LAND COURT SYSTEM REGULAR SYSTEM

Return by: Mail ( ) Pickup ( ) Escrow No.\_\_\_\_\_\_\_\_\_\_\_\_\_

OWNER(S) NAME(S) This document has \_\_\_\_\_\_\_ pages

ADDRESS UNIT #\_\_\_\_\_\_\_

Honolulu, Hawaii 96813

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Tax Map Key No. (1) 2-1-030:051 (CPR\_\_\_\_\_)

KEAUHOU PLACE, UNIT # \_\_\_\_

SUBORDINATION OF EQUITY SHARING PAYMENT AGREEMENT

SUBORDINATION OF EQUITY SHARING PAYMENT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the Hawaii Community Development Authority, a body corporate and a public instrumentality of the State of Hawaii ("HCDA"), whose address is 547 Queen Street, Honolulu, Hawaii 96813, is the holder of certain rights, reservations and restrictions under that Keauhou Place Limited Warranty Unit Deed, Encumbrances and Reservation of Rights with Power of Attorney (Reserved Housing Unit) dated execution date and recorded on recorded date in the Bureau of Conveyances of the State of Hawaii ("Bureau") as Document Nos.\_\_\_\_\_\_\_\_\_\_\_\_\_ through \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii (“Office”) as Land Court Document No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and duly noted on Transfer Certificate of Title No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(delete this green section if not applicable), and that certain Unilateral Declaration of Restrictive Covenants for Unit Designated as Reserved Housing Unit in the Keauhou Place Condominium Project dated execution date, recorded on recorded date in said Bureau as Document No.\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and filed in said Office as Land Court Document No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_ and noted on Transfer Certificate of Title No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(delete this green section if not applicable) (collectively referred to herein as "Deed and Declaration"), pertaining to that certain real property located at 555 South Street #\_\_\_, Honolulu, HI 96813 (“Property"), described in Exhibit "A" attached hereto and made a part of this Subordination of Equity Sharing Payment Agreement ("Agreement"), owned by OWNER NAME(S) MUST BE CAPITALIZED, single/husband and wife/ married, now known as MARRIED NAME, wife of spouse’s name**,** as Tenant(s) by the Entirety/ Tenant(s) in Severalty/ Joint Tenants/ Tenants in Common (“Owner(s)”);

WHEREAS, pursuant to the Deed and Declaration, HCDA is entitled to, among other things, an equity sharing payment as set forth in the Deed and Declaration ("Equity Sharing Payment");

WHEREAS, the Owner(s) intends to refinance his/her/their mortgage on the Property by executing that certain Mortgage dated \_\_\_\_\_\_\_\_\_\_\_\_ between the Owner(s), as Mortgagor, and HONOLULU HOMELOANS, INC., a Hawaii corporation, whose address is 745 Fort Street, Ste. 1001, Honolulu, Hawaii 96813, as Mortgagee (also referred to as “Lender”), recorded in the Bureau of Conveyances of the State of Hawaii as Document No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_(delete this green section if not applicable)("Honolulu HomeLoans Mortgage"), to secure the payment of a Note in the principal amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter collectively referred to as "Honolulu HomeLoans Mortgage and Note'');

WHEREAS, Lender requires that HCDA's Equity Sharing Payment be subordinated to that of the Honolulu HomeLoans Mortgage and Note;

NOW THEREFORE, for good and valuable consideration, the receipt of which the parties to this Agreement acknowledge, the parties agree as follows:

1. Consent to Mortgage. HCDA hereby consents to the execution of the Honolulu HomeLoans Mortgage and Note; provided, however, that HCDA 's consent herein shall not authorize nor be deemed to authorize, any further or other conveyance or mortgage of the Property, or the execution of any other or further agreement to convey or pledge the same;

2. Subordination. The Honolulu HomeLoans Mortgage and Note shall be and remain at all times until terminated, a lien or charge upon the Property prior and superior to the lien or charge of HCDA's Equity Sharing Payment.

3. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the respective heirs, personal representatives, successors and assigns of the parties.

4. Governing Law. This Agreement shall be governed by the laws of the State of Hawaii.

5. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties and shall supersede any and all prior communications, representations, or agreements, both verbal and written, between the parties regarding the subordination of HCDA's Equity Sharing Payment to that of the Honolulu HomeLoans Mortgage and Note. This Agreement cannot be modified except by a written instrument signed by all the parties.

