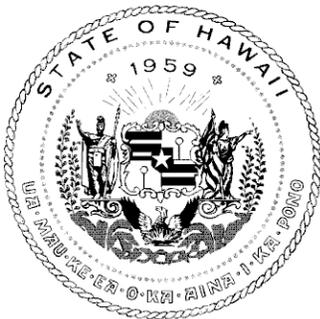


Report to the 2020 Hawaii State Legislature:

Pursuant to Act 98, Session Laws of Hawaii 2019 Relating
to the Status of Front Street Apartments, Lahaina, Maui.

Prepared by:
Hawaii Housing Finance and Development Corporation
Department of Business, Economic Development & Tourism



December 2019

Section 3 of Act 98, Session Laws of Hawai'i 2019, requires the Hawaii Housing Finance and Development Corporation (HHFDC) to "submit a report to the legislature no later than twenty days prior to the convening of the regular session of 2020 regarding its efforts to acquire the leased fee interest in the Front Street Apartments project." This report is intended to satisfy this requirement.

Pursuant to Act 98, HHFDC entered into negotiations with 3900, LLC to acquire the leased fee interest in the parcel designated as Tax Map Key Number (2) 4-5-003-013, upon which Front Street Apartments is located. On October 3, 2019, HHFDC purchased the leased fee interest in this parcel from 3900, LLC at the appraised value of \$14,930,000.