

**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
REGULAR MEETING**

**NOVEMBER 8, 2018**

**MINUTES**

The Board of Directors of the Hawaii Housing Finance and Development Corporation met for a regular meeting at their office, located at 677 Queen Street, Honolulu, Hawaii, on Thursday, November 8, 2018, at 9:00 a.m.

**I.  
CALL TO  
ORDER/  
ROLL CALL**

With a quorum present, Chair Milo Spindt called the meeting to order at 9:02 a.m.

Those present were as follows:

Present: Director Milo Spindt, Chair  
Director Leilani Pulmano, Vice Chair  
Director Rona Fukumoto, Secretary  
Director George Atta  
Director Donn Mende  
Director Melvin Kahele  
Director Sara Lin (9:03 a.m.)  
Designee Scott Kami for Director Laurel Johnston  
Designee Mary Alice Evans for Director Luis Salaveria (9:04 a.m.)

Executive Director Craig Hirai

Staff Present: Sandra Ching, Deputy Attorney General  
Matthew Dvonch, Deputy Attorney General  
Janice Takahashi, Chief Planner  
Darren Ueki, Finance Manager  
Rick Prahler, Development Branch Chief  
Carianne Abara, Development Support Section Chief  
Lorna Kometani, Sales and Counseling Section Chief  
Melissa Loy, HHFDC Corporate Controller  
Christopher Woodard, Real Estate Portfolio Manager  
Patrick Inouye, Housing Finance Specialist  
Jocelyn Iwamasa, Housing Finance Specialist  
Jason Takata, Property Management Coordinator  
Albert Palmer, Housing Development Specialist  
Kent Miyasaki, Housing Information Specialist  
Lorraine Egusa, Budget Analyst  
Esa Pablo, Secretary to the Board

Guests: Kathy Oshiro  
Carl Cunningham, Mark Development  
Rick Stack, CCHDC  
Jeff Furuta, CCHDC  
Glenn Okino, Mitsunaga Construction  
Stacy Sur, HHF LLC  
Gary Furuta, GSF LLC  
Janis Magin, Pacific Business News  
Kenna StormoGipson, HI  
Leighton Yuen, Goodsill  
Kevin Kasai, SCD  
Chris Oaks, SCD  
Andrew Reenders, CBRE  
Dana Peiterson, CBRE

Vice Chair Pulmano moved, seconded by Director Kahele

That the regular meeting minutes of July 12, 2018 be approved as circulated.

The motion was carried unanimously.

Vice Chair Pulmano moved, seconded by Director Kahele

That the regular meeting minutes of September 13, 2018 be approved as circulated.

Th motion was carried unanimously.

Approval of the regular meeting minutes of October 11, 2018 was deferred to a future meeting.

Approval of the executive sessions held on October 11, 2018 was deferred to a future meeting.

Finance Manager Darren Ueki presented the For Action, stating staff's recommendation:

That the HHFDC Board of Directors approve the following:

- A. Resolution No. 122, attached as Exhibit D (within the For Action), which authorizes a tax-exempt issuance of up to \$24,000,000 from the HMMF Bond Program, subject to the provisions and conditions recommended in Exhibit C (within the For Action).
- B. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of the For Action.

Vice Chair Pulmano moved, seconded by Director Kahele

That staff's recommendation be approved.

Director Fukumoto recused herself from the vote.

Ueki stated that the Hula Mae Multi Family (HMMF) bond is a private placement with Bank of Hawaii (BOH). BOH shall hold the bond during the interim/construction phase with payoff coming from a Carpenter's Union Bridge Loan (Bridge Loan) and Low Income Housing Tax Credit (LIHTC) Equity. A BOH conventional permanent loan shall pay off the Bridge Loan. The Bridge Loan facilitates BOH's participated in the HMMF and the LIHTC investments.

Kahului Lani I LP expects the HMMF bond issuance amount to fund over 50% of the Project's anticipated basis for acquisition, land, and construction costs. This qualifies the Kahului Lani I aka Kahului Lani I Senior Affordable (Project) to receive federal 4% LIHTC along with the corresponding State LIHTC.

