OFFERING MEMORANDUM

honokōhau nui

KAILUA-KONA ISLAND OF HAWAII

24 ACRE INDUSTRIAL/ MIXED-USE DEVELOPMENT OPPORTUNITY

FOR SALE / LEASE / BUILD-TO-SUIT / JV

PRICE: ~~$26,575,000 ($25 PSF)~~

$15,000,000 (~$14 PSF)

CUSHMAN & WAKEFIELD | ChaneyBrooks

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This Offering Memorandum is confidential and is furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller's exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental, or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors. The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations thereunder have been fully satisfied or waived.

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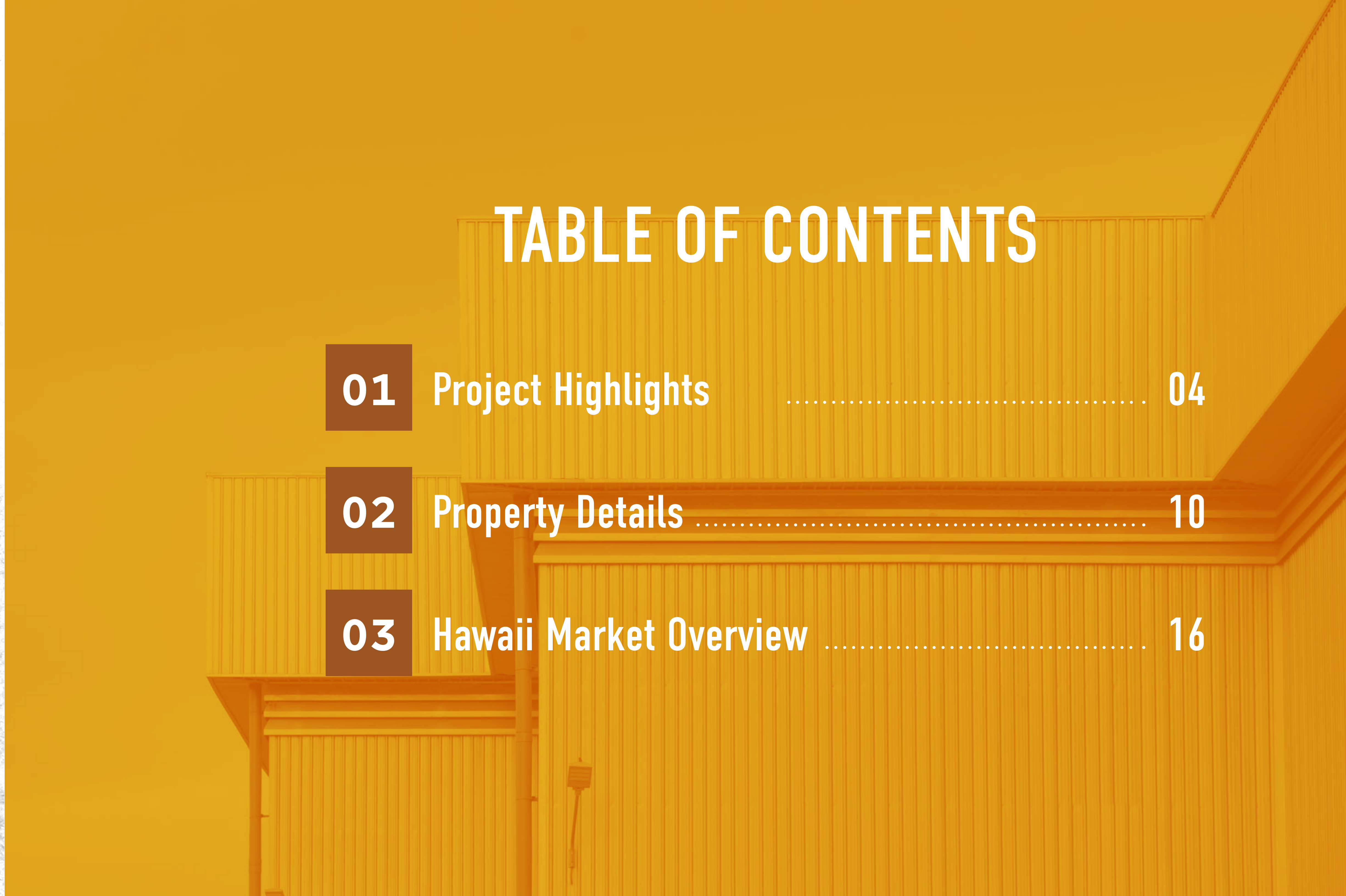

