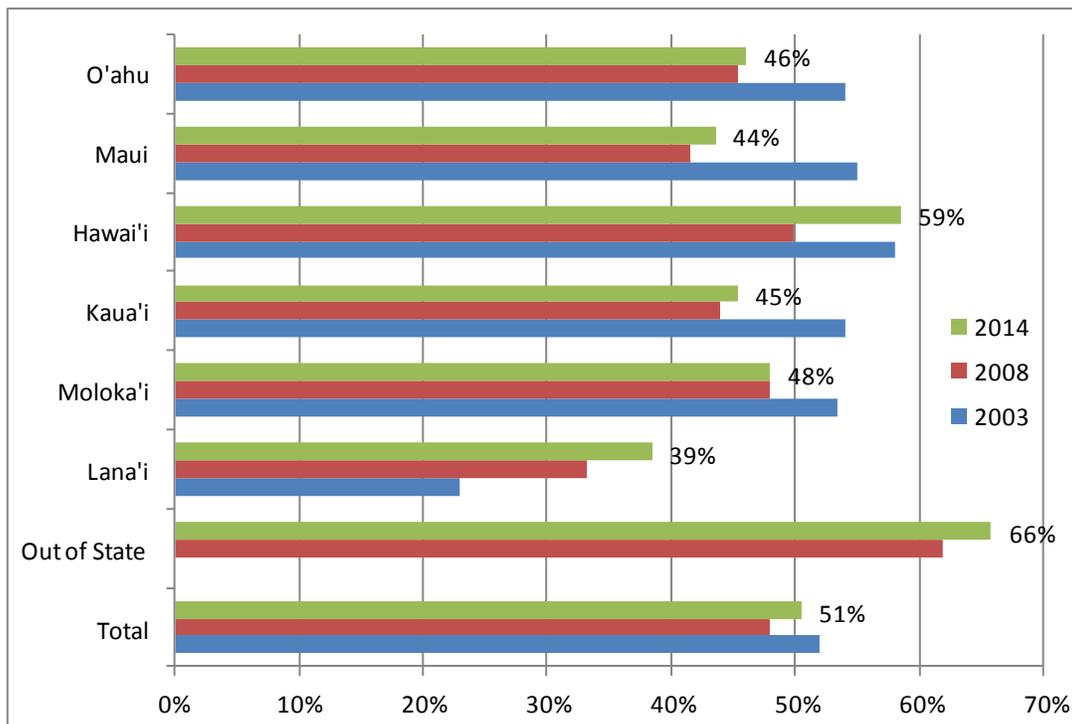
Table 11. Full-time and Part-time Employment, 2014

	Type of DHHL Application									
	Residential		Agricultural		Pastoral		Not Reported		Total	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Employed Full Time										
Other services	3542	26.1%	1895	21.8%	1053	24.3%	159	16.3%	6633	24.1%
Construction	1786	13.1%	1501	16.5%	810	19.1%	141	15.4%	4234	15.2%
Trans., warehousing & utilities	1704	12.3%	1172	13.4%	539	12.6%	92	10.1%	3506	12.6%
Health care & social assistance	1397	10.5%	1134	13.0%	585	14.3%	138	14.6%	3246	12.1%
Educational services	1315	9.6%	1108	12.6%	505	12.5%	59	6.5%	2982	10.9%
Hotel & accomm. & food services	1439	10.7%	1103	12.2%	417	9.9%	69	7.1%	3005	10.9%
Prof., scientific, mgmt. & admin.	1394	10.7%	981	11.2%	446	10.5%	89	9.7%	2900	10.8%
Retail trade	1113	8.4%	747	8.1%	353	8.3%	53	5.8%	2261	8.2%
Finance & ins., real estate, rental & leasing	701	5.1%	443	5.0%	201	5.1%	49	5.4%	1388	5.1%
Public administration	638	4.7%	414	4.7%	254	6.1%	29	3.2%	1316	4.9%
Agri., forestry, fishing & hunting & mining	246	1.8%	381	3.9%	211	4.7%	46	5.0%	884	3.1%
Arts, entertainment & recreation	273	2.1%	306	3.4%	111	2.8%	30	3.3%	716	2.7%
Wholesale trade	292	2.3%	188	2.1%	98	2.4%	17	1.9%	590	2.2%
Manufacturing	234	1.7%	176	2.1%	66	1.7%	20	2.2%	491	1.8%
Information	109	0.7%	93	1.2%	39	0.9%	0	0.0%	242	0.9%
Employed Part Time										
Agri., forestry, fishing & hunting & mining	1421	14.3%	1038	16.4%	355	10.9%	77	9.5%	2161	10.7%
Hotel & accomm. & food services	592	6.0%	466	7.4%	238	7.3%	30	3.7%	1296	6.4%
Finance & ins., real estate, rental & leasing	186	1.9%	138	2.2%	167	5.1%	15	1.9%	1210	6.0%
Health care & social assistance	506	5.1%	378	6.0%	188	5.8%	40	4.9%	1076	5.3%
Wholesale trade	69	0.7%	353	5.6%	162	5.0%	31	3.8%	1008	5.0%
Educational services	380	3.8%	221	3.5%	138	4.2%	17	2.1%	774	3.8%
Arts, entertainment & recreation	364	3.7%	269	4.3%	140	4.3%	22	2.7%	751	3.7%
Prof., scientific, mgmt. & admin.	299	3.0%	270	4.3%	164	5.0%	28	3.5%	726	3.6%
Information	282	2.8%	226	3.6%	153	4.7%	25	3.1%	702	3.5%
Other services	190	1.9%	281	4.4%	189	5.8%	28	3.5%	652	3.2%
Retail trade	92	0.9%	71	1.1%	55	1.7%	9	1.1%	287	1.4%
Public administration	86	0.9%	94	1.5%	49	1.5%	19	2.3%	264	1.3%
Manufacturing	69	0.7%	63	1.0%	32	1.0%	16	2.0%	222	1.1%
Construction	45	0.5%	20	0.3%	34	1.0%	5	0.6%	201	1.0%
Trans., warehousing & utilities	57	0.6%	27	0.4%	13	0.4%	5	0.6%	107	0.5%

APPLICANT CURRENT HOUSING CHARACTERISTICS

Just over half of all DHHL applicants own their current home (51%). This is consistent with the findings from 2003 (52%) and 2008 (48%). The ownership rate varies only slightly by island, with applicants who live out of the state having the highest ownership rate (66%). Applicants who currently reside on Lānaʻi have the fewest current owners at 39 percent of all current applicants

Figure 5. Home Ownership by Island of Residence, 2003-2014



Applicants' current homes are most often single-family dwellings (63.9%) with three bedrooms (41.7%) and two bathrooms (45.9%). Those who are not living in a single-family unit are most often in an apartment (9.1%) or a duplex or quadplex (8.5%).

Close to 55 percent of all applicants report that the condition of their current housing unit is either excellent (23.4%) or satisfactory (31.5%). As is generally the case, home owners are significantly more likely to assess the condition of their home as excellent (32.4%) than are renters (14.9%).

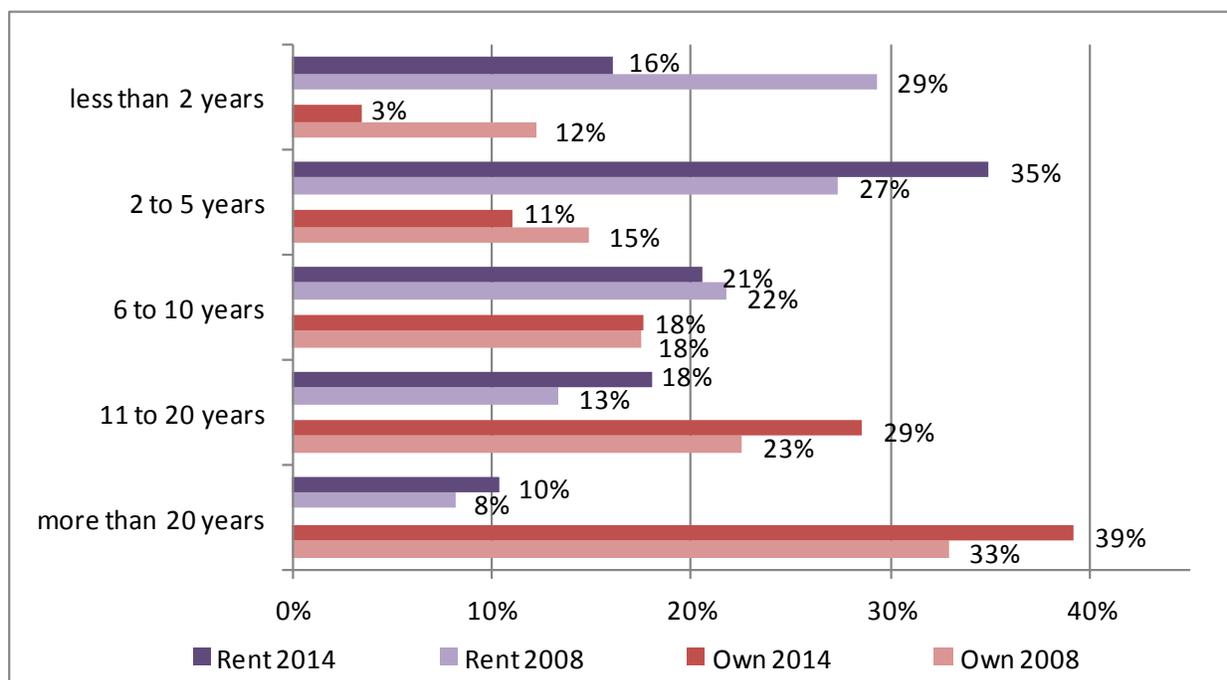
Eleven percent of all applicants reported that their current housing unit is in need of major repairs. An additional 23.4 percent of DHHL applicants indicated that minor repairs needed to be made to their current home. The homes of applicants on Moloka'i and Lāna'i were most likely to be in need of major repairs, while Maui applicants' homes were least likely to require significant repairs.

Table 12. Unit Characteristics of Current Home by Island, 2014

	Island of Residence															
	Oahu		Maui		Hawaii		Kauai		Molokai		Lanai		Out of State		Total	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Type of Current Housing Unit																
Single-family detached unit	8,169	59.3%	1,886	64.8%	3,595	69.8%	992	67.5%	413	64.0%	31	46.2%	2,304	71.8%	17,390	63.9%
Duplex or townhouse	1,784	12.9%	128	4.4%	138	2.7%	75	5.1%	13	2.0%			184	5.8%	2,323	8.5%
Apartment	1,633	11.8%	216	7.4%	257	5.0%	44	3.0%	32	5.0%	15	23.1%	293	9.1%	2,491	9.1%
Condominium	561	4.1%	37	1.3%	79	1.5%	31	2.1%	6	1.0%	5	7.7%	71	2.2%	790	2.9%
Public assisted housing	283	2.1%	51	1.8%	79	1.5%	39	2.7%	6	1.0%			14	0.4%	474	1.7%
Other (specify)	849	6.2%	296	10.2%	648	12.6%	123	8.4%	110	17.0%	10	15.4%	241	7.5%	2,277	8.4%
Not reported	506	3.7%	296	10.2%	351	6.8%	167	11.3%	65	10.0%	5	7.7%	99	3.1%	1,489	5.5%
Number of Bedrooms in Current Home																
One bedroom	1,244	9.0%	296	10.2%	430	8.4%	101	6.9%	110	17.0%	10	15.4%	189	5.9%	2,380	8.7%
Two bedrooms	2,608	18.9%	589	20.2%	836	16.2%	202	13.7%	129	20.0%	21	30.8%	468	14.6%	4,853	17.8%
Three bedrooms	5,207	37.8%	1,236	42.5%	2,611	50.7%	645	43.9%	265	41.0%	36	53.8%	1,358	42.3%	11,357	41.7%
Four or more bedrooms	4,398	31.9%	574	19.7%	1,093	21.2%	386	26.3%	97	15.0%			1,050	32.7%	7,598	27.9%
Not Reported	329	2.4%	216	7.4%	178	3.5%	136	9.3%	45	7.0%			142	4.4%	1,045	3.8%
Number of Bathrooms in Current Home																
One bathroom	4,731	34.3%	943	32.4%	1,400	27.2%	443	30.1%	278	43.0%	26	38.5%	530	16.5%	8,351	30.7%
Two bathrooms	6,036	43.8%	1,283	44.1%	2,532	49.2%	715	48.7%	213	33.0%	31	46.2%	1,684	52.5%	12,494	45.9%
Three bathrooms	1,784	12.9%	296	10.2%	692	13.4%	105	7.2%	84	13.0%	5	7.7%	553	17.3%	3,521	12.9%
Four or more bathrooms	354	2.6%	66	2.3%	89	1.7%	22	1.5%	6	1.0%			76	2.4%	613	2.3%
Not reported	880	6.4%	322	11.1%	435	8.5%	184	12.5%	65	10.0%	5	7.7%	364	11.4%	2,255	8.3%
Condition of Current Home																
Excellent	2,972	21.6%	442	15.2%	1,098	21.3%	219	14.9%	90	14.0%	10	15.4%	1,533	47.8%	6,365	23.4%
OK	4,529	32.9%	812	27.9%	1,681	32.7%	338	23.0%	142	22.0%	36	53.8%	1,041	32.4%	8,579	31.5%
Needs minor repairs	3,533	25.6%	629	21.6%	1,360	26.4%	268	18.2%	103	16.0%	10	15.4%	468	14.6%	6,372	23.4%
Needs major repairs	1,709	12.4%	311	10.7%	623	12.1%	180	12.2%	123	19.0%	10	15.4%	61	1.9%	3,017	11.1%
Not reported	1,041	7.6%	717	24.6%	386	7.5%	465	31.6%	187	29.0%			104	3.2%	2,900	10.6%
Total	13,785	100.0%	2,910	100.0%	5,148	100.0%	1,470	100.0%	646	100.0%	67	100.0%	3,207	100.0%	27,233	100.0%

The amount of time applicants have lived in their current residence varies significantly depending upon whether or not the applicant rents or owns the unit. More than two-thirds of homeowners have lived in their current home for more than ten years (67.8%), while only 28.4 percent of renters have been in their current unit for that period of time. Among those applicants who are currently renting their residence, a significantly smaller percentage of them have moved into their current unit in the past two years (16%) than in 2008 (29%).

Figure 6. Length of Time in Current Home by Tenure, 2008 and 2014



HOUSING PAYMENTS

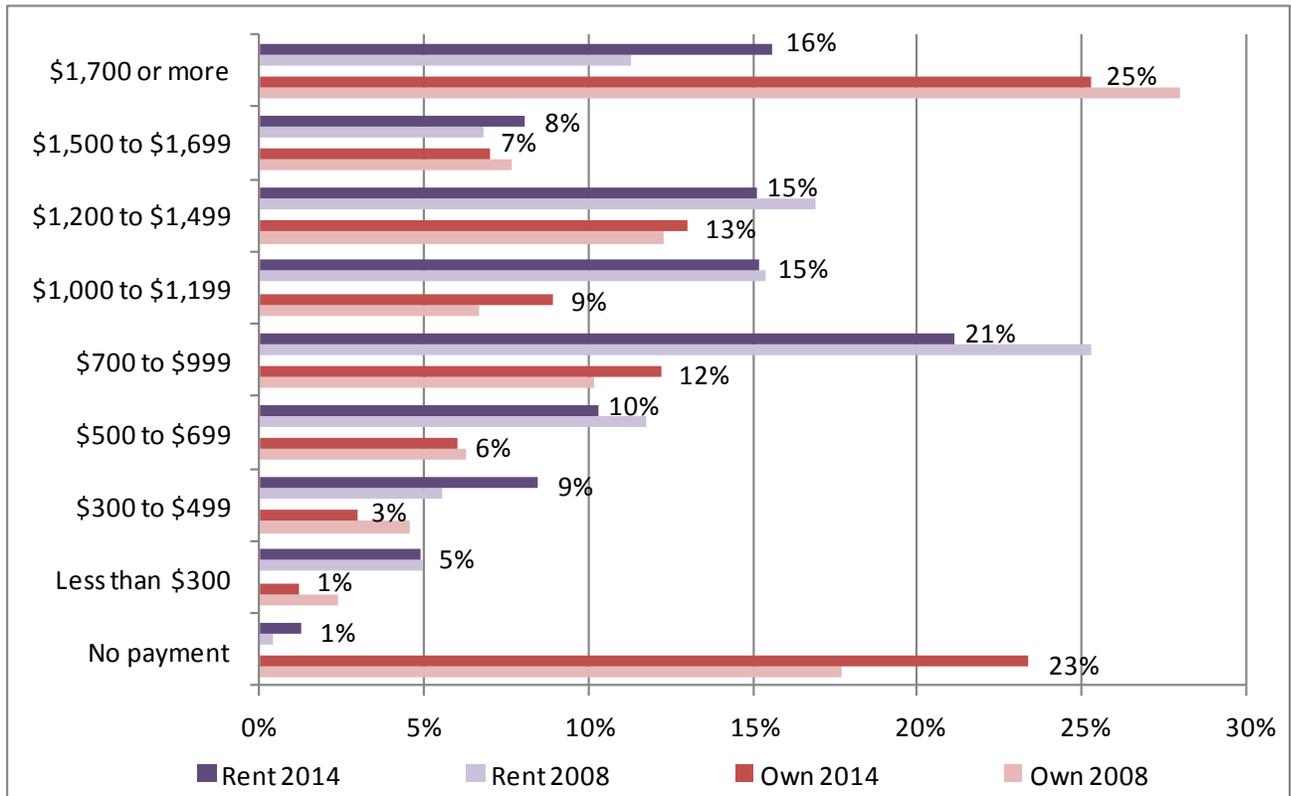
The median housing payment among all applicants who pay a mortgage or rent payment each month is \$1,197. This median payment amount is slightly higher among owners (\$1,459) than for renters (\$1,164). The current monthly housing payment made by DHHL applicants is one indicator of their ability to pay for a home if they were to receive a DHHL award in the near future.

One in five applicant homeowners do not make a monthly mortgage payment because their home has been paid in full. This is consistent with the finding that many applicant homeowners (39%) have been in their current home for more than twenty years.

Table 13. Monthly Housing Payment by Tenure, 2014

	Tenure										Total	
	Own		Rent		Sharing with others		Occupy w/o rent payment		Not reported			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Monthly Housing Payment												
Home paid for	2,873	20.9%	33	0.3%	185	14.3%	214	15.7%	31	2.8%	3,335	12.2%
No rent paid	78	0.6%	74	0.8%	314	24.4%	497	36.5%	19	1.7%	982	3.6%
Less than \$300	146	1.1%	418	4.3%	13	1.0%	25	1.8%	10	0.9%	612	2.2%
\$300 to \$499	380	2.8%	725	7.5%	72	5.6%	10	0.7%	26	2.4%	1,214	4.5%
\$500 to \$699	755	5.5%	885	9.1%	73	5.6%	67	5.0%	49	4.5%	1,830	6.7%
\$700 to \$999	1,546	11.2%	1,804	18.5%	67	5.2%	40	2.9%	58	5.3%	3,515	12.9%
\$1,000 to \$1,199	1,123	8.2%	1,297	13.3%	66	5.2%	24	1.7%	20	1.8%	2,530	9.3%
\$1,200 to \$1,499	1,639	11.9%	1,288	13.2%	55	4.3%	30	2.2%	16	1.5%	3,029	11.1%
\$1,500 to \$1,699	889	6.5%	697	7.2%	52	4.1%	15	1.1%	14	1.2%	1,667	6.1%
\$1,700 to \$1,899	649	4.7%	420	4.3%	20	1.6%	14	1.0%	27	2.5%	1,130	4.2%
\$1,900 to \$2,099	527	3.8%	304	3.1%	10	0.8%	10	0.7%	15	1.4%	866	3.2%
\$2,100 to \$2,299	588	4.3%	233	2.4%	10	0.8%	14	1.0%	9	0.8%	854	3.1%
\$2,300 to \$2,499	406	3.0%	164	1.7%	5	0.4%	14	1.0%	4	0.3%	593	2.2%
\$2,500 or more	1,031	7.5%	212	2.2%	29	2.2%	34	2.5%	10	0.9%	1,317	4.8%
Not Reported	1,121	8.2%	1,173	12.1%	317	24.6%	354	26.0%	793	72.0%	3,759	13.8%
Total	13,752	100.0%	9,727	100.0%	1,290	100.0%	1,362	100.0%	1,103	100.0%	27,233	100.0%
Median	\$1,459		\$1,164		\$1,161		\$1,178		\$970		\$1,196	

Figure 7. Current Monthly Housing Payment by Tenure, 2008 and 2014



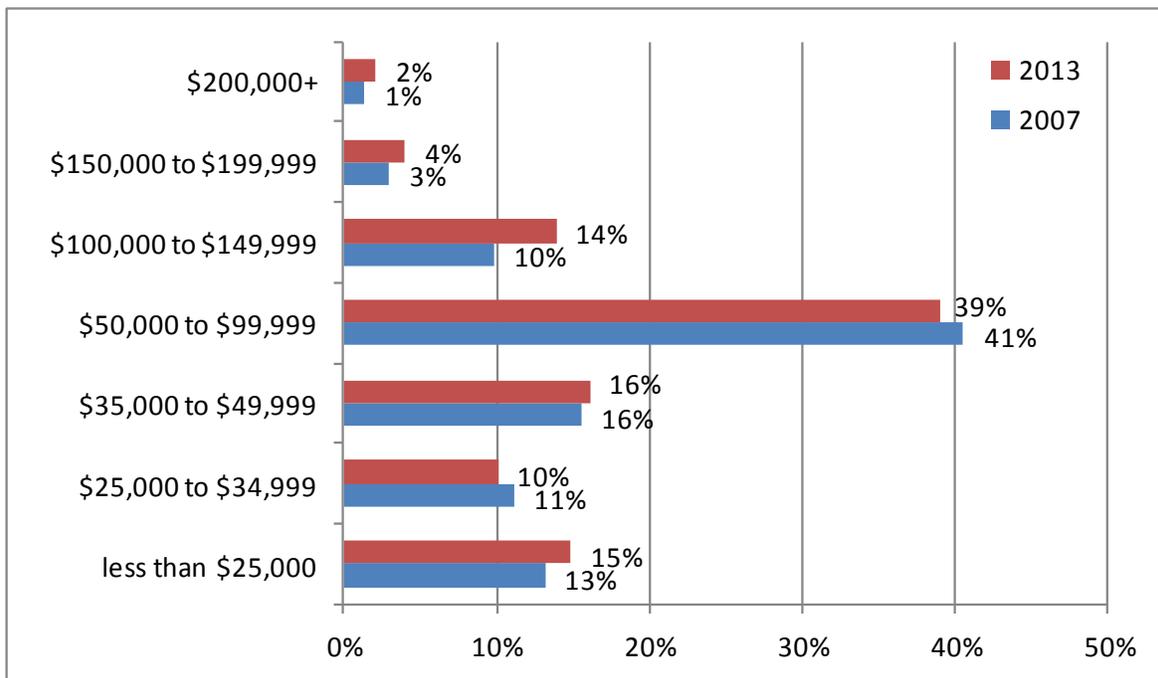
FINANCIAL CHARACTERISTICS OF APPLICANTS

The present study also examined various financial characteristics of applicants, including household income, HUD income levels, savings, and anticipated down payment amounts. These variables are important in determining the ability of an applicant to obtain the necessary financing to build or purchase a home on DHHL land.

INCOME

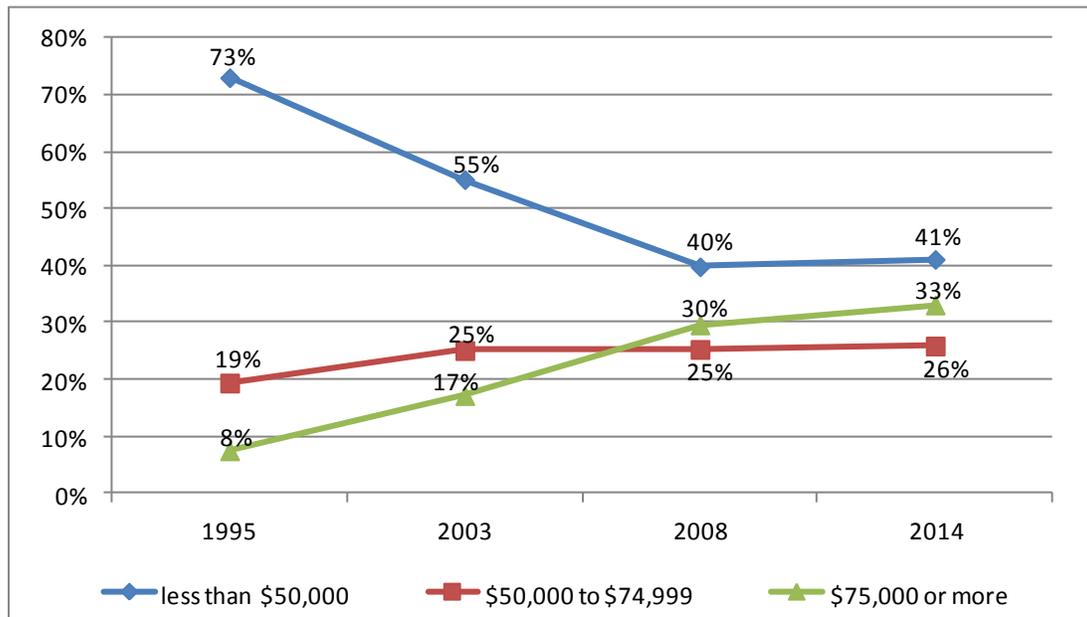
Figure 8 compares the annual household income among present DHHL applicants with that of applicants from the 2008 study. While the percentage of applicants with incomes in the upper three categories has increased somewhat during the past six years (20%, +6 points), the percentage earning less than \$25,000 per year has also risen slightly (15%, +2 points). The median annual income for current applicant household is \$59,932. This represents a 12.1 percent decrease from the median income for 2008 applicants of \$68,165.

Figure 8. Applicant Household Income, 2007 and 2013



The annual household income of applicants gathered during the last four iterations of this study is presented in Figure 9. From 1995 until 2008, the percentage of lower income applicant households declined sharply from 73 percent in 1994 to 40 percent in 2008. This lowest income category was essentially unchanged from 2008 to the present time (41%). The percentage of mid-range earners who make between \$50,000 and \$74,999 per year has remained right at 25 percent since 2003. Applicants in the highest income category, earning \$75,000 or more per year, has been trending steadily upward, climbing from 8 percent in 1995 to 17 percent in 2003 to 30 percent in 2008. In the present study, one-third of applicants fell into this highest income category.

Figure 9. Applicant Household Income, 1994 - 2013



HUD INCOME CATEGORIES

HUD median income guidelines take into consideration both applicants' household size and annual household income. In 2008, the percentage of applicant households earning less than 80% of HUD median income dropped to 48%, about 8 percentage points below 2003. That downward trend continues in 2014, with just 45 percent of all applicants making less than 80 percent of HUD median each year.

Decreases in the percentage of applicant household below 80 percent of HUD median were evident for all islands except for Lāna'i. On Lāna'i, the percentage of under 80 percent households increased significantly from 37 percent in 2008 to 69 percent in 2014. The current finding is more consistent with the 59 percent of Lāna'i applicants determined to earn less than 80 percent of HUD median in 2003. Results for Lāna'i also tend to fluctuate more dramatically than the other islands due to small sample sizes.

Figure 10. Percent of Applicants Below 80% HUD Median Income Guidelines

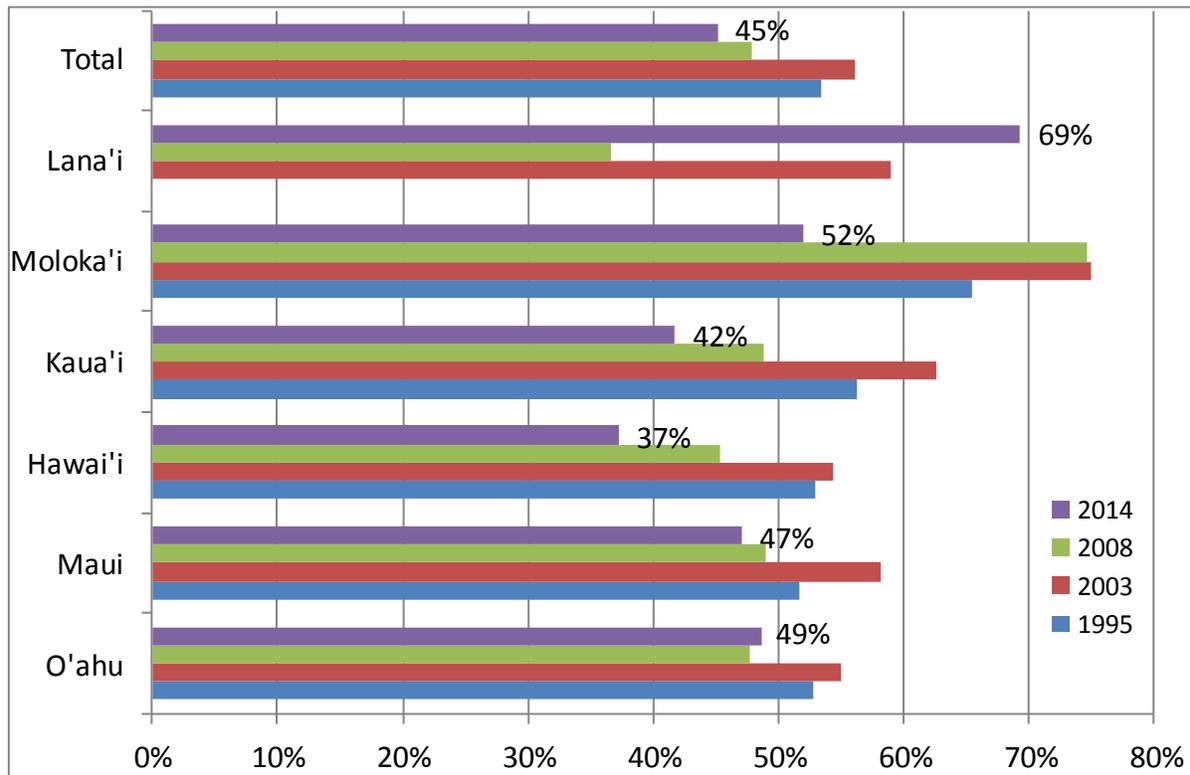


Table 14. HUD Income Categories by Island, 2014

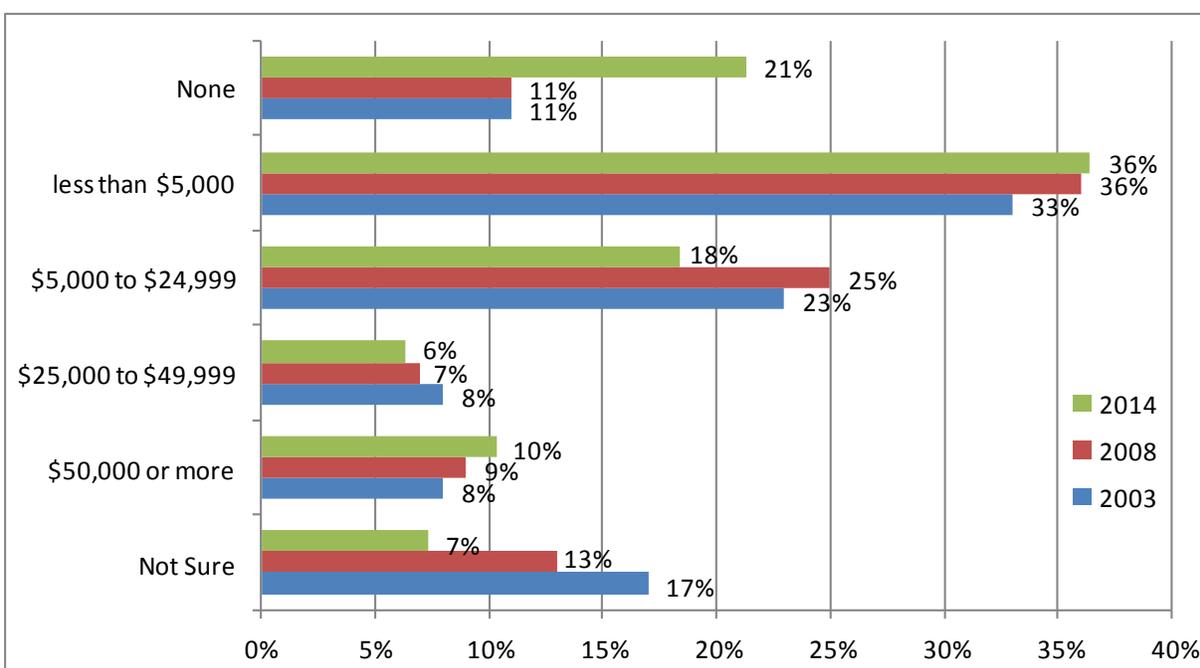
	Island of Residence														Total	
	Oahu		Maui		Hawaii		Kauai		Molokai		Lanai		Out of State			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
HUD Income Categories																
less than 30%	1,815	13.2%	358	12.3%	856	16.6%	206	14.0%	149	23.0%	10	15.4%	345	10.8%	3,739	13.7%
30 to 50%	1,552	11.3%	300	10.3%	312	6.1%	123	8.4%	78	12.0%	15	23.1%	293	9.1%	2,672	9.8%
51 to 80%	3,341	24.2%	713	24.5%	752	14.6%	285	19.4%	110	17.0%	21	30.8%	724	22.6%	5,945	21.8%
81% to 120%	1,810	13.1%	322	11.1%	757	14.7%	57	3.9%	32	5.0%			705	22.0%	3,682	13.5%
121% to 140%	814	5.9%	58	2.0%	341	6.6%	57	3.9%	6	1.0%	5	7.7%	218	6.8%	1,500	5.5%
141% to 180%	586	4.3%	80	2.8%	366	7.1%	31	2.1%	13	2.0%			270	8.4%	1,346	4.9%
more than 180%	263	1.9%	26	0.9%	257	5.0%	26	1.8%			5	7.7%	71	2.2%	648	2.4%
Not reported	3,604	26.1%	1,053	36.2%	1,508	29.3%	685	46.6%	258	40.0%	10	15.4%	582	18.1%	7,700	28.3%
Group Total	13,785	100.0%	2,910	100.0%	5,148	100.0%	1,470	100.0%	646	100.0%	67	100.0%	3,207	100.0%	27,233	100.0%

SAVINGS

A significant challenge for applicants who wish to purchase homes appears to be their lack of savings. The percentage of current DHHL applicants who stated that they had no money in savings to put toward a down payment on a home jumped 10 percentage points, from 11 percent in 2003 and 2008 to 21 percent in 2014.

This suggests that applicants are less prepared than they were six years ago to accept an award. The significant increase in applicants with no money in savings is likely the result of the economic recession impact since early 2008. Many households have been forced to dip into, or completely exhaust, their savings in order to cover daily living expenses.

Figure 11. Amount in Savings, 2003, 2008, and 2014



DOWN PAYMENT

Applicants in the present study were asked how much money they would be able to put toward a down payment if they were to finance a home within the next four years. Their responses, summarized in Figure 12, are consistent with the savings results. While only 7 percent of 2008 applicants had no money to put toward a down payment, 14 percent of current applicants report having no funds for a down payment. Similarly, close to one-third (31%) of applicants had between \$5,000 and \$15,000 to put toward a down payment six years ago, the percentage of current applicants with that amount available dropped to just over one-quarter (26%)

Based on these findings, less than 27 percent of applicants could meet the usual ten percent down payment requirement on a \$150,000 home. With many lenders now requiring as much as a 20 percent down payment, the group of qualified applicants would fall to around 15 percent.

Figure 12. Affordable Down Payment, 2003, 2008, and 2014

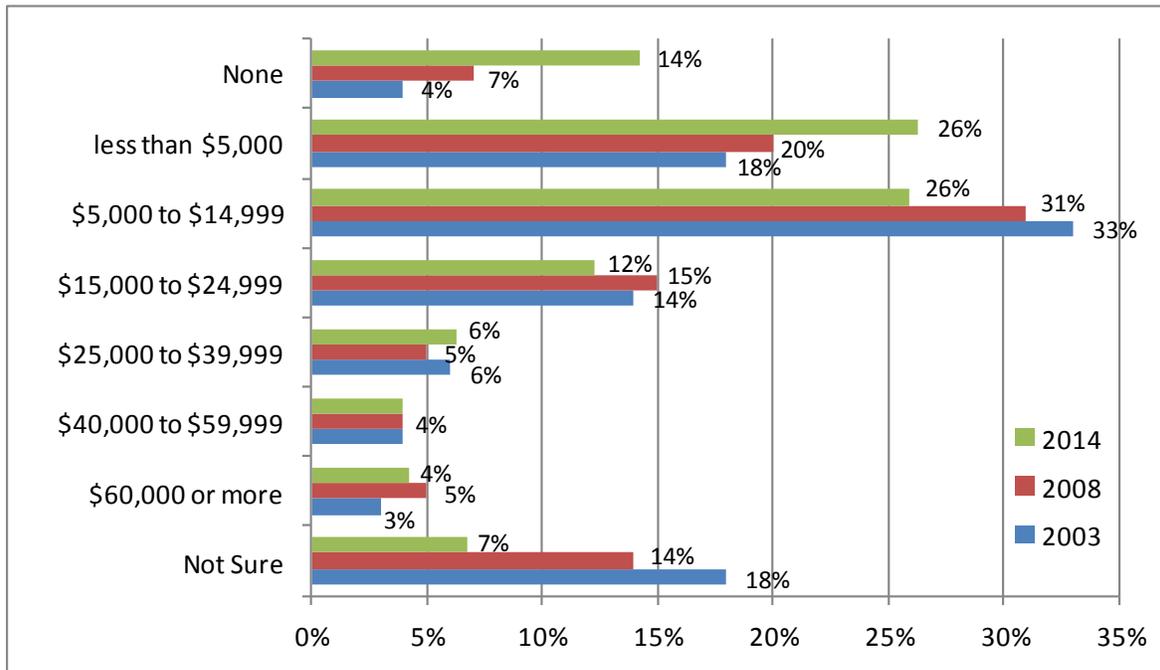


Table 15. Financial Qualifications, 2014

	Type of DHHL Application									
	Residential		Agricultural		Pastoral		Not Reported		Total	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Own Any Real Estate										
Yes	674	28.2%	589	36.7%	252	38.9%	4	21.0%	1,519	32.6%
No	1,676	70.1%	999	62.2%	395	61.1%	14	79.0%	3,084	66.2%
Not sure	39	1.6%	18	1.1%					57	1.2%
Amount in Savings										
None	570	23.9%	271	16.8%	143	22.2%	9	50.0%	992	21.3%
Less than \$5,000	884	37.0%	597	37.1%	204	31.6%	9	50.0%	1,694	36.4%
\$5,000 to \$24,999	450	18.8%	265	16.5%	145	22.4%			859	18.4%
\$25,000 to \$49,999	132	5.5%	127	7.9%	36	5.6%			294	6.3%
\$50,000 or more	180	7.5%	219	13.6%	83	12.8%			482	10.3%
Not Sure	174	7.3%	130	8.1%	35	5.4%			339	7.3%
Affordable Down Payment										
None	387	16.2%	199	12.4%	71	11.0%	5	29.0%	662	14.2%
Less than \$5,000	605	25.3%	448	27.9%	168	25.9%	4	21.0%	1,225	26.3%
\$5,000 to \$14,999	652	27.3%	401	24.9%	155	23.9%			1,208	25.9%
\$15,000 to \$24,999	286	12.0%	206	12.8%	75	11.6%	5	29.0%	573	12.3%
\$25,000 to \$39,999	150	6.3%	73	4.5%	70	10.8%			293	6.3%
\$40,000 to \$59,999	90	3.8%	70	4.4%	24	3.7%			184	4.0%
\$60,000 or more	54	2.3%	110	6.9%	33	5.1%			198	4.2%
Not sure	164	6.9%	99	6.2%	51	7.9%	4	21.0%	318	6.8%
Affordable Monthly Payment										
less than \$300	150	6.3%	81	5.0%	71	10.9%	9	50.0%	310	6.7%
\$300 to \$499	334	14.0%	207	12.9%	90	13.8%			630	13.5%
\$500 to \$699	390	16.3%	240	14.9%	77	11.8%			706	15.1%
\$700 to \$999	374	15.7%	197	12.2%	73	11.3%	5	29.0%	649	13.9%
\$1,000 to \$1,199	289	12.1%	290	18.1%	117	18.1%	4	21.0%	700	15.0%
\$1,200 to \$1,499	283	11.9%	193	12.0%	82	12.7%			558	12.0%
\$1,500 to \$1,699	202	8.5%	105	6.6%	17	2.7%			325	7.0%
\$1,700 to \$1,899	19	0.8%	18	1.1%	17	2.7%			54	1.2%
\$1,900 to \$2,099	93	3.9%	109	6.8%	27	4.2%			229	4.9%
\$2,100 to \$2,299	43	1.8%	20	1.2%	5	0.8%			68	1.5%
\$2,300 to \$2,499	10	0.4%	17	1.0%	4	0.6%			31	0.7%
\$2,500 or more	76	3.2%	41	2.5%	38	5.8%			154	3.3%
Not sure	126	5.3%	90	5.6%	30	4.6%			245	5.3%
Access to Special Financing (VA, gov't employee, Farmer's Home loan)										
Yes	318	13.3%	290	18.1%	147	22.8%			755	16.2%
No	1,831	76.6%	1,128	70.2%	465	71.9%	12	71.0%	3,436	73.7%
Not sure	241	10.1%	189	11.8%	34		5		470	10.0%

PREVIOUS AWARD OFFERS

Most of the households in the list of current DHHL applicants have never been offered a Homestead Land Award (69.9%). For those who have received an offer in the past, the majority of these applicants have received one (48.4%) or two (18.9%) award offers.

