

FIRST AMENDMENT TO LEASE

This First Lease Amendment (the "First Amendment") is entered into on April 13, 2016, by and between SCF Properties, LLC, a California Limited Liability Company, hereinafter called Lessor, and New Gen Real Estate Services, LLC, an Arizona Limited Liability Company, hereinafter called Lessee, for the leased premises located at 4215 N. 40th Street, Phoenix, AZ 85019, containing approximately 21,000 square feet.

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease Agreement dated March 19, 2015, for the leased premises located at 4215 N. 40th Street, Phoenix, AZ 85019, at the rental rates and upon the terms and conditions therein set forth, and

WHEREAS, Lessor and Lessee are desirous of further amending said Lease in the manner set forth below:

RENEWAL

Lessor and Lessee agree to extend the lease term for 4215 N. 40th Street, Phoenix, AZ 85019. The term of this lease renewal shall be for Six (6) Years commencing May 1, 2018 and terminating April 30, 2024.

Rent (For Existing 21,000 sq.ft. – Re-Stated)

Lessee shall pay rent for the total Premises known as 4215 N. 40th Street, Phoenix, AZ 85019 as follows:

May 1, 2016 - April 30, 2017 = \$7,980.00 + Rental Tax* Monthly
May 1, 2017 - April 30, 2018 = \$8,820.00 + Rental Tax* Monthly
May 1, 2018 - April 30, 2024 = SEE COMBINED SCHEDULE BELOW

EXPANSION

Lessor and Lessee agree to the addition of additional space within the premises located at 4215 N. 40th Street, Additional Premises, Phoenix, AZ 85019, and consisting of approximately 7,000 square feet of additional space, for a total of 28,000 square feet leased space, under the same terms and conditions as the original lease dated March 19, 2015 with the following exceptions:

The term of this lease expansion for the additional 7,000 square feet at 4215 N. 40th Street, Phoenix, AZ 85019, shall be for Eight (8) Years commencing May 1, 2016 and terminating April 30, 2024.

Rent (For Expanded 7,000 sq.ft.)

Lessee shall pay rent for the total Premises known as 4215 N. 40th Street, Phoenix, AZ 85019 as follows:

May 1, 2016 - April 30, 2017 = \$ 3,220.00 + Rental Tax* Monthly
May 1, 2017 - April 30, 2018 = \$ 3,500.00 + Rental Tax* Monthly
May 1, 2018 - April 30, 2020 = \$ 3,256.20 + Rental Tax* Monthly
May 1, 2020 - April 30, 2023 = \$ 3,386.00 + Rental Tax* Monthly
May 1, 2023 - April 30, 2024 = \$ 3,522.42 + Rental Tax* Monthly

Rent (For Existing 21,000 sq.ft. – Restated)

Lessee shall pay rent for the total Premises known as 4215 N. 40th Street, Phoenix, AZ 85019 as follows:

May 1, 2016 - April 30, 2017 = \$7,980.00 + Rental Tax* Monthly -Restated
May 1, 2017 - April 30, 2018 = \$8,820.00 + Rental Tax* Monthly -Restated

Renewal Rent (For Existing 21,000 sq.ft.)

May 1, 2018 - April 30, 2020 = \$ 9,693.80 + Rental Tax* Monthly
May 1, 2020 - April 30, 2023 = \$10,082.00 + Rental Tax* Monthly
May 1, 2023 - April 30, 2024 = \$10,484.58 + Rental Tax* Monthly

COMBINED MONTHLY RENTAL RATE (For 28,000 sq.ft.)

