

---

DEED OF LEASE  
BUNNYMAN WORKHOUSE BREWERY AND RESTAURANT

between

BOARD OF SUPERVISORS OF  
FAIRFAX COUNTY, VIRGINIA, as Landlord

and

DrinkLocal LLC (dba as Bunnyman Brewing), as Tenant

---

## LEASE

THIS LEASE (“Lease”) is entered into on the \_\_\_ day of \_\_\_\_\_, 2022 (the “Effective Date”), by the BOARD OF SUPERVISORS OF FAIRFAX COUNTY, VIRGINIA, a body corporate and politic, in its proprietary capacity and not in its governmental or regulatory capacity, having an office at 12000 Government Center Parkway, Fairfax, VA 22035 (“County” or “Landlord”) and DrinkLocal LLC (dba as Bunnyman Brewing), a Virginia limited liability company, having an office at 5583 Guinea Road, Fairfax, VA 22032 (“Tenant”) The County and the Tenant may be referred to collectively as the “Parties.”

## RECITALS

A. Landlord is the fee owner of a building consisting of approximately 4,680 rentable square feet total, with approximately 2,597 rental square feet on the ground floor and approximately 2,083 rentable square feet on the second floor (the “Building”), together with other adjacent land including the sidewalk surrounding the Building, all as more particularly depicted on Exhibit A, attached hereto (collectively, the “Premises”).

B. Landlord is also the fee owner of additional land and buildings in the vicinity of the Premises consisting of approximately 55 acres (“the “Workhouse Campus”), a portion of which the Workhouse Arts Foundation has a non-exclusive license agreement for the operation of the various buildings and land that are in use.

C. Landlord is also the fee owner of the approximately 950 surface parking spaces located on the Workhouse Campus, including 26 spaces in the parking lot adjacent to the Premises (the “Parking Lot”) and desires to give Tenant a non-exclusive right to use the parking spaces and the Parking Lot, on the terms and conditions set forth in this Lease.

D. Prior to the Commencement Date, Landlord has agreed to improve the Building as described on the Landlord Work Letter, attached to this Lease as Exhibit B (“Landlord Work Letter”).

E. Tenant has agreed that promptly upon completion of Landlord’s Work, Tenant will commence construction of Tenant’s improvements to the Building, a detailed description of which is described in the attached Exhibit C (“Tenant’s Improvements”).

F. Landlord desires to lease the Premise to Tenant, and Tenant desires to lease the Premises from Landlord, on the terms and conditions set forth in this Lease.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements in this Lease, Landlord and Tenant covenant, promise, and agree to and with each other as follows.

**ARTICLE I**  
**Definitions**

1.1 **Definitions.** The following terms have the respective meanings indicated below:

“Additional Costs” consist of all other sums of money besides Base Rent, as may become due from and be payable by Tenant to Landlord under this Lease and which must be paid on or before the respective due dates of such sums, all costs, expenses and charges of every kind and nature (including, without limitation, all public and private utilities and services, and any easement or agreement maintained for the benefit of the Premises) relating to the Premises, excluding costs for Landlord Services.

“Affiliate” means, as to any Person, corporation, partnership, joint venture, limited liability company, trust, individual, organization or other entity controlled by, under common control with, or which controls directly or indirectly, such Person (the term “control” for these purposes means the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner or managing member of, a partnership or limited liability company, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control will be conclusively presumed in the case of the ownership of fifty percent (50%) or more of the equity interests).

“Applicable Laws” are defined in Section 7.3.

“Approvals” are all final non-appealable approvals, including, without limitation, zoning approvals and licensing, regulatory, building and construction permits necessary for the development and operation of the Premises for Tenant’s Intended Use.

“Business Day” means any day other than a Saturday, Sunday or any statutory federal holiday or Fairfax County holiday or closure.

“Commencement Date” means the date that is five Business Days after the Landlord Notifies Tenant that Landlord’s Work has been completed, subject to delays for the number of days, if any, that Tenant reasonably contests the adequacy of Landlord’s Work.

“Environmental Law” means any federal, state or local law, statute, ordinance, rule, regulation, requirement, guideline, code, resolution, policy, order or decree (including consent decrees and administrative orders) that regulates the use, generation, handling, storage, treatment, transportation, decontamination, clean-up, removal, encapsulation, enclosure, abatement, or disposal of any Hazardous Material, including the Comprehensive Environmental Response, Compensation and Liability Act, at 42 U.S.C. Section 9601, the Resource Conservation and Recovery Act, at 42 U.S.C. Section 6901, the Toxic Substance Control Act, at 15 U.S.C. Section

2601, the Clean Water Act, at 33 U.S.C. Section 1251, and the Hazardous Materials Transportation Act, at 49 U.S.C. Section 1802, all as amended.

“Extended Term” is defined in Section 2.3 of this Lease.

“Fair Market Rent” is described in Section 2.3 of this Lease.

“Final Completion” means all of the following have occurred with respect to the Tenant Improvements: (i) Substantial Completion; (ii) all “punch-list” items prepared in connection with satisfying the conditions to Substantial Completion have been completed or satisfied; (iii) (A) there are no existing mechanics’, laborers’ or materialmens’ liens or similar encumbrances related to the initial construction of the Project or (B) any existing mechanics’, laborers’ or materialmens’ liens or similar encumbrances on the Project are being contested by Tenant in accordance with the provisions of this Lease; and (iv) the applicable statutory lien periods provided in Section 43-4 of the Code of Virginia have expired.

