

# KAUAI REAL ESTATE REPORT



# KAUAI | 3RD QUARTER 2023

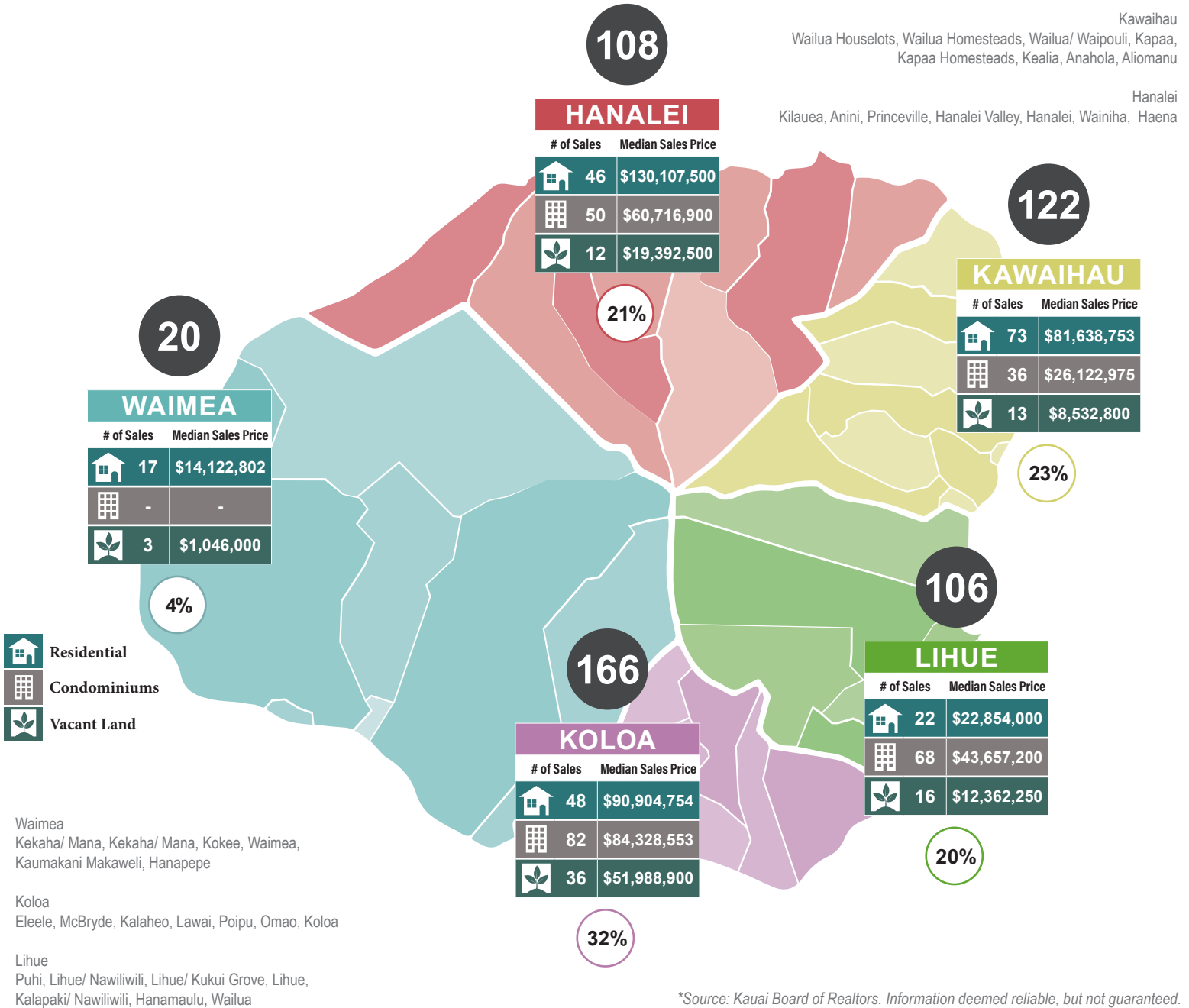
2023 YTD VS. 2022 YTD

Kawaihau

Wailua Houselots, Wailua Homesteads, Wailua/ Waipouli, Kapaa, Kapaa Homesteads, Kealia, Anahola, Aliomanu

Hanalei

Kilauea, Anini, Princeville, Hanalei Valley, Hanalei, Wainiha, Haena



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

	% OF CLOSINGS	# OF UNITS RECORDED	MEDIAN PRICE		
<b>HOMES</b>	40%	206 ▼ -48%	\$1,150,000	=	0%
<b>CONDO</b>	45%	236 ▼ -33%	\$709,500	▲	2%
<b>LAND</b>	15%	80 ▼ -27%	\$865,000	▲	24%

DISTRICT	YTD NUMBER OF UNITS RECORDED			YTD TOTAL DOLLAR VOLUME		
	2023	% Change		2023	% Change	
KOLOA	166	-47%		\$227,222,207	-49%	
KAWAIHAU	122	-41%		\$210,216,900	-56%	
HANALEI	108	-36%		\$116,294,528	-41%	
LIHUE	106	-20%		\$78,873,450	-30%	
WAIMEA	20	-47%		\$15,168,802	-36%	
<b>TOTAL</b>	<b>522</b>	<b>-39%</b>		<b>\$647,775,887</b>	<b>-48%</b>	

○ % of Closed Sales by Districts through September 30, 2023

● Number of Recorded Transactions from January 1, 2023 – September 30, 2023

## KAUAI

YEAR-OVER-YEAR

**522**  
TOTAL NUMBER OF SALES  
2023

**858**  
TOTAL NUMBER OF SALES  
2022

-39%

**\$1,150,000**  
MEDIAN PRICE HOME

**\$709,500**  
MEDIAN PRICE CONDO

**\$865,000**  
MEDIAN PRICE LAND

=

0%

2%

24%

**\$647,775,887**  
TOTAL DOLLAR VOLUME  
2023

**\$1,256,045,103**  
TOTAL DOLLAR VOLUME  
2022

-48%

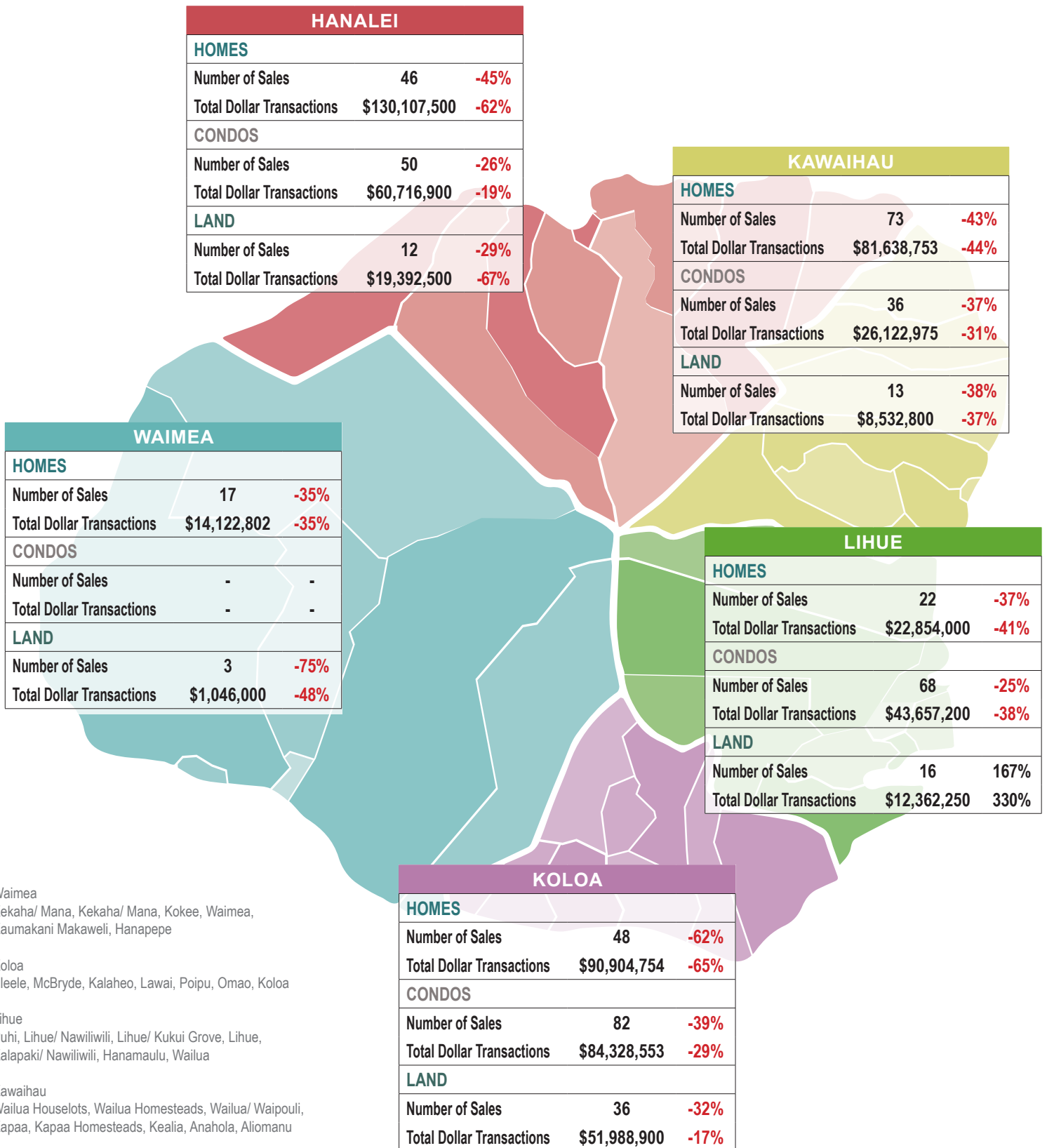
	Number of Sales			Median Sales Price			Total Dollar Volume		
	2023	2022	% Change	2023	2022	% Change	2023	2022	% Change
<b>RESIDENTIAL</b>									
WAIMEA	17	26	-35%	\$776,000	\$752,778	3%	\$14,122,802	\$21,619,905	-35%
KOLOA	48	125	-62%	\$1,250,000	\$1,210,000	3%	\$90,904,754	\$262,472,364	-65%
LIHUE	22	35	-37%	\$900,000	\$899,990	0%	\$22,854,000	\$38,963,767	-41%
KAWAIHAU	73	129	-43%	\$1,000,000	\$920,000	9%	\$81,638,753	\$145,030,200	-44%
HANAIEI	46	83	-45%	\$2,275,000	\$2,400,000	-5%	\$130,107,500	\$345,800,706	-62%
<b>TOTAL</b>	<b>206</b>	<b>398</b>	<b>-48%</b>	<b>\$1,150,000</b>	<b>\$1,150,000</b>	<b>0%</b>	<b>\$339,627,809</b>	<b>\$813,886,942</b>	<b>-58%</b>

