



## Arashi Is The Future For Oahu Real Estate Values

By: Mike Gallagher

If you are like me, you may have not ever heard about this band of singers but you might want to take notice of them. This group just finished playing live in Kapolei to an audience of over 30,000 fans. It was stated by K.H.O.N. television news that they expected visitor spending to the tune of \$25,000,000.

You might be wondering what this has to do with Oahu Real Estate and the answer is plenty. In order to understand why, you need to only understand a few things that have been occurring in Oahu Real Estate for some time:

The above graph which is also available as a P.D.F. by clicking onto the following link, shows us Year to Date what each major area on Oahu has pre-formed so far for the year. [Oahu Executive Summary ALL Year to Date.](#)

Areas of the Year to Date August 2014 graph that we may draw conclusions:

- Unit Sales are predominantly occurring on the West Side of Oahu in Ewa, Kapolei, Makakilo and Mililani.
- While Single Family Home Sold Prices are down -4% all across the Island, in the above areas they are up on average +10% for Single Family Homes and while Condos are up an average of +4%, the same above areas are up on average +16%
- While overall Unit Sales are up +6% for Single Family Homes on the Island, the same West Side Areas are up an average of +17%. Overall Condo Unit Sales are off -9%, the subject areas are up on average +17%.

There should be no doubt in anyone's mind that it is the West Side that is producing more sales and growth than anywhere else on the Island. Couple this with improvements in the H-3 corridor, The Rail being built and the value of land all along The Rail routes increasing, particularly near stations, I at least think that Oahu's future is clear.

Whether we end up with a Gaming Industry or not ( I think we will on the West Side) we are going to see an explosion of property values on the West Side to include Kapolei and the resort areas around The Disney complex and throughout Ko'Olina. Along with this growth will World Class Entertainment.

Do you want opportunity for yourself, our children, and our children's children? Then I believe you will find it in anything with and associated with the Visitor Entertainment Field.

Oh sure, Waikiki is fine but if you are an old fart like me and are still wondering why the young are buying Condos instead of Single Family Homes then you better realize that Waikiki is still predominantly catering to the well to do and older generational crowd. Ko'Olina and the West Side will be the future. After all, where is property still somewhat 'affordable?' The answer is The West Side, period.

**Enter: Las Vegas**



I do not think that the powers of Las Vegas gaming industry will allow either Waikiki or Ko'Olina to become another Las Vegas, but I also believe that will have some type of Gaming and Hotel Industry in and around Ko'Olina.

I am not going to enter into the pros and cons of whether or not we should allow this, I just believe it is going to happen no matter what we individually believe is right. We all know Hawaii Politics and how much the People's input matters, right? (A little tongue & cheek there)

Sooner or later we will see something like this:

A screenshot of the Vegas.com website. The page features a dark blue header with navigation links like 'TRAVEL PROFESSIONALS', 'MEETING PLANNERS', and 'PRESS AND RESEARCH'. The main navigation bar includes 'HOTELS &amp; RESORTS', 'VACATION PACKAGES', 'SHOWS &amp; EVENTS', 'TOURS', 'ACTIVITIES', 'RESTAURANTS', 'PLANNING TOOLS', and 'HOW TO VEGAS'. The central content area is titled 'Las Vegas Hotels' and includes a search form with fields for 'Check-in' (09/24/2014) and 'Check-out' (09/26/2014), and a 'SEARCH HOTELS' button. Below the search form, there are 'FEATURED HOTEL DEALS' for Luxor, Circus Circus, and M Resort, each with a 'BOOK NOW' button. At the bottom, there are 'CASINO RESORTS' for Mandalay Bay, Aria at CityCenter, and Excalibur, also with 'BOOK NOW' buttons. The background of the page features a large image of the Las Vegas skyline at night.

