

# Luxury is an Experience



## OUR PROVEN HOME SELLING PROCESS

**YUMI LANEY**, (R) CRB, CRS, GRI, SRES | RB-10898

**CHRISTINA LANEY MITRE**, (RA) CRS, SRES | RS-67243



## YUMI LANEY

REALTOR®, CRS, GRI, SRES, RB-10898

C: 808.371.9906 | [Yumi@LaneyRE.com](mailto:Yumi@LaneyRE.com)

*Yumi Laney, Christina Laney Mitre and Ryan Naka work together, creating a sales team providing professional real estate service exceeding your expectations! Yumi and Christina, Senior Real Estate Experts, Specialize in helping their clients and loved ones transition into a senior lifestyle with educational seminars, planning and investigating the many options in buying and selling real estate. Building life-long relationships and keeping their families close to their hearts is what they do every day!*

Throughout her 40+ years in real estate, Yumi has successfully sold homes from Waikiki to Windward Oahu and Waianae to Hawaii Kai. Whether a first-time buyer or a seasoned property owner, Yumi is committed to serve with her expertise, professionalism and integrity. Her expertise in marketing, contract negotiations and escrow follow-up, financing, and other related areas ensures timely closings for her many satisfied clients.

Yumi began her real estate career in 1978 and obtained her broker's license in 1980. She has earned the national designations of Graduate Realtors Institute (GRI) and Certified Residential Specialist (CRS). With her continued real estate education, she has also earned her Senior Real Estate Specialist (SRES) & Certified Aging-in-Place Specialist (CAPS) designations. She is a member of the National Association of Realtors, Hawaii Association of Realtors and the Honolulu Board of Realtors. Yumi also served on the Board of Directors of the Honolulu Board of Realtors, was on the Board of Directors of Kahala Associates and was the Broker-In-Charge at LIST Sotheby's International Realty. Yumi was acknowledged as one of Hawaii Business' Top 100 Realtors of 2009 and 2018. As a Corporate Relocation Specialist, Yumi has helped many families move to the islands with confidence and comfort. Leading edge technology and internet marketing are Yumi's keys to successfully selling today. She is proficient in a variety of systems in servicing both buyers and sellers in all price ranges. This allows her to monitor all marketing and sales activities, keeping her clients well-informed.

Yumi was born in Hiroshima City, Japan. She has lived in many areas of the United States during her father's military career until he retired with his family in Pacific Grove, California, located on the beautiful Monterey Peninsula. Yumi is a graduate of the University of California in Santa Barbara. Her interests are island traveling in the Pacific, snorkeling, reading, church and family activities and just enjoying Hawaii. Having enjoyed some of the World's special coastal cities, Hawaii was a natural place to settle with her husband Rick, a computer consultant/ocean engineer and her children, Christina and John-David.





## CHRISTINA LANEY MITRE

REALTOR-ASSOCIATE®, CRS, GREEN, SRES, RS-67243

C: 808.282.1399 | [Christina@LaneyRE.com](mailto:Christina@LaneyRE.com)

*Christina Laney Mitre, Yumi Laney & Ryan Naka work together, creating a sales team providing professional real estate service exceeding your expectations! Building life-long relationships and keeping their families close to their hearts is what they do every day!*

Christina Laney Mitre joined Elite Pacific Properties for its integrity, innovation and growth in real estate industry and sales. A true Kama'aina, Christina has a great appreciation of Hawaii and its beauty which surrounds her. Christina is an alumni of Roosevelt High School here in Honolulu and a graduate of Whittier College with a Bachelor of Arts in Business Administration and an emphasis in International Business. Her first employer was the Salvation Army in Los Angeles, California working with under privileged youth in South Central Los Angeles. This job opportunity which was quite challenging has given her a deeper understanding of the world we live in.

Christina returned to the Hawaiian Islands in 2003 as a VIP concierge for a five-star resort on Maui which helped develop excellent service skills and a true understanding of giving premiere service to her customers. Christina discovered the importance of building trusting relationships with those around her and knowing that she serviced well was her reward. Christina's other hidden talent lies in event planning and was one of the founding members of the Chamber of Commerce of Hawaii's Young Professional Program. She has been their YP Event's Chair, Ambassador, Ambassador Trainer and Steering Committee Member over the years. A great organization that helps build and connect the successful leaders of today with the future leaders of tomorrow! Now more than ever, she has a desire to help others find their way through life; real estate being the security and support to help them along the way.

Christina is on her fifteenth year and is focused, persistent and determined to succeed at a very high level in real estate sales. It is with great pleasure and pride for Christina to work alongside her loving mother and mentor, Yumi Laney. Yumi Laney has been selling real estate for over 40 years and is continuously paving the path for the next generation of Realtors. Together, Christina and Yumi started a Senior Concierge Program at Kahala Associates that provided referrals, services, seminars and more for the senior community and continues to provide these services at Elite Pacific Properties. Christina also assisted as the sales manager of one of Kaka'ako's brand new affordable housing projects with two state agencies, HCDA and HHFDC. She continues to work directly with the developer on those sales but has put her main focus back on general brokerage to tend to her client base. She sits on the Catholic Charities of Hawaii's Board of Directors and is currently the Chair of the HBR East Oahu Region. She also is a founding Charter Member of the Eco-Rotary Club of Kakaako, currently the Membership Chair but soon to be Chair Elect. On her remaining free time, she has launched her non-profit, passion project of creating a sustainable awareness hub for the State of Hawaii and its people. This most recent endeavor has created a unique niche of real estate services related to Hawaii's sustainable initiatives. She has also just earned her NAR GREEN Designation focusing on green & sustainable building, marketing and selling of homes and developments. Smart Living Hawaii [www.SmartLivingHi.org](http://www.SmartLivingHi.org) is centered around Hawaii's sustainable sectors: Energy, Environment, Agriculture, Housing and Culture. She hosts podcasts, blogs, vlogs, social media posts, events and more!