Ueki further stated that a Tax Equity and Fiscal Responsibility Act (TEFRA) hearing was conducted in June 2017. HHFDC did not receive any oral or written testimony, with four members of the public, representing the Project, attended the meeting.

Ueki opened for questions, along with Mr. Rick Stack, Mr. Jeff Furuta, and Mr. Gary Furuta, on behalf of the Project.

**II. A.  
APPROVAL  
OF MINUTES**  
Regular Meeting  
7/12/18

**II. B.  
APPROVAL  
OF MINUTES**  
Regular Meeting  
9/13/18

**II. C.  
APPROVAL  
OF MINUTES**  
Regular Meeting  
10/11/18

**II. D.  
APPROVAL  
OF MINUTES**  
Executive Sessions  
10/11/18

**III. A.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**  
Approve Resolution  
No. 122, Authorizing  
the Issuance of Hula  
Mae Multi-Family  
Tax-Exempt Revenue  
Bonds for the  
Kahului Lani I aka  
Kahului Lani I Senior  
Affordable Project  
Located in Kahului,  
Maui, TMK Nos.:  
(2) 3-7-005: 003 and  
011 (por.) (pending  
new TMK)

Chair Spindt stated that he looked forward to seeing the Project completed.

Ueki noted that this is the last closing for the year.

There being no questions, the motion was carried, with Director Fukumoto recusing.

Ueki presented the For Action, stating staff's recommendation:

That the HHFDC Board of Directors approve the following:

- A. Approve the 2019/2020 QAP as there was no testimony at the public hearing;
- B. Authorize the Executive Director to take all action necessary to effectuate the purpose of this For Action.

Vice Chair Pulmano moved, seconded by Director Kahele

That staff's recommendation be approved.

Ueki stated that the proposed 2019/2020 Qualified Allocation Plan (QAP) was presented at the August 15, 2018 HHFDC Special Board of Directors Meeting, which a summary of changes between the approved 2018/2019 QAP and the proposed 2019/2020 QAP were presented.

The 2019/2020 QAP is proposed to be effective for calendar years 2019 and 2020, with reserved rights to amend the QAP annually.

The Notice of Public Hearing was published on August 24, 2018, in the Legal/Public Notices section of the Honolulu Star Advertiser, the Maui News, the Garden Island, the Hawaii Tribune-Herald, the West Hawaii Today, and posted on the HHFDC website.

Ueki stated that the public hearing was conducted on September 25, 2018, with no testimony being received at that time. It was noted that two testimonies were received during the process of putting together the draft QAP in collaboration with the QAP Subcommittee. Staff checked with counsel and comments were taken into account, with no comments received through the public hearing.

The tentative timeline of events for 2019 federal and state 9% LIHTC applications are projected as follows:

- December 14, 2018 – Applications Available
- February 15, 2019 – Applications Due
- May/June 2019 – Present Recommendations to the Board

Ueki stated that timing of recommendations will be dependent upon the volume of credits and the number of applications received.

There being no further questions, the motion was carried unanimously.

Ueki presented the For Action, stating staff's recommendation:

That the HHFDC Board of Directors approve the following:

- A. The application cycle for the FY2019 LIHTC program as noted in Section III. A. (within the For Action);
- B. The application cycle for the FY2019 RHRF Project Award program as noted in Section III. B. (within the For Action). All requests will be subject to the availability of funds in the RHRF program;

**III. B.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**  
Approve the 2019/  
2020 Qualified  
Allocation Plan for  
the Low Income  
Housing Tax Credit  
Program

**III. C.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**  
Approve the Fiscal  
Year 2019  
Application Cycle  
for the Low Income  
Housing Tax Credit  
Program

- C. Authorize staff to begin marketing the FY2019 RHRF Project Award application cycle; and
- D. Authorize the Executive Director to approve an additional FY2019 application cycle for the RHRF Project Award program subject to the availability of funds and resources; and
- E. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action.

Vice Chair Pulmano moved, seconded by Director Kahele

That staff's recommendation be approved.

Ueki stated applications for the proposed FY2019 funding round for the LIHTC program and RHRF program is anticipated to be available on December 14, 2018, with applications due on February 5, 2019. Recommendations for the FY2019 LIHTC and RHRF Funding Round are anticipated to be in May/June 2019.

