Reviewed and Approved by the Executive Director CT
January 15, 2009

FOR ACTION

SUBJECT: To Approve the Form of the Purchase and Sale Agreement for the Wilikina Apartments and Authorize the President of the HHA Wilikina Apartments Project, Inc. to Execute the Purchase and Sale Agreement with the Amerland Group, and to Authorize the Executive Director to Undertake All Tasks Necessary to Effectuate the Purposes of This For Action

I. FACTS

A. On January 18, 2007, the Board of Directors of the HHA Wilikina Apartments Project, Inc. approved the hiring of a real estate consultant to assist in preparing a Request for Proposals (RFP) and to provide expertise in the evaluation of proposals.

B. In September 2007, the services of Alvarez & Marsal Real Estate Advisory Services, LLC were obtained and an RFP was prepared and issued on March 19, 2008.

C. Five proposals were received on or before the May 5, 2008 deadline.

D. On May 15, 2008, Alvarez & Marsal Real Estate Advisory Services, LLC presented their analysis and ratings of the proposals to the Board and recommended that final offers be requested from original respondents.

E. The Board approved the solicitation of final and best offers.

F. Alvarez & Marsal requested and received final offers from original respondents to the RFP.

G. On June 19, 2008, the Board selected Amerland Group, on Alvarez and Marsal's recommendation, as having the best offer.

H. On July 23, 2008, a Letter of Intent was executed between Amerland Group and the Hawaii Public Housing Authority (HPHA), acting on behalf of the Board of the HHA-Wilikina Apartments Project, Inc.

I. On August 20, 2008, Amerland Group transmitted a draft of a Purchase and Sale Agreement (P&SA) which did not address all the provisions of the original RFP and proposal. Additionally, the original P&SA was drafted referencing California laws and practices.

II. DISCUSSION

A. The Department of the Attorney General has re-drafted the Purchase and Sale Agreement based on the terms of the Request for Proposals and Amerland Group's final offer.

III. RECOMMENDATION

That the Board of Directors approve the form of the Purchase and Sale Agreement for the Wilikina Apartments and authorize the President of the HHA Wilikina Apartments Project, Inc. to execute the Purchase and Sale Agreement with the Amerland Group, and to authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action.

Prepared by: Michael J. Hee, Contract Administration Section Chief

Reviewed by: Stephanie Fo, Acting Property Management & Maintenance Services Branch Chief

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