“Gross Revenues” means all monies and anything of value received by or accruing to the benefit of Tenant pertaining in any manner to the Premises or the Improvements, including, without limitation, any concessions of the Premises, without any deductions therefrom (except for the amount of property, business, sales, and excise taxes paid by Tenant pertaining to the Premises and Tenant’s operations thereon). If Tenant, or any person or entity having any material interest in Tenant, leases or acquires any interest whatsoever in any portion of the space within the Premises or the Improvements (“Related Party Lease”) then there will be included in the calculation of Gross Revenues an amount not less than the fair market rental value as of the effective date such Related Party Lease if such an amount is not already included, with respect to such space, in the Gross Revenues calculation.

“Hazardous Material” means any flammable, explosive, radioactive, or reactive materials, any asbestos (whether friable or non-friable), any pollutants, contaminants, or other hazardous, dangerous or toxic chemicals, materials or substances, any petroleum products or substances or compounds containing petroleum products, including gasoline, diesel fuel and oil, any polychlorinated biphenyls or substances or compounds containing polychlorinated biphenyls, and any other materials or substance defined as a “hazardous substance,” “hazardous material,” “hazardous waste,” “toxic materials,” “contamination,” or “pollution” within the meaning of any Environmental Law.

“Impositions” is described in Section 5.01.

“Improvements” means the Tenant Improvements and all other structures and other improvements now located on the Premises or constructed at any time by Tenant upon the Premises (which will only be constructed with Landlord’s prior consent) and all repairs, additions, and replacements thereto, that are owned by Tenant from the Commencement Date until the date of the expiration or earlier termination of the Term of this Lease.

“Involuntary Rate” means the lesser of the Prime Rate plus six percent per annum or, if lower, the maximum permissible judgement interest rate then in effect in the Commonwealth of Virginia.

“Landlord’s Work” means the work on the Building that Landlord will perform prior to the Commencement Date of this Lease, as described in the Landlord Work Letter attached as Exhibit B.

“Lease Termination Date” means the date on which the Term of this Lease expires in accordance with the terms of this Lease.

“Lease Year” means the period from the Commencement Date to December 31 of the following year, and each consecutive 12-month period thereafter.

“Person” means any corporation, partnership, joint venture, limited liability company, trust, individual, organization, or other entity.

“Percentage Rent” has the meaning as described in Section 4.3 of this Lease.

“Premises” means the Building and other Improvements and the Parking Lot as further depicted on Exhibit A.

“Prime Rate” means the prime rate of interest (or its equivalent) as published in the “money rates” table of The Wall Street Journal, or if the Wall Street Journal is not available, its nearest equivalent publication. If more than one rate of the prime rate of interest (or its equivalent) is published in the “money rates” section of the Wall Street Journal, the Prime Rate will be the average of such published rates.

“Rent Commencement Date” means the first day of the first full month following the earlier of the date that (i) is 180 days after the Commencement Date, or (ii) Tenant initially opens for business.

“Substantial Completion” or “Substantially Complete(d)” means that the Initial Construction Work by Tenant of the Tenant Improvements have been completed and a Certificate of Occupancy has been issued, subject only to (i) minor matters that do not materially adversely affect the use of the Project (or component thereof) for its intended purpose and that have been identified by Tenant, with input from the Architect, on a “punch list,” and to (ii) items of exterior landscaping that cannot then be completed pending appropriate seasonal opportunity and that have been identified by Tenant on the “punch list.”

“Taxes” mean federal, state, and local real estate taxes, personal property taxes, or similar “ad valorem” taxes, occupancy or rent taxes or other assessments applicable to the Premises or Tenant’s ownership interests therein.

“Tenant Improvements” means the improvements that Tenant is required to complete on the Premises following completion of Landlord’s Work, as such Tenant Improvements are described on Exhibit C attached to this Lease.

“Tenant’s Permitted Use” means a brewery and restaurant as more fully described on Exhibit D attached to this Lease.

**ARTICLE 2**  
**Premises and Term of Lease**

2.1 **Premises.** In consideration of the rent to be paid by Tenant to Landlord and the mutual covenants and agreements in this Lease, Landlord agrees to lease to Tenant the Premises and Tenant agrees to lease from Landlord the Premises in accordance with the provisions of this Lease, together with:

- (a) all the appurtenances, rights, privileges, and easements in any way now or hereafter pertaining to the Premises; and
- (b) all existing Improvements on the Premises as of the Commencement Date.

2.2 **Parking.** Tenant shall have the use, in common with other tenants of the Workhouse Campus, of the parking spaces located on the Workhouse Campus. With the exception of the Parking Lot, Landlord may make alterations, additions, and improvements to any portion of the Workhouse Campus that may reduce the parking available on the Workhouse Campus.

2.3 **Term; Delivery of Possession; Confirmation of Commencement Date.** The initial term of this Lease (the “Initial Term”) begins on the Commencement Date and continues until the date that is ten years after the Rent Commencement Date, unless sooner terminated by operation of law or pursuant to the provisions of this Lease. Within 30 days after the Commencement Date, Landlord and Tenant will execute an appropriate document confirming the Commencement Date. Landlord will deliver possession of the Premises to Tenant with all Landlord’s Work completed on the Commencement Date, free of all tenants and occupants.

2.4 **Extended Term.** If no default by Tenant has occurred and is continuing, Tenant will have the right to extend the Term of this Lease after the Initial Term for up to three additional periods of five years each (each, an “Extended Term”) upon all of the terms and conditions of this Lease, except that the Base Rent payable by Tenant for each Extended Term will be adjusted to the then fair market rent (the “Fair Market Rent”), which amount will be payable by Tenant to Landlord in full on the first day of each calendar month during any such Extended Term, with annual increases to such Base Rent as the Parties determine is consistent with Fair Market Rent at the time of the extension (the Initial Term and each Extended Term, if applicable, may be referred to collectively as the “Term”). Tenant will extend the Lease by delivery to Landlord of written notice no later than one year in advance of the termination of the Initial Term or applicable Extended Term.

