

**FIRST AMENDMENT TO
TRIPLE NET
GOVERNMENT
PROPERTY LEASE**

THIS FIRST AMENDMENT TO TRIPLE NET GOVERNMENT PROPERTY LEASE (this “Amendment”) is entered into as of the ___ day of May, 2023 (the “Effective Date”), by and between **RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT**, an Arizona tax levying special facilities district, having its office at 1703 E. Broadway Blvd., Tucson, AZ 85719 (hereinafter “Landlord”), and **ZEMAM’S, LLC**, an Arizona limited liability company, having its office at 2731 E. Broadway Blvd., Tucson, AZ 85716 (hereinafter “Tenant”).

RECITALS:

WHEREAS, Landlord and Tenant entered into that certain Triple Net Government Property Lease dated as of October 26, 2022 (the “Lease”).

WHEREAS, the parties desire to amend the Lease as set forth herein.

NOW, THEREFORE, in consideration of the premises and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT:

1. Accuracy of Recitals. The parties hereby acknowledge the accuracy of the Recitals which are incorporated herein by this reference.
2. Capitalized Terms. All capitalized terms used herein shall have the meaning given to them in the Lease.
3. Amendment. The Lease is hereby amended by deleting the existing Article 27, Section 27.3(A) and replacing it with the following:

**ARTICLE 27
PURCHASE OF PREMISES**

§ 27.3. Conveyance of Premises.

A. Purchase Price. When Tenant elects to exercise the Purchase Option, or at the Termination Date, whichever first occurs, the purchase price for the Premises shall equal: (i) the purchase price Landlord is required to pay the RTA and/or the City for the Premises (the “RTA Purchase Price”), less all Rent collected under this Lease, less all amounts Tenant expended on renovations and

improvements to the Premises, except any portion of such expenses expended on the Existing Business or reimbursed to Tenant pursuant to the January, 2022 Cost Reimbursement Agreement between the District and Tenant, as amended by the May ___, 2023 First Amendment to Cost Reimbursement Agreement (“Tenant’s Improvement Costs”); (ii) plus the amount of any Uncured Monetary Defaults (defined below) accrued during the Rental Period, which shall be payable to Landlord prior to conveyance of title; and (iii) plus all closing costs incurred in connection with the conveyance of the Premises (collectively, the “Purchase Price”). The term “Uncured Monetary Defaults” means only any unpaid Net Rents pursuant to Article 3, any unpaid Additional Payments pursuant to Article 4, and any unpaid amounts due to Landlord pursuant to Section 16.8. It is the intent of the parties that all Uncured Monetary Defaults shall be paid in full prior to Tenant’s purchase of the Premises. The term “Tenant’s Improvement Costs” means the amount expended by Tenant to renovate the Premises as proven to Landlord’s satisfaction by providing to Landlord invoices, cancelled checks and unconditional lien waivers for such costs of improvements to the Premises, segregated from costs to improve the Existing Business, up to the amount of the RTA Purchase Price, less the Rent collected under this Lease. In no event shall Landlord be required to pay Tenant for any Tenant's Improvement Costs in excess of the RTA Purchase Price, less the Rent collected under this Lease. By way of example only, if the RTA Purchase Price is \$500,000.00, and the Rent paid during the term of the Lease equals \$25,000.00, then the most that Tenant's Improvement Costs can be used to reduce the Purchase Price for the Premises equals \$475,000.00.

4. Effect of Amendment. Except as specifically modified by this Amendment, the Lease remains in full force and effect and is in all events ratified, confirmed and approved.

5. Counterparts. This Amendment may be executed in counterparts, which together shall constitute a single instrument.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date and year first set forth above.

DISTRICT

Rio Nuevo Multipurpose Facilities District,
an Arizona tax levying public improvement district

By: DocuSigned by:
Fletcher McCusker
68C311F5953D473...
Fletcher McCusker, Chairman

Dated 5/15/2023

ATTEST:

By: DocuSigned by:
Edmund Marquez
E109C6AADD8649E...
Edmund Marquez, Secretary

Dated 5/15/2023

OWNER

Zemam's, LLC

By: DocuSigned by:
A Gebremariam
1D8CDE075646478...
Amanuel Gebremariam, Member

Dated 5/16/2023