

LEASE NO. GS-09P-LHI03458

Warehouse Lease
GSA FORM L201WH (05/14)

This Lease is made and entered into between

Akira Yamamoto Painting, Inc.

(Lessor), whose principal place of business is 1074 Mikole Street, Honolulu, HI , and whose interest in the Property described herein is that of Building Owner with a Ground Lease, and

The United States of America

(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:

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

1074 Mikole Street, Honolulu, HI 96819

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 be used for such purposes as determined by GSA.

LEASE TERM

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

Ten (10) Years, Five (5) Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically 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.

FOR

Name:

Title: President

Entity Name: Akira Yamamoto Painting, Inc.

Date: May 21, 2015

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: 5/27/2015

W

Name:

Arlene Horiuchi

Title:

Vice President

Date:

May 21, 2015

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (WAREHOUSE) (MAY 2014)

The Premises are described as follows:

- A. Warehouse and Related Space: 2,000 rentable square feet yielding 2,000 ANSI/BOMA Office Area (ABOA) square feet (SF) of 1st floor warehouse Space known as 1074 Mikohe Street, Honolulu, HI , a free-standing building, as depicted on the floor plan(s) attached hereto as Exhibit A.
- B. Common Area Factor: The Common Area Factor (CAF) is established as 1.0. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (WAREHOUSE) (MAY 2014)

The Government shall have exclusive or non-exclusive (as identified) right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

- A. Automobile Parking:
Zero (0) parking spaces for passenger vehicles as depicted on the plan attached hereto as Exhibit N/A of which N/A spaces shall be marked as reserved for the exclusive use of the Government. In addition, the Lessor shall provide any additional automobile parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property. All spaces must be secured and lit in accordance with the Security Requirements set forth in this Lease. The cost of this parking shall be included as part of the rental consideration.
- B. Antennas, Satellite Dishes, and Related Transmission Devices:
 - (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment,
 - (2) the right to access the roof of the Building, and
 - (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 TRUCK TURNING RADIUS REQUIREMENTS (WAREHOUSE) (MAY 2014) --INTENTIONALLY DELETED

1.04 CLEAR CEILING HEIGHT REQUIREMENTS (WAREHOUSE) (MAY 2014)

The access to and interior of the premises must have a minimum clear ceiling height of 14 feet 0 inches, measured from floor to the lowest obstruction, with the balance of the space maintaining a clear ceiling height of a minimum of 14 feet. Bulkheads and hanging or surface mounted light fixtures which impede traffic ways shall be avoided.

1.05 BAY WIDTH, BAY DEPTH, AND COLUMN SPACING REQUIREMENTS (WAREHOUSE) (MAY 2014)

The following minimum requirements apply to this Lease:

The premises must have the capacity to park at least eight (8) vehicles.

1.06 RENT AND OTHER CONSIDERATION (MAY 2014)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$46,600.00	\$46,600.00
TENANT IMPROVEMENTS RENT ²	\$ 6,380.00	\$0.00
OPERATING COSTS ³	\$ 7,640.00	\$ 7,640.00
TOTAL ANNUAL RENT	\$60,620.00	\$54,240.00

¹Shell rent calculation:

(Firm Term) \$23.30 per RSF multiplied by 2,000 RSF
 (Non Firm Term) \$23.30 per RSF multiplied by 2,000 RSF

²The Tenant Improvement Allowance of \$14,076,530 is amortized at a rate of 5 percent per annum over 5 years.

³Operating Costs rent calculation: \$3.82 per RSF multiplied by 2,000 RSF. (Operating Costs are defined elsewhere herein)

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 2,000 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

E. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the "Payment by Electronic Funds Transfer—Central Contractor Registration" paragraph in Section 8 "Additional Terms and Conditions" hereinafter. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

F. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described herein in the paragraph entitled "The Premises."
2. All costs, expenses, and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;
3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

1.07 BROKER-COMMISSION-AND-COMMISSION-CREDIT-(JUN-2012) – INTENTIONALLY DELETED

1.08 TERMINATION RIGHTS (AUG 2011)

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 sixty (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.

1.09 RENEWAL-RIGHTS-(SEP-2013) – INTENTIONALLY DELETED

1.10 DOCUMENTS INCORPORATED IN THE LEASE (WAREHOUSE) (MAY 2014)

The following documents are attached to and made part of the Lease:

EXHIBIT	DOCUMENT NAME	NO. OF PAGES
A	FLOOR/SITE PLAN(S)	1
B	AGENCY SPECIFIC REQUIREMENTS – ARCHITECTURAL	5
B	AGENCY SPECIFIC REQUIREMENTS - SECURITY	8
C	SECURITY REQUIREMENTS	8
D	GSA FORM 3517B GENERAL CLAUSES	47
E	GSA FORM 3518A, REPRESENTATIONS AND CERTIFICATIONS	7
N/A	SEISMIC FORM – N/A, INCIDENTAL OCCUPANCY	N/A
	LEASE AMENDMENT(S) ISSUED UNDER RLP AMENDMENT NO.	N/A

1.11 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$14,076,530 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 5 percent.

1.12 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

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

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA 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 elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA 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 may elect to:

1. Reduce the TI requirements;

2. Pay lump sum for the coverage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

1.13 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABDA SF OR % OF TI CONSTRUCTION COSTS)	95,000.00
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	25%, BUT NOT TO EXCEED \$5,000.00

\$2.50/sq.ft.

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1.14 BUILDING-SPECIFIC-AMORTIZED-CAPITAL (SEP-2013) - INTENTIONALLY DELETED

1.15 BUILDING-SPECIFIC-AMORTIZED-CAPITAL-RENTAL-ADJUSTMENT (SEP-2013) - INTENTIONALLY DELETED

1.16 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 100 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 2,000 RSF by the total Building space of 2,000 RSF.

1.17 REAL-ESTATE-TAX-BASE (SEP-2013) - INTENTIONALLY DELETED

1.18 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$3.82 per RSF (\$7,640.00/annum).

1.19 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the 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 ABDA SF of Space vacated by the Government.

1.20 HOURLY-OVERTIME-HVAC-RATES (AUG-2014) - INTENTIONALLY DELETED

1.21 24-HOUR-HVAC-REQUIREMENT (APR-2014) - INTENTIONALLY DELETED

1.22 BUILDING IMPROVEMENTS (SEP 2012)

Before the Government accepts the Space, the Lessor shall complete the following additional Building Improvements:

- A. None.
- B. _____
- C. _____

1.23 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAY 2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.

SECTION 2 GENERAL TERMS, CONDITIONS, AND STANDARDS

2.01 DEFINITIONS AND GENERAL TERMS (WAREHOUSE) (MAY 2014)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas: