



\$700M in Trump tower sales hit world record

All 464 Waikiki units sell out in eight hours

By Allison Schaefer
aschaefer@starbulletin.com

Units at the planned Trump International Hotel & Tower in Waikiki sold out for more than \$700 million in just eight hours, setting world records for the total dollars and number of units changing hands at a residential development on a single day.

The sale, which took place simultaneously in Japan and Hawaii, concluded Thursday night -- the first day of what was planned as a two-day sales event -- with all 464 hotel suites and residences sold.

The previous sales record was \$425 million, recorded by Vancouver, Canada-based Intrawest Corp. last December when all 318 suites sold in the first phase of the company's Maui resort.

"I predicted that Trump Tower Waikiki would be the most luxurious development in Hawaii, and buyers responded," said Donald Trump, who developed the project along with Irongate Capital Partners and marketing partners S&P Destination Properties and Seven Signatures Corp.

While location is often the biggest driver of demand for residential real estate, it is clear that pairing it with an iconic brand can carry more weight. Trump's Waikiki tower, on the corner of Kalia and Saratoga roads across from Fort DeRussy Park, is Oahu's first five-star hotel to be developed since the 1980s. When completed in 2009, it is expected to become the cornerstone of Outrigger Enterprises' massive Waikiki Beach Walk redevelopment.

Trump has redefined the luxury residential real estate and hotel markets in New York, where he became a global brand. He has expanded since then into places including Las Vegas, Chicago, Miami Beach, Los Angeles and the Caribbean.

Trump's other interests include office buildings, championship golf clubs, gaming, merchandise and entertainment -- an industry he took by storm with the introduction of his hit reality television show, "The Apprentice."

There are 33 Trump developments in the works worldwide, but Honolulu is a special location, said Ivanka Trump, vice president of development and acquisitions for her famous father.

"The fact that we were able to sell out 464 units with revenue of over \$700 million speaks to the appeal of Hawaii," said Ivanka, who even with her connections was barely able to acquire the one-bedroom unit that she wanted in her father's newest project.

The development, which also caught the eye of Hawaii's own beloved entertainer Don Ho, has garnered global attention from professional athletes, celebrities, top executives, wealthy second-home buyers and investors.

"About 40 percent of the buyers were from Hawaii and Asia, and the remainder came from all over the world," Ivanka Trump said. Many buyers came from a database of investors who have bought into other Trump developments, she said.

Buyers paid an average price of \$1.5 million. Units were priced from the mid-\$400,000s for studios to more than \$9 million for a three-bedroom penthouse.

Despite the relative newness of hotel-condominium properties in Japan, the Japanese were the largest single group of buyers, said Sid Landolt, who co-founded S&P with Peter Dupuis.

"We've just seen the Japanese real estate market improve over the last two years in Japan, and with local improvement there's been a heightened movement to buy more real estate in Hawaii," he said. "Trump Tower is the first large indication of renewed interest from Japan in Hawaii real estate."

By the time the sales started, more than 1,000 prospective buyers had paid \$20,000 to reserve space in the project, said Dupois, chief executive officer of Vancouver, Canada-based S&P, the tower's marketing firm.

"We've seldom seen such a positive response to a luxury condo with as many people excited about it as we've seen with this sale," Landolt said.

S&P, which also has ties to luxury communities on the Big Island, has sold 17,000 condominiums and home suites and closed \$4.5 billion in sales since 1990, Dupois said.

Priscilla Florentes, a real estate agent from Fremont, Calif., who is about to close on a unit in one of Trump's New York developments, said she sold other properties for the chance to purchase into Trump's Waikiki tower.

"I dumped some of my other properties to do this," said Florentes, who experienced a few harried moments on Thursday while waiting for the chance to buy into the development.

Florentes lost her first choice before noon Thursday but said she was able to buy two other units.

"I'm very happy about this purchase," she said. Florentes had originally planned to purchase only a single unit but changed her mind when she realized the strength of demand for the project.

The entire development sold out just before 8 p.m. Thursday, leaving hundreds on the waiting list. Some of these wannabe buyers might still be able to purchase units in the next 30 days if some of the current buyers change their minds, Landolt said.