Currently we have: **Waikiki.com**

**WAIKIKI**  
BOOK ONLINE  
tours & activities  
[BOOK NOW](#)

where to **PLAY**  
where to **STAY**  
where to **EAT**  
where to **MEET**  
where to **SHOP**  
where to **SAVE**  
insider's **GUIDE**  
hawaii **TRAVEL**

**HAWAII STATE VACATION**  
Planner & Guide

**Airport Trans**  
from \$12.95 +TAX

**Cruise**  
click to reserve a cruise online

**Helicopter**

welcome to waikiki

September 24, 2014

Follow Us [f](#) [t](#) [r](#) [You Tube](#)

**GILLIGAN'S BEACH SHACK**  
seafood & more

**FREE SHRIMP PLATE**  
with a Tour or Activity Booking  
[Click here for details >](#)

**WAIKIKI**  
Waikiki.com  
**iPhone App**  
Download

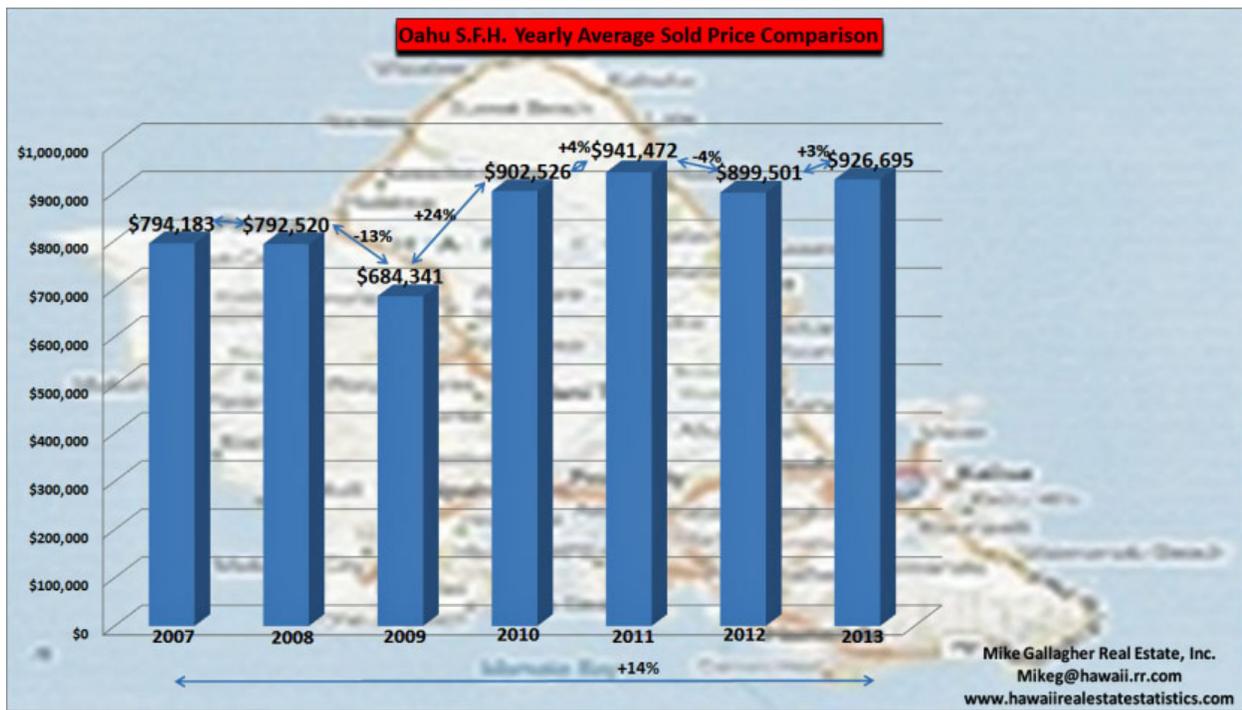
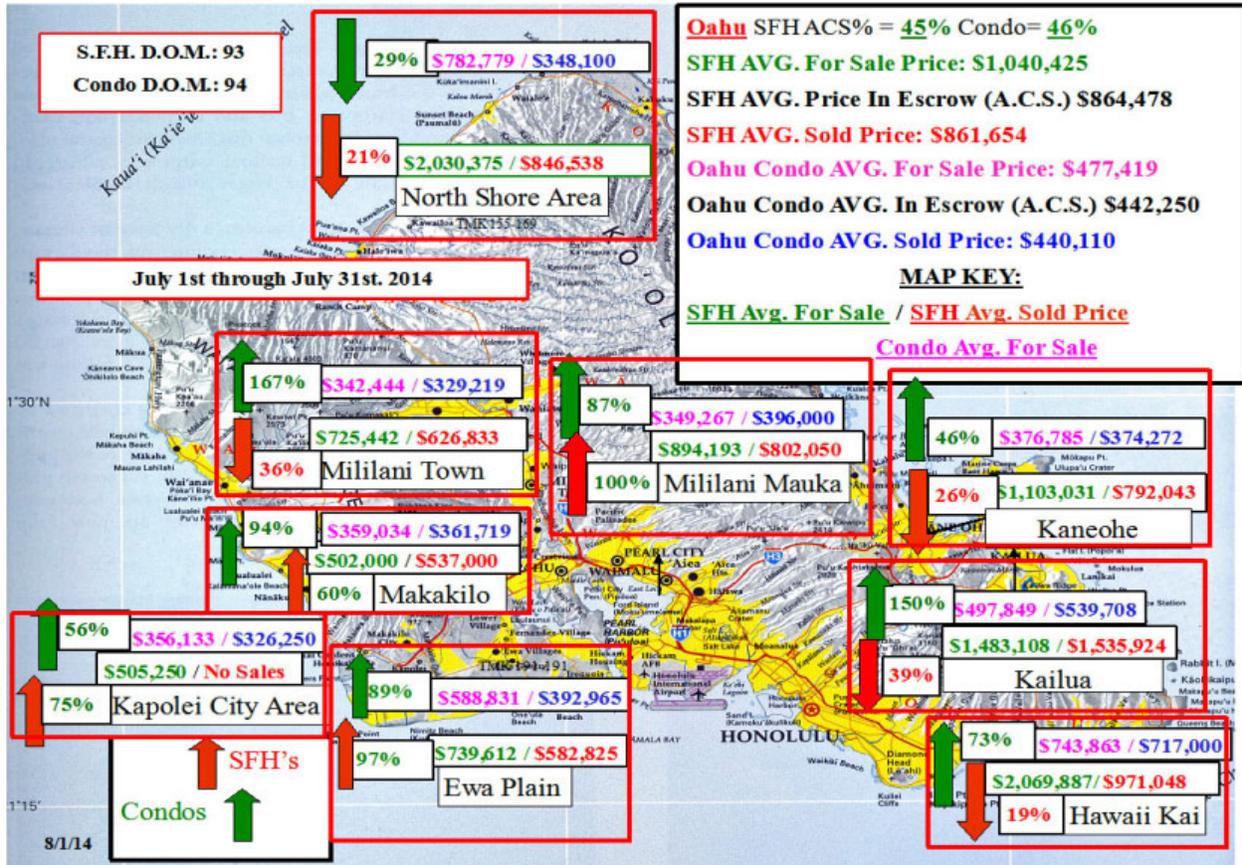
From Kamehameha the Great to Elvis Presley, discover the rich history of Waikiki from swampy farmlands to royal playground and how it became one of the most famous destinations in the world.