6.            Counterparts. The parties agree that this Agreement may be executed in counterparts, each of which shall be deemed an original, and the counterparts shall together constitute one and the same agreement, binding all of the parties, notwithstanding that all of the parties are not signatory to the same instrument. Duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

**[SIGNATURES APPEAR ON FOLLOWING PAGE]**

IN WITNESS WHEREOF, the undersigned has executed this Agreement on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

**HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Its: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**"HCDA"**

APPROVED AS TO FORM:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Deputy Attorney General

State of Hawaii

**HONOLULU HOMELOANS, INC., a Hawaii Corporation**

By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Its: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**“LENDER”**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**OWNER NAME**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**2ND OWNER IF MARRIED OR JOINT**

**“OWNER”**

STATE OF HAWAII )

) SS.

CITY AND COUNTY OF HONOLULU )

On this the day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_\_, before me personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ❑personally known to me **-OR-** ❑proved to me on the basis of satisfactory evidence who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

Notary Public Signature

(Official Stamp or Seal) Printed Name:

Notary Public, State of Hawaii

My Commission Expires:

STATE OF HAWAII NOTARY CERTIFICATION

Doc. Description: Subordination of Equity Sharing Payment Agreement

Date of Document: # Pages:\_\_\_\_\_\_

Notary Public Signature Date

Print Name: (Official Stamp or Seal)

Notary Public, State of Hawaii, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Circuit

STATE OF HAWAII )

) SS.

CITY AND COUNTY OF HONOLULU )

On this the day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ❑personally known to me **-OR-** ❑proved to me on the basis of satisfactory evidence who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

Notary Public Signature

Printed Name:

Notary Public, State of Hawaii

My Commission Expires:

(Official Stamp or Seal)

STATE OF HAWAII )

) SS.

CITY AND COUNTY OF HONOLULU )

On this the day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_\_, before me personally appeared OWNER ❑personally known to me **-OR-** ❑proved to me on the basis of satisfactory evidence and 2ND OWNER ❑personally known to me **-OR-** ❑proved to me on the basis of satisfactory evidence who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

Notary Public Signature

Printed Name:

Notary Public, State of Hawaii

My Commission Expires:

(Official Stamp or Seal)

EXHIBIT "A"

-FIRST:-

The unit identified on the first page hereof (the "Unit"), located in that certain condominium project known as "KEAUHOU PLACE" (the "Project"), as described in that certain Declaration of Condominium Property Regime dated February 3, 2015, recorded at the Bureau of Conveyances of the State of Hawaii as Document No(s). A-55130770A thru A-55130770B, as the same may be amended from time to time (the "Declaration") and shown on the plans thereof filed as aforesaid as Condominium Map No. 5367 (the "Condominium Map").

TOGETHER WITH those easements appurtenant to the Unit as set forth in the Declaration, which may include the following:

1. Exclusive easements for the use of Limited Common Elements of the Project which are described in the Declaration as being appurtenant to the Unit.
2. Nonexclusive easements in the Common Elements, including the Limited Common Elements, designed for such purposes as ingress to, egress from, utility services for and support, maintenance and repair of the Unit; in the other Common Elements for use according to their respective purposes, subject always to the exclusive use of the Limited Common Elements as provided in the Declaration; and in the other Units in the building in which the Unit is located for support; subject to the provisions of Section 514B-38 of the Act.
3. If any part of the Common Elements now or hereafter encroaches upon any Unit or Limited Common Element, or if any Unit encroaches upon the Common Elements or upon any other Unit, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event that a Unit shall be partially or totally destroyed and then rebuilt, or in the event of any shifting, settlement or movement of any part of the Project, encroachments of any part of the Common Elements, Units or Limited Common Elements due to such construction, shifting, settlement or movement shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist for so long as such encroachment continues.
4. Nonexclusive and perpetual pedestrian and vehicular easements and access throughout the entire Parking Facility, including all roadways, pathways, driveways, access lanes, ramps, and all landscaped areas, sidewalks, walkways, hallways and grounds of the Project that is/are part of the Parking Stall Limited Common Elements or the Commercial Limited Common Elements, as depicted on the Condominium Map, for ingress to and egress from, such Residential Units to and from any Limited Common Element areas appurtenant to such Units, to and from the Residential Limited Common Elements and to and from the General Common Elements.

