



FOR SALE
HOTEL MOLOKAI
1300 KAMEHAMEHA V HIGHWAY | KAUNAKAKAI | HI 96748

STANDARD  COMMERCIAL
REAL ESTATE ADVISORY GROUP

EXCLUSIVE SALE OPPORTUNITY | Standard Commercial has been selected to serve as the exclusive advisor for the sale of the majority interest in the fee simple interest in the oceanfront Hotel Molokai, the island's only hotel. Nestled on Kamiloloa Beach and alongside Hawaii's only barrier reef, Hotel Moloka'i offers a serene escape on the island of Molokai. The property consists of a Polynesian-style village with tropical bungalows, ocean-front swimming pool and onsite restaurant. Moloka'i, known as the birthplace of the Hula, features outdoor adventures from lush hiking trails to majestic waterfalls. Hotel Moloka'i is your gateway to a genuine island experience, where guests have enjoyed a warm and welcoming atmosphere for over 50 years.

PASSIVE OWNERSHIP STRUCTURE | The property is part of a condominium association which manages the common areas and exterior structures, making it a passive ownership structure for an investor. The offering provides a buyer with 49 hotel units, as well as 2 commercial units of the total 59 units in the project, providing an 86.44% majority needed to easily make a decision with the association..

STABILIZED 5.4% CAP RATE WITH UPSIDE POTENTIAL | Offered at an in-place 5.4% cap rate on annualized 2024 net operating income, this property provides a buyer with immediate cash flow. With current occupancy well below its peak of 69% in 2019, there is significant potential for a new owner to increase occupancy back to historical levels. Basic room upgrades, a recent significant increase in revenue, and local laws prohibiting illegal short-term rentals—thereby reducing competitive supply—create substantial value-add opportunities.

TURNKEY OPERATION | The current management company, Life House Hotels, specializes in boutique hotel management and has an excellent marketing and management platform for the property. Since taking over in September of 2023, Life House has implemented dynamic pricing and aggressive marketing, leading to a significant increase in revenue. The hotel's general manager has been with the property for over 18 years and oversees all staff, providing a turnkey operation for a buyer.

MANAGER'S HOME ALSO AVAILABLE FOR PURCHASE | The renovated manager's home is an optional purchase with the property. Located directly across Kamehameha V Highway from the hotel, the renovated home is being offered at \$580,000, providing an ideal living option for the hotel's manager.

\$1.134 MILLION CAPITAL RESERVE | The AOA has a reserve of approximately \$1.134 million (projected as of 1/1/2025) designated for future capital projects in the common areas. This substantial reserve provides a buyer with the opportunity to access significant funds to upgrade and enhance the property's common areas, further increasing its marketability and potential appeal to guests.



Property Information

ASKING PRICE	\$4,900,000 Home is optional and priced at \$580,000.
NET OPERATING INCOME (2023) CAP RATE	\$304,978 6.2%
NET OPERATING INCOME (2024 ANNUALIZED) CAP RATE (2024 ANNUALIZED)	\$262,424 5.4%
TAX MAP KEY	2-5-4-2-1, CPRs: 1, 3-6, 9-10, 13-36, 39-41, 43-59 (hotel) 2-5-4-2-57 (home)
PROPERTY ADDRESS	1300 Kamehameha V Highway, Kaunakakai, HI 96748 (hotel) 15 Ohai Alii Place, Kaunakakai, HI 96748 (home)
TENURE	Fee Simple
NUMBER OF BUILDINGS	13 (entire hotel project)
DESCRIPTION OF SPACES	51 Units 2 Standard Rooms Sleeps 2 25 Garden View Rooms Sleeps 2-4 4 Ocean Front Rooms Sleeps 2 16 Garden View Deluxe Sleeps 4-6 2 Commercial Units 5,400 SF Restaurant & Bar and 1,600 SF Gift Shop 1 Garden View Included with restaurant lease 1 Standard Room Not marketed currently – used for meeting/storage
ZONING	H-1 Hotel District
YEAR BUILT	1968
SPECIAL MANAGEMENT AREA (SMA)	Not in SMA







PRESENTED BY

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