GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 005 TO LEASE NO. GS-09B-02945
770 EAST SUNSET BOULEVARD, TIYAN, GUAM 96910	PDN Number:

THIS AMENDMENT is made and entered into between PACAIR PROPERTIES, LLC

whose address is: 770 EAST SUNSET BOULEVARD, STE 227, TIYAN GUAM 96910
hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease to add Block F.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective upon execution by the Government as follows:

Paragraphs "Lease Term," 1.01, 1.03, 1.05, 1.07, 1.08, 1.16, 4.01, are deleted in their entirety and the following substituted therefore. Exhibit M is hereby added:

LEASE TERM

To Have and To Hold said Premises with their appurtenances for the term:

Blocks A, B, and C: Beginning December 21, 2012 through December 20, 2022, subject to termination rights as maybe hereinafter set forth;

Block D: Beginning on the date the space is accepted for occupancy by the Government through December 20, 2022 subject to the termination rights as maybe hereinafter set forth. The commencement date of Block D, along with any applicable termination rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

Block E: Beginning on the date the space is accepted for occupancy by the Government through December 20, 2022 subject to the termination rights as maybe hereinafter set forth. The commencement date of Block E, along with any applicable termination rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

Block F: Beginning on the date the space is accepted for occupancy by the Government through December 20, 2022 subject to the termination rights as maybe hereinafter set forth. The commencement date of Block F, along with any applicable termination rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

This Lease Amendment contains 10 pages.

All other terms and conditions of the lease shall remain in force and effect.
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

FOR THE LESSOR:

Signature:
Name: Joseph H. Cruz
Title: Managing Member
Entity Name: Pacair Properties LLC

Date: July 6, 2013

FOR THE GOVERNMENT:

Signature: Lawrence C. Becker
Name: Lawrence C. Becker
Title: Lease Contracting Officer
GSA, Public Buildings Service

Date: JUL 08 2013

WITNESSED FOR THE LESSOR BY:

Signature:
Name: Frank P. Arriola
Title: General Manager
Date: July 06, 2013

1.01 THE PREMISES (AUG 2011)

The Premises are described as follows:

Office and Related Space: 38,701 rentable square feet (RSF), yielding 34,653 ANSI/BOMA Office Area (ABOA) square feet of office and related space, located on the 1st and 2nd floors of the Building, as depicted on the floor plans attached hereto as Exhibits A, J, M, and further described below:

Block A: [redacted] – 9,487 ABOA Square Feet/ 10,151 RSF
Block B: [redacted] – 2,547 ABOA Square Feet/ 2,725 RSF
Block C: [redacted] – 872 ABOA Square Feet/ 933 RSF
Block D: [redacted] – 6,998 ABOA Square Feet/ 7,488 RSF
Block E: [redacted] – 12,478 ABOA Square Feet/ 14,974 RSF
Block F: [redacted] – 2,271 ABOA Square Feet/ 2,430 RSF

1.03 RENT AND OTHER CONSIDERATION (AUG 2011)

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

Block A:
- Effective December 21, 2012 through December 20, 2017, annual rent of $476,194.22
- Effective December 21, 2017 through December 20, 2022, annual rent of $323,512.37

Block B:
- Effective December 21, 2012 through December 20, 2017, annual rent of $136,291.12
- Effective December 21, 2017 through December 20, 2022, annual rent of $86,845.75

Block C:
- Effective December 21, 2012 through December 20, 2017, annual rent of $46,920.27
- Effective December 21, 2017 through December 20, 2022, annual rent of $29,734.71

Block D:
- Beginning on the date the space is accepted for occupancy by the Government through December 20, 2017, shell rent of $167,955.84 and operating rent of $51,742.08. Tenant Improvement rent TBD.
- Effective December 21, 2017 through December 20, 2022, annual rent of $238,642.56

Block E:
- Beginning on the date the space is accepted for occupancy by the Government through December 20, 2022, shell rent of $435,593.66 and operating rent of $103,470.34. Tenant Improvement rent TBD.

