Imagine My Surprise

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The words “Ewa Plains”, “Ewa Beach”, “Kapolei”, all those ‘New City’ type areas where the ‘Masses’ have descended upon as Investors and Move-In Families.

In a quick comparison between Oahu in general and Ewa we see the following:

- Ewa had almost no Unit Sales Increase while Oahu was up almost 10%.
- Ewa had a large 10% increase in Average Sold Price vs. Oahu Minus 7%
- Ewa had almost a 10% increase in New Listings while Oahu was flat
- Finally, Ewa had a large decrease in Withdrawn & Expired Listings while Oahu was up.

Today’s Sunday Open House Guide shows us that are 66 separate Open Houses you can visit out of a total of 121 Active, For Sale Listings or 55%.
Both Ewa & Oahu were up 7% in Unit Sales
Ewa Average Sold Price was up 9% vs. Oahu 3%
Ewa New Listings were down 7% vs. Oahu down 3%
Ewa New Listings Average For Sale Price up 13% vs. Oahu down 3%
Ewa Average For Sale Price up 19% vs. Oahu down 2%

Today’s Sunday Open House Guide shows us that are 1 separate Open Houses you can visit out of a total of 67 Active, For Sale Listings or 16%. Wow, this is far different than what we see from page 1 for Single Family Home Open Houses.

There are 60 Rentals for Single Family Homes for an Average Rental of $3,200 per Month. There are 36 Rentals for Condos & Town Homes for an Average Rental of $2,565 per Month.

There are 7 Single Family Home rentals available in Kapolei for an Average Rental of $2,214 per month. This is a huge savings for those willing to rent and live in Kapolei.

There are 6 Condo Rentals available in Kapolei for an Average Rental of $2,150 per month. This is a good savings for those willing to rent and live in Kapolei.

O.K., O.K., O.K. what is ‘My Surprise?’ Well it is the low amount of Condo Open Houses available in the Ewa Plain…Eleven. “Why?” you may ask?
Home Ownership is dropping through the floor sort to speak all across the Nation and particularly in High Cost of Living Areas such as Honolulu, San Francisco, Los Angeles, Seattle, etc.

Rentals or possible rentals are being snapped up by both Investor classes of Rental Property Investors and Primary Owner Occupied Owners. This has given us a low inventory of Rentals but particularly has it hit Condos in producing low inventory of Rentals available, because they are cheaper in Monthly Rental Fees.

I do not want to sound as a Pessimist although I often do due to my desire to be a positive person and Pessimism just sounds like it is a negative word but…

The ‘Window’ of Opportunity for low cost housing on Oahu at least is rapidly closing shut.

There are probably a whole lot of folks out there who are already shut out of the Real Estate Investor Market and there is going to be many more in the near future as land is scarce and Cost of Living here will continue to rise.

There are no real or accurate figures for Income Averages for the people of Hawaii but the percentage of Monthly Income devoted to Housing Costs on Oahu is somewhere between 45-50% while the rest of the Nation’s Average is less than 30%.
So, without further delay I end in saying that it sure is expensive here and will continue to be! Bring on the Nation’s most expensive per foot built and not doubt operating costs The Rail to Oahu!

I know we are going to need Rail heavily in our future to continue to live here but I just abhor the Politics and Costs. Someone is making a Ton of Money!
Of renter occupied units paying rent in Hawaii, 47.1% spent 35% or more of their household income on gross rent in 2015. 5.7% point higher than the U.S. average. Hawaii ranked 2nd among the 50 states and the District of Columbia where the highest had the rank of 1.

**Monthly Gross Rent > 35% of Household Income: 2015**

(percentage of total renter-occupied units paying rent)

Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Estimates

*Definition of Gross Rent (source: U.S. Census Bureau, Documentation for American Community Survey) – Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else).