	Number of Sales			Median Sales Price			Total Dollar Volume		
	2023	2022	% Change	2023	2022	% Change	2023	2022	% Change
<b>CONDOMINIUM</b>									
WAIMEA	-	-	-	-	-	-	-	-	-
KOLOA	82	135	-39%	\$793,500	\$715,000	11%	\$84,328,553	\$118,232,877	-29%
LIHUE	68	91	-25%	\$535,000	\$505,000	6%	\$43,657,200	\$70,816,341	-38%
KAWAIHAU	36	57	-37%	\$575,000	\$545,000	6%	\$26,122,975	\$37,898,800	-31%
HANAIEI	50	68	-26%	\$1,196,750	\$995,000	20%	\$60,716,900	\$74,677,643	-19%
<b>TOTAL</b>	<b>236</b>	<b>351</b>	<b>-33%</b>	<b>\$709,500</b>	<b>\$695,000</b>	<b>2%</b>	<b>\$214,825,628</b>	<b>\$301,625,661</b>	<b>-29%</b>

	Number of Sales			Median Sales Price			Total Dollar Volume		
	2023	2022	% Change	2023	2022	% Change	2023	2022	% Change
<b>VACANT LAND</b>									
WAIMEA	3	12	-75%	\$246,000	\$112,500	119%	\$1,046,000	\$2,014,000	-48%
KOLOA	36	53	-32%	\$1,269,000	\$795,000	60%	\$51,988,900	\$62,869,500	-17%
LIHUE	16	6	167%	\$787,500	\$552,500	43%	\$12,362,250	\$2,874,000	330%
KAWAIHAU	13	21	-38%	\$650,000	\$600,000	8%	\$8,532,800	\$13,552,000	-37%
HANAIEI	12	17	-29%	\$1,231,250	\$1,270,000	-3%	\$19,392,500	\$59,223,000	-67%
<b>TOTAL</b>	<b>80</b>	<b>109</b>	<b>-27%</b>	<b>\$865,000</b>	<b>\$700,000</b>	<b>24%</b>	<b>\$93,322,450</b>	<b>\$140,532,500</b>	<b>-34%</b>

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





Waimea  
Kekaha/ Mana, Kekaha/ Mana, Kokee, Waimea,  
Kaumakani Makaweli, Hanapepe

