

Reeds Bay

Hotel Resort (V-S.75) Zoned Fee Simple Hilo Bay Shore Development Site 227 & 301 Kalaniana'ole Avenue, Hilo, Hawai'i

Exclusive Listing Broker:
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Price: US \$5,000,000
Redevelopment Opportunity
Existing Leased Fee Income

Land Area: ≈4.28 Acres
(186,437 feet² or 17,320.56 m²)



Tenure: Fee Simple
(Parcel 3rd /2-1-06:017, ≈2.08 Acres, is being sold as a leased fee interest, see Description below for details.)

Zoning: State Land Use Classification: Urban
County of Hawai'i: (V-0.75) Resort-hotel district permitting a maximum density of one dwelling unit or separate rental unit per seven hundred fifty square feet of land area.

Description: The property consists of two adjoining lots on Kalaniana'ole Avenue. Fee simple title to one of the parcels, 2-1-06: 017, is subject to a recorded lease. The lease expires 31 August 2011. The current rent of \$3,500 is significantly below market and tenant must agree to renegotiate rent to the market rent commencing on 31 August 2007. (Lease rents paid for state owned land in the area are in the range of 4 to 5 times higher.) A provision in the lease allows the tenant to request a 20 year extension and give the owner in its sole discretion the right to set the rent. The terms of the lease makes it a condition of the extension of the lease that the tenant accepts the quotation from the owner for the "Annual Basic Rent to be paid by the Lessee. There is not language in the lease specifically constraining the rent the land owner may charge.

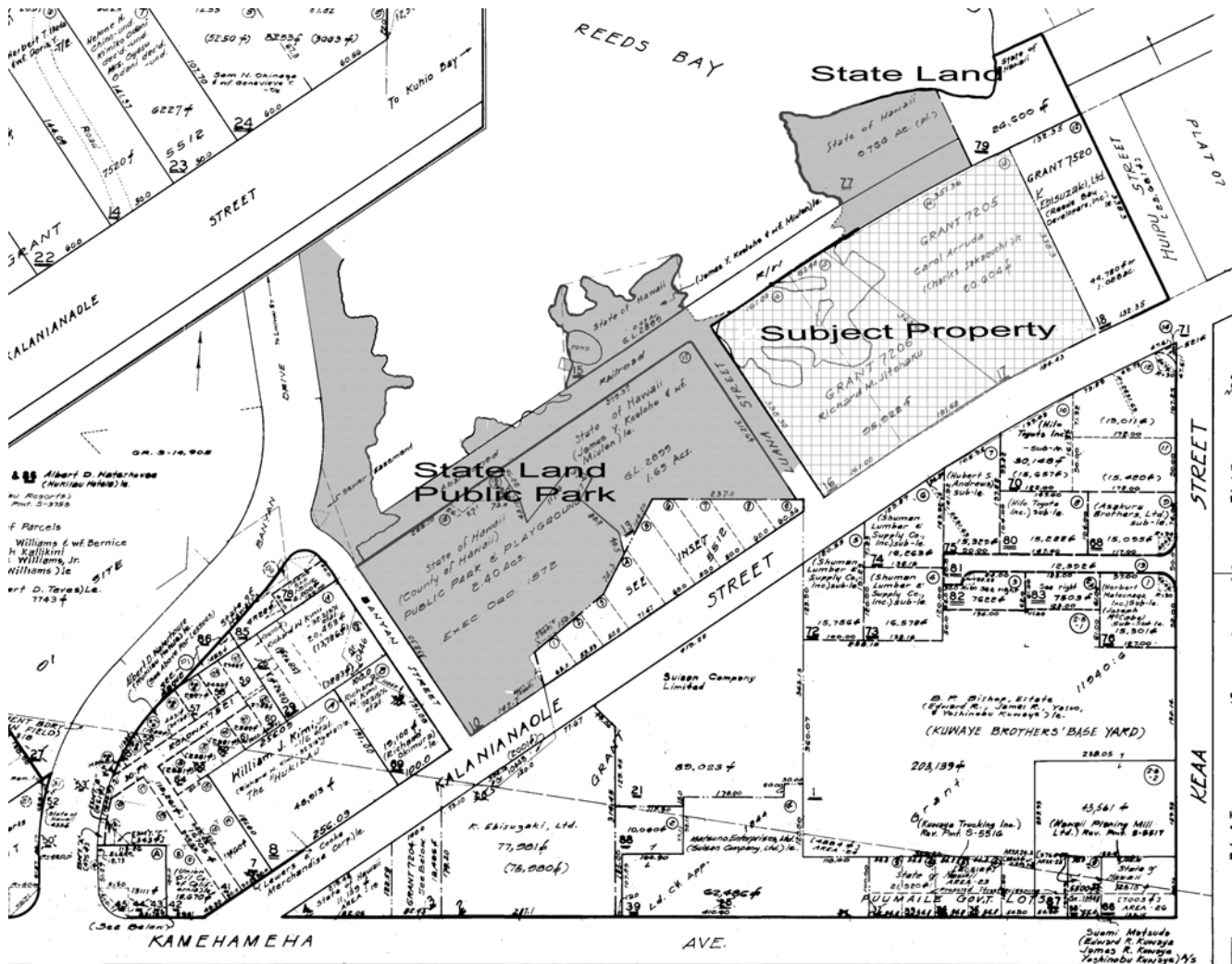
The other parcel is vacant. Its seaward boundary fronts on land that was formerly a railroad right-of-way. The land is now state owned and most it has become submerged. Fishponds located within the property cover approximately 1/3 of the land area.

The information provided by the Broker was obtained from sources believed reliable, nevertheless, no warranty or representation, expressed or implied, is made by the broker. You should make a careful, independent investigation of the property being offered and determine to your satisfaction that the property, and any contemplated transaction, meets your needs.

Additional Notes:

- ❖ The property is zoned hotel-resort and fronts on the water.
- ❖ The area infrastructure was sized by the city and county in anticipation of hotel development.
- ❖ The property is located between the airport, the main retail and commercial centers of Hilo and major tourist attractions and the docks.
- ❖ The near shore waters are used for boat moorings and the Army Corp of Engineers had identified the location as a potential small craft marina.

Location Map:



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