# Our values

Over

**\$1.39** Billion  
in sales in 2018

**13** Elite Pacific  
agents are on the  
2018 Hawaii Business  
Magazine's Top 100  
in Real Estate

**200+**  
agents

**12**  
offices statewide

## Integrity

We treat our clients as friends and every property and transaction as if our own.

## Commitment

We are driven in the pursuit of excellence and remarkable success.

## Camaraderie

We achieve success by contributing to and celebrating the success of others.

## Optimism

We choose a mindset of positivity, enthusiasm, and aloha.

## Forward focus

We seek out and embrace innovation in our business.



ACCREDITED  
BUSINESS



# Luxury is an **EXPERIENCE**

ELITE PACIFIC offers clients the promise of flawless, personalized real estate—with five-star full-service representation, industry-best insight, and a no-surprises, relationship-first approach. Together, these create a matchless experience of luxury in Hawaii real estate.

## Our story

Founded in 2005 by Paul Mayer and Stephen Cipres, ELITE PACIFIC is now an award-winning, market-leading firm in the luxury, Hawaii real-estate market. From property sales and vacation rentals to property management and relocation services, we deliver the gold standard in client service. Our secret, like water, is simple but powerful: We achieve remarkable success by meeting our clients needs before they are even expressed. We care for people, know our stuff, and uphold total integrity.







# Testimonials

“

**I felt I was being helped by the whole firm.**

We have used Elite Pacific in selling two houses and buying two others in the course of a year. While there are other reputable firms around, I always felt I was being dealt with openly and frankly in terms of the state of the market and realistic pricing of properties. Our agent was, of course, the most important link to the firm but I also felt I was being helped by a whole firm as opposed to just an individual and our agent was always quick to utilize the extensive resources of the firm, including drawing on the expertise and experience of other members of the firm.

-B. Castle

“

**We'll always be thankful for Elite Pacific Properties and their top-of-the-line staff.**

Our Elite Pacific Properties realtor was excellent! She positioned our condo to sell and helped us find the right single-family home. She knew her stuff and worked hard for us. We got the second home that we bid on – and it was so much better than the first one we thought we wanted. We love our home and the location. With a very few exceptions, it's pretty much exactly what we had in mind when we started the process. We'll always be thankful for Elite Pacific Properties and their top-of-the-line staff.

-D. Kicker

“

**Looking forward to more real estate purchases with this team!**

Elite assisted me in closing out two transactions in a record time and made sure that I had the key to my property handed to me the day I came back from a lengthy trip thus avoiding the hassle of staying in hotels. The team was attentive to all the details and made sure there were no surprises during the process. Looking forward to more real estate purchases with this team!

-D. Sagherian



# The **POWER OF TEAMWORK** Behind Every Sale

In this market, no individual can do it all! At Elite, we know the power of a team is necessary to deliver on our mission to you. We have experts at each step in the process supporting the success of your home sale:



Headed by  
Scott Villard, BIC

## **FIVE CONTRACT REVIEWERS**

Negotiating the best terms for your specific situation means no two contracts are the same. The careful eyes of our dedicated contract reviewers examine every document before it is executed to ensure the accuracy and validity of the details and terms. We know many transactions are time-sensitive, which is why our team works from 8 a.m. to 8 p.m., 365 days a year.



Headed by  
Andy Leskowitz, BIC

## **SEVEN TRANSACTION COORDINATORS**

Missing a deadline or signature during escrow can mean the difference between a successful closing and a disastrous cancelation. Each of our clients receives a dedicated transaction coordinator to assist with escrow timelines, document signatures and overall tracking of your closing.



