

ATHERTON MASTER LEASE

between

UHF ATHERTON STUDENT HOUSING LLC

and

UNIVERSITY OF HAWAII

Date: April 21, 2017

ATHERTON MASTER LEASE
UHF Atherton Student Housing LLC/University of Hawai'i

THIS MASTER LEASE (this "**Lease**") is made this 21st day of April, 2017, by and between **UHF ATHERTON STUDENT HOUSING LLC**, a Hawaii limited liability company, hereinafter referred to as the "**Lessor**," whose business address is 2444 Dole Street, Bachman Hall 105, Honolulu, Hawaii, Oahu, Hawaii 96822, and the **UNIVERSITY OF HAWAI'I**, the state university and a body corporate of the State of Hawai'i, whose business address is 2444 Dole Street, Honolulu, Hawaii, Oahu, Hawaii, hereinafter referred to as the "**Lessee**".

RECITALS

A. Lessor acquired fee simple title to that certain real property located adjacent to the University of Hawai'i at Mānoa ("**UH Manoa**") campus, at 1810/1820 University Avenue and 2340 Metcalf Street, Honolulu, Hawai'i 96822, designated as Tax Map Key No. (1) 2-8-016-001, and containing approximately 43,107 square feet, as more particularly described on Exhibit A attached hereto and made a part hereof (hereafter the "**Property**"), and containing two buildings commonly known as the Charles Atherton House and the Mary Atherton House, consisting of a total floor area of approximately 34,648 square feet of space (hereafter collectively the "**Buildings**") (the Property and the Buildings are collectively the "**Premises**").

B. Lessor acquired the Premises from the Young Men's Christian Association of Honolulu ("**YMCA**"), a Hawai'i non-profit corporation: (1) pursuant to that certain Purchase and Sale Agreement dated February 12, 2016 (hereafter the "**PSA**"), (2) by that certain Limited Warranty Deed and Covenants dated April 21, 2017, from the YMCA to Lessor and recorded as Document No. A-63200570 in the State of Hawai'i Bureau of Conveyances on April 21, 2017 (hereafter the "**YMCA Warranty Deed**"), and (3) after paying the YMCA a purchase price of \$8,000,000.00 (hereafter the "**PSA Purchase Price**").

C. Lessee desires to lease the Premises so that it can continue to be used as UH Mānoa student housing and various other UH Mānoa programs.

D. Lessor's mission is to support Lessee and its educational mission, by, among other things, raising and managing private support for Lessee and acquiring and making real property like the Property and facilities like the Buildings available for Lessee's use.

E. Lessor understands that Lessee eventually desires to acquire the fee simple ownership of the Premises but until then, Lessee desires to lease the Premises from Lessor upon mutually agreeable terms and conditions.

F. As part of the lease of the Premises to Lessee, Lessor is agreeable upon the written request of Lessee to undertake the construction and installation of mutually agreed upon renovations, alterations, additions, repairs, and improvements to the Buildings to accommodate Lessee's planned uses of the Buildings (collectively the "**Tenant Improvements**"). The rent to be paid by Lessee shall be an amount mutually agreed to semi-annually, but paid monthly, that is intended to be sufficient to cover all of Lessor's acquisition and ongoing ownership and maintenance costs for the Premises for that year, including, but not limited to, Lessor's debt service expenses related to its purchase of, and Tenant Improvements to, the Premises. Lessor and Lessee are agreeable to Lessor reserving certain rights to perform and complete the Tenant Improvements.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Lessor and Lessee agree as follows:

AGREEMENT

1. LEASE

Lessor leases the Premises (as that term is defined in the recitals above) to Lessee, and Lessee leases the Premises from Lessor, according to this Lease.

2. PREMISES

The Premises includes the Property, the Buildings, and the heating, ventilating, and air conditioning systems and the mechanical, electrical, and plumbing systems serving the Buildings within the Premises, together with all other fixtures and improvements within the Property or the Buildings.

3. TERM

The initial term of this Lease shall commence on April 21, 2017 ("**Commencement Date**") and expire on April 30, 2032 ("**Expiration Date**"); subject to certain rights of early termination in favor of Lessor and Lessee as expressly set forth in this Lease; and provided, further, that said Lease term shall be contingent at all times upon funding being appropriated, allotted or otherwise properly made available to pay any required payments hereunder.

a. [reserved].

b. Lessee's Right of Early Termination. Lessee shall have the right to terminate the Lease prior to its scheduled expiration date, only under the following conditions:

(1) Funding terminated or reduced. Should Lessee's public funding or allotment be terminated or substantially cut; or

(2) Program abolished or downsized. The program and/or agency utilizing the Premises is abolished, terminated, reorganized or substantially downsized.

Lessee shall provide Lessor with evidence confirming the occurrence of b(1) or b(2) above and shall exercise its right by giving Lessor written notice of termination no less than one hundred eighty (180) days prior to the effective date of termination.

c. Early Termination Costs. Should Lessee exercise its right to terminate the Lease prior to the scheduled expiration date, Lessee shall, subject to the Lessee Limitations (as defined herein), (1) reimburse Lessor for the unamortized cost incurred by Lessor in constructing and installing all Lessee's Tenant Improvements (as defined herein), payable to Lessor within sixty (60) days after the effective date of such termination, and (2) if the termination occurs prior to full repayment of, or the refinancing of, the initial Lessor Loan, pay to Lessor a termination fee equal to eighteen (18) months' of debt service under the initial Lessor Loan (principal and interest).

d. Lease Termination and Property Conveyance After Lessee's Final Payment. Lessor and Lessee acknowledge that Lessor paid the PSA Purchase Price to the

YMCA and acquired the Property using financing sufficient to collectively cover the PSA Purchase Price secured from one or more lenders, including, without limitation, mortgages (first priority or otherwise), lines of credit, equity or other types of loans, and any other method of financing requiring Lessor to repay borrowed funding (hereafter the "**Lessor Loan**"). The term "Lessor Loan" shall also include any additional funds borrowed by Lessor to complete Tenant Improvements. If Lessee, during the Lease term, pays to Lessor, through the payment of Monthly Rent or otherwise, an aggregate amount sufficient to satisfy and fully pay off the Lessor Loan, then, and only upon receipt of written confirmation from the holder of the Lessor Loan that the Lessor Loan has been paid in full and the Mortgage securing the same has been or will be released: (i) this Lease and the Lease term will terminate as of the date of recordation of the warranty deed to Lessee as provided in subparagraph (iii) of this Paragraph 3.d, but shall not be deemed an early Lease termination, (ii) Lessee will be deemed to have exercised the Purchase Option (as defined herein in Paragraph 30.i. (Option to Purchase)), (iii) Lessor will convey the fee simple interest in the Property to Lessee by warranty deed, free and clear of all liens and encumbrances, within thirty (30) days of the date of the Lessee's Monthly Rent or other payments that fully satisfies and pays off the Lessor Loan (hereafter "**Lessee's Final Payment**"), (iv) Lessee will be deemed to have acquired and purchased the Property from Lessor and Lessor will be deemed to have conveyed and sold the Property to Lessee, and (v) Lessor and Lessee, within thirty (30) days of Lessee submitting Lessee's Final Payment, will work toward reconciling and mutually agreeing upon the amount of Lessor costs or expenses relating or attributable to Lessor's acquisition of the Buildings and the Property that Lessor believes Lessee should pay Lessor . Lessor shall keep Lessee fully informed regarding Lessor's payment of the Lessor Loan, including submitting a monthly status report to Lessee showing the amount paid by Lessor that month, the amounts paid by Lessor to date, and the remaining balance of the Lessor Loan to be paid by Lessor.

(1) Initial Lessor Loan. The initial Lessor Loan will be made by and through Bank of Hawai'i for itself and as the lead lender for a consortium of local financial institutions. The initial Lessor Loan will be in an approximate principal amount of up to \$13.2 million, for a loan term of ten-years ("**initial Lessor Loan Term**"), with interest only payments for the first three years based on an interest rate of three percent (3%) per year, and thereafter principal and interest payments for the remaining seven years based on an interest rate of four percent (4%) per year, amortized over twenty-five (25) years. Assuming a full draw down of the principal, and no principal pay downs, or additional loan advances during the initial Lessor Loan Term, the principal balance due at the end of the initial Lessor Loan Term will be approximately \$11,551,982.

(2) Refinancing of initial Lessor Loan. If Lessee has not yet exercised its Purchase Option (as defined herein) by April 20, 2026, then, and in such event, Lessor and Lessee will promptly thereafter commence negotiations on mutually acceptable terms and provisions for Lessor's refinancing of the initial Lessor Loan to be finalized and funded prior to the maturity date of the initial Lessor Loan ("**New Lessor Loan**"), and the proceeds of the New Lessor Loan will be used to fully pay off the initial Lessor Loan. Lessor shall obtain Lessee's prior written approval for the proposed terms and provisions of the New Lessor Loan, exercising best efforts to maintain the relative stability of the Lessee's Monthly Rent (as defined herein). Lessee's approval of the terms and provisions of the New Lessor Loan will not be unreasonably withheld, delayed or conditioned. In the event that Lessor and Lessee are unable to both agree on mutually acceptable terms and provisions for the New Lessor Loan by no later than July 1, 2026, Lessor shall have the right and option to terminate this Lease effective no earlier than April 20, 2027, or later than June 30, 2027, by providing written notice of Lessor's election for early termination of this Lease no later than October 1, 2026, and in such event Lessor shall be free to refinance the

initial Lessor Loan on such terms and conditions as Lessor, in its sole discretion, deems acceptable, and/or to otherwise deal with the Premises; provided that (i) neither shall be effective prior to the end of the shortened Lease term, and (ii) Lessor shall recognize and honor any current student housing leases / rental agreements entered into by Lessee with respect to units in the Buildings through May 31, 2027. An early termination of this Lease by Lessee in accordance with this Paragraph 3.d.(2) shall be subject only to the provisions of Paragraph 28.c. and not Paragraph 3.c.(2).

e. Possession. If Lessee, with Lessor's permission, enters into possession of the Premises prior to commencement of the Lease term, all of the terms, covenants, and conditions of this Lease shall apply, including the payment of the Monthly Rent and other applicable fees and charges.

4. RENT

Lessee will pay Lessor monthly rent (the "**Monthly Rent**") in an initial amount of TWENTY-TWO THOUSAND AND NO/100 DOLLARS (\$22,000.00) on or before the first day of each month during the term of this Lease at the address specified for Lessor in Paragraph 25(a) or such other place as Lessor may designate in writing, without prior demand and without any abatement, deduction or setoff. The Monthly Rent amount shall be agreed upon between Lessor and Lessee and shall be subject to periodic adjustment as set forth below.

a. Monthly Rent adjustment.

(1) Tenant Improvements. If Lessor undertakes to construct, install, and complete any Tenant Improvements at Lessee's written request (such as renovations, alterations, additions, and/or improvements to the Premises, the Buildings, and/or the Property, asbestos remediation and removal, and/or ADA accessibility improvements), the parties will first agree upon the cost of the Tenant Improvements and Lessee will elect to do one of the following:

(a) Lump sum payment. Make a lump sum payment to Lessor to cover the cost of the agreed upon Tenant Improvements.

(b) Increased Monthly Rent payment. Pay to Lessor an agreed upon amount of Monthly Rent that is expected to be adjusted based on the increase in the Lessor Loan obtained by Lessor that may be necessary to cover the cost of the agreed upon Tenant Improvements and the full amortization thereof over a mutually agreed upon amortization period which the parties agree shall at a minimum be fifteen (15) years.

(c) Combination. Make an initial but not full payment to Lessor to cover a portion of the cost of the agreed upon Tenant Improvements and pay to Lessor an agreed upon amount of Monthly Rent that is expected to be adjusted as described in paragraph 4a(1)(b) (Increased Monthly Rent payment) that will over time cover the remainder of the cost of the Tenant Improvements.

(2) Other Lessor costs. The Monthly Rent may also be increased to reimburse Lessor for any other costs, as may be mutually agreed upon between Lessor and Lessee, that are incurred by Lessor in connection with the ownership, management, maintenance and operation of the Premises, including any debt and/or mortgage loan obligations relating to the Lessor Loan and the costs incurred by Lessor in acquiring the Property. It is the intent of the parties that Lessee will make a lump sum payment to Lessor covering the portion of Lessor's

Property acquisition costs relating to Lessor's due diligence efforts prior to acquiring the Property from the YMCA (collectively the "**Lessor Due Diligence Costs**") and that such Lessor Due Diligence Costs will not be amortized over time and paid as part of the Monthly Rent, unless Lessee elects otherwise.