Among those who have been offered an award, 58.1 percent have refused that award. The reasons for refusing an award vary according to applicants' level of qualification. Among Poorly Qualified applicants, the top reasons for refusal include not having money for the down payment (79%) and insufficient income to qualify for a mortgage (70.7%).

Among Well Qualified applicants, however, the reason for rejecting an award offer for nearly all members of this group was that they did not like the location of the award (97.3%). Because a substantial number of Well Qualified applicants own their current home outright, they are likely to be more particular about the location and unit amenities offered to them in a DHHL home.

Table 16. Qualification for a Homestead Land Award, 2014

	Type of DHHL Application								Total	
	Residential		Agricultural		Pastoral		Not Reported			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Number of Times Offered a Homestead Land Award										
None	5,348	50.9%	3,373	47.4%	1,588	45.6%	297	48.6%	10,605	48.9%
Once	2,462	23.4%	1,607	22.6%	815	23.4%	184	30.1%	5,067	23.3%
Twice	889	8.5%	649	9.1%	247	7.1%	52	8.6%	1,837	8.5%
3 times	486	4.6%	406	5.7%	224	6.4%	32	5.2%	1,148	5.3%
4 times	307	2.9%	239	3.4%	124	3.5%	21	3.4%	691	3.2%
5 to 9 times	609	5.8%	464	6.5%	204	5.8%	20	3.2%	1,296	6.0%
10+ times	401	3.8%	376	5.3%	283	8.1%	5	0.8%	1,065	4.9%
Number of Times Could Not Qualify for a Homestead Land Award										
None	1,774	62.7%	1,396	59.7%	665	55.2%	112	63.9%	3,946	60.3%
Once	481	17.0%	360	15.4%	206	17.1%	14	7.9%	1,061	16.2%
Twice	212	7.5%	166	7.1%	92	7.7%	28	16.1%	499	7.6%
3 times	104	3.7%	114	4.9%	74	6.2%			292	4.5%
4 times	45	1.6%	62	2.6%	20	1.6%	6	3.7%	133	2.0%
5 to 9 times	131	4.6%	134	5.8%	69	5.7%	10	5.6%	344	5.3%
10+ times	83	2.9%	105	4.5%	78	6.5%	5	2.9%	271	4.1%
Number of Times Turned Down a Homestead Land Award										
None	1,054	26.9%	847	28.4%	427	28.7%	93	38.6%	2,421	28.1%
Once	993	25.4%	657	22.0%	315	21.2%	62	25.7%	2,026	23.5%
Twice	606	15.5%	443	14.9%	153	10.3%	41	17.2%	1,243	14.4%
3 times	307	7.8%	271	9.1%	128	8.6%	9	3.6%	714	8.3%
4 times	196	5.0%	165	5.5%	89	6.0%	21	8.7%	471	5.5%
5 to 9 times	459	11.7%	339	11.4%	153	10.3%	10	4.1%	961	11.1%
10+ times	297	7.6%	261	8.7%	224	15.1%	5	2.1%	786	9.1%
Reasons for Turning Down a Homestead Land Award										
Was not ready to accept award	2,299	17.3%	1,623	18.7%	782	18.3%	164	16.6%	4,867	17.9%
No savings for down payment	2,016	15.1%	1,483	17.1%	871	20.4%	115	11.6%	4,485	16.5%
Income too low to qualify for a mortgage	1,753	13.2%	1,362	15.7%	790	18.5%	131	13.3%	4,036	14.8%
Price too high	1,115	8.4%	1,031	11.9%	682	16.0%	69	6.9%	2,897	10.6%
Would have to relocate & find a new job	1,022	7.7%	920	10.6%	535	12.6%	66	6.6%	2,542	9.3%
Did not like the unit offered	970	7.3%	711	8.2%	471	11.1%	23	2.3%	2,175	8.0%

APPLICANT PERSPECTIVES

Included in the 2014 survey were several questions designed to gather information from applicants regarding the most important consideration when considering an award, their plans for the award, and their interactions with DHHL.

CONSIDERATIONS REGARDING A FUTURE AWARD

When considering a future award the top consideration for nearly half of all applicants is the location of the community (48.8%). This is especially true for Likely to Qualify applicants, 64.6 percent of whom rated the location as the most important consideration. Pastoral applicants also cited the location as their top concern (51%).

The financing of the house and the price were ranked second and third among all applicants, respectively. Nearly one in four applicants (23.8%) indicated that financing the house was their number one concern regarding a future award. Only slightly fewer applicants stated that the price ranked highest on their list of considerations (22%). This was especially true among Less Qualified applicants.

INTENTIONS FOR A FUTURE AWARD

Applicants were also asked about what they intended to do with the award in the future. Reflecting the strong sense of family prevalent in the Native Hawaiian community, nearly nine out of ten stated that they intended to pass it on to their children or relatives (88.2%). Slightly more than five percent claimed they planned to “just hold on to it” (5.5%).

COMMUNICATIONS WITH DHHL

Survey participants were asked to consider all of the interactions they had with DHHL within the past year. They were then asked to rate the nature of their communications on a scale from excellent to poor. Close to half of all applicants noted that they had not had any communication with DHHL within the past year.

Among those who had interacted with DHHL in the last year, around 28 percent rated their experience as excellent (27.7%). They felt that DHHL representatives were truly striving to be helpful. Four out of ten applicants who had communicated with DHHL in the past year rated their efforts as good and felt that they did a satisfactory job (40%). DHHL received a fair rating from 23 percent of applicants, who indicated that DHHL representatives did not go out of their way to be helpful. Finally, only nine percent of applicants who had been in touch with DHHL over the last year felt that DHHL did not care about their problems and rated their experiences as poor (9.2%).

Table 17: Issues Questions

	Type of DHHL Application									
	Residential		Agricultural		Pastoral		Not Reported		Total	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Most Important Consideration Regarding a Future Award										
The location of the community	6,040	48.1%	3,975	48.5%	2,063	50.7%	313	40.4%	12,391	48.4%
The financing of the house	3,088	24.6%	1,906	23.2%	883	21.7%	205	26.6%	6,082	23.8%
The price	2,684	21.4%	1,837	22.4%	898	22.1%	204	26.4%	5,623	22.0%
The style of the house offered	466	3.7%	286	3.5%	145	3.6%	42	5.4%	939	3.7%
The design of the community	279	2.2%	194	2.4%	80	2.0%	9	1.2%	562	2.2%
Intend to Do with the Award in the Future										
Pass it on to my children or relatives	11,275	88.3%	7,282	87.2%	3,708	89.7%	690	88.4%	22,955	88.2%
Just hold on to it	693	5.4%	529	6.3%	174	4.2%	27	3.4%	1,422	5.5%
Transfer it to someone else	181	1.4%	108	1.3%	45	1.1%	21	2.7%	354	1.4%
Sell it to someone else	126	1.0%	59	0.7%	42	1.0%			228	0.9%
Return it to DHHL	76	0.6%	44	0.5%	11	0.3%			132	0.5%
Will not accept award	24	0.2%	14	0.2%			9	1.2%	48	0.2%
Not sure	229	1.8%	130	1.6%	101	2.4%	25	3.2%	485	1.9%
Other (specify below)	161	1.3%	184	2.2%	51	1.2%	9	1.1%	405	1.6%
Describe Communications with DHHL										
Excellent - they really try to help	1,869	30.8%	1,048	24.5%	562	25.9%	106	24.8%	3,584	27.7%
Good - they do their jobs pretty well	2,543	41.9%	1,712	40.1%	783	36.0%	143	33.4%	5,182	40.0%
Fair - they do not go out of their way to help	1,262	20.8%	1,031	24.1%	545	25.1%	144	33.6%	2,982	23.0%
Poor - they do not care about my problems	393	6.5%	481	11.3%	284	13.1%	35	8.2%	1,193	9.2%
Have communicated with DHHL in the past year	6,067	47.3%	4,272	51.0%	2,174	52.7%	428	52.4%	12,941	49.5%
Haven't spoken with DHHL in the past year	6,358	49.6%	3,898	46.6%	1,853	44.9%	379	46.3%	12,488	47.8%
Not sure	405	3.2%	200	2.4%	102	2.5%	10	1.2%	717	2.7%

CAN APPLICANTS AFFORD THE HOUSE THEY DESIRE?

As noted earlier, 68 percent of all residential applicants would like a turn-key house as their DHHL award. The following is an example of the financing that would be required based on the lowest price turn-key house at DHHL's Kanehili development.

The lowest priced house at Kanehili is a two bedroom, two bath, 1,008 square foot Kukui house with a base sales price of \$242,300.

- Assuming a 20 percent down payment of \$48,460 that is preferred by financial institutions, the remaining mortgage amount of \$193,840 would require a monthly payment of **\$1,050** at the current 30-year rate of 4%. This term and rate are also the same for the following two examples.
- Based on the survey results, 60 percent of applicants can make a down payment of \$5,000 or more. Assuming a \$5,000 down payment, the mortgage amount would then be \$237,300 requiring a monthly payment of **\$1,485** that includes the monthly price of mortgage insurance until a level of 20 percent equity is reached.
- For the 40 percent of applicants that have less than a \$5,000 down payment, we assume no down payment is made and the total sales price of \$242,300 would be financed resulting in a monthly payment of \$1,514 including the mortgage insurance requirement.

Note that the last two examples may not necessarily be approved for funding by a financial institution, but are provided for example purposes only.

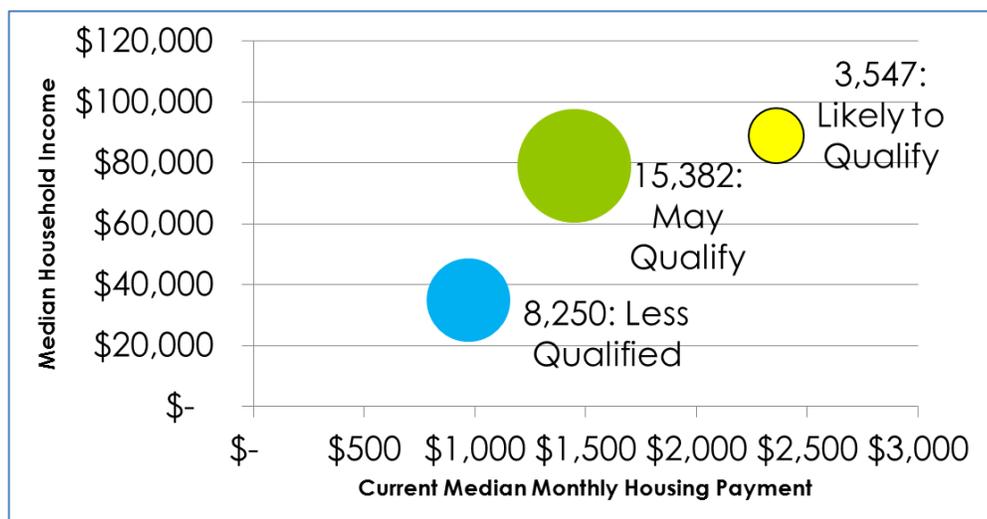
SMS has developed a model to better estimate the number of DHHL households that could potentially qualify for financing. The following are the criteria used to segment applicants.

Table 18. Model of Ability to Finance a House

	Three Categories based on Likelihood to Qualify for Financing		
	Less Qualified	May be Qualified	Likely to be Qualified
Homeownership	Mostly rent	Split own & rent	Mostly Own
Monthly housing cost	<\$700	\$700 to \$1,700	>\$1,700
HH Earnings	<\$40,000/year	>\$40,000/year	>\$60,000/year & own home
Available Savings or Down payment	<\$5,000	>\$5,000 &/or own other property	Available home equity (house paid off or own 10+ years)
Rejected for mortgage	>2 times or never applied	2 or fewer times	2 or fewer times
Employment	No adults employed fulltime	At least one adult employed fulltime	At least one adult employed fulltime
Access to special financing	None	Yes, for example VA or Farmer's	

The three categories are: Less Qualified, May be Qualified and Highly Qualified. Note that there are many ways to segment applicants – we believe this is a simple method to highlight the differences based on ability to financially accept a DHHL Turn-key award. Based on the criteria above the likelihood to qualify for financing may be very difficult for the Less Qualified 31 percent of applicant households (8,250) and uncertain for the May be Qualified 56 percent of applicant households (15,382). The 3,547 households (14%) are very likely to qualify for financing.

Figure 13. Size of Financial Capability Segments



Less Qualified applicants were typically those who are currently renting their residence (66%) for a very low rate, have a household income below the minimum required to qualify for a loan (82.8%)², have little or no money in savings (94.3%) or available to put toward a down payment (83.7%). Some applicants included in this segment have been offered an award in the past but were unable to accept due to insufficient income or savings. More than 30 percent of applicants (30.5%) were identified as members of the Less Qualified segment.

Likely to Qualify applicants were generally those who currently own their home (88.5%) and have either paid off their mortgage (76.8%) or pay a monthly mortgage equal to or greater than \$1,247. Also included in this segment were those applicants with annual household incomes of \$200,000 or more, current homeowners with more than 10 years in their current unit who earn more than \$60,000 per year, and those with one Homestead family in their household who currently pay more than \$1,700 per month for housing expenses. Likely to Qualify applicants accounted for 13 percent of the total applicant pool.

The remainder of the applicants (56.5%) was categorized as May be Qualified. For members of this segment, their ability to afford a DHHL home is somewhat questionable. Either their financial ability was just above the minimum requirements, or they had one or more risk factors (such as multiple mortgage rejections in the past or an expressed preference for an affordable rental unit).

² The minimum annual income required to qualify for a mortgage of \$237,300 (\$242,300 base price less the \$5,000 down payment) is approximately \$59,400.

Although some May be Qualified applicants do not have the necessary funds in savings readily available to put toward a down payment (25.8%), other factors such as access to special financing options (27.7%) and real estate ownership (54.3%) and should be considered. The equity in these other real estate holdings could potentially be leveraged if necessary to obtain the funds for a down payment. Programs such as VA loans, special financing offered to government employees, and Farmer’s Home Loans might offer these applicants an alternative to a traditional bank-financed mortgage and allow them to qualify for an award.

Applicant households in the Less Qualified group may never qualify for financing for a Turn-key house, particularly the older members of the group, even though 65 percent consider that their first choice. Thirty-six percent of these households consider “financing” the most important characteristic of a DHHL award. If they could not qualify for a Turn-key award, their top “second choice” would be a town house (11%), a rent-to-buy (8%) or an affordable rental (8%). Note that eight percent of Less Qualified households would consider an affordable rental as their first choice and together with the eight percent who would choose that option as a second choice if they don’t qualify for a Turn-key that would be a total of 16 percent who might consider an affordable rental as an option. Households in this group have been on an applicant list for an average of 15.25 years, lower than other categories because of the larger 18 percent being on the list for less than five years.

Fifty-nine percent of households who are Likely to Qualify also want a Turn-key residential award, followed by 18 percent desiring a parcel to farm and 14 percent wanting a lot with infrastructure but no house. The challenge with this group is that 65 percent of them consider “location” to be the most important characteristic for their DHHL award. Most of these households already are homeowners, therefore the house and community they would want would likely have to be better than what they currently own. The longer average time on the list of 18.8 years, with 46 percent on the list for more than 20 years, even though they are likely to qualify to finance an award, is another indication that factors other than financing are keeping them from accepting an award.

Table 19. Ability to Finance a House Segments by Time on Applicant List

	Applicant Segmentation Based on Qualification for an Award						Total	
	Less qualified		May be qualified		Likely to qualify			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Time on Wait List								
Less than 5 years	926	18.0%	2,257	12.4%	427	10.9%	3,609	13.3%
6 to 10 years	1,390	27.1%	4,877	26.8%	748	19.1%	7,015	25.8%
11 to 15 years	697	13.6%	2,280	12.5%	482	12.3%	3,459	12.7%
16 to 20 years	505	9.8%	2,253	12.4%	487	12.4%	3,245	11.9%
21 to 30 years	1,311	25.5%	5,605	30.8%	1,519	38.7%	8,434	31.0%
More than 30 years	305	5.9%	905	5.0%	261	6.7%	1,471	5.4%
Group Total	5,134	100.0%	18,176	100.0%	3,924	100.0%	27,233	100.0%
Average	15.25 years		16.58 years		18.83 years			

For DHHL to meet the needs of its applicants, an understanding of the segments within the applicant groups may be important.

APPENDIX A – HOMESTEAD LOCATIONS

Figure A-1. Map of DHHL Homesteads, O'ahu

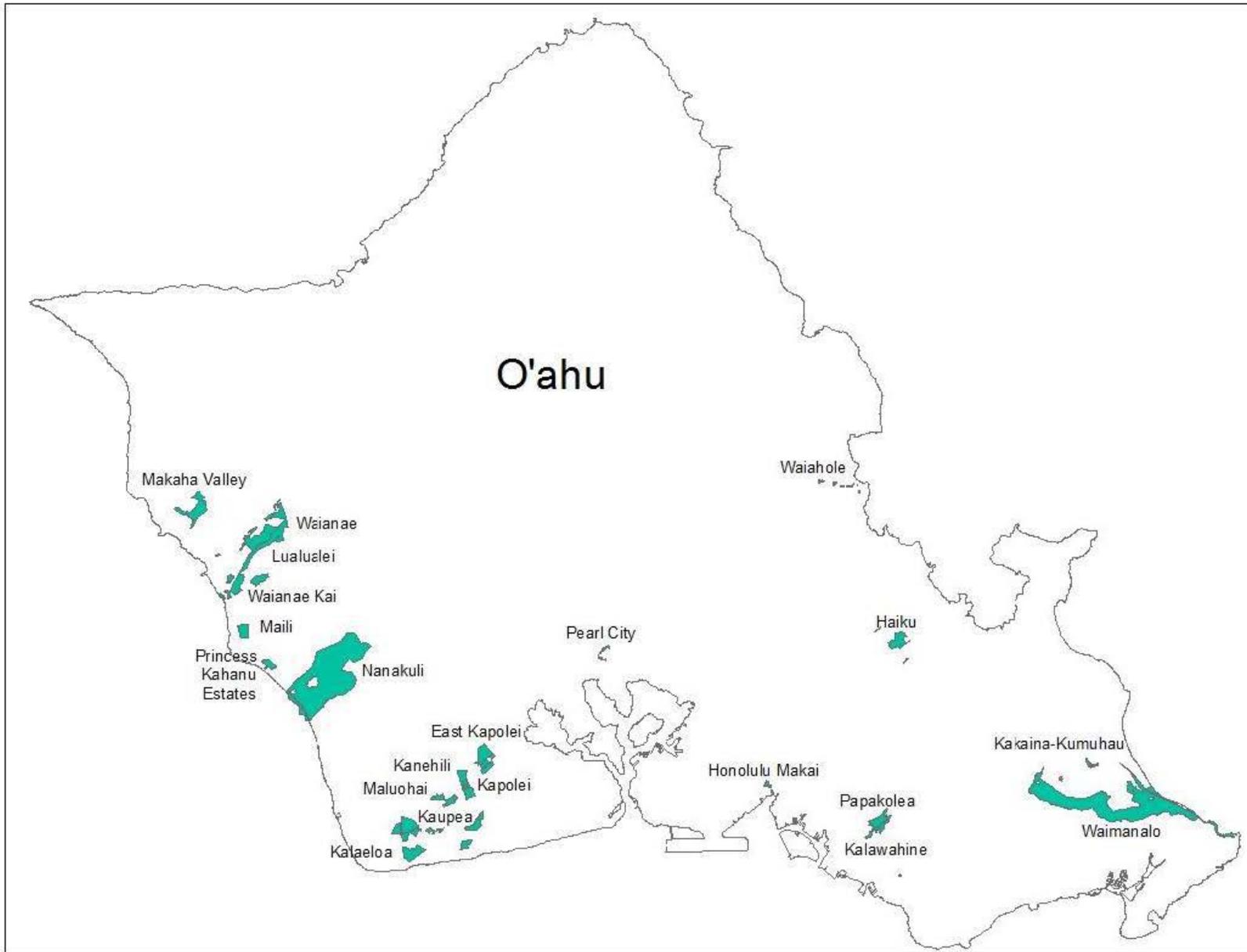


Figure A-2. Map of DHHL Homesteads, Maui County

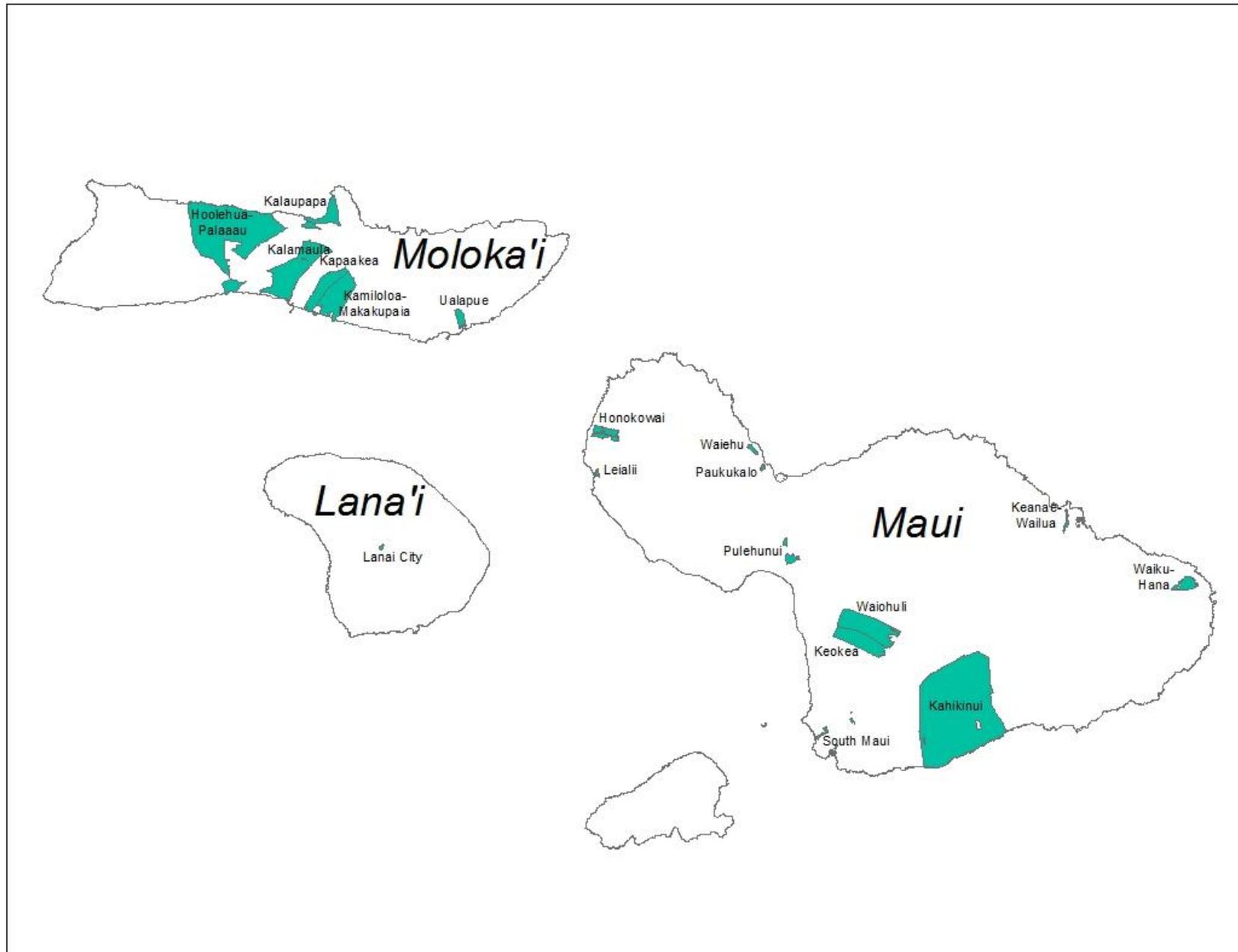


Figure A-3. Map of DHHL Homesteads, Kaua'i

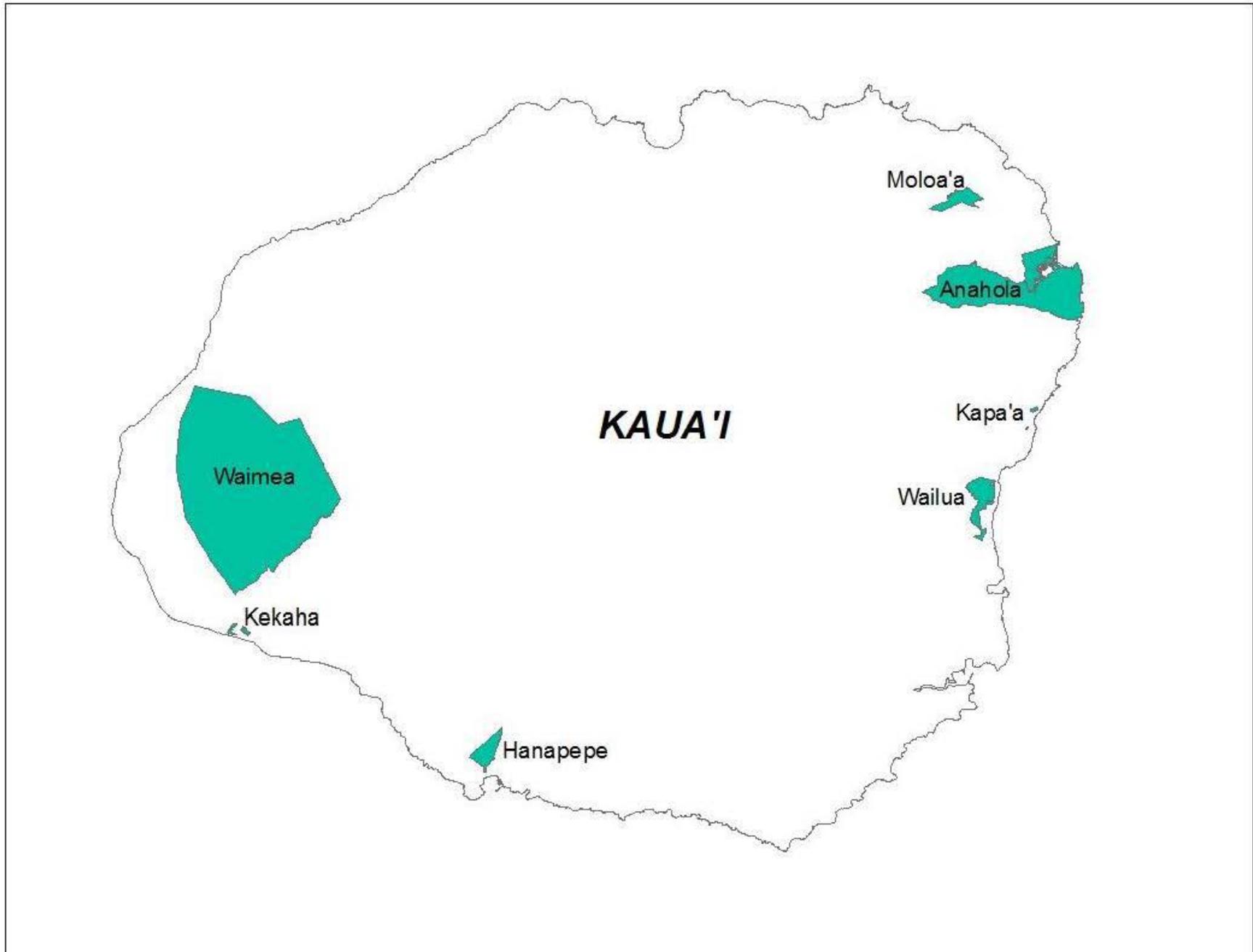
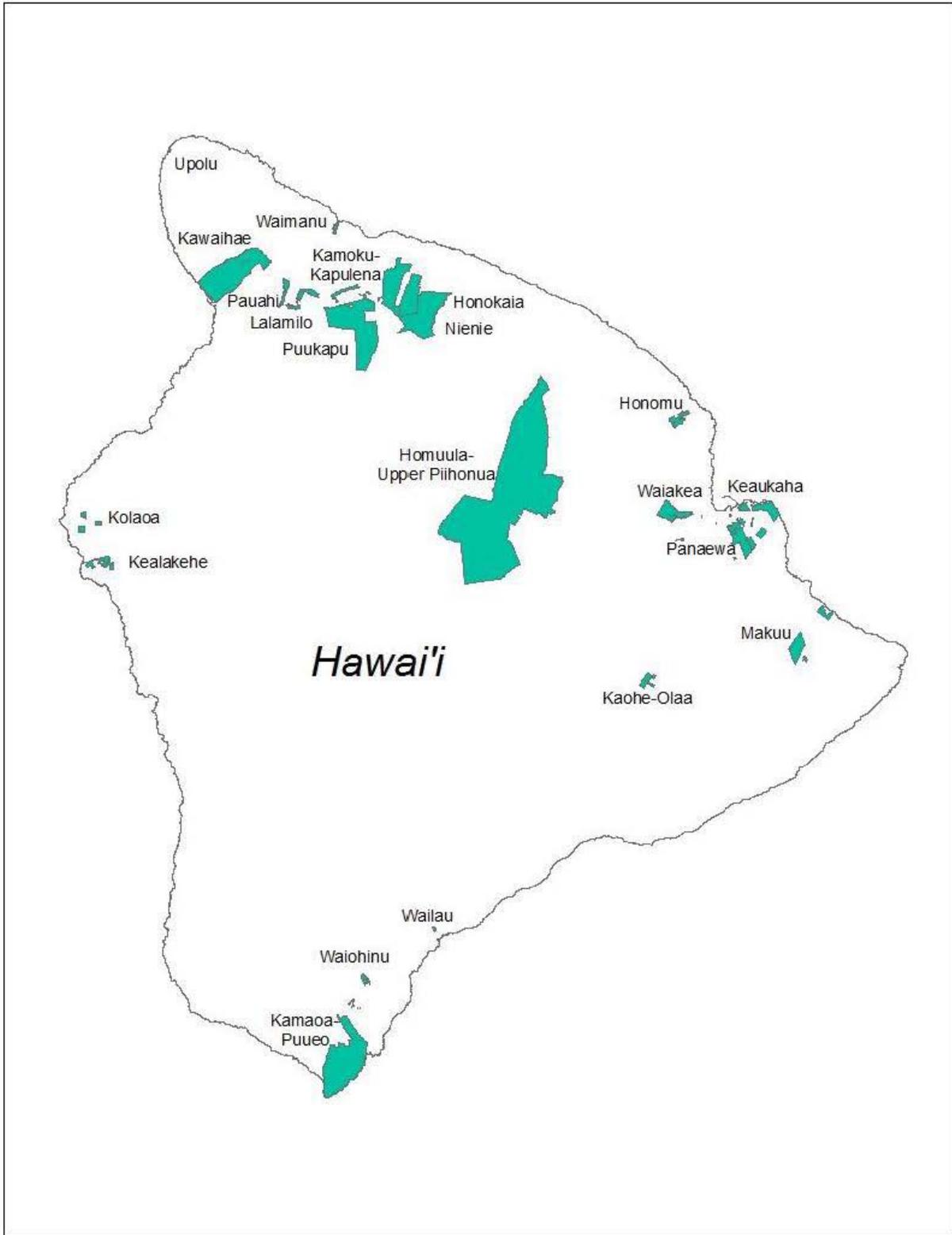


Figure A-4. Map of DHHL Homesteads, Hawai'i



APPENDIX B – SURVEY INSTRUMENT



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
P. O. BOX 1879
HONOLULU, HAWAII 96805

August 1, 2014

<FIRST_NAME> <LAST_NAME> <SUFFIX>
<STREET>
<CITY>, <STATE> <ZIP>

Dear Hawaiian Home Lands Applicant:

The Department of Hawaiian Home Lands (DHHL) continues to search for ways to manage and make more of our Hawaiian homelands available for productive uses by our native Hawaiian beneficiaries. This study is conducted periodically and occurs approximately every five years. The first step is to gather some information from everyone who is currently an applicant. Please fill out this questionnaire and send it back to us via the enclosed pre-paid envelope. You may also complete the survey on the internet at the following address:

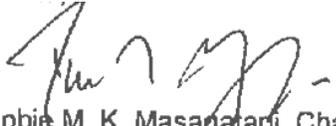
<http://web.smshawaii.com/DHHLApplicantSurvey/login.html>

Your access code:

Part of the information on the form is to update your records. We want to make certain we have correct information in order to serve you properly. The other questions will be used to make plans to better serve your communities. SMS Research has been contracted to conduct the survey to gather information from applicants and another survey is being conducted with lessees. Individual replies are strictly confidential. If you have any questions regarding this survey, you can call Faith Sereno Rex of SMS Research at (808) 537-3356. If you have questions regarding DHHL, please call Bob Freitas at (808) 620-9484.

Please take the time to read the instructions and answer the questions that apply to you and return the completed survey by **September 19, 2014** in the enclosed postage-paid envelope.

Aloha,


Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

Enc.



2014 DHHL APPLICANT SURVEY

1. Do you currently live on DHHL land?

- Yes
- No

2. What list(s) are you signed up for? (FILL IN THE CIRCLES FOR ALL THAT APPLY)

	Oahu	Maui	Hawaii	Kauai
Residential	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Agricultural	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pastoral	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. Including yourself, how many people live in your household including children?

		People
--	--	--------

4. How many people in your household are related to you by birth, marriage, or adoption (hanai)?

		People
--	--	--------

5. How many families live in your household?

		Families
--	--	----------

6. How many years have you lived in this housing unit?

		Years
--	--	-------

7. How many bedrooms and bathrooms are in your home?

		Bedrooms
--	--	----------

		Bathrooms
--	--	-----------

8. What kind of housing unit do you live in now?

- Single-family detached unit
- Duplex or townhouse
- Apartment.....
- Condominium
- Public assisted housing
- Other (specify) _____

9. Do you own or rent your current home?

- Own.....
- Rent
- Sharing with others, no rent
- Occupy without rent payments

10. What is the total monthly payment for rent or mortgage for this housing unit?

- Home paid for, no mortgage payment.....
- No rent paid
- Less than \$300.....
- \$300 to \$499
- \$500 to \$699
- \$700 to \$999
- \$1,000 to \$1,199
- \$1,200 to \$1,499
- \$1,500 to \$1,699
- \$1,700 to \$1,899
- \$1,900 to \$2,099
- \$2,100 to \$2,299
- \$2,300 to \$2,499
- \$2,500 or more
- Don't know/Refused.....

11. Currently, what is the condition of your house?

- Excellent.....
- OK.....
- Needs minor repairs.....
- Needs major repairs.....

In this survey we define Homestead Family as all the people who will move with you to your Awarded Homestead land.

12. If you were to move into a home on DHHL land, how many members of this household (including yourself), would move with you?

		People
--	--	--------

13. How many members of your homestead family are under 18 or over 70 years of age?

		People under age 18
		People over age 70

14. How many bedrooms & bathrooms will you need in your new home?

		Bedrooms
		Bathrooms

15. How many adults in your homestead family are employed fulltime or part time? (WRITE NUMBER IN BOX) If no one is employed please skip to Q.17

		ADULTS Employed full time
		ADULTS Employed part time

16. Indicate whether any adults in your homestead family are employed in any of the following industries. Mark separately for full-time and part-time employment. (CHECK ALL THAT APPLY).

	Adults employed full time	Adults employed part time
Agriculture, forestry, fishing & hunting & mining	<input type="radio"/>	<input type="radio"/>
Construction	<input type="radio"/>	<input type="radio"/>
Manufacturing	<input type="radio"/>	<input type="radio"/>
Wholesale trade	<input type="radio"/>	<input type="radio"/>
Retail trade	<input type="radio"/>	<input type="radio"/>
Transportation, warehousing & utilities	<input type="radio"/>	<input type="radio"/>
Information	<input type="radio"/>	<input type="radio"/>
Finance & insurance, real estate, rental & leasing	<input type="radio"/>	<input type="radio"/>
Professional, scientific, management and administrative	<input type="radio"/>	<input type="radio"/>
Educational services	<input type="radio"/>	<input type="radio"/>
Health care & social assistance	<input type="radio"/>	<input type="radio"/>
Hotel & accommodations & food services	<input type="radio"/>	<input type="radio"/>
Arts, entertainment & recreation	<input type="radio"/>	<input type="radio"/>
Public administration	<input type="radio"/>	<input type="radio"/>
Other services	<input type="radio"/>	<input type="radio"/>

17. In 2013, what was the total income of all the people in your Homestead family?

- Less than \$20,000
- \$20,000 to \$24,999
- \$25,000 to \$29,999
- \$30,000 to \$34,999
- \$35,000 to \$39,999
- \$40,000 to \$44,999
- \$45,000 to \$49,999
- \$50,000 to \$59,999
- \$60,000 to \$69,999
- \$70,000 to \$79,999
- \$80,000 to \$89,999
- \$90,000 to \$99,999
- \$100,000 to \$124,999
- \$125,000 to \$149,999
- \$150,000 to \$199,999
- \$200,000 or more
- Don't know/Refused

18. How many times have you applied for a home mortgage?

- Never applied
- Applied & received mortgage
- Applied and was turned down
- Applied and did not accept mortgage

19. Since you first applied for a Homestead Lease Award from DHHL, how many times have you... (WRITE THE NUMBER IN THE SPACE PROVIDED)

Been offered a Homestead Lease Award?	<input type="text"/>	<input type="text"/>
Turned down a Homestead Lease award?	<input type="text"/>	<input type="text"/>
Could not qualify for a home on a Lease award?	<input type="text"/>	<input type="text"/>

20. If you were offered and turned down a Homestead

Lease Award, what was the reason you turned down your last award? (CHECK ALL THAT APPLY)

- Was not ready to accept award
- Did not like the location of award
- Did not like the unit offered
- Income too low to qualify for a mortgage
- No savings for down payment
- Price too high
- Would have to relocate & find a new job
- Other (specify) _____

21. If you were to be offered a Homestead Lease Award in 2015, which of the following types of property would you most like to receive?

	1 st Choice	2 nd Choice	3 rd Choice
Lot with water, sewer, but no house	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Turn-Key (Lot with Single-family house on it)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Town home in a duplex or four-plex	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Condominium apartment I own	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Apartment suited for senior citizens	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A rental unit with an option	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
An affordable rental unit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parcel of land that I can farm	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(FILL IN THE CIRCLE NEXT TO YOUR FIRST CHOICE [1]. THEN FILL IN YOUR SECOND CHOICE [2] IN THE SECOND COLUMN. THEN FILL IN YOUR THIRD CHOICE [3] IN THE THIRD COLUMN.)

22. When considering a future award, which of the following is the most important to you? (CHOOSE JUST ONE)

- The location of the community
- The price
- The financing of the house
- The style of the house offered
- The design of the community

23. What do you intend to do with the award in the future?

- Pass it on to my children or relatives
- Return it to DHHL
- Sell it to someone else
- Transfer it to someone else
- Just hold on to it
- Will not accept award
- Don't know/Refused
- Other (specify below)

24. Considering all your interactions with DHHL in the last year, which statement below best describes your communications with them?

- Excellent. They really try to help
- Good. They do their jobs pretty well
- Fair. They don't go out of their way to help
- Poor. They don't care about my problems
- Have not spoken with anyone at DHHL in the past year
- Don't know/Refused.

25. Is your Native Hawaiian blood quantum status qualified by the Department, or is a decision still pending?

- Decided
- Pending
- Don't know/Refused

26. What is your current marital status?

- Married
- Never married
- Separated
- Divorced
- Widowed

27. What is your gender?

- Male
- Female

28. What was your age on your last birthday?

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Years old

29. Do you have a computer in your house?

- Yes
- No (SKIP TO Q33)

30. Is it connected to the Internet?

- Yes
- No

31. Do you or another member of your household use the computer to send emails or access websites through the Internet?

- Me alone
- Me and others
- Others, not me
- No one
- Don't know/Refused

32. What is your current e-mail address? (This will only be used to update the DHHL Lessee Database and future research.)