Headed by  
Margot Stewart  
Marketing Manager

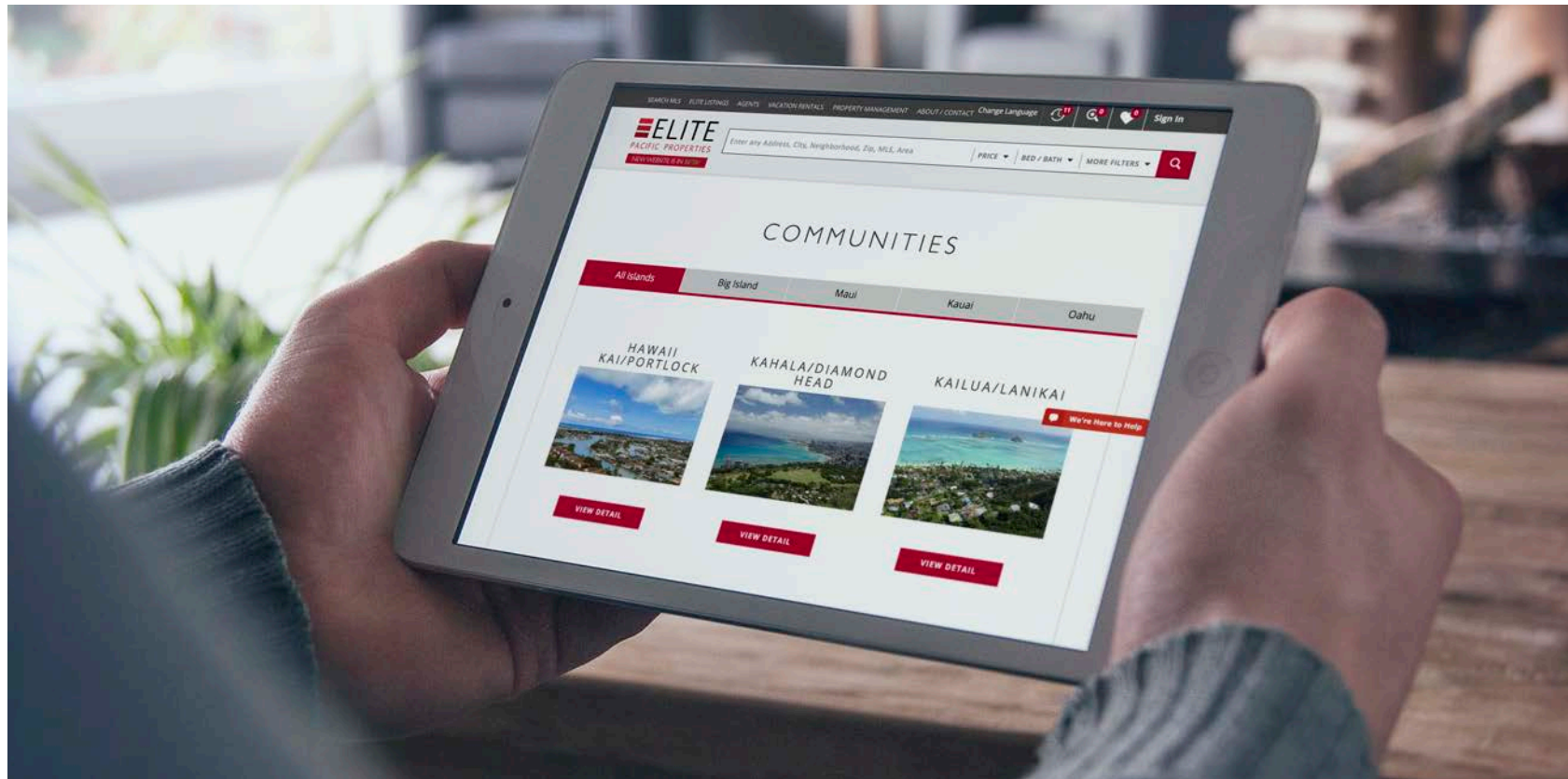
## **SEVEN FULL-TIME MARKETING STAFF MEMBERS**

At Elite Pacific, we promise to execute on our extensive marketing program, which requires dozens of personnel hours for each and every listing. Our team works seven days a week to deliver the most innovative, comprehensive and professional marketing, social media, and public relations strategy in the state.



# Our Proven Marketing System

See for yourself...



1. Team Approach
2. Professional Photography
3. Luxury Yard Sign and Post
4. 24/7 Information Sign Rider with Text Code
5. Distinctive Professionally Printed Flyers
6. Custom Website Specific to Your Property
7. Comprehensive Social Marketing Campaigns
  - Blog Post
  - Instagram Post
  - Search Engine Optimization
8. Highly Targeted Facebook Campaigns
9. Paid Targeted Advertising on Google
10. Premier Exposure on Zillow
11. Virtual Tour on YouTube
12. Multiple Public Open Houses
13. Broker's Preview Showings
14. Top Local Agent Preview Email
15. Local Brokerage Network Reach
16. National and International Distribution
17. Prospecting the Elite Buyer Database
18. Your Property, Your Choice





## TEAM APPROACH

Hundreds of man-hours go into the marketing for each and every Elite Listing, and no agent can do it alone. We have a team of 7 full-time marketing staff to execute 100s of steps to deliver on our marketing services to you.



## PROFESSIONAL PHOTOGRAPHY

95% of homebuyers look online for properties during the home buying process. How your home looks online is critical to getting Buyers through the door for showings. If the photos online don't wow them, they may never come, which is why Elite has strict professional photography guidelines for all listings.



## LUXURY YARD AND POST SIGN

First impressions matter in the sale of your home. Our clean and professional signs let potential Buyers know you are working with a reputable firm in the sale of your home without detracting from the curb appeal of the property.



## 24/7 INFORMATION SIGN RIDER WITH TEXT CODE

Potential Buyers want information at the tip of their fingers. Our Text Code sends them your property details instantly and allows me to follow up on their inquiry afterwards.



## DISTINCTIVE PROFESSIONAL FLYERS

Professionally designed and commercially printed, our Elite Pacific Properties flyers allow buyers to take away a favorable representation of your home after every showing.



## CUSTOM WEBSITE SPECIFIC TO YOUR PROPERTY

We build a custom website specifically for your property, where potential buyers can follow the status, share with friends, request showings and much more. This encourages engagement with your home online and showcases your property individually.



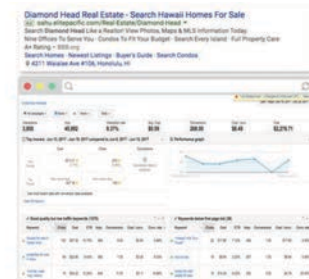
## COMPREHENSIVE SOCIAL MARKETING CAMPAIGNS

We leverage the power of our significant social network when marketing your new listing. Using blog posts, Facebook and Instagram we place your home in front of a wide audience of potential buyers.



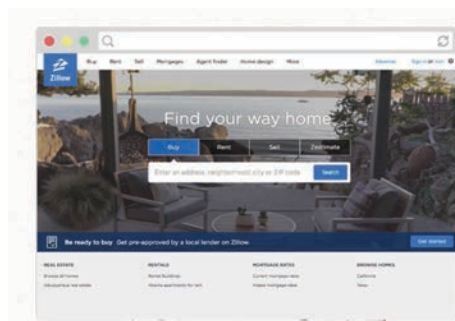
## HIGHLY TARGETED FACEBOOK CAMPAIGNS

Targeted Facebook posts allow us to laser focus ads to possible buyers based on dozens of behavioral, geographic, and demographic metrics. We use your property location, price, and unique characteristics to showcase your home to Facebook users who most closely match your ideal buyer.



## PAID TARGETED ADVERTISING ON GOOGLE

Using specific keywords, targeted locations, and search behavior, we craft custom Google Pay-Per-Click campaigns to drive potential buyers to your home's listing. This helps your listing stand out to those who may be most interested.



## PREMIER EXPOSURE ON ZILLOW

We understand buyers' search preferences can vary and don't rely on just our website to promote your listing. We provide Premier exposure on Zillow, one of the most used real estate search websites in the country, to ensure your home is seen by a wide audience.



## VIRTUAL TOUR ON YOUTUBE

Video Tours help Buyers feel like they are right in the home, giving better perspective to the floor plan and details. Adding your home to YouTube allows Buyers to virtually view your home from anywhere in the world.



## MULTIPLE PUBLIC OPEN HOUSES

There's no better way to sell your home than to have interested Buyers walk through the front door. We advertise and promote your home to potential buyers and their agents in advance to ensure successful Open Houses.