Koloa  
Eleele, McBryde, Kalaheo, Lawai, Poipu, Omao, Koloa

Lihue  
Puihi, Lihue/ Nawiliwili, Lihue/ Kukui Grove, Lihue,  
Kalapaki/ Nawiliwili, Hanamaulu, Wailua

Kawaihau  
Wailua Houselots, Wailua Homesteads, Wailua/ Waipouli,  
Kapaa, Kapaa Homesteads, Kealia, Anahola, Aliomanu

Hanalei  
Kilauea, Anini, Princeville, Hanalei Valley, Hanalei,  
Wainiha, Haena

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



**RESIDENTIAL**

▼ HOME SALES  
VS 2022 (398)

**206**  
DOWN 48%

**\$1,150,000**  
0%

MEDIAN SALES PRICE ▬  
VS 2022 (\$1,150,000)

▼ TOTAL DOLLAR SALES  
VS 2022 (\$813,886,942)

**\$339,627,809**  
DOWN 58%

**CONDOMINIUM**

▼ CONDO SALES  
VS 2022 (351)

**236**  
DOWN 33%

**\$709,500**  
UP 2%

MEDIAN SALES PRICE ▲  
VS 2022 (\$695,000)

▼ TOTAL DOLLAR VOLUME  
VS 2022 (\$301,625,661)

**\$214,825,628**  
DOWN 29%

**VACANT LAND**

▼ LAND SALES  
VS 2022 (109)

**80**  
DOWN 27%

**\$865,000**  
UP 24%

MEDIAN SALES PRICE ▲  
VS 2022 (\$700,000)

▼ TOTAL DOLLAR VOLUME  
VS 2022 (\$140,532,500)

**\$93,322,450**  
DOWN 34%

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





# 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:

<b>BASIS AND RATE OF CONVEYANCE TAX</b>			
<b>CONSIDERATION PAID</b>		<b>Scale #1:</b>	<b>Scale #2:</b>
<b>At Least</b>	<b>But Less Than</b>	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
<b>FIDELITY NATIONAL TITLE FEES:</b>		
Standard Coverage for Title Insurance Premium*	<b>40%</b>	<b>60%</b>
Additional Premium for any Extended Coverage Policy (including ALTA Homeowners Policy and/or Lender's Policy)	<b>X</b>	
Lien Report* if applicable	<b>X</b>	
Financing Statement*, if applicable	<b>X</b>	
Escrow Fees*	<b>X</b>	<b>X</b>
<b>THIRD PARTY FEES:</b>		
Cost of Drafting Mortgage and Note or Agreement of Sale	<b>X</b>	
Cost of Drafting Conveyance Documents & Bills of Sale		<b>X</b>
Cost of Obtaining Buyer's Consents	<b>X</b>	
Cost of Obtaining Seller's Consents (e.g., Lessor's Consent)		<b>X</b>
Buyers Notary Fees, if applicable	<b>X</b>	
Seller's Notary Fees, if applicable		<b>X</b>
Recording Fees except Documents to Clear Seller's Title (e.g., Deed, Encroachment Agreements)	<b>50%</b>	<b>50%</b>
Recording Fees to Clear Seller's Title (e.g. Mortgage Release)		<b>X</b>
Required Staking or Survey		<b>X</b>
Homeowner's Condominium Documents, if applicable		<b>X</b>
Condominium and Association Ownership Transfer Fees	<b>X</b>	
FHA or VA Discount Points and any Mortgage Fees	<b>X</b>	
FHA or VA Mandatory Closing Fees		<b>X</b>
Conveyance Tax		<b>X</b>
FIRPTA (Federal Withholding, if applicable)		<b>X</b>
HARPTA (State Withholding, if applicable)		<b>X</b>

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

This information is presented for informational purposes only and is deemed reliable but is not guaranteed. It is not our intention to provide any legal financial or business advice. For specific information, please consult a qualified advisor.

ANNOUNCEMENT UPDATE for HARPTA increase for Hawaii  
Real Property occurring on or after September 15, 2018

## 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%<sup>+</sup>** 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 FIRPTA.

