

Neighborhood, demand peg cost of renting home

□ Oahu rental fees continue to grow at a steady pace due to low vacancy rates

By Rick Daysog 9/9/91
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LOOKING for a place to rent in a nice neighborhood? If so, be prepared to shell out some serious bucks.

For example, a two-bedroom spread in Makiki and the downtown area fetches an average monthly rent of \$1,093, according to a recent survey of classified advertisements by Locations Inc.

That's \$307 less than the \$1,400 average rent for a two-bedroom apartment in Hawaii Kai.

For houses, the rents are even steeper: Homes in Hawaii Kai go for \$1,900 a month, while the monthly price tag for family rentals in Manoa and Makiki is \$1,933.

"The higher rents are going to be in the more desirable areas," said Michael Sklarz, research di-

rector at Locations Inc. "And the more desirable areas are characterized by higher property values."

But unlike real estate prices, which have cooled during the past year, Oahu rental prices continue to grow at a steady pace because of low vacancy rates, Sklarz said.

The exception: areas that depend heavily on military renters.

For instance, average rental prices in Leeward Oahu dropped by 7.7 percent to \$1,147 from \$1,243 last year.

Aiea and Pearl City experienced similar declines, down by 11 percent to \$1,338 a month from 1990's \$1,511.

Jean Fujimoto, manager of Chaney, Brooks & Co.'s rental department, attributed the softening to the Persian Gulf war and the mainland recession.

But with the war long over and the arrival of several Navy ships, the market has been tightening.

"Over the last few months, we experienced a higher number of turnovers than usual," Fujimoto said. "(But) when the ships came in, we suddenly saw more people applying for rentals on that side of the island."



Comparing rental rates

A look at rents around Oahu.

Year	Windward	Pearl City Area	Hawaii Kai	Leeward	Makiki/Manoa	Makiki area condos	Salt Lake
1991	1,597	1,338	1,900	1,147	1,933	891	1,116
1990	1,466	1,511	1,750	1,243	1,900	871	1,000
1989	1,450	1,480	1,837	1,134	1,750	845	916
1988	1,314	1,238	1,477	959	1,400	827	922
1987	1,314	1,238	1,383	881	1,400	813	711
1986	1,081	1,073	1,273	867	1,291	613	682
1985	1,014	1,000	1,302	873	1,256	621	724
1984	1,081	1,098	1,237	863	1,200	584	749
1983	938	885	1,200	884	1,048	561	583
1982	800	645	1,100	560	800	560	525
1981	700	630	900	480	760	550	480

Average prices based on rates published in classified advertisements. Figures include houses and condominium units unless noted otherwise.

Source: Locations Inc.

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Michael Sklarz
Research director, Locations Inc.