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01 PROJECT HIGHLIGHTS

THE OPPORTUNITY

Cushman & Wakefield and Chaney Brooks are proud to present +/-24-acres of Industrial / Commercial Mixed-Use land. Located in Kailua-Kona, the property is available for sale, lease, Build-to-Suit or JV partnership. The property is entitled, graded, and the majority of off-site improvements completed.. The offering presents an opportunity to enter into a shovel ready project in a growing market with flexible purchase options from the seller.

TERMS

PRICE: $15,000,000 (~$14 PSF)
TOURS: All tours must be coordinated through Cushman & Wakefield ChaneyBrooks.

PROJECT HIGHLIGHTS

ENTITLED OPPORTUNITY

- Entitlement process has been completed / All entitlements have been secured
- Extremely rare MCX zoning allows for Industrial and Commercial uses
- Graded pad with utilities to the site
- Majority of off-site improvements completed
- Conceptual plan created by Ware Malcomb designed to satisfy demand for quasi-industrial condos

SUPPLY-CONSTRAINED MARKET

- Vacancy is low due to the nature of Hawaii's continuously supply-constrained market
- Limited new construction of similar product types due to finite land zoned for industrial & commercial uses
- Scarcity of quality industrial product available for tenants (avg bldg. age 30+ yrs)

INCREASING RENT GROWTH & DEMAND

- Net absorption has remained positive over the past several years with new availabilities leasing up quickly
- Due to record low vacancy and increased demand, tenant requirements are taking longer to plan for and fulfill
- Pre-leasing activity for owners and lanlord's is very strong for new project developments and upcoming vacancies
- 68 bed West Hawaii Queens Hospital - Target completion 2031.

PREMIER LOCATION

- Located within an Opportunity Zone
- Minutes away from the Kona International Airport and adjacent to major businesses such as Costco and Home Depot
- Immediate highway access
- This parcel is well-located to capitalize on the growing development of quality retail to the south and Queen's Healthcare to the south of the subject

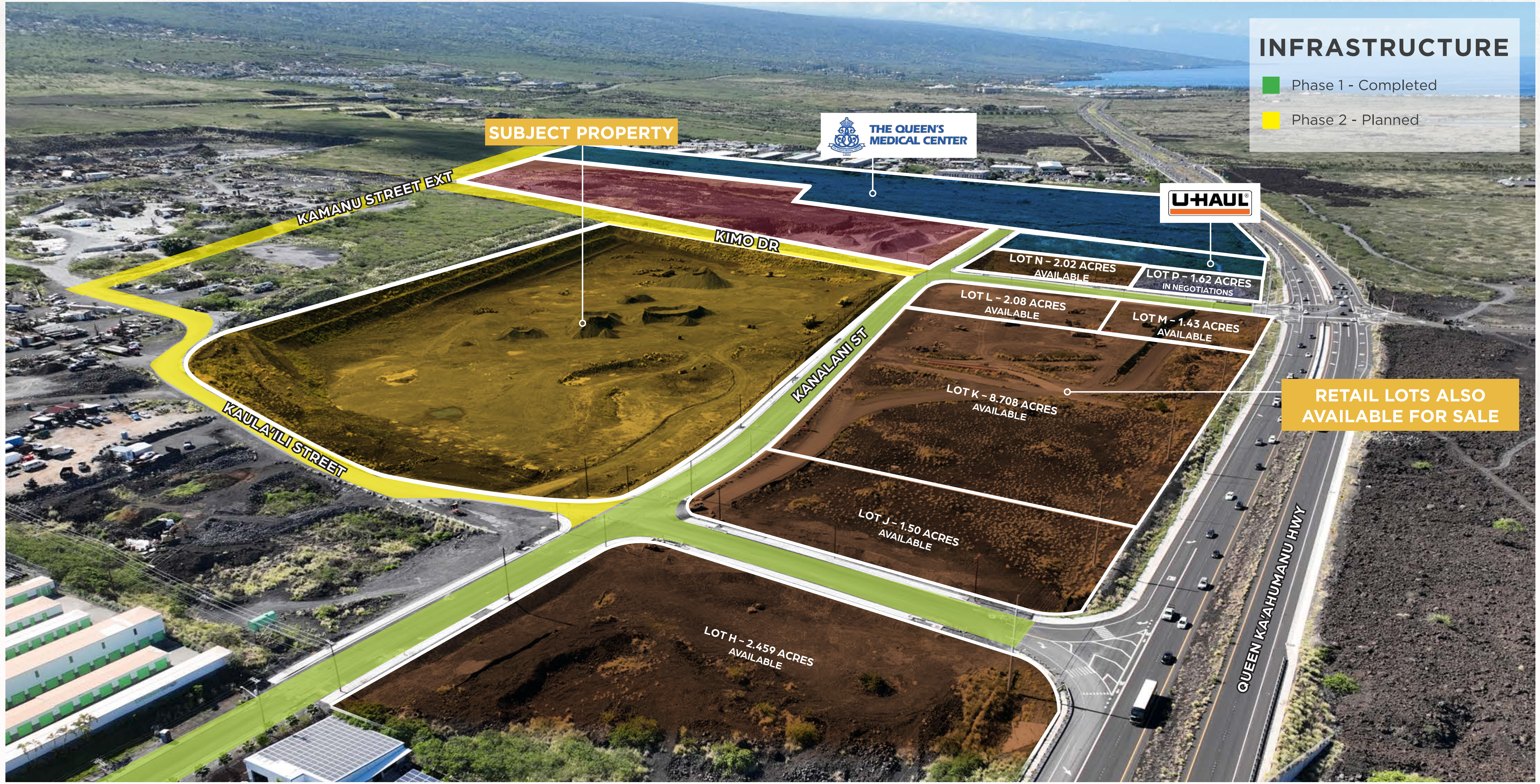
02

PROPERTY DETAILS

PROPERTY DETAILS

LOCATION:	Queen Ka'ahumanu Highway, Kailua-Kona, Island of Hawaii
SIZE:	±24.4 Acres
CURRENT CONDITION:	Graded pad
UTILITIES:	
WATER:	Stubbed to the property. 48 water units allocated. Additional water units may be available for purchase
ELECTRICITY:	Electrical will be stubbed to the property
WASTE WATER:	Current: Project would be served by an onsite treatment systems (IWS) Future: Municipal sewer infrastructure in the right of way, that can be utilized once public treatment capacity has been expanded
OFF-SITE IMPROVEMENTS:	Phase 1 - Completed (roads, curbs, gutters, sidewalks) Phase 2 - Planned
ZONING:	MCX-20 (Industrial-Commercial Mixed) - minimum land area of 20,000 square feet, required for each building site. This zoning allows for industrial and commercial uses including, but not limited to:

- Warehousing
- Wholesaling and distribution operations
- Manufacturing, processing and packaging establishments (light)
- Laboratories, medical and research
- Retail
- Commercial /Office



