

INDUSTRIAL SPACE LEASE

This Industrial Space Lease ("Lease") is dated as of July 18, 2022, 2022, between Landlord and Tenant (each as defined below).

ARTICLE 1 SPECIFIC PROVISIONS

1.01 Specific Lease Provisions and Definitions.

The following constitute certain specific provisions of the Lease and may be referred to elsewhere in the Lease:

Item 1 **Landlord:** ABP KALIHI YARD LLC, a Hawaii limited liability company.

Item 2 **Tenant:** J A R TOWING, INC., a Hawaii corporation, with Federal I.D. No. _____.

Item 3 **Premises:** Approximately 29,114 square feet of industrial space designated as "Unit 1" as generally depicted on the Site Plan attached hereto as Exhibit A attached hereto and made a part hereof, and covering the entire parcel of land described in Exhibit B attached hereto and made a part hereof (the "**Premises**"). Landlord and Tenant agree that the area of the Premises is conclusively set forth above, irrespective of the actual area of the Premises. Tenant accepts the Premises subject to any and all encumbrances affecting the Premises.

Item 4 **Premises Address:** 228 Kalihi Street, Honolulu, Hawaii 96819.

Item 5 **Commencement Date; Rent Commencement Date; Term:** The "**Commencement Date**" and the "**Rent Commencement Date**" shall be July 15, 2022. The "**Term**" of this Lease shall begin on the Commencement Date and end on December 31, 2022 unless extended in accordance with Item 14(b) below. This Lease is effective upon the earlier to occur of the Commencement Date or the date set forth on the first paragraph of this Lease.

Item 6 **Base Rent:** For purposes of this Lease, monthly Base Rent shall be as follows:

Period	Monthly Base Rent
July 15-July 31, 2022	\$20,379.80 (prorated)
August 1, 2022 – December 31, 2022	\$20,379.80
Extension Term	
January 1, 2023 – December 31, 2023	\$20,991.19
January 1, 2024 – December 31, 2024	\$21,620.93
January 1, 2025 – December 31, 2025	\$22,269.56
January 1, 2026 – December 31, 2026	\$22,937.64
January 1, 2027 – December 31, 2027	\$23,625.77

\$0.76 ¢
 \$0.78 ¢
 \$0.81 ¢

Unless otherwise expressly set forth in this Lease, even if Base Rent is not payable for any period during the Term, Tenant shall pay Operating Expenses and other charges under the Lease from and after the Commencement Date.

Item 7 **Notice and Rent Payment Addresses:**

Landlord's address for all Rent payments: MSC 61428

Item 13 **Advance Deposit**: The following shall constitute Tenant's initial monthly payment of Rent, to be adjusted as and when required by this Lease:

<u>Initial Monthly Amount</u>	
Monthly Base Rent	\$20,379.80
Monthly Estimated Real Property Taxes	\$4,571.00
Tax on Rent / GET Reimbursement	\$1,175.68
Total Initial Monthly Amount	\$26,126.48

The "**Advance Deposit**" is the Total Initial Monthly Amount specified in this Item 13. Tenant shall pay the Advance Deposit to Landlord at the time of execution of this Lease together with a prorated amount of the Initial Monthly Amount to cover the period from May 15th through May 31, 2022. The Advance Deposit shall be credited by Landlord against Tenant's first full monthly installment(s) of Rent.

Item 14 **Special Provisions (if any)**: The following special provisions amend this Lease, to the extent they contradict any other provisions set forth in this Lease. To the extent the terms and conditions contained in this Item 14 are inconsistent with any other terms of this Lease, then except as may be otherwise expressly set forth to the contrary, the terms of this Item 14 shall control.

(a) **Single Tenant Project; No Common Area.** Tenant acknowledges that the Premises constitutes the entire rentable area of the project. Accordingly, there is no "Common Area" at the project. Further, notwithstanding any other provision of this Lease to the contrary, Tenant agrees to assume full responsibility for and to perform, at Tenant's sole cost and expense, all maintenance, repair, replacement and substitution of all improvements constituting the Premises, including, but not limited to all storage and parking areas, paved areas, perimeter walls and fencing, the structural portions of the Premises, its walls, roof and roof flashings, canopies, fire exits, doors and hardware, windows, glass, sidewalks, landscaping, and all systems within the Premises (such as, air conditioning, electricity, water, heating, gas, ventilating, mechanical, lighting, telephone and telecommunication systems, sanitary (sewer) and storm drain systems, and all other utility and mechanical systems). Tenant also assumes full responsibility for obtaining and paying directly for the cost of any services for the Premises, including, but not limited to, janitorial services, utilities, trash removal, maintenance, landscaping, security and fire protection, and contract services. Tenant shall take good care of the Premises and keep the Premises in good working order and in a clean, safe, attractive and sanitary condition, all in accordance with this Lease and applicable Law. The foregoing responsibilities shall be in addition to Tenant's maintenance and repair responsibilities under Section 9.01 of this Lease.

If Landlord determines, in Landlord's reasonable discretion, that Tenant is not performing or observing any of its obligations under this Item 14(a), Landlord shall provide written notice of the same to Tenant, including a reasonably-detailed description of the breach in Tenant's obligations, and Tenant shall have ten (10) days after receipt of such notice to cure the breach to Landlord's satisfaction; provided, however, that if the breach is not reasonably susceptible of being cured within ten (10) days, then Tenant shall be deemed to be in compliance with this Lease as long as Tenant commences curing such breach within such 10-day period and thereafter diligently prosecutes such cure to completion. The term "diligently prosecutes" as used in the foregoing sentence means curing the breach to completion within thirty (30) days of the commencement of such cure or promptly requesting in writing an extension of time to complete such cure, which request must include a description of the reasons beyond Tenant's control that prevents Tenant from completely curing the breach within such 30-day period, from which Landlord may thereafter grant a reasonable extension of time to cure in Landlord's reasonable discretion. If Tenant fails to cure the breach within such cure period, Landlord shall be entitled (but not obligated) to address the breach by either (a) declaring an Event of Default and exercising its rights and remedies under Section 17.02, or (b) as set forth in Section 9.02, performing applicable maintenance, repairs and/or replacements with contractors or personnel selected by Landlord, at Tenant's expense, payable to Landlord as additional rent within ten (10) days of Landlord's written demand therefor.

In furtherance of the foregoing, Landlord and Tenant acknowledge and agree that the provisions of this Special Provision (a) control over any contrary provision of this Lease.

(b) **Extension Option.** Tenant shall have one (1) option (the "**Option**") to extend the Term of this Lease for five (5) years (the "**Extension Term**") under the same terms and conditions set forth herein except that the Base Rent shall for the Extension Term be as set forth in Item 6 and there shall be no further option to extend the