

KULA NEI PARTNERS LLC  
2697 Waiomao Road  
Honolulu, HI 96816  
73-4529 Kohanaiki Road #8  
Kailua-Kona, HI 96740

September 22, 2017

Mr. Daniel K. Orodener  
Executive Officer  
State of Hawaii Land Use Commission  
P.O. Box 2359  
Honolulu, HI 96804-2359

SUBJECT: NOTICE OF CHANGE OF OWNERSHIP  
THE SHOPOFF GROUP  
DOCKET NO. A06-770

Dear Mr. Orodener,

My name is Robert E. Lee Jr., Co Manager of Kula Nei Partners LLC.

Kula Nei Partners LLC ("KNP") is member managed Hawaii LLC, formed in 2014. KNP's operating agreement allows either of the two co-managers to sign and execute in behalf of KNP.

KNP acquired the Petitioned area of the subject docket via Limited Warranty Deed from Central Pacific Bank on December 9, 2014 and is the successor entity to TSG Kula Nei, L.P. who in conjunction with Springbrook Investments, L.P. where the former owners of the petitioned area. The transaction was recorded in the Bureau of Conveyances on December 15, 2014.

We note from a review of the docket that notice of this conveyance was not provided to the Commission in accordance with condition number 24 by Central Pacific Bank, and we are therefore providing it at this time. This shall also serve notice to the Commission that KNP is now the lawful owner of the subject property and therefore, the current petitioner of record for this docket.

All future correspondence to KNP regarding this petition should therefore be sent to:

Robert E. Lee Jr.  
Kula Nei Partners LLC  
73-4529 Kohanaiki Road #8  
Kailua-Kona, HI 96740  
(T)808-960-3866  
Email: robert@rleegroup.net

with a copy to:

Kula Nei Partners LLC

2697 Waiomao Road  
Honolulu, HI 96816

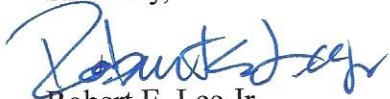
Since acquisition of the petitioned area in 2014, KNP has assessed the feasibility of implementing the project as represented to the Commission and has preliminarily determined that the best use of the land is to integrate uses which are more compatible with the significant cultural and natural resources that predominate the existing landscape. To that end, KNP has proceeded thus far as if the petitioned area was reverted back to its original Agricultural classification, but have recently confirmed otherwise.

It is our understanding that Condition No. 1 of Docket A06-770 (Order to Show Cause) is in three (3) parts. Condition 1(A) provides that the proposed project be developed as represented to the Commission within 10 years of the date of the decision and order, or Condition 1 (B) provides that substantial progress, meaning commencement of construction by 2011, if necessary County approvals have been obtained, or in any event no later than five years from the issuance of the decision and order (October, 2013). Condition 1 (C) refers to failure to perform a condition of approval or a representation or commitment made on the part of the Petitioner.

When KNP acquired the petitioned area from Central Pacific Bank in 2014, we were obviously aware that very little actual construction activity had commenced on the property. From our standpoint, we believe that this was, in actuality, a good thing because of the significant archaeological sites and dry land forest that is in evidence throughout the petitioned area. We are thus liberally interpreting Condition No. 1(A) as giving KNP until October, 2018 to be in compliance with the Commission's decision and order, and by which time KNP will, in all probability, request that the petitioned area or portions of the petitioned area be reverted to its original or more appropriate classification.

I will be happy to meet with you to further explore what options are available to KNP as we go forward with a new approach to the best utilization of the subject property.

Sincerely,



Robert E. Lee Jr.

Co-Manager, Kula Nei Partners LLC

cc Kula Nei Partners LLC (Honolulu)