Block F:
- Beginning on the date the space is accepted for occupancy by the Government through December 20, 2022, shell rent of $60,750.00 and operating rent of $16,791.30. Tenant Improvement rent TBD.
- Effective December 21, 2017 through December 20, 2022, annual rent of $77,541.30

B. Rent is subject to adjustment based upon a physical mutual measurement of the Space upon acceptance, not to exceed 34,653 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.

D. 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 provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.

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 in "Paragraph 1.01 THE PREMISES" created herein;

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;

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3. Performance or satisfaction of all other obligations set forth in this Lease; and

4. 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.

1.05 TERMINATION RIGHTS (AUG 2011)

For Blocks A, B, C, D, and F, the Government may terminate this Lease, in whole or in part, at any time after December 20, 2017 by providing not less than 60 days' prior written notice to the Lessor. There shall be no termination rights for Block E. No rental shall accrue after the effective date of termination.

1.07 DOCUMENTS INCORPORATED BY REFERENCE (AUG 2011)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Floor Plans FOR BLOCKS A, B, C, AND D	2	A
REVISED Parking Plan/Site Plan	1	B
GSA Form 3517B General Clauses	33	C
GSA Form 3518, Representations and Certifications	8	D
Agency Specific Requirements - [redacted]	26	E
Agency Specific Requirements - [redacted]	83	F
Agency Specific Requirements - [redacted]	69	G
Agency Specific Requirements [redacted]	2	H
[redacted] SECURITY STANDARDS FOR BLOCKS A, B, C, AND D	6	I
FLOOR PLAN SCHEMATIC LAYOUT AND WINDOW PLAN FOR BLOCK E	1	J
SECURITY REQUIREMENTS- [redacted] FOR US [redacted]	9	K
[redacted] - SPECIAL REQUIREMENTS	32	L
FLOOR PLAN SCHEMATIC LAYOUT FOR BLOCK F	1	M

1.08 TENANT IMPROVEMENT PRICING BASED ON TENANT IMPROVEMENT ALLOWANCE (TIA) (STREAMLINED) (JUL 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is as follows:

Block A ([redacted]): $103.762800 per ABOA SF ($984,397.68 total).
Block B ([redacted]): $103.762800 per ABOA SF ($264,283.85 total).
Block C ([redacted]): $103.762798 per ABOA SF ($90,481.16 total)
Block D ([redacted]): $103.762800 per ABOA SF ($726,132.07 total).
Block E ([redacted]): $103.762800 per ABOA SF ($1,294,752.22 total).
Block F ([redacted]): $88.880991 per ABOA SF ($190,506.14 total).

The TIA is the amount that the Lessor shall make available for the Government to be used for the TIs. This amount is amortized in the rent over the firm term of this Lease at an annual interest rate of **5.75** percent.

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 shall have the right 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 choose 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 shall have the right to either

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1. Reduce the TI requirements.

2. Pay lump sum for the overage upon completion and acceptance of the improvements.

3. Increase the rent according to the negotiated amortization rate over the firm term of the Lease.

1.16 ADDITIONAL BUILDING IMPROVEMENTS (AUG 2011)

In addition to construction of the TIs as required in this Lease, the Lessor shall be required to complete the following additional building improvements at the Lessor's expense (e.g., Fire Protection and Life Safety, Seismic, and Energy Efficiency) prior to acceptance of the Space. For Blocks A,B,C, and D:

A. Window Modification:
   a. For the [redacted] Space - a minimum of four windows of 48" by 56."
   b. For the [redacted] Space- three windows of 144" by 144" where existing role up doors are located (unless doors are placed in the designated areas) and a minimum of six "48 by 56" windows.
   c. For the [redacted] Space - a minimum of eighteen 48" by 36" windows.

B. Handicapped Lifts- 2 fully enclosed handicapped lifts shall be provided at the front of SSA's space and [redacted] space to accommodate the dock height ground floor.

