

FOR DEVELOPER'S USE (chronological system):	
COMPLETED AFFIDAVIT SUBMITTED	DATE: _____
	TIME: _____
EARNEST MONEY DEPOSIT SUBMITTED	DATE: _____
(if required by developer)	TIME: _____

NOTICE TO ALL PERSONS SIGNING THE AFFIDAVIT: This Affidavit is being provided to you pursuant to Part VI of the Condominium Property Act (Chapter 514A of the Hawaii Revised Statutes). Part VI is referred to as the "Owner-Occupant Law" in this Affidavit, and various Sections of Part VI 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 in this Affidavit. Therefore, it is strongly recommended that you seek the advice of an attorney or the Developer's representatives if you do not understand anything contained in the 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 MILO COURT AT KEHALANI condominium project ("Project") developed by Milo Court at Kehalani LLC (the "Developer").

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

1. It is our intent to reserve and purchase an owner-occupant designated residential unit ("designated unit") pursuant to section 514A-103 of the Owner-Occupant Law, 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 514A-101 of the Owner-Occupant Law as:

"...any individual in whose name sole or joint legal title is held in a residential unit which, simultaneous to such ownership, serves as the individual's principal residence, as defined by the State Department of Taxation, for a period of not less than three hundred and sixty-five consecutive days; provided that the individual retains 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." (Emphasis added).
3. We understand that if two or more prospective owner-occupants intend to reside jointly in the same designated unit, only one owner-occupant's name shall be placed on the 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 we, in fact, intend to become owner-occupants.
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 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 by us no earlier than our receipt for the Contingent Final Public Report and/or the Final Condominium Public Report for the Project (if the Developer is required to provide a copy of the Final Condominium Public Report to us),

and no later than the closing of escrow for the designated unit. The Developer shall cancel our sales contract or reservation if we fail to make the reaffirmation. If the sales contract has become binding pursuant to section 514A-62 of the Condominium Property Act, we may be considered to be in default under our sales contract and the Developer may exercise the 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. No developer, employee or agent of a developer, or real estate licensee shall violate or aid any person in violating the Owner-Occupant Law.
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, assignment or transfer of the designated unit.
12. Any false statement in this Affidavit or violation of the Owner-Occupant Law shall subject us to a misdemeanor charge with a fine not to exceed \$2,000, 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, we shall be subject to a civil penalty of up to \$10,000, or fifty per cent 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.

