



FOR SALE - \$22,580,000

Nalu Lani Plaza @ 401 Kamakee Street

**LOCATION! LOCATION! LOCATION!**  
**A KAKA'AKO 4 story Mix-Use One-Of-A-Kind Property!**



For more information on this exclusive listing, please contact:

Jeremy Long (R), CPM, CCIM

Principal Broker & President

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**A CONFIDENTIAL OFFERING  
MEMORANDUM**

JER Realty, 401 Kamakee Street, 420 Honolulu, HI 96814 808.781-7993 Cell

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# THE OFFERING

JER Realty is excited to present a rare and unique opportunity to own a Fee Simple profitable **ONE-OF-A-KIND** mix-use building in the Kaka'ako area.

A HIGHLY VISIBLE location on the corner of Queen and Kamakee Street directly across from Wholefoods. Only blocks away from Ala Moana Beach Park, Ala Moana Shopping center, future further Howard Hughes super development of the area, and surrounded by high end Residential Condos and Restaurants.

Easy to get to from HI Freeway or Nimitz Highway. High foot traffic. Located in between Town and Waikiki, this area has become the go to place to be!

A family Owned Building which has been well managed and updated through the years. While most of the office market on Oahu has been sluggish for years this property **has profited** even during 2008 crash and 2020 Covid-19 world event!

The profitability of the property has been stable for years and with proper management should continue for years to come. The care the property has received shows in the bottom line. Tenant retention is high. In 2025 we just did 6 new and 8 renewal leases at prime rates. In 2026 we have rented a 2<sup>nd</sup> floor space within two weeks and renewed four leases so far. The Tenants like being at the building and those who come to the building can feel that it is a great place to be and do business.

The building was constructed in 1960 but has been renovated over the years. The original building design and construction is typical for Class B office buildings outside the downtown Central Business District. This building is a well functional mix use building. Including a dynamic light display on the building each night. A great purchase for a future Owner-User, High net worth Investor, or 1031 exchange opportunity.

There are no known items of significant deferred maintenance. The building receives regular and preventative maintenance and is in above-average condition relative to other office and retail buildings on Oahu built around the same time.

Please review the following information and we look forward to talking to you more. Thank you for your time and consideration to making this property yours.

Mahalo  
Jeremy Long / JER Realty

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# PROPERTY SUMMARY

- **Asking Price: \$22,580,000** (Represents a 5.1% cap rate)
- **Net profit margin:** 33% Average the past four years.
- **Address:** 401 Kamakee Street, Honolulu, HI 96814
- **Owner:** KA'A Limited Partnership
- **Type:** Four-story mix-use Retail, Medical, and Office Building
- **MLS: 202525366**
- **Renovation(s):** Various years to 2025. (Around \$3.6M spent)
- **Year Built:** 1960
- **Tenure:** Fee Simple
- **RPT:** \$123,168 (2025)
- **TMK:** 2-3-004-029-0000  
407 Kamakee official address &  
**TMK:** 2-3-004-079-0000  
(1977SF Triangle Parcel in back)
  
- **Land Area:** 23,256
- **Rentable Interior SF:** 22,930SF
- **Occupancy:** 100%
  
- **Max Height:** 400 Max feet
- **Flood Zone:** AE
- **Configuration:** Parcel 29 is rectangular w/about 200 Lineal Feet of frontage on Kamakee Street. About 90 Lineal Feet of frontage on Queen Street. Parcel 79 is a remnant flag lot that is triangular in shape.
- **Zoning/Special District:** Kaka'ako
  
- **Parking Stalls:** 34 stalls plus two moped and two Handi parking stalls. Plus, general parking across the street at Wholefoods 4<sup>th</sup> & 5<sup>th</sup> floor.
  