Pursuant to the Hawaii Administrative Rules §15-311-31(a) requires an outreach/marketing program on the availability of funds from the RHRF. Therefore, staff plans to publish a RHRF Notice of Funding Availability on December 14, 2018, subject to the Board's approval of this request.

Chair Spindt asked if the amount of anticipated applications is known. Ueki stated that staff have received calls, but the amount is unknown at this time.

Vice Chair Pulmano asked what the total amount of applications was received in the current Fiscal Year. Housing Finance Specialist Patrick Inouye stated that there were about seven to nine applications received for both the 4% and 9% bond applications.

Designee Kami asked whether the additional \$25 million is included in the total RHRF funds amount of \$159,465,351. Ueki answered in the affirmative, as noted within the For Action.

Director Lin asked the reason for the \$25 million FY2018 RHRF funds being held by the Department of Budget and Finance (B&F). Designee Kami explained that because B&F debt finance the CIP amounts coming over, B&F will coordinate a sale when the cash is needed by HHFDC.

There being no further questions, the motion was carried unanimously.

Development Support Section Chief Carianne Abara introduced Property Management Coordinator Jason Takata and presented the For Action.

Abara stated that at its May 10, 2018 Board of Directors Meeting, the Board requested that staff work with Ms. Kathleen E. Oshiro to find a helpful resolution that would work for Oshiro and all other Waiahole Valley residents. Since that time, and while Oshiro awaited response from Hawaii State Federal Credit Union (HSFCU) on a pending loan application, staff suggested the following options to her:

- (1) Seek help from Habitat for Humanity, USDA Rural Development, or the City and County of Honolulu Department of Community Services for information on their home-repair loan programs.
- (2) Amend the lease as authorized by the HHFDC's predecessor board, Hawaii Community Development Corporation of Hawaii, in December 2000, which requires the lessee to pay a lease premium for the leasehold interest in the property.

On August 14, 2018 Oshiro notified HHFDC staff that her lender, HSFCU was not

### III. D. DISCUSSION AND/OR DECISION MAKING

Request by Ms. Kathleen Oshiro, Lessee of Residential Lot No. 68 Waiahole Valley Agricultural Park and Residential Lots Subdivision, TMK No.: (1) 4-8-011: 025, to Amend Residential Lease and Waive Requirement of Lease Premium Payment

able to grant her a mortgage with the existing lease term. Oshiro declined to the option to amend her lease and pay the lease premium and requested that she be placed on the next meeting agenda.

On October 1, 2018, Oshiro requested that the State change/adjust her lease at no charge to her.

Abara noted that the draft strategic plan for the Waiahole subdivision is expected to provide recommendations relating to modifications to most existing Waiahole Valley leases, nearly all of which are scheduled for rent negotiation in 2023.

Abara introduced and called upon Oshiro to present her request to the Board.

Oshiro thanked the Board for the opportunity, stating that due to technicalities in the wording of her lease no lending institution will provide her a mortgage to repair and renovate her home. To date, Oshiro stated that she has, in total, paid \$311,000 in cash for her house - \$24,000 for the Capital Improvement Cost payment per the Declaration (due upon each sale), \$237,000 for the purchase of the lease, and \$50,000 in Federal and State tax penalties on drawing from IRA's to purchase the house. The following options were requested to be considered by the Board:

- (1) Rewording the "limited equity" section and the "rent increase" section of the lease (e.g., increase will not exceed 75%) in a manner that a lending institution would provide her a mortgage;
- (2) If not, asked that HHFDC provide her a mortgage, which was, to her understanding, a provision that could be available by HHFDC staff and an option she would be agreeable to.

Oshiro stated a construction estimate for repairs and renovations (i.e., a leaky roof, peeling of paint, dry-rot, and flooding due to a burst waterpipe that has damaged carpeting in two-bedrooms, and renovation of a tub) was reviewed by staff regarding the renovations she planned on making to the home.

Chair Spindt asked for clarification, asking the following questions:

*When the property was listed for sale, was there disclosure in the property listing that indicated that you would not be able to finance the property during the purchase?*

Oshiro stated that it was disclosed in the listing that the purchase must be in cash and that she could not get a mortgage to purchase. Oshiro further stated that it was advised by the listing agent that once the property was owned, a mortgage could be obtained for renovations and repairs.

