

FOR SALE | FEE SIMPLE

PRIME URBAN INFILL SITE

HONOLULU CBD REDEVELOPMENT PORTFOLIO



INVESTMENT SUMMARY



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The Honolulu CBD Redevelopment Portfolio (“Property”) presents a unique opportunity for an investor/developer to purchase a prime redevelopment site located in the middle of the Central Business District on the island of Oahu in Hawaii. The Property is one of the few remaining sites in the Central Business District with a 450-foot building height allowance. The property also provides a stable cash flow from three existing office/retail buildings to support the investment while redevelopment is being pursued.

Superblock Portfolio

| | |
|----------------------|--------------------|
| Total Land Area: | 31,208 square feet |
| Total Rentable Area: | 77,483 square feet |

| Property: | Empire Building | 81 South Hotel Street | 1042 Fort Street Mall |
|----------------------|-----------------------|-------------------------------|-------------------------------|
| Address: | 49 South Hotel Street | 81 South Hotel Street | 1042 Fort Street Mall |
| Tenure: | Fee Simple | Fee Simple | Fee Simple |
| Land Area: | 10,851 square feet | Portion of 20,357 square feet | Portion of 20,357 square feet |
| Rentable Area : | 24,297 square feet | 30,544 square feet | 22,642 square feet |
| Number of Floors: | 3 | 3 | 3 plus basement |
| Year Built: | 1955 | 1922 | 1960 |
| Zoning: | BMX-4 | BMX-4 | BMX-4 |
| Tax Map Key Numbers: | (1) 2-1-2: 7 | (1) 2-1-2: 1 | (1) 2-1-2: 1 |



PRIME LOCATION in the heart of Downtown Honolulu that is home to several Class A office buildings, Hawaii Pacific University, and Downtown's shopping quadrant that includes Longs Drugs, Ross Dress for Less, and the Walmart store directly adjacent to the Property. In addition, the nearby Chinatown Arts & Cultural district is filled with a variety of trendy restaurants, bars, clothing boutiques, and art galleries.



FEW AVAILABLE HIGH DENSITY USE DEVELOPMENT SITES in Urban Honolulu that are zoned BMX-4 with a 450-foot building height potential.

TOD DISTRICT location near the Downtown station of the long-awaited Honolulu Rail Transit system. The site is subject to potential development incentives under the interim TOD zoning ordinance.

REVENUE STREAM DURING DEVELOPMENT PLANNING PROCESS from the existing office buildings which include ground floor retail, second and third floor office space, and basement storage space.



HIGH DEMAND RESIDENTIAL MARKET with limited inventory in Downtown Honolulu to serve business professionals not wanting to commute and those seeking an urban lifestyle. Local economists estimate a shortage of over 25,000 housing units on Oahu over the next decade.

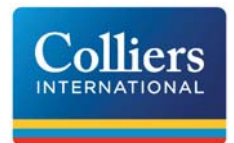


www.HonoluluCBDRedevelopment.com

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CONFIDENTIALITY AGREEMENT

In connection with the undersigned's consideration of a possible transaction (the "Transaction") involving the property located at 49 S. Hotel Street, 81 S. Hotel Street, and 1042 Fort Street Mall, Honolulu, HI 96813 (the "Property") owned by Lexington Honolulu L.P. (together with its subsidiaries, the "Company"), the undersigned ("Recipient") has requested from the Company and Colliers International HI, LLC ("Broker") certain confidential and other information concerning the Property and the Company. As a condition to Recipient's receipt of such Confidential Information (as hereinafter defined), Recipient agrees to treat the Confidential Information and any other information concerning the Transaction, the Property or the Company which is furnished to the Recipient or its Representatives (as defined below) in accordance with the provisions of this Confidentiality Agreement (this "Agreement") and to take or refrain from taking certain other actions herein set forth.

1. Recipient hereby agrees that the Confidential Information will be used solely for the purpose of evaluating the Transaction, that all of the Confidential Information will be kept strictly confidential, and that Recipient shall not disclose the Confidential Information directly or indirectly without the prior written consent of the Company; provided that any such information may be disclosed only to the limited group of Recipient's officers, directors, employees, agents, accounts and lawyers (such persons hereinafter collectively being referred to as "Representatives"), who are actually engaged in and need to know the Confidential Information for the purpose of evaluating the Transaction, who have been informed of the confidential nature of the Confidential Information, and who have agreed to observe the terms of this Agreement or are obligated to keep information confidential pursuant to Recipient's written policies or professional standards; provided, further, that the term "Representatives" shall not (without the Company's prior written consent), be deemed to include any of Recipient's (or any of its affiliates') potential or existing financing sources. Recipient agrees that it shall be responsible for any breach of this Agreement by any of its Representatives, provided that Recipient shall not be responsible for breaches by any Representatives that have executed a separate confidentiality agreement with the Company.