- **Utilities:** Electric, telephone, internet, DSL, water, gas & Sewer
- **Environmental:** No known report ever done. There are no known existing environmental hazards that impact the property.
- **Topography:** Relatively level and at grade with the fronting roadways
- **NALU LANI PLAZA, Meaning = Heavenly Wave or Queen's Wave**



# INVESTMENT HIGHLIGHTS

■ **Estimated 2026 Income and Expense** (Financial reports & Budget can be provided)

\$149,000 month average income  
 \$52,000 month average expenses

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 \$97,000 month average income after expense (not including mortgage)

**\$97,000 x 12 months = \$1,164,000 average yearly income** (Not including mortgage cost)

■ **CAP Rate:** \$22,580,00,000 with these numbers would = **5.1% Cap**

**Notes:** a) Future parking revenue increases could be done via increased parking rates. b) Future repair costs are projected to be less due to the building being highly updated with no major projects planned. c) Most of our 3rd and 4th floor units have been downsized to 150sf to 325SF so they rent out very easily going into the future business model. Rates have jumped up to **\$2.89rsf**. d) 2nd floor has one long term Med Spa's, and upscale tattoo artist, and a tech company that just put in \$100K in renovation all doing well. 1st floor has long term Tenants Lin's, WSalon, RE/MAX Hawaii and new Restaurant Grill N Chill. E) There is room for rent growth and rent increases as renewals come up. We just signed up the tattoo artist at \$3.38psf.



■ **GROSS LEASABLE AREA, TENANT MIX, AND OCCUPANCY:** The Nalu Lani Plaza includes a gross leasable area (GLA) of 22,930 sf. The building includes 45 spaces leased to 45 tenants/Suites with one small Owner/Manager occupied control room office on the third floor suite 314.

Four ground floor spaces are leased to a restaurant (Chill N Grill), Real Estate Firm (RE/MAX Hawaii), hair salon (W Salon) and snack shop (Lin's Hawaiian Snacks).

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# INVESTMENT HIGHLIGHTS - Continued

The second floor is one half occupied by a Medspa (Reneux Health and Wellness). The rest of the floor has an a Tatro Artist & Clothing line Tenant, and a Tech security firm (High Tech Hui)..

The third and fourth floors are partitioned into smaller office spaces leased to doctors, psychiatrists/family therapists, a New Hope Church counseling center, and other professionals including real estate offices, accountants, an aesthetician and masseuse.

Most of the tenants have been at the building for five or more years. The largest tenant, Reneux, has occupied their spaces since 2007.

Most units have been renovated over time, usually as spaces turnover. Interior finishes vary depending on tenant needs and specifications but, they are above-average in construction materials, quality, and design for the market.

In general, building tenant retention is high with almost zero vacancies lasting longer than a month for the past 17 years. Currently, there is a waiting list for upper floor vacant units when they come available.

- **TENANT LEASE RENTS AND TERMS:** All of the tenant leases are triple-net (NNN) leases. The rents and recoveries are summarized under the following subheadings.

## **BASE RENTS:**

- **Ground floor** - Rents range from \$5.05rsf to \$6.64rsf NNN. Lin's Hawaiina Snack shop lease is up 10/31/2026. Chill N Grill just opened in November 2025 and goes till 12/31/2029. RE/MAX Hawaii lease goes till 12/31/32. W Salon lease ends 2/28/2027 which that rate will go up at least \$1.00SF more.
- **2<sup>nd</sup> floor Rents** – Rents range from \$2.76rst to \$3.38rsf with room to go on renewals. Estimated to \$3.38rsf in time when renewals come up.
- **3<sup>rd</sup> & 4<sup>th</sup> floor Rents** – Rent now at \$2.89rsf. These rents should hold steady w/3% yearly increases..
- **NOTE:** It can be easily argued that this is one of the better performing buildings on the Island. While most office buildings are showing a vacancy of 15% to 20% or more this property has a waiting list and has been increasing rents.
- **Lease Terms:** Tenant lease terms are typically renewed for three to five years although initial lease terms have been longer. Most leases include annual base rent 3% escalations yearly
- **Percent rent** - None of the tenants have percentage rent clauses. We found in the past that this creates tensions with the Tenant. We focused on stronger base rents.