(3) Lessee Not Responsible for Balloon Payment under Lessor Loan; Adjustment in Monthly Rent for New Lessor Loan. Lessor and Lessee agree that in connection with Lessor obtaining the New Lessor Loan: (i) the Monthly Rent shall not be adjusted in order to provide Lessor with funds to pay off any portion of the balloon payment due upon the maturity date of the initial Lessor Loan (unless Lessee desires to do so as part of its exercise of the Purchase Option) and absent the exercise of the Purchase Option, Lessee shall have no obligation whatsoever relating to the payment of such balloon payment and (ii) the Monthly Rent payable by Lessee may be adjusted to cover the monthly payments that Lessor must make to the lender under the terms of the New Lessor Loan, as approved by Lessee.

b. Lessee to approve all Lessor costs. Lessor shall obtain Lessee's prior written approval (which will not be unreasonably withheld), before incurring or committing to pay any costs in connection with this Lease, particularly if Lessor intends to charge Lessee for such costs in any manner, including, without limitation, any debt and/or mortgage loan obligations, including the Lessor Loan, acquisition costs, Tenant Improvement costs, Premises maintenance, operating, ownership, and management costs, and all other costs and expenses related to this Lease and Lessor's performance thereunder (hereafter collectively the "**Lessor's Total Costs**").

c. Timing of Monthly Rent adjustment. The Monthly Rent shall be subject to adjustment every six (6) months during the Lease term (hereafter the "**Adjustment Time**"). At least thirty days before each Adjustment Time, Lessor will submit for Lessee's review: (1) all costs incurred in connection with this Lease and which are a part of the Lessor's Total Costs and (2) the amounts by which Lessor believes the Monthly Rent should be adjusted. Lessor must obtain Lessee's prior written approval for all such costs incurred by Lessor that may comprise the Lessor's Total Costs and the Monthly Rent adjustments, which approval will not be unreasonably withheld. Lessor and Lessee agree that the Monthly Rent may be adjusted only to the extent that Lessor obtains approval of such costs and Monthly Rent adjustments from Lessee.

d. Commencement Date adjustment. If the Commencement Date occurs on a day other than the first day of a calendar month, or if the Expiration Date occurs on a day other than the last day of a calendar month, then the Monthly Rent for the fractional month will be prorated on a daily basis.

e. Lessee's right to audit. Lessee may have an audit performed to verify and confirm that any and all costs incurred by Lessor in connection with this Lease and charged to Lessee in any form, including all costs comprising the Lessor's Total Costs, are accurate and correct.

5. TAXES

a. Obligation for Payment. Lessee will pay all taxes (collectively the "**Tax**"), including without limitation, real estate taxes (except for conveyance taxes) and personal property taxes and assessments assessed, levied, confirmed, or imposed during the term of this Lease, whether or not now customary or within the contemplation of Lessor and Lessee, directly to the taxing authority:

(1) upon, measured by, or reasonably attributable to the cost or value of Lessee's equipment, furniture, fixtures, and other personal property located in the Premises, or by the cost or value of any leasehold improvements made in or to the Premises by or for Lessee, regardless of whether title to the improvements is in Lessee or Lessor;

(2) upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use, or occupancy by Lessee of the Premises or any portion of the Premises; and

(3) upon the Premises and all personal property, furniture, fixtures, and equipment, and all replacements, improvements, or additions to them, whether owned by Lessor or Lessee.

Lessee shall have the right to apply for an exemption from real property taxes (hereafter "**RPT**") under City and County of Honolulu, ROH, Section 8-10.10(b)(1)(B), and if such exemption is obtained, Lessee's obligation to pay RPT shall be reduced by such exemption.

b. General Excise Taxes. Together with any payment required to be made by Lessee hereunder to Lessor which is subject to the State of Hawai'i general excise tax on gross income, gross income tax, and all other similar taxes imposed on Lessor on any payments received by Lessor under this Lease in the nature of a gross receipts tax, sales tax, privilege tax or the like (excluding Federal or State of Hawai'i net income taxes), whether imposed by the United States of America, the State of Hawai'i, the City and County of Honolulu, or any other duly authorized taxing body, Lessee shall pay to Lessor an amount which, when added to such required payment shall yield to Lessor, after deduction of all taxes payable by Lessor with respect to all such payments, a net amount equal to that which Lessor would have realized from the payments had no taxes been imposed.

c. Taxes Payable in Installments. If, by law, any Tax may at the option of the taxpayer be paid in installments (whether or not interest accrues on the unpaid balance of the Tax), Lessee may exercise the option to pay the Tax (and any accrued interest on the unpaid balance of the Tax) in installments; in that event, Lessee will pay the installments that become due during the term of this Lease as they become due and before any fine, penalty, further interest, or cost may be added to them.

d. Taxes for Period Other Than Term. Any Tax, including taxes that have been converted into installment payments, relating to a fiscal period of the taxing authority, a part of which period is included within the Lease term and a part of which is included in a period of time prior to the Commencement Date or after the Expiration Date, whether or not such Tax or installments are assessed, levied, confirmed, imposed upon or in respect of, or become a lien upon the Premises, or become payable, during the Lease term, will be adjusted between Lessor and Lessee as of the Commencement Date or the Expiration Date, so that Lessee will pay that portion of the Tax or installment in the same proportion as the part of the fiscal period included in the Lease term bears to the fiscal period outside of the Lease term and Lessor will pay the remainder.

e. Other Impositions. Lessee will not be obligated to pay local, state, or federal net income taxes assessed against Lessor; local, state, or federal capital levy of Lessor; or sales, excise, franchise, gift, estate, succession, inheritance, or transfer taxes of Lessor.

f. Right to Contest Taxes. Lessee will have the right to contest the amount or validity, in whole or in part, of any tax by appropriate proceedings diligently conducted in good faith. Upon the termination of those proceedings, Lessee will pay the amount of the Tax or part of the Tax as finally determined, the payment of which may have been deferred during the prosecution of the proceedings, together with any costs, fees, interest, penalties, or other related liabilities. Upon request by Lessee, Lessor will join in any contest or proceedings instituted by Lessee and Lessor agrees to initiate such contests or proceedings if the provisions of any law or regulations then in effect require that the contests or proceedings be brought by or in the name of Lessor.

6. UTILITIES

Lessee will pay the appropriate suppliers for all water, gas, electricity, light, heat, telephone, power, cable television, internet services, and other utilities and communications services used by Lessee on the Premises (collectively the "Utility Services") during the Lease term, whether or not the Utility Services are billed directly to Lessee. Lessee will also procure, or cause to be procured, without cost to Lessor, any and all necessary permits, licenses, or other authorizations required for the lawful and proper installation and maintenance upon the Premises of wires, pipes, conduits, tubes, and other equipment and appliances for use in supplying any of the Utility Services to and upon the Premises. Lessor, upon request of Lessee, will join with Lessee in any application required for obtaining or continuing any of the Utility Services.

7. INSURANCE

a. Self-Insured. Lessee, as a sovereignty, is self-insured and therefore insurance, including but not limited to, public liability, property damage, fire, plate glass, and business interruption insurance, is not required. If and to the extent that the State of Hawai'i decides to purchase insurance to supplement its self-insurance program to cover the State of Hawai'i (which insurance Lessee is under no obligation to purchase) and a claim relating to this Lease is submitted that might be covered by such insurance, Lessee agrees to submit the claim for processing by the State of Hawai'i. Lessor acknowledges and agrees that the processing, payment, settlement, and resolution of any such claims will be subject to the terms of the applicable insurance coverage. Upon Lessor's written request, Lessee will obtain a self-insurance certificate from the State of Hawaii covering this Lease. Lessee acknowledges that this Paragraph 7a shall be applicable only for so long as Lessee is the Lessee under this Lease. Should Lessee with Lessor's prior written consent assign the Lease or sublet all or any part of the Premises to an entity which is not another state agency, the assignee or sublessee shall be subject to compliance with Lessor's standard lessee insurance requirements.

b. Lessor Insurance. Lessor will carry comprehensive general liability insurance and fire and extended coverage insurance as may be mutually agreed upon between Lessor and Lessee, covering such risks (including damage and destruction of the Premises, the Buildings, and/or the Property and taking into account the then prevailing practices for similar buildings and uses in Honolulu) and with such endorsements or riders, minimum limits, deductibles, and terms and conditions as will be mutually agreed upon between Lessor and Lessee. Lessor and Lessee will mutually agree upon such other insurance policies that will be purchased by Lessor covering risks relating to the Premises, including the Buildings and the Property.

c. Mortgage Insurance/Business Interruption Insurance. Lessor will obtain mortgage insurance covering Lessor's obligations under the Lessor Loan and/or business

interruption insurance, as may be mutually agreed upon between Lessor and Lessee: (1) consistent with the then prevailing practices for similar buildings and uses in Honolulu, (2) covering risks relating to loss of use relating to condemnation and damage or destruction of all or a portion of the Premises, the Buildings, and/or the Property, and (3) with such endorsements or riders, minimum limits, deductibles, and terms and conditions as will be mutually agreed upon between Lessor and Lessee.

d. Reimbursement of Insurance Expense. To the extent that Lessor and Lessee have mutually agreed upon the insurance (such as the comprehensive general liability, fire and extended coverage, mortgage, and/or business interruption insurance) to be purchased by Lessor and the cost thereof, the parties agree that Lessor may include said cost of insurance in Lessor's calculation of the Monthly Rent to be paid by Lessee, except for the cost of any insurance covering any of Lessor's indemnity, defense, and hold harmless obligations under this Lease. If Lessor does not obtain Lessee approval prior to purchasing any insurance, Lessee shall not be obligated to pay for such insurance and Lessor may not include such insurance costs in Lessor's calculation of Lessee's Monthly Rent, unless Lessee otherwise agrees in writing.

8. USE

The Premises may be used for educational, commercial, residential, research, administrative, office, and any other purposes that support the mission and objectives of Lessee, including, without limitation, (a) housing for students enrolled and/or attending UH Manoa; (b) UH Manoa programs, and (c) retail or other commercial uses if permitted by the applicable zoning of the Premises and if consented to by Lessor, as required by Paragraph 10 below.

9. COMPLIANCE WITH LAWS (GENERALLY)

a. Lessee's Obligations. Lessee shall observe all Applicable Laws. "**Applicable Laws**" mean all federal, state, county, and local laws, statutes, ordinances, codes, rules, regulations, standards, directives, interpretations and conditions of approval, permits, and all legislative, administrative, or judicial orders, decrees, requirements, rulings, or judgments, which now or in the future may be applicable to the Premises, the conduct of any business therein, the use of the Property or the Buildings, to Lessor or Lessee, and to any possession, occupancy, and use relating to the Premises.

b. Non-conforming use. Lessor and Lessee acknowledge and agree that Lessee's proposed use of the Premises (despite continuing existing uses) is considered non-conforming under the City and County of Honolulu Land Use Ordinance (hereafter "**LUO**"). Lessor and Lessee agree to jointly initiate proceedings to obtain such approvals as may be necessary from the City and County of Honolulu to eliminate the non-conforming use restriction and change the present zoning to allow Lessee's continued use of the Premises for the purposes allowed under this Lease. Lessor agrees that it will support and cooperate with this joint effort to change or correct the non-conforming use and allow, if requested by Lessee, inclusion of the Premises under Lessee's Plan Review Use Permit (hereafter the "**PRU**") presently covering the UHM campus.

c. Rules and Regulations. Lessor may from time to time adopt or amend such reasonable rules and regulations as Lessor deems necessary or desirable for the operation or use of the Premises, such as, but not limited to, matters which may be of benefit or for the protection of Lessor, Provided, however, Lessee's obligation to comply with any of Lessor's rules and regulations shall be limited by and subject to: (a) the Lessee Restrictions set forth in

Paragraph 20 (Lessee Restrictions) herein, (b) Lessee receiving prior written notice of the Lessor's rules and regulations, and (c) that such rules and regulations:

(1) Not inconsistent with Lease. Are not contrary to or inconsistent with the terms of this Lease;

(2) Applicable to Lessee's use. Are reasonably applicable to Lessee's business in the Premises or Lessee's or its officers' or employees' use of the Premises, the Property, the Buildings, or other areas that Lessee or its officers or employees are permitted to use in connection with this Lease;

(3) No action inconsistent with laws. Do not require Lessee to take any action inconsistent with Applicable Laws;

(4) No additional material cost. Do not impose any material additional cost, expense, or liability upon Lessee; and

(5) No waiver. Do not require Lessee to waive or release any rights, powers, authorities, or claims that Lessee may have or acquire.

