

# The Maui News

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## Maui real estate mixed bag in 2007

### More money is moving through the market; director of Realtor group says prices down

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KAHULUI — Unlike a lot of places on the Mainland, Maui's real estate market finished 2007 just about even.

Average condominium prices rose 4 percent to \$817,000, while average single-family home prices fell 1 percent to \$921,000.

The number of condo sales was down 5 percent to 1,179, but the number of single-family home sales was up 5 percent to 1,138.

Terry Tolman, the executive director of the Realtors Association of Maui, says: "Prices are moving down a little bit."

The total amount of money moving through the Maui real estate market grew a little, from \$1,986,000,000 to \$2,010,000,000.

Developer Henry Spencer, who finished 16 lots in Spreckelsville last year, has not sold all of them. He is not worried, though.

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*People who already have product to sell will have that much less competition.*

— Henry Spencer,  
developer who still has  
Spreckelsville lots for sale



Crews continue work Monday on housing near Kaunoa Senior Center in Spreckelsville. While real estate on the Mainland has been struggling, Maui's market for buying and selling homes and condominiums was about even last year.

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AMANDA COWAN photo

## Real estate

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Maui developers must deal with a new work force housing imposition, shortages of water in some areas, a proposal for a moratorium on the west side and an announcement from the Planning Department that it will not support community plan amendments until the General Plan revision process is completed.

"People who already have product to sell will have that much less competition," says Spencer.

The total real estate turnover number excludes sales of undeveloped land and includes only sales tracked through the association's Multiple Listing Service.

The association also lumps together new construction and resales.

Darryl Betsill of Betsill Brothers Construction, one of the island's most active builders, says his firm is not contemplating slowing down, even if the national residential market is contracting and expected to keep doing so.

"We're going pretty well," Betsill said last week.

Betsill Brothers is doing a mix of work on its own account and site preparation for other developers. The weight is moving somewhat more toward commercial work, Betsill says.

For example, in a joint venture with Goodfellow Bros., Betsill is building a 36,000-square-foot office building on Lipoa Street in Kihei.

Each partner will take 10,000 square feet for itself, and the rest will be offered to tenants.

But Betsill is about to "go vertical" at the 90-unit Kaihana Village condominium in Kihei, and it is well along at the 90-unit Maui Breakers at Honokowai, which is being developed by a Colorado firm.

Other Betsill ventures later this year will include 32 housing units near Cove Beach and 32



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A sign in front of a home-construction site in Spreckelsville advertises the work of Betsill Brothers Construction, one of Maui's most active builders. The company has been faring well, although work has been shifting toward commercial construction.

That plus a couple of custom-built homes in Wailuku means Betsill will deliver close to 250 dwellings in 2008, if all goes as planned.

Tolman always cautions against overanalyzing the MLS numbers, because the Maui real estate market "is such a small pool."

One or two projects can inflate or deflate the totals considerably.

One number that hasn't changed is the number of members in the Realtors Association, 1,623.

Tolman thinks buyers who can afford superprices (\$5 million to \$10 million) may start holding back a little, waiting to see what other investment areas are going to do.

"People are much more aware" of instability, he says, because of big movements in stock indexes.

There were 45 houses listed at \$5 million and up on the MLS

Kaanapali. At the other end of the scale, the average single-family price in Central Maui last year was \$538,000, a drop of 9 percent, or \$54,000, from 2006 prices. The median price in Central Maui was down somewhat less, 6 percent, or \$39,000, to \$559,000.

Median prices, which mark the point at which half of sales were for more, half for less, fell \$60,000 in 2007, or 9 percent.

Central Maui with 512 closings accounted for close to half of single-family sales.

Kihei, with 182 sales, was next. Average prices fell 10 percent to \$808,000, and medians dropped 4 percent to \$730,000.

Average prices, which briefly exceeded \$1 million in the middle of 2006, are now down to \$921,000.

Condo prices, which used to be

gap. This is due primarily to a hot market in Wailea-Makena.

There were 233 transactions there last year, at average prices of more than \$1.7 million. Prices were about as high on Lanai, where there were nine closings, and Kapalua, where there were 34.

More significant for first-time condominium shoppers were the prices in Central Maui, where there were 85 closings at an average price of \$301,000, an increase of \$6,000, or 2 percent.

The most active area was Kihei, where there were 485 condo transactions for an average of \$470,000. That was an increase of \$22,000, or 5 percent.

The number of days on market is another indicator of softening demand. In December, that number was right around six months, which is around 40 days longer than in the middle of 2006.