C. Signage- Proper signage showing direction to client agency space and identifying client space must be approved by the GSA and provided for the client agencies [redacted]

D. Public Transportation- Lessor to talk to Guam Public Transit Authority (GRTA) to provide fixed route to proposed Government space. If the GRTA is unable to change their route, the Lessor will be responsible for providing ABAAS accessible transportation to and from the Guam International Airport.

E. Sound proofing- On the 1st floor, the demising wall between Government space and warehouse is to be constructed slab to slab STC 45 rating or higher. The ceilings will have a layer of sound batt insulation (or other equal or better sound attenuation material).

For Block E:

F. Additional windows as detailed on Exhibit J, Floor Plan Schematic Layout and Window Plan for Block E

G. Handicap Lift-1 fully enclosed handicap lift shall be provided at the front of [redacted]s space to accommodate the dock height ground floor.

H. Signage- Proper signage showing direction to client agency space and identifying client space must be approved by the GSA and provided for [redacted]

I. Sound proofing- On the 1st floor, the demising wall between Government space and airport runway is to be constructed STC 45 rating or higher. The ceilings will have a layer of sound batt insulation (or other equal or better sound attenuation material).

J. Lessor is to provide LAN room environmental sensor as well as integrated autodialer, using Government-provided POTS line to notify designated Government responders. This requirement is further detailed in the [redacted] Special Requirements Package.

K. [redacted] paragraph of Exhibit K, Security Requirements – FSL II (Enhanced for US[redacted]).

For Block F:

L. 1 additional window on the exterior façade of building.

4.01 SCHEDULE FOR COMPLETION OF SPACE (AUG 2011)

TENANT IMPROVEMENT PRICING BASED ON TENANT IMPROVEMENT ALLOWANCE (TIA) (STREAMLINED) (AUG 2011)

A. <u>DID Workshop</u>: For Blocks A, B, and C, in conjunction with the Government, the Lessor shall commit to a 2-day Design Intent Drawing (DID) workshop tentatively scheduled to begin 15 days after award at the office of Lessor's Architect or an alternate location agreed to by the Government. Architect will provide full design services so that the DIDs can be completed during this conference.

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Government-provided design intent drawings (DIDs): For Block D, The Government shall prepare and provide to the Lessor the Government's approved DIDs based upon the base building documents provided by the Lessor as required in the paragraph titled "DOCUMENTS INCORPORATED BY REFERENCE" paragraph of this lease. These DIDs will detail the TIs to be made by the Lessor within the Government-demised area. DIDs shall be due to the Lessor within 120 Calendar days from award.

Lessor-Provided Design Intent Drawings (DIDs): For Block E, a schematic layout shall be designed as follows:

The Government shall prepare and provide to the Lessor the Government's approved Schematic Design Layout based on the base building documents provided by the Lessor as required in the paragraph titled "Documents Incorporated by Reference" paragraph of the Lease. This Schematic Design Layout will be provided to the Lessor within 15 working days from the Government receiving the base building documents from the Lessor and should be used as a basis for developing the DIDs. Lessor will provide timely review of government's draft/ in-progress schematic designs (to check and report on fire/ life safety acceptability, existing/permanent architectural/ MEP obstructions, etc.) before government provides final schematic layouts. Lessor shall review and return comments within 3 working days after Government submittal.

The Lessor must submit to GSA, as part of the shell cost, complete DIDs conforming to the requirements of this Lease and other Government-supplied information related to the tenant agency's interior build-out requirements not later than 45 Calendar Days following the Lease Award Date, provided that the Government supplies such information and direction as reasonably required for Lessor to timely complete DIDs. The Government (GSA and the tenant agency) shall attend two meetings at the Lessor's request for the purpose of providing information and direction in the development of DIDs. The Lessor should anticipate at least two submissions of DIDs before receiving approval. At the sole discretion of the Government, the Lessor will be required to submit a budget proposal based on the TIs and associated work as shown on the DIDs. This budget proposal shall be completed within 10 Working Days of the Government's request.