*Were you your own agent?*

Oshiro responded in the affirmative.

*Based on the two appraisals done, how much was the original offer and reason for the price reduction?*

Oshiro stated that the original appraisal came in at \$329,000. A cost basis appraisal, the value of the property was \$237,000 and value of the land was \$90,000. Oshiro added that based on the property value, her estimated \$105,000 construction loan request is less than 50% of the value of improvements.

*Was the home purchased from the State or a private party?*

Oshiro stated that the home was purchased from a private party.  
*With the original purchase price of \$329,000, reduced to \$237,000, with the*

payment of the additional \$24,000, for a total out of pocket of \$261,000, roughly being a \$60,000 cost difference (not \$90,000). Is the \$60,000 still available?

Oshiro responded no, stating that her remaining available balance is around \$7,000/\$8,000.

*Was the Habitat for Humanity option pursued?*

Oshiro responded in the affirmative, stating that she did not qualify because of her income.

Chair Spindt explained that one of the challenges of the Board is to make a policy decision that would address all tenants and be fair to all the residents in Waiahole Valley.

Designee Evans moved, seconded by Vice Chair Pulmano

That the board convene in executive session pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, to consult with the board attorney on questions or issues regard the board's powers, duties, privileges, immunities, and liabilities as it relates to this matter.

The motion was carried unanimously.

A copy of Oshiro's testimony and pictures of ceiling and bathtub were circulated and provided to the Board. (See Attachment A)

The Board convened in executive session at 9:51 a.m.

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The Board reconvened in regular session at 11:12 a.m.

Chair Spindt thanked Oshiro for attending the meeting and asked if she would consider amending her lease and pay the lease premium. Oshiro stated that she would not qualify for a loan amount totaling the lease premium and estimated construction cost.

Chair Spindt asked if there was a lesser amount that could address the immediate issues. Oshiro stated that while it could be done by piece mail, it would cost less to do both renovations and repairs at one time.

Chair Spindt asked if there was a separate list of repair items only. Oshiro stated no.

After an in-depth discussion, Chair Spindt stated that the Board felt there was not sufficient information to make a decision on this item today and asked for a motion to defer.

Designee Evans moved, seconded by Vice Chair Pulmano

That the Board defer action on the discussion to allow staff to research and present the results of the strategic plan for the Subdivision.

The motion was carried unanimously.

Oshiro asked on a timeframe. Chair Spindt stated that the timeframe is unknown at this time.

Woodard presented the For Action, stating staff's recommendation:

That the HHFDC Board of Directors:

- A. Approve a Dwelling Unit Revolving Fund budget of \$250,000 for planning and environmental studies, and other related costs, for the

**EXECUTIVE  
SESSION**  
9:51 a.m.  
**RECONVENED**  
11:12 p.m.

**III. E.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**  
Approve a Dwelling  
Unit Revolving Fund

Waimanalo Village Infill Affordable Housing Project, Waimanalo, Oahu, TMK Nos.: (1) 4-1-012: 155 and (1) 4-1-034: parcels 92 and 119, substantially as discussed in the For Action, subject to the following:

1. Availability of DURF funds;
2. Approval and release of funds by the Governor;
3. Compliance with all HHFDC rules and regulations; and
4. Other terms and conditions as may be required by the Executive Director.

- B. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of the For Action.

Vice Chair Pulmano moved, seconded by Director Kahele

That staff's recommendation be approved.

Woodard provided an overview on the history of the Waimanalo Village subdivision on ceded lands and the State's attempts to develop the subject property and its surroundings under a subdivision master lease covering housing lots, roadway lots, common-area lots, to-be-developed lots, and the buffer lot (1978 Master Lease), executed between Hawaii Housing Authority, predecessor to HHFDC, and Waimanalo Residents Housing Development Corporation (WRHDC), predecessor to Waimanalo Village Residence Corporation (WVRC).

The remaining 1978 Master Lease lots were contemplated to be subdivided into 25 house lots per the 1975 Revised Environmental Impact Statement (1975 EIS).

The character of use clause in the 1978 Master Lease required that WVRC "use or allow the premises hereby demised to be used solely for the development of low and moderate-income housing and for such other uses compatible with residential use as allowed by law and as approved in writing by ~~[WVRC]~~ HHFDC."

Woodard noted the aforementioned correction within the For Action.

Staff proposes that HHFDC facilitate the development of the three subject parcels with up to 25 single-family homes to be sold in leasehold to homeowners with household incomes at or below 80% of the Area Median Income as determined by the U.S. Department of Housing and Urban Development.

Based on discussions with WVRC representatives, staff anticipates that WVRC will enter into a friendly partial termination of the 1978 Master Lease to enable development of the three parcels.

With all leases in the Waimanalo Village set to expire on March 14, 2043, should HHFDC proceed with the proposed Waimanalo Village Infill Affordable Housing Project, the form of homeowner lease will need to be for a term of at least 50 years for marketability and financing purposes, resulting in non-coterminous leases in Waimanalo Village.

Staff plans to provide the Board with an informational update on Waimanalo Village at its December 13, 2018 Board of Directors Meeting to address other project matters.

Total cost for services of an Environmental Assessment (EA) and related studies are estimated at \$170,000. Incremental costs of between \$10,000 and \$15,000 may be incurred should an Archaeological Inventory Survey be required.

Upon completion of the EA, staff plans to issue a Request for Proposals (RFP) to develop the parcels with affordable housing. Based on community feedback, the RFP may give preference to self-help housing organizations.

Budget for Planning and Environmental Studies and Other Related Costs, for the Waimanalo Village Infill Affordable Housing Project, Waimanalo, Oahu, TMK Nos.: (1) 4-1-012: 155 and (1) 4-1-034: parcels 92 and 119

Pursuant to Section 201H-191, Hawaii Revised Statutes, the Dwelling Unit Revolving Fund may be used for the necessary expenses in administering housing development programs. DURF outlays are anticipated to be recovered through leasehold sales of the three subject parcels.

There being no questions, the motion was carried unanimously.

Woodard provided some background on the transaction and the Buyer's RFP modification requests that have been previously discussed with the Board. Subsequent extensions to the due diligence period were noted, with the most current extended period set to expire on November 13, 2018.

Designee Evans moved, seconded by Vice Chair Pulmano

That the Board convene in executive session pursuant to Section 92-5(a)(3), Hawaii Revised Statutes (HRS), to deliberate concerning the authority of persons designated by the board to negotiate the acquisition of public property, or during the conduct of such negotiations; and Section 92-5(a)(4), HRS, to consult with the board attorney on questions or issues regarding the board's powers, duties, privileges, immunities, and liabilities as it relates to this matter.

The motion was carried unanimously.

The Board convened in executive session at 11:37 a.m.

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The Board reconvened in regular session at 1:46 p.m.

Woodard stated that staff suggests that the Board take action to extend the due diligence period for a final time, through December 17, 2018.

Vice Chair Pulmano moved, seconded by Director Mende

That the HHFDC Board of Directors amend previously approved Award of Request for Proposal No. 17-010-PPMS Affordable Rental Housing Portfolio Restructuring and Preservation to Joint Offerors Standard Property Company, Inc. and Stanford Carr Development, LLC as Successful Offeror, to provide for a revised due diligence expiration date to end no later than December 17, 2018.

The motion was carried unanimously.

There was no report presented on the Report of the Executive Director.

There being no other business on the agenda, Director Kahele moved, seconded by Vice Chair Pulmano

That the meeting be adjourned at 1:48 p.m.

The motion was carried unanimously.

  
\_\_\_\_\_  
RONA FUKUMOTO  
Secretary

**III. F. DISCUSSION AND/OR DECISION MAKING**  
Discussion on Requested Modifications to Award of Request for Proposals No. 17-010-PPMS Affordable Rental Housing Portfolio Restructuring and Preservation to Joint Offerors Standard Property Company, Inc. and Stanford Carr Development, LLC as Successful Offeror

**EXECUTIVE SESSION**  
11:37 a.m.  
**RECONVENED**  
1:46 p.m.

**IV. REPORT OF THE EXECUTIVE DIRECTOR**

**V. ADJOURNMENT**  
1:48 p.m.

**Kathleen E. Oshiro**  
48-262 Waiahole Valley Rd, Kaneohe, HI 96744  
(808)936-2316

November 8, 2018

Honorable Chair and members of the Board:

Thank you for allowing me to speak with you today regarding my requests to repair and renovate my home in Waiahole Valley.

Understand, I am not asking for anything more than the State Lease said that I could have. My Lease already says I can mortgage my property for home repairs and improvements. As you are aware, however, that due to technicalities in the wording of my Lease no lending institution will give me a mortgage. This critical fact was not disclosed to me by the State when I signed the State's lease. Even my loan officer did not realize the wording was unacceptable to a lender. He only found out after Staff told him that they doubted my loan would be approved and then my application was sent to the underwriters, who, yes, indeed rejected my application based on the State's lease.

With my inability to complete my repairs and renovations the State has inadvertently become a slumlord. My home is becoming rundown and I cannot renovate my house as it is on the State's land. The roof leaks in several places, the house has not been painted for 15 years and is faded and thin, and also peeling in other places when the paint isn't thin; dry-rot is almost bad enough that my small deck should not be used; the house flooded for probably two hours before I woke up to find a waterpipe had burst; the water destroyed the carpeting that is in my two bedrooms. I have had a major stroke and need a shower instead of a tub.

And, please, a clarification: I did not ask my Credit Union for extra money. The only thing I asked when I requested my mortgage was for repairs and improvements of my home AND for the \$4,200 I had already paid for a new gate, an expense I had to pay up front, before I could move in.

This is not a class-action request but rather simply my personal, individual request to have the wording of my lease slightly reworded.

First Option, I need the section regarding "limited equity" reworded in a manner that a lending institution can give me a mortgage. Also, the section regarding rent increase: the State needs to put some sort of "cap" on this proposed increase, whether it be 5% or 100%. A lender simply needs to be insured that the State will not increase my monthly rent to an unaffordable amount. No decision needs to be made, right now, as to what the actual percentage rent increase will be: simply wording something like: "increase will not exceed 75%", as an example.

This is an individual request. The State regulations allow that my lease be amended on an individual basis. Again, I am asking for nothing more than the State already says I

can have, nothing more. I want to mortgage my home so I can repair and renovate my house.

Second Option: if you should decide that you do not wish to amend my lease then I ask you that the State give me the mortgage itself, which I understand that such a provision is available to me, as advised by Staff. Staff has thoroughly reviewed my construction estimate of repairs and renovations, apparently to insure that I am not making extravagant renovations nor increase the size of my home. No, my home will remain to have 860 square feet, two bedroom, one bath.

My roof leaks in several places; during a recent rain (and it rains a lot in Waiahole Valley) and unknown to me, the roof over the kitchen leaked, causing a large puddle in the middle of my kitchen floor. That particular morning I walked into the kitchen, not knowing about the leak, I slipped and fell in that water puddle. No, I was not hurt, but I was shaken up; I was lucky.

I am currently dismayed by two points:

1) only yesterday afternoon, did I receive an email from Staff regarding today's meeting. This email contained extensive information regarding the history of leases in Waiahole Valley; information that I was not previously provided or aware of. I was disturbed when, first, the State did not disclose that I indeed could not mortgage my property at the time I signed the lease and now Staff disseminates further information piecemeal.

And

2) you, the Board, six months ago, asked Staff to "present all options to find a helpful resolution that would work for Ms. Oshiro." To date Staff has not done this. I had expected their proposal listed on the information I received yesterday; it was not. The only options I have been given are verbal and they were:

1) same resolution as 2006. I cannot, nor will not pay the ransom the State feels appropriate to demand just so I can get a mortgage. The value of a leasehold property typically decreases as the lease term shortens, not increases. Already the lease is too short for anyone to get a 30-year long mortgage.

2) go get a personal loan from a private individual... I hope that suggestion is as shocking to you as it was to me.

3) obtain a mortgage from the State, "at an interest rate usually lower than the going rate."

