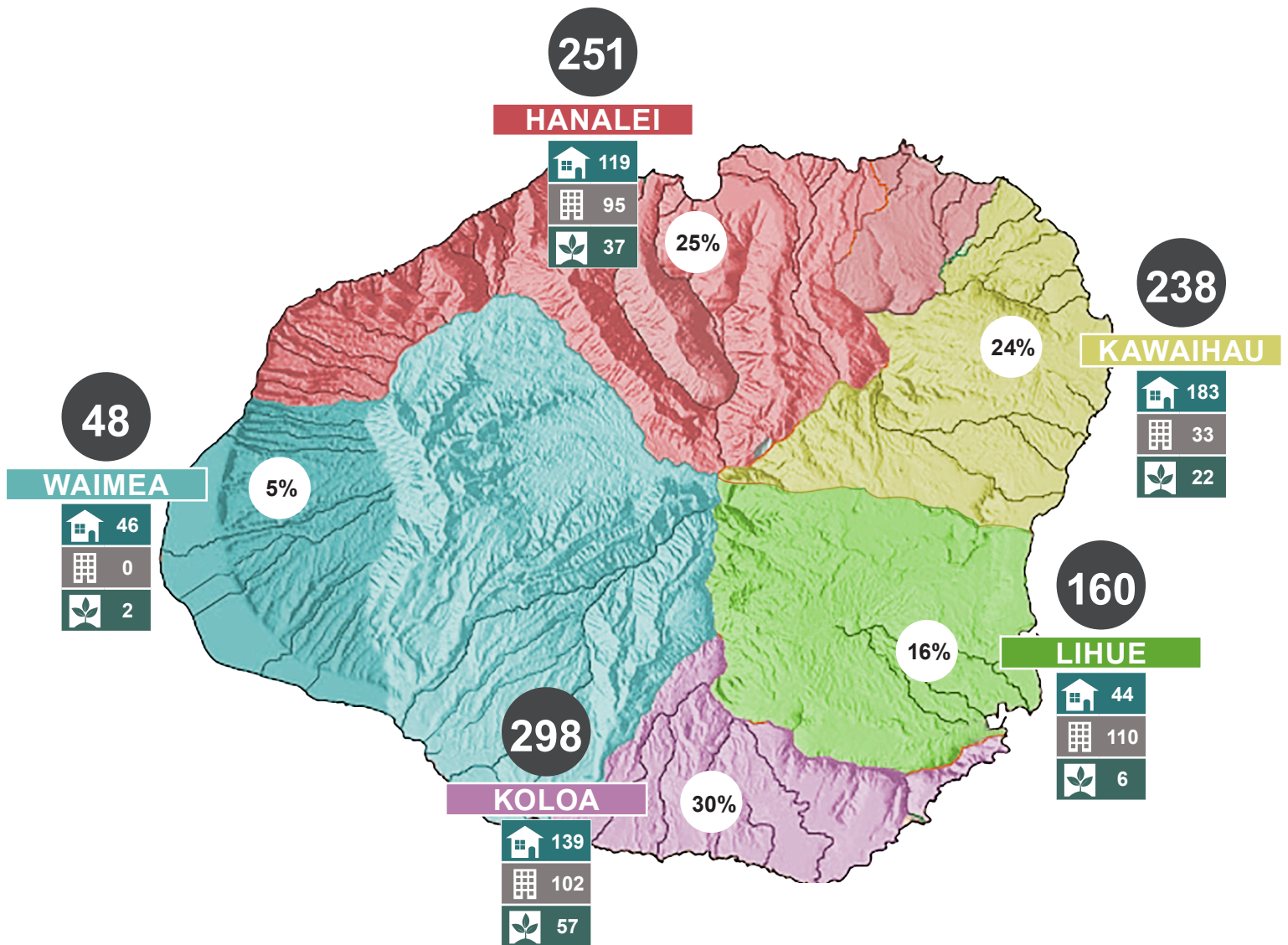


KAUAI REAL ESTATE REPORT



KAUAI | YEAR END 2020

Year End 2020 vs. Year End 2019



*Source: Kauai Board of Realtors. Information deemed reliable, but not guaranteed.