CONCEPTUAL SITE PLAN

TOTAL SF: 267,194
WAREHOUSE SF: 253,834
OFFICE SF: 13,360

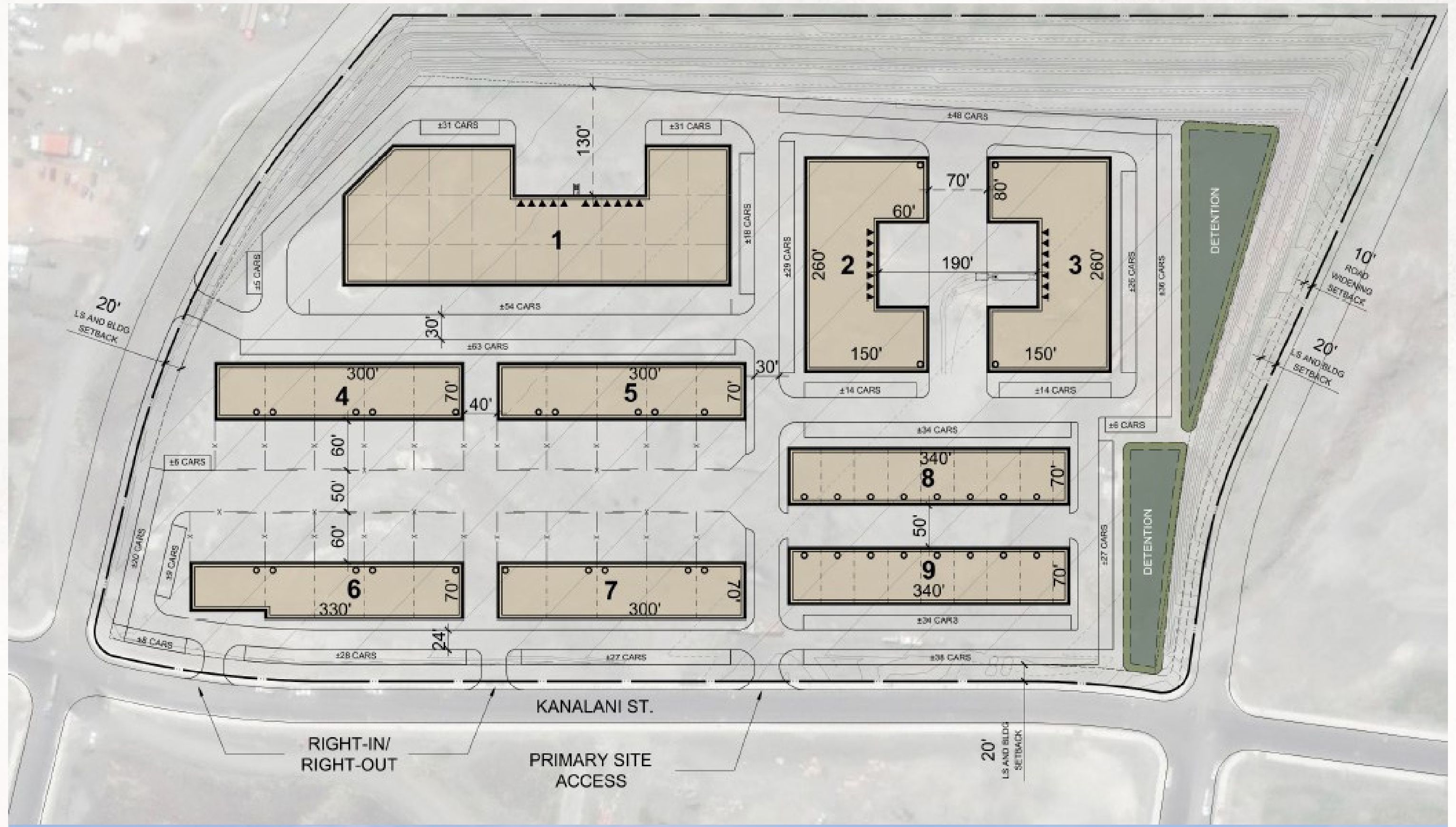
DIVISIBLE BUILDINGS FOR INDUSTRIAL CONDOS

9 BUILDINGS

298 PARKING STALLS

STEEL FRAME

GRADE LEVEL & DOCK HIGH LOADING



NEIGHBORHOOD MAP

Queen's Health Systems is set to build the estimated $680M West Hawaii Queen's Hospital. The facility has plans to include the following:

- 68 Beds -> 250,000 square feet
- 150 below market rate condos and apartments to serve healtcare workers
- 300 staff, nurses, doctors, and additional health care professionals
- Estimated opening: 2031

THE QUEEN'S MEDICAL CENTER

2026	2026	2027	2028	2028	2028	2029
SCOPE & PLANNING	SCHEMATIC DESIGN	DESIGN DEVELOPMENT	CONSTRUCTION DOCUMENTS	PERMIT/ BID	CONSTRUCTION STARTS	

Historically a retreat for Hawaiian royalty, Kailua-Kona is now a sunny destination spot for both Hawaiian residents and tourists, offering excellent local eateries, a variety of shopping, and a vibrant nightlife.

Located just south of the Kona International Airport, Kaloko-Honokohau National Park expands over 1160 acres. Hawaiian fishponds, beach and wildlife can all be explored within the breathtaking park.

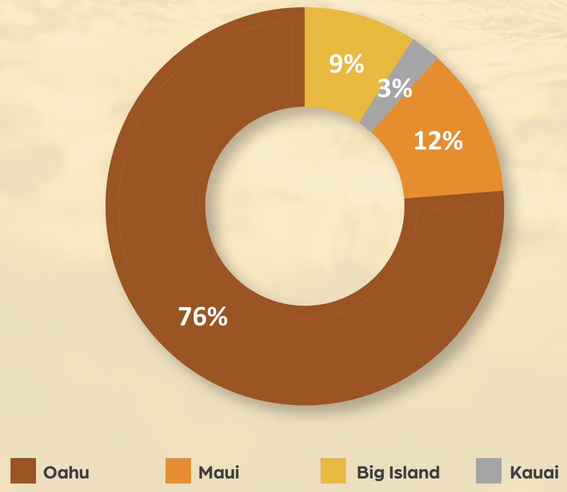
03 HAWAII MARKET OVERVIEW

MARKET STATISTICS

HAWAII STATE

Inventory (SF)	71,878,110
Vacancy Rate (%)	.92
Operating Expenses ($/SF/Month)	$0.41
Net Avg Asking Rent ($/SF/Month)	$1.34
Net Absorption YTD (SF)	117,785

