



18+ Acre Mixed-Use Ground-Lease
Development Opportunity

KONA COAST

CBRE

TABLE OF CONTENTS

1	Executive Summary	3
2	Property Information	4
4	Hawaii Market Overview	10



**18+ Acre Mixed-Use Ground-Lease
Development Opportunity**

KONA COAST



Executive Summary

Located in the thriving area of Kailua-Kona, this 18-acre property presents a unique opportunity for development, combining agricultural and commercial zoning with potential for re-zoning. Situated in a region known for its geographic and cultural diversity, the site is well-positioned in a hub of tourism and local commerce, making it an ideal location for a variety of projects. The current raw land status provides a blank canvas for developers to realize their vision, supported by the owners' openness to a long-term ground lease arrangement of plus or minus 50 years.

Kailua-Kona, being a pivotal area in West Hawaii, attracts a steady flow of tourists and residents, bolstered by nearby amenities including supermarkets, restaurants, and the new Safeway development. This ensures sustained demand and growth potential, making the property a strategic investment for those looking to tap into the region's expanding market. The flexible zoning and potential for re-zoning further enhance the site's attractiveness, offering versatility to accommodate a mix of agricultural, commercial, or residential projects.

The property represents an exceptional long-term ground lease opportunity for the right developer, who can leverage its prime location, zoning flexibility, and the long lease term to create a sustainable and profitable venture. As Kailua-Kona continues to evolve as a key destination in Hawaii, this site offers a foundation for a visionary development that aligns with the area's growth trajectory and economic dynamics, promising substantial returns on investment in a vibrant community setting.

PROPERTY DETAILS	
Area	Kailua-Kona, HI 96740 (Hawaii County)
Address	Not yet addressed
TMK	3-7-5-3-24
Land Area	18.667 Acres
Zoning	Agricultural (A-5A): 10.873 Acres Commercial (CN): 7.794 Acres
Price/SF	Upon Request



PROPERTY INFORMATION



**18+ Acre Mixed-Use Ground-Lease
Development Opportunity**

KONA COAST

Property Highlights



Zoning Flexibility + Potential for Re-zoning

The property's current agricultural and commercial zoning, combined with the possibility of re-zoning, offers a versatile development opportunity, allowing investors to tailor the project to market needs and maximize returns.



Proximity to Commercial + Residential Areas

Located on the edge of Kailua-Kona's commercial hub and near residential zones, the site benefits from high visibility and accessibility, ideal for a mixed-use development that serves both local residents and businesses.



Strong Local Economy + Tourism Influence

With Kailua-Kona being a major tourism and economic hub in West Hawaii, the site is poised to capitalize on the region's strong economic fundamentals and the continuous flow of tourists, ensuring sustained demand for commercial and residential spaces for long-term planning and development.



Long-Term Ground Lease Opportunity

The availability of a long-term ground lease of plus or minus 50 years provides stability and reduces upfront land acquisition costs, making it an attractive investment for long-term planning and development.



Rising Demand for Affordable Housing

Given the local market's need for affordable housing, developing this sector on the site could meet community needs and align with government incentives, potentially offering tax advantages and faster approval processes.



Strategic Location with Growth Potential

The property's strategic location, less than 10-miles from the Kona International Airport, less than a mile from the Kona Coast, and near key developments like the new Safeway at Niumalu Shopping Center, positions it perfectly to benefit from Kailua-Kona's growth trajectory and increasing property values, making it a promising long-term investment for long-term planning and development.

Property Details

Zoning

The bulk of the offering is zoned in A5a (agricultural), it is assumed that the investor/user will require a rezoning of the 10.873 acres to at least a residential designation, expand the commercial zoned land, or zone for an affordable housing project.

Site Access

Access is from Queen Kaahumanu Highway. There is a 120-foot wide permitted access. Based on the change of zoning conditions, a channelized intersection from Queen Kaahumanu Highway with traffic signalization will be required. The city is requiring a roadway connection to the adjoining agriculture zoned parcel and must be open to the public.

Water System

The need to establish if the water commitments meet the needs of any proposed development as additional units may be required. In addition, the contracting of off-water line improvements will be essential. The city is requiring a roadway connection to the adjoining agriculture zoned parcel and must be open to the public.

Solid Waste Plan

A plan for Solid waste management will be required.

Building Permit

All buildings will require permitting in conjunction with the requirements set forth in the Kailua Village design requirements.

Sanitary Sewer

The need to establish if the water commitments meet the needs of any proposed development as additional units may be required. In addition, the contracting of off-water line improvements will be essential. The city is requiring a roadway connection to the adjoining agriculture zoned parcel and must be open to the public.

