

Robb Report

FEBRUARY/MARCH 2007

# Vacation Homes

EXCEPTIONAL WATERFRONT, GOLF, COUNTRY, MOUNTAIN AND VINEYARD PROPERTIES

## Hawaii on Fire

HOT REAL ESTATE ON LANAI, KAUAI &  
THE BIG ISLAND

Buy or Sell

WHERE IS THE MARKET HEADING?

INTERNET WATCH

Video Tours & Marketing Tools

PRIVATE AIRSTRIPS

Where To Land On Your Own Doorstep



www.vacationhomesmag.com

A CURTCO MEDIA PUBLICATION

# New Hawaii

Luxury on Lanai, Kauai and the Big Island BY FELICIA PAIK

**Allyson and Denny** Weinberg are world travelers. During their long marriage, they have toured France, Italy, Switzerland, Germany, Israel and Ghana. However, when it came time to purchase a vacation home, the couple decided to buy domestically—in Hawaii.

What beckoned them to Hawaii were the turquoise waters, the silky sand, the tropical ocean breezes and their own memories. The Weinbergs, whose primary home is in Southern California, had taken their children—now ages 23 to 29—to Hawaii for many family summer and Christmas holidays. “It’s just like paradise there,” says Allyson Weinberg. “There’s no other place quite like it.”

Seasoned globetrotters are always looking for the next far-flung vacation hot spot. However, at the same time they are also seeking the familiar with a dash of the exotic, which is what Hawaii represents.

More of them are now buying second, third and fourth homes in Hawaii as developers rush to keep up with demand.

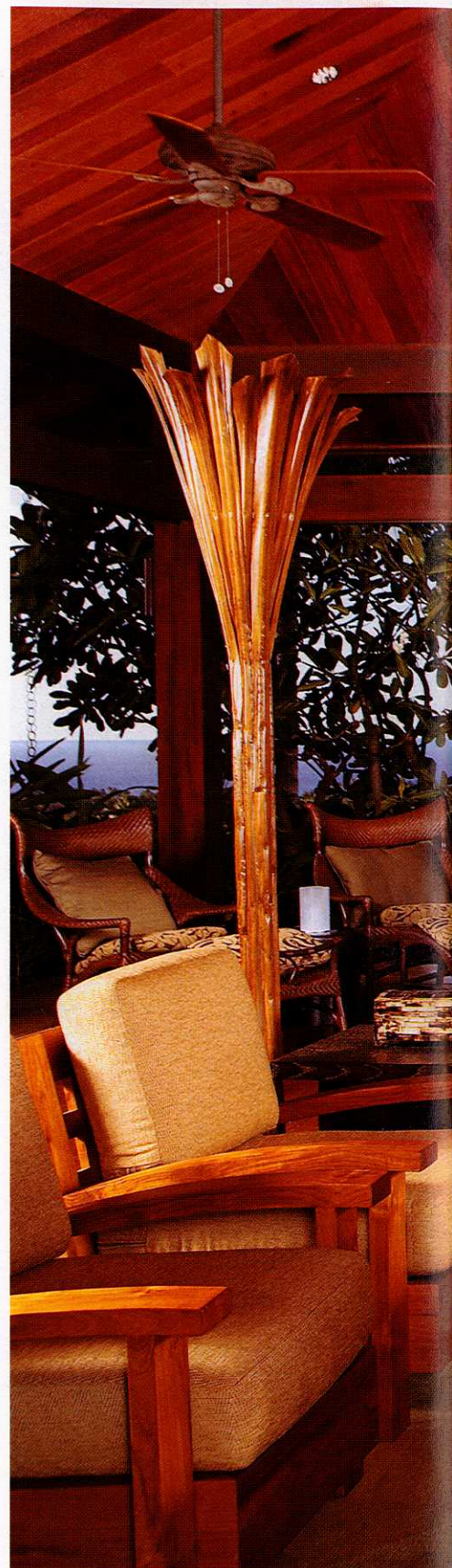
“At this price point and the distance, we are really competing with the rest of the world,” says A. Holtzman, president of Kukui‘ula, a luxury home development on Kauai. “We are an exotic island location, but we’re located within the United States, which gives people a tremendous amount of security in terms of personal safety and for their investment.”

