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February Commercial Real Estate Sales By Category

11 Sales For \$51,120,007

	# of Transactions	Avg Price PSF (Bldg)	Avg Price Per Unit/Door	Total Sales Price	Y-T-D # of Transactions	Y-T-D Total Sales Volume
Retail	3	\$449	-	\$25,880,000	5	\$31,554,178
Office		\$0	-		4	\$13,350,000
Industrial	4	\$164	-	\$17,151,667	10	\$50,863,467
Hospitality	1	\$0	\$302,083	\$2,416,667	1	\$2,416,667
Multifamily		\$0	-		4	\$24,790,000
Land	3	\$28	-	\$5,671,673	6	\$12,725,283
TOTAL	11			\$51,120,007	30	\$135,699,595

[Contact us for more details](#)

February in Review

Aside from a couple of notable deals listed below, February was a modest month in investment sales with only 11 sales and just over \$50M in sales volume. While a one month decline does not represent a trend, should the Year-To-Date total of 30 transactions and \$136,000,000 represent this year's run rate, it would represent a significant decline in transaction and dollar volumes. That said, some deals that already occurred in the first couple weeks of March will help to get the year back on track.

Having previously discussed this year's market shapers, interest rate increases could have the greatest impact in the near term. The Fed's key short-term rate has modestly risen twice in the past three months, and as of mid-March it rests at 1.00%. Institutional investors began building increases into their models last year so we do not anticipate a reflection in pricing in the near term, but the increase in rates will likely be reflected in pricing further along the risk curve with smaller and non-core properties.

One of the more notable data points was the lack of multifamily transactions in February. Lack of inventory is the most likely reason for this fact as buyer interest remains strong. Lack of for sale inventory will help support aggressive pricing for those buyers interested in the multifamily market despite any changes to interest rates.

February Deals We Found Interesting



1400 Kapiolani Blvd - Kenrock Building - Retail/Land - \$22,250,000 - 40,075 SF (Land) - \$555/SF

Avalon Development & CapBridge Group partnered up on the acquisition of this prime property along the Kapiolani corridor. This will be the third transaction since April, 2015 that equates to over \$500 per square foot for land along Kapiolani Blvd. and with additional properties on the market, will not be the last. This property is anticipated to enjoy a 10:1 Floor Area Ratio (FAR) and will provide for residential and mixed-use.



1337 Mookaula - Industrial - \$10,200,000 - 33,489 SF (Building) - \$305/SF

This building was purchased by an owner/user that, at \$305 per square foot, represents a healthy purchase price for a well-located building in the Kalihi Submarket.



Kapolei Parkway & Fort Barrett Road - Land - 42,732 SF - \$66/PSF

A gas station entity purchased a prime corner lot at Leihano at Kapolei, furthering the ongoing development and expansion of the Kapolei submarket.

Make Me Sell

As a general practice, we are reaching out to prospective sellers on a daily basis to help service our active buyers. While the properties below are not formally listed, the owners have expressed a willingness to sell and aggressive buyers could potentially capture a deal. Please let us know if you would like to learn more about these opportunities and submit an offer.

30+ Room Hospitality Opportunity – Waikiki

Property currently operates as a residential and commercial building with entitlements underway to convert to hospitality. Seller would transact ahead of perfecting entitlements while leaving some up-side potential for buyer. Excellent location for a boutique hotel in one of the hottest hospitality markets in the US.

New Investment Properties on The Market

Seventeen commercial properties were brought to market in February. We noted some interesting multifamily properties along with an industrial property. Please call for more information.

CONTACT US FOR MORE INFORMATION!

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