33. Can DHHL follow up with you for additional research and information?

- Yes
- No

Mahalo! Please return the completed survey in the prepaid return envelope provided.

APPENDIX C – ADDITIONAL DATA TABLES

Table C-1. Applicant Household Characteristics by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Household Size									
1 to 2 people	30.3%	27.1%	23.3%	44.6%	26.6%	65.0%	68.6%	9.7%	27.1%
3 to 4 people	29.5%	33.6%	34.1%	33.5%	42.9%	29.0%	24.6%	3.9%	25.3%
5 to 6 people	23.5%	25.2%	33.3%	11.7%	24.6%	2.6%	2.7%	4.0%	17.8%
7 or more	16.7%	14.2%	9.3%	10.2%	5.9%	3.4%	4.1%	9.5%	10.4%
Not reported								72.9%	19.4%
Household Members Under Age 18									
None	35.6%	34.5%	33.1%	58.2%	45.4%	65.8%	59.6%	34.6%	40.0%
One member	19.8%	18.7%	27.6%	18.1%	24.1%	18.0%	14.3%	18.6%	21.2%
Two members	16.9%	23.0%	21.3%	11.9%	15.2%	11.0%	16.9%	19.5%	18.4%
Three members	14.1%	12.8%	11.3%	6.8%	11.0%	3.1%	6.4%	14.3%	11.5%
Four or more members	13.6%	11.0%	6.7%	5.0%	4.3%	2.2%	2.8%	13.0%	9.0%
Household Members Over Age 70									
None	67.5%	67.0%	68.7%	70.7%	65.8%	45.8%	53.6%	74.7%	68.2%
One member	19.3%	21.3%	16.4%	16.2%	18.2%	16.8%	30.1%	15.8%	17.6%
Two members	9.4%	9.3%	11.6%	11.1%	15.1%	36.7%	12.4%	7.9%	11.7%
Three members	1.3%	0.6%	1.4%	1.2%	0.5%	0.6%	2.7%	0.6%	1.0%
Four or more members	2.6%	1.7%	1.9%	0.8%	0.4%		1.1%	1.1%	1.4%
Adults employed full time									
None	24.8%	10.4%	7.0%	5.0%	3.2%	33.8%	10.4%	5.7%	10.2%
1-2 adults	67.6%	78.0%	74.3%	74.3%	74.4%	53.5%	65.2%	73.9%	72.5%
3-5 adults	7.1%	11.6%	17.6%	20.1%	21.7%	12.1%	24.4%	18.4%	16.3%
6 or more adults	0.5%		1.1%	0.6%	0.7%	0.6%		2.0%	0.9%
Adults employed part time									
None	41.0%	45.5%	48.9%	42.7%	48.6%	68.2%	49.2%	66.9%	52.3%
1-2 adults	56.8%	52.6%	49.0%	54.8%	48.8%	30.9%	46.7%	32.0%	45.8%
3-5 adults	1.7%	1.8%	1.9%	2.5%	2.6%	0.9%	4.2%	1.1%	1.7%
6 or more adults	0.5%	0.1%	0.2%						0.1%

Table C-2. Applicant Employment Industry by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %	
Adults in household employed full-time									
Agri./forestry/fishing/hunting/mining	3.4%	3.1%	3.5%	1.7%	2.3%	4.4%	9.1%	4.5%	3.3%
Arts/entertainment/recreation	3.3%	2.7%	3.3%	3.1%	4.0%	2.4%	3.7%	4.5%	3.3%
Construction	19.9%	19.0%	27.8%	28.4%	17.0%	13.4%	24.2%	24.4%	24.0%
Educational services	12.6%	9.4%	15.8%	26.6%	14.1%	14.4%	13.2%	16.4%	16.4%
Finance/ins./real estate/rental/leasing	2.8%	6.1%	5.6%	8.2%	11.0%	8.9%	10.3%	6.2%	6.6%
Health care/social assistance	13.5%	13.8%	15.2%	15.4%	15.2%	13.1%	21.5%	19.0%	15.3%
Hotel/accommodations/food services	12.0%	14.0%	13.0%	11.7%	15.0%	13.2%	9.1%	19.9%	13.4%
Information	0.4%	1.1%	0.7%	1.4%	1.4%	1.0%	2.3%	1.1%	1.0%
Manufacturing	2.6%	2.8%	2.3%	3.4%	4.0%	3.2%	3.0%	1.6%	2.7%
Other services	29.6%	35.6%	33.4%	28.6%	36.5%	32.7%	29.2%	38.9%	32.9%
Prof./scientific/mgmt./admin.	3.7%	7.0%	14.6%	24.7%	17.7%	24.1%	16.2%	10.2%	14.6%
Public administration	6.2%	4.5%	5.7%	7.4%	8.0%	8.1%	6.2%	5.0%	6.1%
Retail trade	12.6%	14.9%	10.7%	6.5%	10.6%	7.2%	11.2%	14.0%	10.8%
Transportation/warehousing/utilities	11.1%	19.0%	17.9%	18.2%	15.6%	16.6%	13.9%	20.1%	17.3%
Wholesale trade	4.2%	2.1%	2.4%	2.6%	1.9%	2.9%	4.3%	4.2%	2.8%
Adults in household employed part-time									
Agri./forestry/fishing/hunting/mining	7.8%	8.6%	4.5%	5.4%	11.9%	5.9%	12.2%	4.7%	6.6%
Arts/entertainment/recreation	7.0%	4.9%	6.9%	16.6%	9.9%	13.6%	8.4%	8.6%	8.9%
Construction	11.3%	9.8%	7.0%	10.9%	7.4%	4.8%	3.8%	6.8%	8.7%
Educational services	15.3%	19.6%	18.5%	14.7%	15.9%	14.7%	18.3%	13.6%	16.7%
Finance/ins./real estate/rental/leasing	2.2%	2.6%	3.7%	4.1%	1.4%	4.0%	3.8%	1.7%	3.0%
Health care/social assistance	8.6%	10.0%	10.1%	9.4%	12.8%	5.9%	13.7%	9.7%	9.7%
Hotel/accommodations/food services	12.9%	16.9%	12.9%	7.5%	17.3%	14.7%	8.4%	9.4%	12.5%
Information	2.0%	2.3%	0.4%	0.2%				2.0%	1.1%
Manufacturing	2.6%	0.3%	1.4%	0.5%	0.9%			1.5%	1.2%
Other services	38.1%	27.1%	27.4%	19.1%	18.2%	22.1%	12.2%	33.6%	27.6%
Prof./scientific/mgmt./admin.	2.7%	3.1%	3.2%	7.0%	9.7%	5.9%	3.8%	5.2%	4.4%
Public administration	1.8%	3.1%	2.3%	2.9%	6.0%	2.9%	6.1%	5.2%	3.0%
Retail trade	14.7%	13.8%	13.4%	9.7%	11.9%	5.9%	9.9%	12.1%	12.5%
Transportation/warehousing/utilities	9.3%	6.7%	10.0%	7.1%	8.2%	11.0%	3.8%	5.5%	8.2%
Wholesale trade	3.3%	1.3%	1.4%	1.2%	1.4%		2.3%	2.7%	1.8%

Table C-3. Applicant Household Income by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Household Income									
Less than \$20,000	46.0%							2.2%	7.6%
\$20,000 to \$24,999	25.0%	4.5%						0.7%	4.8%
\$25,000 to \$29,999	13.5%	12.0%						1.3%	4.0%
\$30,000 to \$34,999	7.5%	19.1%	0.6%					1.6%	4.3%
\$35,000 to \$39,999	4.8%	16.8%	3.7%					1.5%	4.5%
\$40,000 to \$44,999	2.7%	14.4%	6.3%	0.6%				1.1%	4.7%
\$45,000 to \$49,999	0.5%	11.2%	10.0%	3.6%				1.1%	5.5%
\$50,000 to \$59,999		10.8%	15.3%	4.7%	1.6%			5.7%	7.5%
\$60,000 to \$69,999		7.6%	16.9%	9.1%	1.0%			3.6%	8.1%
\$70,000 to \$79,999		2.9%	14.5%	8.2%	9.6%	1.2%		5.9%	7.3%
\$80,000 to \$89,999		0.8%	10.5%	11.1%	11.3%	4.2%		2.5%	6.4%
\$90,000 to \$99,999			7.1%	18.3%	15.9%	31.5%	0.9%	3.0%	8.5%
\$100,000 to \$124,999			9.8%	17.6%	8.8%	21.1%	1.8%	7.5%	8.4%
\$125,000 to \$149,999			3.9%	10.7%	10.2%	7.7%	1.8%	3.9%	4.5%
\$150,000 to \$199,999			1.4%	8.2%	6.6%	6.6%	16.6%	5.7%	3.5%
\$200,000 or more			0.1%	4.6%	2.5%	9.4%	9.8%	0.7%	1.9%
Don't know/Refused				3.4%	32.4%	18.4%	69.0%	51.8%	8.6%

Table C-4. Applicant Housing Unit Characteristics by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Tenure									
Own	24.6%	35.4%	51.7%	64.4%	62.2%	81.2%	62.2%	53.1%	50.2%
Rent	60.0%	53.6%	36.2%	28.9%	29.0%	13.6%	27.7%	34.3%	39.0%
Sharing with others no rent	7.1%	6.3%	9.2%	3.3%	3.5%	2.6%	3.7%	6.2%	6.3%
Occupy w/o payment	8.2%	4.7%	2.9%	3.4%	5.3%	2.5%	6.5%	6.4%	4.6%
Unit Type									
Single-family detached unit	48.4%	57.4%	66.4%	66.8%	69.1%	80.5%	62.5%	46.1%	58.5%
Duplex or townhouse	9.5%	12.8%	9.6%	10.6%	11.5%	5.0%	5.0%	14.3%	11.1%
Apartment	17.6%	15.2%	10.5%	6.1%	7.1%	4.0%	6.8%	6.3%	9.6%
Condominium	1.8%	1.5%	4.7%	1.7%	2.8%	3.2%	5.0%	2.2%	2.7%
Public assisted housing	6.4%	1.7%	0.4%	0.3%	0.4%		3.6%	1.5%	1.6%
Other (specify)	13.8%	9.1%	6.4%	13.0%	6.1%	4.3%	12.7%	4.0%	7.9%
Not reported	2.5%	2.4%	2.1%	1.6%	3.0%	3.0%	4.5%	25.7%	8.5%
Number of Bedrooms									
One bedroom	18.7%	10.4%	6.6%	12.8%	5.2%	6.4%	18.6%	8.1%	10.2%
Two bedrooms	21.5%	23.0%	18.7%	14.5%	15.7%	14.5%	19.6%	14.8%	17.9%
Three bedrooms	37.4%	41.3%	46.5%	43.5%	45.2%	40.3%	37.6%	50.1%	44.4%
Four or more bedrooms	22.3%	25.3%	28.2%	29.2%	33.9%	38.7%	24.2%	26.8%	27.5%
Not Reported								0.2%	0.0%
Number of bathrooms									
One bathroom	49.5%	43.0%	30.7%	28.0%	22.8%	13.0%	31.5%	24.0%	31.1%
Two bathrooms	35.5%	41.8%	50.1%	49.5%	51.8%	38.0%	40.8%	39.9%	43.8%
Three bathrooms	6.3%	9.1%	12.0%	15.2%	16.3%	18.2%	16.4%	8.1%	11.0%
Four or more bathrooms	1.6%	1.0%	1.6%	2.4%	1.7%	1.8%	4.5%	1.6%	1.7%
Not reported	7.1%	5.1%	5.6%	4.9%	7.4%	29.0%	6.9%	26.3%	12.4%
Years in Unit									
Less than 2 years	13.7%	10.7%	8.2%	6.3%	8.1%	3.5%	11.7%	14.2%	10.4%
2 to 5 years	23.2%	25.6%	23.9%	24.4%	17.0%	11.7%	15.0%	22.5%	22.6%
6 to 10 years	18.3%	20.2%	18.1%	17.5%	17.9%	15.7%	16.6%	9.4%	15.8%
11 to 20 years	19.4%	19.7%	21.3%	23.4%	26.1%	19.1%	20.0%	12.9%	19.0%
more than 20 years	20.1%	21.8%	26.0%	25.7%	26.3%	24.0%	30.4%	15.5%	21.9%
Not reported	5.3%	2.0%	2.5%	2.7%	4.6%	25.9%	6.4%	25.6%	10.3%

Table C-5. Applicant Housing Unit Characteristics by HUD Income Categories (continued)

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Condition of Unit									
Excellent	17.2%	21.0%	28.5%	32.0%	31.2%	54.4%	35.7%	6.2%	22.3%
OK	35.7%	36.6%	32.9%	39.0%	31.1%	26.9%	36.6%	9.3%	27.9%
Needs minor repairs	28.2%	27.3%	24.9%	22.0%	25.3%	12.7%	15.4%	8.1%	20.0%
Needs major repairs	16.7%	13.7%	12.6%	6.3%	10.0%	4.6%	9.6%	3.8%	9.5%
Not reported	2.2%	1.4%	1.1%	0.7%	2.4%	1.4%	2.6%	72.6%	20.4%
Current Monthly Payment									
Home paid for	10.6%	12.4%	14.6%	11.9%	8.6%	34.7%	15.9%	5.5%	11.8%
No rent paid	6.2%	4.4%	2.7%	3.8%	2.2%	1.7%	5.5%	1.2%	3.1%
Less than \$300	7.0%	1.6%	1.1%	0.7%	1.2%	0.8%	3.6%	1.7%	2.0%
\$300 to \$499	13.0%	5.5%	2.2%	2.2%	3.3%	2.4%	3.6%	0.8%	3.7%
\$500 to \$699	12.8%	9.3%	5.0%	3.9%	4.2%	2.3%	4.5%	2.5%	5.5%
\$700 to \$999	17.5%	16.8%	15.9%	8.2%	8.5%	6.4%	6.8%	3.1%	10.7%
\$1,000 to \$1,199	9.4%	14.9%	10.8%	8.7%	10.1%	7.0%	6.9%	1.4%	8.0%
\$1,200 to \$1,499	8.4%	14.4%	15.6%	20.3%	14.4%	8.3%	6.8%	2.2%	11.0%
\$1,500 to \$1,699	3.6%	5.7%	7.1%	8.1%	9.1%	6.2%	6.8%	1.5%	5.2%
\$1,700 to \$1,899	1.6%	4.0%	7.4%	6.2%	6.7%	3.0%	5.4%	0.6%	4.0%
\$1,900 to \$2,099	1.5%	2.5%	4.6%	5.0%	5.5%	3.8%	2.3%	0.7%	2.9%
\$2,100 to \$2,299	1.2%	2.8%	3.6%	5.6%	3.4%	5.3%	1.8%	0.9%	2.8%
\$2,300 to \$2,499	1.0%	1.2%	2.9%	3.8%	3.3%	2.3%	4.5%	0.8%	2.0%
\$2,500 or more	1.4%	1.7%	4.9%	9.4%	9.1%	10.4%	9.5%	1.2%	4.3%
Not Reported	4.8%	2.7%	1.8%	2.3%	10.4%	5.3%	16.1%	75.9%	23.0%

Table C-6. Applicant Award Preferences by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Applicant or Applicant/Lessee									
Applicant Only	77.9%	78.9%	84.8%	83.4%	80.2%	86.7%	83.3%	85.1%	83.0%
Applicant and Lessee	17.8%	20.2%	14.6%	15.1%	18.4%	12.7%	14.5%	12.4%	15.2%
Not Reported	4.3%	0.9%	0.6%	1.5%	1.4%	0.6%	2.2%	2.5%	1.8%
Type of DHHL Application									
Residential	53.9%	58.5%	59.4%	50.0%	57.6%	33.0%	41.2%	59.6%	55.6%
Agricultural	28.8%	24.4%	28.7%	27.0%	25.2%	28.8%	33.3%	32.2%	28.8%
Pastoral	13.6%	13.2%	9.3%	21.7%	14.2%	36.3%	20.0%	5.5%	12.8%
Not Reported	3.6%	3.9%	2.7%	1.3%	3.0%	1.8%	5.5%	2.6%	2.8%
Preferred Island									
Oahu	53.3%	58.3%	59.4%	47.0%	47.7%	24.7%	25.8%	53.8%	52.3%
Maui	12.2%	12.3%	14.5%	22.5%	9.8%	10.7%	6.9%	24.9%	17.2%
Hawaii	23.8%	18.5%	18.0%	25.2%	31.9%	55.5%	53.6%	8.4%	20.5%
Kauai	7.0%	7.0%	5.4%	3.9%	7.7%	7.2%	8.1%	10.4%	7.2%
Not Reported	3.6%	3.9%	2.7%	1.3%	3.0%	1.8%	5.5%	2.5%	2.7%
Preferred Bedrooms in Next Unit									
One bedroom	5.0%	0.9%	0.6%	0.7%	1.4%	1.8%	1.9%	1.6%	1.6%
Two bedrooms	18.8%	13.1%	11.6%	9.6%	9.7%	9.2%	18.3%	13.4%	12.8%
Three bedrooms	36.9%	42.0%	37.1%	42.8%	42.0%	63.5%	42.6%	29.4%	38.6%
Four bedrooms	30.1%	32.1%	40.0%	38.9%	40.1%	20.3%	31.1%	44.4%	37.3%
Five+ bedrooms	9.2%	11.9%	10.6%	7.9%	6.7%	5.1%	6.1%	11.2%	9.7%
Preferred Bathrooms in Next Unit									
One bathroom	16.7%	8.4%	6.2%	4.0%	4.0%	3.9%	8.3%	10.7%	8.3%
Two bathrooms	69.1%	72.8%	72.7%	74.7%	71.5%	79.7%	65.4%	65.9%	71.2%
Three bathrooms	12.0%	18.0%	19.0%	19.4%	21.7%	15.1%	24.0%	20.5%	18.4%
Four+ bathrooms	2.2%	0.8%	2.1%	2.0%	2.8%	1.2%	2.4%	3.0%	2.1%

Table C-7. Previous Award Offers and Considerations by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Number of Times Offered a Homestead Land Award									
None	56.4%	58.2%	54.2%	58.0%	44.7%	28.3%	40.7%	43.1%	50.9%
Once	20.2%	20.4%	19.5%	19.7%	29.0%	49.6%	21.7%	28.9%	24.0%
Twice	6.4%	7.3%	13.4%	6.6%	6.6%	4.2%	6.8%	6.4%	8.3%
3 times	4.2%	3.0%	4.0%	2.8%	6.4%	6.0%	8.2%	11.5%	5.7%
4 times	3.4%	3.4%	1.8%	2.5%	2.7%	2.5%	6.9%	2.4%	2.6%
5 to 9 times	5.4%	5.2%	4.9%	5.3%	5.6%	4.1%	6.8%	4.6%	5.0%
10+ times	4.1%	2.4%	2.3%	5.1%	5.2%	5.2%	8.9%	3.1%	3.5%
Number of Times Turned Down a Homestead Land Award									
None	65.8%	68.7%	61.1%	67.0%	53.5%	52.2%	46.4%	76.3%	66.2%
Once	10.9%	13.3%	13.1%	11.6%	16.3%	13.1%	15.9%	6.0%	11.1%
Twice	6.0%	6.4%	13.6%	5.3%	8.4%	7.0%	6.5%	3.5%	7.5%
3 times	4.9%	2.0%	3.2%	3.3%	5.7%	9.1%	9.1%	8.6%	5.0%
4 times	2.8%	2.9%	1.3%	2.9%	3.9%	3.7%	6.9%	1.6%	2.3%
5 to 9 times	6.4%	4.4%	5.0%	5.6%	5.7%	7.1%	6.9%	2.5%	4.7%
10+ times	3.2%	2.2%	2.7%	4.4%	6.6%	7.8%	8.4%	1.6%	3.1%
Number of Times Could Not Qualify for a Homestead Land Award									
None	65.2%	79.3%	83.7%	88.5%	84.1%	83.6%	76.4%	80.8%	80.5%
Once	13.6%	9.9%	8.4%	4.9%	6.4%	5.6%	5.9%	13.1%	9.8%
Twice	6.0%	4.3%	3.1%	1.2%	4.5%	6.0%	2.0%	2.3%	3.3%
3 times	4.1%	2.0%	1.1%	1.0%	3.1%	1.4%	6.9%	1.4%	1.9%
4 times	3.3%	0.6%	0.5%	0.6%			2.0%	0.4%	0.9%
5 to 9 times	4.7%	2.8%	1.9%	2.2%	0.4%	2.4%	3.9%	0.9%	2.1%
10+ times	3.0%	1.1%	1.4%	1.6%	1.5%	1.0%	2.9%	1.1%	1.5%
Reasons Turned Down an Award									
Didn't like the location	18.2%	20.7%	27.8%	24.8%	26.4%	22.5%	33.6%	7.7%	19.8%
Did not like the unit offered	7.3%	6.1%	6.9%	8.4%	9.2%	9.0%	11.9%	2.0%	6.1%
Income too low to qualify	34.1%	17.9%	11.0%	7.0%	8.7%	4.8%	16.0%	4.4%	12.1%
No savings for down payment	29.9%	18.7%	18.6%	10.8%	9.1%	5.8%	15.5%	5.1%	14.2%
Price too high	15.7%	12.6%	7.6%	7.8%	7.9%	5.0%	13.2%	3.1%	8.0%
Other reason	18.0%	17.4%	19.9%	13.3%	14.3%	14.5%	15.5%	3.8%	13.5%
Wasn't ready to accept award	14.9%	16.8%	22.4%	17.1%	18.7%	17.5%	25.5%	5.1%	15.1%
Relocate/find a new job	6.7%	7.6%	7.5%	9.0%	12.9%	10.6%	8.2%	2.7%	6.8%
Most Important Consideration for a Future Award									
Community location	30.9%	38.4%	47.6%	64.2%	56.0%	70.6%	62.7%	43.0%	47.7%
Price	25.5%	24.0%	20.4%	16.3%	21.2%	16.1%	14.0%	23.3%	21.2%
Financing of the house	38.8%	34.5%	26.2%	13.3%	15.6%	9.9%	17.7%	23.4%	24.8%
Style of the house offered	2.8%	2.6%	4.3%	3.6%	3.7%	1.9%	3.8%	2.3%	3.2%
Design of the community	2.0%	0.5%	1.6%	2.6%	3.5%	1.5%	1.9%	8.1%	3.2%

Table C-8. Willingness to Accept Awards by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Would you be willing to accept a townhouse or multiplex unit if it meant you could get...									
..into a home with less cost?									
would accept	46.1%	45.6%	52.5%	26.6%	41.2%	11.1%		34.0%	36.3%
would not accept	27.9%	26.4%	18.5%	37.2%	33.2%	56.0%	42.9%	31.4%	30.3%
not sure, depends	23.5%	28.0%	29.0%	36.2%	25.6%	32.9%	57.1%	34.1%	32.9%
Not sure	2.6%							0.5%	0.5%
...into a home closer to town?									
would accept	46.1%	36.8%	49.7%	37.5%	49.5%	11.1%		33.5%	35.6%
would not accept	23.5%	29.7%	25.5%	26.7%	33.2%	23.2%	42.9%	34.2%	32.3%
not sure, depends	27.9%	33.5%	24.8%	35.8%	17.3%	32.9%	57.1%	31.1%	30.7%
Not sure	2.6%					32.9%		1.2%	1.3%
...into a home faster?									
would accept	46.1%	54.4%	38.0%	37.1%	41.2%	11.1%	14.1%	34.6%	36.3%
would not accept	25.8%	13.9%	32.8%	31.8%	41.5%	56.0%	42.9%	31.9%	31.2%
not sure, depends	25.5%	31.7%	29.1%	31.1%	17.3%	32.9%	42.9%	32.7%	31.8%
Not sure	2.6%							0.8%	0.7%
Smallest Acceptable Lot Size-Residential									
Less than 5,000 sq. ft.				9.5%	17.8%			1.9%	2.2%
5,000 to 7,500 sq. ft.	21.9%	18.6%	18.4%				20.1%	6.2%	7.6%
7,500 to 10,000 sq. ft.	21.2%	49.7%	24.4%	31.5%				4.4%	8.5%
4 - 10,000 sq. ft. to 1/2 acre	13.8%	25.6%	16.1%	27.3%	32.9%		20.1%	10.4%	12.3%
5 - 1/2 acre to 1 acre	43.1%	6.2%	41.1%	31.6%	32.9%	100.0%	59.9%	76.8%	69.0%
Not sure					16.4%			0.2%	0.4%

Table C-9. Agricultural Award Issues by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Are you or your spouse currently farming?									
Yes	21.1%	19.0%	7.4%	4.3%	22.7%			8.6%	8.4%
No	78.9%	81.0%	92.6%	95.7%	77.3%	100.0%	100.0%	91.4%	91.6%
Please indicate what level of farming you currently undertake ...									
Subsistence	39.60%	9.5%	81.3%	90.2%	56.7%	39.0%	40.0%	42.3%	54.7%
Supplemental	24.40%	29.7%	7.9%	3.0%	43.3%	41.4%		26.2%	20.1%
Commercial	3.10%	10.2%	1.2%	0.6%			20.0%	1.3%	1.4%
Refused	32.9%	50.5%	9.5%	6.2%		19.6%	40.0%	30.3%	23.7%
Intended Use of Agricultural Award Land									
Subsistence	39.6%	19.8%	87.0%	91.6%	34.0%	39.0%	40.0%	45.3%	57.7%
Supplemental	18.0%	39.8%	9.6%	6.6%	66.0%	61.0%	20.0%	31.2%	24.5%
Commercial	30.2%	20.2%	1.8%	1.8%			40.0%	3.8%	4.4%
Refused	12.2%	20.2%	1.7%					19.7%	13.4%
Do you intend to build a house on the land, or just use it for crops or livestock?									
Build a house	24.6%	50.6%	9.3%	10.0%		39.0%	40.0%	7.9%	10.1%
Both (house & farm)	57.1%	34.1%	87.8%	85.1%	45.3%	61.0%	40.0%	87.5%	84.6%
Crops or livestock only	3.1%	10.2%	0.6%	5.0%	54.7%		20.0%	2.7%	3.3%
Not sure	15.3%	5.0%	2.3%					1.8%	2.0%
Smallest Acceptable Lot Size-Agricultural									
2 acres or less	54.3%	39.8%	88.1%	87.6%	9.8%	80.4%	20.0%	46.5%	59.0%
3 to 5 acres	33.8%	9.5%	6.2%	6.9%	78.9%	9.1%	80.0%	29.9%	23.0%
6 to 10 acres	3.0%	20.2%	4.7%	3.1%	11.3%	10.5%		4.0%	4.3%
11 to 20 acres		20.2%						0.3%	0.5%
21 to 40 acres	2.7%	10.2%	0.5%					1.7%	1.4%
Not sure	6.1%		0.5%	2.5%				17.7%	11.8%

Table C-10. Financial Qualification for an Award by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Affordable Monthly Housing Payment									
less than \$300	9.2%	6.3%	2.1%	3.0%	2.4%	0.7%	6.2%	3.3%	3.4%
\$300 to \$499	23.4%	9.5%	11.2%	4.4%	11.9%	2.7%	12.7%	18.4%	15.4%
\$500 to \$699	13.2%	11.8%	9.8%	3.6%	28.6%	0.6%	31.4%	14.4%	12.5%
\$700 to \$999	16.6%	13.2%	6.9%	6.2%	19.3%	0.7%	6.3%	14.6%	12.4%
\$1,000 to \$1,199	18.4%	24.1%	9.6%	9.4%	11.4%	85.4%	12.7%	14.2%	17.3%
\$1,200 to \$1,499	4.1%	15.6%	12.4%	61.4%	2.4%	4.0%	18.1%	12.9%	15.6%
\$1,500 to \$1,699	5.0%	7.2%	38.4%	1.8%	14.4%	0.7%		5.1%	8.9%
\$1,700 to \$1,899	0.8%	4.4%	1.9%	0.5%				0.4%	0.8%
\$1,900 to \$2,099	4.2%		1.9%	3.9%		1.9%		4.0%	3.4%
\$2,100 to \$2,299			0.3%	0.9%	4.8%			1.3%	1.0%
\$2,300 to \$2,499			1.0%		2.4%			0.4%	0.4%
\$2,500 or more	0.8%	2.2%	2.4%	3.1%		0.7%	6.3%	8.3%	6.1%
Not sure	4.3%	5.7%	2.1%	2.1%	2.4%	2.6%	6.3%	2.7%	2.8%
Amount in Savings									
None	38.6%	30.6%	45.1%	4.0%	19.0%	4.7%	24.4%	23.6%	24.7%
Less than \$5,000	36.3%	38.9%	24.9%	68.3%	37.6%	2.7%	37.7%	27.8%	30.2%
\$5,000 to \$24,999	14.1%	19.9%	13.0%	8.4%	21.8%	3.4%		29.6%	23.4%
\$25,000 to \$49,999	4.2%	6.6%	2.9%	5.8%	2.4%	0.6%		3.5%	3.5%
\$50,000 or more	5.0%	1.9%	8.0%	8.7%	12.0%	84.7%	31.6%	4.9%	9.5%
Not sure	1.8%	2.1%	6.1%	4.8%	7.1%	3.9%	6.3%	10.7%	8.6%
Amount for Downpayment									
None	21.0%	8.7%	7.8%	4.4%	28.6%	2.7%	24.4%	13.4%	11.9%
Less than \$5,000	33.3%	39.5%	20.6%	5.6%	16.7%	5.3%	25.0%	20.8%	20.2%
\$5,000 to \$14,999	23.1%	25.7%	18.9%	66.6%	16.1%	3.4%	12.7%	40.1%	35.9%
\$15,000 to \$24,999	9.2%	5.8%	39.5%	6.6%	19.2%	83.3%		7.4%	15.1%
\$25,000 to \$39,999	1.7%	6.0%	4.5%	5.8%	7.4%	1.4%		9.9%	8.0%
\$40,000 to \$59,999	3.3%	2.2%	5.1%	1.4%	7.1%		12.7%	2.5%	2.7%
\$60,000 or more	3.3%	2.9%	2.1%	4.8%	2.4%	2.0%	12.7%	2.2%	2.5%
Not sure	5.1%	9.2%	1.6%	4.8%	2.4%	1.9%	12.7%	3.7%	3.8%
Access to Special Financing									
Yes	16.5%	12.4%	11.9%	9.6%	19.2%	83.4%		14.2%	17.0%
No	77.7%	76.0%	81.7%	85.6%	69.2%	14.7%	93.7%	73.5%	72.8%
Not sure	5.8%	11.5%	6.4%	4.8%	11.6%	1.9%	6.3%	12.3%	10.2%
Own Other Real Estate									
Yes	19.1%	26.3%	24.2%	23.1%	40.9%	86.6%	38.0%	28.8%	30.4%
No	80.9%	73.7%	75.8%	76.4%	59.1%	13.4%	62.0%	69.7%	68.6%
Not sure				0.5%				1.6%	1.1%
Ever Applied for a Mortgage									
Never applied	70.6%	59.6%	41.5%	25.2%	30.7%	15.9%	42.7%	59.5%	47.7%
Applied/Received mortgage	17.9%	32.6%	51.1%	60.8%	61.7%	79.7%	50.7%	34.4%	43.9%
Applied/Was turned down	10.1%	4.8%	4.7%	3.0%	5.1%	2.2%	5.2%	4.0%	4.9%
Applied/Didn't accept mortgage	1.4%	2.9%	2.6%	11.0%	2.5%	2.2%	1.4%	2.1%	3.5%

Table C-11. Technology Usage by HUD Income Categories

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121 to 140%	141 to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Do you have a computer in your house?									
Yes	56.0%	73.3%	84.6%	92.1%	81.4%	86.7%	67.2%	73.5%	77.7%
No	44.0%	26.7%	15.4%	7.9%	18.6%	13.3%	32.8%	26.5%	22.3%
Is your computer connected to the Internet?									
Yes	78.1%	93.1%	95.9%	97.8%	93.3%	96.9%	89.9%	93.1%	93.1%
No	21.9%	6.9%	4.1%	2.2%	6.7%	3.1%	10.1%	6.9%	6.9%
Use the computer to send emails/access the Internet?									
Me alone	22.0%	19.6%	13.5%	8.9%	15.2%	40.0%	19.5%	15.3%	16.5%
Me and others	43.9%	57.4%	69.8%	75.2%	66.7%	48.1%	52.0%	57.1%	61.8%
Others, not me	15.0%	14.8%	13.1%	13.6%	12.9%	8.3%	13.6%	13.3%	13.4%
No one	16.2%	6.5%	3.0%	1.8%	2.4%	3.2%	10.0%	13.4%	7.2%
Not sure	3.0%	1.7%	0.7%	0.6%	2.8%	0.4%	4.9%	0.9%	1.3%



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**DHHL BENEFICIARIES STUDY LESSEE
REPORT, 2014**



Prepared February, 2015

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EXECUTIVE SUMMARY

The Department of Hawaiian Homelands (DHHL) conducted a Beneficiary Needs Survey in 1995, 2003, 2008, and their latest update in November 2014. Over the past six years, the number of Hawaiian Homestead Lessees overall has increased 4.5 percent from 9,236 to 9,654.

Even with the change in number of Lessees, the demographic composition of Lessees has not changed significantly since the last study. While the median age of Lessees has increased from 56 years in 2008 to 62 years at the present time, the distribution of ages remains approximately the same. Similarly, the average household size has been at four persons for more than a decade.

The median household income among Lessee households has increased significantly since 2008, climbing from \$48,731 in 2008 to \$59,600 in 2014. Despite this increase in median household income, a notably larger proportion of Lessees are currently below the Housing & Urban Development (HUD) 80 percent of median income guide (58.7%) than in 2008 (46.1%).

Slightly less than half of all Lessees (48%) reported the need for one or more types of repair to their current housing unit, which is up from just 37 percent in 2008. Among those in need of repair, about half of the units require relatively minor repairs (63%) while about 38 percent need more extensive repair work to correct problems with foundations, roofs, walls, plumbing and electrical work. The need for repair is directly related to the age of the unit (the older the unit the greater the need for repair). The need for repair is also directly correlated to lower incomes and the lack of financial resources.

The Lessee survey classified the issues Homestead Communities are facing into four types: community quality/maintenance, crime, community organization, and community structure. The problems rated as serious by Lessees in 2014 were predominantly related to quality and maintenance issues. Four out of ten Lessees rated abandoned cars or trash in yards as a serious problem, while the same number cited the lack of places for children to play as an equally serious problem with Homestead communities.

Homestead community members typically rate their communities favorably and do not consider moving away. In fact, many hope that future generations continue living on homestead land. Lessees expressed a sense of safety and unity within their homesteads despite issues that need to be addressed, such as abandoned cars and trash.

DHHL has done an exemplary job in expanding the number of Homesteads and continues to seek solutions that will allow the number of awards to increase, while maintaining support of the current Lessees.

INTRODUCTION

The Hawaiian Home Lands program and the Hawaiian Home Lands trust were created out of congressional legislation in 1921. The program was then turned over to the State of Hawaii in 1959 and the Hawaii State Legislature created the Department of Hawaiian Home Lands (DHHL) the following year. The mission of the DHHL is to manage effectively, develop raw land for use by qualified applicants, facilitate land leases, and to develop and maintain self-sufficient and healthy communities on homestead land. To ensure that Departmental strategies and services are aligned with the interests of Lessees, DHHL has periodically commissioned surveys to evaluate their needs and preferences.

BACKGROUND

In 2014, the Department of Hawaiian Home Lands authorized a study among all of its current Lessees. The purpose of the study was to replicate similar studies conducted in 1995, 2003, and 2008 to enhance the understanding of Lessees' current conditions and needs. In particular, DHHL needed information suited to the Department's relationship with the U.S. Department of Housing and Urban Development (HUD) under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). HUD programs are designed to facilitate housing production and community development among qualified population segments.

OBJECTIVES

The overall goal of the project was to provide DHHL with a comprehensive body of information to support planning and community development among Homestead communities. Specific objectives for the Lessee Survey included:

- To update Lessee profiles;
- To profile the Lessee HUD income levels;
- To measure the condition of homestead housing units and estimate any needed repairs or refurbishment; and
- To gather Lessee impressions of current community conditions and needed improvements.

METHOD

The Lessee Survey was designed to provide large-sample, statistically reliable data on all Lessees who had registered as of August 2014. For purposes of this study, the 9,654 Lessees were divided into two groups: Traditional Lessees (8,688) and Undivided interest Lessees (966). The original list was evaluated for good addresses and a small number of names and addresses were dropped from the list.

As shown in the table below of those surveys likely to be received by Lessees there was a 22 percent response rate from Traditional Lessees and a 19 percent response rate from Undivided Interest Lessees. Overall, the sample error for the Traditional mail survey was plus-or-minus 2.27 percentage points at the 95 percent confidence level and for the Undivided Interest survey the sample error is plus-or-minus 6.8 percentage points at the 95 percent confidence level.

Table 1: Overview of Lessee Survey Mailing and Completion, 2014

Category	Traditional		Undivided	
	Number	%	Number	%
Total names received from DHHL	8,688		966	
Total mailed	8,532	98.3%	925	96.8%
Returned mail due to bad address	30	0.3%	18	1.9%
Total likely received by Lessees	8,502	97.9%	907	98.0%
Completed surveys	1,933	22.2%	173	19.1%
By Mail	1,822	94.3%	152	87.9%
Online	111	5.7%	21	12.1%

The survey was a self-administered mail survey designed to provide very broad coverage of the Lessee groups. The Traditional Lessee survey instrument, developed in conjunction with DHHL, included items that were directly comparable with the 2003 and 2008 surveys, as well as new items designed to assess areas of interest for 2014. The survey instrument was mailed to all DHHL Lessees with valid current addresses in the DHHL database.

The survey for Undivided Interest Lessees was updated for this iteration to address questions posed by DHHL staff related to future housing preferences and ability to finance an award. This survey was sent 925 Lessees.

LESSEE PROFILES

From 2003 to 2008, the number of Hawaiian Homestead Lessees increased 28 percent from 7,192 to 9,236 leases. From 2008 to 2014, the number of Lessees increased 4.5 percent to 9,654 leases. Of the 9,654 Lessees, 966 are classified as undivided interest beneficiaries and will be examined in a separate section beginning on page 14.

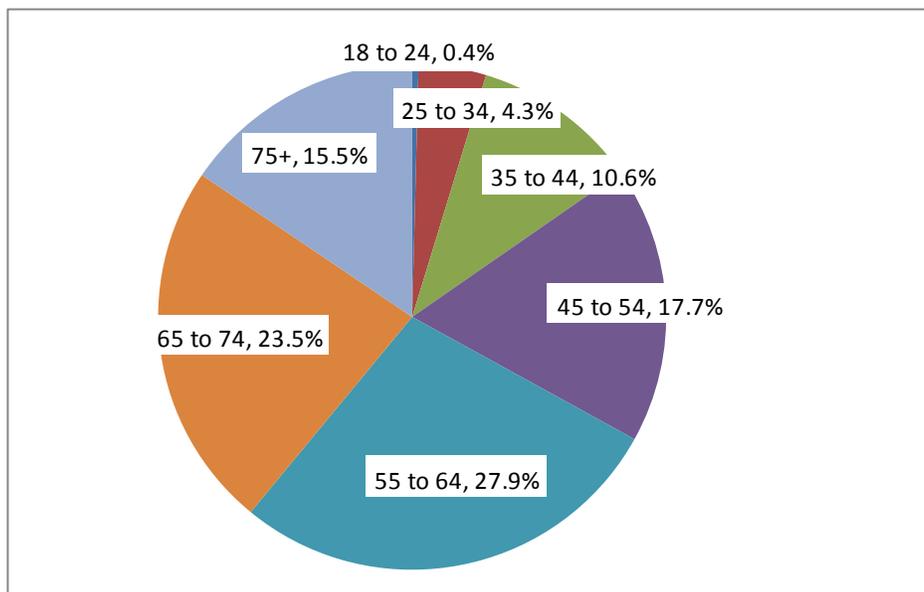
Based on survey results, within the group of 8,688 Traditional Lessees, 83 percent are Residential Lessees and the remaining Lessees are divided between Agricultural (12%) and Pastoral Lessees (5%). The Lessees currently reside in Hawaiian Homestead communities across the State. About 47 percent of them are located on O‘ahu, 25 percent on the Island of Hawai‘i, 22 percent in Maui County, and 7 percent on Kaua‘i.