# INVESTMENT HIGHLIGHTS - Continued

## **CAM / Expense recovery:**

In addition to base rent, all tenants pay a pro rata share of common area maintenance (CAM) expense, which includes real estate taxes, common area and tenant electricity, water, and air-conditioning, real estate taxes, property management fees, and general repairs and maintenance.

The current CAM recovery rate ranges depending on use, floor, etc. CAM is pro-rated based on the tenant's GLA and is lower for ground floor tenants that are billed separately for electricity and air-conditioning. (Variations in upper floor CAM charges are relatively small and mainly due to e.g., units not having water or using more water for washer/dryer in spaces). Average CAMrate for 2026 is estimated at \$1.80rsf. This is lower than the average for the area.

In addition, 4.712% Hawaii State General Excise Tax and Oahu surcharge (GET) is recovered on base rent and expenses.

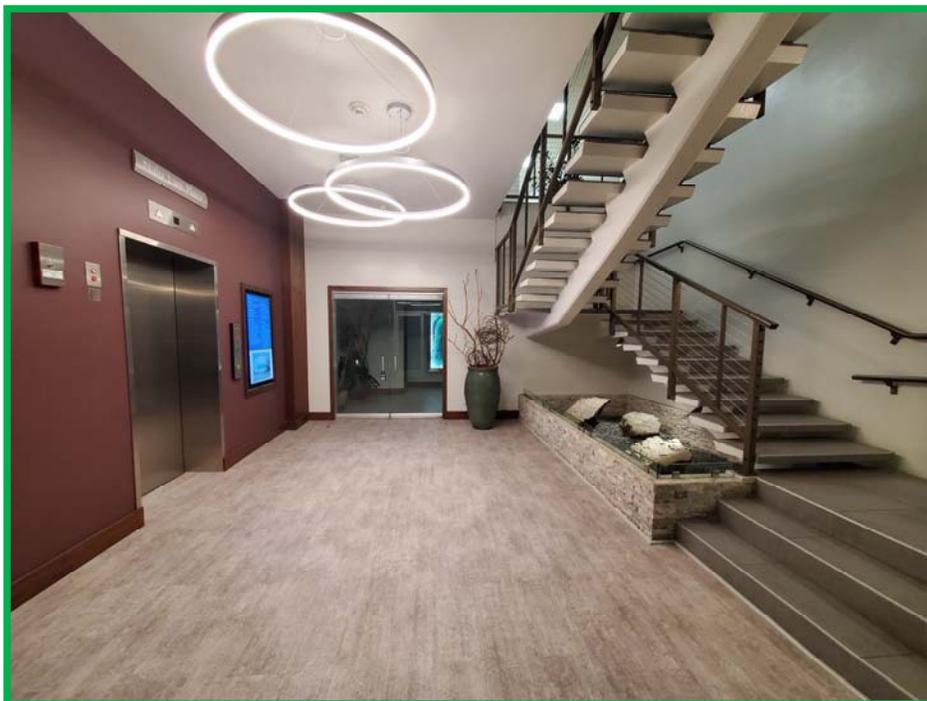
The current tenant lease rents and terms are summarized on the rent roll which can be provided.

**Storage:** On the 3<sup>rd</sup> and 4<sup>th</sup> floor there are three storage closets rented for a total of \$365 a month.

**Janitorial closets:** Sink closet on the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> hallway and small supply storage on 4<sup>th</sup> floor (#420)

**Solar Panels:** Generate \$2000 average income a month.

■ **Principal construction:** Concrete slab on steel decking supported by structural steel framing; reinforced concrete perimeter beams; exterior walls are finished with cement plaster on precast concrete; windows are fixed glass on aluminum sash; roof mounted solar panels were added to the building in 2011 at a cost of about \$400,000.