(a) Promptly following delivery to Landlord of Tenant's notice to extend the term of the Lease, the Parties will negotiate in good faith to attempt to agree upon the then fair market rental value of Premises for a five-year lease, with the Premises improved by the Improvements, including the Tenant Improvements and Landlord's Work.

(b) If the Parties fail to agree on the Fair Market Rent by the date that is nine months prior to the expiration of the Initial Term (such date referred to as the "Rental Determination Date"), then the following procedure will be implemented:

- (i) for a period of 10 Business Days after the Rental Determination Date, the Parties will in good faith to attempt to agree upon a "Designated Appraiser" meeting qualifications of a "Qualified Appraiser" as defined in Section 2.03(b)(iv) below;
- (ii) if the Parties are unable to agree upon a single Designated Appraiser within the 10-Business Day period after the Rental Determination Date, each party will appoint its own Qualified Appraiser within 10 Business Days thereafter. The two Qualified Appraisers so appointed will then promptly, within 15 Business Days after their appointment, select a third Qualified Appraiser who will serve as the Designated Appraiser and perform the appraisal as described in Section 2.03(b)(iii) below;
- (iii) the Designated Appraiser will be instructed to use his or her best efforts with the information reasonably available to determine in accordance with standard appraisal practices the market rental value of the Premises, without the Tenant Improvements;
- (iv) each Qualified Appraiser ("Qualified Appraiser") will be an MAI, licensed in the Commonwealth of Virginia, specializing in the field of commercial real estate in the vicinity of the Premises and having no less than five years' experience in such field, and recognized as ethical and reputable in his or her field;
- (v) the Parties agree that the decision of the Designated Appraiser selected in accordance with the terms of this Section will be final and binding on the Parties hereto and their successors and assignees; and
- (vi) the fee of the Designated Appraiser will be shared equally between Landlord and Tenant. If the Designated Appraiser is chosen by the two Qualified Appraisers selected, respectively, by Landlord and Tenant in accordance with Section 2.03(b)(ii), each party will pay, in addition to one-half of the fee of the Designated Appraiser, the entire fee of the Qualified Appraiser it appoints.

(c) If the Fair Market Rent is determined by the appraisal method described in Section 2.3(b) above, then Tenant must notify Landlord in writing within 10 Business Days after such determination whether Tenant will extend the Lease for the Extended Term. Failure to notify Landlord in writing within such 10 Business Day period will be deemed an election by Tenant not to extend the Lease.

2.5 **Use During the Term.** Tenant agrees that the Premises will be used solely for Tenant's Permitted Use and for no other purpose.

2.6 **Ownership of the Improvements.** Title to the Tenant Improvements during the Term of this Lease vest exclusively in Tenant. Upon the termination of this Lease for any reason, whether by expiration of the Term or otherwise, the title to the Tenant Improvements will vest in and be the sole property of Landlord, free of any right, title, interest, claim, or demand of Tenant, or of anyone claiming through or under Tenant. For clarity, any equipment which is removable without damaging the Premises shall not be considered Tenant Improvements for the purpose of this paragraph and shall remain the exclusive property of Tenant.

### **ARTICLE 3** **Conditions Precedent**

3.1 **Inspections and Approvals.** Tenant acknowledges that it has inspected the Premises as of the Effective Date and that it is fully satisfied with the Condition of the Premises, subject to Landlord completing Landlord's Work.

3.2 **Title and Survey.** Tenant has been given the right to obtain whatever title and survey reports as Tenant has deemed advisable, and Tenant is satisfied with the condition of title to the Premises and Tenant is satisfied with the results of Tenant's review of such documentation.

### **ARTICLE 4** **Rent**

4.1 **Base Rent during Initial Term.** Tenant will pay to Landlord base rent under this Lease (the "Base Rent") on the first day of each month during the Term of this Lease, prorated for any partial month, in the initial amount of \$9,100 per month. The Base Rent will be increased after the first 60 months of the Initial Term by 12%. If Tenant exercises its right for the Extended Term, Base Rent will be increased to the then Fair Market Rent as determined in accordance with Section 2.3.

4.2 **Rent Abatement/Reduction.** Base Rent will be abated or reduced for 18 months after the Rent Commencement Date as follows:

(a) Base Rent will be abated in full during the first 3 months of the Term after the Rent Commencement Date.

(b) One-half of Base Rent will be abated during the following 15 months of the Term, for a monthly rental payment of \$4,550.



4.3 **Percentage Rent.** In addition to Base Rent, as part of the Rent due for the Premises during the Term, Tenant will pay to Landlord without demand, in advance in monthly installments on the first day of each month of the Term beginning after the reduced rent period described in Section 4.2(b), the following:

- (a) Starting with month 19 following the Rent Commencement Date, a monthly payment, due on the first day of the month, equal to 5% of the previous month's Gross Revenues over 100% of the average Gross Revenues for months 7 – 18 following the Rent Commencement Date (the "Breakpoint").
- (b) Beginning with month 30 after the Rent Commencement Date, Percentage Rent is set at a Breakpoint of \$1,800,000 annual Gross Revenues. Annual Gross Revenue collected over \$1,800,000 will be paid at 5% of Gross Revenues over the Breakpoint, to be reviewed quarterly, with the final quarter to be evaluated on the Annual Period, with any true-up to be done at that time. Calculated Gross Revenue for percentage rent does not include revenue from Workhouse Campus events or income generated from off-site sales.
- (c) If Tenant fails to operate the Improvements for any period when Tenant is obligated to operate the Improvements in accordance with the terms of this Lease, subject to excuse for fire, earthquakes, or other events of force majeure beyond the control of Tenant, the Gross Revenues for purposes of computing Rent under this Lease will be estimated as 100% of the average monthly Gross Revenues of the previous 12-months prior to the period in question. Tenant agrees that the calculation of or amount of Gross Revenues will not be reduced, diminished, or otherwise impaired because of any sublease or other conveyance of the Premises or any of the Improvements or any assignment or any other transfer of its interest in the Premises or any of the Improvements, whether or not any such sublease, assignment, transfer, or other transaction is consented to or approved by Landlord.

