

**AMENDMENT 2 TO
AMENDED DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

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| CONDOMINIUM PROJECT NAME: | 801 SOUTH STREET |
| PROJECT ADDRESS: | 801 South Street Honolulu, Hawaii 96813 |
| REGISTRATION NUMBER: | 7334 |
| EFFECTIVE DATE OF REPORT: | December 12, 2014 |
| THIS AMENDMENT: | <input checked="" type="checkbox"/> Must be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input checked="" type="checkbox"/> Amended Report dated <u>5/31/13 & am.1 10/18/13</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): | Downtown Capital LLC, a Hawaii limited liability company |

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.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

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 Developer's 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):

The Developer's Public Report currently consists of the Amended Developer's Public Report with effective date of May 31, 2013 and Amendment 1 to Amended Developer's Public Report with effective date of October 18, 2013.

Pursuant to its reserved right in the Declaration, Developer has recorded that certain Declaration of Easement Rights dated May 9, 2014, recorded in the Bureau as Document No. A-52420591 (the "Easement"). Therefore, attached is amended Exhibit H to the Amended Developer's Public Report. Exhibit H has been revised to add the following Item 7, which will be an encumbrance against title at the time of conveyance to all unit owners:

"7. Declaration of Easement Rights dated May 9, 2014, recorded in the Bureau as Document No. A-52420591."

Developer is the current owner of the 801 South Street Condominium (the "Condominium" or the "Parcel 3 Condominium") on Tax Map Key Parcel (1) 2-1-047-003 ("Parcel 3"), and also the owner of the adjacent Tax Map Key Parcel (1) 2-1-047-004 ("Parcel 4") defined the Declaration as the Future Development Area, and now created as a condominium project called 801 South Street-Building B (the "Parcel 4 Condominium"). The Easement provides the following reciprocal easements pursuant to the terms of the Easement:

"1. Easements to Parcel 3. Upon creation of the Parcel 4 Condominium, Parcel 3 shall have appurtenant to it, perpetual non-exclusive easements for driveway and pedestrian access purposes on, over and across the common elements of the Parcel 4 Condominium as are designed, set aside, constructed, maintained and authorized for such purposes of driveways and pedestrian access over the completed driveways, walkways, residential tower lobby and parking garage lobby in the general locations shown on Exhibit C, upon and in accordance with the terms and conditions contained in this instrument and in the Parcel 4 Condominium Documents."

"2. Easements to Parcel 4. Parcel 4 shall have appurtenant to it, (a) perpetual non-exclusive easements for driveway and pedestrian walkway purposes on, over and across the common elements of the Parcel 3 Condominium as are designed, set aside, constructed, maintained and authorized for such purposes of driveways and pedestrian access over the completed driveways, walkways, residential tower lobby and parking garage lobby in the general location shown on Exhibit C, upon and in accordance with the terms and conditions contained in this instrument and in the Parcel 3 Condominium Documents; and (b) a perpetual exclusive easement for purposes of constructing, maintaining, repairing, removing, reconstructing, using and operating a portion of the Parking Garage for the Parcel 4 Condominium approximately shown on Exhibit C, on the portion of the common elements of the Parcel 3 Condominium in the general location shown on Exhibit C."

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Changes continued:

So long as the Parcel 3 Condominium and the Parcel 4 Condominium are separate condominiums, the association of each condominium will be responsible for maintenance and repairs to the driveways, walkways, residential tower lobby, parking garage lobby and Parking Garage, that are part of its condominium, as general or limited common expenses of the owners of units in the respective condominium in accordance with their common interests, or as otherwise provided in the respective Declaration and other condominium documents. If the Parcel 4 Condominium is annexed to and merged with the Parcel 3 Condominium pursuant to Developer's reserved rights in Paragraph 31.h of the Parcel 3 Declaration and Paragraph 31.h of the Declaration for the Parcel 4 Condominium, then the association for the merged condominium will be responsible for such maintenance and repairs as general or limited common expenses of all of the owners of units in the merged condominium in accordance with their adjusted common interests, or as otherwise provided in the Declaration and other condominium documents for the merged condominium.