The first and second floors were completely gutted in 2006/07, and the majority of the third and fourth floors have received renovations over time, usually as spaces turnover. Interior finishes vary depending on tenant needs and specifications but, are of above-average in construction materials, quality, and design for the market. Suites are centrally air-conditioned. Recent upgrades to common areas include motion-sensor LED lighting, new hardwood flooring in hallways, and new restroom floors, fixtures, and countertops. The main lobby was also renovated in 2018 with new paint, flooring, lighting, tenant directory, and artwork.

# INVESTMENT HIGHLIGHTS - Continued

- **Parking:** The adjacent parking lot is striped for 34 stalls including two handicapped stalls. The lot also includes a bicycle rack and three smaller stalls for moped parking. Some retail tenants rent stalls on a monthly basis; the majority of remaining stalls are available on an hourly \$2.50/hr charge. The parking lot is managed by Elite Parking.

Tenant paid parking in the lot will be \$2425 a month as of August 1, 2025. We issue red hanging mirror passes to our park in the lot for these Tenants. Tenant parking in the parking lot is kept limited on purpose to maintain parking for customers. Passes are issued per lease terms.

Tenant parking options – 1133 Waimanu AOA behind our building has a lot of parking which they issue out to the public. For \$120.00 a month Tenants can opt to pay for a parking pass. Also, Standard Parking controls Kamakee Vista Parking Garage which is across Kamakee. Sometimes they rent out to our Tenants if needed for \$115.00 a month. Plus, Wholefoods has free parking across the street on the upper 4<sup>th</sup> and 5<sup>th</sup> floor for those Tenants who just come and go as a part of their business.

General Public parking options at Wholefoods: Wholefoods upper 4<sup>th</sup> and 5<sup>th</sup> floor parking area is free to the general public as part of their construction build our agreement in the area.

The parking lot generates average \$8,000 a month from the public/customers/clients visiting the property. Current rate is \$2.50/hr. If one wishes there is room to increase this rate. (Due to no restaurant activity until January 2025 monthly average was \$6000 a month)

- **Primary Urban Center (PUC) Development Plan designation:** The property is in the City's Primary Urban Center Development Plan (PUC) area. The development plan identifies the site and adjoining Ward Village properties for Medium and Higher-Density Residential/Mixed Use, shown as follows:

According to the PUC Development Plan, the Kakaako and Ala Moana districts are recognized as areas with substantial capacity for future urban development. HCDA has invested in improving infrastructure in order to support higher-density residential and mixed-use development. The comprehensive program has included improvements to roadways, drainage facilities, sewers, water lines, and electrical and communications lines.

With large blocks of land controlled by large landowners, infrastructure already in place,



# INVESTMENT HIGHLIGHTS - Continued

and relatively, generous floor area ratios (FAR) available for larger projects, Kakaako is projected to absorb about 30 percent of the Primary Urban Center's future residential growth and a large portion of the region's projected commercial growth.

- **Zoning:** The Nalu Lani Plaza is in 450-acre Mauka Area of the Kakaako District, the State's first "Community Development District" and an urban area identified for revitalization. A new State agency, the Hawaii Community Development Authority (HCDA), was created to promote and coordinate public and private sector development in the Kakaako and other Community Development Districts. HCDA regulates land uses in Kakaako in a manner that will encourage orderly development according to adopted land use policies. Land use and development of the Nalu Lani Plaza site is governed by the Mauka Area Rules.



The Mauka Area Plan establishes long-term land use policy that directs the implementation of smart growth principles within a portion of the Kakaako Community Development District. The Mauka Area Plan also directs that implementation measures shall be calibrated according to the distinct characteristics of seven neighborhood zones. The Mauka Area Rules are part of the Hawaii Administrative Rules (HAR): Title 15, Department of Business, Economic Development & Tourism; Subtitle 4, Hawaii Community Development Authority (HCDA); Chapter 217, Mauka Area Rules. The current Mauka Area Rules were adopted and

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# INVESTMENT HIGHLIGHTS - Continued

implemented on October 31, 2011. The current Mauka Area Rules provide greater development flexibility, while maintaining similar spectrum of permitted uses and development massing allowed under the former Mauka Area Rules that had been in place since the early 1990s.

