

# OFFERING MEMORANDUM

## WAIKIKI GATEWAY DEVELOPMENT SITE

1694 Kalakaua Avenue, Honolulu, HI 96826

OFFERING PRICE: \$7,800,000

TOTAL BUILDABLE DENSITY: 46,580 SF

STATUS: Income-Producing Development Site

Presented By:

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## 1. EXECUTIVE SUMMARY

### THE OPPORTUNITY

NY Avenue Resource Corp is pleased to present 1694 Kalakaua Avenue, a rare "Covered Land" investment opportunity located at the gateway to Waikiki. This 0.47-acre assemblage offers a unique combination of immediate holding income from existing retail tenants and massive vertical development potential.

By utilizing a Joint Development Agreement (JDA) between the BMX-3 frontage and the A-2 rear parcel, the site achieves a total allowable density of **46,580 SF**. The offering includes a "mostly approvable" architectural concept for a **135-foot, 10-story mixed-use tower** featuring 40 residential units and ground-floor commercial space.

### INVESTMENT HIGHLIGHTS

- **Income While You Wait:** Current retail tenants generate ~\$288,000 in Net Operating Income (NOI), covering carrying costs during the entitlement phase.
- **Below Market Basis:** At **\$7.8M**, the land basis is **\$167 per Buildable SF**, significantly below the \$200+ PSF trading range for entitled land in the Kapiolani corridor.

- **1031 Exchange Perfect:** The existence of active commercial leases qualifies this asset as a "like-kind" income property for tax-deferred exchanges.
- **Shovel-Ready Concept:** Sale includes schematic designs for a high-efficiency tower with a market-leading parking ratio of 0.77 stalls per unit.

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## 2. PROPERTY OVERVIEW

### SITE SPECIFICATIONS

- **Address:** 1694 Kalakaua Avenue, Honolulu, HI 96826
- **Total Land Area:** 20,429 SF (0.47 Acres)
  - *Parcel 1 (BMX-3):* 12,932 SF
  - *Parcel 2 (A-2):* 7,497 SF
- **Current Improvements:** ~7,800 SF Retail Building (Built 1948)
- **Zoning:** BMX-3 (Community Business Mixed-Use) & A-2 (Medium Density Apt)
- **Flood Zone:** Zone X (Low Risk)

### DEVELOPMENT POTENTIAL (THE CONCEPT)

- **Total Allowable Floor Area (FAR):** 46,580 SF
- **Proposed Height:** 135 Feet (approx. 10 Stories)
- **Proposed Use:** Mixed-Use Residential (Condo or Rental) over Retail
- **Unit Mix:** 40 Units (30 One-Bed / 10 Two-Bed)
- **Commercial:** 4,870 SF Ground Floor Retail
- **Parking:** 31 Assigned Stalls (Surface/Podium)





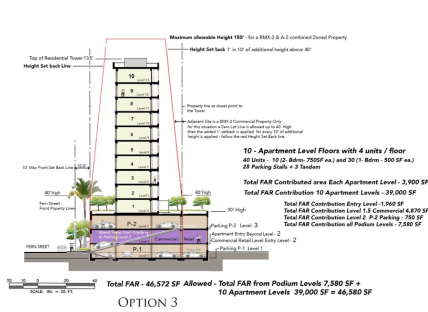
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BLUE BAY PROPERTIES LLC.

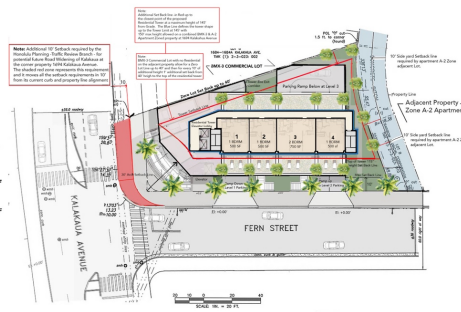
1694 KALAKAUA AVENUE - APARTMENT TOWERS

CHRISTOPHER HYDE BELKNAP - DESIGN CONSULTING  
CELL: 919-432-8787 EMAIL: CBEKNAP@DESIGNEARTHSYNERGY.COM

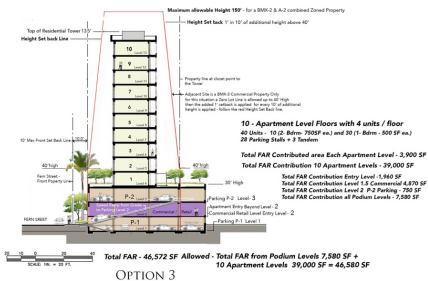




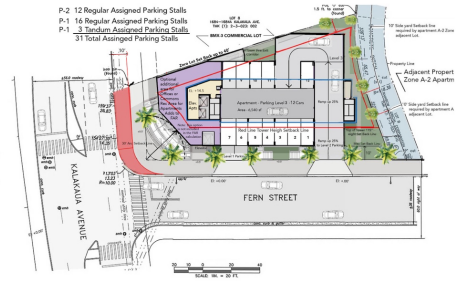
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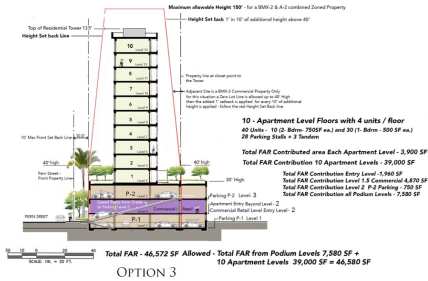
LEVELS 4-13 APARTMENTS 10 FLOORS - 4 UNITS / FLOOR - TOTAL - 40 APARTMENTS