For Block F, The Lessor must submit to GSA, as part of the shell cost, complete DIDs conforming to the requirements of this Lease and other Government-supplied information related to the tenant agency's interior build-out requirements not later than 25 Calendar Days following the Lease Award Date, provided that the Government supplies such information and direction as reasonably required for Lessor to timely complete DIDs. The Government (GSA and the tenant agency) shall attend two meetings at the Lessor's request for the purpose of providing information and direction in the development of DIDs. The Lessor should anticipate at least two submissions of DIDs before receiving approval. At the sole discretion of the Government, the Lessor will be required to submit a budget proposal based on the TIs and associated work as shown on the DIDs. This budget proposal shall be completed within 10 Calendar Days of the Government's request.

B. Design Intent Drawings, for the purposes of this Lease, are defined as fully dimensioned drawings of the leased Space which reflect all Lease and tenant agency interior build out requirements provided by the Government sufficient for the preparation of CDs, including, but not limited to:

1. Furniture, wall, door, and built-in millwork locations.
2. Telephone, electrical, and data outlet types and locations.
3. Repositioned sprinklers, ceilings, and lighting, where affected.
4. Specifications necessary for calculation of electrical and HVAC loads.
5. All finish and signage selections.

The Government's review and approval of the DIDs is limited to conformance to the specific requirements of the Lease and the tenant agency buildout requirements as they apply to the Space. Government will provide formal approval of DIDs in writing 5 working days from the date DID's are received.

C. The Lessor's preparation and submission of Construction Documents ("CDs"): For Block E, the Lessor must complete CDs conforming to the approved DIDs not later than 60 working days following the approval of DIDs. The Lessor shall prepare and send 50% CD's to the Government for review no later than 15 working days after completion of DID's. The Government shall have 15 working days to review and comment. Lessor shall have 10 working days from receipt of the Governments 50% review to complete the 95% CD's. The Government shall have 10 working days to review the 95% CD's and provide final comments. The Lessor shall have 5 working days to finalize the 100% CD's. The Government shall have 5 working days to provide final comment and approval. If during the preparation of CDs the Lessor becomes aware that any material requirement indicated in the approved DIDs cannot be reasonably achieved, the Lessor shall promptly notify GSA, and shall not proceed with completion of CDs until direction is received from the LCO. The LCO shall provide direction within 5 working days of such notice, but the Government shall not be responsible for delays to completion of CDs occasioned by such circumstances. For the purpose of this clause, a "material requirement" shall mean any requirement necessary for the Government's intended use of the Space as provided for in, or reasonably inferable from, the Lease and the approved DIDs (e.g., number of workstations and required adjacencies).

For Block F, the Lessor must complete CDs conforming to the approved DIDs not later than 20 calendar days following the approval of DIDs. The Government shall have 5 working days to review and provide final comment. Lessor shall have 5 working days from receipt of the Governments review to finalize the 100% CD's. If during the preparation of CDs the Lessor becomes aware that any material requirement indicated in the approved DIDs cannot be reasonably achieved, the Lessor shall promptly notify GSA, and shall not proceed with completion of

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CDs until direction is received from the LCO. The LCO shall provide direction within 5 working days of such notice, but the Government shall not be responsible for delays to completion of CDs occasioned by such circumstances. For the purpose of this clause, a "material requirement" shall mean any requirement necessary for the Government's intended use of the Space as provided for in, or reasonably inferable from, the Lease and the approved DIDs (e.g., number of workstations and required adjacencies).

D. Government review of CDs: The Government shall review the CD's at periods of 50%, 95% and 100% completion phases as described above. The Government shall have the right to require the Lessor to modify the CDs to enforce conformance to Lease requirements and the approved DIDs.

E. The Lessor's preparation and submission of the TI Price Proposal: The Lessor shall prepare and submit a complete TI Price Proposal in accordance with this Lease within 15 working days following the end of the Government CD review period.