## BROKER'S PREVIEW SHOWINGS

Most Buyers work with an agent in the purchase of their home, so generating excitement with the Broker Community is critical to the success of your sale. By showcasing your property to outside Brokers, we build a sales team of agents who want to sell your property.



## TOP LOCAL AGENT PREVIEW EMAIL

Not all agents will have clients interested in your home. We specifically target the top agents bringing buyers to your neighborhood and your price point. Our focused communication means that agents pay attention when they hear from us.



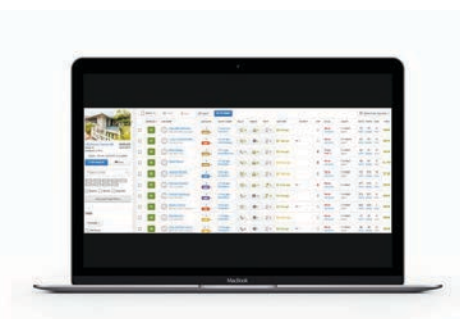
## LOCAL BROKERAGE NETWORK REACH

By participating in our local MLS, your home will reach all agents on the island as well as show on other Brokerage websites. This increases exposure, and allows us to better cooperate with other agents who may have the perfect Buyer for your home.



## NATIONAL AND INTERNATIONAL DISTRIBUTION

We display your property on dozens of the top national real estate websites in order to reach Broker's outside of Hawaii. Luxury properties are also displayed on over 80 of the top international real estate websites."



## PROSPECTING THE ELITE BUYER DATABASE

We maintain an internal Client Relationship Management database consisting of over 100,000 potential buyers complete with their contact information and the exact properties they are interested in. We will match up your property to specific buyers based on location, price and size and contact them directly about your listing.

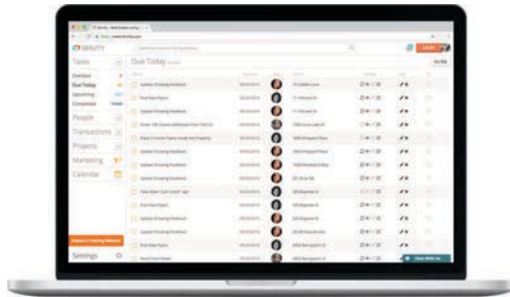


## YOUR PROPERTY, YOUR CHOICE

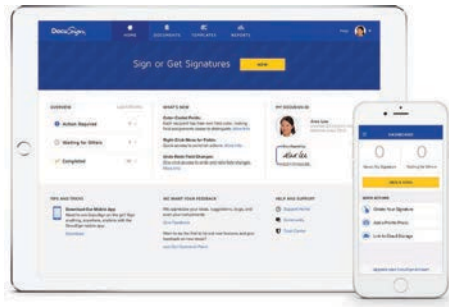
If your home and desired selling strategy requires more from us, we can do it! Every home sale is different, and we can't wait to create the perfect plan for you.



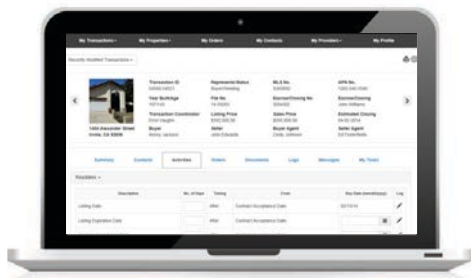
# The Best Technology to Keep You Seamlessly Updated on the Status of Your Sale



Your Client Portal to keep you informed of the status of marketing activities, showings and Open House results. Log in 24/7 or wait for your weekly report.



Sign documents electronically from any device, anywhere in the world. We can handle your sale seamlessly, even if you aren't here.



From **Real Estate Digital**

Managing your escrow to keep you on track and aware of the closing timeline.

We store a complete record of all executed documents and emails to and from the transaction management team.

# What matters and what does not matter in the sale of your home



Pricing your home at Fair Market Value is the single most important factor in selling your home for the most amount of money, in the shortest amount of time. There are several factors we use to determine this value:

## **Factors Impacting Sales Price:**

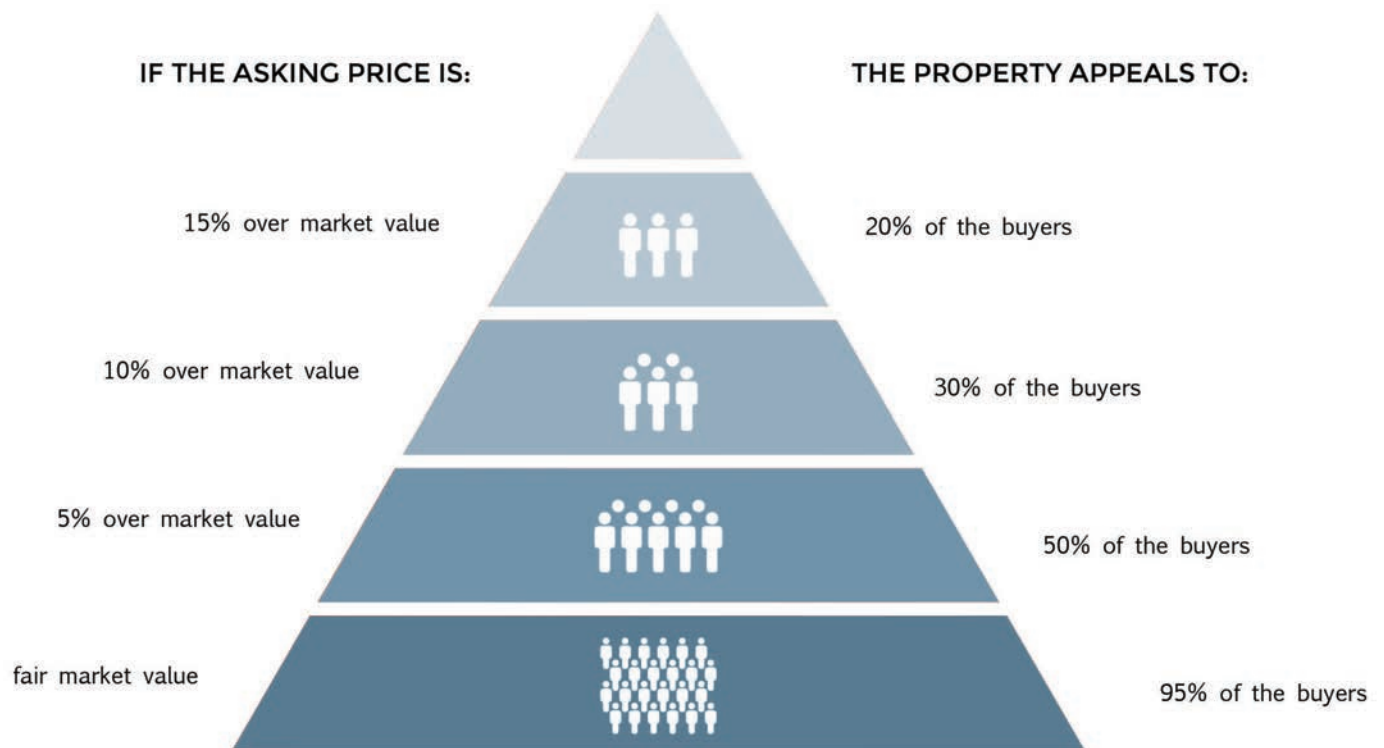
- Location
- Lot Size
- House Size
- House Condition/Features
- Recent Sales
- Competition
- Timing
- Financing
- Special Conditions