Any rules and regulations adopted or enforced by Lessor shall not be inconsistent with the terms, covenants, and conditions of this Lease and to the extent that the rules and regulations are inconsistent with the terms, covenants and conditions of this Lease, then the terms, covenants and conditions of this Lease shall control. Subject to the terms of this Paragraph 9c, Lessee shall observe and comply with Lessor's reasonable rules and regulations.

d. Waste, Nuisance, or Unlawful Activity. Lessee agrees that it will not commit or permit any waste on the Premises, or maintain or permit to be maintained a nuisance thereon, or use or permit the Premises to be used in an unlawful manner.

e. Americans with Disabilities Act. Lessor shall comply with the mandates of the Americans with Disabilities Act of 1990 and any amendments thereto and the regulations promulgated thereunder (hereafter collectively the "**ADA**"), on all new construction and alterations of nonresidential and residential facilities, including the Premises herein. All new construction and alterations must be made "readily accessible to and usable by" disabled individuals. Lessor is responsible for complying with applicable ADA laws (including providing a minimum level of accessibility) with respect to: (a) the Premises, the Buildings, and the Property (including all areas that are open and accessible by the public, such as any common areas). Disabled individuals must be able to approach, enter, and use the Premises easily and conveniently. Access must be provided to primary entrances, parking areas, routes to and from the Premises, bathrooms and water fountains, and other goods, services, and programs of the Premises, the Buildings, and the Property. Lessor shall not be required to provide physical access to a historic property if doing so would threaten or destroy its historic features. Lessor further agrees that, if it is determined that the Premises, the Buildings, and/or the Property do not comply with the ADA, or meet a minimum level of accessibility (Minimum Access), or both, Lessor shall be liable for such failure and Lessor shall be responsible for ensuring that all actions, including remodeling, necessary to bring the Premises, the Buildings, and the Property (particularly if Lessor is providing turnkey improvements) into compliance are taken. Minimum Access means:

(1) At least one accessible entrance complying with Americans with Disabilities Act Accessibility Guidelines (ADAAG) 4.14. Such entrance shall be an entrance used by the general public (i.e., not a service or freight entrance).

(2) At least one accessible route complying with ADAAG 4.14 to the Buildings and the Premises where Lessee's functions are conducted.

(3) If toilet facilities are provided:

(a) One (1) toilet facility for each sex in the Buildings; or

(b) One (1) unisex toilet. However, if alterations are being done as a condition of Lessee's occupancy, a unisex toilet is required only if alterations to existing toilet facilities for each sex are technically unfeasible as defined in ADAAG 4.1.6(1)(j);

(c) Said toilet facilities shall conform with ADAAG 4.22, 4.23, and 4.1.6 (3) (c).

(4) Accessible parking complying with ADAAG 4.1.2 (5) [(a)-(e)], 4.1.3 (8) (b) (I), 4.1.6 (1) (b), and 4.6 if customer or employee parking is provided and included in the Lease.

Lessee shall ensure that its programs and services in the Premises are "program accessible." This means that each service, program, and activity is readily accessible to and usable by disabled individuals. See also, Title II of the Americans with Disability Act and Section 504 of the Rehabilitation Act. Lessee is responsible for complying with applicable ADA laws with respect to any improvements constructed or installed by Lessee within the Premises, the Buildings, and/or the Property. Lessor is responsible for complying with applicable ADA laws with respect to any improvements constructed or installed by Lessor within the Premises, the Buildings, and/or the Property. All costs reasonably incurred by Lessor with regard to ADA compliance matters shall be considered a Tenant Improvement under this Lease, and shall result in an adjustment in the Monthly Rent in the manner provided in Paragraph 4 above.

f. Lessor Construction. Lessor confirms that Lessor has leased or assigned for use by Lessee under this Lease, 100% of the usable/rentable square feet of the Buildings on the Property. Lessor also confirms that it has not leased or assigned any other part of the usable/rentable square feet of the Buildings on the Property to another agency of the State of Hawai'i. Lessor also confirms that Lessor has not leased or assigned for use by any county or any agency of any county any portion of the usable/rentable square feet of the Buildings on the Property. If more than fifty percent (50%) of the total usable/rentable square feet of the Buildings on the Property has been leased or assigned to or for use by Lessee, by another agency of the State of Hawai'i, and/or by any county or any agency of any county, all improvement work agreed to under this Lease is subject to Hawai'i Revised Statutes, chapter 104, including the payment of prevailing wages. Lessor shall submit weekly certified payrolls to Lessee in connection with any construction of improvements on or within the Premises, the Buildings, and/or the Property, including the construction of Lessee's Tenant Improvements.

g. Hazardous Materials.

(1) Lessee's Covenants. Lessee shall not cause or permit the escape, disposal, or release of any hazardous materials in or upon the Premises. Lessee shall not allow the storage or use of such materials in any manner not sanctioned by law or by the customary standards prevailing in the industry for the storage and use of such materials, nor allow to be brought into the Premises any such materials except to use in the ordinary course of Lessee's business, and then only after written notice is given to Lessor of the identity of such materials. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by Lessee, and Lessor pays for such testing, then the reasonable costs thereof shall be reimbursed by Lessee to Lessor upon demand as additional charges if and to the extent such requirement applies to the Premises. In addition, Lessee shall execute affidavits, representations, and the like from time to time, at Lessor's request, concerning Lessee's best knowledge and belief regarding the presence of hazardous materials on the Premises placed or released by Lessee.

(2) Lessor's Representations Regarding Hazardous Materials. Lessor represents and warrants to Lessee that:

(a) Lessor Due Diligence. Lessor has conducted a due diligence effort prior to purchasing and acquiring the Property from the YMCA (hereafter "**Lessor Due Diligence**") and for which Lessor has fully paid the Due Diligence Costs.

(b) Hazardous materials investigation. Lessor Due Diligence included an investigation covering the past and current presence of hazardous materials and/or environmental conditions within, under, affecting, or involving the Premises, the Buildings, and/or the Property.

(c) Lessor consultants have duty to Lessee. Lessor did require all consultants retained by Lessor to assist with Lessor Due Diligence to: (1) name Lessee as an authorized reliance party and (b) perform their consultant services for the benefit of Lessor and Lessee, including the duty to fully and completely disclose and report to Lessor and Lessee the results of their investigations and conclusions.

(d) Lessor Hazmat Disclosure. Lessor has disclosed to Lessee prior to and as of the Commencement Date all information that Lessor has learned, discovered, and/or become aware of (whether or not through the Lessor Due Diligence) relating to hazardous materials within, under, affecting or involving the Premises, the Buildings, and/or the Property, including any violations or alleged violations of any environmental laws and any incidents involving the remediation or clean-up of any environmental conditions, whether or not caused by, attributable to, or involving Lessor (collectively "**Lessor Hazmat Disclosure**").

(e) Lessor continuing disclosure obligation. Lessor has a continuing obligation to Lessee to supplement and keep current the Lessor Hazmat Disclosure.

(3) Lessor indemnity. Lessor agrees to indemnify, defend, and hold harmless Lessee from any claims demands, suits, actions, causes of action, judgments, injunctions, orders, rulings, directives, penalties, assessments, liens, liabilities, losses, damages, costs, and expenses (including the fees and costs of counsel reasonably acceptable to the Grantor), by whomsoever incurred, sustained, or asserted, including, without limitation, claims for property damage, personal injury, bodily injury, death, and/or environmental damage, directly or

indirectly arising from or connected with the breach of and/or misrepresentation involving Lessor's representations and warranties relating to hazardous materials described in Paragraph 9g(2) above, including, without limitation, Lessor's failure to have timely made to Lessee a full and complete Lessor Hazmat Disclosure and/or Lessor's failure to supplement and keep current the Lessor Hazmat Disclosure. Lessor's indemnity, defense, and hold harmless obligation hereunder shall survive the Expiration Date and shall be in addition to Lessor's obligations for breach of and/or misrepresentation involving Lessor's hazardous materials representations and warranties described in Paragraph 9g(2) above. Lessor shall not charge Lessee for (or adjust the Monthly Rent to cover) any costs incurred by Lessor in performing and complying with this indemnity, defense, and hold harmless obligation, including any costs Lessor incurs in purchasing any insurance to cover Lessor's indemnity, defense, and hold harmless obligations hereunder.

(4) Lessor to clean up asbestos. Lessor further agrees that compliance with any laws regarding asbestos is the responsibility of Lessor. When asbestos containing materials within the Premises are to be abated, it shall be performed in conformance with the requirements specified in the Asbestos Hazards Emergency Response Act. If Lessor fails to comply with any laws regarding asbestos or commence a cure within a reasonable time after being put on notice of the presence of asbestos, then Lessee shall have the right to terminate this Lease, without penalty, with sixty (60) days prior written notice to Lessor. All costs reasonably incurred by Lessor with regard to asbestos remediation or removal shall be deemed a Tenant Improvement under this Lease, and shall result in an adjustment in the Monthly Rent in the manner provided in Paragraph 4 above.

(5) Definitions. For the purpose of this Lease, "***hazardous materials***" shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil as defined in or pursuant to the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, the Federal Clean Water Act, or any other federal, state, or local environmental law, regulation, ordinance, rule, or bylaw, whether existing as of the date hereof, previously enforced, or subsequently enacted.

h. Right to Contest Laws. Lessee will have the right to contest by appropriate proceedings diligently conducted in good faith in the name of Lessee, or, with the prior consent of the Lessor, in the name of Lessor, or both, without cost or expense to Lessor, the validity or application of any law, ordinance, order, rule, regulation, or legal requirement of any nature. If compliance with any law, ordinance, order, rule, regulation, or requirement may legally be delayed pending the prosecution of any proceeding, without incurring any lien, charge, or liability of any kind against the Premises, or Lessee's interest in the Premises, and without subjecting Lessee or Lessor to any liability, civil or criminal, for failure so to comply, Lessee may delay compliance until the final determination of the proceeding. Even if a lien, charge, or liability may be incurred by reason of delay, Lessee may contest and delay, so long as the contest or delay does not subject Lessor to criminal liability. Lessor will not be required to join any proceedings referred to in this paragraph unless the provision of any applicable law, rule, or regulation at the time in effect requires that the proceedings be brought by or in the name of Lessor, or both. In that event Lessor will join the proceedings or permit them to be brought in its name.

10. ASSIGNMENTS AND SUBLEASES

a. Lessee assignment or sublease. Lessee shall not assign this Lease in whole or in part, nor sublease all or a portion of the Premises without obtaining Lessor's prior written consent, which consent shall not be unreasonably withheld, delayed, or conditioned.

Lessor and Lessee agree that the use of the Premises by another part of Lessee shall not constitute an assignment or sublease of the Premises by Lessee and shall not require Lessor's consent. Notwithstanding the foregoing, Lessee may enter into (i) a short term Sublease Agreement dated April 21, 2017, with the Young Men's Christian Association of Honolulu, a Hawaii nonprofit corporation (the "**YMCA**"), as amended by an Addendum to Sublease Agreement dated April 21, 2017, under the terms of which the YMCA will initially sublease the entirety of the Premises through and including July 31, 2017, and thereafter the space subleased to the YMCA shall be reduced to two (2) offices and the Healthy Start Room in the Mary Atherton Richards Building, shared access to restrooms and the rental of and access to the Multi-Purpose Room located in the Mary Atherton Richards Building and the kitchen located in the Charles Atherton Richards Building, and (ii) student housing agreements with students of Lessee on terms and conditions consistent with Lessee's standard practices from time to time without the requirement to obtain Lessor's consent or to make available copies of the student housing agreements to Lessor prior to consummating such student housing agreements.

b. Lessor assignment or transfer. Lessor agrees that neither the Premises, the Buildings, and/or the Property nor any parts thereof shall be mortgaged, assigned, pledged, hypothecated, and/or transferred, without first obtaining the Lessee's written consent. Lessor shall obtain Lessee's written approval prior to entering into any loan or other financing arrangement involving, affecting, or impacting the Premises, the Buildings, and/or the Property and any Lessee's interest therein.

c. Lessee will require tenants to perform. In the event that Lessee sublets or otherwise allows a non-University tenant (other than students of the University of Hawaii under student housing agreements) to rent or use portions of the Premises, the Buildings, and/or the Property, Lessee shall cause to be included in any such sublease or occupancy agreement, but expressly excluding any student housing agreements, a requirement that such tenants indemnify, defend, and hold harmless Lessor and Lessee against any and all claims and actions arising from damages or injuries caused by or attributable to such tenants' acts or omissions while renting or using the Premises, the Buildings, and/or the Property. Lessor acknowledges that based on the Lessee Restrictions herein (see paragraph 20), Lessor cannot hold Lessee responsible for damages or injuries caused by any person or entity other than Lessee officers and employees. Lessee will enforce tenants' obligations to so indemnify, defend, and hold harmless Lessor and Lessee and to purchase and maintain appropriate insurance coverage, provided, however, if Lessee is unsuccessful in requiring such tenants to repair such damage or compensate for such injury, Lessor agrees that it: (a) will not seek any such recovery or remedy against Lessee, (b) may, after Lessee assigns to Lessor Lessee's rights to obtain such recovery or remedy against such tenant (other than students of the University of Hawaii under student housing agreements), seek such recovery and remedy directly against such tenants (other than students of the University of Hawaii under student housing agreements), and/or (c) look to applicable insurance coverage for such recovery or remedy.