Computer mogul Michael Dell certainly knows a good investment when he sees one. In mid-2006, Dell, through his New York investment vehicle MSD Capital, in partnership with the Rockpoint Group of San Francisco, acquired the Four Seasons Hualalai resort on the Big Island. Dell already has the Four Seasons Resort Maui at Wailea in his portfolio.

The dining pavilion and great room of the new Keolu clubhouse at the Four Seasons Hualalai resort on the Big Island of Hawaii. The clubhouse is reserved exclusively for Hualalai homeowners.



KYLE ROTHEMBOURG





Private white-sand beaches flank the 7,105-square-foot residence Wai'ula'ula, which neighbors the Big Island's Mauna Kea resort and is available through MacArthur & Company and Sotheby's International Realty for \$35 million.

The Weinbergs say that Hawaii's domestic location was a key factor in the purchase of their \$5 million, three-bedroom, 3,500-square-foot oceanview home on Lanai two years ago. "We wanted to support our economy and we liked it for the ease of travel," says Allyson, whose husband is a retired health-care executive.

More people are discovering, or rediscovering, Hawaii. For example, Lihue Airport on Kauai recently increased the number of nonstop flights from Los Angeles, San Francisco and Phoenix to six daily. Kauai has experienced annual visitor growth of 6.8 percent in 2005, resulting in more than one million visitors. In August and December, the

Westside of Los Angeles appears to virtually empty out, as it seems everybody's gone to Hawaii for the holidays.

Indeed, more often than not, a Hawaii homeowner, who hails from the mainland, started out as a hotel guest. And that is what the newest luxury residential communities are banking on. By offering top-of-the-line luxury resorts, developers are hoping to lure home buyers. The following is a rundown of some of the latest and most notable developments on Lanai, the Big Island and Kauai.

**Lanai**

The little island of Lanai received big fame in 1994 when Microsoft billion-

aire Bill Gates chose it as the setting for his marriage to Melinda French. The wedding put low-key Lanai on the map as a vacation destination for the rich and powerful.

Many people describe Lanai as the way Hawaii used to be: no fast-food or hotel chains, discos, shopping malls or even stoplights. There are also no direct flights to Lanai; visitors must fly to Maui or Oahu and take a puddle jumper to the island. In fact, Lanai City, which only has about 3,000 residents, is so small that it passed a law prohibiting the leaving of keys in the ignition of cars parked anywhere within the city.

Castle & Cooke, a real estate company



owned by David Murdock that was spun off from Dole Food in 1995, owns 98 percent of Lanai's 90,000 acres. They were purchased by the Dole family for about \$1 million, or \$12 an acre, in the early 1920s. By the early 1990s, Dole shut down the plantations to make way for two luxury hotels. During the last two years, those hotels have been refurbished at a cost of \$70 million-plus and reborn as the Four Seasons Resort Lanai

at Manele Bay and the Four Seasons Resort Lanai, the Lodge at Koele.

"People come to Lanai because it represents old Hawaii," says Tim Hill, executive vice president of Castle & Cooke Resorts. "They come for the simpler life."

Fronting the 18th fairway of the Jack Nicklaus-designed Challenge at Manele golf course, the Palms at Manele, adjacent to Palawai Ridge, offers views of the Pacific Ocean. Three- and four-bedroom

condominiums are available at the Palms at Manele and are priced between \$2.2 million and \$3 million. Homeowners can join the Island Club, which provides full access to the Four Seasons at Manele Bay.

Situated on the second fairway of a Greg Norman golf course, three- and four-bedroom condominiums are for sale at the Four Seasons at Koele. Located in the central highlands of Lanai, known as "up-country," it offers dense forests



and cooler temperatures. Price ranges from \$1 million to \$1.5 million.