EXCEPTING AND RESERVING AND SUBJECT TO all easements as provided in the Declaration, including, but not limited to, (i) easements for access to the Unit and/or its Limited Common Elements from time to time during reasonable hours as may be appropriate for the operation or maintenance of the Project or for the inspection, repair, painting, resurfacing, maintenance, installation or replacement of any Common Elements, or for any other purpose reasonably related to the exercise of the rights and obligations under the Declaration, or, without notice, at any time for (a) making emergency repairs therein necessary to prevent damage to any Unit or Limited Common Element, (b) abating any nuisance or any dangerous, unauthorized, prohibited or unlawful activity, (c) protecting the property rights of any Owner, or (d) preventing death or serious bodily injury to any Owner or other occupant therein; (ii) easements affecting the Common Elements for any responsible purpose and through adjacent lands, including without limitation, for utility infrastructure, owners or public access, as necessary for the Project;

(iii) easements necessary to complete the Project, for noise and dust, to conduct sales activities at the Project, and to install and operate central telecommunication receiving and distribution systems and services; (iv) easements through the Common Elements for purposes set forth in the Master Charter; and (v) easements necessary pursuant to the exercise of any reserved rights set forth in the Declaration, all as provided in the Declaration.

-SECOND:-

An undivided 0.131229% interest in all Common Elements of the Project as established by the Declaration, including the land described in the Declaration, or such other interest as hereafter established for the Unit by any amendment of the Declaration, as tenant in common with the holders of other undivided interests in and to said Common Elements.

ALL TOGETHER WITH AND SUBJECT TO as to FIRST and SECOND the covenants, agreements, easements, obligations, conditions, exceptions, reservations and other matters and provisions of the Declaration and the Bylaws, all of which are incorporated herein by this reference and which constitute and shall constitute covenants running with the land, equitable servitudes and liens to the extent set forth therein and provided by law.

The land upon which the Project is located is described as follows:

LOT A-1-1

BEING A SUBDIVISION OF LOT A-1

BEING ALSO A PORTION OF ROYAL PATENT 4483, LAND COMMISSION AWARD 7712,

APANA 6 TO M. KEKUANAOA FOR V. KAMAMALU; AT KAAKAUKUKUI, HONOLULU, OAHU, HAWAll

Beginning at the Southerly corner of this parcel of land, situated on the Northeasterly side of Pohukaina Street, being also the Westerly corner of Lot A-1-2, the coordinates of said point of beginning, referred to Government Survey Triangulation Station "PUNCHBOWL", being 4,252.37 feet South and 3,816.45 feet West, and thence running by azimuths measured clockwise from True South:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. | 140° | 30' |  | 229.43 | feet along Northeasterly side of Pohukaina Street; |
| 2. |  |  |  |  | Thence along the intersection of Pohukaina and South Streets, on a curve to the right with a radius of 20.00 feet, the chord azimuth and distance being: |
|  | 185° | 30' |  | 28.28 | feet; |
| 3. | 230° | 30' |  | 208.36 | feet along the Southeasterly side of South Street; |
| 4. |  |  |  |  | Thence along the same, on a curve to the right with a radius of 1,347.00 feet, the chord azimuth and distance being: |
|  | 233° | 44' | 41" | 152.48 | feet; |
| 5. | 320° | 30' |  | 240.80 | feet along Lot A-1-3, being a remainder of R.P. 4483, L.C. Aw. 7712, Ap. 6 to M. Kekuanaoa for V. Kamamalu; |
| 6. | 50° | 30' |  | 141.33 | feet along Lot A-1-2, being a remainder of R.P. 4483, L.C. Aw. 7712, Ap. 6 to M. Kekuanaoa for V. Kamamalu; |
| 7. | 320° | 30' |  | 9.00 | feet along the same; |
| 8. | 50° | 30' |  | 28.83 | feet along the same; |
| 9. | 140° | 30' |  | 9.00 | feet along the same; |
| 10. | 50° | 30' |  | 210.44 | feet along the same, to the point of beginning and containing an area of 94,668 square feet, more or less, as per survey of Robert K.Y. Lee, Licensed Professional Land Surveyor, Certificate No. 5075, dated October 28, 2014. |

BEING THE PREMISES CONVEYED BY KEAUHOU PLACE LIMITED WARRANTY UNIT DEED, ENCUMBRANCES AND RESERVATION OF RIGHTS WITH POWER OF ATTORNEY (RESERVED HOUSING UNIT)

GRANTOR: KEAUHOU LANE, LP, a Hawaii Limited partnership

GRANTEE: JANE DOE, single, as Tenant in Severalty

DATED: November 14, 2017

RECORDED: Document Nos. A-65270018A thru A-65270018C

\*(Include the below text only if owner purchased unit when they were single and are now married, or if they purchased the unit as a married couple and are now divorced)

Note: The marriage of JANE DOE (now known as JANE SMITH) to John Smith on January 1, 2000 in Honolulu, Hawaii.

Note:  The bonds of matrimony existing between OWNER 1 and OWNER 2 were dissolved by Decree of Divorce filed in the Family Court of the First Circuit, State of Hawaii, on January 1, 2000.

END OF EXHIBIT “A”