11. SIGNS

Lessee may install signs on the Premises in accordance with federal, state, and local statutes, laws, ordinances, and codes.

12. REPAIRS AND MAINTENANCE

a. Lessee's responsibility. Lessee will, at its sole cost and expense, maintain the Premises and make repairs, restorations, and replacements to the Premises, including without

limitation the heating, ventilating, air conditioning, mechanical, electrical, elevator, and plumbing systems, structural roof, walls, and foundations, and the fixtures and appurtenances to the Premises as and when needed to preserve them in good working order and condition and regardless of whether the repairs, restorations, and replacements are ordinary or capital in nature, except for any repairs, restorations or replacements that are necessitated or required because of the acts or omissions of Lessor or Lessor's agents, employees, consultants, contractors, invitees, or visitors. All repairs, restorations, and replacements will be in quality and class similar, as reasonably determined by Lessee, to the original work or installations.

b. Lessee requests for Lessor to perform. If Lessee requests Lessor to undertake to make certain non-material repairs, restorations, or replacements to the Premises, Lessor may make them at the expense of Lessee and the expense will be collectible as an additional amount to be added to the Monthly Rent to be paid by Lessee within forty-five (45) days after delivery of Lessor's statement detailing the costs incurred by Lessor in completing such non-material repairs, restorations, and replacements, provided that: (1) Lessor first obtains Lessee's written approval of the costs of such repairs, restorations, or replacements before commencing any such repair, restoration, or replacement work, which approval shall not be unreasonably withheld, delayed or conditioned, and (2) Lessor and Lessee agree that the costs contained in Lessor's statement are correct and accurately reflect said costs incurred by Lessor.

c. Payment sufficient to satisfy obligation for repairs. Lessor and Lessee agree that if Lessee pays the costs of such repairs, restorations, and replacements in increments as additions to the Monthly Rent, Lessee shall have no other or further obligation with respect to such costs during the Lease term.

d. Lease expiration with no purchase. Upon the expiration or termination of this Lease without Lessee purchasing or acquiring title to or ownership of the Premises, the Buildings, and the Property, Lessor will be deemed to have released and discharged Lessee from any further liability or responsibility for the costs of any such repairs, restorations, and replacements. To the extent that Lessee has paid for such repairs, restorations, and replacements, then Lessor shall pay Lessee, upon expiration or termination of this Lease, an amount equivalent to the unamortized value of said repairs, restorations, and replacements, calculated using straight line depreciation over a twenty (20) year period.

e. Lease expiration with purchase. Upon the expiration or termination of this Lease in connection with Lessee's purchase of the Premises, the Buildings, and the Property, Lessor will grant Lessee credit toward the UH Purchase Price (as defined herein) of the Premises, the Buildings, and the Property in the amount of all payments made by Lessee to Lessor for any such repairs, restorations, and replacements (whether or not as additions to the Monthly Rent). It is understood that this credit shall not be applied against the portion of the Monthly Rent attributable to the interest and principal payments under the Lessor Loan or New Lessor Loan made to Lessor.

f. Lessor's Right of Entry. Lessee will allow Lessor and the agents of Lessor, at reasonable times and upon prior notice, to enter upon the Premises and examine the condition thereof.

13. ALTERATIONS

Lessee will not make any alterations or additions whatsoever to the Premises without first obtaining Lessor's written approval of the plans and specifications thereof, which approval shall

not be unreasonably withheld, conditioned, or delayed. All alterations or additions shall be constructed in accordance with all applicable building codes and governmental regulations.

a. Lessee requests Lessor to perform. If Lessee requests Lessor to make the alterations, renovations, and additions to the Premises, they will be deemed Tenant Improvements under this Lease and Lessor may make them at the expense of Lessee and the expense will result in an adjustment in the Monthly Rent in the manner provided in Paragraph 4 above. To qualify for this adjustment to the Monthly Rent, Lessor shall first deliver to Lessee a statement from Lessor detailing the costs incurred by Lessor in completing such renovations, alterations and additions, provided that: (1) Lessor first obtains Lessee's written approval of the costs of such renovations, alterations, and/or additions before commencing any such renovations, alterations, or additions work and (2) Lessor and Lessee agree that the costs contained in Lessor's statement are correct and accurately reflect said costs incurred by Lessor.

b. Payment sufficient to satisfy obligation for renovations, alterations, and additions. Lessor and Lessee agree that if Lessee pays the costs of such renovations, alterations and additions in increments as additions to the Monthly Rent, Lessee shall have no other or further obligation with respect to such costs during the Lease term.

c. Lease expiration with no purchase. Upon the expiration or termination of this Lease without Lessee purchasing or acquiring title to or ownership of the Premises, the Buildings, and the Property, Lessor will be deemed to have released and discharged Lessee from any further liability or responsibility for the costs of any such renovations, alterations and additions. To the extent that Lessee has paid for such renovations, alterations, and additions, then Lessor shall pay Lessee, upon expiration or termination of this Lease, an amount equivalent to the unamortized value of said renovations, alterations, and additions, calculated using straight line depreciation over a twenty (20) year period.

d. Lease expiration with purchase. Upon the expiration or termination of this Lease in connection with Lessee's purchase of the Premises, the Buildings, and the Property, Lessor will grant Lessee credit toward the UH Purchase Price (as defined herein) of the Premises, the Buildings, and the Property in the amount of all payments made by Lessee to Lessor for any such renovations, alterations, and additions (whether or not as additions to the Monthly Rent). It is understood that this credit shall not be applied against the portion of the Monthly Rent attributable to the interest and principal payments under the Lessor Loan or New Lessor Loan made to Lessor.

14. **END OF TERM**

a. Surrender of Premises. At the end of the Lease term or other earlier termination of this Lease, Lessee will, subject to Lessor's compliance with Lessor's obligations under Paragraph 12 (Repairs and Maintenance) and Paragraph 13 (Alterations) herein, peaceably deliver to Lessor possession of the Premises together with all improvements thereon by whomsoever made, except those improvements that can be reasonably removed by Lessee, in good repair, order, and condition, reasonable wear and tear and unavoidable casualty excepted, and further provided, that Lessee shall be responsible for and shall cause the repair of any damage to the Premises caused by Lessee's removal of the same.

Lessee will allow Lessor during the last four (4) months of the term hereof to affix to or keep on the Premises "For Rent" notice, and will allow Lessor to show the Premises during business hours to prospective lessees upon advance notice.

If after expiration or sooner termination of this Lease, Lessee fails to remove any and all of Lessee's improvements and personal property from the Premises, after thirty (30) days written notice by Lessor, Lessor may remove any and all improvements and personal property from the Premises and either deem the property abandoned and dispose of the property or place the property in storage at the cost and expense of Lessee, and Lessee does agree to pay all costs and expenses for disposal, removal, or storage of the improvements and personal property. Lessee's obligation to observe and perform this covenant will survive the Expiration Date.

b. Holding Over. If Lessee shall remain in possession of the Premises after the Expiration Date without executing or intending to execute a document extending or renewing this Lease, Lessee shall be deemed to occupy the Premises as a tenant from month to month, subject to all the terms, covenants, and conditions herein contained insofar as the same are applicable to a month-to-month tenancy. Both Lessor and Lessee shall have the right to terminate such month-to-month tenancy with at least thirty (30) days prior written notice to the other party.

15. CASUALTY

a. Damage or Destruction. Following any casualty in which the Premises are rendered totally inaccessible, unusable or untenable, this Lease shall terminate upon the date of such casualty, and Lessor, and/or Lessor's mortgagee, if applicable, shall be entitled to all insurance proceeds resulting from such casualty, except such proceeds as shall be attributable to Lessee's personal property. Following any casualty in which the Premises are rendered only partially inaccessible, unusable or untenable, Lessor shall rebuild the Premises to the extent that insurance proceeds resulting from such casualty are sufficient to do so and provided further that such rebuilt Premises will be available for the same uses under applicable zoning regulations as permitted prior to such casualty. If Lessor fails to rebuild or restore the Premises so that it is available for the same uses that Lessee may use the Premises in the same manner and for the same purposes, Lessee may terminate the Lease upon thirty (30) days prior written notice to Lessor. If insurance proceeds are insufficient to rebuild the Premises, Lessor and Lessee shall each have the right to terminate this Lease and Lessor may use all insurance proceeds to clear the Property of all improvements. In either case, Lessor, and/or Lessor's mortgagee of the Lessor Loan or New Lessor Loan, if applicable, shall be entitled to all insurance proceeds resulting from such casualty, except such proceeds as shall be attributable to Lessee's personal property.

b. Rent Abatement. Lessee shall be entitled to a pro rata reduction in its obligation to pay Monthly Rent and additional rent to the extent that Lessee is not able to access or use any portion of the Premises, the Buildings, and/or the Property during any period following a casualty, including any period during which Lessor is repairing, restoring, or rebuilding said Premises, the Buildings, and the Property. The rent abatement shall be based on the ratio of the square footage of the Premises, the Buildings and/or Property to which Lessee does not have access or use to the total square footage of the Premises, the Buildings and/or the Property, as appropriate.

16. CONDEMNATION

a. Total Taking.

(1) Federal government taking. If, by exercise of the right of eminent domain or by conveyance made in response to the threat of the exercise of such right (in either case a "taking") by the federal government, all of the Premises are taken, or if so much of the

Premises are taken that the Premises (even if the restorations described in Paragraph 16(b) were to be made) cannot be used by Lessee for the purposes for which they were used immediately before the taking, this Lease will end on the earlier of the vesting of title to the Premises in the federal government or the taking of possession of the Premises by the federal government (in either case the "ending date"). If this Lease ends according to this Paragraph 16a(1), prepaid rent will be appropriately prorated to the ending date. All compensation and damages resulting from such taking or condemnation (or the threat thereof) payable for or on account of the Premises thereof, except for improvements constructed or owned by Lessee, shall be payable to and be the sole property of Lessor. Lessee shall not be entitled to any claim against Lessor for condemnation of or indemnity for the leasehold interest of Lessee. Lessee may make or assert claims directly against the federal government for any of the following: (a) any improvements constructed or installed by Lessee, (b) losses or damages resulting from the interruption of Lessee's business on or from the Premises, (c) any moving or other relocation expenses, or (d) any other expenses, losses, or damages attributable to Lessee's loss of use of the Premises due to the taking or condemnation of or the threat of taking or condemnation of the Premises or any portion thereof.

(2) Other condemning authority. If, by exercise of the right of eminent domain or by conveyance made in response to the threat of the exercise of such right (in either case a "taking") by any authority having the power of eminent domain (other than the federal government) ("**Non-Federal Authority**"), Lessor's leased fee interest in the Premises is taken, this Lease will continue upon the terms contained herein and not end, Lessee shall be entitled to remain in possession of the Premises, and either Lessor will continue to be Lessor under this Lease or the Non-Federal Authority acquiring the Lessor's leased fee interest shall be the Lessor under this Lease.

b. Partial Taking.

(1) Federal government. In case only part of the Premises shall be so taken or condemned by the federal government, and the remainder of the Premises not so taken and condemned, in the Lessee's reasonable discretion, can be used by Lessee for the same or similar purposes and operations and to a similar intensity, level or degree of use, any required payments, including the Monthly Rent, for the unexpired remainder of the Lease term shall be equitably reduced in the same proportion that the area of the Premises so taken or condemned by the federal government bears to the total area of the Premises hereby demised by Lessor to Lessee. Notwithstanding the foregoing, either party shall have the right to terminate this Lease at its option in the event of a partial taking of at least 25% of the Premises without further obligation under this Lease.

If the Lease is not terminated, Lessor will restore so much of the Premises as remains to a sound architectural unit substantially so that the remainder of the Premises can be used by Lessee for the same or similar purposes and operations and to a similar intensity, level or degree of use as existed immediately before the partial taking, if permitted by applicable zoning regulations. Lessor shall be entitled to use all award proceeds resulting from said taking (except the proceeds available to Lessee as enumerated in the following sentence) for the costs of said restoration. Lessee may make or assert claims directly against the federal government for any of the following: (a) any improvements constructed or installed by Lessee, (b) losses or damages resulting from the interruption of Lessee's business on or from the Premises, (c) any moving or other relocation expenses, or (d) any other expenses, losses, or damages attributable to Lessee's loss of use of the Premises due to the taking or condemnation of or the threat of taking or condemnation of the Premises or any portion thereof.