		% OF CLOSINGS		# OF UNITS RECORDED		MEDIAN PRICE	
	HOMES	53%		531	▼ -9%	\$810,000	23%
	CONDO	34%		340	▼ -16%	\$555,000	-3%
	LAND	12%		124	▼ -22%	\$571,250	22%

○ % of Closed Sales by Districts through December 31, 2020

● Number of Recorded transactions from January 1, 2020 – December 31, 2020

YTD NUMBER OF UNITS RECORDED			YTD TOTAL DOLLAR VOLUME		
KOLOA	298	-22%	HANALEI	\$423,605,023	82%
HANALEI	251	11%	KOLOA	\$298,040,406	-15%
KAWAIIHAU	238	-16%	KAWAIIHAU	\$190,481,669	4%
LIHUE	160	-23%	LIHUE	\$90,813,488	-24%
WAIMEA	48	200%	WAIMEA	\$27,466,271	28%
TOTAL	995	-13%	TOTAL	\$1,030,406,857	14%

KAUAI YEAR-OVER-YEAR	995								
	TOTAL NUMBER OF SALES								
	2020								
	1,145		-13%						
	TOTAL NUMBER OF SALES								
	2019								

RESIDENTIAL	Number of Sales			Median Sales Price			Total Dollar Volume		
	2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
WAIMEA	46	42	10%	\$563,500	\$487,000	16%	\$26,856,271	\$20,522,400	31%
KOLOA	139	148	-6%	\$885,000	\$751,400	18%	\$177,934,353	\$167,448,888	6%
LIHUE	44	97	-55%	\$699,500	\$599,790	17%	\$32,309,500	\$59,335,535	-46%
KAWAIHAU	183	191	-4%	\$690,000	\$625,808	10%	\$159,263,662	\$138,473,047	15%
HANALEI	119	103	16%	\$1,350,000	\$1,100,000	23%	\$279,813,473	\$142,210,603	97%
TOTAL	531	581	-9%	\$810,000	\$659,900	23%	\$676,177,259	\$527,990,473	28%

CONDOMINIUM	Number of Sales			Median Sales Price			Total Dollar Volume		
	2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
WAIMEA	-	-	-	-	-	-	-	-	-
KOLOA	102	154	-34%	\$748,750	\$767,000	-2%	\$75,366,653	\$118,637,883	-36%
LIHUE	110	93	18%	\$325,000	\$346,000	-6%	\$41,638,988	\$55,983,919	-26%
KAWAIHAU	33	62	-47%	\$465,000	\$359,500	29%	\$16,926,007	\$29,163,007	-42%
HANALEI	95	96	-1%	\$730,000	\$650,000	12%	\$75,413,500	\$67,215,382	12%
TOTAL	340	405	-16%	\$555,000	\$575,000	-3%	\$209,345,148	\$271,000,191	-23%

VACANT LAND	Number of Sales			Median Sales Price			Total Dollar Volume		
	2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
WAIMEA	2	3	-33%	\$305,000	\$200,000	53%	\$610,000	\$880,000	-31%
KOLOA	57	82	-30%	\$607,500	\$550,000	10%	\$44,739,400	\$63,629,075	-30%
LIHUE	6	17	-65%	\$377,500	\$250,000	51%	\$16,865,000	\$4,669,500	261%
KAWAIHAU	22	30	-27%	\$412,500	\$294,500	40%	\$14,292,000	\$15,558,500	-8%
HANALEI	37	27	37%	\$700,000	\$575,000	22%	\$68,378,050	\$23,875,000	186%
TOTAL	124	159	-22%	\$571,250	\$468,000	22%	\$144,884,450	\$108,612,075	33%



HANALEI**HOMES**

Number of Sales	119	16%
Total Dollar Transactions	\$279,813,473	97%

CONDOS

Number of Sales	95	-1%
Total Dollar Transactions	\$75,413,500	12%

LAND

Number of Sales	37	37%
Total Dollar Transactions	\$68,378,050	186%

KAWAIHAU**HOMES**

Number of Sales	183	-4%
Total Dollar Transactions	\$159,263,662	15%

CONDOS

Number of Sales	33	-47%
Total Dollar Transactions	\$16,926,007	-42%

LAND

Number of Sales	22	-27%
Total Dollar Transactions	\$14,292,000	-8%

WAIMEA**HOMES**

Number of Sales	46	10%
Total Dollar Transactions	\$26,856,271	31%

CONDOS

Number of Sales	-	-
Total Dollar Transactions	-	-

LAND

Number of Sales	2	-33%
Total Dollar Transactions	\$610,000	-31%

LIHUE**HOMES**

Number of Sales	44	-55%
Total Dollar Transactions	\$32,309,500	-46%

CONDOS

Number of Sales	110	18%
Total Dollar Transactions	\$41,638,988	-26%

LAND

Number of Sales	6	-65%
Total Dollar Transactions	\$16,865,000	261%

KOLOA**HOMES**

Number of Sales	139	-6%
Total Dollar Transactions	\$177,934,353	6%

CONDOS

Number of Sales	102	-34%
Total Dollar Transactions	\$75,366,653	-36%

LAND

Number of Sales	57	-30%
Total Dollar Transactions	\$44,739,400	-30%



RESIDENTIAL

▼ HOME SALES
VS 2019 (581)