Drainage

There is no existing drainage system. The county has required that a storm run-off must be disposed on site. Use of drywalls are permitted but will require underground injection control (UIC) permits from the State Department of Health. There are numerous issues related to drainage including the LOMR, FEMA and CLMR requirements.

Archaeological Impact

Final approval of the archaeological survey is recommended and required.



Leasehold Interest



18.667 Acres Available



Beneficial Dual Zoning

Parcel Map



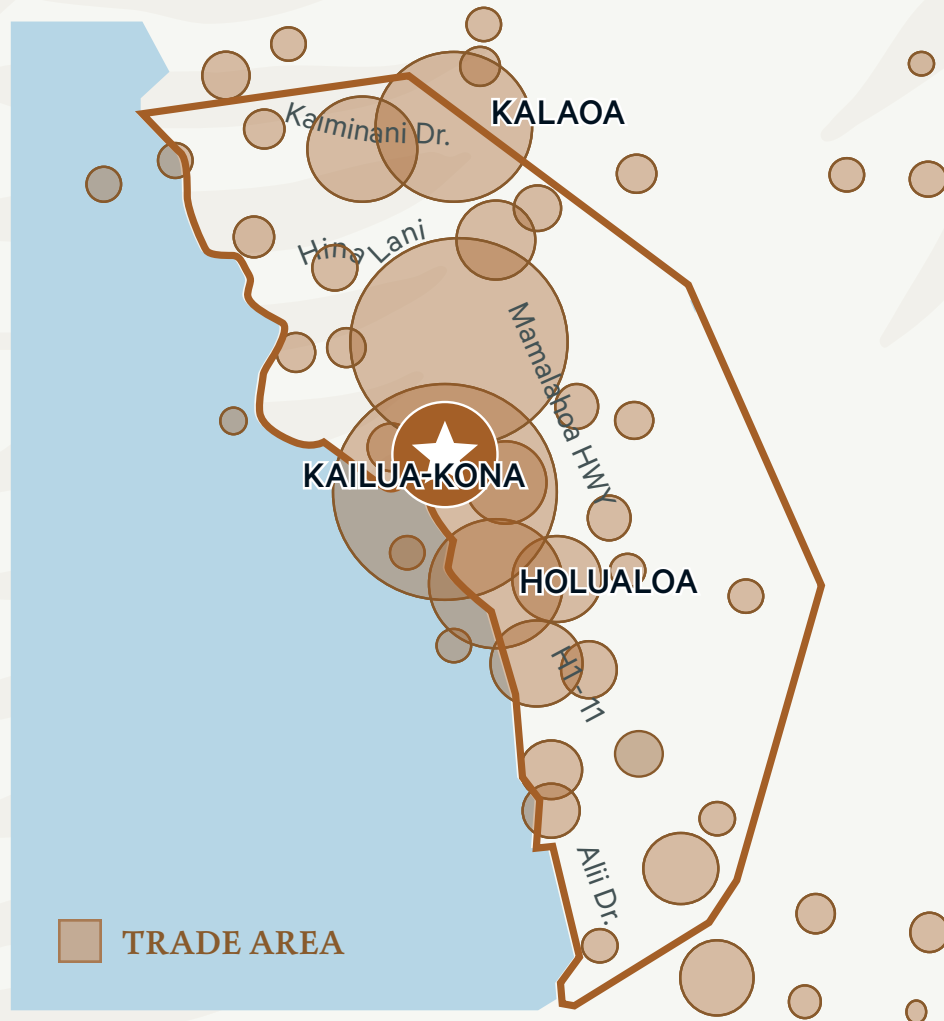
Amenities Map



Trade Area Visitors

Trade Area Visitor Residences

Trade Area represents where ~65% of the visitors were coming from during the study period.