(2) Non-Federal Authority. In case Lessor's leased fee interest in a portion of the Premises shall be so taken or condemned by an authority having the power of eminent domain, this Lease will continue upon the terms contained herein and not end, Lessee shall be entitled to remain in possession of the entire Premises, and either Lessor will continue to be Lessor under this Lease or the Non-Federal Authority acquiring the Lessor's leased fee interest shall be the Lessor under this Lease.

17. SUBORDINATION, ESTOPPEL, LENDER CONSENT, AND ATTORNMENT

a. Lease Subordinate to Mortgages. This Lease shall be subject and subordinate to the lien of any mortgage, including the Lessor Loan or New Lessor Loan (together with any renewals, extensions, modifications, consolidations, and replacements thereof) in any amount or amounts whatsoever now existing or hereafter placed on the Property, the Buildings, and/or the Premises without the necessity of any other instrument or act on the part of Lessee to effectuate the subordination, provided the mortgagee named in any mortgage, including the Lessor Loan or New Lessor Loan, shall agree that in the event of foreclosure it will not join Lessee as a party defendant in the foreclosure action and will not take any action to terminate this Lease so long as Lessee is not in default hereunder. Lessee covenants and agrees to execute and deliver upon demand a further instrument or instruments evidencing the subordination of this Lease to the lien of any mortgage or mortgages, including the Lessor Loan or the New Lessor Loan, as may be required by Lessor.

b. Attornment. Lessee agrees to attorn to the assignee, transferee, or purchaser of Lessor's interest from and after the date of notice to Lessee of any assignment, transfer, or sale, in the same manner and with the same force and effect as though this Lease were made, in the first instance, by and between Lessee and the assignee, transferee, or purchaser. If any proceedings are instituted for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Lessor covering the Property, the Buildings, and/or the Premises, Lessee shall, upon Lessor's request, attorn to the purchaser upon any foreclosure or sale and recognize the purchaser as the Lessor under this Lease.

c. Consent of Lenders under Initial Lessor Loan. Notwithstanding anything to the contrary contained in this Lease, so long as the initial Lessor Loan remains outstanding, Lessor and Lessee shall not amend the provisions relating to the payment of rent, including Section Paragraph 4 above, and relating to the Early Termination Costs described in Paragraph 3.c above, without the prior written consent of the lenders under the initial Lessor Loan.

d. Transfer Documents. In the event of any such sale, assignment, mortgage, transfer, or hypothecation, Lessee will promptly execute any and all documents, including but not limited to, consents and true and accurate estoppel certificates, as may be deemed necessary to the transaction by Lessor. Further, in the event that for any business purpose of Lessor it shall be necessary for Lessor that Lessee execute documents, including but not limited to, consents and estoppel certificates, Lessee agrees to execute any and all of said documents, provided only that the documents accurately and truthfully reflect the matters contained therein. Lessee shall upon and after written notice, received as designated in Paragraph 25, act upon the requested document. Lessee shall respond within the time period of ten (10) business days or such additional time period as Lessee may request.

18. LESSOR'S ACCESS

Lessor, its agents, employees, and contractors may enter the Premises at any time in response to an emergency, and at reasonable hours to (a) inspect the Premises, (b) exhibit the Premises to prospective purchasers, lenders, or Lessees, (c) determine whether Lessee is complying with its obligations in this Lease, (d) supply any other service which this Lease requires Lessor to provide, (e) post notices of non-responsibility or similar notices, or (f) make repairs which this Lease requires Lessor to make; however, all work will be done as promptly as reasonably possible and so as to cause as little interference to Lessee as reasonably possible. Lessor will at all times have a key with which to unlock all of the doors in the Premises (excluding Lessee's vaults, safes, and similar areas designed in writing by Lessee in advance). In an emergency that poses a substantial risk or threat of harm to persons or property and provided that Lessor has attempted to contact Lessee's emergency contact and had not been able to make contact, Lessor may enter the Premises to address the emergency, using any reasonable means or as instructed or permitted by Lessee. During and after such emergency, Lessor will continue to attempt to contact Lessee to notify Lessee of the emergency and the actions and measures taken by Lessor to address the emergency. No entry to the Premises by Lessor by any means will be a forcible or unlawful entry into the Premises or a detainer of the Premises or an eviction, actual or constructive, of Lessee from the Premises, or any part of the Premises, nor will any entry entitle Lessee to damages or an abatement of rent or other charges which this Lease requires Lessee to pay.

19. PROPERTY OF LESSEE

All personal property of any kind or description whatsoever on the Premises shall be at Lessee's sole risk, and Lessor shall not be liable for any damage done to or loss of such personal property or damage or loss suffered by Lessee's business arising from any act or neglect of other persons or caused by: (1) bursting, overflowing, or leaking of water, gas, sewer, or steam pipes, (2) any fixtures, appliances, or devices connected to same, (3) electric conduit, wires, fixtures, appliances, or devices, or (4) chemicals or bacteria or odors, or caused in any other manner whatsoever unless caused by the negligent act or omission of Lessor or Lessor's authorized representatives.

20. LESSEE RESTRICTIONS

a. Lessee Responsibility. Lessee shall be responsible for damage or injury caused by Lessee's officers and employees in the course of their employment to the extent that Lessee's liability for such damage or injury has been determined by a court or otherwise agreed to by Lessee. Lessee shall pay for such damage or injury to the extent permitted by law and provided that funds are appropriated, allotted or otherwise properly made available for that purpose. In each instance in this Lease where Lessee is obligated to assume responsibility or liability of any type or nature for damages or injuries, including, without limitation, any obligation to perform, be responsible for failure to perform, or pay monies, such obligation shall be subject to and limited by the provisions of this Paragraph 20.a.. (Lessee Responsibility). Lessor acknowledges that this provision, in itself, shall not constitute or be interpreted to be any type of indemnification, defense, or hold harmless obligation of Lessee. Lessee's obligations under this Paragraph 20a shall survive the expiration or earlier termination of this Lease.

b. Lessee Not Authorized to Indemnify. Lessor and Lessee acknowledge and agree that Lessee, as an agency of the State of Hawai'i, is not authorized to indemnify, defend, or hold harmless Lessor in any way, including, without limitation, against any claims for bodily

injury, wrongful death and/or property damage by any persons. Notwithstanding anything to the contrary contained in this Lease, Lessee shall have no contractual duty to indemnify, defend, or hold harmless Lessor or any other persons under any circumstances arising out of or related to this Lease and Lessee's occupancy of the Premises under the terms of this Lease. In each instance in this Lease where Lessee is or may be deemed obligated to indemnify, defend, or hold harmless Lessor or any other persons, such obligations shall be deemed null and void and such contrary indemnity, defense, or hold harmless obligations and provisions shall be deemed to be superseded by this provision, and of no force or effect.

c. Lessee Not Responsible for Others. Notwithstanding anything to the contrary contained in this Lease, Lessor acknowledges that Lessee can only be held responsible for the actions of Lessee's officers and employees, and Lessor shall not hold Lessee responsible for any actions or omissions of any other person or entity, including, without limitation, any person or entity who (except for Lessee's officers and employees) could be deemed to be Lessee's representatives, students, invitees, or customers. In each instance in this Lease where Lessee is obligated to assume responsibility for the actions or omissions of any persons or entities other than Lessee's officers or employees, such obligations shall be deemed null and void and such contrary Lessee responsibility obligations or provisions shall be deemed to be superseded by this provision, and of no force or effect. Lessor acknowledges that this provision, in itself, shall not constitute or be interpreted to be any type of indemnification, defense, or hold harmless obligation of Lessee.

d. Subject to Funding. To the extent that Lessee is: (1) obligated to perform under this Lease, (2) obligated to make any payments under this Lease, or (3) deemed liable under this Lease, Lessee's ability to satisfy such obligations or liabilities, particularly any obligations requiring the payment of any amount of monies, is limited to that which is permitted by law and is subject to the condition that funds are properly appropriated, allotted, or otherwise properly made available for the purpose of satisfying such obligations or liabilities. At a minimum, the following conditions must be satisfied in order for funding to be made properly available: (a) the Hawai'i State Legislature shall have appropriated sufficient funding to satisfy such obligations or liabilities; (b) the Governor of the State of Hawai'i shall have authorized the use of such funds for satisfying such obligations or liabilities; and (c) the satisfaction of conditions, if any, imposed by the Hawai'i State Legislature and/or the Governor on the use of such funds. Lessee shall use reasonable good faith efforts to have funds properly appropriated, allotted, or made available for such purposes (including, without limitation, obtaining legislative and Governor's authorizations for use of such funds) and to satisfy such conditions in a timely manner.

(1) Applies to all of Lessee's Obligations. Notwithstanding anything to the contrary contained in this Lease, this provision shall apply to and qualify each and every Lessee's obligation to perform under this Lease, including, without limitation, any obligation of Lessee to pay or reimburse Lessor for any work performed by Lessor due to Lessee's failure or refusal to perform under this Lease and any obligation of Lessee.

(2) Lessor's Right to Terminate. As an inducement to Lessor to agree to the Lessee Limitations (as defined herein), Lessee hereby agrees that for any obligations or liabilities of Lessee which are subject to Lessee obtaining funding or satisfying other conditions prior to Lessee being able to fulfill such obligations or liabilities, as specified in the Lessee Limitations (as defined herein), Lessee covenants and agrees that it will provide Lessor with written notice within thirty (30) days after Lessee knows or becomes aware that Lessee will not obtain such funding or not be able to fulfill such an obligation or liability, and in either such event, Lessor shall then have the right to immediately terminate this Lease within one hundred

eighty (180) days after the date on which Lessor receives such notice from Lessee, and if Lessor as a result thereof defaults in its payments under the Lessor Loan of the New Lessor Loan, the holder of the Lessor Loan or New Lessor Loan shall have the right to foreclose on the Lessor Loan or the New Lessor Loan and sell the Premises free and clear of this Lease.

e. Subject to Lessee Restrictions.

(1) Lessee Limitations. Lessor and Lessee acknowledge and agree that Paragraphs 20.a. (Lessee Responsibility), 20.b. (Lessee not authorized to indemnify), 20.c.. (Lessee not responsible for others), and 20d (Subject to funding) are hereafter collectively the "**Lessee Limitations.**"

(2) Lessee Restrictions. "**Lessee's Restrictions**" means, with respect to any obligation, duty, responsibility, and/or liability imposed on Lessee pursuant to this Lease, that Lessee's responsibility to satisfy such obligation, duty, liability, and responsibility is limited by (i) Applicable Laws; (ii) authority granted by Lessee's Board of Regents or administration; (iii) the Lessee Limitations; and (iv) the extent to which any actions required of Lessee are (A) applicable to Lessee's performance hereunder and (B) not inconsistent with this Lease. Notwithstanding and superseding anything to the contrary contained in this Lease (and any exhibits attached to this Lease), any and all obligations, duties, responsibilities, and liabilities of Lessee under this Lease are expressly subject to and limited by the Lessee Limitations set forth and defined in Paragraph 20 of this Lease.

(3) Lessee's Obligations Subject to and Limited by Lessee Restrictions. Notwithstanding and superseding anything to the contrary contained in this Lease (and any exhibits attached hereto), Lessor acknowledges and agrees that any and all obligations, duties, responsibilities, and liabilities of Lessee under this Lease and Lessee's liability for and/or performance of such obligations, duties, and responsibilities under this Lease (including any obligations of Lessee that are intended to and do survive the expiration or termination of this Lease) are expressly subject to and limited by the Lessee's Restrictions, including the Lessee's Limitations.

21. COVENANT OF QUIET ENJOYMENT

Upon payment by Lessee of the required payments hereunder and upon observance and performance of the terms, covenants, and conditions herein contained and to be observed and performed by Lessee, Lessee shall peaceably hold and enjoy the Premises for the term and any extensions thereof without hindrance or interruption by Lessor or any other person lawfully or equitably claiming by, through or under the Lessor, including the holders of the mortgages such as the Lessor Loan or New Lessor Loan, described in Paragraph 3.d., except as herein otherwise expressly provided.

22. LIMITATION ON LESSEE'S RECOURSE

Lessee's sole recourse against Lessor, and any successor to the interest of Lessor in the Premises, is to the interest of Lessor, and any successor, in the Premises. Lessee will not have any right to satisfy any judgment which it may have against Lessor, or any successor, from any other assets of Lessor, or any successor.

