



720 Iwilei Road

HONOLULU, HAWAII

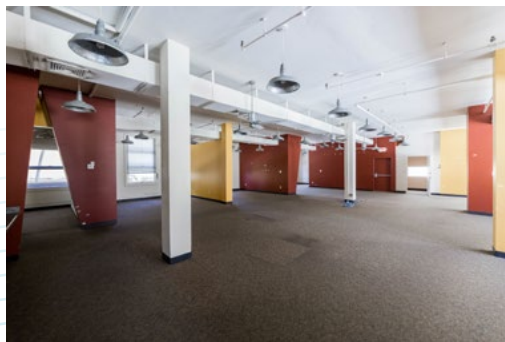
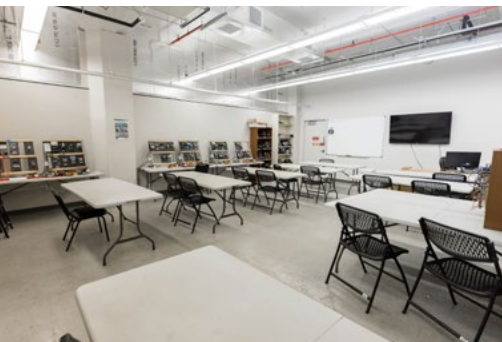
MIXED-USE OWNER-USER OPPORTUNITY IN CENTRAL HONOLULU

 **Property Video**

www.720iwilei.com

 **CUSHMAN & WAKEFIELD**

ChaneyBrooks



THE OFFERING

Cushman & Wakefield ChaneyBrooks is pleased to present an exceptional opportunity for an owner-user to purchase their own flex warehouse/office/storage building in central Honolulu. The 1.76 acre site is improved with 97,613 square feet of leasable area plus a secure garage with 133 parking/loading spaces, within two buildings, a 2-story, Ewa wing, and a 4-story Diamond Head wing (the “Property”).

An owner-user could take partial occupancy while offsetting ownership costs with rental revenue from the tenants occupying the remainder of the building. This office-industrial mixed-use building is ideal for an owner-user or investor due to the scarcity of available properties for sale in the submarket and lack of available land. Due to its proximity to the future Iwilei rail station, the Property falls within the Downtown TOD Plan allowing for increased densities 4.5 FAR and 300-foot height limit. In addition, the Property benefits from an on-site engineer, a freight elevator servicing all 4 floors, and a private parking area in the Ewa wing.



PROPERTY SUMMARY

ASKING PRICE	\$18,950,000
ADDRESS	720 Iwilei Road, Honolulu, HI 96817
TENURE	Fee Simple
LAND AREA	1.76 Acres
BUILDING SIZE	140,323 SF
GLA	97,613 SF
1ST FLOOR	23,530 SF
2ND FLOOR	31,529 SF
3RD FLOOR	20,609 SF
4TH FLOOR	21,945 SF
YEAR BUILT	1914 (effective 1930) / 1924 (effective 1934)
ZONING	IMX-1, Industrial-Commercial Mixed Use
PARKING	133 enclosed spaces
59 Single Reserved	59
1 Two-Car Stall	2
11 Three-Car Stall	33
5 Four-Car Stall	20
Additional Parking Lot	19
9 Visitors	9
6 Handicap	6
6 Loading Stalls	69

INVESTMENT HIGHLIGHTS

OWNER-USER OR ANCHOR TENANT OCCUPANCY

This asset is well positioned to accommodate an owner-user or large tenant since there is a scarcity of mixed-use office/warehouse space in the area. While the building is currently subject to multi-tenant leases, an owner-user or prospective tenant to lease may have the opportunity to grow into full floor occupancy enabling an owner-user to situate their business at the Property while offsetting ownership costs with rental revenue from the tenants occupying the remainder of the building. A major tenant would help to stabilize occupancy and operating income. There is also a signage opportunity for an owner-user.

SIGNIFICANT BARRIERS TO ENTRY

The lack of available land, as well as high construction costs, are significant barriers to entry for any new warehouse development or re-purposing opportunities in Honolulu. Furthermore, market rents are considerably lower than required to support new construction costs.

MIXED-USE FEE SIMPLE OFFERING

This fee simple asset is a mixed-use combination of office and warehouse, in a submarket with high demands for both uses. Industrial-Commercial Mixed Use (IMX-1) allows for a wide range of uses.

TRANSIT-ORIENTED DEVELOPMENT

The site is located within walking distance from the future Iwilei station providing more regional and urban Honolulu accessibility. The Property falls under the Downtown Neighborhood TOD Plan, which allows for increased densities of 4.5 FAR and 300-foot height limit - ideal as a redevelopment opportunity or potential to increase the leasable area.

CENTRALLY LOCATED

The Property is conveniently situated between two major thoroughfares, Nimitz Highway and Dillingham Boulevard, with easy access to the H-1 Freeway. Its central location in urban Honolulu is in close proximity to the Honolulu Harbor and the Daniel K. Inouye International Airport.

ENTERPRISE ZONE

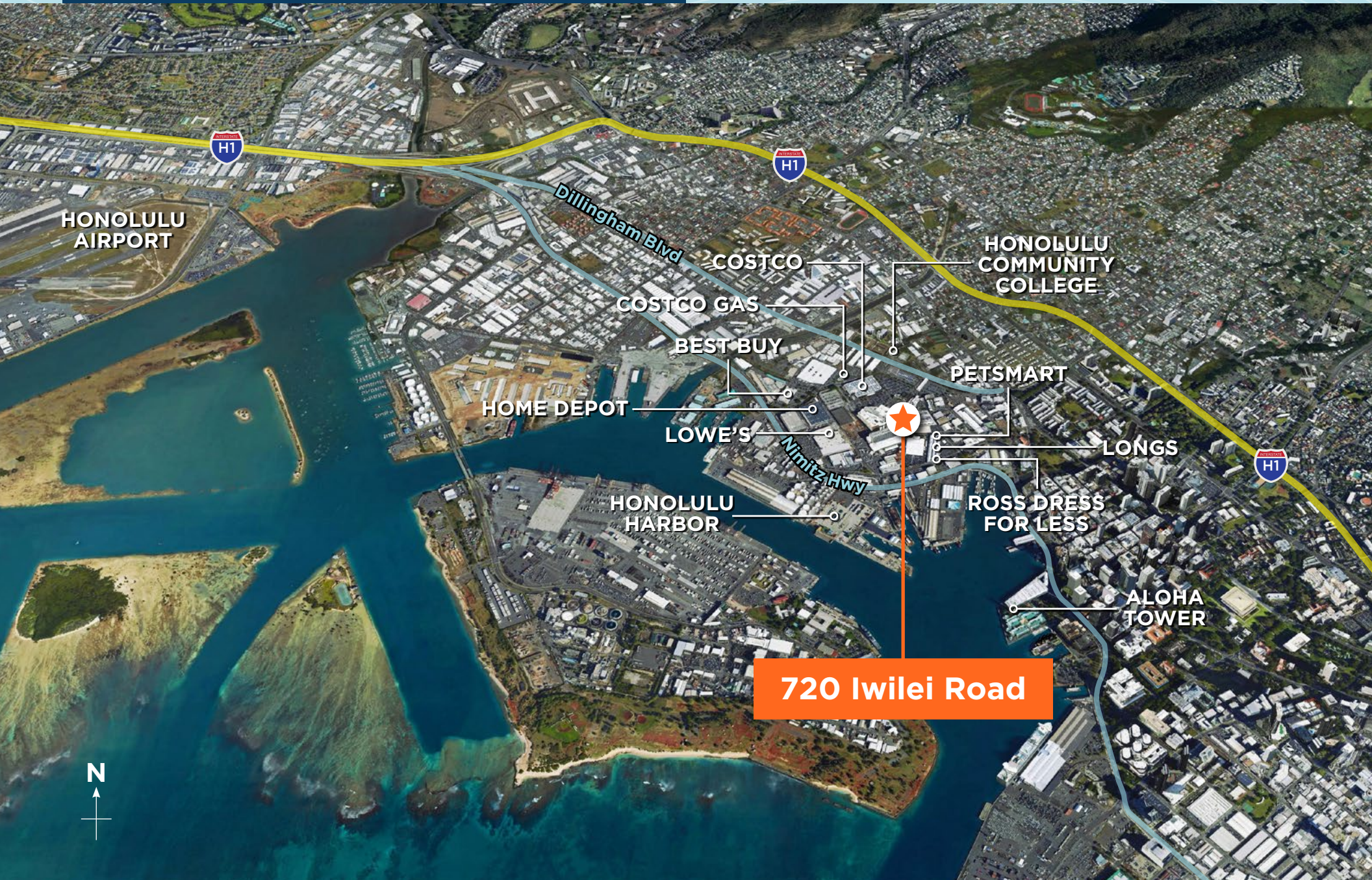
There is potential to apply for tax saving incentives based on the Property's location within the Enterprise Zone (Honolulu County's Urban Honolulu).

- 100% exemption from the General Excise Tax (GET)
- Two-year exemption from any increase in property taxes resulting from new construction
- Waiver of building and grading permit fees

For more info, visit <https://invest.hawaii.gov/business/ez/#zones>



AERIAL



720 Iwilei Road

VALUE ENHANCEMENT OPPORTUNITIES

OWNER-USER OPPORTUNITY

The property is currently 53% occupied. This presents an excellent opportunity for an owner-user to purchase the Property, occupy the vacant units, or a portion thereof, while offsetting ownership expenses with income received from the other leased spaces.

AGGRESSIVE LEASING PLAN

Implement an aggressive leasing plan and incentive packages to attract new tenants to the Property and increase occupancy.

UPGRADE PARKING EQUIPMENT AND IMPLEMENT CONTROLS

The parking garage is currently underutilized. An increase in occupancy will increase revenue. An upgrade the garage access control system and by adding a new automated gate to the garage will resulting in savings in staffing.

ADDITIONAL INCOME

Additional income may be produced by adding photovoltaics or antennas.

LOWER OPERATING EXPENSES BY FURTHER ENHANCING ENERGY EFFICIENCY

Hawaii is ranked #1 as having the most expensive electricity rates in the U.S. Cost savings can be realized by retrofitting to energy efficient fixtures and appliances. Other Operating Enhancements (amortize Cap Ex in CAM, remove extraneous recurring operating expenses).



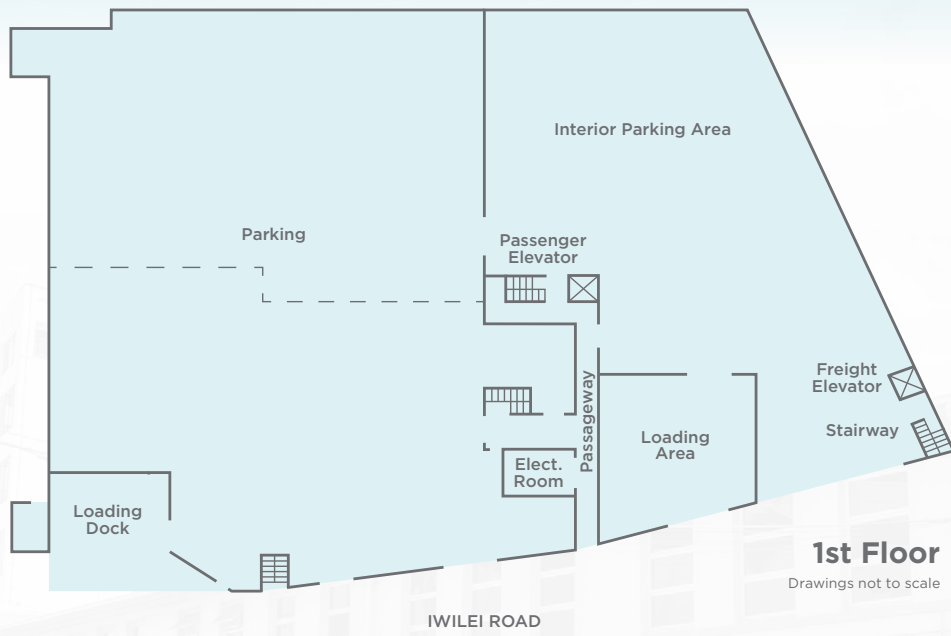
CONDO CONVERSION

A core exit strategy is establishing a new condominium property regime for the building and converting it to for-sale office/warehouse condominiums which typically trade for more than a portfolio/bulk sale. Warehouse condominiums in the islands have been well-received. A condo conversion is an accretive business plan for groups looking to buy in a low interest rate environment and control occupancy costs into the future while also building equity.

ALTERNATIVE USE

With the proper positioning, the building's revenue potential could be enhanced. Due to Hawaii's limited land and smaller housing footprints, there continues to be a large demand for self-storage facilities across Oahu.

FLOOR PLANS



1st Floor

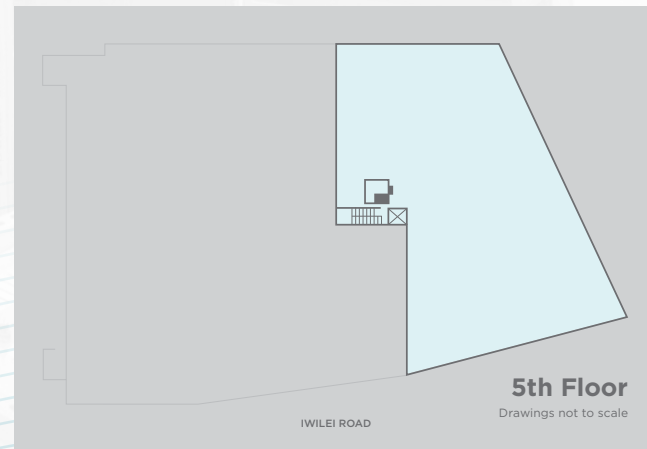
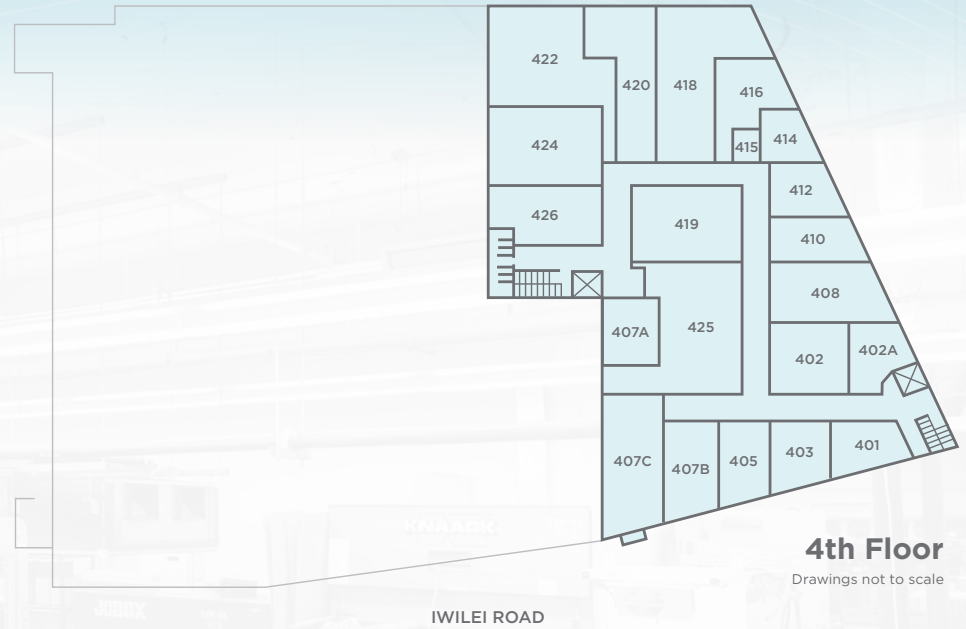
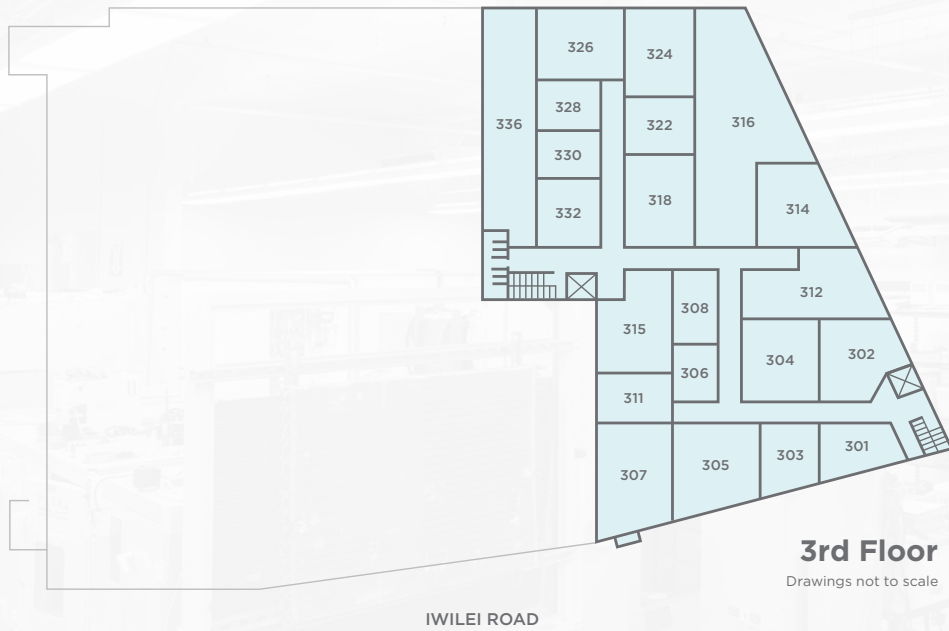
Drawings not to scale



2nd Floor

Drawings not to scale

FLOOR PLANS



TRANSIT ORIENTED DEVELOPMENT



TRAVEL TIME
(including stops):

2 min
To the
Downtown
Station

6 min
To the
Ala Moana
Station

10 min
To the Honolulu
International
Airport Station

15 min
To the
Aloha Stadium
Station

36 min
To the
East Kapolei
Station

TRANSIT ORIENTED DEVELOPMENT

Construction for the Honolulu Rail Transit system is underway which will service 21 stations between East Kapolei and Ala Moana Center. Development and planning of the 20-mile line is progressing with the entire rail system anticipated to be fully functional in 2026.

Over 60% of Oahu's population currently lives within this transit corridor, and the population in the corridor is projected to continue to grow faster than the rest of Oahu. Over 40% of Honolulu jobs are

within the corridor. Rail transit provides an opportunity to help reduce the growth of traffic congestion by taking cars off the road, improve travel reliability, shorten travel times for most riders between home and work, and increase transportation options by transit, bicycle, and on foot.

The Department of Planning and Permitting ("DPP") has created neighborhood transit-oriented development (TOD) and transit-influenced zone (TIZ) precincts to help integrate land use and transportation

planning around the rail stations in anticipation of the rail project. The plans are intended to address opportunities for new development and plan for orderly growth and improved accessibility around the stations.

The property falls within the Downtown Neighborhood TOD Plan which recommends increased densities of 4.5 FAR and 300' height limit. A buyer could potentially increase the Property's density due to its close proximity to the proposed Iwilei Rail Station.