Regardless of what you paid, what you owe, how much you want, or what any other agent may say they can sell the house for, in the end it is the Buyers who will determine the selling price.



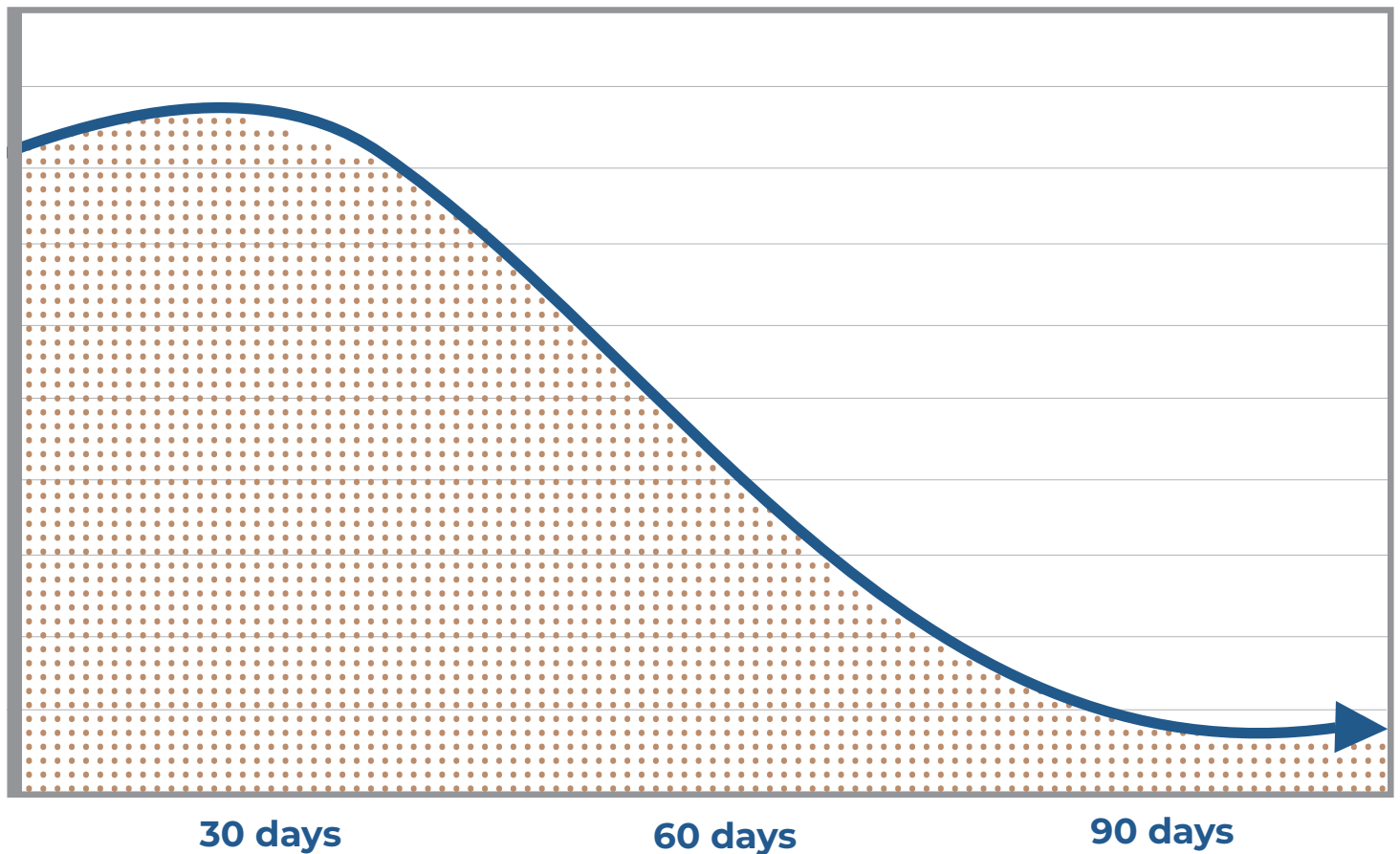


# Pricing Your Home at Fair Market Value



If the asking price of a property increases beyond fair market value, the market of potential buyers decreases dramatically.

