

LEASE AGREEMENT

This Lease agreement is made and entered into on this the ____ day of _____, 2016, by and between the City of Gahanna, having an address at 200 South Hamilton Road, Gahanna, Ohio, hereinafter designated as the “Lessor”, and Peacewar, Inc., an Ohio corporation, DBA The Wine Guy Wine Shop & Bistro, its successors and assigns, having an address at 101 Mill Street, Suite 105, Gahanna, Ohio, 43230, hereinafter designated as the “Lessee”.

WITNESSETH

WHEREAS, the Lessee desires to lease from Lessor patio space to include approximately 600 square feet immediately north and immediately adjacent to Lessee’s existing patio, the premises as more particularly described on “Exhibit A” attached hereto and incorporated herein, and hereinafter collectively referred to as the “demised premise's”; NOW, THEREFORE, in consideration of the premises and the mutual promises and benefits contained herein, the parties hereto hereby agree as follows:

Premises and Title

1. The Lessor hereby leases the demised premises to Lessee. The Lessor covenants and warrants that, as of the date hereof, the Lessor holds good and marketable title to the premises; the Lessor has full authority and power to enter into this Lease; and so long as this Lease is in effect and Lessee is not in default, the Lessee shall, at all times during the continuance hereof other than as described below, have quiet, continuous, peaceable, non-exclusive possession and enjoyment of the demised premises, and free from the claims of all persons through or under whom the Lessor claims, subject to the terms and conditions of this Lease.

Lessee agrees to use the demised premises solely for the purpose of expanding its current patio boundaries and offering food and beverages to its customers. Each year the Lessee shall be provided reasonable notice of any event sponsored or approved by the Lessor that the Lessee will not be permitted to use the demised premises. The prohibited period may include time for setup, operations, and breakdown for each event.

This Lease does not constitute any express or implied waiver of Lessee’s obligation to comply with any and all provisions of the Codified Ordinances of Gahanna. Lessee agrees to assume responsibility for maintaining the demised premises. Lessee shall have access to Lessor’s outdoor water spigot for reasonable use.

Rental

2. The rental for the original term of this Lease shall be payable as follows:

In the first year of this Lease, Lessor shall be entitled to rent in the amount equal to eight percent (8%) of all food sales generated in and from the leasehold space that is the subject of this Lease. In the second year of the Lease, the Lessor shall be entitled to eight and one half percent (8.5%) of all food sales generated in and from the leasehold space that is the subject of this Lease. The amount of rent shall continue to increase one half of one percent each year of the Lease in a similar manner, up to a maximum of twelve percent (12%).

The Lessee's obligation to pay such rent shall commence as of the effective date of this Lease and such lease payments shall be made quarterly to Lessor on March 31, June 30, September 30, and December 31 for periods when food sales in the demised premises have occurred. Lessee shall maintain detailed daily records indicating the amount of gross revenue generated in the demised premises and Lessee shall submit to Lessor a summary of such sales records with each quarterly payment. Lessor shall have access to Lessee's accounting records, as it deems necessary, to determine amounts due.

Term

3. The term of this Lease shall commence on _____2016, for a period of three years.

The Lessee is hereby granted the right and option to renew this Lease, for successive one year terms, provided this Lease is in full force and effect at the time of each renewal, and the Lessee shall not then be in default. Each renewal term shall be on the terms and conditions as set forth herein. The Lessee shall notify the Lessor in writing not less than thirty (30) days prior to the end of the term or renewal term of Lessee's intention to renew this Lease or to terminate this Lease and vacate the demised premises.

Conditions

4. During the term hereof, and those terms identified herein, the Lessee shall be responsible for the maintenance and preservation of the demised premises including listing the Lessor as an additional insured for the minimum coverage acceptable to the Lessor and providing the Lessor with a Certificate of Insurance. Lessee will indemnify and hold the Lessor, its successors and assigns, the City of Gahanna, and the officials and employees of the City, free and harmless from and against any and all claims, judgments, awards, penalties, costs, demands, actions and/or suits whatsoever for injuries and death sustained by persons or damage to property, arising out of the Lessee's use or occupancy of the demised premises, including all ingress and egress, excepting therefrom those which are due to or arise out of the Lessor's negligence, and/or omission.

