

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 Hawaii Revised Statutes Section 514B-96.5. 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 Condominium Property Act, Hawaii Revised Statutes Chapter 514B, 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 this Affidavit, or have questions about anything contained in this Affidavit, or do not understand the references to 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 \_\_\_\_\_, 200\_\_, do hereby declare that it is our intention to purchase and reside in a condominium residential unit designated for an "owner-occupant" in the AINAHAU GARDENS condominium project (the "Project") developed by AINAHAU GARDENS 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 the Condominium Property Act, 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 in this Affidavit is defined in Section 514B-95 of the Condominium Property Act 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 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 at the closing of escrow for the designated unit. The Developer shall cancel our sales contract or reservation if we fail to make the reaffirmation. 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 any real estate licensee to immediately report to the Real Estate Commission any person who violates or fails to comply with the Condominium Property Act or any rule adopted by the Real Estate Commission. No developer, employee or agent of a developer, or real estate licensee shall violate or aid any person in violating the Condominium Property Act or any rule adopted by the Real Estate Commission.
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 Condominium Property Act or any rule adopted by the Real Estate Commission 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 Condominium Property Act or any rule adopted by the Real Estate Commission, 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.
13. When required by context, each pronoun reference shall include all numbers (singular or plural) and each gender shall include all genders.



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

On this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, before me personally appeared

\_\_\_\_\_,  
to me known to be the person(s) described in and who executed the foregoing instrument and  
acknowledged that he/she/they executed the same as his/her/their free act and deed as owner-occupants.

\_\_\_\_\_  
Type or print name: \_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires: \_\_\_\_\_

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

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