

This Lease is made and entered into between

Kapolei 60, LLC, a Hawaii limited liability company

("the Lessor"), whose principal place of business is **841 Bishop Street, Suite 1601, Honolulu, HI 96813**, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

Kapolei Pacific Center, Manawai Street, Kapolei HI 96707-0000

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein.

To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

15 Years, 10 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA. The commencement date of this Lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Lease Amendment upon substantial completion and acceptance of the space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

[Redacted Signature]

By **Avaion Development Company LLC, its manager**
By **Christine Camp, its Manager**

Date: **FEB 29 2012**

FO [Redacted Signature]

Lawrence C. Becker

Lease Contracting Officer

Date: **FEB 29 2012**

WITNESSED BY:

[Redacted Signature]

Name: **Steven Rothensbeuter**

Title: **Senior Project Manager**

Date: **FEB 29 2012**

1.04 TERMINATION RIGHT

The Government may terminate this Lease, in whole or in part, at any time effective after the firm term of this Lease by providing not less than 60 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.05 DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference, as though fully set forth herein:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S) & PARKING PLAN(S)	1	A
AGENCY SPECIFIC REQUIREMENTS	36	B
GSA FORM 3517B GENERAL CLAUSES	33	C
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	7	D

1.06 TENANT IMPROVEMENT ALLOWANCE

The Tenant Improvement Allowance for purposes of this Lease is \$56,555.4 per ABOA sq. ft. The Tenant Improvement Allowance is the amount that the Lessor shall make available for the Government to be used for the Tenant Improvements. This amount has been amortized in the rent over the firm term of this Lease at an interest rate of 7.38 percent per year.

1.07 TENANT IMPROVEMENT RENTAL ADJUSTMENT (APR 2011)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TI Allowance. The Government may use all or part of the Tenant Improvement Allowance. The Government may return to the Lessor any unused portion of the Tenant Improvement Allowance in exchange for a decrease in rent according to the agreed-upon amortization rate over the firm term.

B. The Government shall have the right to make lump sum payments for any or all work covered by the Tenant Improvement Allowance. That part of the Tenant Improvement Allowance amortized in the rent shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may choose to pay lump sum for any part or all of the remaining unpaid amortized balance of the Tenant Improvement Allowance. If the Government elects to make a lump sum payment for the Tenant Improvement Allowance after occupancy, the payment of the Tenant Improvement Allowance by the Government will result in a decrease in the rent according to the amortization rate over the firm term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to either:

1. Reduce the Tenant Improvement requirements;
2. Pay lump sum for the overage upon completion and acceptance of the improvements; or
3. Increase the rent according to the negotiated amortization rate over the firm term of the Lease.

1.08 TENANT IMPROVEMENT FEE SCHEDULE

For pricing Tenant Improvement Costs as defined herein, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (PER ABOA SQ. FT. OR % OF CONSTRUCTION COSTS)	\$100,000 (FLAT FEE)
LESSOR'S PROJECT MANAGEMENT FEE (% OF CONSTRUCTION COSTS)	\$30,000 (FLAT FEE)

1.09 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment clause of this lease is 100 percent. The percentage of occupancy is derived by dividing the total Government space of 13,145 RSF by the total building space of 13,145 rentable square feet.

1.10 OPERATING COST BASE

The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$6.74 per rentable sq. ft.

1.11 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES

In accordance with the section entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the Leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$0 per ABOA sq. ft. of space vacated by the Government.

1.12 NON-24/7 HVAC RATES

The Building's normal hours of HVAC operation is **Monday through Friday, 7:00 a.m. to 6:00 p.m.** The following rates shall apply in the application of the clause titled "Overtime HVAC Usage:"

\$ 50 per hour per zone (floor space)

No. of zones: 1

1.13 24-HOUR HVAC REQUIREMENT (APR 2011)

The Overtime Usage rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such as the Data Communication Room (DCR), as described in the Exhibit B, such services shall be provided by the Lessor at a rate of \$ 0 per ABOA sq. ft. of the area receiving the additional overtime HVAC.