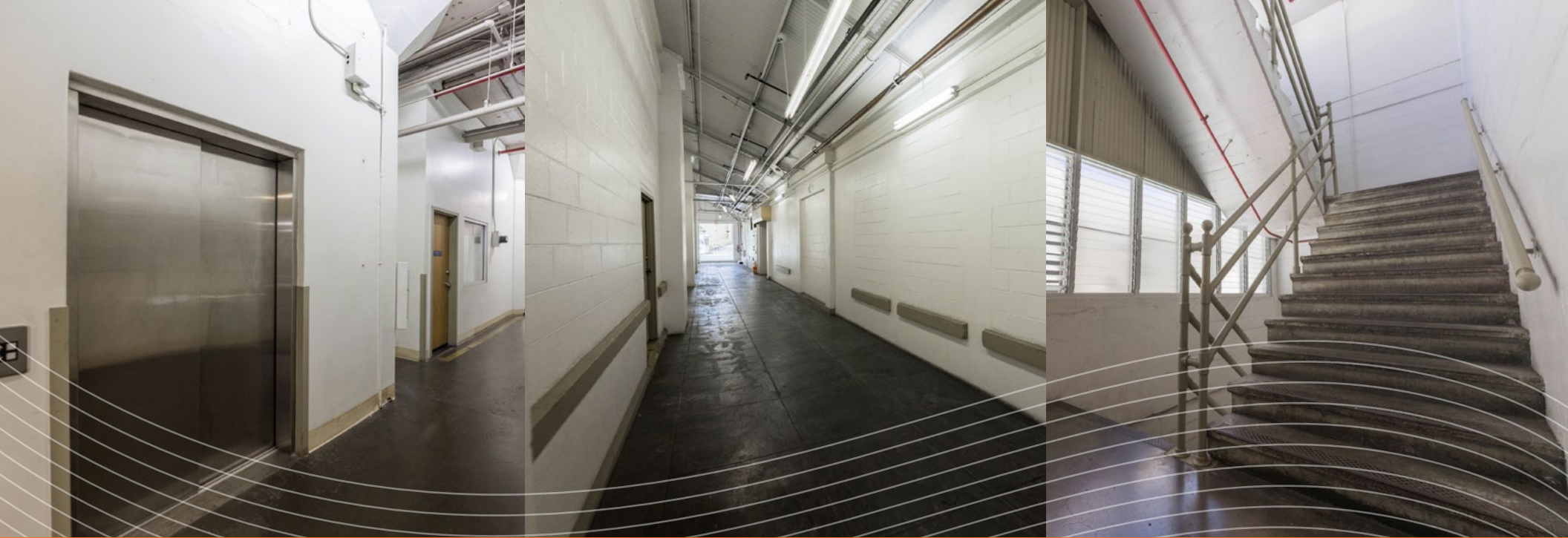


IWILEI STATION AREA - The most transformative vision for TOD in the planning area is the new high-intensity mixed-use Iwilei district. This new full-service urban neighborhood includes residences, public facilities, and neighborhood services, including retail, entertainment and restaurant uses. It serves as an extension of Downtown and a transition to the Kalihi area. A network of new streets provides better access to the transit station, and better connects the area to the waterfront and to Downtown.

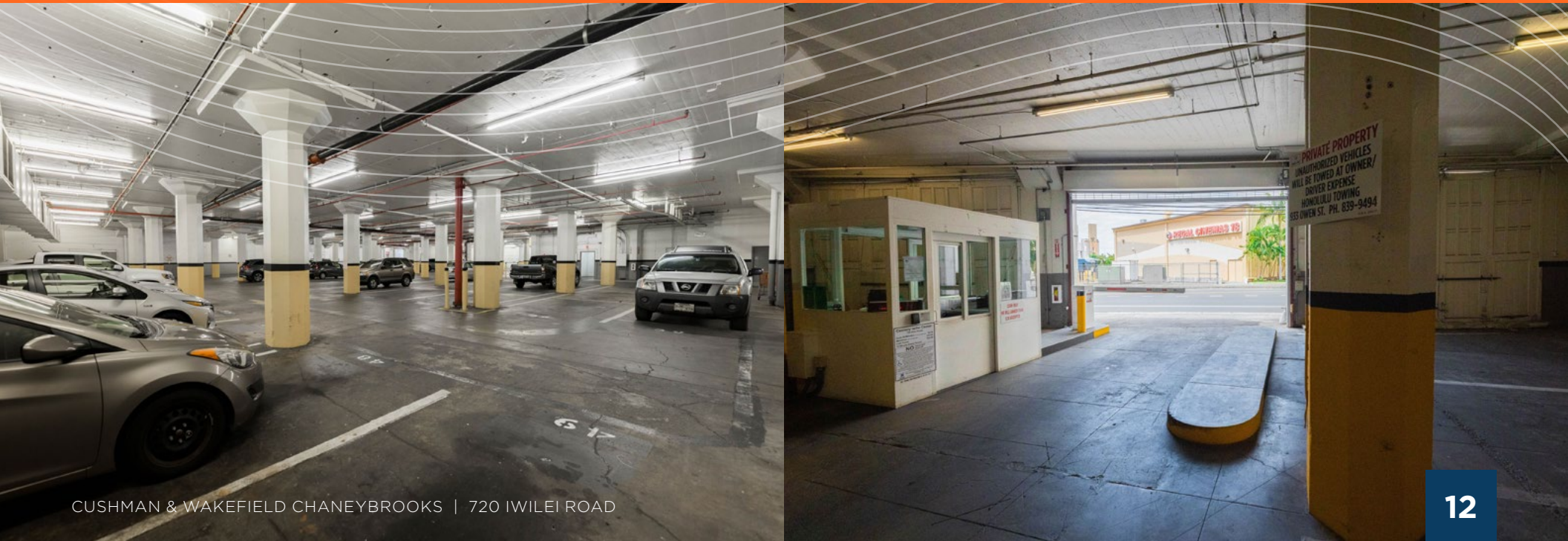
DEMOGRAPHICS



	1-MILE	5-MILE	10-MILE
TOTAL DAYTIME EMPLOYMENT	71,003 Employees	300,872 Employees	381,797 Employees
GOODS-PRODUCING INDUSTRIES	471 Businesses	1,594 Businesses	29,750 Businesses
POPULATION TRAVEL TO WORK		< 30 Min: 115,367 30-60 Min: 43,829 60+ Min: 7,609	
2020 POPULATION	37,746	329,484	593,265
AVERAGE HOUSEHOLD INCOME	\$76,028	\$92,177	\$105,659



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