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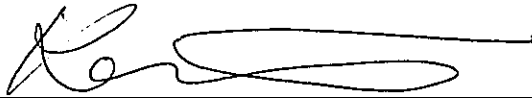
The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project 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.

DOWNTOWN CAPITAL LLC

Printed Name of Developer



Duly Authorized Signatory*

12/11/14

Date

KENNETH T. MATSUURA, Member of KM1218 LLC
which is a Member of Workforce Kakaako LLC (Member Developer)

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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EXHIBIT "H"

Encumbrances Against Title

- I. It is anticipated that the following shall be encumbrances against title at the time of conveyance to unit owners:
 1. Mineral and water rights of any nature in favor of the State of Hawaii.
 2. A 30-ft. Corner Rounding Setback Line at the corner of Kawaiahao Street and South Street, as shown on the survey map prepared by James R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated May 23, 2005, updated August 6, 2012.
 3. Condominium Map No. 5156 recorded in the Bureau of Conveyances of the State of Hawaii ("Bureau"), as amended by that certain First Amendment to Declaration of Condominium Property Regime, Bylaws, and Condominium Map No. 5156 of 801 South St dated May 28, 2013 and recorded in the Bureau as Document No. A-48960750, as the same may be further amended.
 4. The benefits and the burdens of the restrictions, covenants, agreements, obligations, conditions, easements and other provisions, and any and all easements appurtenant to or encumbrances on said apartment, and said common elements, as created by, referred to or set forth in: (a) that certain Declaration of Condominium Property Regime of 801 South St dated February 19, 2013, recorded in the Bureau as Document No. A-47980908, as amended by that certain First Amendment to Declaration of Condominium Property Regime, Bylaws, and Condominium Map No. 5156 of 801 South St dated May 28, 2013 and recorded in said Bureau as Document No. A-48960750, as the same may be further amended, and (b) the Bylaws of the Association of Unit Owners of 801 South St dated February 19, 2013, recorded in said Bureau as Document No. A-47980909, as amended by that certain First Amendment to Declaration of Condominium Property Regime, Bylaws, and Condominium Map No. 5156 of 801 South St dated May 28, 2013 and recorded in said Bureau as Document No. A-48960750, as the same may be further amended, and in all rules and regulations which from time to time may be duly promulgated pursuant to said Declaration and Bylaws, which conditions are and shall constitute covenants running with the land and equitable servitude to the extent provided by law and set forth in said instruments.
 5. Agreement dated March 11, 2013, recorded in the Bureau as Document No. A-48200777.
 6. Any and all easements encumbering the unit herein mentioned, and/or the common interest appurtenant thereto, as created by or mentioned in said Declaration, and/or in said Bylaws, and/or as delineated on said Condominium Map.
 7. Declaration of Easement Rights dated May 9, 2014, recorded in the Bureau of Conveyances as Document No. A-52420591.

- II. The encumbrances against title appearing in the title report dated March 14, 2013, issued by Title Guaranty of Hawaii, Inc. are as follows:
1. Real Property Taxes, if any, that may be due and owing.
 2. Mineral and water rights of any nature in favor of the State of Hawaii.
 3. A 30-ft. Corner Rounding Setback Line at the corner of Kawaiahao Street and South Street, as shown on the survey map prepared by James R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated May 23, 2005, updated August 6, 2012.
 4. Declaration of Condominium Property Regime of 801 South St dated February 19, 2013, recorded in the Bureau as Document No. A-47980908.
 5. Bylaws of the Association of Unit Owners of 801 South St dated February 19, 2013, recorded in said Bureau as Document No. A-47980909.
 6. Agreement dated March 11, 2013, recorded in the Bureau as Document No. A-48200777.
 7. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.
 8. Any unrecorded leases and matters arising from or affecting the same.
 9. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Schedule C herein.