4.4 **Payment of Base Rent, Percentage Rent, and other payment obligations of Tenant.** Tenant must pay all sums due to Landlord under this Lease in lawful money of the United States of America. Unless Landlord directs otherwise, Base Rent, Percentage Rent, and other payment obligations of Tenant to Landlord will be made to Landlord's address as set forth in Article 21 or at such other address as Landlord designates in a written notice to Tenant no later than 10 Business Days prior to the date that the next payment of Base Rent is due and payable. Base Rent is payable without notice, demand, deduction, or offset, except as otherwise expressly set forth in this Lease.

4.5 **Proration of Impositions and Additional Costs.** Any Impositions or other Additional Costs that are due for any partial month, year, or other applicable period in the calendar year in which the Commencement Date occurs or the Expiration Date occurs will be appropriately prorated.

4.6 **Base Rent and Additional Costs.** All of the amounts payable by Tenant to or for the benefit of Landlord pursuant to this Lease, including, without limitation, Base Rent, Additional Costs, Impositions, and all other sums, costs, expenses or deposits which Tenant in any of the provisions of this Lease assumes or agrees to pay or deposit will constitute rent under this Lease for the purpose of Tenant's failure to pay any amounts due under this Lease after the expiration of any applicable notice and cure periods, and Landlord (in addition to all other rights and remedies) will have all of the rights and remedies provided for herein and by law in the case of non-payment of rent. All Base Rent, Additional Costs and Impositions will be payable without offset or deduction (except as expressly provided in this Lease) at Landlord's address set forth in this Lease or as Landlord may from time to time direct. Basic Rent that is not paid within 10 days after it becomes due and payable will bear interest at the Prime Rate during the period of such delinquency until the delinquent amount is paid.

4.7 **Net Lease.** The Base Rent will be absolutely net to Landlord without any abatement, deduction, counterclaim, set-off or offset whatsoever. In addition, except for Landlord Services, all Additional Costs, expenses, and other charges relating to the Premises of every kind and nature will be paid directly by Tenant, or if paid by Landlord, all such undisputed Additional Costs during the term of this Lease will be reimbursed to Landlord on demand, except as otherwise specifically provided in this Lease.

4.8 **Late Charges.** If any payment of Base Rent, Percentage Rent, Additional Costs or Impositions becomes overdue beyond its due date (or if no due date is described in this Lease, then the due date will be deemed to be the date upon which demand for payment is made), a late charge on the overdue sums equal to the Involuntary Rate, for the period from the due date to the date of actual payment, will become due and payable to Landlord. This additional amount is liquidated damages for the administrative costs and expenses incurred by Landlord by reason of Tenant's failure to make prompt payment. The late charges will be considered Additional Costs and will be paid by Tenant within 10 days after demand. No failure by Landlord to insist upon the strict performance by Tenant of its obligations to pay late charges will constitute a waiver by Landlord of its right to enforce the provisions of this section in any instance. The provisions of this section may not be construed in any way to extend the grace periods or notice periods provided for in Article 18, Tenant Defaults.

4.9 **Operating Expense Payments by Tenant.** To compensate Landlord for Tenant's proportionate share of operating expenses incurred by Landlord for the benefit of the Premises, Tenant will pay to Landlord as Additional Costs on the first day of every month of the Term the amount of \$1.32 per square foot of rentable space in the Premises, as such amount per square foot may reasonably be increased by Landlord on an annual basis based on the increase in costs of such services benefiting the Premises. Landlord will provide evidence and justification of the increases in such costs to Tenant upon request.

4.10 **Initial Rent Prepayment.** Upon execution of this Lease, Tenant agrees to prepay the first full monthly payment of Rent in the amount of \$9,100, plus any Additional Costs then due. Provided no default by Tenant has occurred and is continuing, this initial rent prepayment

will be applied to the rent due upon completion of the 18-month rent reduction period described in Section 4.2.

**ARTICLE 5**  
**Payment of Taxes and Other Charges**

5.1 **Obligation to Pay Impositions.** Beginning on the Commencement Date and continuing for the entire Term, as part of the consideration of this Lease, Tenant must pay and discharge or cause to be paid and discharged promptly as the same become due and before delinquency, all real estate taxes, assessments, rates, charges for public utilities, excises, levies and all other license and permit fees and governmental charges, general or special, ordinary or extraordinary, foreseen or unforeseen, of every kind and nature, assessed, levied, confirmed, imposed upon, or which become due and payable out of or in respect of or which become a lien on or are otherwise determined against, the Premises or the Improvements, or any part thereof, or upon the leasehold estate created hereby or upon the business conducted on the Premises, excluding, however, any charges related to Landlord's Services (the foregoing may be referred to in this Lease as the "Impositions").

5.2 Nothing in this Lease may be construed as imposing upon Tenant any obligation to pay any estate, inheritance, succession, capital levy, income, transfer, franchise, gross receipts, or business license tax of Landlord.

5.3 If, due to a future change in the method of taxation real estate taxes are not assessed against the Premises and instead another tax is imposed based upon the value of the Premises or the amounts payable by Tenant under this Lease after the date of such change in the method of taxation, then such tax will be deemed to be included within the definition of Impositions.