INDUSTRIAL MARKET DISTRIBUTION



MAUI

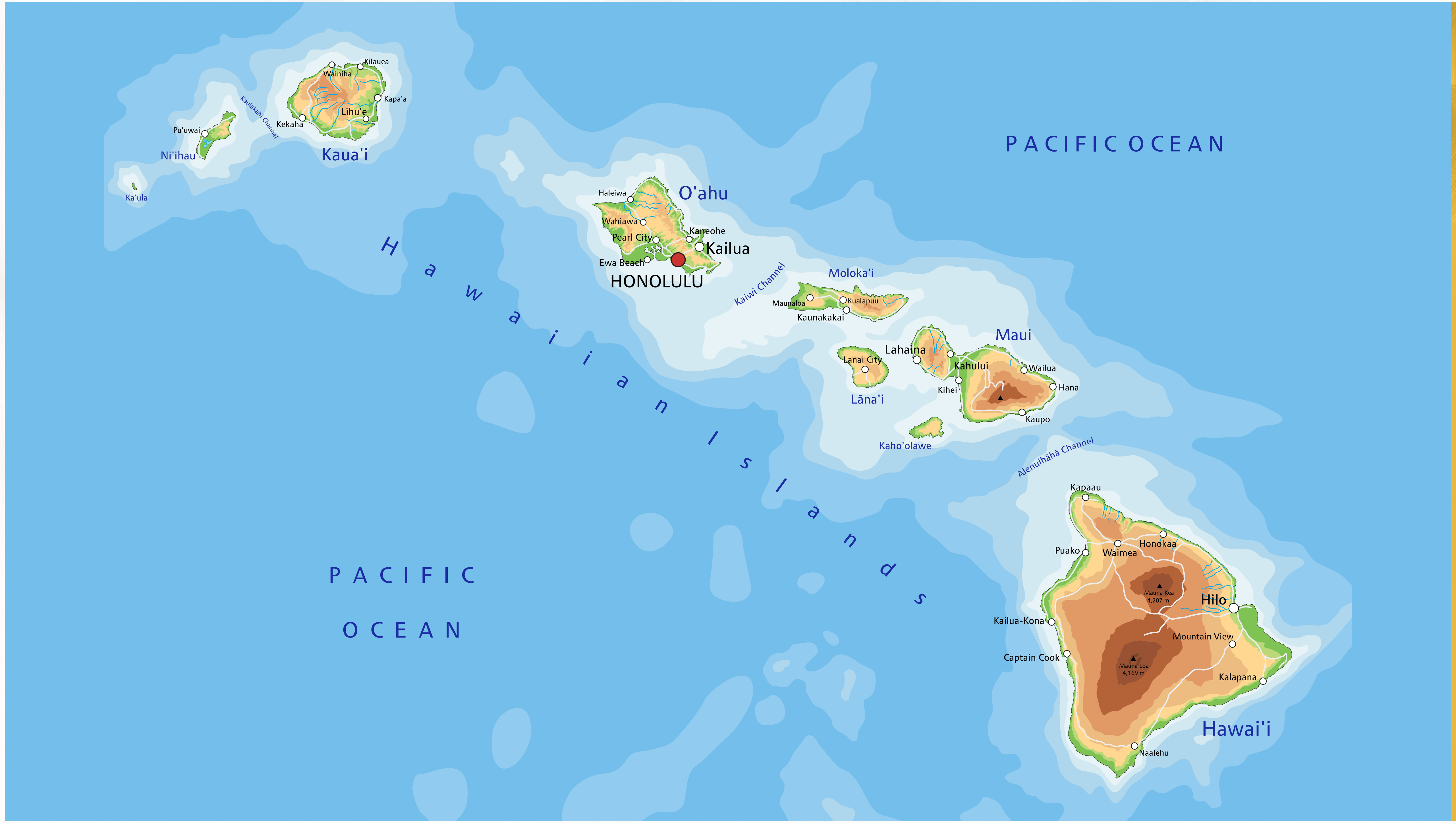
Inventory (SF):	8,732,722.00
Vacancy Rate (%):	0.75
Operating Expenses:	$0.41
Net Avg Asking Rent:	$1.34
Net Absorption YTD (SF):	74,130

OAHU

Inventory (SF):	54,805,810.00
Vacancy Rate (%):	0.76
Operating Expenses:	$0.47
Net Avg Asking Rent:	$1.42
Net Absorption YTD (SF):	19,388

BIG ISLAND

Inventory (SF):	6,573,292.50
Vacancy Rate (%):	1.82
Operating Expenses:	$0.38
Net Avg Asking Rent:	$1.29
Net Absorption YTD (SF):	17,613



HAWAII LAND PRICING VS. INDUSTRIAL RENTS

	Value Range (PSF)	Avg. Net Asking Rents (PSF)
BIG ISLAND		
Hilo	\$15.00 – \$25.00	\$1.15 – \$1.40
Kona	\$25.00 – \$35.00	\$1.25 – \$1.50
OAHU		
West Oahu	\$60.00 – \$80.00	\$1.25 – \$1.50
Town Center	\$200.00 – \$300.00	\$1.25 –\$1.50
KAUAI	\$40.00 – \$50.00	\$1.25 – \$1.50
MAUI	\$45 .00– \$65.00+	\$1.25 – \$1.50