Lessee shall pay rent for the total Premises known as 4215 N. 40th Street, Phoenix, AZ 85019 as follows:

May 1, 2016 - April 30, 2017 = **\$11,200.00** + Rental Tax* Monthly
May 1, 2017 - April 30, 2018 = **\$12,320.00** + Rental Tax* Monthly
May 1, 2018 - April 30, 2020 = **\$12,950.00** + Rental Tax* Monthly
May 1, 2020 - April 30, 2023 = **\$13,468.00** + Rental Tax* Monthly
May 1, 2023 - April 30, 2024 = **\$14,007.00** + Rental Tax* Monthly

*Rental Tax for the City of Phoenix is currently 2.9% and is subject to change.

Revised Pro-Rata Share: 100%

Tenant Improvements:

Lessee accepts the Premises in "As-Is" condition.

Insurance.

Lessee hereby acknowledges that the policy of insurance coverage required to be carried pursuant to the terms and conditions of the Lease agreement shall be in force upon execution of this Amendment, and Lessee will provide to Lessor certificate(s) evidencing the required insurance prior to commencement of the lease term herein. It is expressly understood and agreed by the Lessor and Lessee that this Amendment and the terms and conditions contained in it shall be invalid and void in the event Lessee fails to provide evidence of the insurance required by the Lease agreement.

FAILURE TO PROVIDE INSURANCE. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee **DOES NOT MAINTAIN THE REQUIRED INSURANCE** and/or does not provide Lessor with the required binders or certificates evidencing

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the existence of the require insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, BY AN AMOUNT EQUAL TO 10% OF THE THEN EXISTING BASE RENT OR \$100.00 PER MONTH, WHICHEVER IS GREATER. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

AFFIRMATION OF GUARANTY

By the execution of this document, Guarantor(s), **Jason Thai Nguyen and Hillary D. Nguyen, Individually and as Husband and Wife**, are hereby reaffirmed and ratified as to their obligations as "Guarantors" for the extended term of the Lease, in accordance with the terms and conditions set forth in the Guaranty and in the Lease as modified by this **First** Amendment.

OPTION TO PURCHASE (See Attached Exhibit A)

Provided that Lessee is not, nor has been, in default of any of the terms and conditions of the Lease Agreement, Lessor hereby grants an **Option to Purchase the Premises** upon the terms and conditions herein set forth. Within ten (10) days after this Option to Purchase is exercised, Lessor and Lessee shall give instructions to consummate the sale to a mutually agreed upon escrow company, who shall act as escrow holder. The parties agree that the purchase price shall be as follows:

May 1, 2016 – April 30, 2017: \$2,125,000.00
May 1, 2017 – April 30, 2018: \$2,250,000.00
May 1, 2018 – April 30, 2019: \$2,400,000.00

CONFIDENTIALITY

Lessee hereby agrees that Lessee shall not disclose all or any portion of the terms of this Amendment without the prior written consent of Lessor and that Lessee shall cause each of its employees and agents to also agree that they shall not disclose all or any part of the terms of this Amendment. It is hereby understood and agreed that said terms are confidential by and between Lessor, its Lender and Lessee and disclosure of same by Lessee, its employees, and/or agents would, in addition to being in default under the Lease, cause Lessor damage in its ongoing leasing efforts and existing Lessee Leases, which would be difficult to ascertain and that the parties hereto agree that a reasonable remedy for default would be for Lessee to commence paying minimum rent at an increased rate of **DOUBLE THE RENTAL RATE** per rental square foot per annum from the date of such disclosure through the end of the Lease term.

All other terms and conditions of the Lease Agreement dated **March 19, 2015**, remain the same and are confirmed and approved.

Should any discrepancy exist between this agreement and the original lease or any prior agreement, the terms and conditions of this agreement shall prevail.