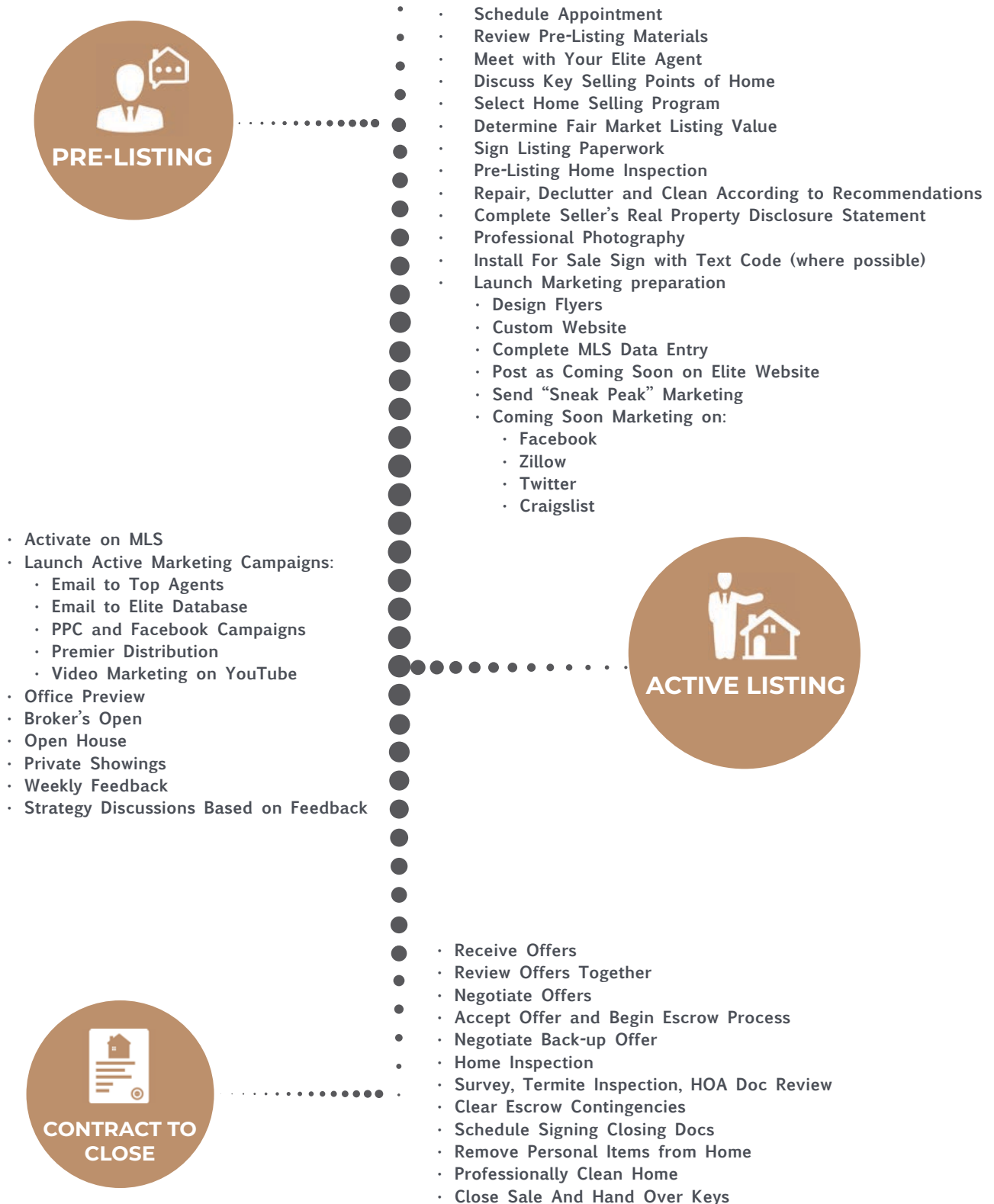
# Property Interest Level



Your home receives the most exposure to the greatest number of potential Buyers within the first 14-30 days on the market. Pricing at fair market value from the beginning ensures the highest number of interested Buyers see the home. As time passes, perceived value decreases, resulting in a lower sales price.



# Our Proven Home Selling Process



**If your Elite agent has exceeded your expectations, then we'd love for you to refer us to your friends and family!**

# Tips on Selling a Home

1

## Time Becomes Money

- It's a good idea to place your home on the market as far in advance as possible of purchasing a new home.
- If you find a new home first and then try to sell your present home, you may end up paying two mortgages.

2

## Check Your Curb Appeal

- Strong curb appeal will lure potential buyers inside where you have to live up to their expectations.
- Potential buyers could be looking for well maintained lawns, smooth driveways, properly stored lawn mowers and hoses, etc.
- Trimming trees and planting flowers will enhance the visual attractiveness of your house.

3

## On The Inside

Buyers are attracted to clean, spacious, and attractive houses. Cleaning is number one. Your windows, floors, and bathroom tiles should sparkle. Keep your home neat and clean at all times.

4

## Choose a Real Estate Professional

- Some advantages that real estate professionals offer:
- They will help promote your home to other agents and list your property in Multiple Listing Services.\*
  - Your home will get exposure.
  - They will help you establish a fair asking price for your home
  - They will schedule appointments to show your home to prospective buyers even when you are not there.

\* MLSs are private databases that are created, maintained and paid for by real estate professionals to help their clients buy and sell property. ([www.realtor.org](http://www.realtor.org))



5

## Setting a Fair Price

- You and your REALTOR® will factor in many conditions when pricing your home.
- Your location
  - Economic conditions
  - Supply and demand in the local housing market
  - Seasonal influences
  - Local schools
  - Average home prices in the neighborhood
  - Your home extras - pool, central air, security, etc.

6

## Qualifying a Buyer

- Your REALTOR® will eliminate potential buyers who cannot really afford to purchase your home. A number of factors will help determine whether or not you are wasting your time negotiating a sale:
- The buyer's debt and credit history.
  - The buyer's current income and employment.
  - The buyer's cash position and availability of a down payment.
  - The length of time the buyer needs before closing on your home.
  - How interested the buyer appears to be in your home versus other buyers.

7

## Seek Additional Resources

- Your REALTOR® can refer you to other experts necessary to close the deal such as:
- Attorneys for legal assistance
  - Inspectors, representations for termite and structural examination
  - Surveys for boundary and encroachment matters

8

## Tax Implications

Selling a home can have a major impact on your federal and state returns. Check with a tax consultant on the factors that may affect taxes resulting from the sale of your home.