5.4 **Proration.** Any Impositions required to be paid by Tenant which, on an accrual basis, relate to the year in which the Commencement Date occurs (or any prior year) or the year during which the Lease Termination Date occurs (or any subsequent year), will be prorated between Landlord and Tenant as of the Commencement Date or Lease Expiration Date, as the case may be.

5.5 **Payment in Installments.** If the law expressly permits the payment of any Impositions in installments, Tenant may utilize the permitted installment method, but will pay each installment coming due during the Term with any interest before delinquency. If Tenant has elected to make such payments in installments over a period of time which extends beyond the Lease Termination Date, then Tenant will only be obligated to pay those installments that are required to be paid through the Lease Termination Date.

5.6 **Tax Notices.** If Landlord receives any tax notice pertaining to the Premises, it will promptly deliver a copy of the same to Tenant.

5.7 **Payment to Taxing Authority.** Tenant will make all payments of all Impositions directly to the taxing authority before delinquency and before any fine, interest, or penalty becomes

due or is imposed by operation of law for nonpayment. If Tenant incurs any such fines, interest or penalties, such amounts shall be deemed Impositions, and shall be in addition to any Late Charges that may be imposed as set forth above.

5.8 **Contest.** Tenant has the right to contest or review the amount or validity of any Impositions by appropriate legal or administrative proceedings, or in such other manner as Tenant may desire. Any such contest or other proceeding will be conducted solely at Tenant's expense. Landlord has no duty to join in any contest or other proceedings that Tenant may desire to bring pursuant to this Section. Within 30 days after the final determination of the amount due from Tenant for such Impositions, Tenant will pay the amount so determined to be due, together with all costs, expenses, interest, and as may be applicable, Late Charges. If Tenant desires to contest or otherwise review by appropriate proceedings any Impositions that Tenant is required to pay pursuant to the provisions of this Article prior to the payment, Tenant will give Landlord written notice of Tenant's intention to contest.

5.9 After such notice, Tenant will not be in default of this Lease unless Tenant fails to satisfy the Imposition within 30 days after the final determination of such contest, so long as (i) Tenant is proceeding with reasonable diligence and in good faith, (ii) neither the Premises nor any part of the Premises would by reason of such postponement be in danger of being forfeited or lost, and (iii) the taxing authority has not commenced any proceeding for the foreclosure of the lien of such Imposition or for the sale of the Premises or Landlord's interest in the Lease Property which are not then stayed during the pendency of such contest.

5.10 **Utility Charges.** Charges for all, oil, gas, electricity, telephone and other public utilities and services used upon or furnished to the Premises and the Improvements during the Term will be paid by Tenant, excluding the cost of any such services if provided by Landlord for Landlord Services.

5.11 **Landlord Remedies.** If Tenant fails or refuses to make any required payments for Impositions (but subject to Tenant's right to contest any Imposition as set forth above), Landlord has the right, but not the obligation, to make such payments after giving Tenant not less than five Business Days written notice of its intent to make such payments and the same will become due and payable by Tenant to Landlord and Tenant will pay the same to Landlord within ten Business Days of written demand of Tenant therefor or Landlord will have the right to seek such other remedies as are afforded to Landlord under the terms of this Lease. Tenant, from time to time upon request of Landlord, will promptly furnish to Landlord official receipts of the appropriate imposing authority, or other evidence reasonably satisfactory to Landlord, evidencing the payment of Impositions.

**ARTICLE 6**  
**Tenant to Participate and Cooperate as Good Neighbor**

6.1 Tenant agrees to be an active participant in the Workhouse Campus by abiding by all laws and community standards set forth by Landlord. Tenant will be a “Good Neighbor” with all other occupants/users of the Workhouse Campus by affirming the same shared commitment and responsibility to uphold community values through respect, engagement, and receptivity to opportunities to build further relationships with the other occupants/users of the campus. At the discretion of Landlord, periodic campus coordination meetings among all tenants of the Workhouse Campus may be established and administered by Landlord for the purpose of shared programming and outcomes at the campus. The frequency and format of campus coordination meetings is intended to be determined on an annual basis. It is the expectation that Tenant will participate in campus coordination efforts. Coordination efforts should consider events’ possible positive and negative impacts on both the Workhouse Campus and site tenants.

**ARTICLE 7**  
**Use; Compliance with Laws**

7.1 **Permitted Use.** Tenant’s Permitted Use of the Premises is for the operation of a brewery and restaurant open to the public, as more particularly described on Exhibit D, all of which will be done in accordance with Applicable Law.

7.2 **As-Is Condition; No Representations.** Tenant acknowledges that Tenant is fully familiar with the Premises, its physical condition, the Permitted Exceptions, and its zoning status. Tenant accepts the Premises in its existing legal and physical condition and state of repair, except for Landlord’s Work which shall be the sole responsibility of Landlord, and, except as otherwise expressly set forth in this Lease, no representations, statements, or warranties, express or implied, have been made by or on behalf of Landlord with regard to the Premises, its physical condition, including, without limitation, zoning or other Applicable Laws, regulations, rules, and orders, the status of title, Taxes, or the use that may be made of the Premises. Tenant has relied on no such representations, statements or warranties, and Landlord will in no event whatsoever be liable for any latent or patent defects in the Premises.

7.3 **Compliance with Law.** Tenant will comply with any and all applicable present and future laws, rules, orders, ordinances, regulations, statutes, requirements, permits, consents, certificates, approvals, codes, and executive orders (collectively, “Applicable Laws”). Tenant has the right, at its own cost and expense, to contest or review by legal or administrative proceedings or such other manner as Tenant may desire, the validity or legality of any such law, order, ordinance, rule, regulation, direction, or certificate of occupancy. During such contest, Tenant may refrain from complying therewith, provided that doing so does not subject Landlord to any criminal or civil liability for Tenant’s failure to so comply.