LESSOR:

SCF Properties, LLC,
a California Limited Liability Company
15110 S. Broadway
Gardena, CA 90248
(310) 327-4003

By: Brian W. Leecing
Brian Leecing, Member
Date: 4/29/16

LESSEE:

New Gen Real Estate Services, LLC,
an Arizona Limited Liability Company

By: New Gen Holdings, Inc.
Its: Member

By: [Signature]
Jason T. Nguyen, Member
Date: 4-21-16

8022 W. Morten Avenue
Glendale, AZ 85303
(602) 463-1013

GUARANTORS: Jason Thai Nguyen and Hillary D. Nguyen, Individually and as Husband and Wife

By: [Signature]
Jason Thai Nguyen, Individually and as Husband
Date: 4-21-16

By: [Signature]
Hillary D. Nguyen, Individually and as Wife
Date: 04/21/2016



**AIR COMMERCIAL REAL ESTATE ASSOCIATION
OPTION TO PURCHASE
Standard Lease Addendum**

Dated April 13, 2016

By and Between (Lessor) SCF Properties, LLC, a California Limited Liability Company

(Lessee) New Gen Real Estate Services, LLC, an Arizona Limited Liability Company

Address of Premises: 4215 N. 40th Street, Phoenix, AZ 85019

Paragraph _____

(a) Lessor hereby grants to Lessee an option to purchase the Premises upon the terms and conditions herein set forth.

(b) In order to exercise this option to purchase, Lessee must give written notice of the exercise of the option to Lessor during the period from May 1, 2016 to April 30, 2019 (the "Option Period"), time being of the essence. If such notice is not so given, this option shall automatically expire. At the same time the option is exercised, Lessee must deliver to Lessor a cashier's check in the amount of \$5,000.00 payable to To be determined, as and for the Deposit referred to in paragraph 4.1 of the Standard Offer, Agreement and Escrow Instructions for the Purchase of Real Estate.

(c) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease are conditions of this Option.

(d) If Lessee elects to exercise this option to purchase as provided above, the transfer of title to Lessee shall occur on the close of escrow on _____ and until that time the terms of this Lease shall remain in full force and effect.

(e) If Lessee elects to exercise this option to purchase, the purchase price to be paid by Lessee shall be \$2,125,000.00 (May 1, 2016 - April 30, 2017), \$2,250,000.00 (May 1, 2017 - April 30, 2018), \$2,400,000.00 (May 1, 2018 - April 30, 2019)

(f) Within 10 days after this option to purchase is exercised, Lessor and Lessee shall give instructions to consummate the sale to To be determined, located at _____, who shall act as escrow holder, on the normal and usual escrow forms then used by such escrow holder, as follows:

- (i) Escrow shall close 40 or _____ days after the exercise of the option to purchase by Lessee;
- (ii) Lessor shall deposit the check referred to in paragraph (b) into escrow upon opening thereof, with the balance of the purchase price to be deposited into escrow no later than 2:00 P.M. on the last business day prior to the expected closing date;
- (iii) The parties agree to execute any additional instructions as are normal and usual;
- (iv) The balance of the terms and conditions of sale shall be as set forth in the AIR Commercial Real Estate Association

"STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR THE PURCHASE OF REAL ESTATE", ~~a copy of which is attached hereto, except for the following:~~ _____
_____ and paragraphs 4.2, 5, 6, 9.1-a,b,c,d,e,h,j,k and l; and 20, which do not apply.

(g) Either Lessor or Lessee shall, upon request of the other, execute, acknowledge and deliver to the other a short form memorandum of this Lease for recording purposes. The Party requesting recordation shall be responsible for payment of any fees applicable thereto.

(h) In the event that this option to purchase is not exercised by Lessee in a timely fashion, the Lessee shall, upon request of Lessor, execute, acknowledge and deliver to Lessor a quit claim deed releasing Lessee's interest in such option. Lessor shall be responsible for the preparation of such deed and the payment of any fees applicable to the recording thereof.

WARNING:

LESSEE SHOULD NOT EXERCISE THIS OPTION UNTIL LESSEE HAS COMPLETED SUCH INVESTIGATION AS MAY BE APPROPRIATE, OBTAINED ANY NECESSARY FINANCING, AND IS OTHERWISE IN A POSITION TO COMPLETE SUCH PURCHASE.

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