



437 NAMAHA STREET | WAIKIKI
12-UNIT APARTMENT BUILDING - FEE SIMPLE
\$4,000,000

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Investment Description

Fee simple, 12-unit apartment building with 6 parking stalls and coin operated laundry on-site. All tenants on month-to-month leases at an average rent of \$1,250, which is low for a nice, one bedroom unit in Waikiki.

This prime building recently returned to the ground lessor. Take a look at the photos of each pleasant unit to see the condition – they are all 1 bedroom / 1 bathroom units. The entire property is secured around the perimeter with a gate and there is a separate, gated-off strip of land in the back which could become a garden, outdoor common area, or bark park for pets.

This property offers significant value-add opportunities. By adjusting rents to market rates, investors can maximize returns and enhance the property's overall value.

Please contact Matthew J. Raff for photos of the interior of each unit, for an idea of the condition of the property.

Property Info

ASKING PRICE	\$4,000,000
PROPERTY TYPE	APARTMENT BUILDING
TENURE	FEE SIMPLE
LAND AREA	4,500 SF
ZONING	APART (APARTMENT PRECINCT - WAIKIKI SPECIAL DISTRICT)
UNIT MIX	(12) 1-BEDROOM 1-BATHROOM
BUILDING SIZE	6,067 SF
YEAR BUILT	1966
CONSTRUCTION TYPE	CMU
PARKING	6 COVERED PARKING STALLS
TAX MAP KEY	1-2-6-16-55

Property Overview

The Property is located in the world famous tourist destination of Waikiki on the island of Oahu, an extremely supply constrained submarket with virtually no land available for development. Namahana Street is a quiet street with ample street parking bridging Waikiki's major perimeter arterials – Kuhio Avenue, and west-heading Ala Wai Boulevard which leads to Ala Moana Center. The property is in the midst of high- and low-rise hotels, retail establishments, and other residential properties, and is within walking distance of shopping, dining, grocery and employment options. Waikiki rental growth is the highest in the state.

Property features include:

- 6 on-site parking stalls with additional street parking in the area
- Well-maintained property could be kept as is or renovated to add additional value and further increase rents
- Secured and gated property
- On-site coin operated laundry
- Extremely supply-constrained submarket with virtually no land available for development
- Located in a strong rental market within Honolulu which has experienced 27% growth in rents over the past 5 years
- Sturdy concrete hollow-tile construction



Estimated Current Income Statement

Average rents	\$1,250
Gross Rental Income	\$180,000
Vacancy (2%)	(\$3,600)
Effective Gross Income	\$176,400
Parking Income	\$7,200
Laundry Income	\$2,400
Total Income	\$186,000
Expenses	
Property Management (6%)	\$11,160
Water/Sewer	\$7,000
Property Tax (2023 actual)	\$7,026
Property Insurance	\$9,000
Electricity	\$300
Repair/maintenance	\$6,000
Annual Expenses	\$40,486
Net Operating Income	\$145,514

Proforma Income Statement

Implementing a utility bill back (common in Waikiki) and increasing parking rates and rents to market rates (\$125 and \$1,500)

Average Rents	\$1,500
Gross Rental Income	\$216,000
Vacancy (2%)	(\$4,320)
Effective Gross Income	\$211,680
Parking Income	\$9,000
Laundry Income	\$2,400
Utility Bill Back	\$ 7,000
Total Income	\$230,080
Expenses	
Property Management (6%)	\$13,805
Water/Sewer	\$7,000
Property Tax (2023 actual)	\$7,026
Property Insurance	\$9,000
Electricity	\$300
Repair/maintenance	\$6,000
Annual Expenses	\$43,131
Net Operating Income	\$186,949
Proforma Cap Rate	4.67%





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