DEMOGRAPHIC CHARACTERISTICS

Age

Nearly 85 percent of the Lessees statewide were over the age of 45. Among those, 46 percent were between the ages of 46 and 64, and 39 percent were age 65 or older (Figure 1).

Figure 1. Age Distribution Among Lessee Adult Population, 2014



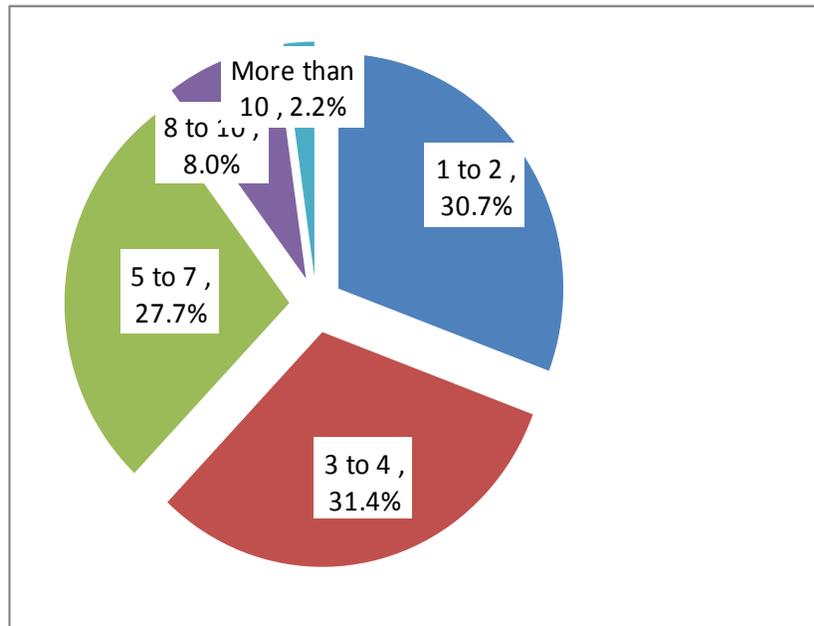
DHHL leaseholders are notably older than they were in previous years, with their current median age of 62 years significantly higher than in previous studies¹. This reflects the annual

¹ Median age of 46.4 years in 1995, 50.4 years in 2003 and 55.6 years in 2008

aging of the largest group of recipients. The median age among Hawaii's Hawaiian and Part-Hawaiian population overall, however, is notably lower than that of other ethnic groups due to the presence of numerous children.

Household Size

Figure 2. Household Size Among Lessee Population, 2014



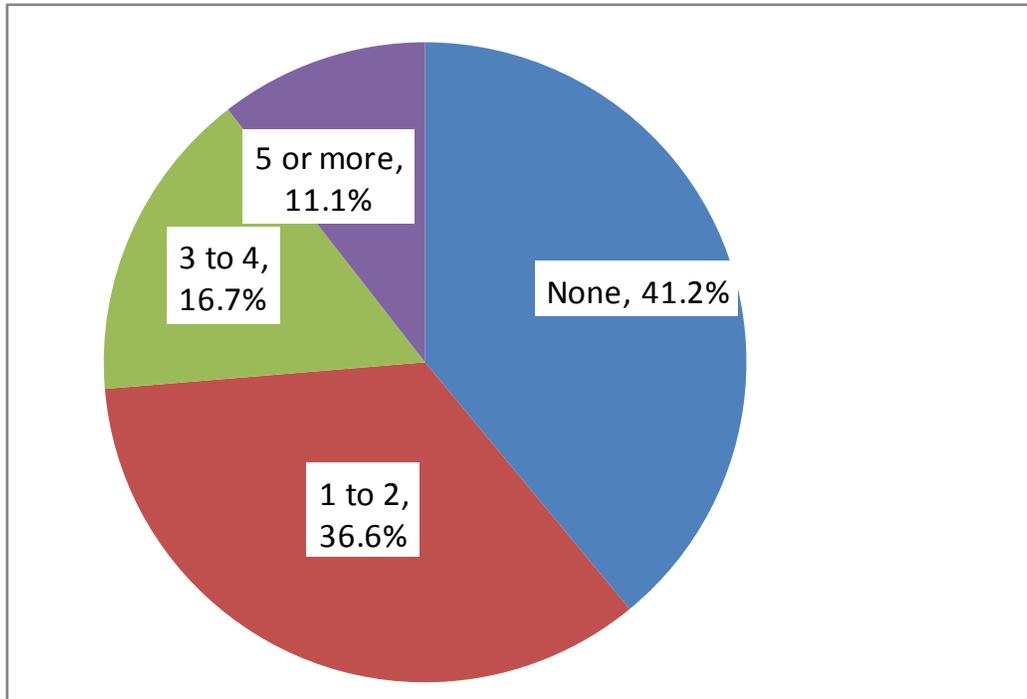
The average household size among Lessee households is 4.2 persons, with the majority of Lessee households consisting of 3 to 7 members (61%). The number of smaller Lessee households (1-2 members) has been steadily increasing over the past decade. In 2003, only 23 percent of Lessee households included less than three members. This increased to 29 percent in 2008, and rose to just over 30 percent in 2014 (31%).

Children

In 2014, there was a notable increase over 2008 in the percent of Lessee households that include children under 18. In 2008, there were children in just over half of Lessee households (53%, down from 63% in 2003). Currently, 59 percent of Lessee households include at least one minor.

About 37 percent of all Lessee households have one or two children (36.6%), which remained relatively unchanged since 2003. An additional 17 percent of households have three to four children. While this is higher than the 15 percent of households with three or four children in 2008, it is not as high as the 20 percent found in 2003. The most dramatic change was in the percentage of households with five or more children. Up from six percent in 2003 and only two percent in 2008, six percent of Lessee households include five or more children in 2014.

Figure 3. Children in Lessee Households, 2014

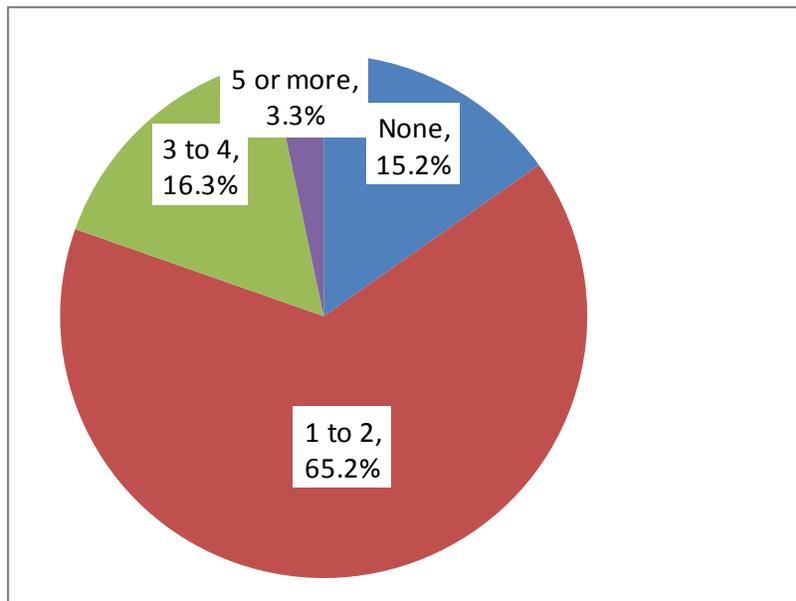


Employment Status

The majority of Lessee households (85 percent) have one or more adults who are currently employed full-time. This is an increase from 82 percent in the 2008 study, but still below the 89 percent from the 2003 study.

Adult Lessees who are employed full-time are most often in “Other services,” the construction, education services, health care, transportation, or hotel industries. Adults in Lessee household who are working part-time are typically employed in the education, hotel, and retail industries.

Figure 4. Employed Adults in Lessee Households, 2014

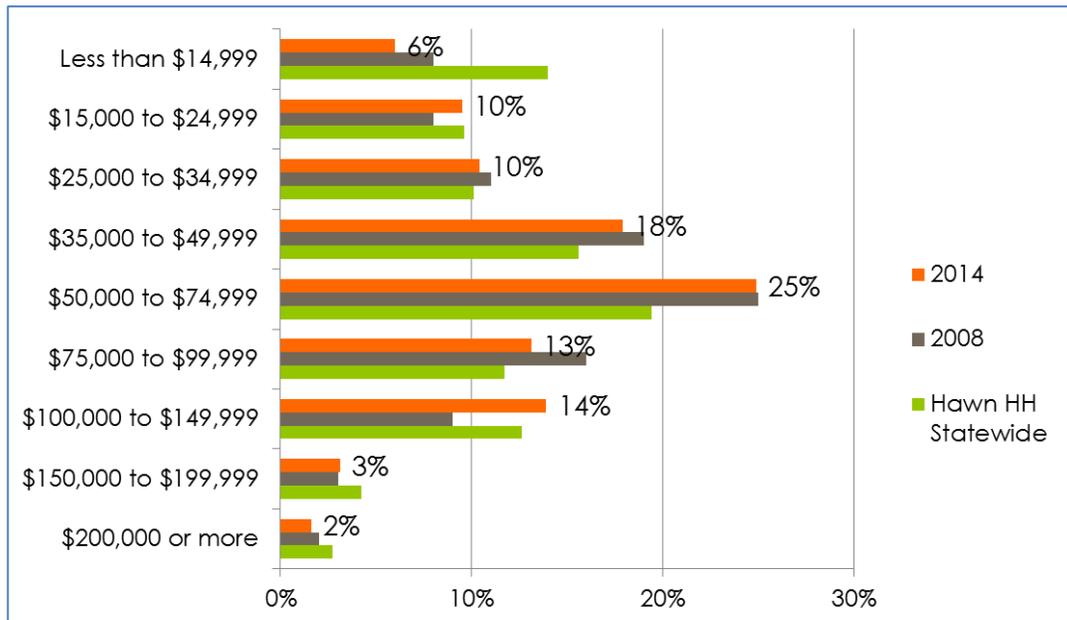


Household Income

The annual household income for Lessee households in the State of Hawaii is distributed across the entire range of income categories (Figure 5), peaking in the \$50,000 to \$74,999 income range. The median household income among Lessees in 2014 was \$59,600.

Compared with previous iterations of the study, household incomes have increased. The current median household income among Lessees was 22 percent higher than in 2008 (\$48,731). The current median represents a 42 percent increase over the 2003 median household income (\$41,947). Although Lessees' income has increased notably, it is still lower than the State's median household income of \$66,308². Looking at only "Native Hawaiian and Other Pacific Islander, Alone" median income is \$50,591.³

Figure 5: Household Income Distribution among Lessees, 2014, 2008 and Hawaiian Households Statewide



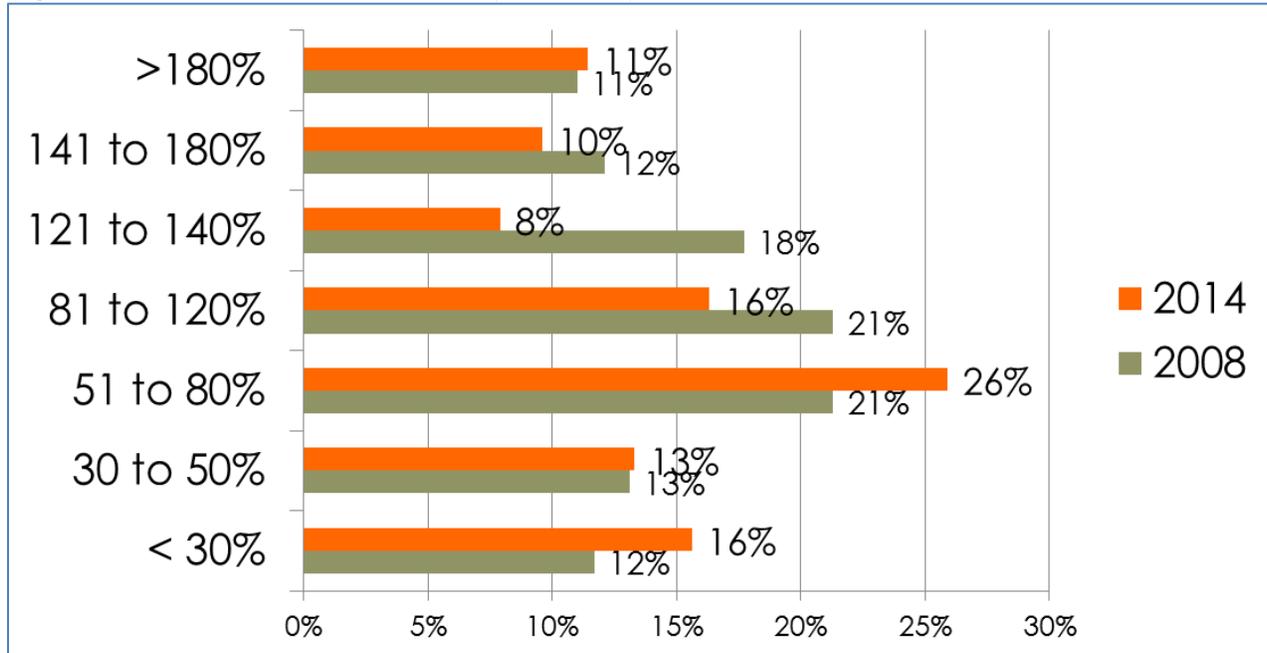
² American Community Survey 2013, 3-year estimates.
<http://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

³ American Community Survey 2013, 3-year estimates.
<http://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

HUD Median Income

Even with the above increase in average income, more Lessee households fall below the 80% HUD adjust median income. In 2014 54 percent of households were in this category compared to 46 percent in 2008.

Figure 6: Household Distribution by HUD Adjust Median Income 2014 and 2008



HUD AMI computes both household income and size, and compares the levels against tiers established for each County. Therefore a household with high income and a large number of household members may actually have low HUD AMI, and likewise a household with lower income and few household members may show up higher in HUD AMI.

LESSEE HOUSING UNITS

Housing units on DHHL Homestead Lands have provided adequate shelter for many Lessees over the years. Because these units tend to be more crowded and somewhat older than non-Homestead homes, one of the objectives of the present study was to investigate the extent to which existing homes may need to be expanded or refurbished.

Almost ninety-three percent of current Lessees statewide have a home on their DHHL homestead land (92.9%). The percentages are slightly lower on Maui. For those with a house on their Homestead lot, 72 percent carry a mortgage on that home. Another 27.5 percent of Lessee homeowners have already paid off their mortgage and the remaining homeowners reported that their children or someone else has the mortgage.

UNIT SIZE

Approximately one out of every five Lessee homeowners has added rooms to their homes since they first received or built the house (19.7%). Around 62 percent of Lessees reported having made other types of improvements to the home or land since they acquired it.

When asked if the size of their current home is adequate for their families' needs, three out of four Lessee households indicated that the size is sufficient (72.9%). Most of the homes on DHHL Homestead Lands are larger than average Hawaii single-family homes. Close to half of the Lessee homes are three-bedroom units (48.4%) and almost 40 percent have four or more bedrooms (39.5%).

Despite the unusually spacious nature of these homes, one in four Lessee households felt that they needed additional square footage in their homes in order to house their families adequately (25.7%). This is likely due to the higher than average household size among Lessee households, with Lessees having an average of 4.2 persons while non-Lessee households average 3.00 members per household⁴.

When Lessees were asked how many additional rooms of various types they would choose to add to their existing home, one-third of respondents indicated that they would not add any additional rooms to their homes (32.7%). Among those Lessees who would like to add additional rooms to their home, just over half would choose to add one or two extra bedrooms (60%) and more than 50 percent would like to have an additional bathroom (51.6%). Finally, more than half of Lessees who would like to add on to their current house would choose to add on one other type of room, such as a living room or den (51.6%).

⁴ American Community Survey 2013, 3-year estimates.
http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_13_3YR_S0201&prodType=table

Table 2: Additional Types of Rooms Desired, 2014

	Honolulu	Hawaii	Kauai	Maui	Total
	Col %	Col %	Col %	Col %	Col %
Any changes to the existing house?					
No	32.3%	36.5%	31.2%	29.6%	32.7%
Yes	67.7%	63.5%	68.8%	70.4%	67.3%
Additional bedrooms you'd like to have					
One bedroom	24.7%	37.1%	32.1%	35.8%	30.0%
Two bedrooms	34.5%	29.9%	25.0%	23.6%	30.7%
Three bedrooms	9.4%	8.2%	3.6%	6.6%	8.2%
Four bedrooms	11.4%	6.2%	7.1%	14.2%	10.7%
Five or more bedrooms	9.0%	7.2%	14.3%	7.5%	8.6%
None	11.0%	11.3%	17.9%	12.3%	11.7%
Additional bathrooms you'd like to have					
One bathrooms	48.8%	52.2%	53.1%	56.9%	51.6%
Two bathrooms	21.3%	21.7%	25.0%	23.9%	22.2%
Three bathrooms	12.3%	12.0%	6.3%	6.4%	10.5%
Four bathrooms	2.5%	3.3%	6.3%	4.6%	3.4%
Five or more bathrooms	1.2%				0.6%
None	13.9%	10.9%	9.4%	8.3%	11.7%
Additional other rooms you'd like to have					
One other room	57.5%	61.3%	45.8%	55.4%	57.1%
Two other rooms	22.0%	21.3%	29.2%	27.7%	23.6%
Three other rooms	1.1%	4.0%		3.6%	2.2%
Four other rooms	1.6%		4.2%	1.2%	1.4%
Five or more other rooms	0.5%			1.2%	0.5%
None	17.2%	13.3%	20.8%	10.8%	15.2%

CONDITION OF UNIT

Among Lessee homeowners across the State, 28 percent reported that their home is in excellent condition at the present time. An additional 26 percent evaluated the current condition of their home as not quite excellent, but OK. Thirty percent of Lessee homeowners, however, noted that their home was in need of some minor repairs and 16 percent felt the condition of their home required major repair work.

Overall, 46 percent of all Lessees reported the need for some type of repairs to their current units. This has increased from the 27 percent who reported a need for home repairs in 2008. The need for repairs and the extent of the repairs required was essentially the same across all islands. As was found in previous studies, the older the age of the housing unit, the more numerous and severe are the repairs required.

Among Lessee homeowners who reported the need for at least one type of repair, the type of repair work most frequently required was exterior work, such as painting, siding, and gutters (61.6%). The need for minor repairs throughout the home was reported by more than half of Lessee homeowners statewide (54.1%), while having windows that needed to be replaced was mentioned by around 40 percent of Lessees (40.8%). Compared to the findings in 2008, the percentage of Lessee housing units in need of repair has increased by roughly three percent for each category of repairs.

AFFORDABILITY OF NEEDED REPAIRS

For Lessee homeowners, needing to make repairs on their homes and being able to afford to pay for those repairs are two very different issues. For Lessees whose homes are in need of major repairs, more than three-quarters cannot afford to make those repairs (76.8%). For those who could pay for the necessary major repairs, two percent had sufficient cash to cover the cost of repairs (2.3%) -- most would have to take out a bank loan (14.4%) or obtain the funds through some other means (e.g., borrow money from family; 6.5%).

Lessee homeowners with homes in need of minor repairs were only slightly better able to cover the costs associated with making those repairs. Roughly half of these homeowners indicated that they could pay for the necessary repairs (46.8%). While 20 percent would need a bank loan to pay for the cost of making the minor repairs to their home, one in ten Lessee homeowners said they had enough cash to cover the expenses (11.4%).

Not only is the severity of the repairs related to Lessees' ability to pay for the repair work, the HUD income category in which Lessee households fall is directly related to their ability to cover repair expenses. As shown in Table 4, those Lessee households with an annual household income of greater than 180 percent of the HUD median are not only less likely to need major repairs but they are far more likely to be able to pay cash for any needed repairs than are those households earning less than 30 percent of the HUD median income.

Table 3: Ability to Pay for Needed Repairs by Level of Repairs, 2014

	Current Condition of House		Total Col %
	In Need of Minor Repairs	In Need of Major Repairs	
	Col %	Col %	
Will you be able to pay for the necessary repairs for your house?			
Yes	46.8%	23.2%	38.4%
with cash	11.4%	2.3%	8.2%
with a bank loan	20.0%	14.4%	18.0%
by other means	15.4%	6.5%	12.2%
No, can't afford to pay for repairs	53.2%	76.8%	61.6%

Lessees' ability to pay for necessary home repairs is slightly lower in 2014 than in 2008. Across the State, 58 percent of Lessees indicated that they would be unable to afford to make repairs in 2014. This was up slightly from the 57 percent who were unable to afford to make repairs in 2008. Ability to pay was most notably different for Lessees living on the Big Island. While 56 percent were unable to afford repair costs in 2008, 65 percent could not pay for repair costs in 2014.

Table 4: Ability to Pay for Needed Repairs by HUD Income Level, 2008 and 2014

	Household Income				Total	
	Up to 80% HUD		Above 80% HUD		Total	
	2008	2014	2008	2014	2008	2014
Will you be able to pay for the necessary repairs for your house?						
Yes						
with cash	10%	10%	17%	22%	13%	13%
with a bank loan	12%	14%	27%	28%	18%	18%
by other means	11%	12%	13%	9%	12%	11%
No, can't afford to pay for repairs	67%	65%	43%	41%	57%	58%

Table 5: Condition of Unit and Ability to Pay for Needed Repairs by HUD Income, 2014

	HUD Income Categories							Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%	
	Col %	Col %	Col %	Col %	Col %	Col %	Col %	
Currently, what is the condition of your house?								
Excellent	14.9%	18.0%	25.6%	34.5%	40.0%	40.0%	54.7%	29.0%
OK	16.3%	27.0%	26.8%	28.2%	27.6%	26.3%	22.6%	24.9%
Needs minor repairs	31.7%	37.1%	32.3%	29.9%	24.8%	22.1%	17.0%	29.7%
Needs major repairs	37.1%	18.0%	15.2%	7.3%	7.6%	11.6%	5.7%	16.4%
Will you be able to pay for the necessary repairs for your house?								
Yes, with cash	7.5%	8.6%	11.8%	14.8%	20.0%	31.0%	31.4%	13.3%
Yes, with a bank loan	6.9%	14.7%	19.0%	29.6%	25.0%	23.8%	31.4%	18.0%
Yes, by other means	5.7%	12.1%	16.4%	8.6%	2.5%	7.1%	17.1%	10.8%
No can't afford to pay for repairs	79.9%	64.7%	52.8%	46.9%	52.5%	38.1%	20.0%	57.9%

Table 6: Ability to Pay for Needed Repairs by County, 2008 and 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	2008	2014	2008	2014	2008	2014	2008	2014	2008	2014
Will you be able to pay for the necessary repairs for your house?										
Yes	45%	41%	44%	35%	51%	49%	42%	48%	45%	42%
with cash	13%	11%	16%	14%	20%	13%	12%	10%	14%	12%
with a bank loan	20%	17%	15%	13%	24%	24%	14%	20%	18%	17%
by other means	12%	13%	13%	8%	7%	13%	16%	18%	13%	13%
No, can't afford to pay for repairs	55%	59%	56%	65%	50%	51%	58%	52%	55%	58%

HOME-RELATED INSURANCE

Approximately 79 percent of DHHL Lessees have Homeowner's Insurance, and 25 percent have Flood Insurance. DHHL Lessees on Oahu are more likely than residents of the other islands to have a homeowner's insurance policy in effect. While the percentage of Lessees is significantly smaller, those living on Oahu are also most likely to have an insurance policy to cover flood damage (29.4%). Lessees on the Big Island are least likely to maintain flood insurance (18.5%).

Around 12 percent of Lessees statewide indicated that they were unable to afford homeowner's or flood insurance coverage. Lessees residing on Kauai were most likely to cite affordability as their reason for not having a home-related insurance policy (18.4%).

Table 7: Home-Related Insurance Coverage, 2014

	County				Total
	Honolulu	Hawaii	Kauai	Maui	
	Col %	Col %	Col %	Col %	Col %
Home-Related Insurance					
Homeowners Insurance	86.8%	71.6%	76.8%	72.1%	79.2%
Flood Insurance	29.4%	18.5%	24.8%	24.3%	25.3%
No can't afford insurance	9.4%	12.5%	18.4%	14.3%	11.9%

PLANS FOR THE FUTURE

The overwhelming majority of current Lessees plan to pass their Homestead lot and house on to their children or other relatives (98%). Because there are stringent requirements associated with ownership of property on DHHL Homelands, the blood quantum of the intended heir is an important consideration for these families is who plan to pass their lot on to their children or relatives. More than half of the Lessee respondents indicated that the intended heir is 25 to 49 percent Hawaiian, while another 36 percent reported that the intended heir is 50 percent or more Hawaiian.

Table 8: Future Plans for Homestead Land and Home, 2014

	County				
	Honolulu	Hawaii	Kauai	Maui	Total
	Col %	Col %	Col %	Col %	Col %
What do you intend to do with the house/land in the future					
Pass it on to my children/relatives	98.5%	96.7%	99.1%	97.8%	98.0%
Sell it to someone else	0.1%	1.0%		0.3%	0.4%
Transfer it to someone else	0.4%	0.8%		0.3%	0.4%
Just hold on to it	0.4%	1.0%		1.4%	0.7%
DK/Ref	0.5%	0.5%	0.9%	0.3%	0.5%
What percent Native Hawaiian is the child/relative you intend to leave your house to?					
Less than 12.5%	0.9%	2.3%	1.8%	3.0%	1.8%
12.5% to 24%	6.4%	7.2%	9.2%	6.9%	6.9%
25% to 49%	50.9%	50.8%	60.6%	55.0%	52.4%
50% or more	38.6%	35.6%	25.7%	33.7%	35.9%
Don't know/Refused	3.2%	4.2%	2.8%	1.4%	3.0%

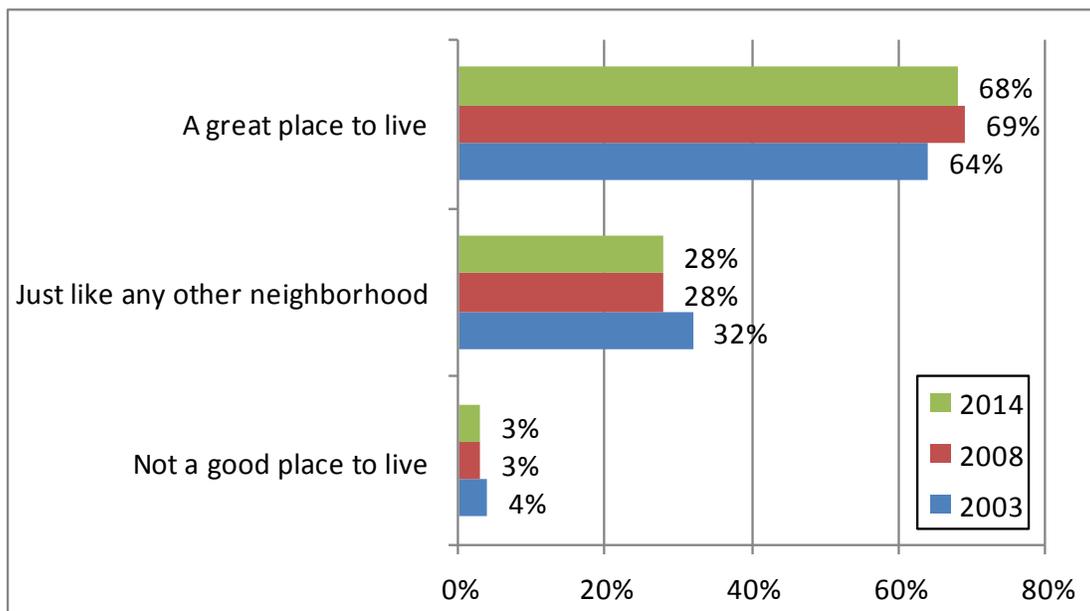
COMMUNITY CONDITIONS AND PREFERENCES

There are currently about 75 DHHL Homestead communities throughout the State of Hawaii. Homestead Lands are located on five islands in Hawaii as shown in Appendix C Figures 1 through 4.

COMMUNITY EVALUATION

The majority of Lessees have a very positive view of their Homestead community. Over two-thirds reported that their communities were a “great place to live” (68%) and only three percent provided a negative ratings of their community. These results were quite consistent with the findings from both the 2003 and 2008 studies.

Figure 7. Lessee Evaluation of Neighborhood Homestead, 2003, 2008, and 2014



Another indicator of Lessees’ positive impression of their Homestead community is the large percentage of respondents who said that, if given the opportunity, they would elect to stay in their current neighborhood (79.5%). While still lower than the 90 percent of Lessees who responded affirmatively to this question in 2003, the present finding is consistent with the 80 percent reported in 2008.

COMMUNITY PROBLEMS

Even in communities rated as favorably as the Hawaiian Homestead communities, there were several issues identified. Each lessee respondent was asked to rate the list of items as a big problem, a small problem, sometimes a problem, or not a problem at all. Table 9 provides the results of that inquiry among Lessees who rated the issues as a problem.

Table 9: Problems Identified in Homestead Communities, 2003, 2008, and 2014

Neighborhood Problems	2003 Lessee Problem*	2008 Lessee Problem*	2014 Lessee Problem*
Community Quality & Maintenance			
Nowhere for the children to play	43%	44%	40%
Abandoned cars or trash in yards	47%	46%	40%
Yards not being maintained	42%	39%	39%
Dogs running loose	48%	68%	36%
Too many cars parked on the street	---	---	36%
Crime in the Community			
Drug dealers living in the neighborhood	58%	29%	28%
Drugs being sold in the neighborhood	58%	29%	28%
Crime/violence in the neighborhood	---	19%	20%
Community Organization			
No enforcement of community rules	41%	33%	29%
Lack of community guidelines	33%	24%	25%
Lack of community association	27%	20%	22%
Community Structure			
Homes not being maintained	40%	37%	36%
Lots that are still vacant	29%	28%	29%
Houses vacant for too long	32%	22%	24%
Too many non-homeowners	28%	16%	16%

* Percent of survey respondents who said that each item was either a “small problem” or a “big problem” in their neighborhood.

For a detailed list of issues by Homestead Community, see Appendix E.

In 2008, the most serious community problem cited by current Lessees was the presence of unrestrained dogs in their neighborhoods (68%). Concern over this issue had decreased significantly during the past several years, with only 36 percent of Lessees identifying dogs running loose as a neighborhood problem in 2014.

With the exception of the dramatic shift in the perception regarding unrestrained dogs, the degree to which Lessees identify all of the other issues as problematic remained essentially unchanged between 2008 and the present.

The problems rated as serious by Lessees in 2014 were predominantly related to quality and maintenance issues. Four out of ten Lessees rated abandoned cars or trash in yards as a serious problem, while the same number cited the lack of places for children to play as an equally serious problem with Homestead communities.

COMMUNITY WELL BEING

In 2014, Lessees were presented with nine statements regarding a sense of well-being and personal responsibility within the Homestead communities and asked to indicate how strongly they agreed or disagreed with each statement.

Community Safety

The responses shown in the Table 10 below suggest that residents of the DHHL Homestead communities generally know and look out for one another and want to remain in their neighborhood. Eight out of ten residents reported feeling safe in their community day and night.

Table 10: Sense of Community Well-being

Homestead Community Issues	2003		2008		2014	
	Agree		Agree		Agree	
	Strongly	Total	Strongly	Total	Strongly	Total
My hope is that my family lives in this community for generations	---	---	53%	88%	50%	87%
I know and trust my neighbors	---	---	34%	81%	35%	84%
In our community, we look out for each other	---	---	33%	84%	34%	83%
I feel safe in my Homestead Community walking around in the day and night	---	---	30%	76%	31%	80%
Communities work better with strong community participation in the Community Association	43%	89%	42%	87%	25%	75%
Residents in my community share Hawaiian cultural values	---	---	22%	66%	24%	67%
I am willing to actively participate in my community association - by at least attending regular meetings	20%	76%	21%	72%	14%	62%
I am aware of the programs to assist me in financing home repairs	---	---	---	---	7%	29%
I am willing to take a leadership role in my community	11%	38%	10%	36%	7%	27%

Community Involvement

While three out of four Lessees agreed that communities work better when there is strong participation in the community association (75%), only 62.2 percent were willing to take an active role in their community association. Even fewer, only 27.4 percent Lessees, indicated their willingness to take a leadership role within the community.

These findings indicate a lesser commitment to community participation than was found six years ago. In 2008, 75 percent of Lessees were willing to take an active role in the community

association. Further, more than one-third reported their willingness to take a leadership role within the community. Active participation by community members is a vital element in the efforts to address any issues that exist in Homestead communities throughout the State.

Future Generations

As indicated in the satisfaction portion of this study, Lessees do not want to move away from their communities. The significant majority of Lessees (87%) hope that future generations of their families will continue to live in their community. Whether this will become a reality for many families depends, in part, on the blood quantum requirements for property inheritance.

It was interesting to note that, although everyone in the Homestead communities are presumably Hawaiian / Part-Hawaiian, only two-thirds of respondents agreed that residents in their community share Hawaiian cultural values.

UNDIVIDED INTEREST LESSEES

In order to evaluate their unique circumstances and needs, a separate survey was conducted among the 925 undivided interest beneficiaries. These 966 undivided interest awards accounted for 3,746 individuals who will be moving to homestead land. This segment was evaluated separately from DHHL Traditional Lessee population primarily because they had not yet moved into a community and therefore could not answer questions about their home or community⁵.

Demographics

The majority of Lessees with an undivided interest award are married (68.4%), between the ages of 35 to 54 (38%) and 55 to 64 (33%). The median age among these beneficiaries is 55 years, younger than Traditional Lessees.

Undivided Interest Lessees have an annual household income of between \$49,681 and \$79,572, depending on which county they live in currently. The median annual income for these households statewide is \$64,933.

About half of Undivided Interest Lessees are currently renting their residence (49.5%), while 37.8 percent are homeowners. Nearly seven of ten live in a single family dwelling (68.6%). Townhomes, apartments, and condominiums are the current unit types for another one-quarter of these beneficiaries (24.5%). Eighty-two percent of homeowners own a single-family dwelling.

Lot Preferences and Availability

When undivided interest lessees were asked to indicate their first, second, and third choices for the type of land award they would receive, a turn-key lot was the top choice among a majority of respondents (57.3%). A lot with basic improvements (sewer and water) but no house was the second most frequently mentioned top choice (27.5%). A condo, apartment for senior citizens, town home and an affordable rental unit were the least popular among the choices

Table 11: Perceptions among Undivided Interest Beneficiaries, 2014

Housing Preference	1st	2nd	3rd
Turn-key	57%	23%	10%
Lot with water/sewer, no home	27%	28%	12%
Rent with option to buy	7%	19%	16%
Parcel of land to farm	5%	13%	24%
Affordable rental	2%	4%	11%
Town home	1%	6%	11%
Kupuna apartments	1%	4%	7%
Condo I own	0%	4%	10%
	100%	100%	100%

⁵ For detailed descriptions of the survey responses provided by undivided interest lessees, refer to Appendix E.

Over half of the undivided interest households expect to move onto homestead lands within the next two years (50.3%). An additional 33.8 percent anticipate having a lot available within three to five years.

Financial Qualification

When asked if they would be financially prepared to qualify for their award when their lot became available, 60.8 percent on undivided interest Lessees responded positively. While this represents a majority of the members of this group, it is notably lower than the 93 percent affirmative responses in 2008.

An additional 30.5 percent indicated that they were simply not sure if they would be financially prepared to receive a lot, and only 8.7 percent felt that they would not be fully prepared. Among the nearly nine percent who indicated that they would not be financially ready to receive their lot, about 20 percent anticipate a lot being available within one year or less (19.7%) and the same percentage expect a lot in the next one to two years (20.7%). These unprepared households also report the lowest income levels among undivided interest Lessees, with 45 percent of them earning less than \$25,000 per year.

Understanding the Undivided Interest Award

Among the undivided interest beneficiaries, three out of ten said they fully understand their award and do not require any further information (31.4%). Six out of ten reported that they had a reasonable understanding of their award but would like to obtain additional information (62%). Only 6.6% of these households indicated that they really did not understand their award at all.

Table 12: Perceptions among Undivided Interest Beneficiaries, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Expect Lot to be Available										
Less than 1 year			6	3.2%			11	6.3%	17	2.4%
One year	85	30.6%	17	9.7%	25	33.3%	22	12.5%	149	21.2%
Two years	85	30.6%	45	25.8%	25	33.3%	33	18.8%	188	26.7%
Three years	45	16.3%	23	12.9%			28	15.6%	95	13.6%
Four to five years	29	10.2%	62	35.5%	19	25.0%	34	18.7%	142	20.2%
Six to eight years	11	4.1%	0	0.0%	0	0.0%	6	3.1%	17	2.4%
More than 8 years	23	8.1%	17	9.7%	6	8.3%	40	21.8%	85	12.0%
Group Total	278	100.0%	174	100.0%	75	100.0%	176	100.0%	703	100.0%
Will you be prepared financially to qualify when your lot is available?										
Yes	216	66.7%	107	48.7%	62	55.6%	171	66.0%	555	60.8%
No	28	8.8%	17	7.7%	12	11.1%	22	8.5%	80	8.7%
Not sure	79	24.6%	96	43.6%	37	33.3%	66	25.5%	278	30.5%
Group Total	323	100.0%	219	100.0%	112	100.0%	259	100.0%	914	100.0%
Understanding of undivided interest details										
Fully understand	119	36.2%	45	20.0%	44	38.9%	83	31.9%	290	31.4%
Somewhat understand	199	60.3%	158	70.0%	68	61.1%	149	57.4%	573	62.0%
Do not understand at all	11	3.4%	23	10.0%			28	10.6%	61	6.6%
Group Total	329	100.0%	225	100.0%	112	100.0%	259	100.0%	925	100.0%
What do you intend to do with the award in the future?										
Pass it on to my children or relatives	272	82.8%	186	84.6%	93	83.3%	193	76.1%	744	81.4%
Sell it to someone else	6	1.7%					6	2.2%	11	1.2%
Transfer it to someone else			6	2.6%	6	5.6%			12	1.3%
Just hold on to it	34	10.3%	23	10.3%	12	11.1%	39	15.2%	108	11.8%
Dont know/Refused	11	3.4%							11	1.2%
Other	6	1.7%	6	2.6%			17	6.5%	28	3.0%
Group Total	329	100.0%	219	100.0%	112	100.0%	253	100.0%	914	100.0%

APPENDICES

APPENDIX A: SURVEY INSTRUMENTS

NEIL ABERCROMBIE
GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

DARRELL T. YOUNG
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879
HONOLULU, HAWAII 96805

August 1, 2014

FIRST_NAME> <LAST_NAME> <SUFFIX>
<STREET>
<CITY>, <STATE> <ZIP>

Dear Hawaiian Home Lands Lessee:

Subject: DHHL Beneficiary Study

The Department of Hawaiian Home Lands (DHHL) continues to search for ways to manage and make more of our Hawaiian homelands available for productive uses by our native Hawaiian beneficiaries. This study is done periodically and occurs approximately every five years. The first step is to gather some information from everyone who currently has a lease. Please fill out this questionnaire and send it back to us via the enclosed pre-paid envelope. You may also complete the survey on the internet at the following address:

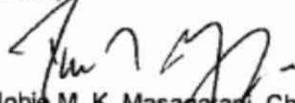
<http://e-survey.sms-hawaii.com/DHHLLesseeSurvey.html>

Your access code: **HHXXXXXX**

Part of the information on the form is to update your records. We want to make certain we have correct information in order to serve you properly. The other questions will be used to make plans to better serve you. SMS Research has been contracted to conduct the survey to gather information from lessees and another survey is being conducted with applicants. Individual replies are strictly confidential. If you have any questions regarding this survey, you can call Faith Sereno Rex of SMS Research at (808) 537-3356. If you have questions regarding DHHL, please call Bob Freitas at (808) 620-9484.

Please take the time to read the instructions and answer the questions that apply to you and return the completed survey by **September 12 2014** in the enclosed postage-paid envelope.

Aloha,


Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

Enc.

2014 DHHL LESSEE SURVEY

1. **What type of Homestead Award do you have?**
 Residential.....
 Agricultural.....
 Pastoral.....

2. **Before you received this award were you an Undivided Interest Lessee?**
 Yes.....
 No.....
 Don't know/Refused.....

3. **Do you currently have a house on your Homestead lot?**
 Yes **(PLEASE CONTINUE)**.....
 No **(PLEASE SKIP TO Q17)**.....

If you do not have a house on your Homestead, please skip ahead to Q17.

4. **Do you have a mortgage on the house now?**
 Yes.....
 No, I paid it off already.....
 No, my children have the mortgage.....
 No, someone else has the mortgage.....

5. **Since you first received/built the house, have you added any rooms?**
 Yes.....
 No.....

6. **Have you made any other improvements on the house or land?**
 Yes.....
 No.....

7. **Is the house the right size for you and your needs?**
 Yes.....
 No, it should be larger.....
 No, it should be smaller.....

