

**AMENDMENT 1 TO  
SECOND AMENDED DEVELOPER'S PUBLIC REPORT  
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	THE VANGUARD LOFTS
PROJECT ADDRESS:	720 Kapiolani Boulevard Honolulu, Hawaii 96813
REGISTRATION NUMBER:	6472 (Partial Conversion)
EFFECTIVE DATE OF REPORT:	<b>May 19, 2010</b>
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input checked="" type="checkbox"/> Second Amended Report dated <u>February 24, 2010</u> <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	Cooke Clayton LLC

**Preparation of this Amendment**

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

The law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

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This Amendment has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this amendment to the Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

This amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developers Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

1. As a result of First American Title Company's purchase of Island Title Corporation, the Project's escrow agreement, including the Project's escrow obligations, was assigned from Island Title Corporation to First American Title Company. First American's name, address and phone number were inserted on page 9 (Section 2.3) in place of Island Title's, and First American's name was inserted in place of Island Title's on page 13 (Section 5.1) and in paragraph A of Exhibit M.
2. The Project's Declaration was amended to (A) assign parking stall number 12 and garage storage areas 12 and 13 to Unit 406, (B) remove parking stall number 27HC as a limited common element appurtenant to Unit 201, and (C) assign parking stall number 78 to Unit 201. The Amendment to the Declaration, dated April 19, 2010, was recorded as Document No. 3956525. As a result of that Amendment to the Declaration:
  - a. The recording information for the Amendment to the Declaration was inserted on Page 10 (Section 3.1) and Exhibit I of the Second Amended Developer's Public Report.
  - b. The parking stall and garage storage area assignment chart in Exhibit B to the Second Amended Developer's Public Report was revised accordingly.

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Changes continued:

See previous page.

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The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a) (13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

Cooke Clayton LLC, a Hawaii limited liability company

By: U.S. Pacific Investments LLC  
Its: Manager

Printed Name of Developer



Duly Authorized Signatory\*

APR 19 2010

Date

William R. Deuchar, Manager

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

**\*Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

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## 2. PERSONS CONNECTED WITH THE PROJECT

<b>2.1 Developer(s)</b>	Name: Cooke Clayton LLC Project Address: 1003 Bishop Street, Suite 1280 Honolulu, Hawaii 96813 Business Phone Number: 808-791-0075 E-mail Address: <a href="mailto:bdeuchar@uspacdev.com">bdeuchar@uspacdev.com</a>
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	1. U. S. Pacific Investments LLC ("USPIL"), Manager of Developer (William R. Deuchar is Manager of USPIL) 2. Larhan Hawaii Corp. ("LHC"), Member of Developer (Larry Hansen is President of LHC) 3. HHB LLC, Member of Developer (Hugh Brown is Manager of HHB) 4. ESMD LLC, Member of Developer (Ed Deuchar is Manager of ESMD)
<b>2.2 Real Estate Broker</b>	Name: Heyer & Associates LLC Business Address: 1288 Ala Moana Blvd., Suite 206 Honolulu, HI 96814 Business Phone Number: 808-692-0060 E-mail Address: <a href="mailto:karl@heyer-associates.com">karl@heyer-associates.com</a>
<b>2.3 Escrow Depository</b>	Name: First American Title Company, Inc. Business Address: 1177 Kapiolani Blvd. Honolulu, HI 96814  Business Phone Number: 808-457-3784
<b>2.4 General Contractor</b>	Name: U.S. Pacific, Inc. Business Address: 1003 Bishop Street, Suite 1280 Honolulu, HI 96813  Business Phone Number: 808-791-0075
<b>2.5 Condominium Managing Agent</b>	Name: Hawaiiana Management Company, Ltd. Business Address: 711 Kapiolani Blvd., Suite 700 Honolulu, HI 96813  Business Phone Number: 808-593-9100
<b>2.6 Attorney for Developer</b>	Name: Schneider Tanaka Radovich Andrew & Tanaka, LLLC Attn.: David F. Andrew Business Address: 1100 Alakea Street, Suite 2100 Honolulu, Hawaii 96813  Business Phone Number: 808-792-4200

### 3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

#### 3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	December 28, 2007	3697086

#### Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	May 30, 2008	3754119
Land Court	June 16, 2008	3759645
Land Court	July 11, 2008	3769108
Land Court	February 10, 2010	3939951 and 3939952
Land Court	February 10, 2010	3939953
Land Court	April 19, 2010	3956525

#### 3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	December 28, 2007	3697087

#### Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	May 30, 2008	3754120
Land Court	July 11, 2008	3769109
Land Court	June 25, 2009	3873053

#### 3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	1938
Bureau of Conveyances Map Number	
Dates of Recordation of Amendments to the Condominium Map: May 30, 2008; June 17, 2008; July 11, 2008; February 12, 2010	

## 5. SALES DOCUMENTS

### 5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract <b>Exhibit M</b> contains a summary of the pertinent provisions of the sales contract, including, but not limited to, any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: April 20, 2007, assigned on April 16, 2010 Name of Escrow Company: First American Title Company, Inc. <b>Exhibit N</b> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other:

### 5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

<input checked="" type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit _____.
<input checked="" type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.*  *The Developer has already met its Owner-Occupant obligations under Chapter 514B.

### 5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

<input type="checkbox"/>	There are no blanket liens affecting title to the individual units.
<input checked="" type="checkbox"/>	There are blanket liens that may affect title to the individual units.

<u>Type of Lien</u>	<u>Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage and related financing statements, securing loan(s) to the Developer.	Any loan is or would be secured by mortgage(s), which will be released as to the unit being conveyed at the time of conveyance. If there is a default and foreclosure of the mortgage(s) prior to conveyance, the buyer's contract will be subject to cancellation and the buyer may lose the right to buy the unit, but will receive his/her deposit back, less a cancellation fee.