531
DOWN 9%

\$810,000
UP 23%

MEDIAN SALES PRICE ▲
VS 2019 (\$659,900)

▲ TOTAL
DOLLAR SALES
VS 2019
(\$527,990,473)

\$676,177,259
UP 28%

CONDOMINIUM

▼ CONDO SALES
VS 2019 (405)

340
DOWN 16%

\$555,000
DOWN 3%

MEDIAN SALES PRICE ▼
VS 2019 (\$575,000)

▼ TOTAL
DOLLAR VOLUME
VS 2019
(\$271,000,191)

\$209,345,148
DOWN 23%

VACANT LAND

▼ LAND SALES
VS 2019 (159)

124
DOWN 22%

\$571,250
UP 22%

MEDIAN SALES PRICE ▲
VS 2019 (\$468,000)

▲ TOTAL
DOLLAR VOLUME
VS 2019
(\$108,612,075)

\$144,884,450
UP 33%





Conveyance Tax Law

STATE OF HAWAII

The tax imposed by section 247-1 shall be based on the actual and full consideration (whether cash or otherwise, including any promise, act, forbearance, property interest, value, gain, advantage, benefit, or profit), paid or to be paid for all transfers or conveyance of realty or any interest therein, that shall include any liens or encumbrances thereon at the time of sale, lease, sublease, assignment, transfer, or conveyance, and shall be at the following rates:

BASIS AND RATE OF CONVEYANCE TAX

CONSIDERATION PAID		Scale #1:	Scale #2:
At Least	But Less Than	Applies to all transfers or conveyance of realty or any interest therein, except for a sale of a condominium or single family residence where the purchaser is eligible for the county homeowners' exemption. (increments of \$100 of sale price will be added proportionately to tax)	Applies to sales of condominium or single family residence where the purchaser is not eligible for the county homeowner's exemption. (increments of \$100 of sale price will be added proportionately to tax)
\$0	\$600,000	10¢	15¢
\$600,000	\$1 Million	20¢	25¢
\$1 Million	\$2 Million	30¢	40¢
\$2 Million	\$4 Million	50¢	60¢
\$4 Million	\$6 Million	70¢	85¢
\$6 million	\$10 million	90¢	\$1.10
\$10 Million and Above		\$1.00	\$1.25

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Buyer & Seller Portions

of Closing Costs

The standard purchase contract in Hawaii specifies closing costs split between Buyers & Sellers. The following is a list of customary closing costs and is NOT intended to be all-inclusive.



CLOSING COSTS	BUYER	SELLER
FIDELITY NATIONAL TITLE FEES:		
Standard Coverage for Title Insurance Premium*	40%	60%
Additional Premium for any Extended Coverage Policy (including ALTA Homeowners Policy and/or Lender's Policy)	X	
Lien Report* if applicable	X	
Financing Statement*, if applicable	X	
Escrow Fees*	X	X
THIRD PARTY FEES:		
Cost of Drafting Mortgage and Note or Agreement of Sale	X	
Cost of Drafting Conveyance Documents & Bills of Sale		X
Cost of Obtaining Buyer's Consents	X	
Cost of Obtaining Seller's Consents (e.g., Lessor's Consent)		X
Buyers Notary Fees, if applicable	X	
Seller's Notary Fees, if applicable		X
Recording Fees except Documents to Clear Seller's Title (e.g., Deed, Encroachment Agreements)	50%	50%
Recording Fees to Clear Seller's Title (e.g. Mortgage Release)		X
Required Staking or Survey		X
Homeowner's Condominium Documents, if applicable		X
Condominium and Association Ownership Transfer Fees	X	
FHA or VA Discount Points and any Mortgage Fees	X	
FHA or VA Mandatory Closing Fees		X
Conveyance Tax		X
FIRPTA (Federal Withholding, if applicable)		X
HARPTA (State Withholding, if applicable)		X

NOTE: *General excise tax (GET) will be charged on the fee

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HARPTA - Hawaii Real Property Tax Act

The Hawaii Real Property Tax Act (HARPTA) requires the buyer who purchases real property from a non-resident of Hawaii to withhold **7.25%*** of the amount realized (generally the sales price) and remit it to the Department of Taxation within 20 days of closing unless an exemption applies.

The 7.25% withholding represents an estimate of the Hawaii capital gains tax that may be owed by the non-resident when selling real property in Hawaii.

The standard Hawaii Association of Realtors Purchase Contract provides that escrow is to withhold and remit the HARPTA amount to the Department of Taxation unless the seller provides the buyer with a certificate of exemption or waiver from HARPTA.