In early Hawaii, Waikiki was a much larger area than the 1.5 square miles it encompasses today. Old Waikiki, much of it swampland, included the neighboring valleys of Manoa and Palolo. Translated, Waikiki means "spouting water," a reference to the rivers and springs that richly flowed into the area.

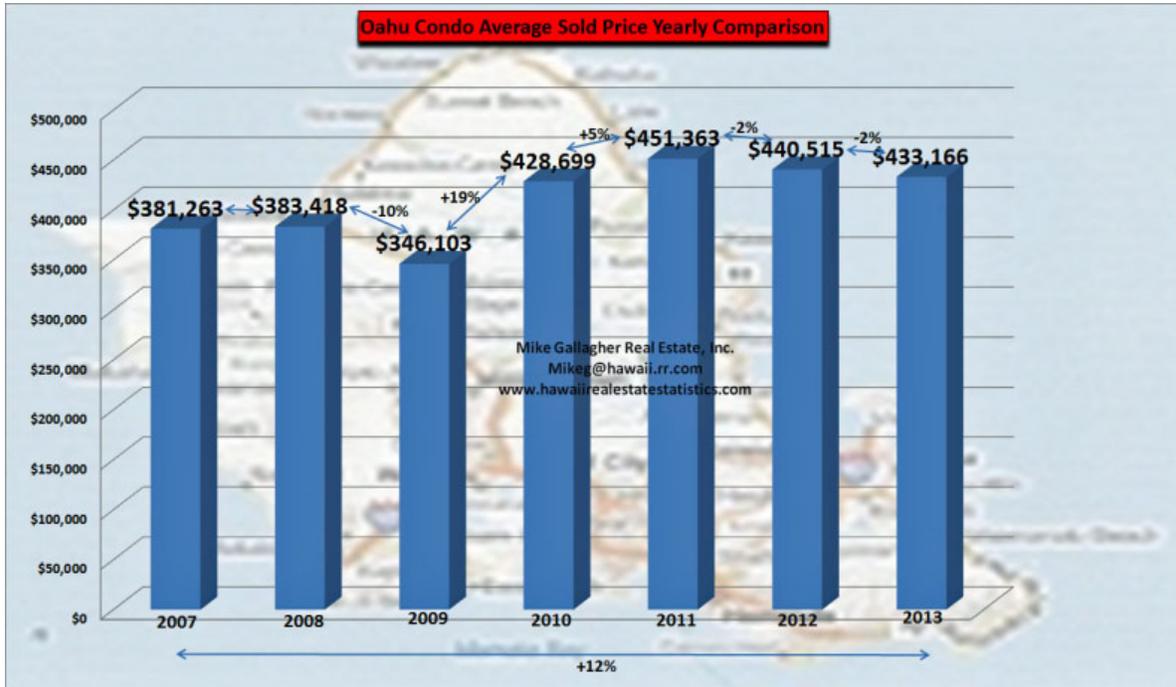
In the mid to late 1800s, Waikiki served as a vacation retreat for the kingdom's royalty.  
Kamehameha IV. Kamehameha V.

Well...at least there is opportunity for enhancement here. Where else will there opportunity?





Between the end of year of 2007 to the end of the year 2013 we have achieved a rise in Single Family Home Average Sold Price of +14%. That is only a six year span.



The above graph still does not even take into account the increase we have already seen for this year which currently is at +4% above year 2013 at this same time.

But, then again go back and look at the Condo Sold Price increases on the West Side of the Island again!

Here is a little news about the Las Vegas Housing Industry and please remember, we do not have the land Las Vegas does, we are an Island with limited land. Think how that affects prices:



*Las Vegas housing prices inched up last month to the highest level in almost six years.*

*The median sales price of previously owned single-family homes in Southern Nevada in July was \$200,000, up 0.1 percent from June and 11.1 percent from July 2013, according to a new report from the Greater Las Vegas Association of Realtors.*

*That's the highest since August 2008, when the median sales price was \$210,000.*

*Hitting the \$200,000 mark again is a "nice milestone," GLVAR President Heidi Kasama said.*

*"This tells you how far we've come back from the depths of our downturn a few years ago, but also how much room we have before home prices in our area get back to where they were at their peak," Kasama said in a news release.*

*During the bubble last decade, home values grew bloated and out of control, with the median sales price peaking in June 2006 at \$315,000. After the economy collapsed, the housing market hit bottom in January 2012 with a median of \$118,000, according to GLVAR data.*

*The market rebounded as investors, many backed by Wall Street funds, bought cheap homes in bulk to turn into rentals, although such buyers have been cutting back on local purchases due to the rising prices they helped create.*

I hope you have enjoyed this report. I am no visionary but I am certain that good things are coming to the West Side of our Island and I for one am looking forward to many of them.

Whether you agree with me, whether right or wrong, we are all together on this Island and we are all one Big Ohana whose futures are tied together!

Mike Gallagher  
Mike Gallagher Real Estate, Inc.