9

## CONGRATULATIONS!

You and your REALTOR® successfully weathered the logistics of selling your current home, and you're ready to move on to a new and exciting chapter in your life!!!

August 2015



**TITLE GUARANTY**  
— SERVING HAWAII SINCE 1896 —

Title and Escrow is our business.  
Hawaii is our home.

Visit [TGHawaii.com](http://TGHawaii.com)

*The information in this flyer is intended for educational purposes only and may not be applicable in all situations. It is not intended to substitute for legal advice pertaining to a specific situation. All rights to these materials are reserved; no reproduction without prior written consent.*



# 10 Questions to Ask Every Realtor

## **Is Real Estate your full time job?**

1

Yes. Not only that, Elite Pacific Properties only hires full time professional Realtors. Maintaining another job while trying to sell real estate is distracting and can take away valuable attention to detail. Buying and selling your home is often the biggest financial decision you make in your life, and it takes a full time Realtor to stay focused and dedicated to the successful sale of your home.

## **Are you a member of the National Association of Realtors?**

2

Yes I am, which means I pledge to uphold the Code of Ethics set forth by the National Association of Realtors (NAR). In addition to maintaining good standing with the NAR, we are also members of **Who's Who in Luxury Real Estate** - Who's Who in Luxury Real Estate is an exclusive organization of the top luxury brokers in the world.

## **How are you going to market my home to sell?**

3

We know that simply putting your home in MLS, placing a sign in the front yard and hoping for the best will no longer cut it in this market. We have an extensive 18 point marketing program for each property. There are over 200 steps to implementing this marketing plan, and I have a team of seven full time professionals to execute on our promise to you.

## **Do you have a dedicated and legally trained real estate expert look at your contracts before we sign them?**

4

Absolutely, I have a dedicated contract review team consisting of current and former attorneys who exclusively review and assist Elite agents with contracts, 365 days a year. Each contract is carefully reviewed by them before you sign.

## **Do you have a full time, professional, in-house Transaction Coordinator to assist you?**

5

In addition to my marketing and review teams, I have a dedicated transaction coordinator to manage our escrow once we are under contract. Our coordinator keeps us on track and ensure complete documentation of the entire process. This allows me to focus on the important aspects of the sale instead of getting tied up in paperwork.

# 10 Questions to Ask Every Realtor

6

## **Do you have flexible listing commission options?**

Yes. Every home sale is different, and as a Seller with Elite, you have the choice in the program that is right for you. Each home sale plan is excellent and there is no sacrifice in quality of marketing or our commitment to you based on which you choose.

7

## **Do you offer a Sales Guarantee?**

Yes. I know that a home priced at fair market value, prepared according to my recommendations and marketed through our 18 point plan will sell. This is why I am willing to offer Home Selling Plans that include a sales guarantee.

8

## **How many specific Buyers do you have for my home already?**

At Elite we maintain an internal Client Relationship Management database consisting of over 100,000 potential buyers complete with their contact information and the exact properties they are interested in. We will match up your property to specific buyers based on location, price and size. We will then contact them directly about your listing.

9

## **What happens if I'm not happy with how things are going?**

My goal is to always exceed your expectations. I hope that you will want to refer me to your friends and family for their future real estate needs. If I'm not doing that for you, you just need to let me know. We have an Easy Exit listing agreement and I will immediately let you out of the agreement if you aren't happy with my service or performance.

10

## **What sets your firm apart from other Brokerages?**

Elite Pacific Properties is one of the highest-volume luxury brokerages in Hawaii. At Elite we believe luxury is an experience, not a price point. This means that no matter what your home's sales price, you get the same luxury service we provide to all of our clients.





# Hawai'i Conveyance Tax Law

In reference to Act 59 of the 2009 Session Laws, amendment to § 247-2 Basis and rate of tax of the Hawai'i Revised Statutes:

The tax imposed by section 247-1 shall be based on the actual and full consideration (whether cash or otherwise, including any promise, act, forbearance, property interest, value, gain, advantage, benefit,

or profit), paid or to be paid, for all transfers or conveyance of realty or any interest therein, that shall include any liens or encumbrances thereon at the time of sale, lease, sublease, assignment, transfer, or conveyance, and shall be at the following rates shown in below table.

CONVEYANCE TAX			
		<b>Scale #1:</b> Applies to all transfers or conveyance of realty or any interest therein, except for a sale of a condominium or single family residence where the purchaser is not eligible for the county homeowner's exemption. (per \$100)	<b>Scale #2:</b> Applies to sales of condominium or single family residence where the purchaser is not eligible for the county homeowner's exemption. (per \$100)
At least:	But less than:		
\$0	\$600,000	10¢	15¢
\$600,000	\$1 million	20¢	25¢
\$1 million	\$2 million	30¢	40¢
\$2 million	\$4 million	50¢	60¢
\$4 million	\$6 million	70¢	85¢
\$6 million	\$10 million	90¢	\$1.10
\$10 million and above		\$1.00	\$1.25

## Questions and Answers:

**Q-Vacant Land:** I am selling vacant land that is zoned residential. Which scale is used for this property?  
**A-Vacant Land:** County home exemption is not applicable for vacant land. Therefore, the land is assessed by the graduated scale #1.

**Q-Commercial:** We have a \$1.5 million transaction for a commercial building. The property is classified as industrial. Which scale is to be used - 30¢ per \$100 or 40¢ per \$100?  
**A-Commercial:** This is not a residential condo or single-family property. Therefore, use graduated scale #1.

**Q-Trusts:** My buyers are taking title to a single-family home in their trust; are they automatically subject to the higher rate even though they intend to use the property as their principal residence? We were told that corporations, partnerships, LLCs and LLPs were automatically subject to the higher rate since they cannot be considered owner/occupants.  
**A-Trusts:** The entity clause only applies to corporations, partnerships, LLCs, LLPs, and investment trusts, such as a pension fund trust. If your buyers are the settlors and trustees of their own trusts which will hold title to the home, then they may qualify for a homeowner's exemption and graduated scale #1 would apply.



