

La'i'Ōpua Villages 4 – Akau Offering Data Sheet

Income Limits, Rents, Occupancy Standards and Units by Bedroom Sizes

2020 Income Limits *

Household Size	1	2	3	4	5	6	7	8	9
30% AMI	17,520	20,010	22,500	24,990	27,000	29,010	30,990	33,000	34,980
40% AMI	23,360	26,680	30,000	33,320	36,000	38,680	41,320	44,000	46,640
60% AMI	35,040	40,020	45,000	49,980	54,000	58,020	61,980	66,000	69,960

* Income limits are subject to change as updated by HUD.

Monthly Rent** by Area Median Income (AMI) and Bedroom Size

Area Median Income	2 bedrooms	3 bedrooms	4 bedrooms
30% AMI	562	649	725
40% AMI	750	866	967
60% AMI	1,125	1,299	1,450
2020 Utility Allowance	222	273	325

** Monthly Rent includes the value of rent paid and the utility allowance for each household. The Monthly Rent limit is determined according to the Low-Income Housing Tax Credit program. Monthly Rent is subject to change according to HUD income limit schedules. The utility allowance is subject to change and is determined by the County of Hawaii.

Occupancy Standards

	2 bedrooms	3 bedrooms	4 bedrooms
# of occupants ***	2 to 5	3 to 7	4 to 9

*** 1 occupant household may be considered for persons needing a reasonable accommodation.

Number of Units by Bedroom Size by AMI

	2 bedrooms	3 bedrooms	4 bedrooms
30% AMI	3	2	1
40% AMI	2	3	1
60% AMI	22	21	4
Resident Manager	-	1	-
Total	27	27	6

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Purchase Price of Homes After the 15 Year Rental Period

Tenants will have the first option to purchase their units after the 15-year rental compliance period. Unit sales will comply with the requirements of the Low Income Housing Tax Credit program as defined in IRC Section 42. The tenant's AMI level at initial qualification to occupy the unit (e.g. 30% AMI, etc.) will be the same AMI level used in determining the sales price.

The formula to determine a unit's sales value after the 15-year rental compliance period is as follows:

- a. IRC Section 42 stipulates a "Minimum Purchase Price" of the outstanding debt secured by the building and all federal, state, and local taxes attributable to such a sale.
- b. The Applicant's sales price is the higher of: (i) an "Affordable Sales Price" calculation described in this section and based on the Multifamily Tax Subsidy Project Income Limits (Income Limit) published by the U.S. Department of Housing and Urban Development (HUD) in effect on the 1st day after the end of the initial 15-year compliance period (subject to HUD updates) or (ii) the IRC Section 42 Minimum Purchase Price.
 - i. Affordable Sales Price = calculated qualifying loan amount based on the Monthly Principal and Interest Payment, Interest Rate, and Amortization Period described below.
 - ii. Monthly Payment = 30% of the Income Limit correlating to a unit's AMI designation for Hawaii county (in line with HUD's housing expense guideline) ÷ 12. Household size = number of bedrooms of the subject unit x 1.5 (in line with HUD's guideline of 1.5 people per bedroom for affordable rent calculations).
 - iii. Interest Rate = Bank of Hawaii's published 30-year, fixed rate, FHA interest rate on the 1st day after the end of the initial 15-year compliance period (updated monthly on the 1st of the month for each month thereafter until all units are sold).
 - iv. Amortization Period = 30-years.

NOTE: It is not possible to know the final sales value at this time. The variables used to calculate the final sales value fluctuate over time and the final sales value will only be determined as described above after the 15-year rental compliance period.