



DEPARTMENT OF HAWAIIAN HOME LANDS

Ka'uluokaha'i Subdivision Increment IIB Vacant Lots – Offer #2
Frequently Asked Questions

1. **What type of lot awards are being offered?**
This offer consists of five (5) residential vacant lots for owner builder homes. A vacant lot option offers the applicant the ability to select the type, size and price of a home. It provides flexibility and affordability to the lessee/applicant.
2. **What are the requirements for the Owner Builder home option?**
The selectee will be ***required*** to meet with a DHHL Awards Case Management Specialist to review the vacant lot process prior to signing the Vacant Lot Reservation form.
3. **For the owner builder option, can I build the home myself or do I need to hire a contractor?**
It is your decision who you choose to build your home, however you must fulfill the building requirements set by the City & County of Honolulu. While a general contractor is not required, all electrical and plumbing must be done by a licensed professional. ***Bonding is also required.***
4. **Are there other requirements for the owner builder option?**
After lot selection, you will be solely responsible for managing the entire owner builder process from contracting the builder, obtaining building permits, connecting water lines, etc. to final loan approval. In an owner builder situation, the department will not provide any assistance to you and your selected vendors as the contract is between yourself and your vendors. For example, if you encounter a problem with your contractor, plumber, electrician, etc., you will need to resolve those issues directly with your vendor. The department will not get involved. However, the department will provide an Awards Case Management Specialist who will monitor the progress of your buildout to ensure you are on track to meet the terms and conditions of the lease and within the provided timeline.
5. **How soon do I need to occupy my lot?**
Pursuant to Section 208 of the Hawaiian Homes Commission Act, “The lessee may be required to occupy...within one year after the commencement of the term of the lease.”
6. **What are the financing options for vacant lots?**
The vacant lot/owner builder program requires a construction loan, so you will need to explore construction loan options with the lender of your choice.
7. **What if I have cash available and am ready to build?**
If you have cash funds and you are ready to proceed as an owner builder you may do so, however the department will require proof of available cash funds. The terms and conditions of Question 4 still apply to cash transactions. ***Bonding is also a requirement in cash transactions.***
8. **What happens if I cannot meet the terms and conditions of the Lot Reservation Form?**
If you are unable to meet the terms and conditions of the Lot Reservation Form, it will be considered a default of the agreement and the department can take steps toward cancellation of the Lot Reservation Form. You will remain on the Oahu Islandwide Residential Waitlist based on your original date of application. **Your application will not go to the bottom of the list.** It is important for you to determine if the vacant lot/owner builder program is the best option for you before you proceed with this option.
9. **Can I transfer the lease once I receive the award?**
You may request a lease transfer through the DHHL Oahu District Operations Branch provided all parties meet the conditions of a transfer.

All information provided is subject to change.