In this paragraph, the terms "Lessor" and "successor" include the members, shareholders, venturers, and partners of Lessor and successor and the officers, directors, and employees of

Lessor and successor. The provisions of this paragraph are not intended to limit Lessee's right to seek injunctive relief or specific performance, or Lessee's right to claim the proceeds of insurance (if any) specifically maintained by Lessor for Lessee's benefit.

23. DEFAULT

a. Remedies Upon Lessee's Default. This Lease is upon the express condition that, if Lessee shall fail to pay the rent herein reserved or any part thereof as the same becomes due, or shall fail to faithfully observe and perform any other term, covenant, or condition of this Lease, or shall abandon the Premises, or shall suffer this Lease or any estate or interest hereunder to be taken on execution, or shall suffer any mechanic's or materialmen's lien to attach to said Premises, and shall fail to secure the discharge or release thereof within a reasonable time after the entry of any judgment or order of a court of competent jurisdiction for the foreclosure or other endorsement of the lien and the breach or default shall continue for a period of thirty (30) days after delivery of a written notice of any such breach or default by personal service, registered mail, or certified mail, then in that event, Lessor may at once reenter the Premises and, upon or without the entry, at its option, terminate this Lease without any further service or notice or legal process, and may expel and remove from the Premises, Lessee and those claiming under it and its effects and Lessor may store, remove, and dispose of any of Lessee's improvements or personal property at Lessee's expense, and may then or at any time before or thereafter bring (i) an action for summary possession of said Premises, or (ii) an action for unlawful detainer and cancellation of the Lease, all without prejudice to any other remedy or right of action which Lessor may have under applicable law for arrears of rent or other breach of contract; Provided, However, that if the nature of the default, other than nonpayment of rent, is such that the same cannot be reasonably cured within a thirty (30) day period, Lessee shall not be deemed to be in default if Lessee shall, within the period, commence a cure and thereafter diligently prosecute the same to completion.

b. Nonwaiver. The acceptance of rent by Lessor or its agents shall not be deemed to be a waiver by it of any breach by Lessee of any covenant contained herein or of Lessor's right to reenter for breach of condition.

c. Remedies Upon Lessor's Default. If any of the following events shall occur, Lessee may terminate this Lease, in whole or in part, either prior to or subsequent to the Commencement Date, and seek such other remedies as Lessee may be entitled to under this Lease or by applicable law, to wit:

(1) Failure to complete. Lessor fails to substantially complete the construction and installation of any Tenant Improvements in accordance with Plans approved by Lessee for such Tenant Improvements within thirty (30) days after the construction completion date agreed to between Lessor and Lessee as part of the approval process for such Tenant Improvements, (each a "**Completion Deadline**"); provided, however, that the Completion Date for any such Tenant Improvement may be extended in writing by mutual agreement of the parties or by a Force Majeure Event. Lessor fails to timely complete, to Lessee's satisfaction, any repairs, restorations, replacements, alterations, and/or additions as requested by Lessee pursuant to Paragraph 12 (Repairs and Maintenance) and Paragraph 13 (Alterations), respectively. If Lessor fails to properly perform and complete its construction and installation of Tenant Improvements or any repairs, restorations, replacements, alterations, and/or additions as requested by Lessee pursuant to Paragraph 12 (Repairs and Maintenance) and Paragraph 13 (Alterations), respectively, within a period of thirty (30) days after Lessor receives written notice from Lessee of such failure by Lessor, or such further time as may result from Force Majeure, or be agreed upon between Lessor

and Lessee, with such agreement to not be unreasonably withheld if such Tenant Improvements, repairs, restorations, replacements, alterations, and/or additions cannot be completed with due diligence within such 30-day period, Lessee may (but shall not be obligated to), at its option, and in addition to all other remedies which may be available to Lessee, complete such Tenant Improvements, repairs, restorations, replacements, alterations, and/or additions included in said notice from Lessee to Lessor and the cost thereof, plus ten per cent (10%) for Lessee's administrative overhead, less the amount (as Lessee may reasonably determine) that Lessor would or should have expended on completing such Tenant Improvements, repairs, restorations, replacements, alterations, and/or additions, shall be paid by Lessor to Lessee upon demand from Lessee.

(2) Transfer of Interest. Lessor transfers or assigns any interest of Lessor under this Lease without Lessee's prior written approval or consent, whether voluntarily or involuntarily, or whether by reason of assignment, sublease or otherwise, stock transfer, ownership change, operation of law, or death, to any other person or entity, including, without limitation, a limited or general partnership, joint venture, firm, company, corporation, limited liability company, trust, association, or any other person or entity.

(3) Failure to perform. Lessor substantially and materially fails to keep, perform, and observe each and every agreement, promise, covenant, term, and condition set forth in this Lease, on its part to be kept, performed, or observed, and such failure shall continue for a period of more than thirty (30) consecutive days after Lessor's receipt of a written notice from Lessee of such breach or violation by personal service or registered mail or certified mail to Lessor, except where fulfillment of Lessor's obligation requires activity over a period of time, and Lessor begins to perform whatever may be required for fulfillment within thirty (30) calendar days after receipt of said written notice and continues such performance, showing improvement or correction until fully completed, without interruption except for causes beyond Lessor's control, including a Force Majeure Event.

(4) Bankruptcy. Lessor shall become bankrupt, or file any debtor proceedings, or any case or proceeding, voluntary or involuntary, shall be filed by or against Lessor as debtor under any provision of the Federal Bankruptcy Code and such proceeding shall not be dismissed or discharged within thirty (30) days from the date of the filing thereof, or if any case or proceeding shall be filed by or against Lessor under any State statute governing any debtor-creditor rights, seeking to have an order or decree rendered against Lessor directing any readjustment, arrangement, composition, or reduction of Lessor's debts, liabilities, or obligations, or making any assignment for the benefit of creditors.

(5) Receivership. Pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or Government Authority having jurisdiction, a receiver, trustee, or liquidator shall take possession of all or substantially all of the property of Lessor, and such possession or control shall continue in effect for a period of at least thirty (30) consecutive days, without being contested by Lessor in good faith by proper legal proceedings commenced within said thirty (30) day period.

(6) Attachment. Any Liens are filed against or affecting Lessor's interest in the Premises, the Buildings, the Property or any portions thereof because of any act or omission of Lessee or the Lessor's Agent (including the Lessor's Contractors), and said Liens are not discharged, removed, enjoined, satisfactorily bonded (a bond for satisfaction of such Liens is not timely posted by Lessor), or contested by Lessor in good faith by proper legal proceedings within thirty (30) calendar days.

(7) Assumption. The lawful assumption by a federal government or Non-Federal Authority of the operation, control or use of the Premises, the Buildings, and/or the Property, or any substantial part or parts thereof, in such a manner as to substantially restrict Lessee from operating within or from the Premises for a period of at least one hundred twenty (120) consecutive days.

(8) Injunction. The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Premises, the Buildings, and/or Property, or any part thereof for the purposes authorized under this Lease, and the injunction remaining in force for a period of at least one hundred twenty (120) consecutive days.

Notwithstanding any of the foregoing provisions in this Paragraph 23.c to the contrary, Lessee covenants and agrees to provide a concurrent written notice to the then holder of the Lessor Loan or the New Lessor Loan of any notice of default from Lessee to Lessor under this Lease delivered or mailed to the last known address provided to Lessee in writing by the holder of the Lessor Loan or the New Lessor Loan, and Lessee further agrees to accept a cure or tender of a cure of any such default under this Lease from the then holder of the Lessor Loan or the New Lessor Loan. The obligation of Lessee under this provision is limited to providing a concurrent written notice to the last known address of the holder of the Lessor Loan or the New Lessor Loan and to accept a cure of any Lessor default from the holder of the Lessor Loan or New Lessor Loan, but shall not expand or enlarge the cure period(s) provided to Lessor under this Lease, unless otherwise agreed in writing with the holder of the Lessor Loan or the New Lessor Loan.

24. **FORCE MAJEURE**

a. Performance may be delayed. Lessor and Lessee shall not be liable for any failure, delay, or interruption in performing their respective obligations hereunder due to causes or conditions beyond their control, including (but without limitation thereto) the Force Majeure Events (as defined and described below). Each party shall immediately notify the other party in writing regarding such party's inability to perform any of its obligations under this Lease due to any Force Majeure Events but in no event later than seven (7) days following the occurrence of one of the Force Majeure Events. Failure by such party to so timely notify the other will preclude such party from claiming the benefits of the Force Majeure Events under this Lease. Notwithstanding the Force Majeure Events, such party shall be obligated to recommence performance of any of its obligations delayed by the Force Majeure Events as soon as reasonably practicable. Such party's failure to timely recommence such performance may be deemed by the other party to be a breach or default by such party under this Lease.

b. Force Majeure Events. Force Majeure Events shall include, but not be limited to, the following ("**Force Majeure Events**"):

(1) Laws. Present or future laws, statutes, rules, requirements, orders, directives, rulings, ordinances, or regulations of any government authority which are enacted, adopted, or implemented subsequent to the date of this Lease or other acts of superior government authority.

(2) War and terrorism. War, war-like conditions, hostilities, acts of terrorism, acts of the public enemy, sabotage, rebellion, riots, looting, military mobilization, and blockades.

(3) Transportation delays. Embargoes or other transportation delays or any act or thing resulting therefrom.

(4) Rationing. Priorities, rationing, or curtailments.

(5) Labor related issues. Strikes, boycotts, picketing, slowdowns, work stoppages, or other labor disputes or troubles.

(6) Shortages. Shortage of labor or materials, or inability to secure fuel, materials, supplies, or power due to shortages thereof.

(7) Acts of God. Acts of God, severe weather conditions, rainstorms, floods, earth movements, tsunamis, volcanic activity, high winds, hurricanes, typhoons, tornadoes, or fires.

(8) Health related emergencies. Epidemics, quarantines, or other national or regional health related emergencies.

(9) Other causes. Any other causes or casualties beyond the control of Lessor or Lessee, as applicable.

25. NOTICE

a. Written notice. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give the other party or any other person shall be in writing and given by delivering the notice in person or by commercial courier, or by sending it by first-class mail, certified mail, return receipt requested, or overnight courier, return receipt requested, with postage prepaid:

To the LESSOR at: **UHF ATHERTON STUDENT HOUSING LLC**
c/o University of Hawaii Foundation
Bachman Hall, Room 105
2444 Dole Street
Honolulu, Hawaii 96822
Attention: President and CEO
Phone: (808) 956-3711
Fax: (808) 956-5115

Copy to:

Schlack Ito, LLC
Topa Financial Center
745 Fort Street, Suite 1500
Honolulu, Hawaii 96813
Attention: Jeff Piper / Eric Elkind
Phone: (808) 523-6040
Fax: (808) 523-6030

To the LESSEE at: **UNIVERSITY OF HAWAI'I**
University of Hawai'i at Manoa
Office of Vice Chancellor for Students
Queen Lili'uokalani Center for Student Services
Room 409
2600 Campus Road
Honolulu, Hawaii 96822
Attention: Vice Chancellor for Students
Phone: (808) 956-3290
Fax: (808) 956-3292

Copy to:

University of Hawai'i
Office of Procurement and Real Property Management
1400 Lower Campus Road, Room 15
Honolulu, Hawaii 96822
Attention: Director
Phone: (808) 956-8687
Fax: (808) 956-2093

Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at such other address as either Lessee or Lessor may designate in writing as its new address for such purpose by notice given to the other in accordance with this Paragraph 25 (Notice). Any notice hereunder shall be deemed to have been given and received and effective two (2) days after the date when it is mailed, if sent by first-class, certified mail, one day after the date when it is mailed if sent by overnight courier, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by facsimile to the number set forth herein or such other number as may be provided from time to time; or electronically by email or similar method of delivery, however, neither party may give official or binding notice by facsimile or email.

b. Points of contact. Lessor and Lessee agree to each designate a primary point of contact and will attempt to keep the same person as such point of contact during the term of this Lease. Day-to-day interaction between Lessor and Lessee regarding planning, design, construction, installation, operation, improvement, alteration, renovation, repair and/or removal involving the Premises, the Buildings, and/or the Property shall usually be carried out by the designated points of contact, who will be specified representatives of Lessor and Lessee or their designees. In the case of Lessor, the designated representative will normally be the Vice President for Administration and Chief Financial Officer, University of Hawai'i Foundation, which as of the date of this Lease is Paul Kobayashi, Jr. In the case of Lessee, the designated representative will normally be the Director of Student Housing, University of Hawai'i at Manoa, which as of the date of this Lease is Laurie Furutani, Interim Director. The Lessor and Lessee may change its respective designated representative from time to time upon written notice to the other party in accordance with this Paragraph 25.