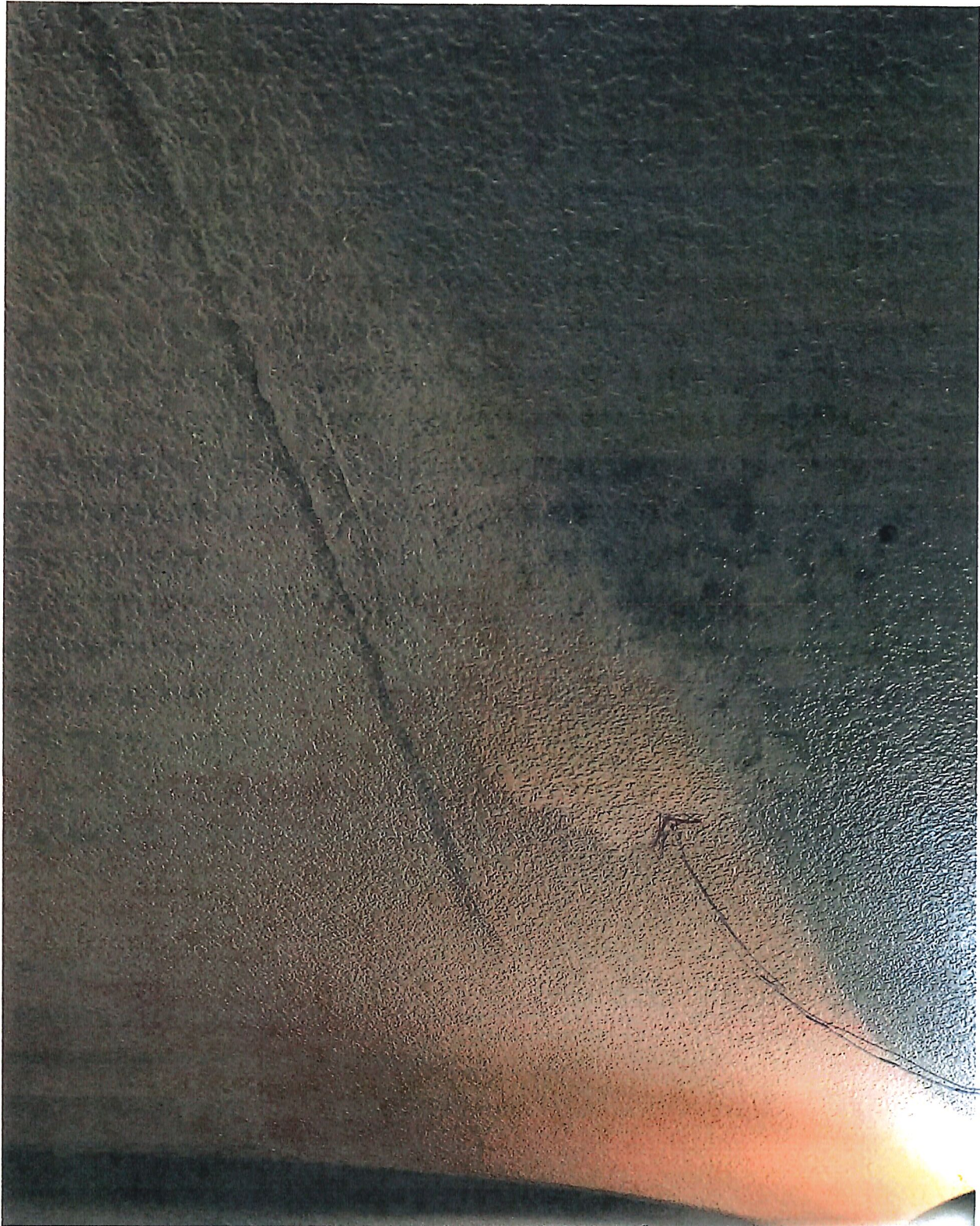
I am totally agreeable to # 3. Yes, I would like a mortgage from the State.

I have already paid the State cash for the State's General Improvements, approximately \$24,000. Further, I paid \$237,000 for my house, and I paid \$50,000 in Federal and State tax penalties for closing my IRA's, in order to purchase my house. That is \$311,000 cash I paid for my house, in total. Knowing that my house needed repairs and renovations I did not worry about using ALL of my savings to buy my house, as the State lease clearly states that I can obtain a mortgage for such expenses.

