



HAWAIIAN HOME LANDS

HAWAIIAN HOMES COMMISSION · DEPARTMENT OF HAWAIIAN HOME LANDS

La'i Opua Village 4 – Akau
24 Units
Rent with Option to Purchase Offering
Frequently Asked Questions

- 1. If I become a tenant in this project, will I receive a 99-year lease?**
No, this is a rental project with a rental agreement and not a 99-year lease for a lot in the La'i Opua subdivision.
- 2. As a tenant, will I remain as an applicant on the Hawaii Island Residential Waitlist?**
Yes, you will remain on the list based on your application date and may continue to receive offerings from the DHHL depending on the offering.
- 3. How will tenants be selected?**
The property management company will qualify households based upon the requirements of the project including income restrictions from funding sources including the Low-Income Housing Tax Credit Program and other selection criteria. Refer to the Income Limits form included in this mailing. More information will also be provided at the Orientation meeting on April 8, 2023.
- 4. What does Rent with Option to Purchase mean and why is it a 15-year rental project?**
This project received federal and state tax credits to fund this project and they require a minimum 15 years as a rental project. At the end of the 15 years when the Tax Credits expire, the tenant will have an "Option to Purchase" (OTP) the rental unit and receive a 99-year lease in La'i Opua Village 4 - Akau.
- 5. If I qualify for the income limits now but my income increases over time, will I have to move.**
No, if you meet the income qualifications and become a renter in the project and your income increases over time, you will still be allowed to participate in the RWOP program.
- 6. Will I have to join the La'i Opua Community Association? If so, who pays the Association fees?**
During the 15-year rental compliance period the developer will pay the monthly fees. When the unit is sold the obligation to pay the association dues will be the responsibility of the homeowner. The current fees are \$30 a month and may increase over time.
- 7. As an Applicant on the waitlist, can my Successor assume the rental contract at any time?**
As a waitlist applicant who is the renter, if the renter dies, his/her Successor living in the rental who is listed on the original lease and Income Certification at move in may be able to assume the rental contract provided the Successor meets both the DHHL's age of 18 years and is 50% native Hawaiian blood quantum. The qualified Successor must also meet the household income requirements to continue as a renter. If the Successor is unable to do so, the household members will need to move out of the rental unit.

8. What is the maximum income allowed to qualify to live in this subdivision?

Please see the enclosed La'i'Opua Data Sheet. The maximum income allowed is based on total gross income earned by all household members and the size of the household, and the values change over time. Please do NOT exclude yourself from the program by thinking that you are over income. Submit your application and let the Property Manager review your household's income and assets to determine if you can qualify.

9. Do I have to submit any information to the DHHL West Hawaii District Office?

No, the property management company and the developer A0597 Kona L.P. will have jurisdiction over the rental units for the first 15 years, so all inquiries should be submitted to them.

The only time you will engage with the DHHL West Hawaii District Office (WHDO) during the first 15 years is if the tenant passes. Refer to question #7.

10. If I am unable to select one of these 24 rental units, will I have another opportunity to obtain a rental unit in the future?

After the 24 units are filled, units may become available over time due to a tenant moving out, death of a tenant, etc. When a unit becomes available, the Property Management company will call the next eligible person on a backup list provided by the DHHL.

11. Can the tenant lease agreement be transferred during the rental period?

No. The tenant lease during the rental period cannot be transferred.

12. What will the home prices be at the end of the 15 years?

The final sales price cannot be determined at this time. The sales price will be calculated based on a formula and will take into consideration factors existing at the time of the unit sales, such as the future income limits, future interest rates, etc. Please see the La'i'Opua Data Sheet for more information.

13. How much of my rent will be contributed towards the purchase of the house at the end of the rental period?

None. It is EXTREMELY IMPORTANT that all applicants are aware that there will be no rent contributed towards the purchase of the house.

14. What are the next steps?

If you are interested in proceeding with offering, please submit your response form to the DHHL by Friday, April 14th.

15. How do I access the virtual meeting?

1. Click on: <http://dhhl.hawaii.gov/awards/>
2. Click on: La'i Opua RWOP
3. Click on: Join the Zoom meeting