

Paving Financing History Timeline 2004-2007

<p>HPPOA Boards spent several years working to achieve funding through various financial institutions. Efforts included the following.</p>	
Late 2004-2005	<p>Attempted to secure improvement bonds through the County of Hawaii. - Proved unfeasible. The County turned down HPP because the county bond council ruled that it was illegal for the County to provide those funds to a private subdivision.</p>
May 2006-Nov 2006	<p>Interviewed with Hawaiian National Bank - Proved unfeasible.</p> <ol style="list-style-type: none"> 1. Maximum amount of financing available at one time: \$2M 2. Required liens on Association property, revenues and expenditures 3. High variable interest rate
Oct 2006-Jan 2007	<p>Interviewed with USDA (Dept. of Agriculture) Financing - Proved unfeasible.</p> <ol style="list-style-type: none"> 1. USDA required application to a bank be done first with a rejection by the bank 2. USDA financing funding availability subject to Congress' passage of budget; if budget approved, then funds might be available in 1-2 years
Dec 2006-Feb 2007	<p>Interviewed with Piper Jaffray - Bond Broker - Proved feasible.</p> <ol style="list-style-type: none"> 1. Financing available for amount needed to meet the roads paving objective 2. No collateral required other than pledge to pay debt service from road maintenance fees 3. Locked interest rate and lower than bank
Jan 2007	<p>Referendum sent to membership by BOD - copy on website; Total 1201 responses received with 82.2% voted in favor of paving the roads.</p>
Feb 2007	<p>Financing history and bond financing proposal explained to owners at Membership Meeting.</p>
Feb 2007	<p>Board approval to enter into negotiations with Piper Jaffray on proposed plan.</p>
May 2007	<p>Piper Jaffray final proposal approved by Board at BOD meeting.</p>
June 2007	<p>Bond execution completed.</p>