

RK II PARTNERS LLC
c/o Jupiter Holdings LLC
24 Corporate Plaza, Suite 100
Newport Beach, CA 92660
(949) 706-8050



May 29, 2024

Mr. Daniel E. Orodenker
Executive Officer
State of Hawaii
Land Use Commission
PO Box 2359
Honolulu, HI 96804-2359

Re: Update on the Development of the Royal Kunia Phase II I-1 and B-1 zoned Commercial Property

Dear Mr. Orodenker:

RK II Partners LLC ("RK II Partners") is the owner of approximately 123.72 acres of fee simple vacant land located within the Royal Kunia Phase II project, further identified by Tax Map Key No. (1) 9-4-02:001, which it acquired on November 4, 2021. The RK II Partners land encompasses two zoning classifications: 103.72 acres of I-1 (industrial) zoned land and 20 acres of B-1 (retail/commercial) zoned land.

Submitted herewith is RK II Partners current subdivision phasing plan. If you have any questions, please feel free to call the undersigned.

Sincerely,

RK II Partners LLC,
A Delaware limited liability company

By Jupiter B-IV LLC,
A Delaware limited liability company

By Jupiter Advisors LLC,
A California limited liability company
Its Manager

A handwritten signature in black ink, appearing to read "Edmond F. St. Geme".

By: Edmond F. St. Geme
Its Manager



UPDATED MASTER PLANS AND SCHEDULE

FOR

DEVELOPMENT OF THE ROYAL KUNIA INDUSTRIAL/RETAIL SUBDIVISION

Dated May 29, 2024

SUBMITTED BY RK II PARTNERS LLC

To

THE LAND USE COMMISSION OF THE STATE OF HAWAII

BACKGROUND:

RK II Partners LLC (“RK II Partners”) is a successor petitioner as to a portion of Increment 1 of the Royal Kunia Phase II, a master planned community located in Royal Kunia, Oahu. Royal Kunia II at full build out, will encompass single family and multi-family housing units, an industrial park, a retail/commercial center, a park, a public school and an agricultural park. RK II Partners owns the industrial and retail /commercial zoned land of 123.72 acres, having acquired the lands on November 4, 2021. The residential zoned lands, along with the park site, are owned by Haseko Royal Kunia, LLC (“Haseko”), also a successor petitioner, which acquired its lands on August 12, 2020.

Haseko has various obligations to RK II Partners to deliver off-site roadway and utility infrastructure in accordance with a specific timeframe per the terms of that certain unrecorded Second Amended and Restated Agreement Re Infrastructure dated August 12, 2020, by and between Haseko and RK II Partners (as successor), of which that certain Memorandum of Second Amended and Restated Agreement Re Infrastructure is recorded in the Bureau of Conveyances of the State of Hawaii as Document No. A-75290290 (the “2nd ARIA”). The Haseko obligations to RK II Partners in the 2nd ARIA include roadways: Road X Phase 1 (includes a portion of Road Y), Road 3, Road X Phase 2, Kunia Road Widening improvements and a new intersection at Kunia Road and Road X Phase 2. All roadways and the intersection are to include upsized utility lines for sewer, power, water and communications stubbed to the RK II Partners lands. Road Y/Road X Phase 1, Road 3 are to be bonded, funded and completed by the end of 2026. Road X Phase 2 is to be bonded, funded and completed by April of 2027. With the exception of the Kunia Road Widening improvements and the Kunia Intersection, Haseko is well into the design of said infrastructure, including: construction plans for X Phase 1 (includes a portion of Road Y), Road 3 and Road X Phase 2 which have been submitted to the City and County of Honolulu for approval; the RKII Water Master Plan dated June 2021; the RKII Sewer Master Plan dated June 2021, the RKII Drainage Master Plan dated June 2021, and a TIAR dated August 2022. RK II Partners expects that the Kunia Intersection and Kunia Roadway Widening improvements will be completed prior to the end of 2028. To the best of RK II Partners’ knowledge, planning work has not been initiated by Haseko for either the Kunia Intersection or the Kunia Road Widening improvements.