8. **Currently, what is the condition of your house?**
 Excellent **(PLEASE SKIP TO Q11)**.....
 OK **(PLEASE SKIP TO Q11)**.....
 Needs minor repairs.....
 Needs major repairs.....

9. **What types of repairs are required? (CHECK ALL THAT APPLY)**
 Structural (ex., foundation cracked).....
 Roof (ex., leaking, sagging).....
 Walls (ex., holes, damage).....
 Windows need replacing.....
 Electrical problems.....
 Plumbing problems.....
 Sewage problems.....
 Exterior work (ex., painting, siding, gutters).....
 Needs minor repair throughout.....

10. **Will you be able to pay for the necessary repairs for your house?**
 Yes, with cash.....
 Yes, with a bank loan.....
 Yes, by other means.....
 No, can't afford to pay for repairs.....

11. **Do you have the following types of home-related insurance? (CHECK ALL THAT APPLY)**
 Yes, Homeowners Insurance.....
 Yes, Flood Insurance.....
 No, can't afford to pay for insurance.....

Now we would like to ask you about the Homestead community where your award land is located

12. **Looking around at your neighbors' house, would you say that most of them are...**
 in the same shape as your house.....
 in better shape than your house.....
 in worse shape than your house.....
 in much worse than your house.....
 Don't know/Refused.....

13. **Would you say that your Homestead neighborhood is a ...**
 great place to live.....
 just like any other neighborhood.....
 not a good place to live.....

14. **Everything considered, if you had a chance, would you...**
 stay in this neighborhood.....
 move away from this neighborhood.....
 not sure.....

15. Where do you go if you have any questions or problems about your house or community?

- County Government
- Community President
- Community Association
- Go straight to DHHL
- Lawyer
- Ask my friends
- Don't know/Refused

16. Are you currently living in the house on your Homestead Award?

- Yes
- No, my kids live there
- No, someone else lives there
- No, I rent it to others
- No one lives there
- Other (specify)

17. What do you intend to do with the house or land in the future?

- Pass it on to my children or relatives
- Return it back to DHHL **(SKIP TO Q19)**
- Sell it to someone else **(SKIP TO Q19)**
- Transfer it to someone else **(SKIP TO Q19)**
- Just hold on to it **(SKIP TO Q19)**
- Don't know/Refused **(SKIP TO Q19)**
- Other (specify) **(SKIP TO Q19)**

18. What percent Native Hawaiian is the child or relative that you intend to leave your house to?

- Less than 12 ½ %
- 12 1/2 to 24 %
- 25 to 49%
- 50% or more
- Don't know/Refused
- Other (specify)

19. The following questions are about the community in which your Homestead award is located. In the Homestead community where your award is located, are the following a "Big Problem," "Small Problem," "Sometimes a Problem," or "Not a Problem?"

	Big Problem	Small Problem	Sometimes a Problem	No Problem	Don't know
Abandoned cars or trash in yards	<input type="radio"/>				
Lots that are still vacant	<input type="radio"/>				
Homes not being maintained	<input type="radio"/>				
Yards not being maintained	<input type="radio"/>				
Drug dealers living in neighborhood	<input type="radio"/>				
Drugs being sold in neighborhood	<input type="radio"/>				
Nowhere for the children to play	<input type="radio"/>				
Dogs running loose	<input type="radio"/>				
No enforcement of community rules	<input type="radio"/>				
Houses vacant for too long	<input type="radio"/>				
Too many non-homeowners	<input type="radio"/>				
Lack of community guidelines	<input type="radio"/>				
Lack of community association	<input type="radio"/>				
Too many cars parked on the street	<input type="radio"/>				
Crime/violence in the neighborhood	<input type="radio"/>				

20. The following statements relate to you and your Homestead Award. Please mark how strongly you agree with the statements below. "Strongly Agree," "Agree," "Disagree," "Strongly Disagree," or "Don't Know."

	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't know
I am aware of the programs to assist me in financing home repairs.	<input type="radio"/>				
Communities work better with strong community participation in the Community Association	<input type="radio"/>				
I am willing to actively participate in my community association – by at least attending regular meetings.	<input type="radio"/>				
I am willing to take a leadership role in my community.	<input type="radio"/>				
I feel safe in my Homestead Community walking around in the day and night.	<input type="radio"/>				
I know and trust my neighbors	<input type="radio"/>				
In our community we look out for each other.	<input type="radio"/>				
My hope is that my family lives in this community for generations.	<input type="radio"/>				
The residents in my community share Hawaiian cultural values.	<input type="radio"/>				

21. Considering all your interactions with DHHL which statement below best describes your communications with them?
- Excellent, they really try to help.....
 - Good, they do their jobs pretty well
 - Fair, they don't go out of their way to help
 - Poor, they don't care about my problems
 - Haven't spoken with DHHL in past year
 - Don't know/Refused.....

Now we would like to ask you about the house you live in now, whether it is on Homestead land or not

22. Do you own or rent the house in which you live?
- Own
 - Rent
 - Sharing with others, no rent
 - Occupy without rent payments

23. What kind of home do you live in now?
- Single-family house
 - Townhouse, duplex, multiplex
 - Apartment
 - Condominium
 - Public assisted housing
 - Other (specify)

24. How many rooms are there in your house?
(PLEASE WRITE THE NUMBER IN THE BOXES PROVIDED BELOW)

BEDROOMS

BATHROOMS

25. What is the age of your home?

YEARS

26. If you could change your existing house, how many additional rooms would you like to have?

BEDROOMS

BATHROOMS

OTHER ROOMS

No changes to existing house

In this survey we define "Homestead Family" as all the people who live with you on your Awarded Homestead land

27. What is your gender?
- Male
 - Female

28. What is your current marital status?
- Never married
 - Married but separated
 - Separated
 - Divorced
 - Widowed

29. What was your age on your last birthday?

Years old

30. How many people including yourself are part of your Homestead family?

PEOPLE

31. How many members in your homestead family are under 18 or over 70 years of age?

PEOPLE under age 18

PEOPLE over age 70

32. How many adults in your homestead family are employed?

ADULTS Employed full time

ADULTS Employed part time

33. For each adult in your homestead family employed part-time or full-time please indicate the industry they work in. (CHECK ALL THAT APPLY). IF NO ONE IS EMPLOYED PLEASE SKIP TO Q34.)

	Adults working full time	Adults working part-time
Agriculture, forestry, fishing & hunting & mining	<input type="checkbox"/>	<input type="checkbox"/>
Construction	<input type="checkbox"/>	<input type="checkbox"/>
Manufacturing	<input type="checkbox"/>	<input type="checkbox"/>
Wholesale trade	<input type="checkbox"/>	<input type="checkbox"/>
Retail trade	<input type="checkbox"/>	<input type="checkbox"/>
Transportation, warehousing & utilities	<input type="checkbox"/>	<input type="checkbox"/>
Information	<input type="checkbox"/>	<input type="checkbox"/>
Finance & insurance, real estate, rental & leasing	<input type="checkbox"/>	<input type="checkbox"/>
Professional, scientific, management and administrative,	<input type="checkbox"/>	<input type="checkbox"/>
Educational services	<input type="checkbox"/>	<input type="checkbox"/>
Health care & social assistance	<input type="checkbox"/>	<input type="checkbox"/>
Hotel & accommodations & food services	<input type="checkbox"/>	<input type="checkbox"/>
Arts, entertainment & recreation	<input type="checkbox"/>	<input type="checkbox"/>
Public administration	<input type="checkbox"/>	<input type="checkbox"/>
Other services	<input type="checkbox"/>	<input type="checkbox"/>

34. Do you or any members of your Homestead family own any real estate other than your Homestead award land?
 Yes
 No
 Don't know/Refused

35. About how much does your Homestead family have in savings right now?
 None
 Less than \$5,000
 \$5,000 to \$24,999
 \$25,000 to \$49,999
 \$50,000 or more
 Don't know/Refused

36. If you were to build, buy, or repair a home in the next 4-years, about how much do you think you could afford to pay each month for your mortgage or loan?
 Less than \$200
 \$200 to \$499
 \$500 to \$799
 \$800 to \$1,099
 \$1,100 to \$1,999
 \$2,000 or more
 Don't know/Refused

37. In 2013, what was the total income of all the people in your Homestead family?
 Less than \$15,000
 \$15,000 to \$19,999
 \$20,000 to \$24,999
 \$25,000 to \$29,999
 \$30,000 to \$34,999
 \$35,000 to \$39,999
 \$40,000 to \$44,999
 \$45,000 to \$49,999
 \$50,000 to \$54,999
 \$55,000 to \$59,999
 \$60,000 to \$64,999
 \$65,000 to \$69,999
 \$70,000 to \$74,999
 \$75,000 to \$79,999
 \$80,000 to \$89,999
 \$90,000 to \$99,999
 \$100,000 to \$124,999
 \$125,000 to \$149,999
 \$150,000 to \$199,999
 \$200,000 or more
 Don't know/Refused

38. Are you current on your property taxes?
 Yes
 No
 Don't Know/Refused

39. Do you have a computer in your house?
 Yes
 No (PLEASE SKIP TO Q43)

40. If yes, is your computer connected to the Internet?
 Yes
 No (PLEASE SKIP TO Q43)

41. If yes, do you or another member of your household use the computer to send emails or access websites through the Internet?
 Me alone
 Me and others
 Others, not me
 No one
 Don't Know/Refused

42. What is your current e-mail address? (This will only be used to update the DHHL Lessee Database and future research.)

43. Can DHHL follow up with you for additional research and information?
 Yes
 No

Mahalo for participating in our survey! Please use the pre-paid reply envelope provided to return the completed survey.



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879
HONOLULU, HAWAII 96805

August 1, 2014

«ps_imbed»

«name» «order»

«address»

«city», «state» «postal»-«zip4»

Dear Hawaiian Home Lands Awardee:

The Department of Hawaiian Home Lands (DHHL) continues to search for ways to manage and make more of our Hawaiian homelands available for productive uses by our native Hawaiian beneficiaries. This study is conducted periodically and occurs approximately every five years. The first step is to gather some information from everyone who currently has a lease. Please fill out this questionnaire and send it back to us via the enclosed pre-paid envelope. You may also complete the survey on the internet at the following address:

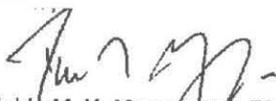
<http://web.smshawaii.com/DHHLUndividedSurvey/login.html>

Your access code: **HHXXXXXX**

Part of the information on the form is to update your records. We want to make certain we have correct information in order to serve you properly. The other questions will be used to make plans to better serve you. SMS Research has been contracted to conduct the survey to gather information from lessees and another survey is being conducted with applicants. Individual replies are strictly confidential. If you have any questions regarding this survey, you can call Faith Sereno Rex of SMS Research at (808) 537-3356. If you have questions regarding DHHL, please call Bob Freitas at (808) 620-9484.

Please take the time to read the instructions and answer the questions that apply to you and return the completed survey by **September 19, 2014** in the postage-paid envelope enclosed.

Aloha


Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission



2014 DHHL UNDIVIDED INTEREST SURVEY

1. Based on our files you currently have an undivided interest award. How many years from now do you expect to have your lot available?

		YEARS
--	--	-------

2. Will you be prepared financially to qualify when your lot is available?

Yes 0
 No 0
 Don't know/Refused 0

3. How would you rate your level of understanding on the details of your undivided interest award?

Fully understand, and no other information is needed 0
 Somewhat understand, but more information is needed 0
 Do not understand at all 0

4. What do you intend to do with the award in the future?

Pass it on to my children or relatives 0
 Return it to DHHL 0
 Sell it to someone else 0
 Transfer it to someone else 0
 Just hold on to it 0
 Will not accept lot 0
 Don't know/Refused 0
 Other (specify below) 0

5. What percent Native Hawaiian is the child or relative that you intend to leave your house to?

Less than 12 ½ % 0
 12 1/2 to 24 % 0
 25 to 49% 0
 50% or more 0
 Don't know/Refused 0
 Other (specify) 0

6. If you were to be offered a Homestead Lease Award in 2015, which of the following types of property would you most like to receive? (DARKEN THE CIRCLE NEXT TO YOUR FIRST CHOICE [1]. THEN DARKEN YOUR SECOND CHOICE [2] IN THE SECOND COLUMN. THEN DARKEN YOUR THIRD CHOICE [3] IN THE THIRD COLUMN.)

	1 st Choice	2 nd Choice	3 rd Choice
Lot with water, sewer, but no house	1 0	2 0	3 0
Turn-Key (Lot with Single-family house on it)	1 0	2 0	3 0
Town home in a duplex or four-plex	1 0	2 0	3 0
Condominium apartment I own	1 0	2 0	3 0
Apartment suited for senior citizens	1 0	2 0	3 0
A rent with an option to buy home	1 0	2 0	3 0
An affordable rental unit	1 0	2 0	3 0
Parcel of land that I can farm	1 0	2 0	3 0

7. The following statements relate to you and your Homestead Award. Please mark how strongly you agree with the statements below. "Strongly agree," "Agree," "Disagree," "Strongly Disagree," or "Don't Know."

	Strongly Agree	Agree	Disagree	Strongly Disagree	Don't Know
I am aware of the programs to assist me in financing home repairs.	0	0	0	0	0
Communities work better with strong community participation in the Community Association	0	0	0	0	0
I am willing to actively participate in my community association – by at least attending regular meetings.	0	0	0	0	0
I am willing to take a leadership role in my community.	0	0	0	0	0
My hope is that my family lives in this community for generations.	0	0	0	0	0

8. What is your gender?
 Male
 Female

9. What is your current marital status?
 Never married
 Married
 Separated
 Divorced
 Widowed

10. What was your age on your last birthday?
 Years old

In this survey we define "Homestead Family" as all the people who will move with you to your Awarded Homestead land

11. How many people including yourself are part of your Homestead Family?

PEOPLE

12. How many members in your homestead family are under 18 or over 70 years of age?

PEOPLE Under age 18

PEOPLE Over age 70

13. How many adults in your Homestead family are employed?

ADULTS Employed full time

ADULTS Employed part time

14. For adults in your homestead family employed part-time or full-time please indicate the industry they work in. ***(CHECK ALL THAT APPLY)***. If no one is employed please skip to Q15.

	Adults working full time	Adults working part time
Agriculture, forestry, fishing & hunting & mining	<input type="radio"/>	<input type="radio"/>
Construction	<input type="radio"/>	<input type="radio"/>
Manufacturing	<input type="radio"/>	<input type="radio"/>
Wholesale trade	<input type="radio"/>	<input type="radio"/>
Retail trade	<input type="radio"/>	<input type="radio"/>
Transportation, warehousing & utilities	<input type="radio"/>	<input type="radio"/>
Information	<input type="radio"/>	<input type="radio"/>
Finance & insurance, real estate, rental & leasing	<input type="radio"/>	<input type="radio"/>
Professional, scientific, management and administrative	<input type="radio"/>	<input type="radio"/>
Educational services	<input type="radio"/>	<input type="radio"/>
Health care & social assistance	<input type="radio"/>	<input type="radio"/>
Hotel & accommodations & food services	<input type="radio"/>	<input type="radio"/>
Arts, entertainment & recreation	<input type="radio"/>	<input type="radio"/>
Public administration	<input type="radio"/>	<input type="radio"/>
Other services	<input type="radio"/>	<input type="radio"/>

15. Do you or any members of your Homestead Family own any real estate other than your Homestead Award?
 Yes
 No
 Don't know/Refused

16. Do you or any member of your Homestead Family receive any of the following types of assistance? ***(CHECK ALL THAT APPLY)***
 Section 8
 Rental Assistance
 Food Stamps
 None of these
 Don't know/Refused

17. About how much does your Homestead Family have in savings right now?

- None.....
- Less than \$5,000.....
- \$5,000 to \$24,999.....
- \$25,000 to \$49,999.....
- \$50,000 or more.....
- Don't know/Refused.....

18. What is the total monthly payment for rent or mortgage for this housing unit?

- Home paid for, or no rent paid.....
- Less than \$300.....
- \$300 to \$499.....
- \$500 to \$699.....
- \$700 to \$999.....
- \$1,000 to \$1,199.....
- \$1,200 to \$1,499.....
- \$1,500 to \$1,699.....
- \$1,700 to \$1,899.....
- \$1,900 to \$2,099.....
- \$2,100 to \$2,299.....
- \$2,300 to \$2,499.....
- \$2,500 or more.....
- Don't know/Refused.....

19. If you were to build, buy, or repair a home in the next 4-years, about how much do you think you could afford to pay each month for your mortgage or loan?

- Less than \$200.....
- \$200 to \$499.....
- \$500 to \$799.....
- \$800 to \$1,099.....
- \$1,100 to \$1,999.....
- \$2,000 or more.....
- Don't know/Refused.....

20. In 2013, what was the total income of all the people in your Homestead family?

- Less than \$15,000.....
- \$15,000 to \$19,999.....
- \$20,000 to \$24,999.....
- \$25,000 to \$29,999.....
- \$30,000 to \$34,999.....
- \$35,000 to \$39,999.....
- \$40,000 to \$44,999.....
- \$45,000 to \$49,999.....
- \$50,000 to \$54,999.....
- \$55,000 to \$59,999.....
- \$60,000 to \$64,999.....
- \$65,000 to \$69,999.....
- \$70,000 to \$74,999.....
- \$75,000 to \$79,999.....
- \$80,000 to \$89,999.....
- \$90,000 to \$99,999.....
- \$100,000 to \$124,999.....
- \$125,000 to \$149,999.....
- \$150,000 to \$199,999.....
- \$200,000 or more.....
- Don't know/Refused.....

Now we would like to ask you about the house you live in now.

21. Do you own or rent the house in which you live?

- Own.....
- Rent.....
- Sharing with others, no rent.....
- Occupy without rent payments.....

22. What kind of home do you live in now?

- Single-family house.....
- Townhouse, duplex, multiplex.....
- Apartment.....
- Condominium.....
- Public assisted housing.....
- Other (specify below).....

23. What is the Zip Code where you currently live?

--	--	--	--	--

24. How many rooms are there in your house? (PLEASE WRITE THE NUMBER IN THE BOXES PROVIDED BELOW)

		BEDROOMS
--	--	----------

	BATHROOMS
--	-----------

25. What is the age of your home?

			YEARS
--	--	--	-------

26. If you could change your existing house, how many additional rooms would you like to have?

		BEDROOMS
--	--	----------

	BATHROOMS
--	-----------

		Other Rooms
--	--	-------------

No changes to existing house..... 0

The following questions relate specifically to DHHL

27. Considering all your interactions with DHHL which statement below best describes your communications with them?

- Excellent, they really try to help..... 0
- Good, they do their jobs pretty well 0
- Fair, they don't go out of their way to help 0
- Poor, they don't care about my problems 0
- Haven't spoken with DHHL in past year 0
- Don't know/Refused..... 0

28. Do you have a computer in your house?

- Yes 0
- No (PLEASE SKIP TO Q32)..... 0

29. If yes, is your computer connected to the Internet?

- Yes 0
- No (PLEASE SKIP TO Q32) 0

30. If yes, do you or another member of your household use the computer to send emails or access websites through the Internet?

- Me alone 0
- Me and others 0
- Others, not me 0
- No one..... 0
- Don't know/Refused..... 0

31. What is your current e-mail address? (This will only be used to update the DHHL Lessee Database and future research.)

--

32. Can DHHL follow up with you for additional research and information?

- Yes 0
- No..... 0

33. Please feel free to write any additional comments in the space below.

Mahalo for participating in our survey! Please use the pre-paid reply envelope provided.

APPENDIX B: DATA TABULATIONS BY COUNTY

Table B-1. Respondent Characteristics, 2014

	County				Total
	Honolulu	Hawaii	Kauai	Maui	
	Col %	Col %	Col %	Col %	Col %
Respondent Gender					
Male	39.1%	38.4%	40.2%	45.0%	40.3%
Female	60.9%	61.6%	59.8%	55.0%	59.7%
Respondent Age					
18 to 24	0.5%	0.7%		0.2%	0.4%
25 to 34	2.8%	4.5%	8.1%	6.2%	4.3%
35 to 44	11.4%	9.1%	8.1%	11.1%	10.6%
45 to 54	17.0%	15.4%	17.1%	21.8%	17.7%
55 to 64	28.7%	29.9%	26.0%	24.8%	27.9%
65 to 74	23.6%	24.0%	22.0%	23.3%	23.5%
75+	16.0%	16.3%	18.7%	12.6%	15.5%
Respondent Marital Status					
Single, never married	16.8%	17.9%	19.3%	16.1%	17.1%
Married	30.5%	34.3%	17.0%	35.2%	31.5%
Married, but separated	10.8%	9.9%	22.7%	12.8%	11.9%
Divorced	15.8%	14.7%	11.4%	13.6%	14.7%
Widowed	26.1%	23.1%	29.5%	22.3%	24.8%

Table B-2. Lessee Household Characteristics, 2014

	County				
	Honolulu	Hawaii	Kauai	Maui	Total
	Col %	Col %	Col %	Col %	Col %
Household Size					
1 to 2 members	23.9%	40.0%	23.8%	37.1%	30.7%
3 to 4 members	32.4%	30.1%	37.7%	28.7%	31.4%
5 to 7 members	31.3%	23.8%	28.7%	24.0%	27.7%
8 to 10 members	9.8%	4.8%	7.4%	8.2%	8.0%
More than 10 members	2.7%	1.4%	2.5%	2.0%	2.2%
Household Members Under Age 18					
Zero	36.1%	49.6%	35.4%	44.7%	41.2%
One member	18.9%	17.2%	21.9%	14.9%	17.8%
Two members	19.7%	17.2%	25.0%	16.9%	18.8%
Three members	12.7%	8.0%	6.3%	12.0%	11.0%
Four members	6.3%	4.8%	4.2%	6.0%	5.7%
Five members	3.3%	2.4%	3.1%	2.0%	2.8%
Six or more members	2.9%	0.8%	4.2%	3.4%	2.6%
Household Members Over Age 70					
Zero	58.4%	56.1%	55.6%	62.6%	58.6%
One member	27.6%	27.5%	26.3%	23.7%	26.6%
Two members	11.1%	14.3%	14.1%	11.7%	12.2%
Three members	1.5%	0.8%	2.0%	0.6%	1.2%
Four members	0.7%	0.3%		0.9%	0.6%
Five members	0.3%	0.8%		0.3%	0.4%
Six or more members	0.4%	0.3%	2.0%	0.3%	0.5%
Adults in Household Employed Full-time					
Zero	13.4%	18.7%	11.7%	17.0%	15.2%
1-2 adults	63.2%	66.7%	70.3%	66.4%	65.2%
3-5 adults	22.0%	14.1%	15.3%	14.9%	18.2%
6 or more adults	1.4%	0.5%	2.7%	1.7%	1.4%
Adults in Household Employed Part-time					
Zero	48.5%	46.8%	51.4%	47.7%	48.1%
1-2 adults	49.4%	53.2%	43.2%	48.5%	49.7%
3-5 adults	1.9%		5.4%	3.8%	2.1%
6 or more adults	0.2%				0.1%

Table B-3: Lessee Demographic Characteristics, 1995, 2003, 2008, and 2014

	2014	2008	2003	1995
	Col %	Col %	Col %	Col %
Respondent Age				
18 to 24	0.4%	2.0%	1.1%	
25 to 34	4.3%	9.8%	7.1%	
35 to 44	10.6%	17.3%	14.8%	
45 to 54	17.7%	28.7%	38.3%	
55 to 64	27.9%	21.3%	38.0%	
65 to 74	39.0%	20.8%		
75+				
Median age	62	56	51	
Marital Status				
Single, never married	17.1%	10.0%	17.8%	7.2%
Married	31.5%	66.0%	44.1%	67.3%
Married, but separated	11.9%			
Divorced	14.7%	25.0%	38.1%	25.5%
Widowed	24.8%			
Household Size				
1 to 2 members	30.7%	29.0%	26.0%	
3 to 4 members	31.4%	32.0%	37.0%	
5 to 7 members				
8 to 10 members	37.9%	38.0%	37.0%	
More than 10 members				
Children in Household				
Yes	58.8%	53.0%	62.4%	59.7%
No	41.2%	45.4%	37.6%	40.3%
Members of your homestead family under age 18				
None	41.2%	45.4%		
One member	17.8%	19.7%		
Two members	18.8%	17.7%		
Three members	11.0%	9.4%		
Four members	5.7%	4.2%		
Five members	2.8%	2.2%		
Six or more members	2.6%	1.4%		

Table B-4: Lessee Demographic Characteristics, 2003, 2008, and 2014

	2014	2008	2003
	Col %	Col %	Col %
Household Income			
Less than \$15000	6.0%	9.2%	21.0%
\$15000 to \$19999	4.2%	8.7%	
\$20000 to \$24999	5.4%		9.5%
\$25000 to \$29999	4.1%		
\$30000 to \$34999	6.3%	14.0%	
\$35000 to \$39999	5.7%	15.3%	13.0%
\$40000 to \$44999	6.2%		
\$45000 to \$49999	5.7%		
\$50000 to \$54999	5.2%	12.5%	11.0%
\$55000 to \$59999	5.7%		
\$60000 to \$64999	5.9%	13.3%	14.0%
\$65000 to \$69999	3.8%		
\$70000 to \$74999	4.3%		
\$75000 to \$79999	2.6%	13.8%	8.0%
\$80000 to \$89999	5.9%		
\$90000 to \$99999	4.5%		
\$100000 to \$124999	9.1%	13.0%	6.0%
\$125000 to \$149999	4.8%		
\$150000 to \$199999	3.1%		
\$200000 or more	1.6%	1.3%	
Median household income	\$59,600	\$48,731	\$41,947
HUD Income Categories			
less than 30%	17.2%	11.7%	
30 to 50%	14.9%	13.1%	
51 to 80%	26.6%	21.3%	
81% to 120%	15.4%	13.1%	
121% to 140%	8.3%	17.7%	
141% to 180%	8.1%	12.1%	
more than 180%	9.5%	11.0%	
Tenancy			
Own	94.0%	92%	89%
Rent	3.9%	6%	9%
Sharing with others no rent			
Occupy without rent payments	2.1%	2%	3%
Unit Type			
Single-family house	94.3%	94%	92%
Townhouse/duplex/multiplex			
Condominium	2.3%	3%	4%
Apartment	0.6%	1%	1%
Public assisted housing			
Other	2.5%	2%	3%

Table B-5. Lessee Household Annual Income, 2013

	County				Total
	Honolulu	Hawaii	Kauai	Maui	
	Col %				
In 2013, what was the total income of all the people in your Homestead family?					
Less than \$15000	5.8%	6.9%	4.6%	6.1%	6.0%
\$15000 to \$19999	3.0%	6.0%	6.9%	3.8%	4.2%
\$20000 to \$24999	5.1%	5.4%	10.3%	4.5%	5.4%
\$25000 to \$29999	3.2%	5.4%	4.6%	4.5%	4.1%
\$30000 to \$34999	6.4%	8.1%	3.4%	5.1%	6.3%
\$35000 to \$39999	4.5%	5.7%	12.6%	6.1%	5.7%
\$40000 to \$44999	6.4%	7.2%	4.6%	5.1%	6.2%
\$45000 to \$49999	5.8%	4.2%	3.4%	7.6%	5.7%
\$50000 to \$54999	5.3%	4.8%	9.2%	4.5%	5.2%
\$55000 to \$59999	4.6%	8.7%	4.6%	4.8%	5.7%
\$60000 to \$64999	6.5%	4.8%	3.4%	6.4%	5.9%
\$65000 to \$69999	4.0%	4.2%	4.6%	2.9%	3.8%
\$70000 to \$74999	4.3%	3.0%	5.7%	5.4%	4.3%
\$75000 to \$79999	3.2%	2.1%		2.9%	2.6%
\$80000 to \$89999	6.2%	6.0%	5.7%	5.4%	5.9%
\$90000 to \$99999	5.0%	3.6%	1.1%	5.4%	4.5%
\$100000 to \$124999	9.7%	8.1%	4.6%	10.2%	9.1%
\$125000 to \$149999	5.8%	2.7%	4.6%	5.1%	4.8%
\$150000 to \$199999	3.8%	1.8%	3.4%	2.9%	3.1%
\$200000 or more	1.4%	1.8%	2.3%	1.6%	1.6%
Median	\$60,000	\$54,678	\$49,942	\$59,815	\$59,600

Table B-6. Lessee Household Financial Characteristics, 2014

	County				Total
	Honolulu	Hawaii	Kauai	Maui	
	Col %	Col %	Col %	Col %	Col %
Own any real estate other than your Homestead award land?					
Yes	15.7%	24.9%	19.7%	27.5%	20.8%
No	80.4%	71.7%	76.2%	67.0%	75.0%
Don't know/ Refused	3.9%	3.4%	4.1%	5.5%	4.1%
About how much does your Homestead family have in savings right now?					
None	21.4%	23.3%	25.4%	22.3%	22.3%
Less than \$5000	27.0%	29.3%	27.9%	32.0%	28.7%
\$5000 to \$24999	15.5%	15.1%	13.1%	14.5%	15.0%
\$25000 to \$49999	4.3%	3.9%	4.1%	3.6%	4.0%
\$50000 or more	7.0%	5.3%	3.3%	7.1%	6.3%
Don't know/ Refused	24.9%	23.1%	26.2%	20.6%	23.6%
Affordable monthly mortgage or loan payment					
Less than \$200	15.6%	18.7%	19.2%	16.7%	16.9%
\$200 to \$499	22.9%	25.0%	26.7%	27.1%	24.6%
\$500 to \$799	10.8%	15.5%	15.8%	12.2%	12.6%
\$800 to \$1099	12.7%	9.7%	6.7%	12.4%	11.5%
\$1100 to \$1999	10.4%	4.5%	7.5%	9.4%	8.5%
\$2000 or more	2.8%	2.0%	1.7%	2.3%	2.4%
Don't know/ Refused	24.7%	24.5%	22.5%	20.0%	23.5%
Are you current on your property taxes?					
Yes	88.3%	87.7%	93.5%	86.0%	88.0%
No	4.4%	7.8%	1.6%	5.1%	5.2%
Don't know/ Refused	7.3%	4.5%	4.9%	8.9%	6.8%

Table B-7. Employment Industry among Adult Lessees, 2014

Industry	Adults Working	Adults Working
	Full-time	Part-time
Construction	14.5%	3.0%
Educational services	13.2%	4.9%
Health care/social assistance	12.6%	2.8%
Transportation/warehousing/utilities	11.7%	2.6%
Hotel/accommodations/food services	11.2%	4.3%
Professional/scientific/mgmt/administrative	10.9%	1.3%
Retail trade	7.4%	4.3%
Public administration	5.7%	0.6%
Finance/insurance/real estate/rental/leasing	4.3%	0.8%
Agriculture/forestry/fishing/hunting/mining	4.2%	2.3%
Wholesale trade	2.4%	1.1%
Arts/entertainment/recreation	2.4%	2.1%
Manufacturing	1.0%	0.4%
Information	0.9%	0.3%
Other services	22.7%	9.1%

Table B-8. Lessee Household Internet Access, 2014

	County				Total
	Honolulu	Hawaii	Kauai	Maui	
	Col %	Col %	Col %	Col %	
Do you have a computer in your house?					
Yes	75.2%	74.3%	70.5%	76.7%	75.0%
No	24.8%	25.7%	29.5%	23.3%	25.0%
Is your computer connected to the Internet?					
Yes	93.0%	95.1%	89.8%	96.0%	93.9%
No	7.0%	4.9%	10.2%	4.0%	6.1%
Computer used to send emails or access websites through the Internet?					
By me alone	12.3%	16.9%	16.5%	13.5%	14.0%
By me and others	60.7%	59.1%	57.6%	63.7%	60.8%
By others, not me	16.4%	15.4%	9.4%	17.2%	15.9%
No	4.7%	3.7%	9.4%	3.3%	4.5%
Don't know/ Refused	5.8%	4.9%	7.1%	2.3%	4.9%

Table B-9. Lessee Type and Current Housing Situation, 2014

	County				Total Col %
	Honolulu	Hawaii	Kauai	Maui	
	Col %	Col %	Col %	Col %	
What type of Homestead Award do you have?					
Residential	99.0%	78.1%	93.6%	79.5%	89.2%
Agricultural	1.0%	14.7%	6.4%	15.4%	7.9%
Pastoral		7.2%		5.1%	2.9%
Before you received this award, were you an Undivided Interest Lessee?					
Yes	15.6%	14.6%	6.5%	11.4%	13.8%
No	55.7%	60.6%	63.9%	69.3%	60.4%
Dont know/Refused	28.7%	24.8%	29.6%	19.3%	25.7%
Do you currently have a house on your Homestead lot?					
Yes	98.6%	86.7%	96.8%	86.5%	92.9%
No	1.4%	13.3%	3.2%	13.5%	7.1%
Have a mortgage on the house now?					
Yes	77.9%	64.9%	68.3%	67.2%	72.0%
No, I paid it off already	21.9%	34.3%	30.8%	32.2%	27.5%
No, my children have the mortgage	0.1%	0.3%	0.8%		0.2%
No, someone else has the mortgage	0.1%	0.5%		0.6%	0.3%
Are you currently living in the house on your Homestead Award?					
Yes	97.5%	92.3%	94.1%	94.8%	95.5%
No, my kids live there	1.2%	4.4%	3.4%	1.4%	2.1%
No, someone else lives there	0.2%	1.8%	0.8%		0.6%
No, I rent it to others		0.3%			0.1%
No one lives there	0.2%	0.3%	0.8%	1.1%	0.5%
Other	0.8%	1.0%	0.8%	2.8%	1.3%

Table B-10. Housing Unit Characteristics, 2014

	County				Total
	Honolulu	Hawaii	Kauai	Maui	
	Col %	Col %	Col %	Col %	
Tenancy					
Own	96.0%	93.2%	93.4%	90.8%	94.0%
Rent	2.4%	4.8%	4.1%	6.2%	3.9%
Sharing with others, no rent	1.1%	0.9%	1.7%	1.7%	1.2%
Occupy without rent payments	0.6%	1.1%	0.8%	1.2%	0.9%
Unit Type					
Single-family house	94.7%	94.8%	92.6%	93.3%	94.3%
Townhouse/duplex/multiplex	2.8%	1.8%	0.8%	1.5%	2.1%
Apartment	0.4%	0.5%	1.6%	1.0%	0.6%
Condominium	0.2%			0.3%	0.2%
Public-assisted housing	0.2%		0.8%	0.5%	0.3%
Other	1.6%	2.9%	4.1%	3.5%	2.5%
Number of Bedrooms					
One bedroom	0.8%	4.3%	6.8%	3.2%	2.5%
Two bedrooms	5.0%	14.0%	10.2%	15.9%	9.6%
Three bedrooms	46.2%	51.2%	45.8%	51.6%	48.4%
Four or more bedrooms	48.0%	30.5%	37.3%	29.3%	39.5%
Number of Bathrooms					
One bathroom	21.6%	18.3%	32.7%	37.1%	24.8%
Two bathrooms	63.9%	67.3%	56.4%	52.1%	61.7%
Three bathrooms	12.6%	13.1%	7.3%	7.9%	11.3%
Four or more bathrooms	2.0%	1.3%	3.6%	2.9%	2.1%
Age of Unit					
Less than 5 years	9.0%	7.7%	7.8%	8.0%	8.4%
5 to 9 years	13.5%	14.2%	14.7%	29.8%	17.3%
10 to 14 years	11.5%	15.3%	7.8%	18.0%	13.6%
15 to 19 years	16.8%	13.0%	27.6%	7.2%	14.5%
20 to 29 years	12.9%	13.9%	14.7%	8.7%	12.4%
30 to 39 years	16.5%	17.9%	11.2%	8.7%	14.8%
40 to 49 years	12.4%	9.3%	3.4%	8.0%	10.1%
50 to 59 years	4.0%	2.6%	12.9%	6.2%	4.7%
60 or more years	3.4%	6.3%		5.4%	4.3%

Table B-11. Previous Additions or Renovations to the Housing Unit, 2014

	County				
	Honolulu	Hawaii	Kauai	Maui	Total
	Col %	Col %	Col %	Col %	Col %
Added any rooms since you first received/built the house?					
Yes	20.6%	21.5%	24.2%	14.8%	19.9%
No	79.4%	78.5%	75.8%	85.2%	80.1%
Made any other improvements to the house or land?					
Yes	63.6%	58.4%	53.4%	63.7%	61.7%
No	36.4%	41.6%	46.6%	36.3%	38.3%
Is the house the right size for you and your needs?					
Yes	72.0%	71.5%	77.1%	74.8%	72.8%
No it should be larger	26.9%	26.1%	19.5%	24.6%	25.7%
No it should be smaller	1.1%	2.3%	3.4%	0.6%	1.4%

Table B-12. Housing Unit Condition and Repairs among Lessee Population, 2014

	County					Total Col %
	Honolulu	Hawaii	Kauai	Maui		
	Col %	Col %	Col %	Col %		
Currently, what is the condition of your house?						
Excellent	28.6%	26.9%	23.5%	30.0%		28.1%
OK	25.1%	29.3%	26.1%	24.3%		25.9%
Needs minor repairs	30.5%	26.4%	33.6%	30.9%		29.9%
Needs major repairs	15.8%	17.4%	16.8%	14.9%		16.0%
Types of Repairs Needed*						
Exterior work (e.g., painting, siding, gutters)	56.7%	67.2%	60.0%	68.4%		61.6%
Needs minor repair throughout	54.3%	52.0%	50.7%	56.8%		54.1%
Windows need replacing	40.9%	34.8%	48.0%	43.7%		40.8%
Plumbing problems	33.1%	35.4%	33.3%	35.3%		34.1%
Roof (e.g., leaking, sagging)	28.1%	36.9%	44.0%	31.1%		31.9%
Electrical problems	31.0%	34.3%	29.3%	28.9%		31.1%
Walls (e.g., holes, damage)	30.5%	31.8%	30.7%	28.9%		30.5%
Structural (e.g., foundation cracked)	32.3%	19.2%	30.7%	28.4%		28.5%
Sewage problems	7.4%	9.6%	8.0%	10.0%		8.4%
Will you be able to pay for the necessary repairs for your house?*						
Yes, with cash	10.8%	14.1%	12.7%	10.4%		11.6%
Yes, with a bank loan	17.4%	12.6%	23.9%	19.8%		17.4%
Yes, by other means	13.1%	7.9%	12.7%	17.6%		12.9%
No, can't afford to pay for repairs	58.7%	65.4%	50.7%	52.2%		58.2%

*Based on lessees who reported the need for one or more repairs.