The Nalu Lani Plaza is located within the Central Kaka'ako Zone of the Mauka Area Plan. Permitted uses include a wide array of commercial and multi-family residential uses, including the existing office, retail, and restaurant uses, as shown in the attached map.

- **Flood Zone:** FEMA's Flood Insurance Rate Maps show the Nalu Lani Plaza and surrounding properties are primarily in flood fringe district Zone AE with a base flood elevation (BFE) of between six and eight feet. Structures are permitted in the AE zone provided the structure is watertight or elevated to or above the BFE. Neighboring properties have been redeveloped in recent years with apparently little or no impact from existing flood classifications and regulations.

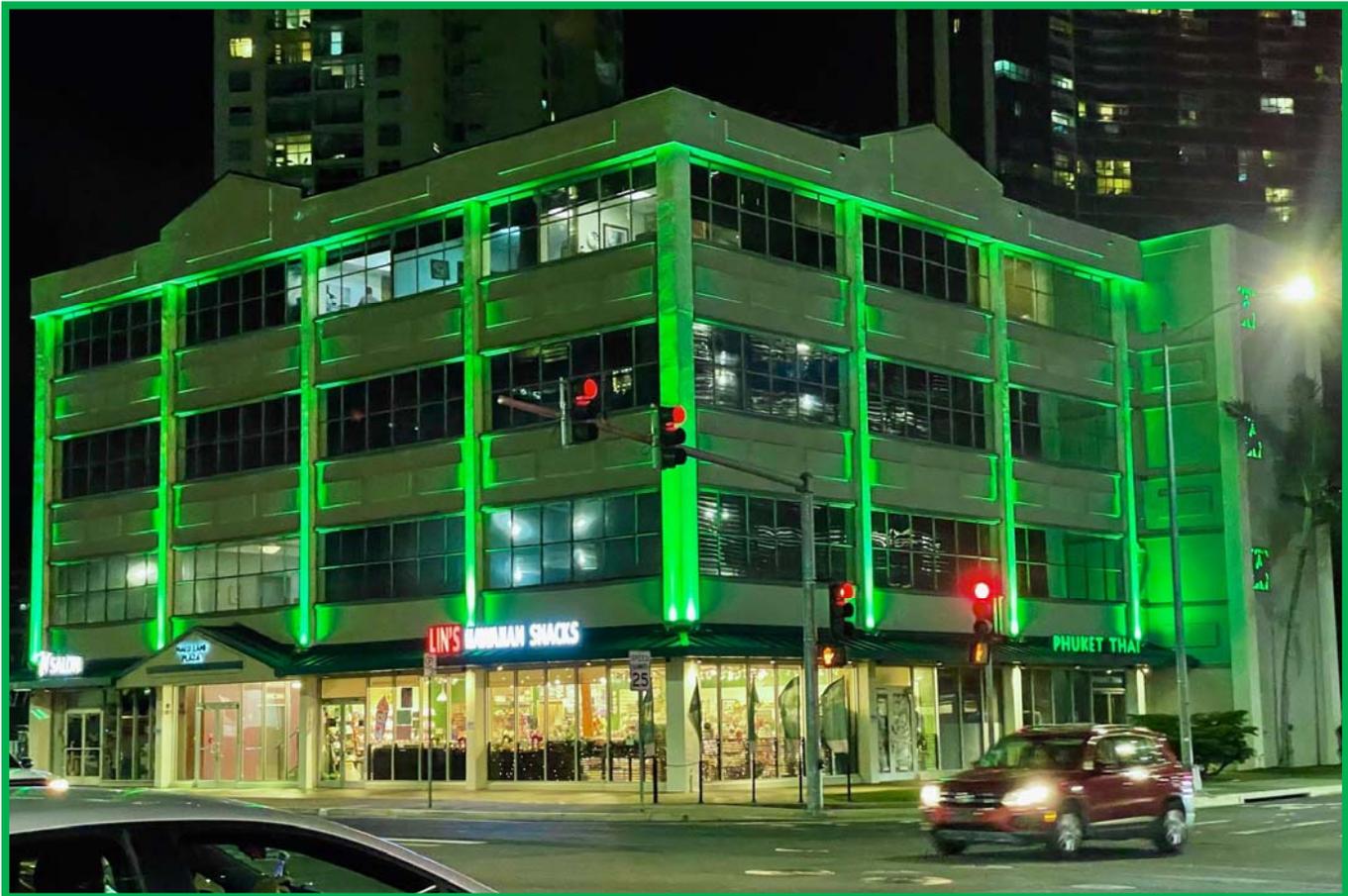
**Special Management Area (SMA):** The Special Management Area (SMA) is a geographically defined area extending inland from the shoreline. Each of the counties regulates development within the SMA in accordance with Coastal Zone Management objectives and policies. The SMA may range from 100 yards to several miles inland. The Nalu Lani Plaza site is not in the SMA and does not require SMA permits for development.