CONCEPTUAL MASTER PLAN FOR THE INDUSTRIAL AND RETAIL/COMMERCIAL LANDS:

RK II Partners conceptual master plan is attached hereto as Exhibit A.

LAND USE:

Industrial Park (I-1 zoning) including roadways, of 103.72 acres.
Retail/Commercial (B-1 zoning) including roadway, of 20 acres.
Total Area to be Developed: 123.72 acres.

PHASING/SCHEDULE:

Phase I Industrial Subdivision: 37 acres, 11 subdivided industrial lots.

RK II Partners received tentative subdivision approval for its Phase I of the industrial park from the City and County of Honolulu Department of Planning and Permitting on April 5, 2024. RK II Partners is proceeding on schedule with the development of its 37-acre Phase 1 and is actively pursuing the necessary design endeavors including civil engineering, grading, roadways, drainage and various on-site infrastructure. The eleven industrial lots will be (i) sold to industrial users and developers for purposes of developing high quality industrial buildings, and/or (ii) self-developed by RK II Partners with high quality industrial buildings. The schedule for RK II Partners 37-acre Phase I calls for planning, permitting and subdivision approval to be completed by December 2025. Subject to obtaining all required permits, the construction of on-site infrastructure will commence in January 2026, and be completed in April 2027.

Phase II Industrial and Retail/Commercial Subdivision: The future Phase II of the industrial and retail/commercial project is in its early planning stages. RK II Partners Phase II will include 66 acres of I-1 land and 20 acres of B-1 land (including on-site roadways). It is estimated that construction of on-site infrastructure for Phase II I-1 and B-1 will commence in January 2027 with completion in mid-2028. The Phase II industrial lots will be (i) sold to industrial users and developers for purposes of developing high quality industrial buildings, and/or (ii) self-developed by RK II Partners with high quality industrial buildings. The retail/commercial zoned lots will be sold to retail users and/or developers, or potentially self-developed by RK II Partners.

CONCLUSION:

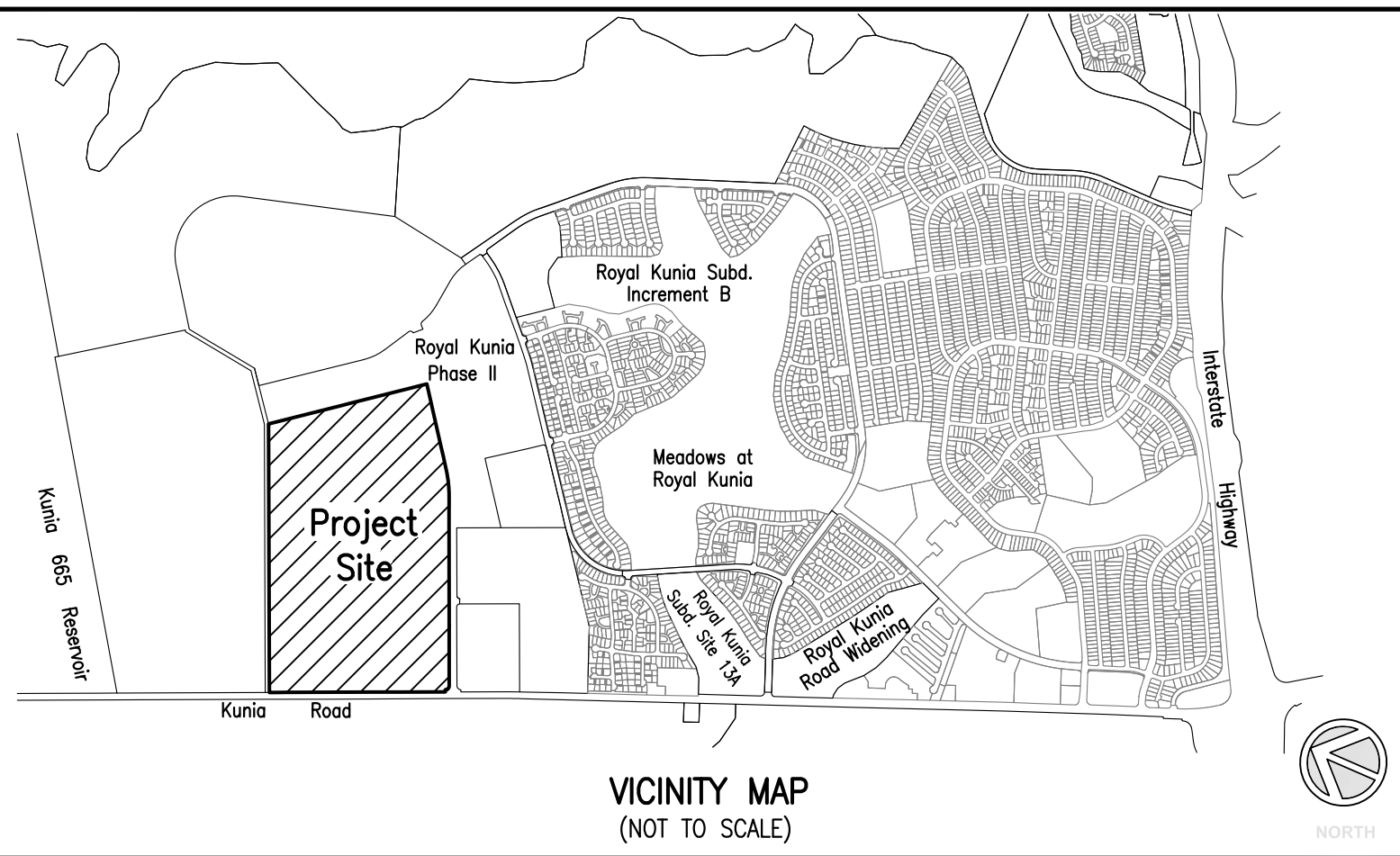
RK II Partners is actively engaged in planning and permitting a Phase I of its industrial/business park, consisting of 37 acres of industrial (I-1) lots. Delivery of the Phase 1 development is completely reliant on Haseko's delivery of Road X Phase 1 (includes a portion of Road Y), Road 3 and Road X Phase 2 with upsized utility lines stubbed to RK II Partners land in a timely manner. RK II Partners has also initiated subdivision planning on the remaining 86 acres of I-1 and B-1 land, but delivery of the Phase 2 development is completely reliant on Haseko's delivery of all the offsite roadway and utility infrastructure, including the Road X Kunia intersection and Kunia Road Widening improvements in a timely manner. Apart from the Kunia Intersection and the Kunia Roadway Widening improvements for which planning has not been initiated, the remaining off-site roadway and utility infrastructure that will service the industrial subdivision is being actively planned and permitted by Haseko, per the terms of the 2nd ARIA except that Haseko is behind schedule.