F Negotiation of TI Price Proposal and issuance of Notice to Proceed (NTP): The Government shall issue a NTP within 10 working days following the submission of the TI Price Proposal, provided that the TI Price Proposal conforms to the requirements of the clause titled TIs Price Proposal and the parties negotiate a fair and reasonable price for TIs.

G. Construction of TIs and completion of other required construction work: For Block E, the Lessor shall complete all work required to prepare the Premises as required in this Lease ready for use not later than 120 working days following issuance of the NTP. For Block F, the Lessor shall complete all work required to prepare the Premises as required in this Lease ready for use not later than 60 working days following issuance of the NTP.

H. TENANT IMPROVEMENTS PRICE PROPOSAL

The Lessor's TI Price Proposal shall be supported by sufficient cost and pricing data to enable the Government to evaluate the reasonableness of the proposal, or documentation that the Proposal is based upon competitive proposals (as described in the "Tenant Improvements Pricing Requirements" paragraph in this section) obtained from entities not affiliated with the Lessor. Any work shown on the CDs that is required to be included in the Building shell rent or already priced as Building Specific Security shall be clearly identified and excluded from the TI Price Proposal. After negotiation and acceptance of the TI price, GSA shall issue a NTP to the Lessor.

I. TENANT IMPROVEMENTS PRICING REQUIREMENTS

1. The Lessor shall submit a TI Price Proposal with information that is adequate for the Government to evaluate the reasonableness of the price or determining cost realism for the TIs within the time frame specified in this paragraph. The TI Price Proposal shall use the fee rates specified in the "TENANT IMPROVEMENT FEE SCHEDULE" paragraph in Section 1 of this lease. The Lessor shall exclude from the TI Price Proposal all costs for fixtures and/or other TI already in place, provided the Government has accepted same. However, the Lessor will be reimbursed for costs to repair or improve the fixture(s) and/or any other improvements already in place.

2. The TIs scope of work includes the Lease, the DIDs, the CDs, and written specifications. In cases of discrepancies, the Lessor shall immediately notify the LCO for resolution. All differences will be resolved by the LCO in accordance with the terms and conditions of the Lease.

3. A minimum of two qualified General Contractors (GCs) shall be invited by the Lessor to participate in the competitive proposal process. Each participant shall compete independently in the process. In the absence of sufficient competition from the GCs, a minimum of two qualified subcontractors from each trade of the Tenant Improvement Cost Summary (TICS) Table (described below) shall be invited to participate in the competitive proposal process. At its sole discretion, the Government may be willing to consider a price proposal that is not based on a competitive bidding process if competition is not available or if otherwise warranted; however, in this case the Government reserves the right to use other analytical means to determine that the price is not unreasonably high or low.

4. Each TI proposal shall be 1) submitted by the proposed General Contractors (or subcontractors) using the TICS Table in CSI Masterformat; 2) reviewed by the Lessor prior to submission to the Government to insure compliance with the scope of work (specified above) and the proper allocation of shell and TI costs; and 3) reviewed by the Government. The GCs shall submit supporting bids from major subcontractors along with additional backup to the TICS Table in a format acceptable to the Government, consistent with the TICS Table Masterformat cost elements.

5. Unless specifically designated in this Lease as a TI cost, all construction costs shall be deemed to be included in the Shell Rent (or Building Specific Security (BSS) cost, if applicable). Any costs in the GC's proposal for building shell and BSS items shall be clearly identified on the TICS Table separately from the TI costs.

6. The Government reserves the right to determine if bids meet the scope of work, that the price is reasonable, and that the Lessor's proposed contractors are qualified to perform the work. The Government reserves the right to reject all bids at its sole discretion. The Government reserves the right to attend or be represented at all negotiation sessions between the Lessor and potential contractors.

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7. The Lessor shall demonstrate to the Government that best efforts have been made to obtain the most competitive prices possible, and the Lessor shall accept responsibility for all prices through direct contracts with all contractors. The LCO shall issue to the Lessor a NTP with the TIs upon the Government's sole determination that the Lessor's proposal is acceptable. The Lessor shall complete the work within the time frame specified in this paragraph of this lease.