Source: Cushman & Wakefield Chaney Brooks

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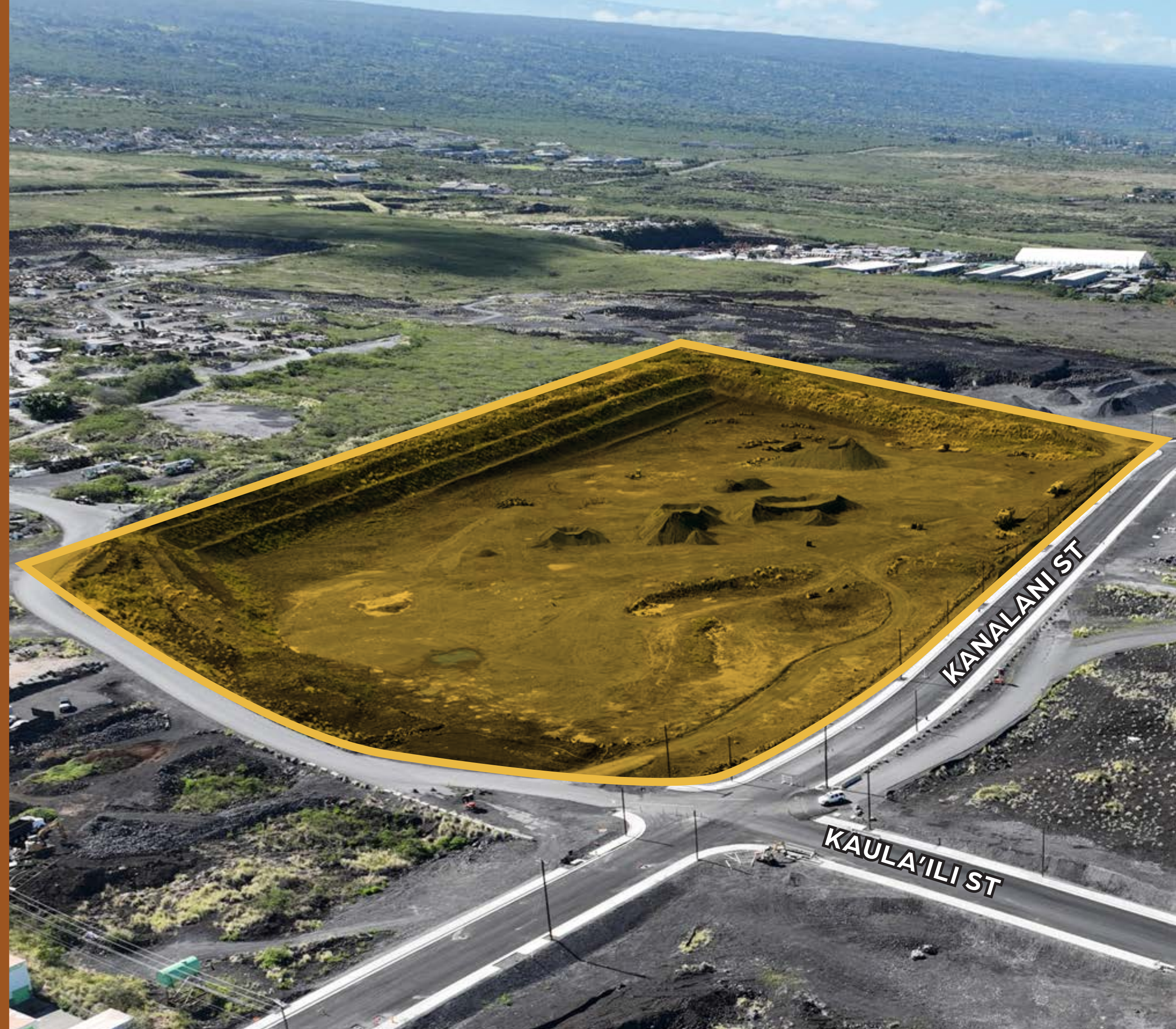

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