The buyer intentionally waives, relinquishes, and subordinates the priority or superiority of any lien or other legal or equitable interest arising under the buyer's Sales Contract in favor of the liens or charges on the Project granted by the Developer to the Developer's construction lender.

EXHIBIT B  
Parking Stall and Garage Storage Area Assignments

UNIT NO.	PARKING STALL NUMBER(S)	LIMITED COMMON ELEMENT GARAGE STORAGE AREA <sup>@</sup> (No. - Area in Sq. Ft.)
101	28c through 39, 40c through 48	C1 – 480 s.f.
Parcel 35 Unit	None	
201	78 and 83	
202	22 and 23 <sup>#</sup>	
203	14	
204	15	
205	73c and 74 <sup>#</sup>	
206	84c	
301	91c and 92 <sup>#</sup>	R2 – 60 s.f.
302	76 and 77	R6 – 51 s.f.
303	16 and 17 <sup>#</sup>	R10 – 44 s.f.
304	51 and 52	
305	61c and 62 <sup>#</sup>	R7 – 62 s.f.
306	63c and 64 <sup>#</sup>	
307	67 and 68 <sup>#</sup>	
308	65 and 66 <sup>#</sup>	
401	75, 89c, 90 <sup>#</sup>	R5 – 101 s.f.
402	49 and 50	
403	59 and 60	
404	4 and 5	
405	13	
406	1 and 12	R12 – 23 s.f.; R13 – 28 s.f.
407	71c and 72 <sup>#</sup>	
408	69 and 70 <sup>#</sup>	
501	85, 86c, 87, 88	R1 – 90 s.f.
502	79 and 80	R3 – 76 s.f.
503	18 and 19 <sup>#</sup>	
504	6 and 7	
507	2 and 3	
508	24 and 25 <sup>#</sup>	
603	20 and 21 <sup>#</sup>	
604	57 and 58	R8 – 31 s.f.
605	93 and 94	R9 – 56 s.f.
606	81 and 82	R4 – 84 s.f.
607	55 and 56	
608	53 and 54	

**Note:** All parking stalls are covered. A parking stall marked with a "c", as shown on the list above, indicates a parking stall that is "compact" in size. A parking stall marked with an "HC", as shown on the list above, indicates a parking stall that is "handicap accessible." A parking stall not marked with a "c" or an "HC", as shown on the list above, indicates a parking stall that is regular (or "standard") in size. The additional "c" and "HC" markings appearing on the list above are for informational purposes only and do not constitute part of the legal identification of a parking stall, the sole means of legal identification being the numerical designation of the parking stall.

**#** As shown on the Condominium Map, the following pairs (or groups) of parking stalls are tandem parking stalls: 16/17; 18/19; 20/21; 22/23; 24/25; 61c/62; 63c/64; 65/66; 67/68; 69/70; 71c/72; 73c/74; 89c/90; and 91c/92.

@ The HCDA requires that each of the garage storage areas be appurtenant to, and not separated from, a specific parking stall. The storage area/parking stall combinations are as follows: R1/87; R2/92; R3/79; R4/81; R5/75; R6/77; R7/62; R8/58; R9/94; R10/16; R12/12; C1/46.

EXHIBIT I  
Encumbrances Against Title

1. Real property taxes that may be due and owing. For more information, contact the Real Property Assessment Office, Department of Finance, City and County of Honolulu.
2. Title to all minerals and metallic mines reserved to the State of Hawaii.
3. Agreement, dated November 30, 2006, recorded as Land Court Document No. 3523809, between Hawaii Community Development Authority and Cooke Clayton LLC.
4. Declaration of Condominium Property Regime of The Vanguard Lofts, dated December 28, 2007, recorded as Land Court Document No. 3697086, as amended by document dated May 30, 2008, and recorded as Land Court Document No. 3754119, and by document dated June 16, 2008 and recorded as Land Court Document No. 3759645, and by document dated July 11, 2008 and recorded as Land Court Document No. 3769108, and by document dated February 10, 2010 and recorded as Land Court Document Nos. 3939951 and 3939952, and by document dated February 10, 2010 and recorded as Land Court Document No. 3939953, and by document dated April 19, 2010 and recorded as Land Court Document No. 3956525, and as may be further amended from time to time.
5. Condominium Map No. 1938, as amended by document dated May 30, 2008, and recorded as Land Court Document No. 3754119, and by document dated July 11, 2008 and recorded as Land Court Document 3769108, and by document dated February 10, 2010 and recorded as Land Court Document No. 3939953, and as may be further amended from time to time.
6. Bylaws of the Association of Unit Owners of The Vanguard Lofts, dated December 28, 2007, recorded as Document No. 3697087, as amended by document dated May 30, 2008, and recorded as Land Court Document No. 3754120, and by document dated July 11, 2008 and recorded as Land Court Document No. 3769109, and by document dated June 25, 2009 and recorded as Land Court Document No. 3873053, and as may be further amended from time to time.
7. Real Property Mortgage and Financing Statement, effective as of March 29, 2007, recorded as Land Court Document No. 3580943.
8. Absolute Assignment of Rentals and Lessor's Interest in Leases, effective as of March 29, 2007, recorded as Document No. 2007-056563.
9. UCC Financing Statement recorded March 29, 2007 as Document No. 2007-056564.
10. The Deed and Reservation of Rights and Easements and Grant of Special Power of Attorney by which unit buyers will take title to their respective units.

Portion of  
EXHIBIT M

A. The Developer has engaged First American Title Company, Inc. ("Escrow") to handle Buyer's funds and to close the transaction in accordance with the terms of the Agreement.

Buyers should see the Second Amended Report, dated February 24, 2010, for the balance of Exhibit M.