707 RICHARDS

Colliers

FOR SALE | LONG-TERM LEASEHOLD

A Rare CBD Office Investment with Unmatched Parking Advantage

Executive SUMMARY

Located in the heart of Honolulu's Central Business District, 707 Richards Street presents a compelling investment opportunity in Oahu's most established urban corridor. Currently operating as a multi-tenant office property with a diversified tenant roster, the asset offers investors healthy cash flow coupled with meaningful near-term upside as downtown Honolulu's office market continues to tighten and outpace most comparable mainland markets.

Positioned within a tightening office market, and with a history of above market occupancy through 2025, the property stands to benefit from improving market fundamentals and a shrinking competitive inventory resulting from ongoing office-to-residential and mixed-use conversions throughout the urban core. In addition, the property features a best-in-market parking ratio — a significant competitive advantage in Honolulu's CBD where convenient parking options have become increasingly scarce and highly sought after due to return to office mandates.

The offering is particularly attractive to local and regional investors familiar with the unique dynamics of Honolulu's office and leasehold markets. With substantial remaining ground lease term and a negotiated extension readily available for a buyer to execute, the asset provides long-term operational flexibility and investment security while positioning ownership to capitalize on future market growth.

Property DESCRIPTION

Address:	707 Richards Street Honolulu, Hawaii 96813
TMK(s):	(1) 2-1-26-13
Tenure:	Leasehold (Pre-negotiated extension through 7/31/79 ready for execution.)
Total Rentable Area:	101,523 Sq. Ft.
Land Area:	0.88 acres
Zoning:	B-2
Flood Zone:	B and X (Area of moderate flood hazard, usually the area between the limits of the 100-year and 500-year floods.)
Year Built:	1988
Total Parking:	269 Stalls

Investment
HIGHLIGHTS

- **Premier CBD Location:** Located in the heart of Honolulu's CBD, 707 Richards Street offers convenient access to government, financial, legal and downtown business amenities.
- **Favorable Market Fundamentals:** Honolulu's office market continues its positive momentum, with declining vacancy, tightening supply and steady tenant demand.
- **Shrinking Competitive Inventory:** Ongoing office-to-residential and mixed-use conversions are reducing downtown office supply and strengthening the position of remaining office assets.
- **Best-in-Market Parking Advantage:** The property offers more than double the average CBD parking ratio which serves as a key competitive advantage.
- **Stable Multi-Tenant Income Stream with Upside Potential:** A diversified tenant roster provides in-place income with opportunities to increase occupancy, grow rents and reposition suites over time.
- **Long-Term Leasehold Security:** A significant remaining ground lease term and available extension offer stability and flexibility for investors.
- **Positioned to Benefit from Downtown Revitalization:** Continued redevelopment and public/private investments are enhancing the CBD's appeal as a more dynamic live-work-play district.
- **Macro Office Trends:** Leading indicators such as demand trends (from RTO) and institutional capital resurgence into office are placing office buildings top of mind with higher yield upside than most asset classes.

Market
OVERVIEW

Oahu's Central Business District showed clear signs of its continued growth in Q1 2026, supported by new tenant entries into the market, improving Class A performance and reductions in vacancy. The CBD recorded positive net absorption of 35,111 square feet, while vacancy declined from 11.93% to 11.33%. Leasing activity tied to the State Department of Health's relocation helped drive occupancy gains downtown, reinforcing the CBD's role as the island's core office market.

- CBD vacancy improved to 11.33%, down from 11.93% in the prior quarter.
- Net absorption totaled 35,111 square feet, reflecting stronger tenant demand in the downtown core.
- Average direct asking rents were $1.64 PSF/month NNN, with average operating expenses at $1.60 PSF/month.
- Class A space led the recovery, with vacancy falling to 8.37%, its lowest level in more than a decade.
- Strategic relocations and adaptive reuse projects continue to support downtown's recovery.

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