

GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL  
AGREEMENT  
No. 1

DATE

SEP 23 2011

LEASE NO. GS-09B-02424

ADDRESS OF PREMISES: 1132 Bishop Street, Suite 1400, Honolulu, HI 96813

THIS AGREEMENT, made and entered into this date by and between DEG, LLC, A DELAWARE LIMITED LIABILITY COMPANY whose address is: 808 WILSHIRE BLVD, 2<sup>ND</sup> FLOOR, SANTA MONICA CA 90401

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the total square footage and the total annual rent; issue a Notice to Proceed; incorporate and order Tenant Improvements which exceed the tenant improvement allowance; and provide for Lump Sum Payment of the tenant improvement costs which exceed the tenant improvement allowance.

NOW THEREFORE, these parties for the considerations hereinafter mentioned, covenant and agree that the said Lease is amended, effective upon execution by the Government, as follows:

Paragraphs 1 and 10 are hereby deleted in their entirety and the following Paragraph 1 and 10 are substituted therefore. Paragraphs 23, 24 and 25 are hereby added.

1. The Lessor hereby leases to the Government the following described premises:

11,194 rentable square feet (r.s.f.), yielding approximately 9,650 ANSI/BOMA Office Area square feet and related space located on the 14<sup>th</sup> Floor (Suite 1400) at the Bishop Place, 1132 Bishop Street, Honolulu, Hawaii, 96813, together with two (2) onsite inside parking spaces as depicted on the attached Exhibit A (Site Plan) and Exhibit B ("Premises") as shown on the first-generation blue line plan to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

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IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: LESSOR: DEG, LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY *Michael J. Means*  
(Signature)

MICHAEL J. MEANS SIP  
(Print Name and Official title)

IN PRESENCE OF:  
*Susie Cerrillo*  
(Signature)

Susie Cerrillo, Manager of Leasing operations  
(Print Name and Official title)

UNITED STATES OF AMERICA: GENERAL SERVICES ADMINISTRATION, Public Buildings Service

BY *Dan Becker*  
(Signature)

Contracting Officer  
(Official title)

*g*

**SHEET NO. 1 IS ATTACHED HERETO AND MADE PART OF SUPPLEMENTAL LEASE AGREEMENT NO. 1 TO LEASE #GS-09B-02424**

10. The Government shall pay the Lessor annual rent as follows:

- For Months 1 through 60 annual rent of **\$447,935.26** at the rate of \$37,327.94 per month in arrears.
- For Months 61 through 120 annual rent of **\$356,081.14** at the rate of \$29,673.43 per month in arrears.
- Rent for a lesser period shall be prorated. Rent shall be payable to:

DEG, LLC  
808 WILSHIRE BLVD, 2<sup>ND</sup> FLOOR  
SANTA MONICA, CA 90401

**23. NOTICE TO PROCEED**

Following a Government review of the submitted cost proposal, the Government has determined that the bid submitted is fair and reasonable and a Notice to Proceed is hereby issued for the construction of Tenant Improvements, as identified herein, at a total cost not to exceed **\$558,624.40**, inclusive of all management and architectural fees.

24. The total cost for Tenant Improvements in the amount of **\$558,624.40** exceeds the tenant improvement allowance of **\$428,849.12**, which has been amortized into the rental rate. The Government-approved design intent drawings, dated on March 15, 2011, which formed the basis for the tenant improvement costs are hereby incorporated into the lease. The Government hereby orders the excess balance in the amount of **\$129,775.28**. The Lessor shall construct all Tenant Improvements in accordance with Paragraph 5.11F of the Solicitation for Offers, incorporated and made a part of the Lease, and all terms and conditions of the lease package. Upon completion, inspection, and acceptance of the space, the Government shall reimburse the Lessor in a lump sum payment in the amount of **\$129,775.28** pursuant to Paragraph 25, herein. The Lessor hereby waives restoration as a result of all improvements.

25. Upon completion and acceptance of Tenant Improvements identified herein, the Lessor shall submit for Lump Sum payment, an original and one copy of the invoice. The Original Invoice, in the amount not to exceed **\$129,775.28** shall be submitted to:

GSA, Greater Southwest Finance Center (7BCP)  
PO BOX 17181  
Fort Worth, TX 76102

Alternatively the Lessor may submit the Invoice electronically, via the GSA Finance website at [www.finance.gsa.gov](http://www.finance.gsa.gov)

A copy of the Invoice shall be simultaneously submitted to the Contracting Officer at:

GSA, Real Estate Acquisition Division  
Attention: Clara Lee  
401 West "A" Street, Suite 2075  
San Diego, CA 92101

A proper invoice must include the following:

- Invoice date
- Name of the Lessor as shown on the Lease
- Lease contract number, building address, and a description, price and quantity of the Items delivered
- Annotation of GSA PS Number (will be sent after Government executes this Supplemental Lease Agreement)

If the invoice is not submitted on company letterhead, the person(s) with whom the Lease contract is made must sign it.  
All other terms and conditions of the Lease shall remain in force and effect.

Initials:   *if*   &   *CB*    
Lessor Government