



THE BOARD'S BULLETIN BOARD
Special Meeting June 8, 2011

Prepared by the Community Relations Committee to help you keep informed of current developments

SPECIAL BOARD MEETING

- A Special Meeting of the Board of Directors was called for Wednesday, June 8, 2011 by the President of the Board. The purpose of the meeting, identified in the Special Meeting announcement, was to discuss contracts for the Plumbing and Membrane Project Loan and a contract for the management of the Association owned apartment.
- At the conclusion of the Executive Session, the Board voted to approve a loan from First Hawaiian Bank for up to \$12 million dollars for a period of 15 years as presented in the Bank's commitment letter and reviewed by the association's attorney, for the funding of the Plumbing and Membrane Project as described in the loan letter sent to Owners dated January 28, 2011. The Board is pleased that the payment schedule for the loan will accommodate the maintenance fee increases proposed in the January 28, 2011 loan letter. Some of the key terms of the loan include:
 - The interest rate for the first 10 years of the loan is 4.55%. For the last 5 years, the interest rate is adjustable pursuant to a formula that gives the Board the option to select a rate of 1.5% over the Bank's prime rate.
 - The Board successfully negotiated a 24 month draw period. Any amount not withdrawn in the 24 month period will be cancelled.
 - Payments for the first 24 months are interest only; payments thereafter will be set (and adjusted in the last 5 years) so that the loan will fully amortize in the remaining 13 years.
- The Board approved a contract with Phoebe Lau Realty for rental management services for the third floor apartment owned by the Association. This Apartment was recently vacated after having been occupied by a tenant for many years.

OTHER MATTERS

Only the items listed on the agenda may be discussed at a Special Meeting.

CALENDAR

- The next general Owners' Forum will be held on at 5:30 p.m., Wednesday, June 22nd, in the 3rd Floor Party Room.
- The next meeting of the Board of Directors is scheduled for 6 p.m., Wednesday, June 22, 2011.

Submitted by the Community Relations Committee