

**FOR THE EXCLUSIVE USE OF [BBBS@BBBSHAWAII.ORG](mailto:BBBS@BBBSHAWAII.ORG)**

From the Pacific Business News:

<https://www.bizjournals.com/pacific/news/2024/12/10/bbbsh-goodwill-buy-former-bank-properties.html>

SUBSCRIBER CONTENT:

Commercial Real Estate

# Two nonprofits jointly purchase former credit union properties



Goodwill Hawaii and Big Brothers Big Sisters Hawaii have jointly purchased properties at 571 Quinn Lane and 576 Halekauwila St. in Kakaako  
TYLER SHORTT



By [Stephanie Salmons](#) – Reporter, Pacific Business News  
Dec 10, 2024 **Updated** Dec 10, 2024 10:53am HST



Listen to this article 6 min



Goodwill Hawaii and Big Brothers Big Sisters Hawaii have jointly purchased properties at 571 Quinn Lane and 576 Halekauwila St. in Kakaako, a partnership that "represents a shared vision and commitment by the two organizations to improving the lives of individuals and families through education, mentorship and empowerment," the nonprofits said.

The two properties, previously owned by Hawaii State Federal Credit Union, offer "ample parking" and 14,000 square feet of interior space that will serve as offices, classrooms and multi-purpose rooms for Goodwill Hawaii's at-risk youth and adults with intellectual disabilities programs, as well as BBBSH's youth mentoring programs, the organizations said.

The sale closed on Nov. 22, Goodwill Hawaii President and CEO Katy Chen told Pacific Business News on Monday.

The property was purchased as "tenants in common," but Chen said the nonprofits are in the process of converting the property under a condominium property regime, so each organization has individual ownership of certain suites, while a large portion of the property will be common area.

"This is where the partnership is truly invaluable, because we'll be sharing use of those

common areas for the benefit of each of our programs, so in the end, each nonprofit will end up with more square feet than we currently have,” she said.

Tyler Kurashige, president and CEO of BBBSH, told PBN that the acquisition partnership stemmed from a lunch earlier this year. During that lunch, Kurashige said he and Chen spoke about the work the nonprofits do together and found that both organizations were looking for about 7,000 square feet of additional space for programs and staff.

"Together, to find a bigger space, we could actually bring down some of our costs because we can have more of that common area, that shared space for our programs," he continued. "... It was just really fortuitous that we were both looking for something similar at the same time."

Chen said, too, at that time, there weren't many options on the market at 7,000 square feet, but there were options double the size – or larger.

"Essentially, by coming together, we knew that there were properties that we could actually look at that would fit that bill," she said. "Neither of us could independently afford a building of that size, and had struggled to find something that would meet our space requirements and be in the price range that we needed, either leasing or purchasing, but when we combined our efforts and combined our resources, then doors started opening up about possibilities."

Both properties were acquired for a total \$7.3 million.

The split is 55% to Goodwill Hawaii and 45% to BBBSH, Chen said.

Kurashige said BBBSH's portion of the purchase will be funded through a loan.

According to Chen, Goodwill Hawaii previously received \$5 million from

philanthropist MacKenzie Scott. Those funds have since been invested, which allowed the nonprofit to purchase its portion outright, she said.

As for the necessity of the purchase, Chen said Goodwill Hawaii has been reorganizing its main warehouse in Mapunapuna, and growing its thrift and paper-shredding businesses. With the acquisition, Goodwill Hawaii will now be able to move its administration and executive teams from Mapunapuna into the new location, freeing up space for its other businesses that need warehouse space, she said.

Goodwill also has its adults with disabilities program and youth program at its Beretania Street location, which is comprised of three buildings – two of which are owned by Goodwill Hawaii and the third which has been leased by the nonprofit for more 25 years [but is now for sale](#).

"Our lease ends at the end of this calendar year, so the timing of this purchase could not be better," Chen said. "So we needed more space and we needed to also find a more long-term, affordable location to secure the financial viability of those two programs ... and by being able to invest in our own space, that ensures the long-term stability of those programs."

Kurashige said BBBSH is at the end of a three-year strategic plan, one of the pillars of which was to find a location where the organization could offer more mentoring programs and services, as well as provide more resources to families.

"As we've been doing this over the past few years, we just haven't had a dedicated place, a space to do that," he said. "As part of our long-term sustainability, and also being able to grow our programs, it was really important for us to have a dedicated space. We're just really thrilled with all the common area that we're going to be able to use."

HSFCU listed its portfolio of four office properties for a total of \$19 million in 2021, following its 2020 [acquisition of the Melim Building](#) in Downtown Honolulu for \$23 million, as PBN [reported at that time](#). The building at 571 Quinn Lane was listed for \$6.25 million, and the 3,606-square-foot surface parking lot at 576 Halekauwila St. was listed for \$1.4 million.

The financial institution [opened its new headquarters](#) at 333 Queen St. in June 2023. It [sold its former headquarters](#) building at 560 Halekauwila St. on April 1 for \$9,862,500, as PBN previously reported.

Brandon Bera and Neal Hafner with [Colliers](#) International Hawaii represented the buyers while Karen Birkett, also with Colliers, represented the seller.