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 July, 2018

STATE OF HAWAII | ALL COUNTIES  
**REAL PROPERTY TAX**  
FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024

**Honolulu County**

CLASS	Taxable Building per/\$1,000
Residential Principal Residence	\$3.50
Hotel and resort	\$13.90
Commercial	\$12.40
Industrial	\$12.40
Agricultural	\$5.70
Preservation	\$5.70
Public service	\$0.00
Vacant agricultural	\$ 8.50
Residential A - Tier 1 Tax rate applied to the net taxable value of the property up to \$1,000,000.	\$4.50
Residential A - Tier 2 Tax rate applied to the net taxable value of the property in excess of \$1,000,000.	\$10.50
Bed and breakfast home	\$6.50

**REAL PROPERTY TAX DUE DATES:**

**Aug 20, 2023** 1<sup>st</sup> half of fiscal year tax payment due  
**Sep 30, 2023** Deadline for filing exemption claims & ownership documents  
**Feb 20, 2024** 2<sup>nd</sup> half of fiscal year tax payment due  
 For More Information Visit: [www.realpropertyhonolulu.com](http://www.realpropertyhonolulu.com)

**Hawai'i County**

CLASS	Tax Rate per/\$1,000
Affordable Rental Housing	\$6.15
Residential *Portion valued less than \$2 million	\$11.10
Residential *Portion valued at \$2 million and more	\$13.60
Apartment	\$11.70
Commercial	\$10.70
Industrial	\$10.70
Agricultural and Native Forest	\$9.35
Conservation	\$11.55
Hotel/Resort	\$11.55
Homeowner	\$6.15

**REAL PROPERTY TAX DUE DATES:**

**Aug 20, 2023** 1<sup>st</sup> half of fiscal year tax payment due  
**Dec 31, 2023** Deadline for filing exemption claims & ownership documents for August 20th real prop taxes the following year  
**Feb 20, 2024** 2<sup>nd</sup> half of fiscal year tax payment due  
**June 30, 2024** Deadline for filing exemption claims & ownership documents for February 20th real prop taxes the following year  
 For More Information Visit: [www.hawaii.gov/real-property-tax](http://www.hawaii.gov/real-property-tax)

**Maui County**

**2023-2024**

CLASS	All rates are per \$1,000 of net taxable assessed valuation
<b>Owner-Occupied</b>	
Tier 1, Up to \$1 Million	\$1.90
Tier 2, \$1,000,001 to \$3 Million	\$2.00
Tier 3, More Than \$3 Million	\$2.75
<b>Non-Owner-Occupied</b>	
Tier 1, Up to \$1 Million	\$5.85
Tier 2, \$1,000,001 to \$4.5 Million	\$8.00
Tier 3, More Than \$4.5 Million	\$12.50
Apartment	\$3.50
Hotel And Resort	\$11.75
Time Share	\$14.60
Transient Vacation Rental/Short-Term Rental Home	\$11.85
<b>Long-Term Rental</b>	
Tier 1, Up to \$1 Million	\$3.00
Tier 2, \$1,000,001 to \$3 Million	\$5.00
Tier 3, More Than \$3 Million	\$8.00
Agricultural	\$5.74
Conservation	\$6.43
Commercial	\$6.05
Industrial	\$7.05
Commercialized Residential	\$4.40

**REAL PROPERTY TAX DUE DATES:**

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**Dec 31, 2023** Deadline for filing exemption claims & ownership documents  
**Feb 20, 2024** 2<sup>nd</sup> half of fiscal year tax payment due  
 For Info On Classifications Visit: [www.mauicounty.gov/755/Classification-for-Tax-Rate-Purposes](http://www.mauicounty.gov/755/Classification-for-Tax-Rate-Purposes)

**Kauai County**

CLASS	Tax Rate per/\$1,000
Homestead	\$2.59
Residential	\$5.45
Vacation Rental	\$9.85
Hotel and Resort	\$10.85
Commercial	\$8.10
Industrial	\$8.10
Agricultural	\$6.75
Conservation	\$6.75
Residential Investor	\$9.40
Commercialized Home Use	\$5.05

**REAL PROPERTY TAX DUE DATES:**

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**Sep 30, 2023** Deadline for filing exemption claims & ownership documents  
**Feb 20, 2024** 2<sup>nd</sup> half of fiscal year tax payment due  
 For more information visit: [www.kauai.gov/Government/Departments-Agencies/Finance/Real-Property-Tax/Assessment](http://www.kauai.gov/Government/Departments-Agencies/Finance/Real-Property-Tax/Assessment)



RETA CHIN CODY DAY KURT JOHNSON JOANNE MACKEY OLIVIA MORIKAWA MERCY PALMER CHRISTINE PARKE CARSON SMITH