## Payment Due Dates

### 1st Installment

Tax Period: July 1 - December 31  
Payment Due: August 20

### 2nd Installment

Tax Period: January 1 - June 30  
Payment Due: February 20

## HONOLULU

#### \*Residential A:

Tier 1 tax rate: applied to net taxable value of the property up to \$1,000,000

Tier 2 tax rate: applied to net taxable value of property in excess of \$1,000,000

## MAUI

#### \*Short Term Rental:

Overnight accommodations are provided to guests for compensation for periods of less than one hundred eighty days, in no more than two single-family dwelling units or one single family dwelling unit and one accessory dwelling unit, excluding bed and breakfast homes.

## HAWAII ISLAND

## KAUAI

Class	Net Taxable Bldg: (Per \$1000)	Net Taxable Land: (Per \$1000)	Tax Rate: (Per \$1000)
Residential			\$3.50
Hotel & Resort			\$13.90
Commercial			\$12.40
Industrial			\$12.40
Agricultural			\$5.70
Preservation			\$5.70
Public Service			\$0.00
Vacant Agricultural			\$8.50
Residential A*			
Tier 1			\$4.50
Tier 2			\$10.50
Residential	\$5.60	\$5.60	
Apartment	\$6.31	\$6.31	
Commercial	\$7.39	\$7.39	
Industrial	\$7.48	\$7.48	
Agricultural	\$5.94	\$5.94	
Conservation	\$6.43	\$6.43	
Hotel & Resort	\$11.00	\$11.00	
Time Share	\$14.40	\$14.40	
Homeowner	\$2.90	\$2.90	
Commercialized Residential	\$4.60	\$4.60	
Short Term Rental*	\$10.75	\$10.75	
Residential	\$11.10	\$11.10	
Affordable Rental Housing	\$6.15	\$6.15	
Apartment	\$11.70	\$11.70	
Commercial	\$10.70	\$10.70	
Industrial	\$10.70	\$10.70	
Agricultural & Native Forest	\$9.35	\$9.35	
Conservation	\$11.55	\$11.55	
Hotel/Resort	\$11.55	\$11.55	
Homeowner	\$6.15	\$6.15	
Homestead			\$3.05
Residential			\$6.05
Vacation Rental			\$9.85
Commercial			\$8.10
Industrial			\$8.10
Agricultural			\$6.75
Conservation			\$6.75
Hotel & Resort			\$10.85
Residential Investor			\$8.05
Commercialized Home Use			\$5.05



# Understanding Capital Gains in Real Estate

## Capital Gains - Profit made from buying real estate and reselling it at a higher price

When you sell a stock, you owe taxes on your gain, which is the difference between what you paid for the stock and what you sold it for. The same is true with selling a home (or a second home), but there are some special considerations. What you paid for the home includes not only the original price, but also the cost of many improvements, *so hold onto your receipts!*

### How to calculate gain - the basics

In real estate, capital gains are based not on what you paid for the home, but on its adjusted cost basis. To calculate this, the basics are:

1. Take the purchase price of the home: This is what the home sold for, not the amount of money you actually contributed at closing.
2. To the purchase price, add the following things which also cost you:
  - Cost of the purchase—including transfer fees, attorney fees, inspections, but not points you paid on your mortgage.
  - Cost of sale—including inspections, attorney's fee, real estate commission, and money you spent to fix up your home just prior to sale.
  - Cost of improvements—including room additions, deck, etc....
3. The total you get from above is the "adjusted cost basis" of your home.
4. Subtract this adjusted cost basis from the amount you sell your home for. <— **This is your capital gain**

### Special real estate exemption for capital gains

Since 1997, up to \$250,000 in capital gains (\$500,000 on a joint return in most cases) on the sale of a home is exempt from taxation if you meet the following criteria:

- Owned the home for at least 2 years and
- Lived in the home as your main home for at least 2 of the past 5 years.

\*Also note that as of 2003, you may also qualify for this exemption if you meet what the IRS calls "unforeseen circumstances" such as job loss, divorce, or family medical emergency.

### Which receipts to keep?

The partial list below is from IRS Publication 523

- ♦ Additions to your home, including: Deck, Porch and Patio
- ♦ Heating and Air Conditioning: Duct work, Central Humidifier
- ♦ Lawn and Grounds: Landscaping, Fence, Sprinkler System, Swimming Pool
- ♦ Plumbing: Water Heater, Filtration System
- ♦ Interior Improvements: Kitchen Modernization, Flooring, Wall-to-Wall Carpeting
- ♦ Miscellaneous: Satellite Dish, Security System, New Roof

### FOR FURTHER INFORMATION:

Tax Topic 409- Capital Gains and Losses

[www.irs.gov/taxtopics/tc409.html](http://www.irs.gov/taxtopics/tc409.html)

Tax Topic 701- Sale of Your Home

[www.irs.gov/taxtopics/tc701.html](http://www.irs.gov/taxtopics/tc701.html)

IRS Publication 523- Selling Your Home

[www.irs.gov/pub/irs-pdf/p523.pdf](http://www.irs.gov/pub/irs-pdf/p523.pdf)

Tax Facts About Capital Gains and Losses

[www.irs.gov/newsroom/article/0,,id=106799,00.html](http://www.irs.gov/newsroom/article/0,,id=106799,00.html)

Reprinted from [REALTOR® Magazine Online \(http://www.realtor.org/realtomag\)](http://www.realtor.org/realtomag) with permission of the NATIONAL ASSOCIATION OF REALTORS®. Copyright 2007. All rights reserved.

**This flyer does not provide tax or legal advice pertaining to a specific situation. Consult a lawyer or tax professional before entering into a transaction. All rights to these materials are reserved; no reproduction without prior written consent.**



**TITLE GUARANTY**  
— SERVING HAWAII SINCE 1896 —

**Title and Escrow is our business.  
Hawaii is our home.**

**Visit [TGHawaii.com](http://TGHawaii.com)**