

FAQ ~ Frequently Asked Questions

How is this different from a timeshare? Private residence fractionals and typical timeshares are very different systems of co-ownership. Timeshare projects are typically a vacation club program that provides a week or two of usage in a one or two bedroom condominium-type resort and often do not provide a deeded interest in real estate. Private residence fractionals provide deeded real estate ownership and the rights to a minimum of many weeks of usage (a minimum of 8 weeks usage at Puhala) in a luxury vacation home, offering the amenities as well as the privacy of an exclusive residence resort home.

How is the residence owned? Ownership is evidenced by a fee simple deed to an undivided 1/6 ownership interest as Tenants In Common in the land, residence, and amenities of Puhala. A detailed Ownership Plan allocates usage rights, costs and responsibilities among co-owners.

How often can I use the home? Each ownership interest will provide for a minimum of 60 days of annual usage, though since most Owners wish to stay longer than 7 days without having to trade with another Owner we have structured a 2-week rotation. Each Owner interest has a minimum of 8 weeks of "Planned Vacation Period" assigned on a rotating annual schedule. An Owner may at any time make up the 4 days of the shortened years 60-day assignment by utilizing/trading with another Owners days that has the 10-week schedule. Depending on rotation, 2 of the Owners each year will receive an additional 2 weeks, allowing for a total of 10 weeks or 70 days annually. The usage schedule is divided into 52 weeks (or 53 weeks if applicable), running 7 days from Saturday to Saturday. Owners may trade with other owners for additional time to add onto their usage weeks in 3, 4 or 7 night intervals so that stays are not necessarily restricted to 1 or 2 week intervals.

Can ownership be held in the name of a legal entity? Yes. Ownership can be acquired in the name of a legal entity such as a partnership, corporation or trust. The entity must, however, designate one representative for its ownership in the residence.

Will I pay daily charges for the homes? No. Costs for management, basic housekeeping, maintenance and other residence operating expenses are contained in the annual assessment and billed monthly/paid quarterly for each ownership interest. However, personal charges such as long distance telephone, possible damages etc., will be due after your stay. Additionally, ownership and guest usage will be subject to a base housekeeping fee per each stay.

Can my deeded interest and membership be sold? Yes. Owners are free to sell or transfer their deeded interest and ownership in accordance with the residence governing documents to Include but not be limited to the Ownership Use Plan, Management Agreement and Purchase Contract. All existing owners will receive first right of refusal option period prior to the Ownership being publicly offered.

May I invite guests to use my home? Yes. A detailed explanation of guest privileges can be found in The Ownership Use Plan.

How are the annual dues determined and billed? Owners pay annual operation fees monthly, which are billed quarterly that go towards the professional management and operation of the residence, services and amenities. Please refer to the "Projected Monthly Expense Budget" for these expense breakdowns.

How do I offset my monthly expenses? Each owner may vacation rent their scheduled usage weeks by themselves or by use of the management company. Any weeks that you do not reserve as a confirmed Owner reservation will be offered for rental. The rental income for you're unused and therefore Non-Owner reserved time is subject to the management commission set forth in the Management Agreement. Owner rental income will be paid the month following the departure date, and may be offset by any expenses incurred.