Demographics



2.71

Average HH Size



.49%

Population Growth



38,858

Total Population



\$84,841

Median HH Income



41,957

Daytime Population



44

Median Age



HAWAII MARKET OVERVIEW



**18+ Acre Mixed-Use Ground-Lease
Development Opportunity**

KONA COAST

Overview of the Big Island



NORTH HAWAII

32,647

Population

11,419

of Households

\$80,971

Median HH Income



WEST HAWAII

53,793

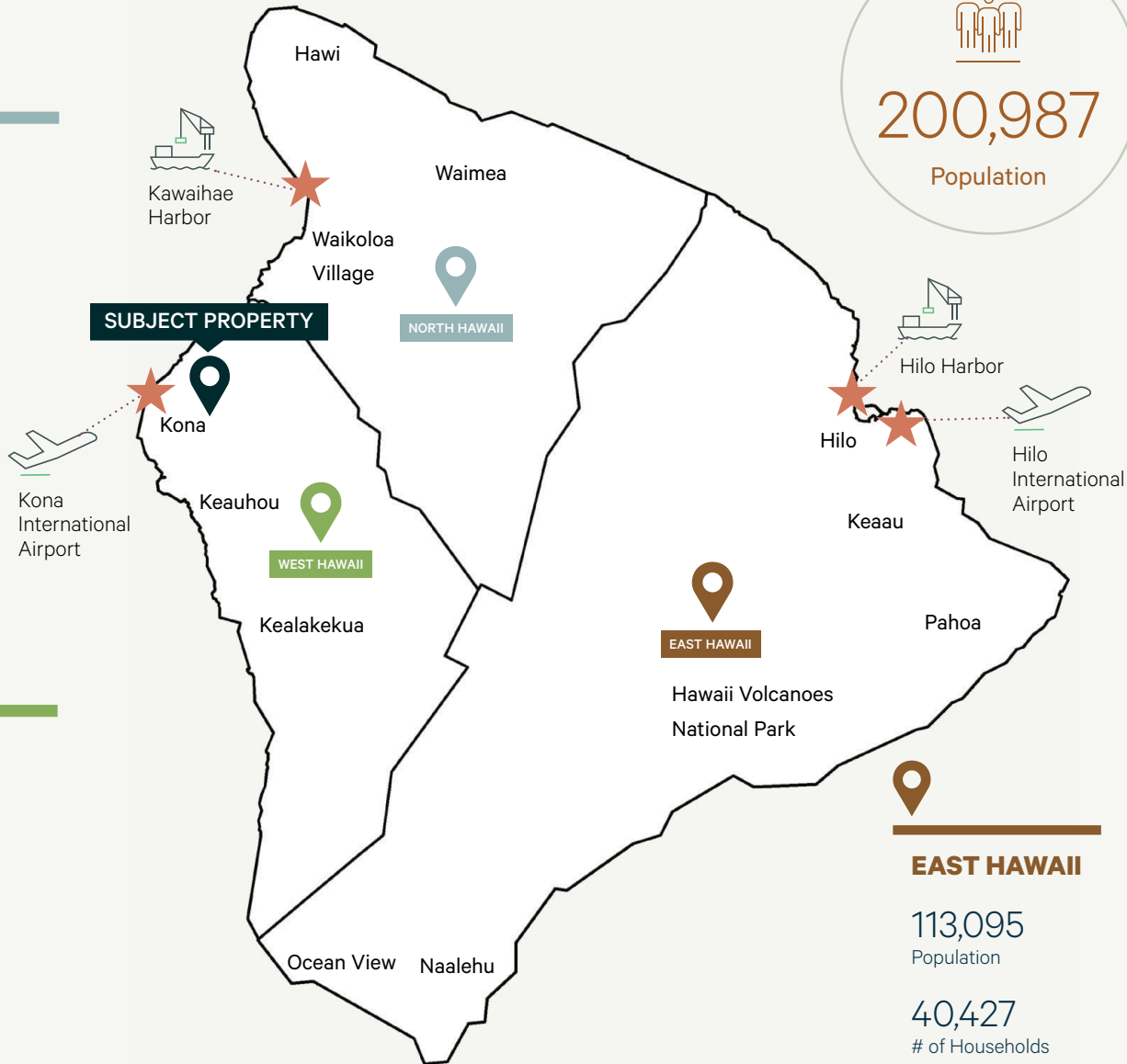
Population

19,456

of Households

\$80,256

Median HH Income



EAST HAWAII

113,095

Population

40,427

of Households

\$55,617

Median HH Income



6,933

Businesses



70,992

Employees



72,061

Households



\$88,219

Average HH Income



\$508,201

Average Home Value



143,806

Education (Ages 25+)

High School (27.3%)

Some College (22.2%)

Bachelors Degree (20.3%)

Graduate+ (10.1)