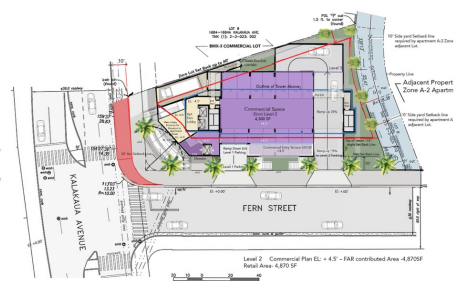
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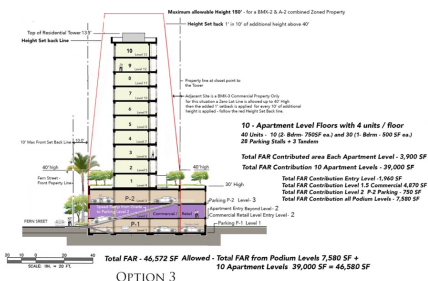
LEVEL 3 - PARKING P-2 APT. ELEVATOR LOBBY



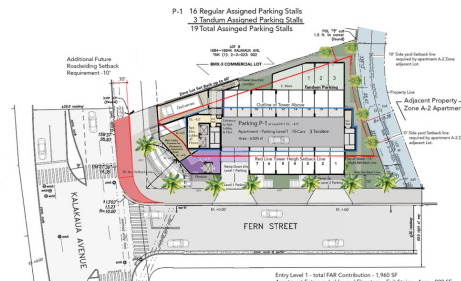
OPTION 3



LEVEL 2 - APARTMENT LOBBY - ELEVATORS TO ALL APARTMENT LEVEL FLOORS  
RETAIL / COMMERCIAL - SPEED RAMP TO LEVEL P-2 PARKING



OPTION 3

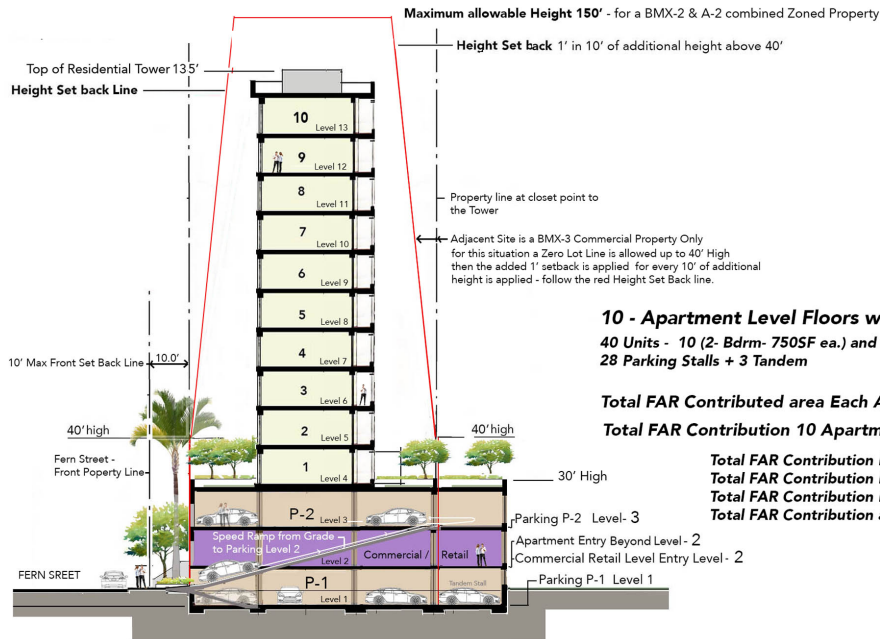


ENTRY LEVEL 1 - PARKING - P-1 APT. ELEVATOR LOBBY P-1 - RETAIL LOBBY ENTRANCE

OPTION 3 ADDING COMMERCIAL LEVEL BETWEEN 2 PARKING LEVELS NOTE: 31 ASSIGNED PARKING STALLS TOTAL

Address - 1694 Kalakaua Avenue, Honolulu  
 Main lot: TMK: 1-2-3-023-001 - 12932 sf; zoning: BMX3 FAR 2.5 x 12,932 SF = 32,330 SF Max Allowable Building Area  
 Stream lot: TMK: 1-2-3-023-010: 7497 sf; zoning: A-2 FAR 1.9 x 7,497 SF = 14,244 SF Max Allowable Building Area  
 Combined Total - Main Lot and Stream Lot allowable FAR 46,574 SF