7.4 **Right to Contest.** Tenant, at its expense, after notice to Landlord, may contest, by appropriate proceedings prosecuted diligently and in good faith, the validity or applicability of any Applicable Laws, provided that:

(a) Landlord will not be subject to civil or criminal penalty or to prosecution for a crime, nor will the Premises or any part of the Premises, be subject to being condemned or vacated, by reason of non-compliance or otherwise by reason of such contest;

(b) If an adverse decision in such proceeding or the failure to pay any judgment resulting from such adverse decision could result in the imposition of any lien against the Premises, then before the commencement of such contest, Tenant will furnish to Landlord the bond of a surety company, or other deposit or security, reasonably satisfactory to Landlord, and will indemnify Landlord against any cost or liability resulting from or incurred in connection with Tenant's contest or non-compliance (including all related costs and expenses);

(c) Tenant will keep Landlord regularly advised as to the status of such proceedings;

(d) Such contest will be prosecuted with diligence and in good faith to final adjudication, settlement, compliance, or other disposition; such contest, and any disposition thereof (including, without limitation, the cost of all interest, penalties, fines, liabilities, fees, and expenses in connection therewith), will be at the sole cost of and will be paid by Tenant;

(e) Promptly after disposition of the contest, Tenant will comply with such Applicable Laws to the extent determined by such contest; and

(f) Notwithstanding any bond, deposit, or other security furnished to Landlord, Tenant will comply with all Applicable Laws in accordance with the applicable provisions of this Lease if the Premises, or part of the Lease Property, will be in danger of being forfeited or if Landlord is in danger of being subject to criminal liability or penalty, or civil liability, in connection with such contest.

7.5 **Signage.** Tenant's signage will be located on a directory sign on the Workhouse Campus located at the corner of Route 123 and Workhouse Road. All signage, including signage on the directory sign and on the façade of the Building, will be subject to prior approval by Landlord.

7.6 **Hazardous Materials and Environmental Laws.** If during the Term any Hazardous Materials are used, stored, disposed of, released, spilled, or discharged on or in the Premises or the Improvements in violation of any Environmental Law and such use, storage, disposal, release spill or discharge are not the result of the willful misconduct or gross negligence of Landlord, Tenant will remediate the same in accordance with the requirements of all applicable Environmental Laws. Tenant will be fully responsible for all costs, expenses, damages, and liabilities, including those incurred by Landlord, that may occur from the use, storage, disposal, release, spill, or discharge of Hazardous Materials on or in the Premises or the Improvements during the Term that are not the result of the willful misconduct or gross negligence of Landlord.

Tenant will defend, indemnify, and hold harmless Landlord from and against any losses, claims, demands, administrative orders, judicial orders, penalties, fines, liabilities, settlements, damages, costs, and expenses, including, without limitation, reasonable attorneys' fees, arising out of or in any way related to the use, storage, disposal, release, spill, or discharge of any Hazardous Materials in or on the Premises or the Improvements during the Term that are not the result of the willful misconduct or negligence of Landlord.

## **ARTICLE 8**

### **Construction, Alteration, and Replacement of Improvements**

8.1 **Initial Construction.** Tenant will commence construction of the Tenant Improvements for Tenant's Permitted Use promptly after Landlord notifies Tenant that Landlord has completed Landlord's Work, unless Tenant reasonably contests in writing within 10 days the adequacy of Landlord's Work, which writing will set forth in reasonable detail the deficiencies of such Landlord's Work. The Tenant Improvements will be constructed in a good workmanlike fashion in compliance with all Applicable Law and subject to governmental Approvals and will be Substantially Completed prior to the opening of business operations at the Premises. Final Completion of the Tenant Improvements will be completed as soon as practicable following Substantial Completion.

8.2 **Other Improvements.** Tenant, at its own expense, has the right, with the prior written consent of Landlord, at any time or times, to construct new Improvements upon the Premises and to alter, make additions, or remove or replace the Tenant Improvements, provided all such improvements relate to Tenant's Permitted Use. All work must be done in a good and workmanlike manner, subject to all Applicable Law and government Approvals, and Tenant will use diligent and commercially reasonable efforts to timely proceed to complete such work. Tenant will procure, at its sole cost, all variances, permits, certificates of occupancy, and any other certificates required by law with respect to any construction, alteration, or replacement.

8.3 **Payment of Tenant Allowance for Tenant Improvements.** Tenant will receive a tenant allowance from Landlord of \$350,000, payable upon the following schedule: \$175,000 upon approval of Tenant's building permit and \$175,000 upon Tenant's receipt of its non-residential use permit.

## **ARTICLE 9**

### **Maintenance**

9.1 **Services Provided by Landlord.** Landlord will provide for the maintenance of the exterior of the Building, the roof, fire safety equipment, landscaping, sidewalks, and the brick plaza. In addition, Landlord shall provide all the services as identified on Exhibit E (the services to be provided by Landlord as described in this Section 9.1 are referred to as the "Landlord Services").

9.2 **Maintenance of Premises and Improvements by Tenant.** Except for Landlord's Services, Tenant will, throughout the Term, and at its sole cost and expense, maintain and repair

the Premises and make all necessary replacements in good and workman like fashion in a manner sufficient to comply with the requirements of all federal, state, and local laws, ordinances, orders, rules, and regulations and the requirements of any insurance company providing insurance pursuant to the covenants of this Lease. Tenant will have the right to make such replacements, renewals, additions, and other improvements as Tenant determines to be reasonably necessary or desirable. All repairs and replacements will be accomplished in a good and workmanlike manner. Maintenance will include general upkeep of the Parking Lot, including the entrances to the Parking Lot.

