

CHAD TAKESUE DIRECT TESTIMONY

MODIFICATION HEARING

Land Block 5, Project 3 (The Launiu) (KAK 23-001)

Q Please state your name, place of employment, and position.

A Chad Takesue, Realtor, Partner, Locations LLC, Chief Operating Officer, RESCO.

Q How long have you been affiliated with Locations?

A I joined Locations in 2005.

Q Please describe your educational background and professional experience.

A Please see my resume, which is attached as an exhibit in this proceeding.

Q Please describe Location's experience.

A Founded in 1969, Locations is a full-service real estate company in Hawaii. Locations provides clients with not only real estate services, but also mortgage, escrow, and property management opportunities. We are the largest locally-owned real estate company in the State of Hawaii. We are well known and respected for our extensive knowledge and research in the residential real estate market, which allows us to provide excellent customer service. In the past five years, we were involved in the sale of over 2,000 new development units in the Honolulu urban core.

Q What has your firm been asked to do for this project, The Launiu (Block A)?

A Victoria Ward, Limited ("VWL") requested that we provide an analysis and conclusions regarding the Oahu real estate market, with a focus on the demand for market priced housing and parking in urban Honolulu and Kaka'ako, and modifications requested in connection with the Project.

Q Please describe the modifications requested for this Project.

A VWL is requesting two modifications to the applicable provisions of the HCDA's 2005 Mauka Area Rules (the "Vested Rules") for The Launiu.

The first request is to increase The Launiu's mixed-use platform height from forty-five (45) feet to sixty-five (65) feet in height (with additional permitted height for accessory use structures), and the second request is to permit a continuous building façade on the platform above twenty (20) feet (instead of the 1:1 setback) on the Ala Moana Boulevard and Ward Avenue view corridors.

Q What is your understanding of the effect of these requested modifications?

A My understanding is that the modifications to the platform allow additional volume, and allow the bulk of the parking structure to be pulled up and away from the street, which in turn allows for mixed uses, including residential units in the podium and tower, over 21,000 square feet of ground floor commercial space, and nearly 16,000 square feet of new green space in and near The Launiu. Other experts can describe the various benefits of the requested modifications, but from my perspective, VWL's inclusion of residential homes on levels 2-6 of the platform provides material community benefits.

Q Please describe how the residential units in the platform provide community benefits.

A Most of the residential units in the platform will be studio and one bedroom units. While the addition of condo units in all configurations within Kaka'ako continues to be a welcome relief, especially given the continuing low inventory of housing, VWL's inclusion of studio and one bedroom units at The Launiu provides flexibility and additional options for buyers across several market segments and contributes to a diverse community.

The studio and one bedroom units, for example, will be particularly appealing to new condominium purchasers seeking urban conveniences and community services who would not otherwise consider or live in Kaka'ako. This market segment includes seniors who are seeking to downsize and consider the access to healthcare and service providers as a factor in their homebuying decisions, as well as the increasing population of young, single purchasers who are looking for the first time in Kaka'ako and are seeking smaller, more efficient spaces and flexible housing options. Providing options and opportunities for these and other market segments at The Launiu, facilitated though the inclusion of the podium level units, will result in a more diverse buyer demographic and community in Kaka'ako, and enhance neighborhood / street-level awareness within Ward Village.

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