



More Industrial Space Key to Oahu's Economic Growth

By Robert Kelley, Vice President
Avalon Development Co. LLC

Over the past year, Oahu industrial warehouse vacancy rates have steadily dropped to record low levels and are expected to continue to decline for the foreseeable future, potentially hitting less than 1% by the start of 2023. What little existing supply is available on Oahu is often old and functionally obsolete, lacking the clear height, loading dock access, HVAC, power and security needs of many users.

Furthermore, because the majority of industrial land and warehouse space on Oahu either is owned by the state of Hawaii or large legacy trusts and offered only as leasehold to potential tenants, there is an extremely limited supply of fee-simple warehouse product available for sale to local businesses.

The cause of this supply crunch can be attributed to numerous factors that include changing market dynamics with the growth of online retail, lack of industrial-zoned land, global supply chain issues and several large acquisitions of industrial land by global-scale users. Whatever the reason, the severe shortage of available industrial space has become a constant source of frustration for businesses unable to relocate or find larger, more modern facilities.

To meet this pent-up demand for warehouse space, Avalon Development has announced two new industrial



Coral Creek Center at Gentry
Business Park in Ewa Beach
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condominium projects in West Oahu. The Crossing at Kapolei Business Park West will offer I-2 zoned industrial condominiums at the prime corner of Kalaeloa Boulevard and Lauwiliwili Street, ranging in size from 1,000 square feet to 59,000 square feet of contiguous space. In response to overwhelming interest in this project from the business community, Avalon increased the overall size of the project from 120,000 square feet to over 160,000 square feet through the addition of second-floor warehouse space along with excess rooftop parking.

In Ewa Beach, pre-sales have begun for Avalon's second industrial condominium project, Coral Creek Center at Gentry

Business Park–Ewa. This unique project consists of 90 IMX-zoned mixed-use industrial condominium units ranging in size from 1,100 square feet up to 111,000 square feet of contiguous space. As one of the only industrial-zoned properties in the entire Ewa Beach region, Coral Creek Center will provide critical warehouse space to serve the surrounding businesses and residential community.

Combined, Coral Creek Center and The Crossing at Kapolei Business Park will add over 430,000 square feet of fee-simple industrial product to the market. Both projects are slated to begin construction in 2023, with the first units delivered to buyers in mid-2024. ■



Ewa by Gentry Housing: On Track for Growth in 2023, 2024

By Rick Hobson, Vice President of Sales & Marketing
Gentry Homes Ltd.

Gentry Homes will continue the build-out of Ewa by Gentry in 2023 and 2024.

NorthPark, a single-family condominium community offering three- to four-bedroom homes priced from the high \$800,000s will be sold out in December

2022, with the model homes closing escrow in early 2023. This community that opened for sales on June 1, 2020, and created huge demand for first-time buyers has transitioned to a move-up buyer product due to price and interest rate increases.

Makamae will continue to offer single-family homes on a zero-lot format with three to four bedrooms and over 2,000 square feet of interior living. This community of 150 homes opened Feb. 26,

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