9.3 **Liens.** Tenant will discharge within 60 days after Tenant receives written notice of the filing of the same any mechanics', laborers', or materialmen's lien resulting from Tenant's construction of, or alterations, additions, or improvements to the Improvements or from the nonpayment of any utility expenses required to be paid by Tenant pursuant to this Lease; or for any other lien recorded against the Premises (collectively "lien"). Tenant may, however, contest the validity or amount of any purported lien, by appropriate proceedings conducted in good faith. During any such contest Tenant may refrain from paying any purported lien if enforcement of the same is effectively stayed during the pendency of such proceedings, or Tenant will have posted a surety or other bond sufficient under Applicable Law to cause the discharge of such lien as an encumbrance against Landlord's title.

Nothing in this Lease contained may be deemed as constituting the consent or request of Landlord, express or implied, to any contractor, subcontractor, laborer, or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to, or repair of the Premises or any part thereof, nor as giving Tenant any right, power, or authority to contract for or permit the rendering of any services or the furnishing of materials that would give rise to the filing of any lien against Landlord's interest in the Premises or any part thereof. Landlord will not be liable for any work performed or to be performed at the Premises for Tenant, for any materials furnished or to be furnished at the Premises for any of the foregoing, and no mechanics' or other lien for such work or materials may attach to or affect the estate or interest of Landlord in and to the Premises or any part thereof.

9.4 **Cessation of Operations.** If Tenant ceases operations at the Premises, Tenant will continue to maintain and repair the Premises and any Improvements and make all necessary replacements thereto in a manner sufficient to comply with all federal, state, and local laws, ordinances, orders, rules, and regulations and the requirements of any insurance company providing insurance pursuant to the covenants of this Lease, until the end date of this Lease or proper termination pursuant to this Lease.

## **ARTICLE 10**

### **Assignment and Subletting**

10.1 **Assignment.** Tenant may assign or transfer this Lease or the interest of Tenant in this Lease, to an Affiliate, parent, or subsidiary of Tenant, subject to the terms of this Lease. In any such instance, Tenant will remain liable for the payment of Rent and the performance of the terms, covenants, and conditions of this Lease.



10.2 **Subletting.** Upon prior written consent of Landlord, which will not be unreasonably withheld, Tenant may sublease (which term includes granting any licenses, concessions, or similar agreements) the Premises or any part or parts thereof, to an Affiliate, parent, or subsidiary of Tenant, subject to the terms of this Lease. In any such instance, Tenant will remain liable for the payment of Rent and the performance of the terms, covenants, and conditions of this Lease.

10.3 Any assignment of this Lease will not be effective unless and until the assignee, in the case of an assignment, executes, acknowledges, and delivers to Landlord an agreement, whereby the assignee will (A) assume the obligations and performance of this Lease and agree to be bound by all of its covenants, agreements, terms, provisions, and conditions on the part of Tenant to be performed or observed on and after the effective date of any such assignment, and (B) agree that the provisions of this Article 10 will, notwithstanding such assignment, continue to be binding upon assignee in the future. Tenant covenants that, if Tenant engages in an assignment or transfer in violation of the provisions of this Lease, Tenant will remain fully and primarily and jointly and severally liable for the payment of all Additional Costs and Impositions due and to become due under this Lease and for the performance and observance of all the covenants, agreements, terms, provisions, and conditions of this Lease on the part of Tenant.

10.4 **Successors-in-Interest.** In the event that Tenant sells the business or a majority stake in the business such a sale will not constitute a Transfer, Assignment or Sublease under this Section 10, but shall be allowed provided that the successor-in-interest meets with the same financial means tests as applied to Tenant for signing this Lease.

## **ARTICLE 11**

### **Requirement of Operations of Premises**

11.1 **Obligation of Tenant to Operate Premises.** Tenant will be open for a minimum of 250 days per year, with at least 208 of those days open to the public for retail sales, except for extraordinary circumstances outside of Tenant's control that prevent Tenant from the use and operation of the Improvements.

## **ARTICLE 12**

### **Insurance**

12.1 **Required Coverage.** Tenant will, throughout the Term of this Lease at Tenant's sole cost and expense, purchase and maintain (or cause to be purchased or maintained), the required insurance described in Exhibit F to this Lease. Landlord may, on a commercially reasonable basis, from time to time by written notice to Tenant, require Tenant to maintain, or cause to be maintained, at its sole cost and expense, such other insurance covering insurable hazards that are commonly insured against in the case of premises located in Fairfax County, Virginia, that are similarly situated and have similar uses to that of the Premises, provided such other insurance is available on a commercially reasonable basis.

**12.2 Form of Policies, Certificates.** The minimum limits of insurance set forth above will in no event limit the liability of Tenant under this Lease. All insurance policies required under Section 12.1 must be with companies licensed to do business in the Commonwealth of Virginia and have an AM Best rating of not less than A:VI (or other similar rating in the event an AM Best rating is no longer available). Prior to the Commencement Date, and within 30 days after the expiration of any expiring policy for which a certificate was previously furnished, Tenant must deliver to Landlord a certificate showing the insurance required to be maintained by Tenant under Section 12.1 to be in effect. If Tenant does not take out and maintain the insurance required under Section 12.1, Landlord may (but is not required to) procure the insurance on Tenant's behalf. Landlord will provide Tenant no less than five Business Days' written notice of Landlord's intent to procure the insurance and charge Tenant the premium, together with interest at the Prime Rate on all amounts expended in connection therewith, all of which are payable within 30 days following notice from Landlord of the amount expended.