2. The term "Confidential Information" includes (i) all information furnished by the Company or any of its representatives, including Broker, whether furnished before or after the date hereof, whether oral or written, and regardless of the manner in which it is furnished, regarding the Property (including any tenant thereof), the Company, the Company Affiliates (as defined below) or the Transaction, (ii) all analyses, compilations, forecasts, studies, interpretations or other documents prepared by Recipient or its Representatives in connection with its evaluation of the Transaction that reflects or is based upon, in whole or part, the information furnished to Recipient or its Representatives pursuant hereto, and (iii) the fact that the Company is marketing a possible Transaction or that discussions or negotiations are taking place concerning a possible Transaction between the Company and Recipient, and any of the terms, conditions or other facts with respect to any such possible Transaction, including the status thereof. The term "Confidential Information" does not include any information which (i) at the time of disclosure or thereafter is generally available to and known by the public (other than as a result of its disclosure by Recipient or its Representatives in breach of this Agreement), (ii) was available to Recipient on a non-confidential basis prior to disclosure by the Company, or (iii) becomes available to Recipient on a non-confidential basis from a person who is not bound

by a confidentiality agreement with the Company, or is not otherwise prohibited from transmitting the information to Recipient, in each case to Recipient's knowledge. The Confidential Information shall remain the property of the Company. Except as expressly set forth in this Agreement, no rights to use, license or otherwise exploit the Confidential Information are granted to Recipient or its Representatives, by implication or otherwise. Neither Recipient nor its Representatives will acquire any rights with respect to the Confidential Information, all of which rights shall remain exclusively with the Company.

3. Given the nature of the Confidential Information and the current or potential discussions involving the Company and the Property, the Company may be irreparably damaged by any unauthorized disclosure or use of any Confidential Information or of such discussions or by any breach of this Agreement by Recipient or its Representatives. Without prejudice to the rights and remedies otherwise available to the Company, Recipient, therefore, agrees that the Company shall be entitled, without the requirement of posting a bond or other security, to equitable relief, including an injunction or specific performance, in the event of any breach or threatened breach of the provisions of this Agreement by Recipient or its Representatives. Such remedies shall not be deemed to be exclusive remedies but shall be in addition to all other remedies available at law or in equity to the Company. In the event of litigation relating to this Agreement, if a court of competent jurisdiction determines that Recipient or any of its Representatives have breached this Agreement, then Recipient shall be liable and pay to the Company the reasonable costs and expenses (including attorneys' fees) incurred by the Company in connection with such litigation, including any appeal therefrom.

4. In the event Recipient or any of its Representatives become legally required (by deposition, interrogatory, request for documents, subpoena, civil investigation, demand, order or other legal process), through no fault of Recipient or any of its Representatives, to disclose any of the contents of the Confidential Information, or either the fact that the Company is marketing a possible Transaction or that discussions or negotiations are taking place concerning a possible Transaction between the Company and Recipient, or any of the terms, conditions or other facts with respect to any such possible Transaction, including the status thereof, the Company agrees that Recipient and its Representatives may do so without liability, provided Recipient (i) promptly notifies the Company prior to any such disclosure to the extent practicable, (ii) cooperates with the Company, at the Company's expense, in any attempts the Company may make to obtain a protective order or other appropriate assurance that confidential treatment will be afforded the Confidential Information, and (iii) if no protective order is obtained and disclosure is required, (a) furnish only that portion of the Confidential Information that, in Recipient's counsel's advice, Recipient or such Recipient is legally compelled to disclose, and (b) take all reasonable measures, at the Company's expense, to obtain reliable assurance that confidential treatment will be accorded the Confidential Information.

5. The Company may elect at any time to terminate further access by Recipient to the Confidential Information. At any time Recipient determines not to proceed with the Transaction, Recipient will promptly notify the Company. Following any request by the Company or any of its representatives, Recipient agrees (i) to promptly either destroy or redeliver to the Company all written Confidential Information and any other written material containing or reflecting any of the Confidential Information in Recipient's possession or its Representatives' possession, (ii) Recipient and its Representatives will not retain any copies, extracts or other reproductions in

whole or in part, mechanical or electronic, of such written material, and (iii) all computer records, documents, memoranda, notes and other writings whatsoever prepared by Recipient or its Representatives based on the Confidential Information will be destroyed, and that any such destruction shall be confirmed to the Company in writing. Notwithstanding anything to the contrary herein and subject to the confidentiality obligations herein, Recipient and its Representatives may retain (i) Confidential Information to the extent required to comply with legal, regulatory, or bona fide document retention policy requirements, (ii) any and all (a) emails and any attachments contained in such emails and (b) any electronic files, in each case, to the extent required to comply with, and automatically saved pursuant to, legal, regulatory, or bona fide document retention policy requirements, as well as (iii) electronic back-up copies of Confidential Information retained on servers that would be impractical to delete; provided, that any such retained information shall remain confidential in accordance with the terms hereof regardless of any termination or expiration date set forth herein until such retained information is no longer Confidential Information.