- **Restrooms:** Each floor has updated and remodeled Men's and Women's Restrooms. The Men's 3<sup>rd</sup> and 4<sup>th</sup> floor has storage units that maintenance staff and management use.
- **Rare Corner lot:** Situated on the corner of two major thoroughfares of Queen & Kamakee Street plus being directly across Wholefoods has made this a prominent corner location.
- **Excellent Street Visibility and Traffic:** The property receives high pedestrian counts plus over 24,000 vehicles pass by the property daily. A well-known location for Residents and tourist to find.



# INVESTMENT HIGHLIGHTS - Continued

- **EOY Financial reports:** **2021** despite recovering for Covid-19 environment the asset is still achieved great profit margins in the 36%. **2022** A “Cleaning House” year but still got a profit margin of 22%. **2023** profit margin was 31%. **2024** profit margin was 38%, best year to date **2025 & 2026** profit margin is 37%..
- **Duel Management with Professional Accounting Services:** The Property Management is handled by two IREM (Institute of Real Estate Management) CPM’s (Certified Property Managers); Jeremy Long of JER Realty (Since 2005) and Kelfred Chang of Integrity LLC (Since 2016). In collaboration with management the accounting is ran by certified CPA’s OCCPA, LLC (Since 2018). This collaboration has served to be very effective and efficient way to provide a good level of management, financial security, and accounting services for the Landlord.
- **Barriers to Entry:** Due to the high demand and scarcity of Fee Simple land in Kaka’ako and in Honolulu in general, a lot of land in Kaka’ako has been converted for Residential condo’s, along with everything else mentioned above makes this asset **EXTREMELY RARE** . Perfectly situated to meet the Retail and Office needs of the area. Location is PRIME!



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# THE MURAL

**Sponsor Statement - DR. Richard Wasnich**  
The mural project at Nalu Lani Plaza, 401 Kamakee Street, Honolulu, Hawaii, was inspired by the “La Fresque Des Quebecois” in Quebec City, Canada. This notable mural incorporates architectural features of the surrounding historic district, along with major figures from Quebec’s history. It is a major tourist attraction in Quebec City.

An international competition was held and the artists were asked to submit concepts that would focus on the territorial era of Hawaii’s history, so as to complement the territorial style of the building. It was also desired that the project be culturally accurate and appropriate.

The commission was awarded to internationally renowned John Pugh of California. His submission features a massive, trompe l’oeil wave, within which is visible the image of Queen Liliu’okalani, who symbolically endures the tide of American influence.

