

REAL ESTATE PORTFOLIO AND COMPLIANCE SECTION STATUS REPORT
May 12, 2022

I. Former Hawaii Rental Housing System Revenue Bond Fund Properties

A. Project Renovation Status (Sold Properties)

Property	Estimated Construction Compl. Date	Percent Complete* As of 3/22	Percent Complete* As of 2/22
Kauhale Kakaako	5/22	98%	98%
Kekuilani Courts	8/21	100%	100%
Pohulani Elderly	9/22	99%	99%
Honokowai Kauhale	8/22	90%	84%
Lailani Apartments	1/23	10%	5%
Kamakee Vista	11/22	36%	20%

* Reflects the percentage of the general contractor construction contract value that has been expended at the end of each period.

B. Lailani Apartments Montessori School

1. Collections Summary

Performance Trend	3/22	2/22
Commercial		
Expected Revenue:	\$ 3,000	\$ 3,000
Uncollected Revenue:	\$ -	\$ -
A/R Rate:	0.00%	0.00%

2. Hawaii Montessori School (HMS) is on a month-to-month tenancy and has a historical rent arrearage of approximately \$277,000. Following the April 22, 2022 HMS Board of Directors' meeting, the Executive Director is preparing a payment plan to settle the rent arrearage and would like to secure a new lease.

II. Dwelling Unit Revolving Fund Properties

A. Kulia I Ka Nuu

1. Project Unit Status

Performance Trend	As of 3/22	As of 2/22	As of 3/21
Total Units:	72	72	72
Rentable Units:	70	70	70
Vacant Units:	5	5	3
Vacancy Rate:	7.14%	7.14%	4.29%

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2. Collections Summary

Performance Trend	3/22	2/22
Residential		
Expected Revenue:	\$ 74,208	\$ 80,872
Uncollected Revenue:	\$ 20,235	\$ 36,408
A/R Rate:	27.27%	45.02%
Commercial		
Expected Revenue:	\$ 2,849	\$ 2,849
Uncollected Revenue:	\$ -	\$ -
A/R Rate:	0.00%	0.00%

3. In October 2021, HHFDC contracted with CBRE, Inc. to provide commercial real estate investment sales services for the project. On February 8, 2022, HHFDC published Request for Proposals 22-005-REC seeking qualified owner-operators of affordable rental housing that are interested to purchase a long-term leasehold interest in the project. Several proposals were received, and Best and Final Offers are due on May 4, 2022.

B. Waipahu Community Adult Day Health Center and Youth Day Care Center

- HHFDC terminated the ground lease with Waipahu Community Adult Day Health Center and Youth Day Care Center (Waipahu Community) effective October 31, 2018 due to uncured lease defaults.
- On November 20, 2018, the Department of the Attorney General transmitted a letter to Waipahu Community demanding that it vacate the premises. A Complaint for Ejectment was filed on June 12, 2019. Although in early January 2022 the parties had reached an agreement in principle to settle the litigation and amend the ground lease, Waipahu Community has not executed the required settlement documentation. The trial, which was set to begin on April 11, 2022, has been continued.

III. USDA Rural Development

A. Nani O Puna

1. Project Unit Status

Performance Trend	As of 3/22	As of 2/22	As of 3/21
Total Units:	32	32	32
Rentable Units:	31	31	31
Vacant Units:	0	0	0
Vacancy Rate:	0.00%	0.00%	0.00%


2. Collections Summary

Performance Trend	3/22	2/22
Residential		
Expected Revenue:	\$ 25,900	\$ 25,900
Uncollected Revenue:	\$ 1,948	\$ 1,586
A/R Rate:	7.52%	6.12%

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3. At its August 13, 2020 regular meeting, the Board approved various modifications to the Award of Request for Proposals No. 12-003-DEV Partnering to Preserve Affordable Housing: Kekuilani Gardens and Nani O Puna.
 - a. The original RFP award was made in 2013, and the sale of Kekuilani Gardens closed in 2016.
 - b. The Nani O Puna closing has been delayed due to historical lava-flow threats and financing challenges, and the buyer submitted its loan transfer approval application to USDA Rural Development (USDA-RD) in November 2020. A Purchase and Sale Agreement (PSA) was executed on October 28, 2021. Due to USDA-RD loan transfer approval delays, a First Amendment to the PSA was executed to extend the outside closing date to September 11, 2022.

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