Table B-13. Desired Additions to Current Housing Unit among Lessee Population, 2014

	County				Total Col %
	Honolulu	Hawaii	Kauai	Maui	
	Col %	Col %	Col %	Col %	
Additional bedrooms you'd like to have					
One bedroom	24.7%	37.1%	32.1%	35.8%	30.0%
Two bedrooms	34.5%	29.9%	25.0%	23.6%	30.7%
Three bedrooms	9.4%	8.2%	3.6%	6.6%	8.2%
Four bedrooms	11.4%	6.2%	7.1%	14.2%	10.7%
Five or more bedrooms	9.0%	7.2%	14.3%	7.5%	8.6%
None	11.0%	11.3%	17.9%	12.3%	11.7%
Additional bathrooms you'd like to have					
One bathrooms	48.8%	52.2%	53.1%	56.9%	51.6%
Two bathrooms	21.3%	21.7%	25.0%	23.9%	22.2%
Three bathrooms	12.3%	12.0%	6.3%	6.4%	10.5%
Four bathrooms	2.5%	3.3%	6.3%	4.6%	3.4%
Five or more bathrooms	1.2%				0.6%
None	13.9%	10.9%	9.4%	8.3%	11.7%
Additional other rooms you'd like to have					
One other room	57.5%	61.3%	45.8%	55.4%	57.1%
Two other rooms	22.0%	21.3%	29.2%	27.7%	23.6%
Three other rooms	1.1%	4.0%		3.6%	2.2%
Four other rooms	1.6%		4.2%	1.2%	1.4%
Five or more other rooms	0.5%			1.2%	0.5%
None	17.2%	13.3%	20.8%	10.8%	15.2%

Table B-14. Community Perception among Lessee Population, 2014

	County				
	Honolulu	Hawaii	Kauai	Maui	Total
	Col %	Col %	Col %	Col %	Col %
Looking around at your neighbors house, would you say that most of them are...					
in the same shape as your house	56.3%	54.0%	56.8%	61.1%	56.8%
in better shape than your house	14.4%	18.3%	8.5%	12.5%	14.4%
in worse shape than your house	13.0%	12.3%	16.9%	11.9%	12.9%
in much worse than your house	6.3%	4.2%	5.9%	4.0%	5.3%
Dont know/Refused	10.0%	11.2%	11.9%	10.5%	10.5%
Would you say that your Homestead neighborhood is...					
a great place to live	62.4%	74.4%	58.0%	79.4%	68.4%
just like any other neighborhood	33.3%	23.8%	39.5%	18.1%	28.4%
not a good place to live	4.3%	1.8%	2.5%	2.5%	3.2%
Everything considered, would you choose to...					
stay in this neighborhood	75.9%	82.4%	77.3%	85.8%	79.5%
move away from this neighborhood	11.8%	6.4%	10.1%	5.0%	9.0%
not sure	12.4%	11.3%	12.6%	9.2%	11.5%
Where do you go if you have any questions or problems about your house or community?					
County Government	2.7%	5.0%	1.7%	2.3%	3.1%
Community President	2.1%	3.7%	0.9%	4.8%	2.9%
Community Association	16.0%	15.8%	2.6%	11.7%	14.1%
Go straight to DHHL	47.9%	51.5%	62.4%	56.7%	51.6%
Lawyer	1.6%	1.3%	1.7%	2.0%	1.6%
Ask my friends	16.0%	13.7%	19.7%	13.1%	15.1%
Don't know/Refused	13.9%	9.0%	11.1%	9.4%	11.6%

APPENDIX C: DATA TABULATIONS BY HUD INCOME LEVEL

Table C-1. Lessee Household Characteristics, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Household Size									
1 to 2 members	26.5%	38.1%	32.4%	30.0%	42.6%	30.2%	42.8%	36.8%	34.5%
3 to 4 members	26.9%	33.0%	33.2%	37.4%	24.2%	41.1%	36.9%	24.7%	30.9%
5 to 7 members	25.3%	21.9%	29.1%	30.6%	25.4%	23.6%	14.7%	27.7%	25.9%
8 to 10 members	14.2%	6.6%	5.0%	1.5%	7.7%	3.4%	5.6%	8.0%	6.8%
11+ members	7.1%	0.5%	0.3%	0.5%		1.8%		2.7%	1.9%
Household Members Under Age 18									
Zero	47.5%	61.9%	51.7%	45.0%	51.7%	51.4%	67.5%	57.0%	54.3%
One member	12.2%	12.3%	15.9%	19.2%	12.2%	17.3%	15.6%	12.7%	14.4%
Two members	13.1%	13.5%	15.1%	19.4%	19.6%	21.3%	12.3%	13.3%	15.1%
Three members	8.6%	9.0%	9.3%	10.2%	12.7%	3.8%	3.2%	7.7%	8.1%
Four members	8.1%	0.3%	5.8%	4.0%	3.8%	4.4%		5.1%	4.4%
Five members	5.3%	1.7%	1.8%	2.3%		1.8%	1.3%	1.9%	2.2%
Six or more members	5.2%	1.4%	0.5%					2.3%	1.5%
Household Members Over Age 70									
Zero	61.6%	62.0%	72.1%	72.4%	59.5%	76.1%	74.6%	57.2%	65.3%
One member	27.9%	24.8%	17.0%	18.0%	25.8%	13.1%	14.0%	26.8%	22.0%
Two members	6.6%	10.2%	9.8%	9.4%	13.9%	9.3%	8.9%	13.9%	10.7%
Three members	3.1%	1.5%	0.3%			0.8%	1.3%	0.4%	0.8%
Four members	0.4%	0.3%	0.3%	0.2%		0.8%	1.3%	0.3%	0.4%
Five members		1.2%			0.8%			0.9%	0.4%
Six+ members	0.5%		0.4%					0.6%	0.3%
Adults employed full time									
Zero	30.3%	28.2%	15.7%	9.9%	12.1%	4.2%	5.0%	19.5%	16.5%
1-2 adults	53.2%	63.0%	75.4%	74.6%	65.3%	75.4%	69.6%	58.2%	66.0%
3-5 adults	14.1%	8.8%	7.8%	15.0%	22.0%	20.3%	23.5%	20.9%	16.3%
6 or more adults	2.4%		1.2%	0.5%	0.5%		2.0%	1.4%	1.1%
Adults employed part time									
Zero	45.2%	39.0%	47.3%	42.8%	51.0%	54.5%	46.5%	53.2%	47.7%
1-2 adults	53.5%	55.6%	51.6%	57.2%	49.0%	45.5%	50.4%	45.1%	50.6%
3-5 adults	1.3%	5.4%	1.2%				2.5%	1.7%	1.6%
6 or more adults							0.6%		0.0%

Table C-2. Lessee Housing Characteristics, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Type of Homestead Award									
Residential	88.1%	88.2%	86.0%	85.5%	91.8%	85.5%	69.9%	82.7%	84.3%
Agricultural	8.9%	9.0%	10.9%	11.5%	4.4%	12.0%	18.5%	11.4%	11.1%
Pastoral	3.0%	2.8%	3.1%	2.9%	3.8%	2.5%	11.6%	5.9%	4.6%
Tenure									
Own	88.6%	91.8%	94.7%	94.7%	95.9%	97.7%	90.7%	93.8%	93.4%
Rent	6.9%	5.6%	3.7%	4.3%	1.7%	1.5%	5.6%	4.5%	4.4%
Sharing with others (no rent)	1.7%	2.1%	1.2%		0.5%	0.8%	2.4%	0.9%	1.2%
Occupy w/o payments	2.8%	0.6%	0.4%	0.9%	1.9%		1.3%	0.8%	1.0%
Unit Type									
Single-family house	90.1%	91.4%	95.8%	96.0%	96.0%	95.8%	94.2%	94.8%	94.3%
Townhouse/duplex/multiplex	1.7%	2.5%	1.4%	1.8%	0.5%	3.3%	5.8%	1.0%	1.9%
Apartment	0.2%	1.7%	0.3%	0.4%				1.2%	0.6%
Condominium		0.5%		0.5%					0.1%
Public assisted housing	0.8%		0.2%					0.3%	0.2%
Other	7.2%	3.9%	2.4%	1.3%	3.6%	0.9%		2.8%	2.8%
Number of Bedrooms									
Zero bedrooms	0.9%	0.5%						0.3%	0.2%
One bedroom	6.2%	5.5%	2.4%	1.6%	1.9%	0.8%	2.5%	1.8%	2.7%
Two bedrooms	14.3%	13.1%	17.2%	11.8%	8.4%	10.2%	12.4%	11.1%	12.7%
Three bedrooms	47.7%	53.8%	46.1%	53.0%	58.6%	48.6%	44.0%	50.9%	49.9%
Four or more bedrooms	30.9%	27.1%	34.4%	33.6%	31.1%	40.5%	41.2%	36.0%	34.5%
Number of bathrooms									
Zero bathrooms	1.4%	1.3%	0.3%	0.4%				0.4%	0.5%
One bathroom	33.8%	22.7%	21.4%	14.3%	14.4%	10.8%	8.9%	15.6%	18.4%
Two bathrooms	54.0%	65.0%	58.9%	66.9%	62.3%	70.2%	60.7%	63.7%	62.2%
Three bathrooms	8.3%	8.8%	16.8%	17.2%	20.3%	18.5%	25.2%	16.9%	16.1%
Four or more bathrooms	2.5%	2.2%	2.6%	1.2%	2.9%	0.5%	5.2%	3.4%	2.7%
Age of Unit									
Less than 5 years	4.8%	6.8%	9.4%	12.6%	17.3%	3.5%	8.7%	5.9%	8.0%
5 to 9 years	10.2%	11.0%	19.3%	25.0%	12.1%	15.3%	21.7%	17.1%	17.1%
10 to 14 years	9.5%	16.7%	15.8%	12.2%	13.9%	22.8%	26.3%	9.9%	14.4%
15 to 19 years	16.0%	14.9%	13.3%	13.7%	11.2%	22.7%	13.8%	11.2%	13.8%
20 to 29 years	13.5%	13.3%	12.0%	11.9%	12.8%	10.7%	11.6%	14.0%	12.7%
30 to 39 years	18.3%	16.8%	13.2%	7.3%	10.9%	8.8%	9.5%	22.9%	15.3%
40 to 49 years	14.8%	11.3%	8.9%	7.0%	15.5%	7.9%	4.3%	8.4%	9.3%
50 to 59 years	5.7%	4.5%	5.4%	3.7%	6.3%	3.9%	0.3%	4.2%	4.3%
60 or more years	7.2%	4.6%	2.8%	6.7%		4.3%	3.9%	6.4%	5.0%

Table C-3. Lessee Housing Characteristics (continued), 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Condition of current unit									
Excellent	14.5%	17.5%	22.0%	35.7%	37.8%	34.7%	53.9%	25.4%	27.7%
OK	16.6%	27.7%	28.1%	29.8%	27.2%	28.0%	23.1%	30.3%	27.0%
Needs minor repairs	28.5%	36.2%	34.9%	27.0%	24.0%	23.9%	18.5%	28.7%	28.8%
Needs major repairs	40.4%	18.5%	15.0%	7.5%	11.0%	13.5%	4.6%	15.7%	16.5%
Repairs needed									
Electrical problems	28.4%	20.9%	20.2%	8.4%	13.1%	12.9%	3.7%	12.9%	15.5%
Exterior work (painting, gutters)	47.3%	35.3%	37.6%	22.5%	26.7%	26.6%	17.7%	28.1%	31.1%
Needs minor repair throughout	33.6%	30.2%	29.9%	21.1%	25.8%	24.1%	12.8%	25.0%	25.9%
Plumbing problems	31.3%	22.1%	18.2%	9.6%	13.3%	12.6%	2.4%	16.6%	16.8%
Roof (ex leaking, sagging)	30.2%	17.6%	15.0%	11.9%	8.0%	16.0%	8.9%	17.3%	16.6%
Sewage problems	8.1%	7.5%	2.8%	2.6%	3.3%	3.7%		4.9%	4.3%
Structural (ex foundation cracked)	24.0%	12.7%	12.1%	10.0%	10.5%	11.8%	3.0%	11.4%	12.3%
Walls (ex holes, damage)	29.2%	15.4%	20.2%	10.7%	16.3%	11.5%	0.9%	12.0%	15.0%
Windows need replacing	32.7%	26.1%	22.8%	11.7%	18.2%	13.3%	7.3%	16.6%	19.1%
Will you be able to pay for the necessary repairs for your house?									
Yes, with cash	8.4%	7.9%	9.4%	16.3%	22.1%	33.3%	24.7%	14.1%	13.6%
Yes, with a bank loan	6.9%	14.5%	18.5%	24.9%	23.0%	19.1%	32.0%	12.8%	15.9%
Yes, by other means	4.2%	11.2%	13.1%	10.3%	1.2%	5.2%	16.6%	17.4%	11.5%
No, can't afford to pay for repairs	80.5%	66.4%	58.9%	48.4%	53.7%	42.5%	26.6%	55.7%	59.0%
Have insurance									
Homeowners Insurance	55.8%	75.1%	81.2%	80.3%	90.6%	81.3%	80.2%	73.2%	75.6%
Flood Insurance	13.2%	17.5%	25.6%	23.4%	33.1%	32.9%	31.2%	19.1%	22.6%
Can't afford to pay for insurance	32.3%	17.1%	9.8%	8.6%	3.7%	10.3%	5.0%	10.9%	12.6%

Table C-4. Lessee Housing Characteristics (continued), 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Before you received this award, were you an Undivided Interest Lessee?									
Yes	21.0%	12.3%	13.7%	18.3%	15.0%	7.0%	7.5%	12.3%	13.6%
No	57.6%	60.3%	60.9%	62.0%	55.2%	65.4%	72.6%	59.8%	61.4%
Not sure	21.4%	27.4%	25.3%	19.7%	29.9%	27.6%	19.9%	27.8%	25.0%
Do you currently have a house on your Homestead lot?									
Yes	91.2%	92.0%	95.6%	89.5%	96.0%	88.0%	83.0%	87.8%	90.2%
No	8.8%	8.0%	4.4%	10.5%	4.0%	12.0%	17.0%	12.2%	9.8%
Are you currently living in the house on your Homestead Award?									
Yes	95.4%	96.3%	96.5%	95.9%	88.2%	96.8%	87.3%	93.6%	94.2%
No my kids live there	1.0%	1.7%	1.0%	3.7%	3.9%	0.5%	8.1%	3.9%	2.9%
No someone else lives there			1.7%		3.0%		4.6%	0.4%	1.0%
No I rent it to other		1.4%							0.1%
No one lives there	2.1%		0.3%			1.0%		0.3%	0.5%
Other	1.5%	0.7%	0.5%	0.4%	4.8%	1.7%		1.8%	1.3%
Have a mortgage on the house now?									
Yes	52.0%	67.0%	74.9%	80.4%	72.4%	75.9%	81.8%	62.0%	68.9%
No I paid it off already	45.4%	32.6%	24.8%	19.6%	27.1%	24.1%	18.2%	37.4%	30.5%
No my children have the mortgage	0.5%				0.5%			0.4%	0.2%
No someone else has the mortgage	2.1%	0.3%	0.3%					0.2%	0.4%
Added any rooms since you first received/built the house?									
Yes	16.7%	19.0%	18.1%	21.8%	21.5%	12.6%	24.4%	23.1%	20.2%
No	83.3%	81.0%	81.9%	78.2%	78.5%	87.4%	75.6%	76.9%	79.8%
Made any other improvements to the house or land?									
Yes	47.5%	55.7%	56.9%	61.4%	70.1%	69.6%	60.5%	64.6%	60.3%
No	52.5%	44.3%	43.1%	38.6%	29.9%	30.4%	39.5%	35.4%	39.7%
What do you intend to do with the house/land in the future?									
Pass it on to my children/relatives	99.2%	96.2%	99.3%	99.3%	97.3%	97.9%	95.7%	95.9%	97.5%
Sell it to someone else		0.6%	0.2%		2.2%		1.5%	0.9%	0.6%
Transfer it to someone else	0.5%	1.3%	0.2%	0.5%				0.9%	0.5%
Just hold on to it	0.3%	1.9%	0.3%				2.8%	1.3%	0.9%
DK/Ref				0.3%	0.5%	2.1%		1.1%	0.5%

Table C-5. Crowding and Unit Preferences, 2014

	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%	Not reported	Total
	Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %	Col %
Is the house the right size for you and your needs?									
Yes	66.4%	77.2%	68.0%	69.8%	76.7%	68.4%	74.5%	77.8%	72.7%
No it should be larger	32.5%	21.0%	30.7%	28.7%	22.5%	29.1%	20.9%	20.6%	25.5%
No it should be smaller	1.0%	1.7%	1.4%	1.5%	0.9%	2.5%	4.6%	1.7%	1.8%
Crowding									
Not Crowded (1 person or less per bedroom)	41.3%	56.9%	52.1%	54.8%	53.6%	57.0%	68.0%	49.4%	52.7%
Crowded (1.01 to 1.5 persons per bedroom)	11.0%	21.5%	20.9%	21.4%	16.3%	19.3%	18.1%	16.6%	18.0%
Severely crowded (1.51+ persons per bedroom)	47.7%	21.6%	27.0%	23.8%	30.1%	23.7%	13.9%	34.0%	29.3%
Additional bedrooms desired									
One bedroom	21.6%	29.0%	40.3%	35.7%	43.4%	34.1%	35.2%	28.6%	32.8%
Two bedrooms	26.4%	23.7%	27.9%	23.5%	21.8%	38.9%	20.5%	27.7%	26.6%
Three bedrooms	14.6%	11.4%	9.4%	6.0%	8.5%	8.2%	7.3%	9.3%	9.5%
Four bedrooms	15.1%	15.9%	7.1%	9.1%	7.7%	3.5%	6.1%	10.6%	9.7%
Five or more bedrooms	14.1%	6.9%	3.6%	5.3%		3.1%	4.1%	8.7%	6.5%
None	8.1%	13.1%	11.7%	20.3%	18.6%	12.1%	26.8%	15.1%	14.9%
Additional bathrooms desired									
One bathrooms	37.1%	38.4%	59.0%	53.8%	64.8%	66.7%	42.0%	46.2%	50.3%
Two bathrooms	42.6%	32.5%	19.4%	18.6%	11.2%	14.1%	19.2%	17.2%	21.9%
Three bathrooms	11.6%	16.5%	8.6%	8.7%	7.2%	6.6%	12.9%	15.8%	11.5%
Four bathrooms	2.5%	3.4%	0.9%	1.6%	0.8%	1.8%	0.7%	5.0%	2.5%
Five or more bathrooms	0.4%		1.5%	1.1%				0.2%	0.5%
None	5.9%	9.2%	10.5%	16.3%	15.9%	10.8%	25.3%	15.5%	13.2%
Additional other rooms desired									
One other room	54.9%	42.2%	57.0%	71.1%	52.9%	62.3%	59.7%	64.4%	59.5%
Two other rooms	29.4%	37.6%	23.8%	12.3%	26.4%	22.9%	19.7%	16.0%	22.0%
Three other rooms	3.6%	7.2%	0.3%		2.0%	3.4%		1.7%	1.9%
Four other rooms	1.0%	0.7%		1.4%				0.6%	0.5%
Five or more other rooms	0.6%							0.5%	0.2%
None	10.6%	12.3%	18.8%	15.2%	18.6%	11.3%	20.6%	16.9%	15.9%

Table C-6. Lessee Financial Characteristics, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
HH INCOME									
Less than \$15000	38.5%								4.8%
\$15000 to \$19999	24.3%	7.8%							3.8%
\$20000 to \$24999	14.5%	23.2%						0.6%	4.2%
\$25000 to \$29999	3.8%	15.6%	6.4%					1.7%	3.6%
\$30000 to \$34999	7.2%	19.9%	10.7%					1.8%	5.2%
\$35000 to \$39999	6.6%	11.2%	13.5%	0.9%				0.4%	4.6%
\$40000 to \$44999	3.6%	9.4%	13.1%	7.4%				1.1%	4.9%
\$45000 to \$49999	1.5%	5.5%	13.6%	5.5%	1.9%			0.1%	4.0%
\$50000 to \$54999		3.0%	9.8%	12.6%	1.9%			0.8%	3.9%
\$55000 to \$59999		2.4%	9.3%	17.2%	15.3%	1.8%		0.2%	5.1%
\$60000 to \$64999		0.9%	10.6%	10.0%	9.6%	5.3%			4.2%
\$65000 to \$69999			4.2%	11.4%	3.7%	7.0%		0.6%	3.0%
\$70000 to \$74999			5.6%	8.6%	7.1%	3.5%	2.5%	0.3%	3.0%
\$75000 to \$79999		1.0%	1.1%	5.1%	9.5%	1.8%	1.3%	0.3%	1.8%
\$80000 to \$89999			1.7%	10.7%	10.7%	23.4%	6.3%	0.6%	4.5%
\$90000 to \$99999			0.3%	6.5%	8.4%	12.7%	10.0%	0.1%	3.1%
\$100000 to \$124999			0.3%	3.3%	21.9%	26.8%	32.4%	0.5%	6.6%
\$125000 to \$149999				0.2%	8.2%	14.0%	16.9%	0.3%	3.1%
\$150000 to \$199999					1.7%	3.9%	17.1%	0.2%	2.0%
\$200000 or more				0.5%			13.6%		1.3%
Not sure								90.3%	23.3%
Affordable Monthly Housing Payment									
Less than \$200	37.6%	28.7%	20.8%	12.8%	4.9%	10.0%	7.8%	12.8%	17.6%
\$200 to \$499	33.3%	29.4%	27.1%	28.9%	27.0%	25.6%	16.5%	19.1%	25.0%
\$500 to \$799	8.8%	15.5%	17.5%	17.0%	24.8%	9.7%	17.1%	9.3%	13.8%
\$800 to \$1099	3.2%	6.8%	13.9%	18.8%	13.4%	21.6%	15.4%	5.1%	10.7%
\$1100 to \$1999	0.2%	3.0%	4.4%	8.4%	11.2%	17.4%	20.4%	4.7%	7.0%
\$2000 or more	0.8%	0.3%	1.1%	2.1%	3.3%	1.3%	12.4%	1.0%	2.2%
Not sure	16.1%	16.3%	15.2%	12.0%	15.4%	14.4%	10.3%	48.0%	23.6%
Own Other Real Estate									
Yes	11.2%	11.4%	15.5%	26.9%	31.1%	29.7%	54.5%	21.3%	22.9%
No	85.1%	86.5%	82.5%	69.5%	68.5%	68.8%	44.1%	70.4%	73.1%
Not sure	3.7%	2.1%	2.1%	3.5%	0.5%	1.5%	1.5%	8.2%	4.0%
Amount in Savings									
None	56.8%	31.2%	24.9%	13.9%	9.4%	14.7%	6.7%	17.2%	22.8%
Less than \$5000	30.7%	40.1%	41.7%	44.2%	30.5%	28.1%	22.7%	12.2%	29.2%
\$5000 to \$24999	3.4%	12.8%	14.9%	18.1%	30.7%	31.8%	26.9%	8.2%	14.9%
\$25000 to \$49999	1.1%	4.9%	3.1%	8.4%	5.7%	4.6%	9.8%	1.0%	3.9%
\$50000 or more		0.8%	4.2%	7.3%	11.2%	11.1%	25.4%	1.9%	5.9%
Not sure	8.0%	10.2%	11.3%	8.1%	12.5%	9.7%	8.5%	59.5%	23.3%

Table C-7. Lessee Employment Characteristics, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121 to 140%	141 to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Adults in household employed full-time									
Agri./forestry/fishing/hunting/mining	2.4%	4.7%	4.9%	5.7%	3.6%	4.6%	9.9%	3.7%	4.7%
Arts/entertainment/recreation	0.6%	0.9%	4.8%	2.6%	1.3%	2.7%	6.2%	1.1%	2.4%
Construction	9.9%	11.6%	14.6%	14.6%	20.8%	15.4%	15.0%	11.7%	13.4%
Educational services	9.8%	9.1%	10.1%	15.2%	14.5%	22.0%	18.3%	12.8%	13.1%
Finance/ins./real estate/rental/leasing	0.4%	1.7%	3.5%	4.4%	2.7%	7.1%	6.9%	4.6%	3.9%
Health care/social assistance	7.5%	7.7%	12.1%	14.9%	13.2%	20.7%	19.3%	10.6%	12.3%
Hotel/accommodations/food services	11.2%	6.9%	9.2%	15.0%	11.1%	20.6%	9.4%	12.5%	11.7%
Information	0.4%	0.5%	0.9%	1.8%		0.4%	0.3%	0.7%	0.7%
Manufacturing	0.4%	0.3%	0.8%	2.1%	0.9%	0.9%	1.3%	1.0%	1.0%
Other services	14.8%	19.9%	22.1%	21.7%	20.3%	31.7%	19.9%	21.2%	21.0%
Prof./scientific/mgmt./admin.	4.0%	2.6%	8.4%	10.9%	13.2%	19.4%	29.2%	7.3%	10.1%
Public administration	3.6%	2.1%	5.5%	6.7%	9.1%	8.3%	10.4%	4.1%	5.5%
Retail trade	4.1%	4.0%	7.6%	11.6%	5.5%	6.3%	11.2%	7.2%	7.3%
Transportation/warehousing/utilities	4.8%	6.0%	12.7%	13.8%	14.0%	8.2%	10.8%	10.0%	10.1%
Wholesale trade	2.2%	0.5%	2.4%	2.2%	1.3%	2.7%	1.6%	2.6%	2.1%
Adults in household employed part-time									
Agri./forestry/fishing/hunting/mining	3.3%	6.9%	1.7%	2.4%	0.8%	1.5%	6.3%	2.7%	3.1%
Arts/entertainment/recreation	0.6%	4.2%	2.3%	2.7%	2.9%	3.4%	3.0%	2.1%	2.4%
Construction	4.3%	3.9%	2.3%	4.6%	0.5%	0.8%	1.8%	2.7%	2.8%
Educational services	3.0%	7.1%	4.1%	4.3%	8.2%	2.4%	7.5%	4.8%	4.9%
Finance/ins./real estate/rental/leasing	0.4%	2.3%	0.6%	0.4%	2.4%		0.5%	0.7%	0.8%
Health care/social assistance	3.7%	2.6%	4.1%	3.0%	3.9%	1.5%	3.8%	2.4%	3.1%
Hotel/accommodations/food services	6.6%	6.0%	4.9%	4.9%	1.8%	5.3%	5.6%	2.6%	4.4%
Information		0.6%	0.4%	0.5%				0.2%	0.2%
Manufacturing		1.8%	0.2%	0.5%			1.3%	0.3%	0.4%
Other services	15.5%	11.8%	6.3%	11.6%	4.8%	7.8%	10.5%	6.9%	9.1%
Prof./scientific/mgmt./admin.		1.2%	1.7%	1.6%	2.8%	1.3%	2.8%	1.1%	1.4%
Public administration	0.4%	1.1%	0.4%	0.9%		0.4%		0.3%	0.5%
Retail trade	1.6%	7.6%	5.1%	6.9%	4.6%	4.4%	3.9%	1.7%	3.9%
Transportation/warehousing/utilities	3.1%	1.2%	4.5%	2.4%	2.5%	0.4%	2.6%	2.0%	2.5%
Wholesale trade	2.2%	0.6%	0.6%	1.9%	0.8%	0.8%		1.4%	1.2%

Table C-8. Lessee Technology Characteristics, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Do you have a computer in your house?									
Yes	48.6%	67.4%	75.0%	89.1%	88.6%	90.5%	98.4%	67.7%	74.7%
No	51.4%	32.6%	25.0%	10.9%	11.4%	9.5%	1.6%	32.3%	25.3%
Is your computer connected to the Internet?									
Yes	83.2%	91.1%	95.0%	97.0%	100.0%	100.0%	100.0%	91.8%	94.4%
No	16.8%	8.9%	5.0%	3.0%				8.2%	5.6%
Use the computer to send emails or access websites through the Internet?									
Me alone	16.4%	25.8%	17.0%	17.1%	5.8%	11.4%	14.6%	12.7%	15.1%
Me and others	37.5%	48.5%	58.1%	69.2%	78.8%	81.2%	72.1%	51.9%	60.3%
Others not me	23.0%	19.1%	18.5%	10.1%	12.5%	7.4%	11.3%	18.1%	15.6%
No one	16.1%	6.6%	3.1%	2.5%	2.8%			4.8%	4.2%
Not sure	7.0%		3.2%	1.1%			2.0%	12.5%	4.8%

APPENDIX D: MAPS OF HAWAIIAN HOMESTEAD LANDS

Figure D-1. Hawaiian Homestead Lands – Oahu

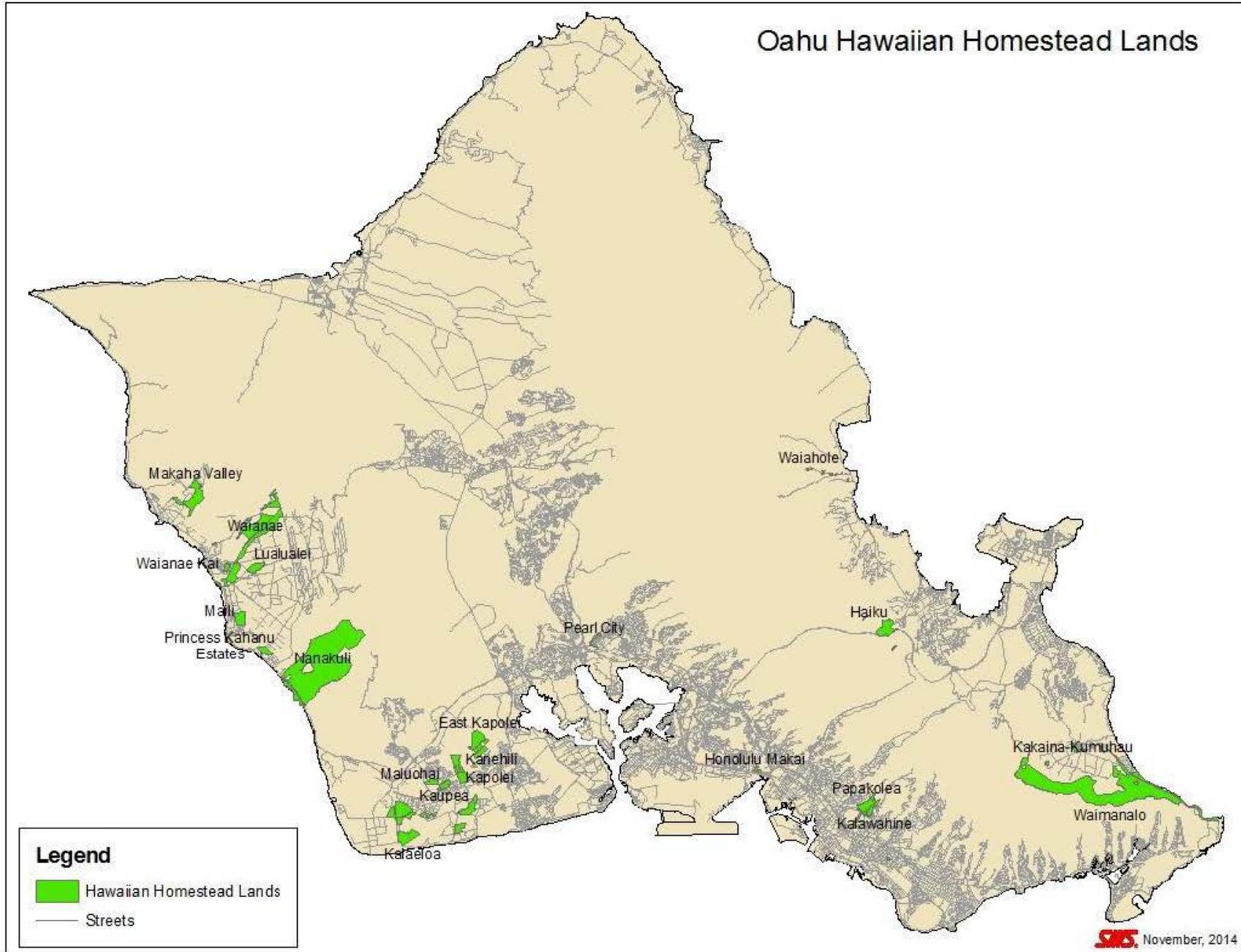


Figure D-3. Hawaiian Homestead Lands – Kauai

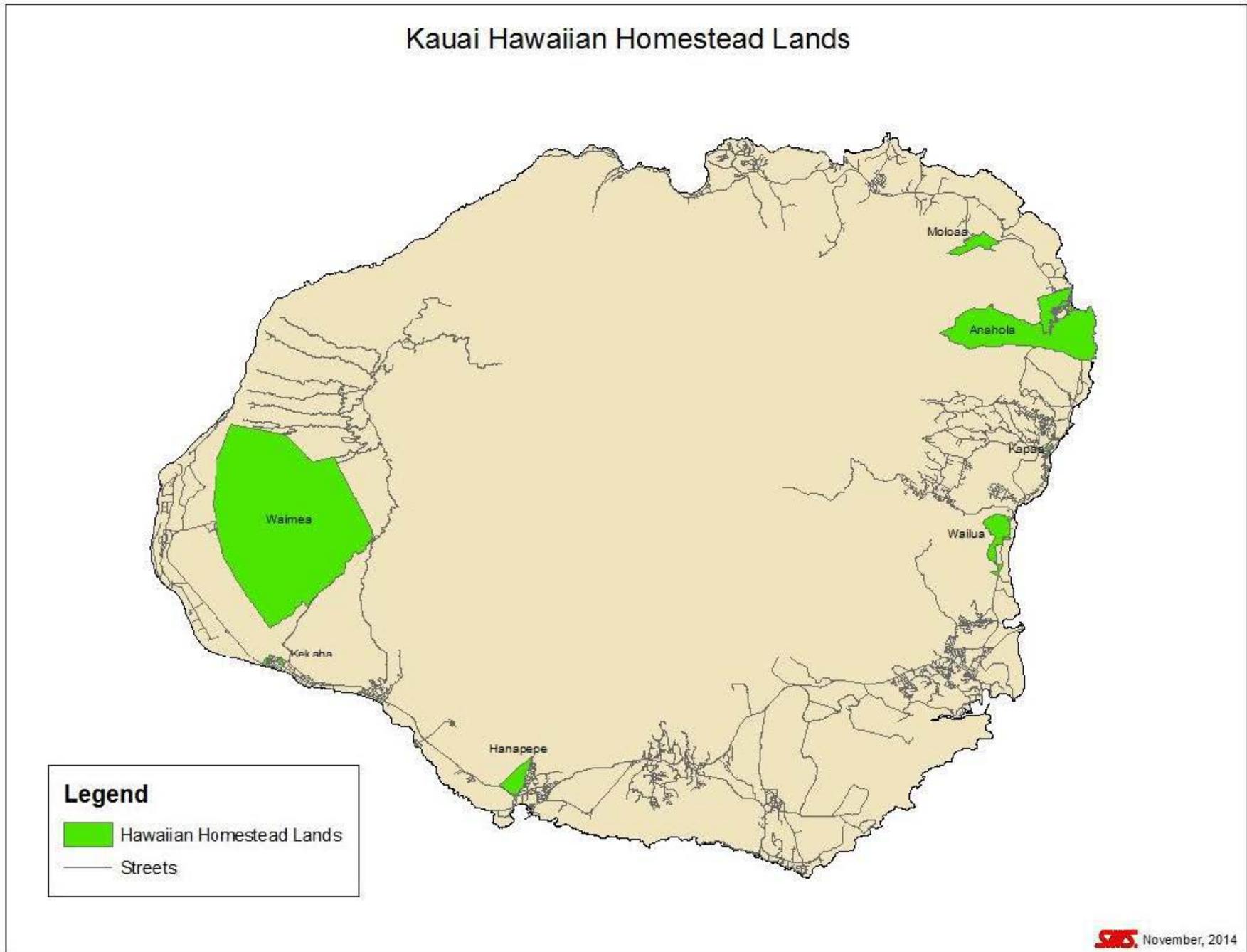
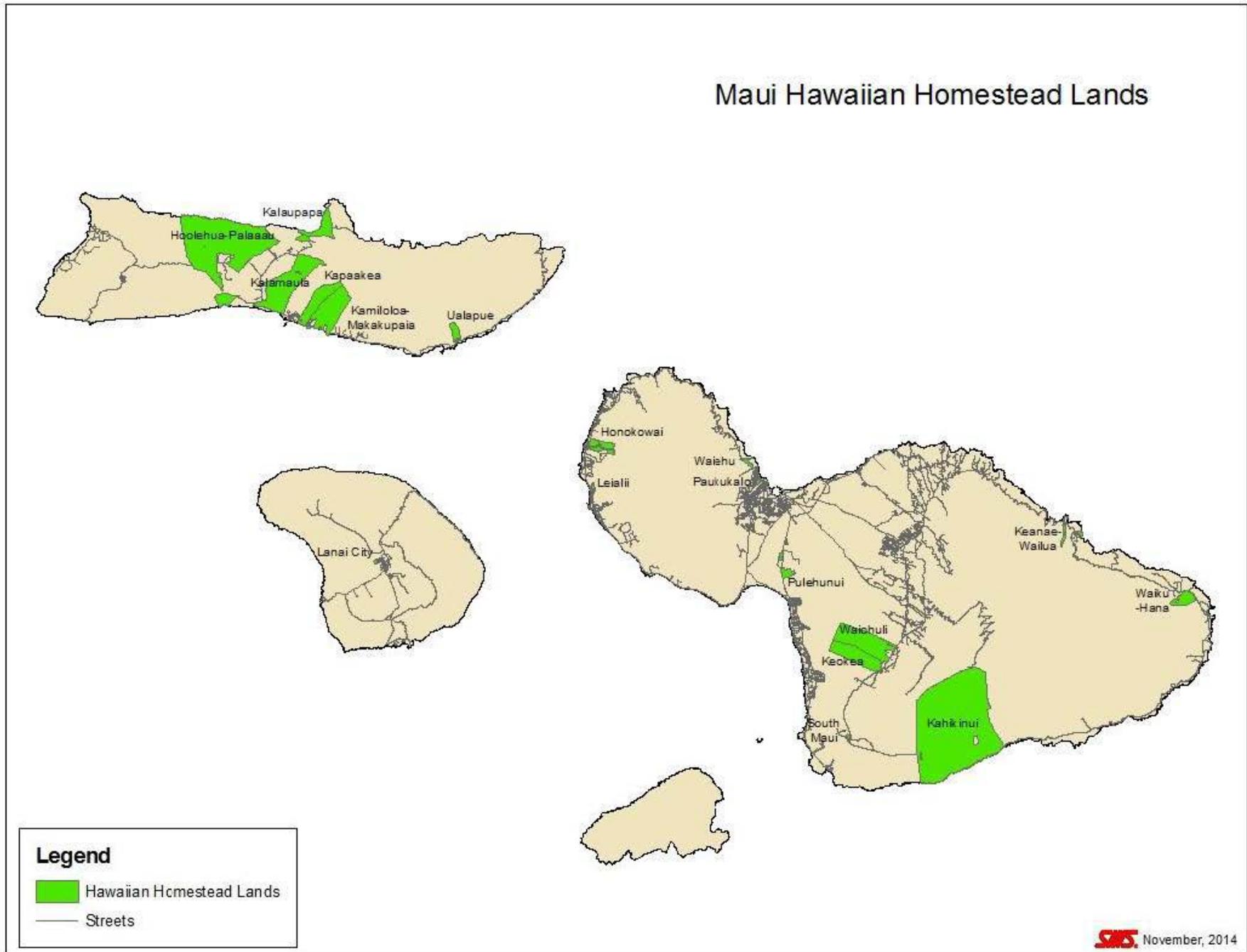


Figure D-4. Hawaiian Homestead Lands – Maui



APPENDIX E: COMMUNITY ISSUES BY HOMESTEAD COMMUNITY

Note: The following tables include unweighted data for current Hawaiian Homestead communities. Only those communities for which 45 or more responses were received are included in the tables.

