

BUSINESS | HAWAII NEWS

Developer eyes eighth Kakaako tower

By [Andrew Gomes](#)

Posted April 26, 2018

April 26, 2018

Updated April 26, 2018 12:05am



CINDY ELLEN RUSSELL / CRUSSELL@STARADVERTISER.COM

The Howard Hughes Corp, developers of the towers Anaha, left, and Waiea condominiums in Kakaako are moving al development project called Ko'ula.

After less than four months of selling condominiums in the seventh tower permitted for Ward Village, the developer of the community in Kakaako is

seeking a permit for an eighth tower.

Texas-based Howard Hughes Corp. said in a Wednesday letter to shareholders that it hopes to bring its next Ward Village tower to market, which means selling units, in the next 12 months.

On Tuesday night, a company official told the Ala Moana-Kakaako Neighborhood Board that the eighth tower has been named Ko'ula and will have 570 units. A permit application is under review by the Hawaii Community Development Authority, a state agency regulating development in Kakaako.

ADVERTISING



The company on Wednesday declined to share more details of the project, including tower renderings displayed for the neighborhood board. But in the letter, Hughes Corp. said the tower would be similar to its most recent one where sales started in January.

That most recent project is named 'A'ali'i and features 741 "premium" condos with smaller living spaces than previous Ward Village towers.

At 'A'ali'i about 200 studios range from 277 square feet to 373 square feet of living space and are priced from \$544,900 to \$694,900, according to Coldwell Banker Pacific Properties agent Tracy Yamato.

According to Yamato, one-bedroom units with 430 square feet to 624 square feet are priced from \$705,900 to \$903,900, and two-bedroom units with 696 square feet to 835 square feet are priced from about \$1.1 million to \$1.5 million.

'A'ali'i units are being sold with furniture and accessories designed to make more use of the smaller space, and the prices quoted by Yamato include these extras and exclude units reserved for moderate-income buyers.

Hughes Corp. said in its shareholder letter that the smaller units designed for what it calls “smarter living” make more efficient use of space and also make units affordable to a wider pool of buyers. The smaller units, the company added, also maintain its profit margin and prices per square foot of living space.

“We continue to work creatively to determine how we can tailor our product to meet unserved demand and tap into a larger market while still meeting or exceeding our return expectations,” the letter said.

The letter also noted that Honolulu has a limited supply of homes for sale and relatively low new home construction. This makes continued residential development very attractive.

Hughes Corp. has a master plan to develop 16 towers with up to 4,300 homes and 1 million square feet of retail space on its 60-acre site that was long known as the Ward Centers collection of retail, warehouse and office buildings.

The first Ward Village tower, Waiea, opened in 2016 with 174 units that sold for \$3.6 million on average. A second tower, Anaha, opened last year with 317 units priced at \$1.2 million on average. Ward Village’s third tower, Ae’o, is under construction with 465 units averaging \$1 million. Between these three towers, 25 homes were available for sale at the end of March, the letter said.

A fourth tower called Ke Kilohana that is almost totally reserved for moderate-income residents under HCDA rules is under construction and sold out.

A fifth tower similar to Waiea has had units for sale for about two years.

Hughes Corp. previously had not disclosed sales for this planned tower called Gateway Cylinder, which features 125 units priced from \$1.5 million to \$23 million. The letter said 28 buyers have signed sales contracts for this tower. A sixth tower is a sister tower to Gateway that is permitted but not yet being sold.

At the seventh tower, ‘A’ali’i, Hughes Corp. reported selling 183 of the 751 units through the end of March. Construction is expected to start later this year.

“2017 was a standout year for Ward Village,” the company said in its letter.

“Since launching sales in early 2014, we have contracted to sell or sold 1,509 homes, translating to more than \$2 billion of revenue.”

[◀ PREVIOUS STORY](#)

Central Pacific boosts dividend as earnings rise

[NEXT STORY ▶](#)

Now-closed Portuguese restaurant Lisboa stirs readers’ fond memories