



KONA
SEASIDE HOTEL
ANNEX



FOR SALE

KONA SEASIDE HOTEL ANNEX

FEE SIMPLE INTEREST

75-5652 Likana Lane | Kailua-Kona, Big Island of Hawaii

INVESTMENT INFORMATION

INVESTMENT SUMMARY

PURCHASE PRICE:	\$4,300,000
NAME:	Kona Seaside Hotel Annex
ADDRESS:	75-5652 Likana Lane Kailua-Kona, HI 96740
OWNER/GROUND LESSOR:	Lenore Lincoln LLC The Frances & Francis Segundo Trust Lei Clotilda Matthews Living Trust Patricia L. Rickard Jon K. Lincoln
LAND AREA:	22,522 sq. ft.
BUILDING AREA:	10,076 sq. ft.
TMK:	(3) 7-5-6: 15
# OF ROOMS:	29
# OF FLOORS:	2
ZONING:	V-75 Resort Hotel
LEASE EXPIRATION:	October 31, 2023
2020 LEASE RATES:	\$33,783



HOTEL IMPROVEMENTS REVERT TO FEE OWNER IN 2023

INVESTMENT HIGHLIGHTS

- » Fee simple opportunity with income stream in-place
- » High visibility & convenient access
- » Improvements in good condition
- » Rare opportunity to reposition a fee simple Hawaii hotel
- » Strategic location on main access Palani Road in Kailua-Kona, near Kailua Bay
- » Across from the recently sold Courtyard Marriott - King Kamehameha Hotel
- » Upside potential to increase income through renovation and increases in nightly rental rates
- » Located in a high density community neighborhood area with a lot of tourist traffic
- » Among the residential and resort trade area with high income demographics



Kona Seaside Hotel is a landmark hotel situated in the center of Kailua Town on the Big Island of Hawaii. Its prime Kailua-Kona location offers easy access to Kailua Bay scuba diving, parasailing, and paddleboarding or pristine snorkeling in the bay. The 29-room annex buildings offers additional rooms to the main hotel and a lovely retreat in Hawaiian paradise.

PROPERTY INFORMATION

Once the playground of Hawaiian royalty, Kailua-Kona is rich with culture, historical stories and located on the Big Island of Hawaii, said to be the most spiritual of all Hawaiian Islands. With year-round sunny weather, Kailua-Kona is an unbeatable choice for vacationers.

Kailua-Kona is a seaside resort town on the Kona Coast of Hawaii Island and serves as the center of commerce and tourism for West Hawaii. Some of the most quaint shopping and restaurants in Kona are located along Alii Drive, a 7-mile long stretch of seaside street with scenic coastal views. Several resort condominiums and three major hotels can be found in the area. The Property is located south of the high-end luxury resorts such as the Four Seasons Hualalai and the Mauna Lani Bay Resort. The main “business and industrial areas” in Kona are located to the north of Alii Drive and supports the numerous businesses located along the 50-mile coastline. The IRONMAN World Championship is a 140.6-mile triathlon which takes place in Kailua-Kona each year with an estimated 2,000+ athletes competing.

The hotel is centrally located with easy access to the beach, restaurants, shops, pool and provides an excellent value for the guests.

PROPERTY HIGHLIGHTS

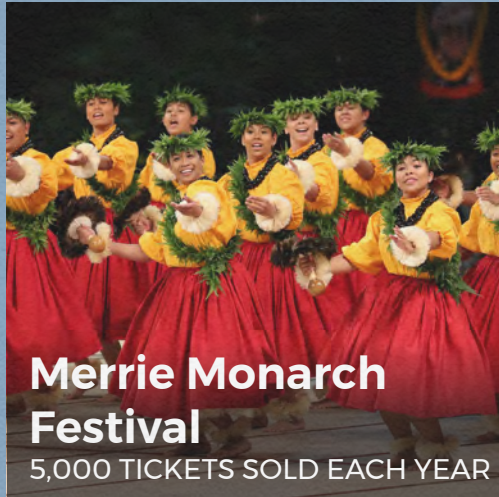
- » Fee simple opportunity with near-term reversion of the hotel improvements
- » High visibility & convenient access
- » Strategic location in Kailua-Kona
- » Stable cash flow with great upside potential to increase income
- » Beautifully manicured landscaping

BIG ISLAND ATTRACTIONS AND EVENTS

THE BIG ISLAND IS A *DESTINATION*

Ironman World Championship

2,500+ ATHLETES & THOUSANDS OF SPECTATORS
TRAVEL TO KAILUA-KONA EACH YEAR



Merrie Monarch Festival

5,000 TICKETS SOLD EACH YEAR

Total Annual Visitors

1.7M+ VISITORS ANTICIPATED WITH
PER PERSON PER TRIP SPENDING
CONTINUES TO INCREASE



Mauna Kea Observatory

300,00+ VISITORS AND RESIDENTS TOUR THE VISITOR
CENTER EACH YEAR



Hawaii Volcanoes National Park

2.0M+ VISITORS AND RESIDENTS VISIT EACH YEAR



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CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this "**Agreement**") is made as of the ____ day of _____, 2020, by _____ ("**Recipient**"), in favor of Lenor Lincoln LLC, whose principal place of business and post office address is 98-667 Kaahele Street, Aiea, HI 96701 the owner of the Asset (defined below) ("**Owner**"), with respect to the fee simple interest in the property commonly known as Kona Seaside Hotel containing approximately 22,522 square feet of land, located at 75-5652 Likana Lane, Kailua, Kona, HI 96740, TMK Number(s) (3) 7-5-6: 15 and all improvements thereon ("**Asset**").

1. Background.

Owner and/or Owner's broker, Colliers International ("**Colliers**") may be providing and/or making available to Recipient information and/or documents relating to the Asset. The information may be presented to Recipient in various forms including, but not limited to, photocopies of documents, digital information on CD-ROM, digital information sent via electronic mail, and/or digital information accessible via the Internet (collectively "**Information**").

2. Confidentiality.

Recipient, including, but not limited to its directors, officers, employees, managers, members and/or shareholders, agrees that it will keep all Information, including any information derived from the Information, regardless of whether the Information is marked or specifically identified as "confidential" or "proprietary", confidential, except as to Recipient's professional consultants (disclosed to Owner in advance) who will be evaluating the feasibility of Recipient acquiring the Asset. Recipient further agrees, prior to disclosing the Information to any consultants, that it will inform such consultant that they are required to observe and maintain the confidentiality of the Information and the provisions of this Agreement.

3. Limitation on Use of Information.

All Information furnished to Recipient by Owner will be used solely by Recipient for the purpose of evaluating the feasibility of purchasing the Asset and Recipient agrees not to use the Information, including any information derived from the Information, for any other purpose.

4. Limitation on Disclosure of Information.

Recipient will not disclose to anyone, with exception to its disclosed consultants, the existence of or any other aspect of the Information or any information derived from the Information.

5. Prohibition Against Copying and Return of Materials.

No copies of the Information shall be made or disclosed to anyone whatsoever without the prior written consent of Owner. Upon the completion of the above-described evaluation, or upon request by Owner, Recipient shall return to Owner all Information in the form that was provided to Recipient and any and all duplications thereof.

6. Damages.

Recipient acknowledges and agrees that Owner has a substantial, material and proprietary interest in the Information and that if the Information or any other information protected under this Agreement is disclosed by Recipient in any respect whatsoever without Owner's prior written consent, Owner may suffer immediate and irreparable harm and may be substantially and materially damaged.

7. Remedies.

In the event Recipient breaches any of the conditions set forth in this Agreement, Owner shall have the right to exercise all of its rights and remedies at law and equity, including, without limiting the generality of the foregoing, the right to obtain injunctive relief. The non-prevailing party shall pay all costs and expenses, including, without limitation, reasonable attorneys' fees incurred by the prevailing party in enforcing any of the covenants or conditions contained in this Agreement.

8. **Agency.**

Owner is represented by Colliers, a licensed real estate broker in the State of Hawaii. The brokerage agreement between Owner and Colliers provides for a one percent (1%) commission to any properly licensed broker representing the buyer of the Asset. If a properly licensed real estate broker represents Recipient, Recipient must provide the information below simultaneously with the execution of this Agreement. If Recipient’s broker is not listed below at the time of Recipient’s execution hereof, neither Owner nor Colliers shall be obligated to compensate any alleged brokerage representative of Recipient making claims to commissions at a subsequent date and Recipient shall indemnify, defend and hold Owner and Colliers harmless from any brokerage commission claims. If a properly licensed real estate agent represents itself as Recipient or if a real estate agent is a principal or owner of Recipient, neither Owner nor Colliers shall be obligated to compensate Recipient. No commission will be accrued or paid unless the sale is closed and proceeds distributed to Owner.

Recipient’s Broker: (if not represented please write “NONE”)	Company:	_____
	Agent:	_____
	License No.:	_____
	Address:	_____
	City:	_____
	State & Zip:	_____
	Telephone: () Fax: ()	_____
	Email:	_____

9. **No Waiver.**

No waiver by Owner of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

10. **No Oral Modifications.**

This Agreement may not be altered, amended, changed, waived, terminated or modified in any respect or particular unless the same shall be in writing and consented to by Owner and Recipient.

11. **Successors and Assigns.**

This Agreement shall inure to the benefit of Owner and to its successors and assigns and be binding upon Recipient and its legal representatives, successors and assigns.

12. **No Third Party Beneficiaries.**

This Agreement is not intended to confer any benefits upon any persons, firms, corporations or other entities except Owner and Recipient and their respective directors, officers, employees, managers, members and/or shareholders.

13. **Choice of Law.**

This Agreement shall be construed, governed and enforced in accordance with the laws of the State of Hawaii without giving effect to principles of conflict of laws.

14. **No Other Agreement.**

Recipient acknowledges that this Agreement is solely for the purpose of establishing the confidentiality of the Information and does not grant Recipient any exclusive or other rights in connection with the purchase of Owner’s Asset.

15. **Termination.**

This agreement shall terminate upon the date which is one (1) year from the date hereof.

IN WITNESS WHEREOF, Recipient has executed this Agreement as of the day and year first hereinabove set forth.

“Recipient”

_____ Signature	_____ Date
_____ Print Name	_____ Title
_____ Company/Organization	_____ E-Mail
_____ Address	_____ City/State/Zip
_____ Direct Phone	_____ Mobile Phone
_____ Facsimile	_____ Company/Organization Website

Additional Partner(s)/Broker(s) requesting to review due diligence documents:

_____ Signature/Date	_____ Company/Organization
_____ Print Name	_____ E-Mail
_____ Signature/Date	_____ Company/Organization
_____ Print Name	_____ E-Mail

Please return signed Confidentiality Agreement (preferably via email in PDF format) to:

COLLIERS INTERNATIONAL

Attn: Mark D. Bratton* (R) CCIM
 Direct: 808-523-9708
 Fax: 808-521-0977
 Email: mark.bratton@colliers.com

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 Honolulu, HI 96813

* Bratton Realty Advisers, Ltd., exclusively contracted to Colliers International HI, LLC