26. **DISPUTE RESOLUTION**

In the event a dispute arises between the parties concerning any aspect of this Lease, the parties agree to negotiate face-to-face within twenty (20) days of receipt of a letter describing the nature of the dispute and referencing this Paragraph 26 of the Lease. The meeting will be held

at the place of business of the party receiving the letter unless the parties mutually agree to meet at another place. In the event the matter is not resolved by negotiation within thirty (30) days of this initial negotiation meeting, the parties shall engage a mediator and attempt to mediate the dispute. The parties agree to try in good faith to settle the dispute by mediation under the mediation rules of an alternative dispute resolution firm acceptable to both parties, before resorting to litigation. If the dispute is not resolved by mediation within sixty (60) days of the initial mediation meeting or such further time as the parties may agree to or that the mediator deems is needed, any party may commence a legal action in the state circuit court in the City and County of Honolulu.

27. **BROKERS**

Lessor warrants and represents to Lessee that Lessor has not had any contact or dealings regarding the purchase, acquisition, leasing or renting of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the Lease. In the event that any broker or finder asserts or perfects a claim for a commission or finder's fee based upon any such contact, dealings, or communication by or with Lessor, Lessor shall be responsible for such commission or fee and shall indemnify, defend, and hold harmless Lessee from any and all claims, demands, actions, suits, causes of action, judgments, orders, penalties, assessments, liabilities, losses, damages, costs, and expenses arising from Lessor's dealings and interactions with any broker, finder, or person who could claim a right to a commission or finder's fee. The provisions of this Paragraph 27 (Brokers) shall survive any termination or expiration of this Lease.

28. **TENANT IMPROVEMENTS**

a. Lessee's Tenant Improvements definition. "Lessee's Tenant Improvements" shall mean those improvements that are to be constructed and installed (and are constructed and installed) within the Premises by Lessor, at the written request of Lessee, and shall include, without limitation (a) walls, (b) partitions, (c) doors, (d) windows, (e) systems consisting of facilities, wiring, service panels, conduits, service connections, receptacles and other appurtenances (hereafter collectively "**Utility Systems**") that are required or necessary to provide Utility Services to, on, and within the Premises, (f) portions of the Utility Systems (such as lighting fixtures (e.g. track lighting)) attached to or recessed or built-into walls, partitions, ceilings, or floors, (g) ventilation and air conditioning systems, (h) fire sprinkler and detection systems, (i) plumbing lines, pipelines, and fixtures, (j) building standard built-in cabinets and shelving tracks, (k) interior finish to floors, walls, doors, windows, or ceilings, (l) wall or floor treatments or coverings that are affixed to the surface, and (m) carpeting which is glued, nailed or in any other manner permanently affixed to the floor surface.

b. Lessor to obtain Lessee's approval. Lessor shall construct Lessee's Tenant Improvements in accordance with the final plans submitted for permit as mutually agreed upon by Lessor and Lessee, subject to complying with all applicable building codes, laws, regulations and Lessor's first obtaining approval of the proposed Lessee's Tenant Improvements from the Disability and Communication Access Board in compliance with the Americans with Disabilities Act Accessibility Guidelines (ADAAG) as required by Hawai'i Revised Statutes Section 103-50. Prior to submitting any final plans for permit or to any governmental entities, Lessor shall obtain Lessee's written approval covering: (1) the final plans for the Lessee's Tenant Improvements and (2) a budget outlining the total estimated cost of completing the Lessee's Tenant Improvements.

c. Lessee's early termination. If Lessee terminates the Lease prior to the expiration of the Lease term pursuant to Paragraph 3.b (Lessee's Right of Early Termination), Lessee will, subject to the Lessee Limitations, reimburse Lessor for the unamortized cost of the Lessee's Tenant Improvements, based on straight line depreciation over a mutually agreed upon amortization period which the parties agree shall be at least fifteen (15) years (hereafter "**Unamortized Tenant Improvement Cost**"), and payable within sixty (60) days after the termination of this Lease.

(1) Lessor to furnish in-place cost. Within thirty (30) days after the completion of the Lessee's Tenant Improvements, Lessor shall submit to Lessee a certified statement of the itemized in-place construction and installation costs incurred by Lessor in completing the construction and installation of Lessee's Tenant Improvements (hereafter collectively the "**In-place Costs**"). The In-place Costs shall be itemized according to the portion of the Premises to which they pertain (e.g., by Space No. or other identifier as may be acceptable to Lessee). All of the In-place Costs submitted by Lessor to Lessee shall be subject to Lessee's review and approval. Any amounts spent by Lessor for planning, design, construction, installation, engineering, architectural, surveying, environmental, accounting, financial, legal and other services or work not directly related to construction and installation of the Lessee's Tenant Improvements may be included as part of the In-place Costs.

(2) Lessee may verify. Lessor shall maintain records of all In-place Costs so incurred by Lessor and upon request by Lessee, allow Lessee to inspect and audit such records to verify the In-place Costs. Lessee shall complete its inspection of Lessor's records and verify Lessor's certified statement of In-place Costs within sixty (60) days after Lessor's submittal of Lessor's certified statement.

(3) Failure to provide. If Lessor fails to timely submit or provide the In-place Costs to Lessee or Lessor and Lessee are not able to agree upon the amount or composition of the In-place Costs, Lessee shall use Lessee's estimate of such In-place Costs as a basis to reimburse Lessor for the unamortized cost of the Lessee's Tenant Improvements in the event Lessee terminates this lease early pursuant to Paragraph 3b (Lessee's Right of Early Termination).

29. REPRESENTATIONS.

a. Lessor Representations. In addition to any other representations and warranties contained in this lease, Lessor represents and warrants to Lessee as of the execution date of this Lease that:

(1) Duly organized. Lessor is duly organized, validly existing, and in good standing in the jurisdiction of its organization, and is validly registered to conduct business in the State of Hawai'i;

(2) Full right and authority. Lessor has the full right and authority and has taken all requisite corporate or other action to enter into, execute, deliver, and perform its obligations under this Lease;

(3) Has obtained all requisite approvals. Lessor has obtained all approvals and consents from Lessor's entities, members, managers, and their directors, shareholders, partners, owners, or lenders that are necessary to fully authorize and empower Lessor to validly enter into this Lease and to perform all of Lessor's obligations under this Lease;

(4) Lease is a binding obligation. This Lease constitutes a legal, valid, and binding obligation enforceable against Lessor in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally;

(5) No litigation or investigation. There is no litigation, action, proceeding or investigation pending or, to the best of Lessor's knowledge, threatened before any court or other governmental authority by, against, affecting, or involving any of Lessor's business or assets that would affect Lessor's ability to carry out its obligations under this Lease; and

(6) No other breach. Neither the execution and delivery of this Lease by Lessor nor Lessor's compliance with any of the terms and conditions of this Lease results in a condition or event that would constitute (or that upon notice or lapse of time or both would constitute) an event of default under any material contractual obligation of Lessor in any other agreement to which Lessor is a party.

b. Lessee Representations. In addition to any other representations made by Lessee herein, Lessee represents and warrants to Lessor as of the execution date of this Lease:

(1) Duly organized. Lessee is duly organized and validly existing and in good standing in the jurisdiction of its organization;

(2) Full right and authority. Lessee has the full right and authority and has taken all requisite action to enter into, execute, and deliver this Lease;

(3) Has obtained all requisite approvals. Lessee has obtained all approvals that are necessary in order for Lessee to validly enter into this Lease and perform Lessee's obligations under this Lease, including, without limitation, approval from Lessee's Board of Regents (if applicable); and

(4) Lease is a binding obligation. This Lease constitutes a legal, valid, and binding obligation enforceable against Lessee in accordance with its terms.

30. MISCELLANEOUS

a. Recordation. Lessor and Lessee agree that this Lease will not be recorded, but that a memorandum or short form thereof will be filed in the State Bureau of Conveyances and/or with the Assistant Registrar of the Land Court of the State of Hawai'i. If any conveyance tax is payable in connection with such recordation and/or filing, Lessor will pay the conveyance tax in accordance with Chapter 247 of the Hawaii Revised Statutes.

b. No Waiver. Any waiver of the terms, conditions, or provisions of this Lease or a party's rights or remedies under this Lease must be in writing to be effective. Failure, neglect, or delay by a party to enforce the terms, conditions, or provisions of this Lease or such party's rights or remedies at any time, will not be construed as a waiver of such party's rights under this Lease and will not in any way affect the validity of the whole or any part of this Lease or prejudice such party's right to take any subsequent action. No exercise or enforcement by any party of that party's rights or remedies under this Lease will preclude the enforcement by such party of any of its other rights or remedies that are available under this Lease or by law.

No act or thing done by Lessor or Lessor's agents during the Lease term will be deemed an acceptance of a surrender of the Premises, and no agreement to accept the surrender will be valid unless in writing signed by Lessor. The delivery of Lessee's keys to any employee or agent of Lessor will not constitute a termination of this Lease unless Lessor has entered into a written agreement to that effect. No payment by Lessee, or receipt from Lessor, of a lesser amount than the rent or other charges stipulated in this Lease will be deemed to be anything other than a payment on account of the earliest stipulated rent. No endorsement or statement on any check or any letter accompanying any check or payment as rent will be deemed an accord and satisfaction. Lessor will accept the check for payment without prejudice to Lessor's right to recover the balance of the rent or to pursue any other remedy available to Lessor. If this Lease is assigned, or if the Premises or any part of the Premises are sublet or occupied by anyone other than Lessee, Lessor may collect rent from the assignee, sublessee, or occupant and apply the net amount collected to the rent payable by Lessee to Lessor under this Lease. No collection will be deemed a waiver of the covenant in this Lease against assignment and subletting, the acceptance of the assignee, sublessee, or occupant as Lessee, or a release of Lessee from the complete performance by Lessee of its covenants in this Lease.

c. Waiver of Jury Trial. Lessor and Lessee hereby waive trial by jury in any action, proceeding, or counterclaim brought by either of them against the other on all matters arising out of this Lease or the use and occupancy of the Premises (except claims for personal injury or property damage). If Lessor commences any summary proceeding for nonpayment of rent, Lessee will not interpose (and waives the right to interpose) any counterclaim in any proceeding.

d. Consents or Approvals. Except as may be expressly set forth in this Lease, any consent or approval required of either party to this Lease shall not be unreasonably withheld, delayed or conditioned.

e. Binding Effect. This Lease will inure to the benefit of, and will be binding upon, Lessor's successors and assigns. The term "**Lessor**" wherever used herein shall include the UHF ATHERTON STUDENT HOUSING LLC and its successors and assigns, and the term "**Lessee**" wherever used herein shall include the UNIVERSITY OF HAWAI'I and its successors and permitted assigns, and this Lease shall be binding upon and shall inure to the benefit of the parties hereto and their legal representatives, successors, and assigns.

f. Governing Law. This Lease shall be governed by and construed, interpreted, and enforced in accordance with the laws of the State of Hawai'i. The venue for any mediation or judicial action with respect to this Lease shall be in the City and County of Honolulu. All parties to this Lease shall submit to the jurisdiction of the state circuit courts in the State of Hawai'i for all purposes relating to this Lease, subject to the terms of the dispute resolution process described in Paragraph 26 (Dispute resolution) of this Lease. All parties agree to subject themselves to the power and authority of such courts for all matters relating to this Lease and the Premises.

g. Partial Invalidity. If any provision of this Lease or the application thereof to any person, entity, or circumstance shall, to any extent, be deemed invalid, void, or unenforceable by a court of competent jurisdiction, the remainder of this Lease, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid, void, or unenforceable, shall not be affected thereby, and each other provision of this Lease shall be valid and be enforceable to the full extent permitted by law.

h. Sovereign Immunity of the State of Hawaii and the University of Hawaii: Disclaimer. Lessee is a state university and body corporate established under the Constitution and laws of the State of Hawaii. Except as otherwise provided by law and the provisions of Paragraph 23 of this Lease applicable to Lessee, this Lease shall not be deemed to be a waiver of the sovereign immunity or as consent to suit by the State of Hawai'i or by Lessee as an agency thereof. Lessee expressly disclaims any authority or intent to waive the sovereign immunity of the State of Hawai'i and its agencies.