Source: CBRE Research, Dec. 2022

Commercial Fee-Simple Land Sales Nearby

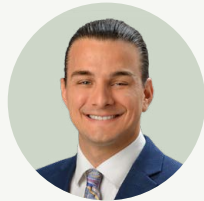
ADDRESS	TMK(S)	ACRES	Area SF	SOLD	SALE PRICE	\$ / SF LAND	Zoning	Sale Type	Buyer (True) Company	PROPOSED USE
83 Acres On Queen K. Hwy., Kailua-Kona	3-7-3-9-22	83	3,615,480	1/17/23	\$7,000,000	\$1.94	MG-3A	Investment & Owner User	Tony Group	Commercial/Mixed Use
73-4241 Hulikoa Dr., Kailua-Kona	3-7-3-58-34	1.01	43,996	12/12/22	\$1,700,000	\$38.64	ML-1A	Owner User	Flowing Mineral Farm LLC	Industrial
73-4195 Hulikoa Dr., Kailua-Kona	3-7-3-58-30	1.01	43,996	7/12/22	\$895,000	\$20.34	ML-1A	Owner User	Commercial Plumbing, Inc.	Industrial
73-4284 Hawaii Belt Rd., Kailua-Kona	3-7-3-5-32	3.20	139,392	11/24/21	\$1,016,800	\$7.29	CN-10	Investment	Larry Smith	Commercial
Lanihau 1st - Hienaloli 1st., Kailua-Kona	3-7-5-4-6	4.06	176,636	1/27/22	\$1,844,400	\$10.44	CG-20	Investment	HSD LLC	Commercial
75-5697 Alahou St., Kailua-Kona	3-7-5-4-13	2.34	102,061	3/17/23	\$3,536,678	\$34.65	CG-20	Owner User	Hawaii Lube Co (Lex Brodies Express Wash)	Commercial
Kohanaiki Business Park Land, Kailua-Kona	3-7-3-58-32; 3-7-3-58-33	2.02	87,991	6/30/23	\$3,025,000	\$34.38	ML-1A	Owner User	Pacific Waste, Inc.	Industrial
73-5651 Oluwalu St., Kailua-Kona	3-7-3-51-137	1.87	81,501	6/26/23	\$3,000,000	\$36.81	ML-1A	Owner User	Extra Space Storage	Industrial
Kamanu St., Kailua-Kona	3-7-3-51-103	1.18	51,531	1/3/23	\$1,400,000	\$27.17	ML-1A	Owner User	Hawktree International	Industrial
73-5634 Maiau St., Kailua-Kona	3-7-3-51-119	1.21	52,708	1/3/23	\$1,400,000	\$26.56	ML-1A	Owner User	Hawktree International	Industrial
73-5635 Kaiakoili St., Kailua-Kona	3-7-3-51-124	1.21	52,708	1/3/23	\$1,400,000	\$26.56	ML-1A	Owner User	Hawktree International	Industrial
73-5620 Kaiakoili St., Kailua-Kona	3-7-3-51-130	1.06	46,174	6/8/23	\$1,415,100	\$30.65	ML-1A	Investment/Owner User	Alii Builders	Industrial
Queens Medical Center Land, Kailua-Kona	3-7-4-8-77	31.14	1,356,458	8/1/23	\$4,425,000	\$3.26	TBD	Owner User	Queens Medical Center	Commercial

Agricultural Fee Simple Land Sales Nearby

ISLAND	TMK(S)	AREA (ACRES)	SOLD	SALE PRICE	\$/ACRE	ZONING	NOTES
Hawaii	3-7-2-5-1	725.2	4/6/22	\$15,000,000	\$20,683.95	PD	Property was purchased in 2007 for \$33,000,000, but was since sold in April 2022 for \$15,000,000 for a planned development. Water was secured from additional TMKs purchased mauka.
Hawaii	3-6-2-1-51; 3-6-2-13-19	839.1	1/24/22	\$9,500,000	\$11,321.65	A-5A	This property has water and electricity onsite and zoned A-5A.
Hawaii	3-7-5-3-23	129.32	3/27/19	\$4,495,000	\$34,758.74	A-5A	Water and available utilities onsite. Large underground river was available onsite with potential for several wells.
Hawaii	3-7-2-6-9; 3-7-2-6-13	379.82	3/6/19	\$4,200,000	\$11,057.87	A-500A	Site has access to private water.
Hawaii	3-6-8-1-60, 24 & 63	810.86	7/13/17	\$7,000,000	\$8,632.76	A-5A	This property has water (well) and electricity onsite and zoned A-5A.



Contact Me Regarding this Strategic Long-Term Ground Lease Opportunity within Kailua-Kona, Hawaii



NICHOLAS T. ADLER, First Vice President
Advisory & Transaction Services | Lic. RS-78419
+1 808 859 0588 | Nicholas.Adler@cbre.com



© 2024 CBRE, Inc. All rights reserved. This information has been obtained from sources believed reliable but has not been verified for accuracy or completeness. CBRE, Inc. makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy, completeness, or reliability of the information contained herein. You should conduct a careful, independent investigation of the property and verify all information. Any reliance on this information is solely at your own risk. CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners, and the use of such marks does not imply any affiliation with or endorsement of CBRE. Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.