### Big Island

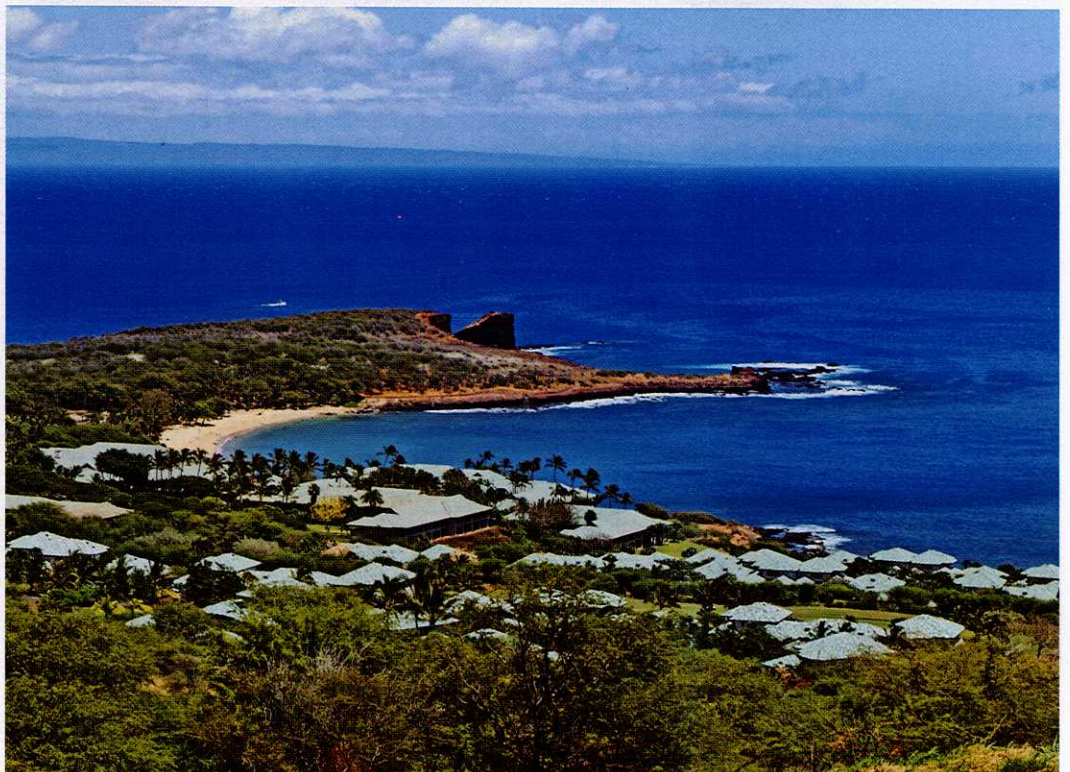
The Big Island is known for its diversity of climate and natural wonders. In sum, the Big Island has it all: active volcanoes, shimmering waterfalls, black-lava plains and snow-covered mountains.

Along with tropical rainforests and alpine meadows, the Four Seasons Hualalai



Far left and below: Adjacent to the Four Seasons Resort Lanai at Manele Bay is the Palawai Ridge community, with residences priced from \$4.1 million to \$4.3 million.

Left: Situated on 25 acres within a gated community on the Big Island, a private residence called Paliakamoa, or "spirit of the cliff by the sea," is offered through MacArthur & Company and Sotheby's International Realty for \$25 million.



Right and below: Kuku'i'ula is breaking ground on the southern coast of Kauai and will include 1,200 homes, a Tom Weiskopf golf course and a village center with shops and restaurants.

a restaurant and locker rooms. A 10-hole short course is located near the beach club.

"If you're an owner, you don't have to deal with crowds at the hotels, nor do you have to fight for reservations at the restaurant, golf course or spa," Ainslie adds.

Kukio opened its beach club in 2002, and residents began moving in the following year. At that time, 18 cottages, measuring 1,800 to 2,200 square feet, sold for \$3.5 million to \$4.5 million. Now there are 31 cottages, four of which are up for resale and are commanding asking prices of \$6.5 million to \$7.5 million.