i. Option to Purchase. Lessee shall have an exclusive option ("**Purchase Option**") to purchase the Premises, including the Buildings and the Property from Lessor (the Premises, including the Buildings and the Property are collectively referred to herein as the "**Option Property**"), on the terms and conditions set forth herein and in the purchase and sale agreement to be negotiated and finalized between the parties after Lessee exercises the Purchase Option but before Lessee is bound to purchase the Option Property (the "**Purchase Agreement**"). The Purchase Agreement is anticipated to cover at least the following: (a) the completion of Lessee's due diligence efforts with respect to the purchase of the Option Property, including Lessee's completion of any required environmental assessments or other similar environmental condition disclosure reports and any inspections, testing, reviews, surveys, title reports, and other due diligence reviews of any aspect of the Option Property that Lessee deems necessary or prudent, (b) obtaining any necessary government approvals, such as a City plan review use (the "**PRU**") including approval for an amended or new PRU, (c) preconditions to closing, (d) the closing process and the allocation of responsibilities relating thereto, (e) Lessee Restrictions, including the Lessee Limitations, (f) representations and warranties, (g) Lessee acceptance, (h) Lessor indemnity, (i) risk of loss allocation, (j) default/breach provisions, (k) confidentiality, and (l) assignment of interest. At the time that Lessee exercises its Purchase Option, the Purchase Agreement will be executed by Lessor and any other persons or entities that have an interest in and/or control over any portion of the Option Property (collectively the "**Option Sellers**") and Lessee. The Purchase Option shall be exercisable only by written notice from Lessee to Lessor given during the Lease term, commencing from the Commencement Date, up to and including the date of expiration or earlier termination of this Lease ("**Purchase Option Period**"); subject to compliance with the following conditions at the time the Purchase Option is exercised: (a) this Lease is in full force and effect, and (b) Lessee is not, or with the passage of time or the giving of notice or both, will not be in default under any provision of the Lease. If such notice is not given by Lessee during the Purchase Option Period in accordance with the foregoing, then the Purchase Option shall automatically expire and shall be of no further force or effect, unless otherwise agreed by the parties. The Purchase Option shall be exclusive to Lessee, shall not be assignable or transferable, and shall automatically terminate in the event Lessee assigns any of its interests in the Lease, unless otherwise agreed by the parties.

(1) UH Purchase Price. If the Purchase Option is duly exercised by Lessee in accordance with Paragraph 30.i. herein, then, for the transfer and conveyance of the leased-fee interest in the Option Property to Lessee, Lessee shall be committed to pay to the Option Sellers, and the Option Sellers shall accept, an amount to be determined by Option Sellers and approved by Lessee which shall fully reimburse Option Sellers for all outstanding debts, acquisition costs, unamortized Tenant Improvement costs, maintenance and operating costs and all other costs and expenses of Option Sellers related to the Project which have not already been reimbursed through the payment of rent or other charges pursuant to this Lease ("**UH Purchase Price**"). Lessee may have an audit performed to verify and confirm that the UH Purchase Price amount requested by the Option Sellers is accurate and correct, including the amounts noted by the Option Sellers for all outstanding debts (including the Lessor Loan or the New Lessor Loan), acquisition costs, unamortized Tenant Improvement costs, maintenance and operating costs and

all other costs and expenses of Option Sellers related to this Lease which were not already been reimbursed through the payment of rent or other charges pursuant to this Lease.

(2) Closing Date. Closing of the transaction by which the Option Sellers convey the leased-fee interest of the Option Property to Lessee ("**Closing**") shall be set by mutual agreement of all parties, but no earlier than six (6) months, and no later than twelve (12) months, from Lessee's exercise of the Purchase Option.

(3) UH Purchase Price Support. Option Sellers recognize that Lessee may be required to perform and complete a real estate appraisal of the fair market value of the Option Property in order to obtain the approvals necessary to proceed with the purchase of the Option Property for the UH Purchase Price ("**Appraisal**"). Option Sellers also recognize that if the Appraisal is not sufficient to justify Lessee's payment of the UH Purchase Price, Option Sellers and Lessee will discuss what adjustments may be needed in order to reduce the UH Purchase Price and allow Lessee to obtain any required approvals and proceed with the Closing. If Lessee is unable to obtain any required approvals within three (3) months from Lessee's exercise of the Purchase Option, the Purchase Option may be terminated by Option Sellers or Lessee by written notice to the other party. In the event of such termination, the Lease shall remain in full force and effect, except that this Paragraph 30.i. shall be deemed null and void.

(4) Restrictions Applicable to Option Sellers. During the Purchase Option Period, Option Sellers shall not grant any option to purchase any interest in the Option Property to any person or entity other than Lessee, and Option Sellers shall not, directly or indirectly, through any representative, broker, or other agent, or otherwise, solicit or entertain offers from, negotiate with, or in any manner encourage, or accept any proposal of or from any other person or entity involving any interest in the Option Property, or the acquisition or sale of the Option Property, whether directly or indirectly, through purchase, merger, consolidation, or any other manner. In addition, during the Purchase Option Period, Option Sellers shall not sell, transfer, assign or mortgage all or any portion of Option Sellers' interest in the Option Property or the Lease, provided that Option Sellers may encumber all or any portion of the Option Property with a mortgage or mortgages, such as the Lessor Loan or the New Lessor Loan, securing repayment of a total principal amount of the applicable UH Purchase Price then in effect. Following the expiration or termination of the Purchase Option, there shall be no restrictions on Option Sellers' right to sell, transfer, assign or mortgage all or any portion of its interest in the Option Property or the Lease, except if Lessee submits Lessee's Final Payment to Lessor, in which case Lessor will be obligated to convey to Lessee fee simple title to the Property within thirty (30) days of Lessee submitting the Lessee's Final Payment, all in accordance with Paragraph 3.d. (Lease Termination and Property Conveyance After Lessee's Final Payment).

(5) As Is Where Is Purchase. If Lessee duly exercises the Purchase Option, Lessee shall be deemed to have accepted the Option Property in its then "AS-IS, WHERE-IS" condition, with all faults either known or unknown to Lessee, subject to: (1) Lessee's completion, within one hundred eighty (180) days of Lessee's exercise of the Purchase Option, of Lessee's due diligence with respect to the Option Property, including Lessee's completion of inspections, testing, reviews, surveys, title reports, and any other due diligence reviews of any aspect of the Option Property that Lessee deems necessary or prudent and (2) agreement between the Option Sellers and Lessee as to the performance and completion by the Option Sellers of any repairs or capital improvements to the Option Property. Lessee acknowledges that neither of the Option Sellers nor any agent or employee thereof shall have made or be deemed to have made any representation or warranty with respect to the Option Property or with respect to the suitability of the Premises for Lessee's intended use including, without limitation, warranties

or representations as to the serviceability of any of the equipment or fixtures therein, if any. Once Lessee duly exercises the Purchase Option, Lessee's obligation to proceed to Closing shall be subject only to (a) the provisions of Paragraphs 30.i.(1), (3), and (5) herein, (b) Option Sellers' compliance with the restrictions contained in Paragraph 30.i.(4) herein, (c) Option Sellers' obligation to convey to Lessee fee simple title to the Option Property free and clear of all liens and encumbrances other than those described in said Exhibit A or any others approved in writing by Lessee, and (d) the limitation on Lessee's obligations stated in Paragraph 20 (Lessee Restrictions); provided, however, that Lessee's inability to complete the purchase of the Option Property due to any of the Lessee Restrictions shall not give Lessor the right to terminate this Lease under Paragraph 20.d.(2), or have any effect on Lessee's obligations to pay rent or perform any of its other obligations under this Lease, except to the extent that such Lessee Restrictions specifically affects Lessee's ability to pay rent or perform such other obligations under this Lease.

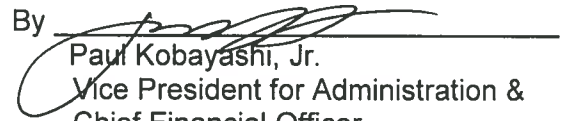
j. Right of First Negotiation. If Lessee declines to exercise the Purchase Option during the Purchase Option Period or the Purchase Option expires without Lessee exercising the Purchase Option, Lessee shall have, during the term of this Lease, a right of first negotiation with respect to purchasing the leased-fee interest in the Premises ("**Leased-Fee Purchase**"). Accordingly, before entering into any agreement with any third party for the sale of the Premises, Lessor shall notify Lessee in writing that it may pursue the Leased-Fee Purchase, and Lessee shall have sixty (60) days from the receipt of such notice to provide Lessor written notice that it desires to enter into good faith negotiations with Lessor regarding the Leased-Fee Purchase (the "**ROFN Option**"). If Lessee does not provide written notice that it is exercising its ROFN Option within such sixty (60) day period, then Lessor shall have no further obligation with respect to the ROFN Option and shall be free to negotiate and enter into any sale of the Premises to any third party. If Lessee properly exercises the ROFN Option as described above, then the parties shall negotiate exclusively, reasonably and in good faith concerning the terms of the Leased-Fee Purchase for a period of one hundred eighty (180) days. If the parties do not execute and deliver an agreement with respect to the Leased-Fee Purchase within such one hundred eighty (180) day period, then Lessor shall be free to negotiate and enter into any sale transaction with any third party regarding the leased-fee interest in the Premises.

[Remainder of Page Intentionally Left Blank; Signatures Appear on Following Pages]

In Witness Whereof, Lessor and Lessee have executed this Lease as of the day and year first above written for a term commencing as of the Commencement Date.

**UHF ATHERTON STUDENT HOUSING
LLC, a Hawaii limited liability company**

By 
Donna Vuchinich
President and Chief Executive Officer

By 
Paul Kobayashi, Jr.
Vice President for Administration &
Chief Financial Officer

"Lessor"

In Witness Whereof, Lessor and Lessee have executed this Lease as of the day and year first above written for a term commencing as of the Commencement Date.


Approved as to Form:

Office of University General Counsel:



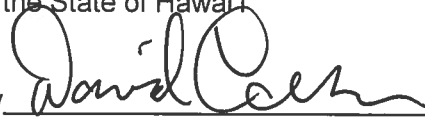
Bruce Y. Matsui
Associate General Counsel

Recommend Approval:

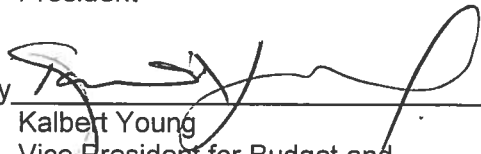


Kathleen Cutshaw
Vice Chancellor for Administration, Finance and
Operations
University of Hawai'i at Mānoa

UNIVERSITY OF HAWAII,
the state university and a body corporate
of the State of Hawai'i

By 

David Lassner
President

By 

Kalbert Young
Vice President for Budget and
Finance/Chief Financial Officer

" Lessee "

EXHIBIT A

PROPERTY DESCRIPTION

All of that certain parcel of land (portion of the land described in Royal Patent Number 4475 and 7789, Land Commission Award Number 7713, Apana 39 to V. Kamamalu), situate, lying and being at Kapaakea, Honolulu, City and County of Honolulu, State of Hawaii, being LOT A, being a portion of Block "E", of the "SEAVIEW ESTATE", and more particularly described in AFFIDAVIT OF LAND SURVEYOR, recorded as Document No. A-60370742, and as per survey dated June 30, 2016, to-wit:

Beginning at the southwest corner of this parcel of land, on the north side of Metcalf Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCH BOWL" being 4,722.49 feet south and 9,291.02 feet east and running by azimuths measured clockwise from true South:

1. 184° 45' 163.30 feet along the remainder of Block E of Sea View Estate along remainder of R. Ps. 4475 and 7789, L. C. Aw. 7713, Apana 39 to Victoria Kamamalu;
2. 274° 45' 95.00 feet along same;
3. 184° 45' 125.00 feet along same;
4. 274° 45' 61.13 feet along the south side of Seaview Avenue;
5. Thence along the southwest corner of Seaview and University Avenues, on a curve to the right with a radius of 20.00 feet, the chord azimuth and distance being: 316° 09' 30" 26.46 feet;
6. 357° 34' 233.70 feet along west side of University Avenue;
7. Thence along the northwest corner of University Avenue and Metcalf Street, on a curve to the right with a radius of 45.00 feet, the chord azimuth and distance being: 14° 05' 37" 25.60 feet;
8. Thence along same, on a curve to right with a radius of 30.00 feet, the chord azimuth and distance being: 66° 29' 24" 28.33 feet;
9. 94° 40' 176.09 feet along the north side of Metcalf Street to the point of beginning and containing an area of 43,107 square feet, more or less.

SUBJECT, HOWEVER, to the following:

1. Mineral and water rights of any nature.
2. Encroachments or any other matters as shown on survey map prepared by Rico D. Erolin, Land Surveyor, with Controlpoint Surveying, Inc., dated May 3, 2016, revised March 10, 2017.