

2765 KAPIOLANI

FOR DEVELOPER'S USE (Chronological System):

UNIT # _____

TMK # (1) 2-7-025-001 _____

REGISTRATION NO. # 6445 _____

NOTICE TO ALL PERSONS SIGNING THE AFFIDAVIT: This Affidavit is being provided to you pursuant to Part V, Section B of the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes). Part V, Section B is referred to as the "Owner-Occupant Law" in this Affidavit, and various Sections of Part V, Section B are referenced in this Affidavit. THIS AFFIDAVIT IS A LEGAL DOCUMENT THAT CONTAINS PROMISES WHICH ARE BINDING ON YOU. IF THESE PROMISES ARE BROKEN YOU COULD BE SUBJECT TO VARIOUS PENALTIES THAT ARE DESCRIBED IN THE OWNER-OCCUPANT LAW AND THIS AFFIDAVIT. THEREFORE, IT IS STRONGLY RECOMMENDED THAT YOU SEEK THE ADVICE OF AN ATTORNEY IF YOU DO NOT UNDERSTAND ANYTHING CONTAINED IN THIS AFFIDAVIT, OR HAVE QUESTIONS ABOUT ANYTHING CONTAINED IN THIS AFFIDAVIT, OR DO NOT UNDERSTAND THE REFERENCES TO THE OWNER-OCCUPANT LAW OR OTHER PROVISIONS OF THE CONDOMINIUM PROPERTY ACT WHICH ARE CONTAINED IN THIS AFFIDAVIT.

AFFIDAVIT

**OF INTENT TO PURCHASE AND RESIDE IN AN
OWNER-OCCUPANT DESIGNATED CONDOMINIUM RESIDENTIAL UNIT**

We, the undersigned "owner-occupants," on this _____ day of _____, 20____, do hereby declare that it is our intention to purchase and reside in a condominium residential unit designated for an "owner-occupant" in the "2765 KAPIOLANI" condominium project proposed by 2765 Kapiolani LLC, a Hawaii limited liability company (the "Developer") situated at 2765 Kapiolani Boulevard, Honolulu, Hawaii 96826, on property identified by Tax Map Key (1) 2-7-025-001.

We understand, affirm, represent and agree by executing this affidavit that:

Buyer's Initials

2765 Kapiolani-OOA/100307

1. It is our intent to reserve and purchase an owner-occupant designated residential unit ("designated unit") pursuant to section 514B-96, Hawaii Revised Statutes ("HRS"), and upon closing escrow, to reside in the designated unit as our principal residence for 365 consecutive days.
2. The term "owner-occupant" as used herein is defined in section 514B-95, HRS, as:

"...any individual in whose name sole or joint legal title is held in a residential unit that, simultaneous to such ownership, serves as the individual's principal residence, as defined by the department of taxation, for a period of not less than three hundred and sixty-five consecutive days; provided that the individual shall retain complete possessory control of the premises of the residential unit during this period. An individual shall not be deemed to have complete possessory control of the premises if the individual rents, leases or assigns the premises for any period of time to any other person in whose name legal title is not held; except that an individual shall be deemed to have complete possessory control even when the individual conveys or transfers the unit into a trust for estate planning purposes and continues in the use of the premises as the individual's principal residence during this period." (Emphasis added).
3. We understand that if two (2) or more prospective owner-occupants intend to reside jointly in the same designated unit, only one residential unit will be offered to us or only one of us shall be placed on the backup reservation list.
4. Should we require financing from a financial institution to purchase the designated unit, the financing shall be an owner-occupant mortgage loan. The financial institution is required to take all reasonable steps necessary to determine whether the borrower intends to become an owner-occupant.
5. At any time after obtaining adequate financing or a commitment for adequate financing up until the expiration of this Affidavit (365 days after recordation of the instrument conveying the designated unit to us), we shall notify the Real Estate Commission immediately upon any decision to cease being an owner-occupant of the designated unit.

6. At closing of escrow, we shall file a claim for and secure an owner-occupant property tax exemption with the appropriate county office for the designated unit.
7. We have personally executed this affidavit and we are all of the prospective owner-occupants for the designated unit. This affidavit shall not be executed by an attorney-in-fact.
8. This affidavit shall be reaffirmed at escrow by all the prospective owner-occupants of the designated unit and may be recorded or made part of the conveying documents. If we are unable to make such reaffirmation, we shall be required to rescind the sales contract and the developer shall accept such rescission. If the sales contract has become binding pursuant to section 514B-86 of the Condominium Property Act, we may be considered to be in default under our sales contract and the Developer may exercise the default or other remedies provided for in the sales contract and any other remedies provided by law.
9. We shall not sell or offer to sell, lease or offer to lease, rent or offer to rent, assign or offer to assign, convey or otherwise transfer any interest in the designated unit until at least 365 consecutive days have elapsed since the recordation of the instrument conveying title to the designated unit to us. Furthermore, we understand that we have the burden of proving our compliance with the law.
10. We understand that it is the affirmative duty of any developer, employee or agent of a developer, and real estate licensee to immediately report to the Real Estate Commission any person who violates or attempts to violate the Owner-Occupant Law, Part V, Section B of Chapter 514B, HRS. No developer, employee or agent of a developer, or real estate licensee shall violate or aid any person in violating the Owner-Occupant Law, Part V, Section B of Chapter 514B, HRS.
11. The Real Estate Commission may require verification of our owner-occupant status and if we fail to submit such verification, we may be subject to a fine in an amount

equal to the profit made from the sale, lease, assignment or transfer of the designated unit.

12. Any false statement in this affidavit or violation of the law shall subject us to a misdemeanor charge with a fine not to exceed \$2,000.00, or by imprisonment of up to a year or both. We further understand that if we violate or fail to comply with the Owner-Occupant Law, Part V, Section B of Chapter 514B, HRS, we shall be subject to a civil penalty of up to \$10,000.00, or fifty percent (50%) of the net proceeds received or to be received from the sale, lease, rental, assignment or other transfer of the designated unit, whichever is greater.
13. When required by context, each pronoun reference shall include all numbers (singular or plural) and each gender shall include all genders.

By signing this affidavit, we represent and affirm that we have read, understand and agree to the above statements.

Purchaser's signature

Print Name date

Purchaser's signature

Print Name date

Purchaser's signature

Print Name date

Purchaser's signature

Print Name date

Buyer's Initials

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On _____, before me personally appeared _____, to me personally known, who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Print Name: _____
Notary Public, State of Hawaii

My commission expires: _____

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

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REAFFIRMATION

(Leave This Section Blank Until Escrow Closing)

We represent and affirm that the date next to our name below is the date of the closing of escrow for designated unit # _____ in the condominium project identified on page one of the attached Affidavit.

By signing this reaffirmation, we represent, warrant and confirm that we have read, understand, agree to and reaffirm all the statements set forth in the attached Affidavit. We reaffirm that we are and will be the owner-occupants of the designated unit which will be our principal residence for the term of this Affidavit which is three hundred sixty-five (365) consecutive days after recordation of the instrument conveying the designated unit to the undersigned.

REAFFIRMATION OF OWNER-OCCUPANTS:

Purchaser's signature

Print Name date

Purchaser's signature

Print Name date

Purchaser's signature

Print Name date

Purchaser's signature

Print Name date

Buyer's Initials

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