Meldman says the homeowners at Kukio have purchased their properties "as a reward for a lifetime of achievement and now they want time to spend with their families." To that end, membership at Kukio extends to the homeowner's parents and children. "We want to promote the generational aspect of our club," he explains. "We are very family friendly and strive for a high level of service through the intimacy of a club."

### Kauai

Even for a first-time visitor to Kauai, the lush, picture-postcard scenery may seem familiar. That's because the island has served as the backdrop in numerous films



and television shows, including *Jurassic Park*, *Raiders of the Lost Ark*, *South Pacific*, *Gilligan's Island* and *The Thorn Birds*. Rock-and-roll icon Elvis Presley visited Kauai for the filming of his 1961 movie *Blue Hawaii* on the grounds of the Coco Palms, which is one of the island's newest luxury residential real estate developments.

After a storied past of playing host to kings, queens and tycoons, the 50-acre, 396-room Coco Palms resort was devastated by Hurricane Iniki in 1992 and

closed in its aftermath. Coco Palms is scheduled to reopen as a world-class Polynesian paradise in August 2008 after a \$320 million makeover. "We plan to carry on the reputation of grace and service people have always found at Coco Palms," says Richard Weiser, one of the developers.

Plans call for 200 luxury residences within four buildings offering views of the lagoon, the historic Coconut Grove or Wailua Beach. The one-, two- and three-bedroom condominiums will range



ght: On the grounds of Kauai's Coco Palms, which in its heyday was the setting for *Blue Hawaii* and was subsequently destroyed by Hurricane Iniki, is a new resort set to open next year. It will include 200 luxury residences overlooking the historic Coconut Grove or Aliia Beach (below).


in size from 1,000 square feet to 3,500 square feet, with prices from \$1 million to \$5 million. Some interior features include tropical mahogany cabinets with Hawaiian woodworking motifs, state-of-the-art Viking appliances and Italian cut-granite countertops with authentic coconut shell accents.

Residents will have use of two private swimming pools as well as two open-air, waterfront restaurants. They will also have access to the amenities at the adjacent new hotel that is scheduled to open simultaneously and will have 48 luxury bungalows. Residents can take advantage of a 24-hour concierge desk, room service, maid service, valet parking and a spa, among other amenities.

Elsewhere on Kauai, the Kukui'ula community is breaking ground. The 1,000-acre development is situated on the island's sunny south side on land that formerly served as a vast sugar plantation owned by Alexander and Baldwin, one of Hawaii's largest private landowners. The company has formed a partnership with an entity of DMB Associates, a Scottsdale developer, to create Kukui'ula, which will include 1,250 homes, a Tom Weiskopf-designed championship golf

course, a clubhouse and spa and an island-style village center with more than 75,000 square feet reserved for boutiques, restaurants, a country store and a weekly farmer's market.

Currently, 123 custom lots and plantation-style cottages are available, with prices ranging from \$900,000 to \$3.83 million. A move-in date has been planned for late 2009. An additional 35 lots, ranging in size from a half acre to an acre with prices of \$1.5 million and \$3.3 million, are also being released. By the middle of 2007, the development is scheduled to enter a second phase with the release of 50 new hillside lots.

Despite offering all the amenities that luxury homeowners have come to expect, A. Holtzman says he hopes that residents will be able to pursue activities here beyond the beach, golf and tennis. In keeping with this idea, Holtzman says Kukui'ula will offer classes in painting, sculpture, cooking, snorkeling, surfing and scuba diving to its homeowners. "We hope to promote life-long learning and we want people to grow individually and as a family," he said. "We want people to pursue things they haven't yet had time to do." 



## RESOURCES

### Lanai

Four Seasons Resort Lanai at Manele Bay and Four Seasons Resort Lanai, the Lodge at Koele, 808.565.4800  
www.lanailuxuryhomes.com

### The Big Island

The Four Seasons Hualalai, 808.325.8000, www.hualalairesort.com  
Kukio, 808.325.4040, www.kukio.com

### Kauai

Coco Palms, 888.321.2626  
www.coco-palms.com  
Kukui'ula, 808.742.0234  
www.kukuiula.com



RONALD SHERWOOD/DREAMSTIME.COM