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## Units at Kaua'i Radisson to be sold

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Local real estate investor Brian Anderson plans to sell rooms in a third Hawai'i hotel to investors interested in owning part of a condominium hotel.

Anderson, through KB Resort LLC, is expected to begin sales in the next few months at the 350-room Radisson Kauai Beach Resort, a financial partner in the project announced yesterday.

California-based Canyon Capital Realty Advisors, which helped finance KB Resort's \$46 million purchase of the hotel from Florida-based Driftwood Ventures in December, said unit sales are expected to begin by June.

Canyon Capital and Anderson could not be reached for further information yesterday.

Some upgrades are expected to be made at the property, which underwent a \$10 million renovation when Driftwood bought the former Outrigger Kauai Beach hotel in 2000 for \$20 million.

Condo hotel sales typically allow room buyers the option to retain an on-site management company to continue managing units in a hotel rental program, rent out rooms through an off-site manager or retain rooms for personal use.

Such sales have become popular with a mix of buyers from the Mainland and Hawai'i who have bought an estimated 2,000 rooms in the past few years. More than 1,600 units, including 1,150 rooms at the Ala Moana Hotel, are being prepared for sale or are available for sale.

Anderson's "condotel" conversion plan for the Radisson Kauai follows similar conversion deals involving the Big Island-based developer.

Last year, Anderson partnerships sold renovated units in the former Waikiki Terrace Hotel as the Outrigger Luana Waikiki, and Kaua'i's Islander on the Beach hotel.

Anderson also purchased the W Honolulu-Diamond Head hotel in Waikiki last year, though that property has continued operating as a wholly owned hotel.

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