Utility charges for the demised premises shall be paid by the Lessor. Lessee must obtain prior approval from Lessor for any improvements to the demised premises including signage, lighting, planters, and other items.

This Lease is contingent upon the Division of Liquor Control's approval of the expanded patio which is the subject of this Lease. Lessee will comply with all requirements of the Division of Liquor Control related to the demised premises and shall bear the cost of any improvements mandated by the Division of Liquor control to provide separation of the area where alcohol is served. The method used to delineate the area to be used by Lessee for purposes of control and separation shall not impede the pathway needed by Lessor to access adjacent areas, nor shall it impede the ability of the public to traverse the area.

Assignments

5. The Lessee shall not assign this Lease without the prior written consent of the Lessor.

Defaults

6. If the Lessee shall fail to pay the lease ___ days after receipt of written notice to the Lessee of such default, or if the Lessee shall fail to perform any other agreements or conditions contained herein, and such failure shall not be corrected within thirty (30) days after the Lessee shall have received written notice from Lessor of such failure (or such longer period as may be required to correct such failure, if within said thirty (30) days, the Lessee shall commence to correct the same and thereafter diligently pursue the correction thereof), the Lessee shall be in default hereunder. Upon the occurrence of any such event of default, the Lessor shall have the rights permitted by law, including but not limited to, the right of its election to terminate this Lease and thereafter the Lessor may re-enter the demised premises and take possession thereof in any manner then permitted by law.

Surrender at End of Term

7. At the expiration or termination of this Lease, whereby by lapse of time or otherwise, the Lessee will peaceably and quietly surrender to the Lessor all of the demised premises, in good condition, reasonable wear and tear, acts of God, and other causes beyond the control of Lessee excepted.

Termination

8. During the initial term of this Lease, Lessor shall not terminate this Lease unless Lessor determines Lessee is in default on this Lease, notifies Lessee of such default, and Lessee does not cure the default within thirty (30) days. After the initial

term, the Lessor shall have the right to terminate this Lease at any time without penalty or further liability whatsoever in the event the Lessor, in the Lessor's sole opinion, determines that the Lessee herein has failed to conform with the terms and conditions of the Lease herein, or that the use accorded to the property by the Lessee becomes unacceptable in accordance with the standards, requirements and conditions demanded of the City of Gahanna. At any time, whether during the initial term or successive terms of this Lease, Lessor shall have the right to terminate the entire Lease if the area where the demised premises are located becomes part of a designated area as provided for in Title 43 of the Ohio Revised Code.

Notices

9. All notices required under this Lease to be served upon either party shall be sent registered or certified mail, return receipt requested, and shall be deemed served when deposited in the United States Mail, properly stamped and addressed to the party for whom it is intended at its address herein above set forth, or to such other address as the Lessor or Lessee shall hereinafter give notice to the other in writing.

Miscellaneous

10. It is mutually stipulated and agreed by and between the parties thereto that this instrument contains the entire agreement between them as of this date, and that the execution thereof has not been induced by either party by any representations, promises or undertakings not expressed herein, the execution of which causes this Lease to have full force and effect. It is further mutually stipulated and agreed by and between the parties that there are no other promises or undertakings whatsoever by the respective parties in any way affecting the subject matter of this lease which are not expressly contained in this instrument and no change, alteration or modification hereof may be made except in writing signed by both parties hereto.

The terms, covenants and conditions hereof shall be binding upon and inured to the benefit of the parties hereto, and their respective successors and assigns.

If any part of this Lease is held to be unlawful, or null and void, such part shall be severed from the whole hereof, and the remaining portion thereof shall retain its full force and effect as fully written herein.

This Lease shall be construed under the law of the State of Ohio.

IN WITNESS WHEREOF, the parties hereunder set their hands the day and year first written above.

SIGNED IN THE PRESENCE OF:

CITY OF GAHANNA – LESSOR

By: _____

Printed Name: _____

Title: _____

Peacewar, Inc.

DBA The Wine Guy Wine Shop & Bistro

By: _____

Printed Name: _____

Title: _____

SWORN to before me and subscribed in my presence this _____ day of _____, 2016.

NOTARY PUBLIC