	Hawaiian Homestead Area									
	Kapolei		Humuula/ Kaumana/ Pihonua/ Ponohawai/ Waiakea		Hoolehua- Palaa		Kanihale		Puukapu	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Compared to your home, would you say your neighbors' homes are...										
in the same shape	133	86.9%	104	48.8%	26	50.0%	40	72.7%	44	51.8%
in better shape	5	3.3%	52	24.4%	9	17.3%	5	9.1%	9	10.6%
in worse shape	6	3.9%	25	11.7%	8	15.4%	8	14.5%	11	12.9%
in much worse shape	1	0.7%	9	4.2%	2	3.8%	1	1.8%	4	4.7%
Not sure	8	5.2%	23	10.8%	7	13.5%	1	1.8%	17	20.0%
Would you say that your Homestead neighborhood is a...										
great place to live	104	68.4%	153	70.5%	46	85.2%	41	73.2%	71	82.6%
just like any other neighborhood	42	27.6%	60	27.6%	8	14.8%	13	23.2%	14	16.3%
not a good place to live	6	3.9%	4	1.8%			2	3.6%	1	1.2%
Everything considered, if you had a chance would you...										
stay in this neighborhood	111	73.5%	188	86.6%	50	92.6%	42	75.0%	66	75.0%
move away from this neighborhood	21	13.9%	11	5.1%	2	3.7%	8	14.3%	6	6.8%
Not sure	19	12.6%	18	8.3%	2	3.7%	6	10.7%	16	18.2%
In your Homestead community, how much of a problem are the following issues?										
Abandoned cars or trash in yards										
Big problem	15	9.8%	44	19.0%	12	23.1%	14	24.6%	15	14.4%
Small problem	23	15.0%	51	22.1%	12	23.1%	11	19.3%	16	15.4%
Sometimes a problem	25	16.3%	48	20.8%	11	21.2%	8	14.0%	26	25.0%
No problem	88	57.5%	73	31.6%	16	30.8%	23	40.4%	40	38.5%
Not sure	2	1.3%	15	6.5%	1	1.9%	1	1.8%	7	6.7%
Lots that are still vacant										
Big problem	8	5.2%	43	19.4%	10	19.2%	9	16.1%	20	19.0%
Small problem	11	7.2%	42	18.9%	7	13.5%	9	16.1%	20	19.0%
Sometimes a problem	3	2.0%	23	10.4%	8	15.4%	7	12.5%	10	9.5%
No problem	112	73.2%	94	42.3%	22	42.3%	26	46.4%	47	44.8%
Not sure	19	12.4%	20	9.0%	5	9.6%	5	8.9%	8	7.6%
Homes not being maintained										
Big problem	16	10.5%	38	16.5%	10	20.0%	8	14.3%	10	9.7%
Small problem	17	11.2%	50	21.7%	14	28.0%	9	16.1%	20	19.4%
Sometimes a problem	32	21.1%	46	20.0%	8	16.0%	9	16.1%	18	17.5%
No problem	83	54.6%	77	33.5%	16	32.0%	24	42.9%	46	44.7%
Not sure	4	2.6%	19	8.3%	2	4.0%	6	10.7%	9	8.7%
Yards not being maintained										
Big problem	19	12.6%	38	17.0%	12	24.0%	9	15.8%	9	9.0%
Small problem	26	17.2%	46	20.6%	12	24.0%	10	17.5%	20	20.0%
Sometimes a problem	52	34.4%	41	18.4%	10	20.0%	11	19.3%	18	18.0%
No problem	51	33.8%	81	36.3%	15	30.0%	26	45.6%	47	47.0%
Not sure	3	2.0%	17	7.6%	1	2.0%	1	1.8%	6	6.0%
Drug dealers living in neighborhood										
Big problem	16	10.5%	58	25.1%	8	16.0%	4	7.0%	24	23.8%
Small problem	7	4.6%	19	8.2%	4	8.0%	3	5.3%	10	9.9%
Sometimes a problem	17	11.1%	19	8.2%	9	18.0%	5	8.8%	4	4.0%
No problem	45	29.4%	48	20.8%	14	28.0%	25	43.9%	24	23.8%
Not sure	68	44.4%	87	37.7%	15	30.0%	20	35.1%	39	38.6%
Drugs being sold in neighborhood										
Big problem	17	11.2%	56	24.3%	8	17.0%	4	6.9%	22	21.6%
Small problem	12	7.9%	18	7.8%	5	10.6%	3	5.2%	9	8.8%
Sometimes a problem	15	9.9%	18	7.8%	7	14.9%	8	13.8%	3	2.9%
No problem	45	29.6%	43	18.7%	9	19.1%	22	37.9%	25	24.5%
Not sure	63	41.4%	95	41.3%	18	38.3%	21	36.2%	43	42.2%
Nowhere for the children to play										
Big problem	69	45.1%	9	4.1%	12	24.0%	35	61.4%	35	35.0%
Small problem	16	10.5%	19	8.6%	6	12.0%	6	10.5%	12	12.0%
Sometimes a problem	23	15.0%	24	10.8%	4	8.0%	3	5.3%	12	12.0%
No problem	44	28.8%	156	70.3%	26	52.0%	10	17.5%	34	34.0%
Not sure	1	0.7%	14	6.3%	2	4.0%	3	5.3%	7	7.0%

	Hawaiian Homestead Area									
	Anahola		Kapaakea		Kekaha		Ulupalakua/ Kahikinui		Lualualei/ Nanakuli/ Waianae	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Compared to your home, would you say your neighbors' homes are...										
in the same shape	41	56.2%	30	50.0%	9	60.0%	50	80.6%	204	51.3%
in better shape	7	9.6%	13	21.7%	3	20.0%	6	9.7%	61	15.3%
in worse shape	12	16.4%	6	10.0%	1	6.7%	4	6.5%	60	15.1%
in much worse shape	4	5.5%	3	5.0%			2	3.2%	30	7.5%
Not sure	9	12.3%	8	13.3%	2	13.3%			43	10.8%
Would you say that your Homestead neighborhood is a...										
great place to live	45	60.8%	50	82.0%	10	66.7%	57	87.7%	224	56.3%
just like any other neighborhood	27	36.5%	9	14.8%	5	33.3%	6	9.2%	159	39.9%
not a good place to live	2	2.7%	2	3.3%			2	3.1%	15	3.8%
Everything considered, if you had a chance would you...										
stay in this neighborhood	61	82.4%	54	88.5%	9	60.0%	56	87.5%	285	71.6%
move away from this neighborhood	7	9.5%	3	4.9%	2	13.3%	3	4.7%	58	14.6%
Not sure	6	8.1%	4	6.6%	4	26.7%	5	7.8%	55	13.8%
In your Homestead community, how much of a problem are the following issues?										
Abandoned cars or trash in yards										
Big problem	27	35.5%	11	15.7%	3	21.4%	7	10.4%	124	30.6%
Small problem	17	22.4%	13	18.6%	3	21.4%	17	25.4%	67	16.5%
Sometimes a problem	15	19.7%	14	20.0%	2	14.3%	16	23.9%	89	22.0%
No problem	16	21.1%	31	44.3%	6	42.9%	25	37.3%	114	28.1%
Not sure	1	1.3%	1	1.4%			2	3.0%	11	2.7%
Lots that are still vacant										
Big problem	16	22.5%	8	11.8%	1	7.7%	11	16.2%	46	11.6%
Small problem	16	22.5%	8	11.8%			13	19.1%	63	15.9%
Sometimes a problem	4	5.6%	7	10.3%			5	7.4%	36	9.1%
No problem	27	38.0%	42	61.8%	11	84.6%	35	51.5%	193	48.7%
Not sure	8	11.3%	3	4.4%	1	7.7%	4	5.9%	58	14.6%
Homes not being maintained										
Big problem	20	27.8%	6	9.0%			5	7.5%	88	22.0%
Small problem	8	11.1%	12	17.9%	2	16.7%	19	28.4%	75	18.8%
Sometimes a problem	13	18.1%	13	19.4%	4	33.3%	11	16.4%	92	23.0%
No problem	22	30.6%	33	49.3%	6	50.0%	31	46.3%	115	28.8%
Not sure	9	12.5%	3	4.5%			1	1.5%	30	7.5%
Yards not being maintained										
Big problem	18	25.0%	12	17.1%	2	15.4%	6	9.0%	110	27.5%
Small problem	12	16.7%	9	12.9%	1	7.7%	21	31.3%	77	19.3%
Sometimes a problem	11	15.3%	14	20.0%	4	30.8%	15	22.4%	89	22.3%
No problem	28	38.9%	33	47.1%	5	38.5%	22	32.8%	108	27.0%
Not sure	3	4.2%	2	2.9%	1	7.7%	3	4.5%	16	4.0%
Drug dealers living in neighborhood										
Big problem	25	33.8%	5	7.1%			6	8.8%	88	21.9%
Small problem	5	6.8%	6	8.6%	1	7.1%	3	4.4%	36	9.0%
Sometimes a problem	6	8.1%	7	10.0%	4	28.6%	6	8.8%	32	8.0%
No problem	15	20.3%	29	41.4%	4	28.6%	14	20.6%	93	23.1%
Not sure	23	31.1%	23	32.9%	5	35.7%	39	57.4%	153	38.1%
Drugs being sold in neighborhood										
Big problem	28	38.4%	6	9.1%			5	7.4%	95	24.1%
Small problem	4	5.5%	5	7.6%			4	5.9%	27	6.9%
Sometimes a problem	7	9.6%	6	9.1%	3	25.0%	7	10.3%	33	8.4%
No problem	10	13.7%	29	43.9%	5	41.7%	13	19.1%	87	22.1%
Not sure	24	32.9%	20	30.3%	4	33.3%	39	57.4%	152	38.6%
Nowhere for the children to play										
Big problem	19	26.0%	11	16.4%	1	7.7%	20	29.9%	126	31.3%
Small problem	11	15.1%	8	11.9%	1	7.7%	6	9.0%	55	13.6%
Sometimes a problem	12	16.4%	8	11.9%	3	23.1%	9	13.4%	74	18.4%
No problem	29	39.7%	36	53.7%	7	53.8%	30	44.8%	136	33.7%
Not sure	2	2.7%	4	6.0%	1	7.7%	2	3.0%	12	3.0%

	Hawaiian Homestead Area									
	Paukukalo		Waimanalo		Auwaiolimu-Kalawahine-Kewalo-Papakolea		Keaukaha		Group Total	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Compared to your home, would you say your neighbors' homes are...										
in the same shape	77	63.6%	72	44.2%	47	49.0%	49	58.3%	964	56.8%
in better shape	9	7.4%	33	20.2%	16	16.7%	10	11.9%	245	14.4%
in worse shape	16	13.2%	26	16.0%	16	16.7%	11	13.1%	219	12.9%
in much worse shape	3	2.5%	13	8.0%	8	8.3%	4	4.8%	90	5.3%
Not sure	16	13.2%	19	11.7%	9	9.4%	10	11.9%	178	10.5%
Would you say that your Homestead neighborhood is a...										
great place to live	85	69.7%	118	72.4%	62	65.3%	53	63.1%	1169	68.4%
just like any other neighborhood	33	27.0%	36	22.1%	29	30.5%	27	32.1%	485	28.4%
not a good place to live	4	3.3%	9	5.5%	4	4.2%	4	4.8%	55	3.2%
Everything considered, if you had a chance would you...										
stay in this neighborhood	98	81.0%	142	86.6%	82	85.4%	62	72.9%	1360	79.5%
move away from this neighborhood	10	8.3%	10	6.1%	4	4.2%	5	5.9%	154	9.0%
Not sure	13	10.7%	12	7.3%	10	10.4%	18	21.2%	196	11.5%
In your Homestead community, how much of a problem are the following issues?										
Abandoned cars or trash in yards										
Big problem	24	20.0%	43	26.5%	37	38.1%	15	14.6%	402	22.4%
Small problem	10	8.3%	33	20.4%	18	18.6%	16	15.5%	320	17.8%
Sometimes a problem	32	26.7%	34	21.0%	24	24.7%	20	19.4%	390	21.7%
No problem	52	43.3%	51	31.5%	17	17.5%	42	40.8%	624	34.8%
Not sure	2	1.7%	1	0.6%	1	1.0%	10	9.7%	59	3.3%
Lots that are still vacant										
Big problem	7	6.1%	20	12.9%	17	18.5%	15	14.4%	240	13.7%
Small problem	6	5.3%	30	19.4%	21	22.8%	12	11.5%	269	15.4%
Sometimes a problem	7	6.1%	12	7.7%	6	6.5%	8	7.7%	141	8.0%
No problem	84	73.7%	81	52.3%	37	40.2%	56	53.8%	910	51.9%
Not sure	10	8.8%	12	7.7%	11	12.0%	13	12.5%	192	11.0%
Homes not being maintained										
Big problem	11	9.5%	39	25.2%	22	24.2%	11	10.5%	293	16.7%
Small problem	22	19.0%	35	22.6%	23	25.3%	14	13.3%	338	19.2%
Sometimes a problem	31	26.7%	26	16.8%	20	22.0%	15	14.3%	352	20.0%
No problem	44	37.9%	47	30.3%	20	22.0%	52	49.5%	650	37.0%
Not sure	8	6.9%	8	5.2%	6	6.6%	13	12.4%	126	7.2%
Yards not being maintained										
Big problem	18	15.1%	50	31.3%	25	27.2%	15	14.6%	355	20.1%
Small problem	20	16.8%	28	17.5%	23	25.0%	12	11.7%	336	19.1%
Sometimes a problem	37	31.1%	30	18.8%	25	27.2%	23	22.3%	400	22.7%
No problem	38	31.9%	49	30.6%	16	17.4%	45	43.7%	595	33.7%
Not sure	6	5.0%	3	1.9%	3	3.3%	8	7.8%	77	4.4%
Drug dealers living in neighborhood										
Big problem	18	15.1%	51	31.7%	32	34.8%	21	19.6%	365	20.5%
Small problem	10	8.4%	9	5.6%	14	15.2%	6	5.6%	135	7.6%
Sometimes a problem	19	16.0%	17	10.6%	7	7.6%	12	11.2%	173	9.7%
No problem	30	25.2%	33	20.5%	14	15.2%	25	23.4%	438	24.6%
Not sure	42	35.3%	51	31.7%	25	27.2%	43	40.2%	673	37.7%
Drugs being sold in neighborhood										
Big problem	20	17.2%	44	28.0%	33	36.3%	20	18.7%	368	20.9%
Small problem	7	6.0%	9	5.7%	9	9.9%	7	6.5%	121	6.9%
Sometimes a problem	17	14.7%	20	12.7%	13	14.3%	13	12.1%	179	10.2%
No problem	29	25.0%	34	21.7%	14	15.4%	24	22.4%	411	23.4%
Not sure	43	37.1%	50	31.8%	22	24.2%	43	40.2%	678	38.6%
Nowhere for the children to play										
Big problem	30	25.4%	32	20.3%	24	26.1%	28	27.2%	485	27.5%
Small problem	15	12.7%	28	17.7%	17	18.5%	17	16.5%	227	12.9%
Sometimes a problem	17	14.4%	23	14.6%	15	16.3%	8	7.8%	242	13.7%
No problem	51	43.2%	64	40.5%	34	37.0%	41	39.8%	730	41.4%
Not sure	5	4.2%	11	7.0%	2	2.2%	9	8.7%	79	4.5%

	Hawaiian Homestead Area									
	Kapolei		Humuula/ Kaumana/ Pihonua/ Ponohawai/ Waiakea		Hoolehua- Palaa		Kanihale		Puukapu	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Dogs running loose										
Big problem	9	5.8%	55	24.0%	6	11.5%	10	17.2%	27	25.7%
Small problem	16	10.4%	32	14.0%	9	17.3%	10	17.2%	19	18.1%
Sometimes a problem	51	33.1%	69	30.1%	25	48.1%	14	24.1%	25	23.8%
No problem	74	48.1%	66	28.8%	10	19.2%	23	39.7%	29	27.6%
Not sure	4	2.6%	7	3.1%	2	3.8%	1	1.7%	5	4.8%
No enforcement of community rules										
Big problem	28	18.5%	31	13.7%	2	4.0%	19	33.9%	17	17.0%
Small problem	17	11.3%	27	11.9%	5	10.0%	8	14.3%	6	6.0%
Sometimes a problem	28	18.5%	44	19.5%	8	16.0%	10	17.9%	16	16.0%
No problem	63	41.7%	85	37.6%	24	48.0%	15	26.8%	36	36.0%
Not sure	15	9.9%	39	17.3%	11	22.0%	4	7.1%	25	25.0%
Houses vacant for too long										
Big problem	4	2.6%	35	15.6%	7	13.7%	12	21.4%	18	17.5%
Small problem	6	3.9%	22	9.8%	9	17.6%	8	14.3%	13	12.6%
Sometimes a problem	5	3.3%	22	9.8%	12	23.5%	9	16.1%	8	7.8%
No problem	93	61.2%	89	39.7%	19	37.3%	17	30.4%	46	44.7%
Not sure	44	28.9%	56	25.0%	4	7.8%	10	17.9%	18	17.5%
Too many non-homeowners										
Big problem	8	5.2%	19	8.4%	4	8.2%	8	14.3%	11	10.9%
Small problem	5	3.3%	15	6.6%	3	6.1%	9	16.1%	8	7.9%
Sometimes a problem	12	7.8%	15	6.6%	4	8.2%	8	14.3%	7	6.9%
No problem	70	45.8%	72	31.9%	26	53.1%	12	21.4%	38	37.6%
Not sure	58	37.9%	105	46.5%	12	24.5%	19	33.9%	37	36.6%
Lack of community guidelines										
Big problem	18	11.7%	16	7.2%	6	12.0%	7	12.3%	13	13.5%
Small problem	14	9.1%	13	5.9%	4	8.0%	5	8.8%	7	7.3%
Sometimes a problem	24	15.6%	29	13.1%	9	18.0%	10	17.5%	9	9.4%
No problem	79	51.3%	112	50.5%	25	50.0%	25	43.9%	44	45.8%
Not sure	19	12.3%	52	23.4%	6	12.0%	10	17.5%	23	24.0%
Lack of community association										
Big problem	22	14.4%	8	3.5%	4	8.2%	5	8.8%	9	8.9%
Small problem	15	9.8%	15	6.6%	4	8.2%	5	8.8%	8	7.9%
Sometimes a problem	20	13.1%	22	9.7%	7	14.3%	9	15.8%	9	8.9%
No problem	84	54.9%	149	65.9%	29	59.2%	33	57.9%	57	56.4%
Not sure	12	7.8%	32	14.2%	5	10.2%	5	8.8%	18	17.8%
Too many cars parked on the street										
Big problem	48	31.2%	11	4.9%	1	2.0%	20	34.5%	1	1.0%
Small problem	29	18.8%	14	6.2%	2	4.0%	7	12.1%	12	11.8%
Sometimes a problem	36	23.4%	36	16.0%	4	8.0%	10	17.2%	13	12.7%
No problem	40	26.0%	150	66.7%	40	80.0%	21	36.2%	70	68.6%
Not sure	1	0.6%	14	6.2%	3	6.0%			6	5.9%
Crime/violence in the neighborhood										
Big problem	10	6.5%	28	12.3%	1	2.0%	2	3.4%	4	3.9%
Small problem	14	9.1%	31	13.7%	3	6.0%	5	8.6%	12	11.7%
Sometimes a problem	35	22.7%	69	30.4%	12	24.0%	7	12.1%	16	15.5%
No problem	62	40.3%	64	28.2%	30	60.0%	34	58.6%	51	49.5%
Not sure	33	21.4%	35	15.4%	4	8.0%	10	17.2%	20	19.4%

	Hawaiian Homestead Area									
	Anahola		Kapaakea		Kekaha		Ulupalakua/ Kahikinui		Lualualei/ Nanakuli/ Waianae	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Dogs running loose										
Big problem	35	46.1%	11	15.9%	2	14.3%	21	31.3%	85	21.2%
Small problem	14	18.4%	10	14.5%	1	7.1%	13	19.4%	64	16.0%
Sometimes a problem	15	19.7%	18	26.1%	6	42.9%	18	26.9%	134	33.4%
No problem	9	11.8%	28	40.6%	5	35.7%	14	20.9%	106	26.4%
Not sure	3	3.9%	2	2.9%			1	1.5%	12	3.0%
No enforcement of community rules										
Big problem	20	29.0%	7	10.1%			9	13.2%	86	22.0%
Small problem	5	7.2%	5	7.2%	1	7.7%	7	10.3%	37	9.5%
Sometimes a problem	13	18.8%	8	11.6%	3	23.1%	7	10.3%	80	20.5%
No problem	17	24.6%	34	49.3%	6	46.2%	29	42.6%	130	33.2%
Not sure	14	20.3%	15	21.7%	3	23.1%	16	23.5%	58	14.8%
Houses vacant for too long										
Big problem	20	27.0%	8	11.8%	2	14.3%	4	6.0%	63	15.9%
Small problem	12	16.2%	6	8.8%			9	13.4%	39	9.9%
Sometimes a problem	6	8.1%	3	4.4%	2	14.3%	5	7.5%	55	13.9%
No problem	24	32.4%	35	51.5%	7	50.0%	31	46.3%	140	35.4%
Not sure	12	16.2%	16	23.5%	3	21.4%	18	26.9%	98	24.8%
Too many non-homeowners										
Big problem	12	16.9%	4	6.0%			3	4.5%	39	9.9%
Small problem	9	12.7%	5	7.5%			5	7.5%	34	8.7%
Sometimes a problem	10	14.1%	4	6.0%			2	3.0%	31	7.9%
No problem	12	16.9%	36	53.7%	9	69.2%	25	37.3%	117	29.8%
Not sure	28	39.4%	18	26.9%	4	30.8%	32	47.8%	171	43.6%
Lack of community guidelines										
Big problem	16	22.2%	8	11.6%			4	6.0%	73	18.5%
Small problem	9	12.5%	6	8.7%	1	7.7%	10	14.9%	46	11.7%
Sometimes a problem	17	23.6%	5	7.2%	3	23.1%	6	9.0%	55	14.0%
No problem	16	22.2%	29	42.0%	7	53.8%	32	47.8%	143	36.3%
Not sure	14	19.4%	21	30.4%	2	15.4%	15	22.4%	77	19.5%
Lack of community association										
Big problem	16	22.2%	4	5.9%			4	6.0%	58	14.8%
Small problem	7	9.7%	8	11.8%	1	7.7%	4	6.0%	34	8.7%
Sometimes a problem	11	15.3%	7	10.3%	2	15.4%	6	9.0%	55	14.0%
No problem	25	34.7%	33	48.5%	7	53.8%	40	59.7%	169	43.1%
Not sure	13	18.1%	16	23.5%	3	23.1%	13	19.4%	76	19.4%
Too many cars parked on the street										
Big problem	15	20.5%	4	5.8%	3	21.4%	4	6.1%	149	37.1%
Small problem	11	15.1%	3	4.3%			4	6.1%	48	11.9%
Sometimes a problem	12	16.4%	7	10.1%	2	14.3%	7	10.6%	91	22.6%
No problem	33	45.2%	47	68.1%	9	64.3%	51	77.3%	102	25.4%
Not sure	2	2.7%	8	11.6%					12	3.0%
Crime/violence in the neighborhood										
Big problem	12	16.4%	3	4.3%	1	7.1%	2	2.9%	38	9.5%
Small problem	12	16.4%	3	4.3%			10	14.7%	45	11.3%
Sometimes a problem	18	24.7%	8	11.6%	3	21.4%	10	14.7%	113	28.3%
No problem	21	28.8%	38	55.1%	7	50.0%	28	41.2%	144	36.0%
Not sure	10	13.7%	17	24.6%	3	21.4%	18	26.5%	60	15.0%

	Hawaiian Homestead Area								Group Total	
	Paukukalo		Waimanalo		Auwaiolimu-Kalawahine-Kewalo-Papakolea		Keaukaha			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %		
Dogs running loose										
Big problem	34	28.3%	28	17.8%	19	20.4%	22	21.4%	375	21.0%
Small problem	25	20.8%	25	15.9%	9	9.7%	12	11.7%	274	15.4%
Sometimes a problem	33	27.5%	49	31.2%	35	37.6%	30	29.1%	544	30.5%
No problem	23	19.2%	50	31.8%	27	29.0%	30	29.1%	524	29.4%
Not sure	5	4.2%	5	3.2%	3	3.2%	9	8.7%	66	3.7%
No enforcement of community rules										
Big problem	23	19.5%	38	24.2%	29	31.5%	17	16.5%	332	19.0%
Small problem	15	12.7%	16	10.2%	7	7.6%	11	10.7%	182	10.4%
Sometimes a problem	21	17.8%	19	12.1%	21	22.8%	19	18.4%	309	17.7%
No problem	45	38.1%	51	32.5%	19	20.7%	38	36.9%	621	35.5%
Not sure	14	11.9%	33	21.0%	16	17.4%	18	17.5%	303	17.3%
Houses vacant for too long										
Big problem	3	2.5%	28	17.6%	16	17.8%	16	15.5%	242	13.8%
Small problem	9	7.6%	22	13.8%	20	22.2%	8	7.8%	186	10.6%
Sometimes a problem	10	8.4%	15	9.4%	7	7.8%	8	7.8%	174	9.9%
No problem	66	55.5%	63	39.6%	35	38.9%	42	40.8%	754	42.9%
Not sure	31	26.1%	31	19.5%	12	13.3%	29	28.2%	401	22.8%
Too many non-homeowners										
Big problem	10	8.5%	15	9.7%	12	13.0%	9	8.8%	160	9.2%
Small problem	8	6.8%	8	5.2%	8	8.7%	5	4.9%	126	7.2%
Sometimes a problem	12	10.2%	15	9.7%	11	12.0%	4	3.9%	142	8.1%
No problem	43	36.4%	53	34.4%	22	23.9%	39	38.2%	609	34.9%
Not sure	45	38.1%	63	40.9%	39	42.4%	45	44.1%	709	40.6%
Lack of community guidelines										
Big problem	11	9.4%	33	21.4%	30	32.3%	14	13.5%	260	14.9%
Small problem	18	15.4%	18	11.7%	11	11.8%	10	9.6%	180	10.3%
Sometimes a problem	16	13.7%	19	12.3%	16	17.2%	8	7.7%	232	13.3%
No problem	47	40.2%	48	31.2%	19	20.4%	44	42.3%	713	40.8%
Not sure	25	21.4%	36	23.4%	17	18.3%	28	26.9%	361	20.7%
Lack of community association										
Big problem	18	15.0%	25	16.2%	26	28.3%	18	17.1%	229	13.1%
Small problem	12	10.0%	19	12.3%	12	13.0%	8	7.6%	159	9.1%
Sometimes a problem	11	9.2%	16	10.4%	11	12.0%	8	7.6%	199	11.4%
No problem	66	55.0%	60	39.0%	32	34.8%	48	45.7%	879	50.2%
Not sure	13	10.8%	34	22.1%	11	12.0%	23	21.9%	286	16.3%
Too many cars parked on the street										
Big problem	30	24.8%	57	35.2%	56	58.9%	20	19.4%	447	25.1%
Small problem	14	11.6%	25	15.4%	8	8.4%	7	6.8%	191	10.7%
Sometimes a problem	31	25.6%	30	18.5%	19	20.0%	19	18.4%	329	18.5%
No problem	44	36.4%	44	27.2%	11	11.6%	47	45.6%	740	41.6%
Not sure	2	1.7%	6	3.7%	1	1.1%	10	9.7%	73	4.1%
Crime/violence in the neighborhood										
Big problem	11	9.3%	20	12.6%	12	12.9%	9	8.9%	158	8.9%
Small problem	7	5.9%	26	16.4%	11	11.8%	9	8.9%	197	11.1%
Sometimes a problem	24	20.3%	34	21.4%	36	38.7%	27	26.7%	425	24.0%
No problem	53	44.9%	54	34.0%	24	25.8%	34	33.7%	682	38.5%
Not sure	23	19.5%	25	15.7%	10	10.8%	22	21.8%	309	17.4%

	Hawaiian Homestead Area									
	Kapolei		Humuula/ Kaumana/ Pihonua/ Ponohawai/ Waiakea		Hoolehua- Palaau		Kanihale		Puukapu	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Related to your and your Homestead award, how much do you agree with the following statements?										
Communities work better with strong community participation in the Community Association										
Strongly agree	42	26.8%	68	30.0%	6	12.5%	19	32.8%	25	24.3%
Agree	91	58.0%	111	48.9%	27	56.3%	30	51.7%	59	57.3%
Disagree	5	3.2%	12	5.3%	3	6.3%	4	6.9%	4	3.9%
Strongly disagree	2	1.3%	2	0.9%	2	4.2%			3	2.9%
Not sure	17	10.8%	34	15.0%	10	20.8%	5	8.6%	12	11.7%
I am willing to actively participate in my community association - by at least attending regular meetings										
Strongly agree	17	10.9%	36	15.9%	6	12.0%	10	17.5%	16	15.4%
Agree	81	51.9%	115	50.7%	27	54.0%	21	36.8%	57	54.8%
Disagree	19	12.2%	16	7.0%	7	14.0%	8	14.0%	9	8.7%
Strongly disagree	3	1.9%	7	3.1%			3	5.3%	4	3.8%
Not sure	36	23.1%	53	23.3%	10	20.0%	15	26.3%	18	17.3%
I am willing to take a leadership role in my community										
Strongly agree	8	5.2%	18	8.1%	4	8.9%	4	6.9%	6	5.9%
Agree	34	22.2%	47	21.3%	13	28.9%	12	20.7%	22	21.8%
Disagree	49	32.0%	54	24.4%	13	28.9%	17	29.3%	30	29.7%
Strongly disagree	13	8.5%	17	7.7%	4	8.9%	11	19.0%	9	8.9%
Not sure	49	32.0%	85	38.5%	11	24.4%	14	24.1%	34	33.7%
I feel safe in my Homestead Community walking around in the day and night										
Strongly agree	45	29.0%	62	27.1%	24	47.1%	32	55.2%	32	31.1%
Agree	95	61.3%	115	50.2%	23	45.1%	22	37.9%	55	53.4%
Disagree	8	5.2%	25	10.9%	3	5.9%	2	3.4%	10	9.7%
Strongly disagree	2	1.3%	10	4.4%			1	1.7%	1	1.0%
Not sure	5	3.2%	17	7.4%	1	2.0%	1	1.7%	5	4.9%
I know and trust my neighbors										
Strongly agree	43	27.4%	81	35.2%	23	45.1%	31	53.4%	40	38.1%
Agree	94	59.9%	113	49.1%	25	49.0%	23	39.7%	50	47.6%
Disagree	9	5.7%	17	7.4%	2	3.9%	2	3.4%	7	6.7%
Strongly disagree	2	1.3%	3	1.3%	1	2.0%	1	1.7%	2	1.9%
Not sure	9	5.7%	16	7.0%			1	1.7%	6	5.7%
In our community we look out for each other										
Strongly agree	47	29.9%	80	34.8%	16	33.3%	32	56.1%	36	34.6%
Agree	86	54.8%	107	46.5%	29	60.4%	22	38.6%	54	51.9%
Disagree	8	5.1%	19	8.3%	3	6.3%	1	1.8%	5	4.8%
Strongly disagree	3	1.9%	2	0.9%					2	1.9%
Not sure	13	8.3%	22	9.6%			2	3.5%	7	6.7%
My hope is that my family lives in this community for generations										
Strongly agree	58	36.9%	110	47.6%	31	60.8%	25	43.1%	56	53.3%
Agree	72	45.9%	96	41.6%	18	35.3%	22	37.9%	34	32.4%
Disagree	10	6.4%	9	3.9%	1	2.0%	6	10.3%	4	3.8%
Strongly disagree	1	0.6%	3	1.3%					1	1.0%
Not sure	16	10.2%	13	5.6%	1	2.0%	5	8.6%	10	9.5%
The residents in my community share Hawaiian cultural values										
Strongly agree	21	13.5%	72	31.4%	14	28.6%	15	26.3%	33	31.4%
Agree	68	43.9%	98	42.8%	28	57.1%	27	47.4%	46	43.8%
Disagree	23	14.8%	18	7.9%	4	8.2%	5	8.8%	5	4.8%
Strongly disagree	3	1.9%	4	1.7%			2	3.5%	2	1.9%
Not sure	40	25.8%	37	16.2%	3	6.1%	8	14.0%	19	18.1%
Group Total	155	100.0%	229	100.0%	49	100.0%	57	100.0%	105	100.0%

	Hawaiian Homestead Area									
	Anahola		Kapaakea		Kekaha		Ulupalakua/ Kahikinui		Lualualei/ Nanakuli/ Waianae	
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Related to your and your Homestead award, how much do you agree with the following statements?										
Communities work better with strong community participation in the Community Association										
Strongly agree	15	20.3%	15	22.1%	3	21.4%	22	32.4%	86	21.4%
Agree	29	39.2%	41	60.3%	10	71.4%	31	45.6%	188	46.9%
Disagree	8	10.8%	5	7.4%			3	4.4%	19	4.7%
Strongly disagree	5	6.8%	1	1.5%					22	5.5%
Not sure	17	23.0%	6	8.8%	1	7.1%	12	17.6%	86	21.4%
I am willing to actively participate in my community association - by at least attending regular meetings										
Strongly agree	9	12.5%	14	20.0%	1	7.1%	16	24.2%	41	10.2%
Agree	20	27.8%	39	55.7%	8	57.1%	32	48.5%	174	43.4%
Disagree	14	19.4%	7	10.0%			6	9.1%	54	13.5%
Strongly disagree	3	4.2%	1	1.4%			1	1.5%	15	3.7%
Not sure	26	36.1%	9	12.9%	5	35.7%	11	16.7%	117	29.2%
I am willing to take a leadership role in my community										
Strongly agree	4	5.7%	7	9.9%			6	9.2%	19	4.8%
Agree	14	20.0%	18	25.4%	2	15.4%	16	24.6%	59	14.9%
Disagree	21	30.0%	17	23.9%			19	29.2%	122	30.7%
Strongly disagree	10	14.3%	7	9.9%			1	1.5%	37	9.3%
Not sure	21	30.0%	22	31.0%	11	84.6%	23	35.4%	160	40.3%
I feel safe in my Homestead Community walking around in the day and night										
Strongly agree	11	14.9%	37	50.7%	7	50.0%	16	23.2%	111	27.5%
Agree	36	48.6%	28	38.4%	6	42.9%	41	59.4%	195	48.3%
Disagree	13	17.6%	3	4.1%	1	7.1%	5	7.2%	53	13.1%
Strongly disagree	9	12.2%	1	1.4%			2	2.9%	12	3.0%
Not sure	5	6.8%	4	5.5%			5	7.2%	33	8.2%
I know and trust my neighbors										
Strongly agree	19	25.0%	33	45.2%	8	53.3%	24	34.8%	137	33.7%
Agree	44	57.9%	32	43.8%	7	46.7%	37	53.6%	191	46.9%
Disagree	8	10.5%	1	1.4%			3	4.3%	36	8.8%
Strongly disagree	2	2.6%	1	1.4%					14	3.4%
Not sure	3	3.9%	6	8.2%			5	7.2%	29	7.1%
In our community we look out for each other										
Strongly agree	17	22.7%	30	41.7%	9	64.3%	23	33.3%	137	33.7%
Agree	38	50.7%	32	44.4%	5	35.7%	39	56.5%	185	45.6%
Disagree	8	10.7%	6	8.3%			1	1.4%	39	9.6%
Strongly disagree	3	4.0%							10	2.5%
Not sure	9	12.0%	4	5.6%			6	8.7%	35	8.6%
My hope is that my family lives in this community for generations										
Strongly agree	28	37.3%	49	67.1%	8	57.1%	40	58.0%	191	46.8%
Agree	37	49.3%	22	30.1%	4	28.6%	25	36.2%	143	35.0%
Disagree	3	4.0%			1	7.1%			22	5.4%
Strongly disagree							3	4.3%	8	2.0%
Not sure	7	9.3%	2	2.7%	1	7.1%	1	1.4%	44	10.8%
The residents in my community share Hawaiian cultural values										
Strongly agree	10	13.3%	18	26.1%	6	42.9%	15	22.1%	79	19.5%
Agree	38	50.7%	36	52.2%	7	50.0%	35	51.5%	155	38.3%
Disagree	11	14.7%	2	2.9%			3	4.4%	51	12.6%
Strongly disagree	2	2.7%							19	4.7%
Not sure	14	18.7%	13	18.8%	1	7.1%	15	22.1%	101	24.9%
Group Total	75	100.0%	69	100.0%	14	100.0%	68	100.0%	405	100.0%

	Hawaiian Homestead Area								Group Total	
	Paukukalo		Waimanalo		Auwaiolimu- Kalawahine- Kewalo- Papakolea		Keaukaha			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %		
Related to your and your Homestead award, how much do you agree with the following statements?										
Communities work better with strong community participation in the Community Association										
Strongly agree	26	21.1%	40	24.7%	26	27.4%	35	33.0%	448	25.1%
Agree	60	48.8%	81	50.0%	47	49.5%	45	42.5%	892	49.9%
Disagree	11	8.9%	8	4.9%	7	7.4%	3	2.8%	96	5.4%
Strongly disagree	4	3.3%	3	1.9%	2	2.1%			48	2.7%
Not sure	22	17.9%	30	18.5%	13	13.7%	23	21.7%	302	16.9%
I am willing to actively participate in my community association - by at least attending regular meetings										
Strongly agree	17	14.0%	23	14.3%	10	10.4%	20	18.7%	246	13.8%
Agree	60	49.6%	69	42.9%	58	60.4%	58	54.2%	863	48.4%
Disagree	16	13.2%	14	8.7%	6	6.3%	7	6.5%	191	10.7%
Strongly disagree	4	3.3%	1	0.6%	3	3.1%	1	0.9%	47	2.6%
Not sure	24	19.8%	54	33.5%	19	19.8%	21	19.6%	436	24.5%
I am willing to take a leadership role in my community										
Strongly agree	10	8.3%	12	7.6%	9	9.6%	15	14.4%	124	7.1%
Agree	23	19.0%	30	19.1%	16	17.0%	23	22.1%	355	20.3%
Disagree	39	32.2%	45	28.7%	25	26.6%	24	23.1%	495	28.3%
Strongly disagree	12	9.9%	11	7.0%	11	11.7%	5	4.8%	152	8.7%
Not sure	37	30.6%	59	37.6%	33	35.1%	37	35.6%	625	35.7%
I feel safe in my Homestead Community walking around in the day and night										
Strongly agree	41	33.3%	49	29.7%	32	33.0%	29	27.1%	555	30.7%
Agree	68	55.3%	80	48.5%	46	47.4%	47	43.9%	893	49.4%
Disagree	7	5.7%	24	14.5%	13	13.4%	9	8.4%	183	10.1%
Strongly disagree	2	1.6%	4	2.4%	3	3.1%	5	4.7%	52	2.9%
Not sure	5	4.1%	8	4.8%	3	3.1%	17	15.9%	123	6.8%
I know and trust my neighbors										
Strongly agree	41	33.3%	70	42.2%	37	37.8%	31	29.0%	641	35.2%
Agree	61	49.6%	68	41.0%	41	41.8%	51	47.7%	880	48.4%
Disagree	9	7.3%	17	10.2%	7	7.1%	8	7.5%	127	7.0%
Strongly disagree	3	2.4%	2	1.2%	5	5.1%	4	3.7%	42	2.3%
Not sure	9	7.3%	9	5.4%	8	8.2%	13	12.1%	129	7.1%
In our community we look out for each other										
Strongly agree	45	36.3%	60	36.1%	29	30.2%	29	27.1%	614	34.0%
Agree	54	43.5%	83	50.0%	48	50.0%	54	50.5%	884	48.9%
Disagree	8	6.5%	12	7.2%	7	7.3%	8	7.5%	126	7.0%
Strongly disagree	4	3.2%	1	0.6%	4	4.2%	3	2.8%	34	1.9%
Not sure	13	10.5%	10	6.0%	8	8.3%	13	12.1%	150	8.3%
My hope is that my family lives in this community for generations										
Strongly agree	61	48.8%	107	64.8%	55	58.5%	48	44.9%	906	49.9%
Agree	48	38.4%	43	26.1%	27	28.7%	42	39.3%	665	36.6%
Disagree	2	1.6%	2	1.2%	2	2.1%	5	4.7%	70	3.9%
Strongly disagree			2	1.2%	1	1.1%	3	2.8%	22	1.2%
Not sure	14	11.2%	11	6.7%	9	9.6%	9	8.4%	153	8.4%
The residents in my community share Hawaiian cultural values										
Strongly agree	32	25.8%	55	33.7%	17	18.1%	24	22.4%	432	24.0%
Agree	42	33.9%	54	33.1%	47	50.0%	46	43.0%	768	42.7%
Disagree	11	8.9%	15	9.2%	10	10.6%	12	11.2%	173	9.6%
Strongly disagree	6	4.8%	1	0.6%	5	5.3%	4	3.7%	49	2.7%
Not sure	33	26.6%	38	23.3%	15	16.0%	21	19.6%	375	20.9%
Group Total	124	100.0%	163	100.0%	94	100.0%	107	100.0%	1797	100.0%

APPENDIX E: UNDIVIDED INTEREST BENEFICIARIES

Table E-1. Demographic Characteristics of Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Gender										
Male	96	29.8%	113	51.3%	31	27.8%	176	68.1%	416	45.6%
Female	227	70.2%	107	48.7%	81	72.2%	83	31.9%	497	54.4%
Group Total	323	100.0%	219	100.0%	112	100.0%	259	100.0%	914	100.0%
Marital Status										
Never married	40	12.3%	11	5.0%			55	21.3%	106	11.5%
Married	227	70.2%	163	72.5%	62	55.6%	176	68.1%	629	68.4%
Separated					12	11.1%			12	1.4%
Divorced	23	7.0%	34	15.0%	12	11.1%	22	8.5%	91	9.9%
Widowed	34	10.5%	17	7.5%	25	22.2%	6	2.1%	81	8.8%
Group Total	323	100.0%	225	100.0%	112	100.0%	259	100.0%	919	100.0%
Age										
18 to 24							6	2.1%	6	0.6%
25 to 34	23	7.0%	17	7.5%			28	10.6%	67	7.3%
35 to 44	68	21.1%	62	27.5%	25	22.2%	22	8.5%	177	19.2%
45 to 54	45	14.0%	34	15.0%	37	33.3%	55	21.3%	172	18.7%
55 to 64	130	40.4%	68	30.0%	25	22.2%	83	31.9%	306	33.2%
65 to 74	57	17.5%	23	10.0%	12	11.1%	50	19.1%	141	15.4%
75 or older			23	10.0%	12	11.1%	17	6.4%	51	5.6%
<i>Median</i>		56		54.5		50.5		55		55
Group Total	323	100.0%	225	100.0%	112	100.0%	259	100.0%	919	100.0%

Table E-2. Employment Characteristics of Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %								
Adults employed full time										
None	17	6.0%	34	16.7%	19	18.8%	33	13.6%	102	12.4%
1 adult	108	38.0%	62	30.6%	31	31.3%	66	27.3%	267	32.2%
2 adults	96	34.0%	79	38.9%	37	37.5%	105	43.2%	317	38.3%
3 adults	40	14.0%	17	8.3%	6	6.3%	22	9.1%	85	10.2%
4 adults	23	8.0%	6	2.8%			11	4.5%	39	4.7%
5+ adults			6	2.8%	6	6.3%	6	2.3%	18	2.1%
Group Total	284	100.0%	203	100.0%	100	100.0%	242	100.0%	828	100.0%
Adults employed part time										
None	23	80.0%	23	80.0%			17	50.0%	62	68.9%
1 adult	6	20.0%					17	50.0%	22	24.8%
2 adults			6	20.0%					6	6.3%
Group Total	28	100.0%	28	100.0%			33	100.0%	90	100.0%
Full time employment industry										
Ag., forestry, fishing & hunting & mining	6	1.7%	6	2.6%			11	4.3%	22	2.4%
Construction	40	12.1%	28	12.8%	19	16.7%	39	14.9%	125	13.6%
Manufacturing	28	8.6%			6	5.6%			35	3.8%
Wholesale trade	11	3.4%	11	5.1%	6	5.6%	6	2.1%	34	3.7%
Retail trade	17	5.2%	28	12.8%	19	16.7%	17	6.4%	80	8.7%
Trans., warehousing & utilities	51	15.5%	28	12.8%	6	5.6%	11	4.3%	96	10.5%
Information	11	3.4%					6	2.1%	17	1.8%
Finance & ins., real est., rental & leasing	11	3.4%	11	5.1%	12	11.1%	28	10.6%	63	6.8%
Prof., scientific, mgmt and admin.	57	17.2%	11	5.1%	6	5.6%	33	12.8%	107	11.7%
Educational services	28	8.6%			12	11.1%	44	17.0%	85	9.2%
Health care & social assistance	57	17.2%	17	7.7%	12	11.1%	39	14.9%	125	13.6%
Hotel & accom. & food services	40	12.1%	34	15.4%	19	16.7%	33	12.8%	125	13.6%
Arts, entertainment & rec.	11	3.4%					6	2.1%	17	1.8%
Public administration	11	3.4%	11	5.1%	12	11.1%	28	10.6%	63	6.8%
Other services	108	32.8%	45	20.5%	12	11.1%	61	23.4%	226	24.6%
Part time employment industry										
Ag., forestry, fishing & hunting & mining	6	1.7%	6	2.6%			17	6.4%	28	3.0%
Construction	6	1.7%	11	5.1%					17	1.8%
Wholesale trade							6	2.1%	6	0.6%
Retail trade	17	5.2%			12	11.1%	11	4.3%	40	4.4%
Transportation, warehousing & utilities			11	5.1%					11	1.2%
Finance & ins., real est., rental & leasing	6	1.7%	6	2.6%					11	1.2%
Prof., scientific, mgmt and admin.			11	5.1%	6	5.6%	6	2.1%	23	2.5%
Educational services	23	6.9%			6	5.6%	11	4.3%	40	4.3%
Health care & social assistance	6	1.7%			6	5.6%			12	1.3%
Hotel & accom. & food services	6	1.7%	23	10.3%			11	4.3%	39	4.3%
Arts, entertainment & recreation			6	2.6%	12	11.1%	11	4.3%	29	3.2%
Public administration			11	5.1%			6	2.1%	17	1.8%
Other services	28	8.6%	17	7.7%			11	4.3%	56	6.1%

Table E-3. Financial Characteristics of Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %								
Annual Household Income										
Less than \$15,000	28	9.1%	11	5.0%			6	2.1%	45	5.0%
\$15,000 to \$19,999	6	1.8%	11	5.0%	6	5.6%			23	2.5%
\$20,000 to \$24,999	11	3.6%	6	2.5%	12	11.1%	17	6.4%	46	5.1%
\$25,000 to \$29,999	11	3.6%	6	2.5%			6	2.1%	22	2.5%
\$30,000 to \$34,999	11	3.6%			6	5.6%	22	8.5%	40	4.4%
\$35,000 to \$39,999	6	1.8%	17	7.5%	6	5.6%	6	2.1%	34	3.8%
\$40,000 to \$44,999	17	5.5%	17	7.5%	19	16.7%	6	2.1%	58	6.4%
\$45,000 to \$49,999	23	7.3%	17	7.5%	6	5.6%			46	5.0%
\$50,000 to \$54,999	11	3.6%	28	12.5%	6	5.6%	11	4.3%	57	6.2%
\$55,000 to \$59,999	6	1.8%			6	5.6%	6	2.1%	17	1.9%
\$60,000 to \$64,999	11	3.6%	11	5.0%	6	5.6%			29	3.2%
\$65,000 to \$69,999			6	2.5%	6	5.6%	33	12.8%	45	4.9%
\$70,000 to \$74,999			11	5.0%			17	6.4%	28	3.1%
\$75,000 to \$79,999	17	5.5%	11	5.0%	12	11.1%	33	12.8%	74	8.1%
\$80,000 to \$89,999	11	3.6%	6	2.5%	6	5.6%	11	4.3%	34	3.8%
\$90,000 to \$99,999	17	5.5%	6	2.5%			11	4.3%	34	3.7%
\$100,000 to \$124,999	57	18.2%			6	5.6%	22	8.5%	85	9.4%
\$125,000 to \$149,999	23	7.3%	11	5.0%			17	6.4%	50	5.6%
\$150,000 to \$199,999	17	5.5%	11	5.0%			11	4.3%	39	4.3%
\$200,000 or more	6	1.8%					11	4.3%	17	1.8%
Not sure	23	7.3%	39	17.5%	6	5.6%	17	6.4%	85	9.3%
Median	\$79,572		\$54,114		\$49,681		\$74,730		\$64,933	
Group Total	312	100.0%	225	100.0%	112	100.0%	259	100.0%	908	100.0%
Receive any type of assistance?										
Section 8	11	3.4%	11	5.0%			11	4.3%	34	3.6%
Rental Assistance	6	1.7%	6	2.5%			11	4.3%	22	2.4%
Food Stamps	74	22.4%	51	22.5%	31	27.8%	28	10.6%	183	19.8%
None of these	244	74.1%	158	70.0%	62	55.6%	198	76.6%	662	71.6%
Not sure	6	1.7%	11	5.0%	6	5.6%	6	2.1%	29	3.1%
Group Total	312	100.0%	225	100.0%	112	100.0%	259	100.0%	908	100.0%

Note. Types of assistance may sum to greater than 100% due to multiple response.

