



1350 
King Street^{south}
Honolulu, Hawaii

Value Add Leasehold Multi-Tenant Office Building

CBRE

ASKING PRICE: \$1,100,000 (\$27/SF)

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Executive Summary

CBRE Capital Markets, as exclusive advisor, is pleased to present the opportunity to acquire 1350 S. King Street (the "Property"), the leasehold interest in a three story, Class C multi-tenant office building. The Property is situated on 39,910 square feet of land and includes 86 parking spaces. The office building totals approximately 41,675 rentable square feet and are 52% leased to a diverse tenant mix with a staggered lease rollover schedule.

The Property provides an incredible upside investment opportunity in a market that has experienced rapid occupancy and base rental rate gains over the past year. It also is an opportunity for a user to hedge against ensuing rental rate inflation.

Pricing

Asking Price	\$1,100,000
Price Per SF	\$27.00
Year-3 Proforma CAP Rate	19.99%
Year-3 Cash on Cash Return	16.14%
Return on Cost	13.8%

Ground Leases

The Property is subject to two separate ground leases. One with the Queen Liliou'kalani Trust (QLT) that expires on December 31, 2055 and the Evelyn M. Yoshino Trust (Yoshino) expiring on January 31, 2037. The ground rents are as follows:

Queen Liliou'kalani Trust

January 1, 2018	December 31, 2022	\$437,220
January 1, 2023	December 31, 2027	\$494,510
January 1, 2028	December 31, 2032	\$559,500
January 1, 2033	December 31, 2037	No less than 7% of FMV
January 1, 2038	December 31, 2042	13.1% increase over preceding
January 1, 2043	December 31, 2047	13.1% increase over preceding
January 1, 2048	December 31, 2052	13.1% increase over preceding
January 1, 2053	December 31, 2055	13.1% increase over preceding

The above payments are subject to the Hawaii State General Excise Tax of .04712%

Evelyn M. Yoshino Trust

February 1, 2007	January 31, 2027	\$144,000 per annum
February 1, 2027	January 31, 2037	\$168,000 per annum

The above payments are subject to the Hawaii State General Excise Tax of .04712%

Investment Highlights

› Improving office market dynamics

- » Shrinking supply – Honolulu’s CBD Class A vacancy supply reduced by approximately 65% in the past 12-months.
- » Lack of contiguous space - 70% of spaces over 10,000 square feet have been removed from the market within the past 18-months
- » Significant base rental rate growth
- » Reduction in concessions offered
- » Beginning stages of “flight to value”

› Rich amenity base

- » A Walker’s Paradise (Walk Score of 97)
- » Including 80+ bars and restaurants, 10 grocery stores, 10 bank locations
- » Proximate amenities include Kapiolani Hospital, Punahou School, Central Union Church, Neal Blaisdell Center, Maryknoll School and the Ala Moana Shopping Center, the largest outdoor mall in America.

› Excellent access

- » Transit Score of 73
- » Located along S. King Street, one of Honolulu’s largest arterials
- » Direct access to public transportation providing access to all areas of the Island.
- » Adjacent other major arterials providing direct access to Waikiki, Downtown, East and West Oahu.

LOCAL MAP



1350

south
King Street

Honolulu, Hawaii

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