6. Recipient understands and acknowledges that neither the Company nor any of its officers, directors, employees, shareholders, partners, members, affiliates, accountants, attorneys, financial advisors, consultants or other agents or representatives, including, without limitation, Broker (collectively, the Company's "Related Parties"), makes any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. Recipient agrees that neither the Company nor any of its Related Parties shall have any liability to Recipient or any of Recipient's Representatives relating to or resulting from Recipient's or any of Recipient's Representative's use of the Confidential Information or any errors therein or omissions therefrom, except as may otherwise be agreed in a definitive binding agreement relating to the Transaction. Recipient understands and agree that the Company (i) shall be free to conduct the process for a Transaction as the Company in the Company's sole discretion shall determine and (ii) shall be free at the Company's sole discretion to at any time to accept or reject any proposal relating to a Transaction for any reason without notice to Recipient or any other person.

7. Recipient understands and acknowledges that one or more of the Company's Related Parties has outstanding publicly held securities and the Confidential Information may contain material non-public information. Recipient acknowledges that it is (i) aware, and has advised or will advise its Representatives that the United States securities laws prohibit any person in possession of material non-public information about a company from purchasing or selling securities of such company, and from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person may purchase or sell such securities and (ii) Recipient agrees that it will not use any Confidential Information in violation of the United States securities laws.

8. Recipient hereby represents and warrants that it is not bound by the terms of a confidentiality agreement or other agreement with a third party that would conflict with any of the obligations under this Agreement. Recipient agrees to indemnify and hold harmless Company and its Related Parties against any and all costs, loss, liability or expense, including attorney's fees, arising from claims by any other broker or other parties claiming to have had dealings with Recipient in connection with a Transaction, excluding Broker. If Recipient is a broker or agent, Recipient shall seek compensation from Broker in connection with a Transaction.

9. Recipient agrees that, unless and until a binding agreement is entered into between the Company and Recipient with respect to the Transaction, neither the Company nor the Company's Related Parties nor Recipient will be under any legal obligation of any kind whatsoever with respect to the Transaction by virtue of this or any other written or oral expression, except with respect to the matters specifically agreed to herein. Except for the matters set forth in this Agreement or in any such binding agreement, neither party shall be entitled to rely on any statement, promise, agreement or understanding, whether oral or written, any custom, usage of trade, course of dealing or conduct.

10. Recipient agrees that all communications regarding the Transaction will be submitted or directed only to Broker. Without the Company's prior written consent, Recipient shall not, and Recipient shall direct its Representatives not to, make any contact of any nature regarding the Transaction with any other person, including any employee, supplier, customer, bank or other lender of or to the Company, any tenant of the Property or any governmental or quasi-government authority.

11. The parties hereto stipulate and agree that Confidential Information provided to Recipient by the Company (or pursuant to the Company's direction) may include Confidential Information of one or more Company Affiliates (as hereinafter defined). Therefore each Company Affiliate is an intended third-party beneficiary of this Agreement as to the subject matter of this Agreement, including without limitation, its Confidential Information and its employees, and shall be entitled to enforce the rights and remedies set forth in this Agreement as if such Company Affiliates were parties to this Agreement. The term "Company Affiliate" shall mean an entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with the Company.

12. This Agreement, the rights and obligations of the parties under this Agreement, and any claim or controversy directly or indirectly based upon, arising out of, or leading to, this Agreement or the transactions contemplated by this Agreement (whether based upon contract, tort or any other theory), including all matters of construction, validity and performance, shall be governed and construed in accordance with the laws of the State of New York without regard to conflict of laws principles. Recipient hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of New York and of the United States of America located in the State of New York and the County of New York for any action, suit or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby, and Recipient agrees not to commence any action, suit, or proceeding relating thereto except in such courts. Recipient hereby irrevocably waives any right to trial by jury in any action, proceeding or counterclaim (whether based upon contract, tort or otherwise) related to or arising out of this Agreement.

13. The provisions of this Agreement shall be binding solely upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, expressly including any acquirer of all or any portion of the Property, provided that Recipient's obligations are personal to Recipient and may not be assigned to another party. For the avoidance of doubt, the Company may assign any or all of its rights, powers, privileges and obligations under this Agreement to an acquirer of all or any portion of the Property to which the Confidential Information relates without Recipient's consent.

14. This Agreement represents the entire understanding and agreement of the parties hereto and may be modified only by a separate written agreement executed by Recipient and the Company expressly modifying this Agreement. This Agreement supersedes and cancels any and all prior agreements between the parties hereto, express or implied, relating to the Transaction.

15. In the event that any provision or portion of this Agreement is determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law, and such term or provision shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the Company's intention.

16. The failure or refusal of the Company to insist upon strict performance of any provision of this Agreement or to exercise any right in any one or more instances or circumstances shall not be construed as a waiver or relinquishment of such provision or right.

17. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed an original, and shall together constitute one and the same Agreement.

18. Subject to Section 5 hereof, the obligation to keep Confidential Information confidential shall expire three (3) years after the date hereof.

Recipient agrees that, without the prior written consent of the Company, neither Recipient nor its Representatives acting on its behalf will enter into any agreement or arrangement with any person that is also considering a Transaction.

By virtue of the execution and delivery of this letter, Recipient hereby agrees with the foregoing and acknowledges the sufficiency of consideration.

RECIPIENT:

By: _____

Name: _____

Title: _____

Date: _____