Table E-4. Housing Characteristics of Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Tenure										
Own	74	23.6%	118	52.5%	25	22.2%	127	48.9%	343	37.8%
Rent	204	65.5%	79	35.0%	62	55.6%	105	40.4%	450	49.5%
Sharing with others no rent	23	7.3%	17	7.5%	19	16.7%	17	6.4%	75	8.2%
Occupy without rent payments	11	3.6%	11	5.0%	6	5.6%	11	4.3%	40	4.4%
Group Total	312	100.0%	225	100.0%	112	100.0%	259	100.0%	908	100.0%
Unit Type										
Single-family house	187	60.0%	174	77.5%	87	77.8%	171	67.4%	620	68.6%
Townhouse/duplex/multiplex	51	16.4%	11	5.0%			28	10.9%	90	10.0%
Apartment	40	12.7%	28	12.5%	12	11.1%	17	6.5%	97	10.7%
Condominium	11	3.6%	6	2.5%	6	5.6%	11	4.3%	34	3.8%
Public assisted housing	17	5.5%	6	2.5%			6	2.2%	28	3.1%
Other	6	1.8%			6	5.6%	22	8.7%	34	3.8%
Group Total	312	100.0%	225	100.0%	112	100.0%	253	100.0%	902	100.0%
Age of Unit										
0 to 10 years	45	17.4%	34	15.4%	19	18.8%	22	9.1%	120	14.6%
11 to 20 years	91	34.8%	34	15.4%	6	6.3%	50	20.5%	180	21.9%
21 to 30 years	40	15.2%	34	15.4%	31	31.3%	72	29.5%	176	21.4%
31 to 40 years	34	13.0%	62	28.2%	31	31.3%	33	13.6%	160	19.5%
41 to 50 years	40	15.2%	28	12.8%	12	12.5%	55	22.7%	135	16.5%
51 years or more	11	4.3%	28	12.8%			11	4.5%	50	6.1%
Group Total	261	100.0%	219	100.0%	100	100.0%	242	100.0%	822	100.0%
Current Bedrooms										
1 bedroom	17	5.4%	6	2.5%	12	11.2%	23	8.5%	57	6.3%
2 bedrooms	62	19.6%	68	30.0%	31	27.8%	61	23.4%	222	24.3%
3 bedrooms	130	41.1%	118	52.5%	37	33.3%	132	51.1%	418	45.8%
4+ bedrooms	108	33.9%	34	15.0%	31	27.8%	44	17.0%	217	23.7%
Group Total	318	100.0%	225	100.0%	112	100.0%	259	100.0%	914	100.0%
Current Bathrooms										
1 bathroom	96	35.4%	45	24.2%	31	29.4%	94	40.5%	267	33.5%
2 bathroom	119	43.8%	118	63.6%	68	64.7%	110	47.6%	416	52.3%
3 bathroom	46	16.7%	17	9.1%			28	11.9%	90	11.3%
4+ bathrooms	12	4.2%	6	3.0%	6	5.9%			24	2.9%
Group Total	272	100.0%	186	100.0%	106	100.0%	231	100.0%	795	100.0%

Table E-5. Monthly Housing Payment among Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Monthly Housing Payment										
Home paid for/no rent paid	11	3.6%	17	8.1%	19	16.7%	50	19.1%	96	10.8%
Less than \$300	11	3.6%	6	2.7%	12	11.1%	6	2.1%	35	3.9%
\$300 to \$499	17	5.4%	11	5.4%	6	5.6%	17	6.4%	51	5.7%
\$500 to \$699	23	7.1%	11	5.4%	6	5.6%			40	4.5%
\$700 to \$999	28	8.9%	39	18.9%			17	6.4%	84	9.4%
\$1,000 to \$1,199	51	16.1%	6	2.7%	25	22.2%	33	12.8%	115	12.8%
\$1,200 to \$1,499	40	12.5%	34	16.2%	25	22.2%	33	12.8%	131	14.7%
\$1,500 to \$1,699	28	8.9%	11	5.4%	12	11.1%	6	2.1%	58	6.4%
\$1,700 to \$1,899	11	3.6%					11	4.3%	22	2.5%
\$1,900 to \$2,099	34	10.7%	17	8.1%			11	4.3%	62	6.9%
\$2,100 to \$2,299	11	3.6%					11	4.3%	22	2.5%
\$2,300 to \$2,499	6	1.8%					17	6.4%	22	2.5%
\$2,500 or more	11	3.6%	11	5.4%			22	8.5%	45	5.0%
Not sure	34	10.7%	45	21.6%	6	5.6%	28	10.6%	113	12.6%
Group Total	318	100.0%	208	100.0%	112	100.0%	259	100.0%	897	100.0%

Table E-6. Preferred Award Type among Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Lot with water/sewer but no house										
1st Choice	45	27.6%	62	45.8%	31	45.5%	116	60.0%	254	45.3%
2nd Choice	79	48.3%	39	29.2%	37	54.5%	55	28.6%	211	37.7%
3rd Choice	40	24.1%	34	25.0%			22	11.4%	95	17.0%
Group Total	165	100.0%	135	100.0%	68	100.0%	193	100.0%	561	100.0%
Turn-key (Lot with Single family house on it)										
1st Choice	227	83.3%	135	75.0%	68	68.8%	99	43.9%	530	68.1%
2nd Choice	23	8.3%	39	21.9%	25	25.0%	88	39.0%	175	22.5%
3rd Choice	23	8.3%	6	3.1%	6	6.3%	39	17.1%	73	9.4%
Group Total	272	100.0%	180	100.0%	100	100.0%	226	100.0%	778	100.0%
Town home in a duplex or four-plex										
1st Choice	6	8.3%					6	25.0%	11	8.2%
2nd Choice	40	58.3%					6	25.0%	45	33.0%
3rd Choice	23	33.3%	28	100.0%	19	100.0%	11	50.0%	81	58.8%
Group Total	68	100.0%	28	100.0%	19	100.0%	22	100.0%	137	100.0%
Condominium apartment I own										
2nd Choice	17	33.3%	11	40.0%					28	27.7%
3rd Choice	34	66.7%	17	60.0%	6	100.0%	17	100.0%	74	72.3%
Group Total	51	100.0%	28	100.0%	6	100.0%	17	100.0%	102	100.0%
Apartment suited for senior citizens										
1st Choice			6	25.0%			6	14.3%	11	10.9%
2nd Choice	6	25.0%	6	25.0%	6	33.3%	17	42.9%	34	33.2%
3rd Choice	17	75.0%	11	50.0%	12	66.7%	17	42.9%	57	55.9%
Group Total	23	100.0%	23	100.0%	19	100.0%	39	100.0%	102	100.0%
A rent with an option to buy home										
1st Choice	34	25.0%	11	15.4%	12	25.0%	11	15.4%	69	20.8%
2nd Choice	57	41.7%	34	46.2%	25	50.0%	28	38.5%	143	43.2%
3rd Choice	45	33.3%	28	38.5%	12	25.0%	33	46.2%	119	36.0%
Group Total	136	100.0%	73	100.0%	50	100.0%	72	100.0%	331	100.0%
An affordable rental unit										
1st Choice	11	15.4%			6	50.0%			18	13.4%
2nd Choice	17	23.1%	11	40.0%					28	21.6%
3rd Choice	45	61.5%	17	60.0%	6	50.0%	17	100.0%	85	65.0%
Group Total	74	100.0%	28	100.0%	12	100.0%	17	100.0%	131	100.0%
Parcel of land that I can farm										
1st Choice	6	9.1%	11	14.3%	6	10.0%	22	18.2%	45	13.9%
2nd Choice	17	27.3%	34	42.9%	12	20.0%	33	27.3%	96	29.7%
3rd Choice	40	63.6%	34	42.9%	44	70.0%	66	54.5%	183	56.4%
Group Total	62	100.0%	79	100.0%	62	100.0%	121	100.0%	325	100.0%

Table E-7. Preferred Unit Amenities among Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Preferred additional bedrooms										
None	23	9.5%	28	17.2%	19	17.6%	33	15.0%	103	14.1%
1 bedroom	45	19.0%	28	17.2%	19	17.6%	44	20.0%	136	18.7%
2 bedrooms	45	19.0%	34	20.7%	31	29.4%	44	20.0%	154	21.2%
3 bedrooms	28	11.9%	23	13.8%	19	17.6%	33	15.0%	103	14.1%
4+ bedrooms	97	40.5%	51	31.0%	18	17.7%	61	27.5%	232	31.9%
Group Total	238	100.0%	163	100.0%	106	100.0%	220	100.0%	728	100.0%
Preferred additional bathrooms										
None	28	13.2%	28	20.0%	19	18.8%	39	18.4%	114	17.1%
1 bathroom	51	23.7%	51	36.0%	31	31.3%	66	31.6%	199	29.9%
2 bathroom	79	36.8%	28	20.0%	37	37.5%	61	28.9%	205	30.9%
3 bathroom	51	23.7%	23	16.0%	6	6.3%	33	15.8%	113	17.0%
4+ bathrooms	6	2.6%	11	8.0%	6	6.3%	11	5.3%	34	5.1%
Group Total	216	100.0%	141	100.0%	100	100.0%	209	100.0%	665	100.0%
Preferred additional other rooms										
None	17	15.8%	17	25.0%	19	30.0%	28	25.0%	80	23.0%
1 room	62	57.9%	34	50.0%	37	60.0%	50	45.0%	183	52.7%
2 rooms	11	10.5%	11	16.7%	6	10.0%	33	30.0%	62	17.8%
3 rooms	11	10.5%							11	3.3%
4 rooms	6	5.3%	6	8.3%					11	3.2%
Group Total	108	100.0%	68	100.0%	62	100.0%	110	100.0%	348	100.0%

Table E-8. Financial Qualifications among Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Amount in savings										
None	68	21.4%	45	21.1%	31	27.8%	39	14.9%	183	20.3%
Less than \$5,000	130	41.1%	96	44.7%	56	50.0%	66	25.5%	348	38.6%
\$5,000 to \$24,999	62	19.6%	6	2.6%	12	11.1%	33	12.8%	114	12.6%
\$25,000 to \$49,999	11	3.6%	11	5.3%	6	5.6%	39	14.9%	67	7.5%
\$50,000 or more	11	3.6%	28	13.2%	6	5.6%	55	21.3%	101	11.2%
Not sure	34	10.7%	28	13.2%			28	10.6%	90	9.9%
Group Total	318	100.0%	214	100.0%	112	100.0%	259	100.0%	902	100.0%
Affordable Monthly Payment										
Less than \$200	17	5.4%	11	5.3%					28	3.1%
\$200 to \$499	6	1.8%	45	21.1%	19	16.7%	28	10.6%	97	10.7%
\$500 to \$799	57	17.9%	23	10.5%	31	27.8%	17	6.4%	127	14.1%
\$800 to \$1,099	57	17.9%	79	36.8%	19	16.7%	66	25.5%	220	24.4%
\$1,100 to \$1,999	102	32.1%	23	10.5%	37	33.3%	88	34.0%	250	27.7%
\$2,000 or more	45	14.3%					28	10.6%	73	8.1%
Not sure	34	10.7%	34	15.8%	6	5.6%	33	12.8%	107	11.9%
Group Total	318	100.0%	214	100.0%	112	100.0%	259	100.0%	902	100.0%
Own other real estate?										
Yes	91	29.1%	101	45.0%	12	11.1%	138	53.2%	342	37.7%
No	221	70.9%	101	45.0%	93	83.3%	110	42.6%	526	57.9%
Not sure			23	10.0%	6	5.6%	11	4.3%	40	4.4%
Group Total	312	100.0%	225	100.0%	112	100.0%	259	100.0%	908	100.0%

Table E-9. Technology Characteristics of Undivided Interest Lessees, 2014

	County								Total	
	Honolulu		Hawaii		Kauai		Maui			
	Count	Col %	Count	Col %	Count	Col %	Count	Col %	Count	Col %
Do you have a computer in your house?										
Yes	261	82.1%	169	81.1%	100	88.9%	220	93.0%	750	85.7%
No	57	17.9%	39	18.9%	12	11.1%	17	7.0%	125	14.3%
Group Total	318	100.0%	208	100.0%	112	100.0%	237	100.0%	875	100.0%
Is your computer connected to the Internet?										
Yes	238	91.3%	180	97.0%	100	100.0%	209	90.5%	727	93.5%
No	23	8.7%	6	3.0%			22	9.5%	50	6.5%
Group Total	261	100.0%	186	100.0%	100	100.0%	231	100.0%	778	100.0%
Use the computer to access email/Internet?										
Me alone	57	21.7%	34	17.6%	25	25.0%	33	15.4%	148	19.4%
Me and others	193	73.9%	135	70.6%	62	62.5%	154	71.8%	544	71.0%
Others, not me	6	2.2%	6	2.9%	6	6.3%	22	10.3%	40	5.2%
No one	6	2.2%	11	5.9%			6	2.6%	22	2.9%
Not sure			6	2.9%	6	6.3%			12	1.5%
Group Total	261	100.0%	191	100.0%	100	100.0%	215	100.0%	767	100.0%

Table E-10. Household Characteristics of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Household Size									
1 to 2 members	9.9%	23.6%	12.2%	17.3%	33.1%	30.2%	50.0%	34.8%	24.0%
3 to 4 members	19.3%	41.0%	48.8%	56.4%	39.2%	52.5%	21.4%	30.2%	39.9%
5 to 7 members	61.4%	35.4%	32.7%	21.8%	22.2%	5.7%	21.5%	14.8%	28.1%
8+ members	9.4%		6.3%	4.4%	5.5%	11.7%	7.0%	10.3%	6.8%
Not reported								9.8%	1.2%
Household Members Under Age 18									
Zero	20.6%	31.8%	34.6%	34.9%	44.4%	57.3%	45.5%	52.4%	38.7%
One member	29.6%	25.4%	20.4%	19.9%	16.8%	14.2%	45.3%	11.5%	21.9%
Two members	14.8%	12.2%	14.0%	25.0%	33.2%	21.3%	9.2%	29.7%	20.0%
Three members	20.1%	12.2%	23.7%	4.9%	5.5%				10.3%
Four members	5.0%	18.4%	7.2%	10.1%		7.2%		6.4%	7.0%
Five members	5.0%								0.7%
Six or more members	4.9%			5.1%					1.4%
Household Members Over Age 70									
Zero	74.3%	73.8%	67.8%	61.1%	74.2%	40.5%	54.9%	71.7%	66.1%
One member	20.5%	17.2%	16.1%	11.1%	25.8%	9.6%		7.2%	14.1%
Two members	5.2%	9.0%	16.1%	27.8%		39.0%	45.1%	7.1%	17.2%
Three members						10.9%		7.1%	1.7%
Six or more members								7.0%	0.8%
Adults employed full time									
None	17.1%	18.1%	6.5%	10.5%	17.8%	6.6%	7.3%	19.9%	12.4%
1-2 adults	66.4%	63.5%	77.8%	84.2%	58.7%	67.4%	71.5%	66.3%	70.5%
3-5 adults	11.0%	18.4%	15.7%	5.3%	23.5%	26.1%	21.3%	13.8%	16.4%
6 or more adults	5.5%								0.7%
Adults employed part time									
None		100.0%	80.2%	50.0%	50.7%	50.0%	100.0%	66.6%	68.9%
1-2 adults			19.8%	50.0%	49.3%	50.0%		33.4%	31.1%

Table E-11. Household Characteristics of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121 to 140%	141 to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Full-time Employment Industries									
Agri./forestry/fishing/hunting/mining		5.8%		4.3%	5.4%	5.8%			2.4%
Arts/entertainment/recreation			3.0%		5.5%			5.1%	1.8%
Construction	19.3%	11.5%	12.2%	17.5%	11.1%	11.4%		21.2%	13.6%
Educational services	9.5%	5.8%	5.9%	4.3%	17.0%	17.8%	14.1%	5.1%	9.2%
Finance/ins./real estate/rental/leasing	4.7%	6.4%	2.9%	8.7%	22.4%	5.7%	7.3%		6.8%
Health care/social assistance	14.5%	17.4%	15.2%		5.5%	5.8%	28.5%	26.1%	13.6%
Hotel/accommodations/food services	14.0%	17.9%	12.3%	13.2%	16.5%	23.8%	7.0%	5.1%	13.6%
Information			3.0%				14.3%		1.8%
Manufacturing			9.3%	4.4%	5.5%			5.3%	3.8%
Other services	14.0%	29.7%	33.0%	34.6%	22.2%	17.5%	14.5%	20.8%	24.6%
Prof./scientific/mgmt./admin.	9.5%	5.8%	9.2%	17.4%	16.6%	5.8%	21.5%	10.3%	11.7%
Public administration	4.7%	11.4%	2.9%	4.4%		18.7%	21.3%		6.8%
Retail trade	4.7%	5.8%	3.3%	13.1%	11.5%	5.8%	7.0%	21.3%	8.7%
Transportation/warehousing/utilities		6.4%	12.0%	8.8%	16.6%	5.8%	28.7%	10.4%	10.5%
Wholesale trade	14.0%			4.4%		5.8%		5.8%	3.7%
Part-time Employment Industries									
Agri./forestry/fishing/hunting/mining	4.6%	5.7%		8.7%	5.5%				3.0%
Arts, entertainment & recreation		6.4%	6.3%			11.4%			3.2%
Construction			9.0%						1.8%
Educational services	14.2%		6.3%		5.4%		7.0%		4.3%
Finance/ins./real estate/rental/leasing			3.0%					5.3%	1.2%
Health care & social assistance		6.4%				5.8%			1.3%
Hotel & accommodations & food services	4.7%		8.9%	8.7%		5.8%			4.3%
Other services	23.5%		2.9%		5.5%	5.8%	7.2%	5.2%	6.1%
Prof./scientific/mgmt./admin.			9.3%			5.7%			2.5%
Public administration	4.7%	5.7%	3.0%						1.8%
Retail trade			9.5%	4.3%	11.1%			5.3%	4.4%
Transportation, warehousing & utilities				4.4%		5.8%			1.2%
Wholesale trade				4.3%					0.6%

Table E-12. Household Income of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Household Income									
Less than \$15,000	37.6%								5.0%
\$15,000 to \$19,999	19.3%								2.5%
\$20,000 to \$24,999	29.1%	11.4%							5.1%
\$25,000 to \$29,999	9.4%	11.5%							2.5%
\$30,000 to \$34,999	4.6%	29.5%	2.9%						4.4%
\$35,000 to \$39,999		17.3%	9.3%						3.8%
\$40,000 to \$44,999		24.5%	15.2%	4.4%					6.4%
\$45,000 to \$49,999		5.8%	21.3%						5.0%
\$50,000 to \$54,999			15.2%	21.8%					6.2%
\$55,000 to \$59,999			3.0%	4.3%				6.4%	1.9%
\$60,000 to \$64,999			9.3%	8.8%					3.2%
\$65,000 to \$69,999			14.6%	8.7%	6.1%				4.9%
\$70,000 to \$74,999				21.6%					3.1%
\$75,000 to \$79,999			6.0%	17.3%	16.8%	18.0%		5.7%	8.1%
\$80,000 to \$89,999				4.4%	16.3%	12.2%			3.8%
\$90,000 to \$99,999			3.0%	4.4%	5.4%	11.5%	7.2%		3.7%
\$100,000 to \$124,999				4.4%	38.8%	35.0%	7.3%		9.4%
\$125,000 to \$149,999					16.6%	11.5%	28.5%		5.6%
\$150,000 to \$199,999						11.7%	35.7%		4.3%
\$200,000 or more							21.3%		1.8%
Dont know/Refused								87.8%	9.3%
Current Assistance									
Section 8	4.7%	11.5%		4.3%				9.9%	3.6%
Rental Assistance	4.6%		6.0%					4.9%	2.4%
Food Stamps	47.6%	40.9%	15.3%	4.4%	5.5%	5.8%		35.6%	19.8%
None of these	43.0%	47.0%	81.4%	82.5%	83.0%	88.5%	93.0%	54.5%	71.6%

Table E-13. Financial Qualifications of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121 to 140%	141 to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Current Housing Payment									
No housing payment	14.1%	29.9%	9.2%	13.5%		6.0%	7.6%	5.4%	10.8%
Less than \$300	9.5%		2.9%		6.1%	6.8%		5.5%	3.9%
\$300 to \$499	9.3%	11.7%	3.3%	4.5%	5.4%			11.0%	5.7%
\$500 to \$699	14.6%	5.8%	6.0%					5.5%	4.5%
\$700 to \$999	4.7%	23.2%	11.9%	18.2%	5.5%			5.5%	9.4%
\$1,000 to \$1,199	19.1%	23.8%	12.6%	9.0%	11.1%	6.2%	15.6%	5.5%	12.8%
\$1,200 to \$1,499		5.7%	30.1%	13.7%	22.5%	6.8%	15.3%	11.6%	14.7%
\$1,500 to \$1,699	9.9%		3.0%	4.6%	5.5%	19.0%	7.8%	5.5%	6.4%
\$1,700 to \$1,899				9.2%			7.6%	5.4%	2.5%
\$1,900 to \$2,099	9.4%		6.0%	9.1%	11.1%	12.2%	7.8%		6.9%
\$2,100 to \$2,299			3.0%		10.8%	6.2%			2.5%
\$2,300 to \$2,499				4.5%	5.5%	6.0%	7.6%		2.5%
\$2,500 or more				4.6%	5.4%	12.2%	30.7%		5.0%
Don't know/Refused	9.4%		11.9%	9.1%	11.1%	18.4%		39.0%	12.6%
Amount in Savings									
None	33.8%	36.7%	22.0%	30.4%	6.1%		7.8%	16.2%	20.3%
Less than \$5,000	47.4%	38.1%	46.8%	35.0%	55.6%	30.2%	23.2%	21.2%	38.6%
\$5,000 to \$24,999	4.7%	18.4%	12.5%	8.7%	16.6%	23.8%	15.4%	5.3%	12.6%
\$25,000 to \$49,999		6.8%	3.0%	17.3%	10.9%	5.8%	15.2%	5.2%	7.5%
\$50,000 or more			9.5%	8.7%	10.8%	34.4%	30.8%	5.2%	11.2%
Don't know/Refused	14.0%		6.1%			5.8%	7.6%	46.8%	9.9%
Own Other Real Estate									
Yes	4.9%		37.1%	47.9%	55.5%	51.8%	78.4%	36.2%	37.7%
No	85.3%	87.8%	59.9%	52.1%	44.5%	42.5%	21.6%	58.6%	57.9%
Don't know/Refused	9.7%	12.2%	3.1%			5.7%		5.2%	4.4%
Affordable Monthly Payment									
Less than \$200	14.1%	5.8%		4.6%					3.1%
\$200 to \$499	14.6%	11.4%	15.1%	9.2%	5.4%	6.4%	7.7%	11.0%	10.7%
\$500 to \$799	38.6%	24.5%	12.0%	4.5%	6.1%		7.8%	16.4%	14.1%
\$800 to \$1,099	23.4%	34.9%	27.5%	54.6%	11.1%	11.5%	7.7%	11.0%	24.4%
\$1,100 to \$1,999	4.7%	11.7%	36.4%	22.6%	44.4%	47.5%	30.5%	22.7%	27.7%
\$2,000 or more		5.8%	3.0%		16.5%	17.4%	38.4%		8.1%
Don't know/Refused	4.6%	5.8%	6.0%	4.6%	16.6%	17.2%	7.7%	38.8%	11.9%

Table E-14. Housing Characteristics of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Current Tenure									
Own	9.4%	12.8%	35.9%	43.4%	58.7%	46.0%	71.3%	38.3%	37.8%
Rent	61.9%	64.4%	58.1%	52.2%	34.9%	41.7%	28.7%	39.1%	49.5%
Sharing with others no rent	19.3%	17.2%		4.4%	6.4%	12.3%		10.9%	8.2%
Occupy w/o rent payments	9.4%	5.7%	5.9%					11.6%	4.4%
Current Unit Type									
Single-family house	55.2%	54.1%	57.6%	69.5%	81.8%	88.5%	85.7%	72.5%	68.6%
Townhouse/duplex/multiplex		17.2%	17.9%	13.1%	5.9%	5.8%	7.3%	5.5%	10.0%
Apartment	19.7%	11.5%	21.2%	8.8%	6.4%			5.5%	10.7%
Condominium			3.3%	4.4%	5.9%	5.7%	7.0%	5.5%	3.8%
Public assisted housing	14.7%	5.8%						5.5%	3.1%
Other (specify below)	10.4%	11.4%		4.3%				5.4%	3.8%
Number of Bedrooms in your home									
One bedroom	14.5%	11.4%	12.3%					5.5%	6.3%
Two bedrooms	28.6%	28.7%	30.5%	30.4%	23.1%		14.2%	27.6%	24.3%
Three bedrooms	42.7%	35.4%	42.3%	52.1%	38.5%	58.9%	71.5%	32.7%	45.8%
Four or more bedrooms	14.1%	24.5%	14.9%	17.5%	38.5%	41.1%	14.3%	34.2%	23.7%
Number of bathrooms in your home									
One bathroom	44.7%	52.4%	34.4%	49.6%	34.3%	12.8%	25.1%	17.4%	34.0%
Two bathrooms	45.4%	40.4%	55.4%	36.0%	45.7%	74.9%	49.8%	71.0%	53.1%
Three bathrooms	9.9%		6.8%	14.3%	19.9%	12.2%	16.6%	5.7%	10.0%
Four or more bathrooms		7.3%	3.4%				8.5%	5.9%	3.0%
Age of Unit Categories									
Less than 5 years	10.9%		3.1%	4.6%	5.9%			6.6%	4.2%
5 to 9 years	10.9%		6.4%	4.6%			15.4%	6.6%	5.5%
10 to 14 years	10.8%	15.1%	12.7%	4.6%	17.6%	19.7%			10.3%
15 to 19 years	5.2%		6.4%	9.1%	5.9%	19.8%	7.8%		6.8%
20 to 29 years	10.4%	38.4%	29.2%	18.0%	23.1%	19.6%	15.2%	27.1%	22.7%
30 to 39 years	20.6%	31.2%	26.4%	27.4%	23.1%	21.3%	30.8%	7.3%	23.7%
40 to 49 years	5.2%		3.2%	31.8%	6.4%	6.5%	23.2%	26.5%	12.3%
50 to 59 years	15.5%		9.5%		12.3%	13.1%	7.8%	19.4%	9.6%
60 or more years	10.4%	15.3%	3.2%		5.7%			6.6%	4.8%

Table E-15. Award Type Preferences of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
First Choice									
Turn-key (lot with single-family house)	66.7%	47.4%	58.0%	60.5%	84.3%	53.6%	21.8%	55.3%	57.3%
Lot with water/sewer, but no house	19.2%	28.9%	27.1%	30.2%	16.7%	22.7%	50.0%	29.8%	27.5%
A rental w/ option to buy home	9.2%	12.4%	3.2%	8.5%		6.2%	21.8%	5.3%	7.5%
Parcel of land that I can farm	5.0%		9.0%	4.7%		6.2%		10.5%	4.9%
An affordable rental unit	5.0%		3.2%					5.3%	1.9%
Town home in a duplex or four-plex			3.2%				7.7%		1.2%
Apartment suited for senior citizens	5.0%			4.7%					1.2%
Second Choice									
Lot with water/sewer but no house	28.3%	23.7%	21.3%	13.2%	33.3%	35.1%	14.1%	14.9%	22.8%
Turn-key (lot with single-family house)	14.2%	28.9%	14.9%	21.7%	5.9%	22.7%	42.3%	10.5%	18.9%
A rental w/ option to buy home	38.3%	11.3%	18.1%	21.7%	11.8%	6.2%		5.3%	15.5%
Parcel of land that I can farm			14.9%	4.7%	5.9%	17.5%	21.8%	19.3%	10.4%
Town home in a duplex or four-plex		11.3%	9.0%		16.7%				4.9%
Apartment suited for senior citizens		6.2%		8.5%	5.9%			9.6%	3.7%
Condominium apartment I own			5.9%		5.9%			9.6%	3.0%
An affordable rental unit			5.9%	8.5%		6.2%			3.0%
Third Choice									
Parcel of land that I can farm	14.2%	23.7%	18.1%	17.1%	28.4%	18.6%	28.2%	15.8%	19.8%
A rental w/ option to buy home	19.2%	12.4%	14.9%	8.5%	5.9%	22.7%		14.9%	12.9%
Lot with water/sewer but no house	14.2%	6.2%	11.7%	13.2%	10.8%	11.3%	7.7%	5.3%	10.3%
An affordable rental unit	5.0%	11.3%	9.0%	8.5%	10.8%		14.1%	14.9%	9.2%
Town home in a duplex or four-plex	5.0%	11.3%	9.6%	21.7%			7.7%	10.5%	8.8%
Condominium apartment I own		23.7%	12.2%	4.7%	5.9%	6.2%	7.7%	5.3%	8.0%
Turn-key (lot with single-family house)	5.0%		14.9%	8.5%	5.9%		14.1%	9.6%	7.9%
Apartment suited for senior citizens	10.0%	11.3%	3.2%		5.9%	6.2%	7.7%	10.5%	6.2%

Table E-16. Housing Unit Preferences of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Preferred Additional Bedrooms									
None	5.2%	20.3%	18.9%	6.0%	8.7%	13.2%	18.0%	22.9%	14.1%
One bedroom	16.1%	13.0%	18.5%	29.4%	17.7%	13.9%	27.2%	15.4%	18.7%
Two bedrooms	10.2%	26.7%	18.6%	35.2%	28.8%	20.3%	27.6%	7.7%	21.2%
Three bedrooms	26.9%	13.0%	14.7%	5.9%	8.7%	13.7%	9.0%	15.1%	14.1%
Four bedrooms	20.8%	13.7%	10.9%	17.6%	27.0%	32.4%	9.0%	23.9%	18.7%
Five or more bedrooms	20.7%	13.2%	18.5%	5.9%	9.0%	6.6%	9.3%	15.0%	13.2%
Preferred Additional Bathrooms									
None	5.8%	21.7%	19.6%	13.3%	9.6%	14.1%	18.0%	40.1%	17.1%
One bathrooms	29.4%	35.5%	30.5%	33.3%	30.4%	21.9%	54.8%		29.9%
Two bathrooms	35.8%	20.9%	27.0%	39.9%	40.2%	22.4%	27.2%	40.0%	30.9%
Three bathrooms	28.9%	14.1%	11.7%	6.7%	9.9%	41.7%		19.9%	17.0%
Four bathrooms		7.8%	11.2%	6.7%	9.9%				5.1%
Preferred Additional Rooms									
None	11.1%	24.0%	32.3%			48.8%	19.8%	40.1%	23.0%
One other room	55.7%	38.8%	37.4%	100.0%	83.9%	51.2%	70.2%	20.0%	52.7%
Two other rooms	11.1%	37.2%	24.2%		16.1%		10.1%	19.6%	17.8%
Three other rooms	11.1%							20.2%	3.3%
Four other rooms	11.1%		6.1%						3.2%

Table E-17. Perspectives of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81% to 120%	121% to 140%	141% to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Financially prepared to qualify when your lot is available?									
Yes	28.2%	88.6%	57.5%	65.2%	71.9%	74.9%	61.5%	50.1%	60.8%
No	23.9%		9.3%			12.2%	7.6%	14.8%	8.7%
Not sure	47.9%	11.4%	33.2%	34.8%	28.1%	12.9%	30.9%	35.0%	30.5%
Level of Understanding of UI Award									
Fully understand, no other info is needed	23.5%	35.4%	30.5%	26.0%	45.1%	35.2%	21.3%	35.2%	31.4%
Somewhat understand, more info is needed	71.9%	58.7%	63.5%	60.9%	54.9%	53.5%	78.7%	55.0%	62.0%
Do not understand at all	4.6%	5.8%	6.0%	13.1%		11.4%		9.8%	6.6%
What do you intend to do with the award in the future?									
Pass it on to my children or relatives	84.9%	82.6%	87.7%	78.5%	78.0%	87.2%	71.5%	75.3%	81.4%
Sell it to someone else				4.3%				5.0%	1.2%
Transfer it to someone else	5.2%							5.0%	1.3%
Just hold on to it	9.9%	17.4%	9.2%	13.0%	5.5%	12.8%	21.3%	9.9%	11.8%
Other				4.3%	10.9%		7.2%	4.9%	3.0%
Not sure			3.1%		5.5%				1.2%
I am aware of the programs to assist me in financing home repairs									
Strongly Agree	33.5%	18.0%	16.9%	8.7%	29.0%	23.8%	7.6%	16.2%	19.3%
Agree	28.5%	29.5%	38.3%	43.4%	24.4%	18.5%	38.6%	36.5%	32.9%
Disagree	14.1%	17.9%	22.5%	26.2%	29.0%	23.0%	31.1%	10.9%	21.5%
Strongly Disagree	9.4%	5.7%	9.6%			5.7%	22.8%	5.3%	6.9%
Don't know/Refused	14.5%	28.9%	12.7%	21.7%	17.6%	29.0%		31.2%	19.5%
Communication with DHHL									
Excellent, they really try to help	25.2%	29.5%	21.6%	17.4%	16.6%	12.8%	14.3%	11.1%	19.0%
Good, they do their jobs pretty well	24.6%	5.8%	27.3%	26.0%	49.9%	36.9%	21.4%	44.7%	29.5%
Fair, they don't go out of their way to help	4.9%	11.6%	21.3%	21.7%	16.5%	37.4%	28.3%	5.4%	18.1%
Poor, they don't care about my problems	4.9%	17.9%	6.0%	13.1%	5.5%			5.5%	6.9%
Haven't spoken with DHHL in past year	40.3%	35.1%	23.8%	17.5%	11.5%	12.8%	28.7%	33.3%	25.2%
Don't know/Refused				4.4%			7.3%		1.3%

Table E-17. Technology Usage of Undivided Interest Lessees by HUD Income Categories, 2014

	HUD Categories							Not reported	Total
	less than 30%	30 to 50%	51 to 80%	81 to 120%	121 to 140%	141 to 180%	more than 180%		
	Col %	Col %	Col %	Col %	Col %	Col %	Col %		
Do you have a computer in your house?									
Yes	78.7%	82.5%	89.8%	72.7%	94.5%	100.0%	100.0%	71.0%	85.7%
No	21.3%	17.5%	10.2%	27.3%	5.5%			29.0%	14.3%
Is your computer connected to the Internet?									
Yes	86.8%	86.2%	89.9%	100.0%	100.0%	100.0%	100.0%	86.8%	93.5%
No	13.2%	13.8%	10.1%					13.2%	6.5%
Use the computer to send emails/access the Internet?									
Me alone	35.9%	29.9%	14.1%	12.5%	18.0%	6.4%	7.0%	37.9%	19.4%
Me and others	64.1%	54.3%	82.4%	68.9%	76.1%	87.9%	93.0%	30.6%	71.0%
Others, not me		7.4%		18.6%	5.9%	5.7%		6.8%	5.2%
No one			3.5%					18.6%	2.9%
Don't know/Refused		8.3%						6.2%	1.5%