Although her reign ended, her onipaa in the face of adversity gave life to the values of Hawaiian culture, and continues to inspire these values among Hawaii’s multi-cultural population.

Also in the mural are children who have come to offer gifts and share aloha, and to remember Liliu’okalani’s love and commitment to the children of Hawaii. The mural and adjacent mini-park will be dedicated to the children of Hawaii, in the hope that they will continue to be inspired by the best values of Hawaiian culture.

Further within the wave is Prince Kuhio, who also played an important role in the transition from the Hawaiian Kingdom to a Territory of the United States. And riding the wave is Duke Kahanamoku, who epitomized Hawaiian values to the entire world.

The adjacent park includes a privately-held parcel which is contiguous with a new city park. It is intended that the adjacent park will serve as an urban sanctuary where visitors may sit and contemplate the mural’s message, aesthetics, and illusion of reality.

## History - Kauila Clark

The Nalu Lani Mural depicts three Native Hawaiian leaders who shaped the wave of cultural and political



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# THE MURAL - Continued

change in Hawaii in the early 20th century. Queen Lili'uokalani, Lydia Kamakaeha Walania Lili'uokalani Dominis (1842-1917), was the last reigning queen of the Nation of Hawaii; her brother was King David

Kalākaua, the last reigning king. She was true to the Hawaiian Nation and her people until her death in 1917. She was crowned Queen in 1891 and overthrown in 1893. She was married to John Dominis in 1862 and lived with his parents at Washington Place. Her will established the Queen Lili'uokalani Children's Center and Trust to care for destitute and orphan children of aboriginal blood living in Hawaii. Also in the mural are children who have come to offer gifts and share aloha, and to remember Lili'uokalani's love for and commitment to the children of Hawaii.

Prince Jonah Kūhiō Kalaniana'ole (1862-1923) was a strong supporter of Queen Lili'uokalani's reign and was jailed after an attempted overthrow of the Republic of Hawaii's government. Two years later, he was elected the Honorable Congressman from Hawaii to the United States Congress and served for 10 terms. His legacy is the Native Hawaiian Homes Congressional Act, created to put Native Hawaiians back on the land to rehabilitate them through agriculture and ranching activities.

Duke Paoa Kahanamoku (1890-1968) was considered the father of international surfing. Between 1912 and 1932, he won three gold, two silver, and one bronze Olympic medal in swimming and water polo. In 1934, he was elected Honolulu Sheriff, a position he served in until 1960. He was known fondly as Hawaii's Ambassador of Aloha.

## Artist Statement - John Pugh

I am a trompe l'oeil artist focusing primarily on mural painting. I have found that the "language" of life-size illusions allow me to communicate with a very large audience. It seems almost universal that people take delight in being visually tricked. Once intrigued by the illusion, the viewer may easily cross the artistic threshold and is invited to explore the concept of the piece. I have also found that by creating architectural illusion that integrates with the existing environment both optically and aesthetically, the art transcends the "separateness" that public art sometimes produces.

It is important for me, as an artist, to research the area and its community, formulating concepts based upon a multitude of historical and cultural viewpoints. Artists must be continually aware that their work can serve as a bridge between diverse cultural backgrounds. Public art is of great interest to me; providing a sense of purpose as it is a very powerful form of communication. It can link people together, stimulate a sense of pride within the community, and introduce the viewer to new ideas and perspectives.

When developing a mural, I respond to aspects of the location such as its architectural style or the natural surroundings. Often, I like to play with contrasting these environments with other places and/or times, creating a visual journey that departs from local reality. To create a crisp experience I also combine different materials or art mediums (with painted illusion) within the composition. By weaving together current and historical elements using these unique threads, it creates a fabric that conjures fresh feelings and perceptions, infusing together a new sense of place. Yet it is vitally nostalgic, for it is a new tapestry woven from the past and the present.

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