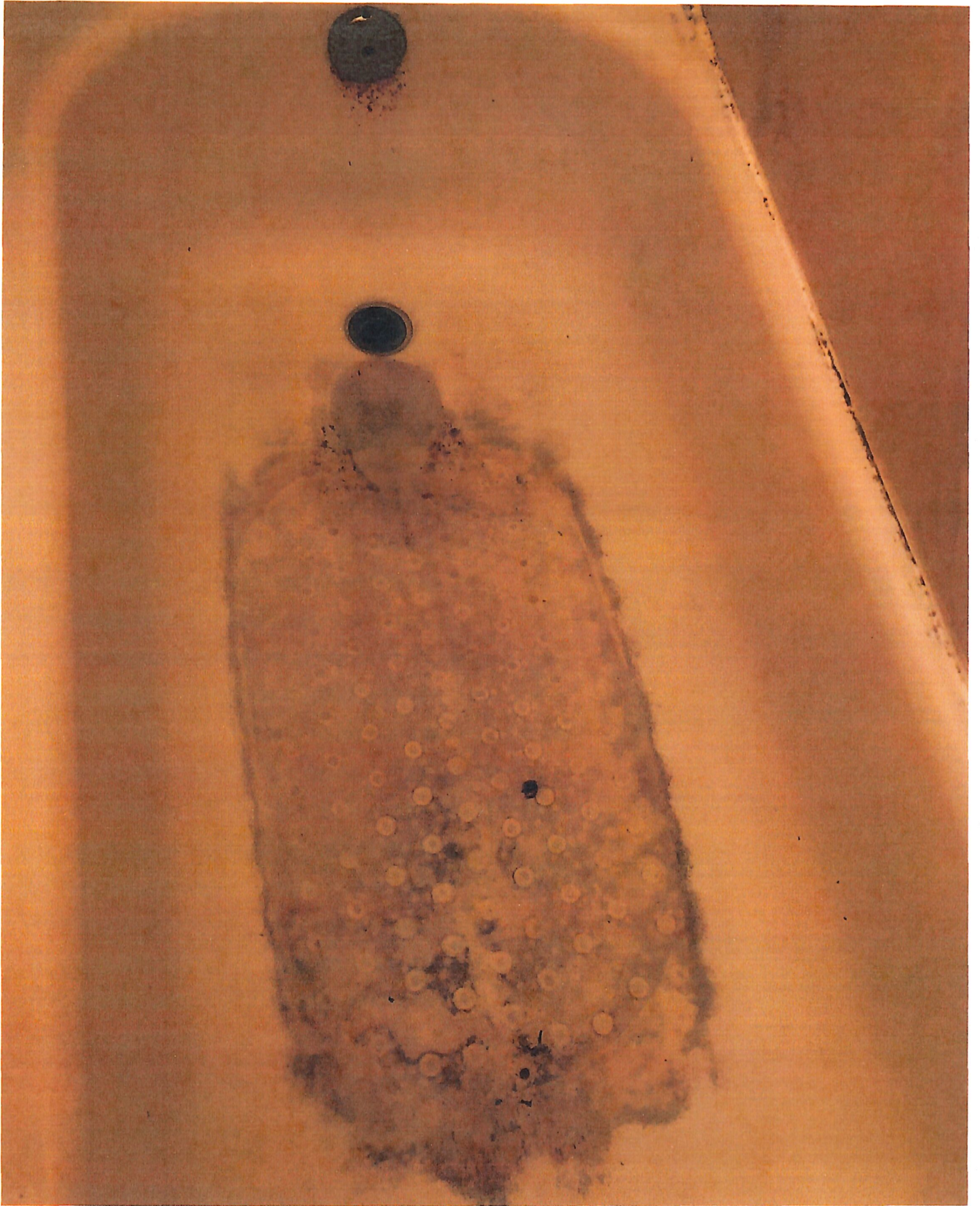
I thank you for your time and for your positive decision to finally remedy my situation.

From: **Kathleen Oshiro** khonkps@gmail.com   
Subject: **Leak in ceiling.**  
Date: **November 7, 2018 at 2:57 PM**  
To: **Kathy Oshiro** khonkps@gmail.com

OK



**Attachment A**



Attachment A