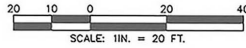




**10 - Apartment Level Floors with 4 units / floor**  
**40 Units - 10 (2- Bdrm- 750SF ea.) and 30 (1- Bdrm - 500 SF ea.)**  
**28 Parking Stalls + 3 Tandem**

**Total FAR Contributed area Each Apartment Level - 3,900 SF**  
**Total FAR Contribution 10 Apartment Levels - 39,000 SF**

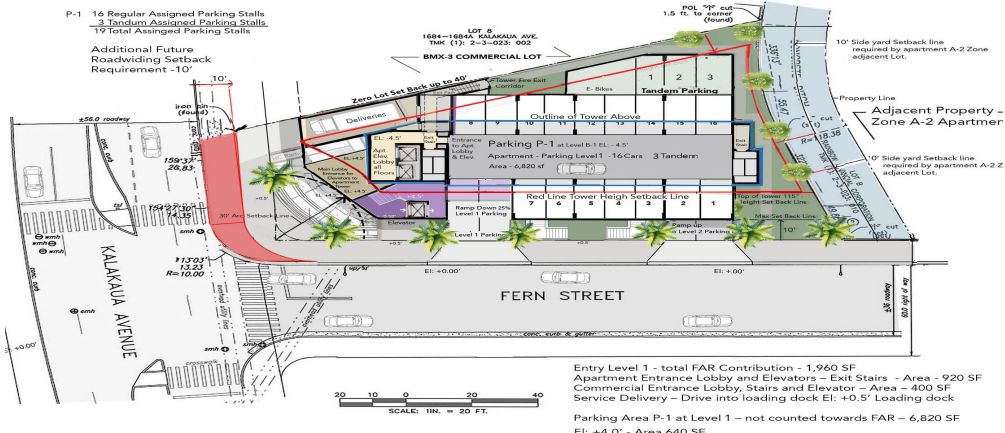
**Total FAR Contribution Entry Level - 1,960 SF**  
**Total FAR Contribution Level 1.5 Commercial 4,870 SF**  
**Total FAR Contribution Level 2 P-2 Parking - 750 SF**  
**Total FAR Contribution all Podium Levels - 7,580 SF**



**Total FAR - 46,572 SF Allowed - Total FAR from Podium Levels 7,580 SF + 10 Apartment Levels 39,000 SF = 46,580 SF**

**OPTION 3**

DATE: 10-28-2025



**ENTRY LEVEL 1 - PARKING - P-1 APT. ELEVATOR LOBBY P-1 - RETAIL LOBBY ENTRANCE**

DATE: 10-28-2025



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# 3. FINANCIAL ANALYSIS

## CURRENT VS. PRO FORMA

Comparison of the asset's current holding value vs. its future developed value.

CATEGORY	CURRENT (Actual)	PRO FORMA (Stabilized)
Status	Existing Retail Center	Proposed 10-Story Tower
Gross Income	\$486,906	\$2,065,380
Vacancy (5%)	\$0 (100% Occ)	(\$103,269)
Effective Gross	\$486,906	\$1,962,111
Expenses	(\$198,249)	(\$686,739)
<b>NET OPERATING INCOME</b>	<b>\$288,657</b>	<b>\$1,275,372</b>
<b>YIELD</b>	<b>3.70% (Cap Rate)</b>	<b>16.35% (Yield on Cost)</b>

## VALUATION METRICS

- **Asking Price:** \$7,800,000
- **Price Per Buildable SF:** \$167.45
- **Est. Project Sellout Value:** \$27,000,000 – \$30,000,000

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# 4. LOCATION & MARKET

## THE "GATEWAY TO WAIKIKI"

Located on Kalakaua Avenue, the property sits on the primary artery connecting urban Honolulu to the world-famous Waikiki resort district.

- **Traffic Counts:** 34,000+ Vehicles Per Day.
- **Walk Score:** 92 (Walker's Paradise).
- **Accessibility:** Direct access to Hawaii Convention Center (0.3 miles), Ala Moana Center (0.5 miles), and Waikiki Beach (0.8 miles).

## NEIGHBORHOOD TRANSFORMATION

The McCully/Pawaa neighborhood is rapidly densifying, with major projects like The Central Ala Moana and Sky Ala Moana setting new pricing benchmarks of \$1,100 – \$1,300 PSF for new construction. 1694 Kalakaua is positioned to capture this spillover demand at a lower entry price point.

**[INSERT PHOTO: MAP SHOWING PROXIMITY TO WAIKIKI & ALA MOANA]**

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## **5. CONFIDENTIALITY & DISCLAIMER**

This Offering Memorandum has been prepared by NY Avenue Resource Corp ("Broker") for use by a limited number of parties and does not purport to provide a necessarily complete summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. All projections have been developed by Broker,<sup>1</sup> the Owner, and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker, therefore, are subject to variation.

No representation is made by Broker or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Owner and its employees disclaim any <sup>2</sup>responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information.

The Owner and Broker each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property and/or terminate discussions with any entity at any time with or without notice.

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