ROYAL KUNIA II INDUSTRIAL & RETAIL PLAN PHASING

ROYAL KUNIA PHASE II
INDUSTRIAL AND BUSINESS SUBDIVISION

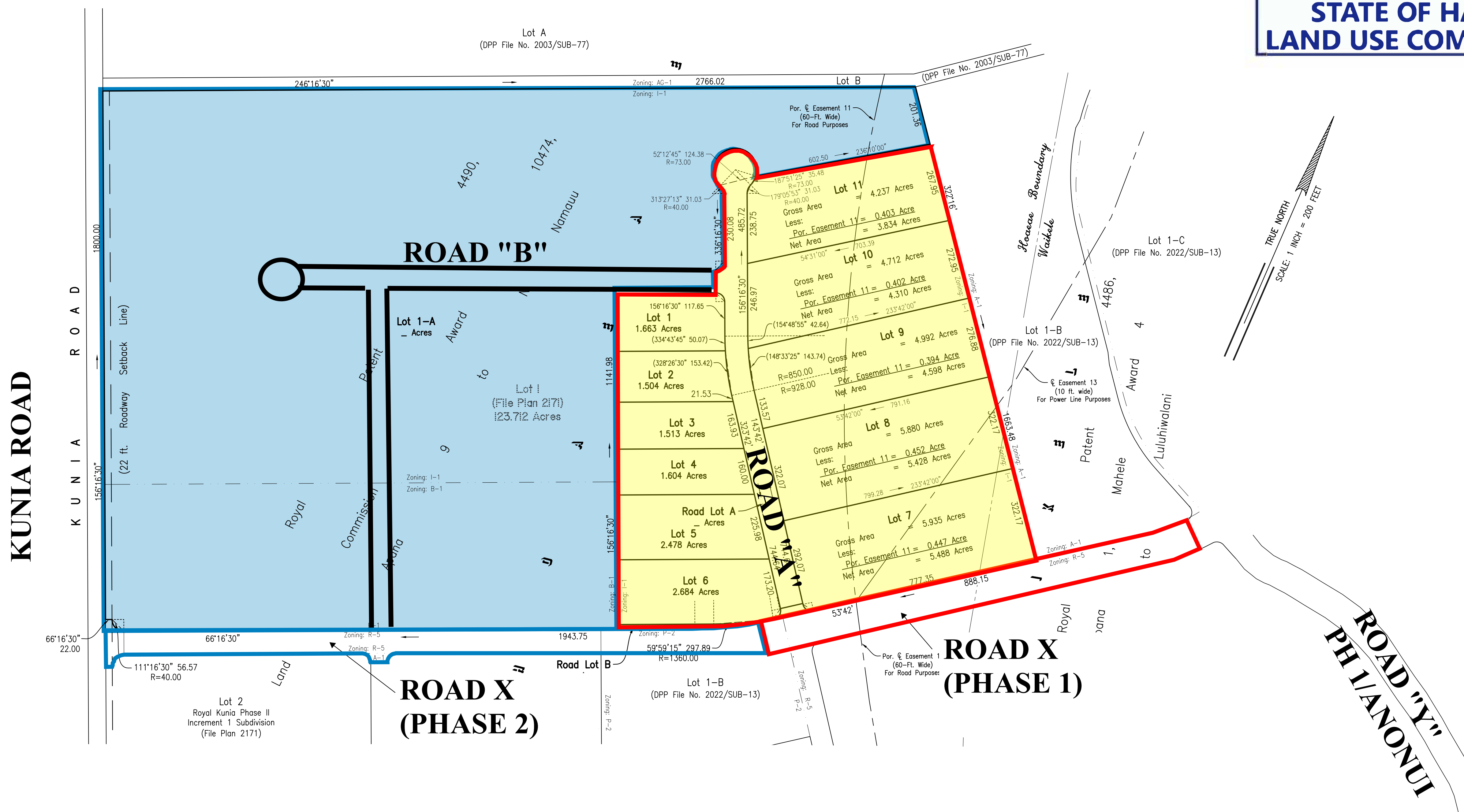
PROPOSED
SUBDIVISION OF LOT 1
OF FILE PLAN 2171
BEING PORTIONS OF ROYAL PATENT 4486, APANA 1,
MAHELE AWARD 4 TO LULUHIWALANI AND
ROYAL PATENT 4490, LAND COMMISSION AWARD 10474,
APANA 9 TO N. NAMAUU
INTO LOT 1-A, LOTS 1 TO 11, INCLUSIVE,
AND ROAD LOTS A AND B

AT HOAEAE AND WAIKELE, EWA, OAHU, HAWAII
TAX MAP KEY: (1) 9-4-002: 001



PHASE I (TENTATIVE SUB APPROVAL 4/5/24)
INDUSTRIAL SUBDIVISION: 37 ACRES

PHASE II (FUTURE)
INDUSTRIAL SUBDIVISION: 66.72 ACRES
RETAIL (B-1 ZONE): 20 ACRES



Owner: RK II Partners LLC
Property Address: 94-761 Kupuna Loop, Waipahu, Oahu, Hawaii 96797

This work was prepared by me or under my direct supervision

4/30/24
Ryan M. Suzuki, Licensed Professional Land Surveyor, Certificate Number 10059