

## **Highlights of February 4, 2004 HCDA Meeting**

Following is a summary of actions taken at the February 4, 2004 meeting of the Hawaii Community Development Authority (HCDA).

### **Buyback Option for Reserved Housing Units**

HCDA members granted the HCDA Executive Director the discretion to exercise the reserved housing buyback option for condominium units at 1133 Waimanu and to use the HCDA's reserved housing fund for such purchases. 1133 Waimanu is a condominium project that was built to meet the reserved housing requirements for the 404 Piikoi Planned Development Project (Nauru Tower, Hawaiki Tower, Ko'olani, and an unnamed Phase IV). It contains 282 reserved housing units. Under the Kaka'ako Community Development District rules, these units were sold with a provision in each deed giving the HCDA the first option to purchase in the event the owner wished to sell the unit within ten years of purchase. This ten-year period ends in June-July 2006 for most of the units.

One purpose of the option to purchase is to discourage speculation caused by individuals purchasing a unit at a discounted price, and then reselling it at the higher market price. Should the HCDA decide to buy back a unit, monies will be drawn from the agency's reserved housing fund and proceeds from a resale would be deposited into the same fund.