It is the seller's burden to prove that an exemption / waiver applies and for the buyer to acknowledge and approve the seller's exemption / waiver prior to closing. Under Hawaii law, it is the buyer's responsibility to determine if the seller is a non-resident of Hawaii and that the proper withholding amount is remitted to the Department of Taxation on a timely basis.

FIRPTA - Foreign Investment Real Property Tax Act

The Foreign Investment in Real Property Tax Act (FIRPTA) requires the buyer who purchases real property from a foreign seller to withhold 10% or 15% of the amount realized (generally the sales price) and remit it to the IRS within 20 days of closing unless an exemption applies. The withholding percentage will depend upon the sales price and whether the buyer or buyer's family member intends to use the real property as a residence.*

The withholding percentage represents an estimate of the federal capital gains tax that may be owed by the foreign seller when selling real property in the United States.

The standard Hawaii Association of REALTORS® Purchase Contract provides that escrow is to withhold and remit the FIRPTA amount to the IRS unless the seller provides the buyer with a certificate of exemption or waiver from HARPTA.

It is the seller's burden to prove that an exemption / waiver applies and for the buyer to acknowledge and approve the seller's exemption / waiver prior to closing. Under federal law, it is the buyer's responsibility to determine if the seller is a foreigner subject to FIRPTA withholding and that the proper withholding amount is remitted to the IRS on a timely basis.

*Buyer or member of buyer's family must have definite plans to reside in the property for at least 50% of the number of days the property is used by any person during each of the first two 12-month periods following the date of transfer.

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*FNT Internal Update November, 2018



KAUAI Real Property Tax Rates

For Fiscal Year: July 1, 2020 to June 30, 2021 Per \$1,000 of net taxable assessed valuation

Agricultural	\$6.75
Commercial	\$8.10
Commercial Home Use	\$5.05
Conservation	\$6.75
Homestead	\$3.05
Hotel & Resort	\$10.85
Industrial	\$8.10
Residential	\$6.05
Residential Investor	\$9.40
Vacation Rental	\$9.85

Kauai and Oahu Important Dates

August 20 - First half year tax payments due

September 30 - Deadline for filing exemption claims and ownership documents which affect the tax year

February 20 - Second half year tax payments due

Resource:

<https://www.kauai.gov/Government/Departments-Agencies/Finance/Real-Property/Tax-Rates>

*** HONOLULU COUNTY

CLASS	Net Taxable Building/Land Tax Rates-Per/\$1,000
Agriculture	\$5.70
Bed and Breakfast Home	\$6.50
Commercial	\$12.40
Hotel/Resort	\$13.90
Industrial	\$12.40
Preservation	\$5.70
Public Service	\$0.00
Residential (Principal Resident)	\$3.50
Residential A-Tier 1 Tax rate applied to the net taxable valuation of the property up to \$1,000,000	\$4.50
Residential A - Tier 2 Tax rate applied to the net taxable valuation of the property in excess of \$1,000,000	\$10.50
Vacant Agriculture	\$8.50

HAWAI'I COUNTY

CLASS	Net Taxable Building/Land Tax RatesPer/\$1,000
Affordable Rental Housing	\$6.15
Agriculture/Native Forest	\$9.35
Apartment	\$11.70
Commercial	\$10.70
Conservation	\$11.55
Homeowner	\$6.15
Hotel/Resort	\$11.55
Industrial	\$10.70
Residential (Less than \$2M)	\$11.10
Residential (Over \$2M)	\$13.60

*** MAUI COUNTY

CLASS	Net Taxable Building/Land Tax Rates-Per/\$1,000
Owner Occupied - Tier 1	\$2.51
Owner Occupied - Tier 2	\$2.56
Owner Occupied - Tier 3	\$2.61
Non-Owner Occupied - Tier 1	\$5.45
Non-Owner Occupied - Tier 2	\$6.05
Non-Owner Occupied - Tier 3	\$6.90
Apartment	\$5.55
Commercial - Tier 1, 2, 3	\$6.29
Industrial	\$7.20
Agricultural	\$5.94
Conservation	6.43
Hotel & Resort	\$10.70
Timeshare	\$14.40
Short-Term Rental - Tier 1, 2, 3	\$11.08
Commercialized Residential	\$4.40

MAUI & BIG ISLAND:

*** Important Dates

August 20 - First half year tax payments due

December 31 - Deadline for filing exemption claims and ownership documents which affect the tax year

February 20 - Second half year tax payments due

MAUI COUNTY ONLY:

Tier 1 Up to \$800,000

Tier 2 \$800,001 to \$1,500,000

Tier 3 Over \$1,500,000