**12.3 Additional Insurance Requirements.**

(a) Landlord and Tenant will cooperate in connection with the adjustment and collection of any insurance recoveries that may be due in the event of loss, and Tenant will execute and deliver to Landlord such proofs of loss and other instruments that may reasonably be required for the purpose of obtaining the recovery of any such insurance money.

(b) Tenant will not carry separate liability or property insurance concurrent in form or contributing to the event of loss with that required by this Lease to be furnished by Tenant, unless Landlord and any other parties designated by Landlord with a bona fide insurable interest are included therein as additional insureds with respect to liability and loss payees with respect to property, as their interests may appear, with loss payable as provided in this Lease. Tenant will immediately notify Landlord of the carrying of any such separate insurance and will cause copies of the declaration page(s) of the same to be delivered as in this Lease hereinafter required.

(c) Tenant will provide written notice to Landlord promptly after Tenant is aware that any insurance claim or insurance proceeding has been filed against Tenant.

(d) Tenant will procure policies for all such insurance required by any provision of this Lease for periods of not less than one year (if such policy term is customary and available) and will procure renewals or replacements thereof from time to time and deliver evidence of the same to Landlord at least 30 days before the expiration thereof. If Tenant fails to procure any such policies or renewals in accordance with this Lease, Landlord may procure the same, and Tenant will be obligated to reimburse Landlord as Additional Costs for all costs incurred by Landlord in procuring such insurance.

**12.4 Deposit of Insurance Premiums.** Landlord, by written notice, may at any time during the pendency of a default, require Tenant to deposit on the first day of each calendar month with a savings bank, a savings and loan association or a commercial bank or trust company designated by Tenant and approved by Landlord, an amount sufficient to pay the annual premiums

for insurance required to be carried by Tenant when the same will become due and payable. If, however, an Event of Default exists due to Tenant's failure to pay insurance premiums when due and as to which failure Landlord may (a) require payment to be made on demand or (b) pay the same, Landlord may at any time after such Event of Default has occurred and is continuing, pay such insurance premiums, whereupon Tenant will be obligated to reimburse Landlord for such insurance premiums as Additional Costs.

**12.5 Waiver of Subrogation.** Landlord and Tenant each waives any claim against the other for any injury or damage to the property of the other to the extent covered by any insurance maintained by either party or required to be maintained by such party pursuant to the provisions of this Lease, notwithstanding any other provisions contained in this Lease. All policies of insurance required to be maintained under this Article must contain a standard waiver of subrogation endorsement.

**12.6 Indemnity.** In addition to the indemnification that is addressed in Sections 3.2 and 7.7 of this Lease, Tenant will defend, indemnify, and hold harmless Landlord from all liability, penalties, losses, damages, costs, expenses, fees, including, without limitation, reasonable attorneys' fees, causes of action, claims, and judgments arising by reason of any injury or death to any person or persons, or damage to property of any persons or parties, including, without limitation, Tenant and Tenant's agents and employees, subtenants, and other invitees, from any cause or causes whatsoever occurring in or upon the Premises and Improvements arising out of or related to Tenant's use and occupation of the Premises and Improvements during the Term, or arising out of or related to Tenant's failure to comply with the provisions of this Lease, other than any such injury, death, or damage resulting from the gross negligence or willful misconduct of Landlord or its agents or employees.

### **ARTICLE 13** **Damage or Destruction**

**13.1 Damage or Destruction.** If during the Term, the Building is damaged or destroyed by fire, the elements, accident or other casualty (in each case, not resulting from the fault or negligence of Landlord or Tenant or their respective employees, agents, and invitees) (a "Casualty"), the rights and obligations of Landlord and Tenant shall be governed by this Article 13. Immediately or as soon as reasonably practicable thereafter, Tenant shall notify Landlord of any damage or destruction to the Building by a Casualty.

**13.2 Landlord's Obligations Upon Damage or Destruction.** If during the Term, the Building is damaged or destroyed by a Casualty, this Lease shall, except as hereinafter provided, remain in full force and effect and Landlord shall promptly and diligently repair or rebuild the Building (only so much thereof as was originally located on the Premises or required to be constructed by Landlord pursuant to this Lease) to substantially the same condition as immediately prior to such damage (subject, however to zoning laws and building codes then in existence). If

Landlord elects to terminate this Lease pursuant to Section 13.4, Landlord shall not be obligated to make any repairs.

**13.3 Tenant's Obligations Upon Damage or Destruction.** If during the Term, the Building is damaged or destroyed by a Casualty and Landlord proceeds to repair or restore its portion of the damage in accordance with Section 13.2, Tenant shall proceed to repair that portion of the damage that was originally required to be constructed by Tenant pursuant to this Lease. Landlord shall not be liable for interruption to Tenant's business or for damage to or replacement or repair of Tenant's personal property (including, without limitation, inventory, trade fixtures, floor coverings, furniture and other property removable by Tenant under the provisions of this Lease) or to any leasehold improvements installed in the Building by or on behalf of Tenant, all of which damage, replacement or repair shall be undertaken and completed promptly by Tenant.

**13.4 Right to Terminate.** The Parties' right to terminate this Lease in the event of a Casualty is as follows:

(a) If the Building is substantially damaged or destroyed (i.e., the Building is no longer operable as an integral commercial unit, in Landlord's reasonable opinion) by a Casualty if such Casualty occurs within the last three (3) years of the Term of this Lease; or

(b) If the Building is substantially damaged or destroyed (i.e., the Building is no longer operable as an integral commercial unit, in Landlord's reasonable opinion) by a Casualty that is a risk that is not covered by Landlord's or Tenant's insurance; or

(c) If the Building is damaged or destroyed by a Casualty to the extent of 50 percent or more of the monetary value thereof; or

(d) If the Building or any part thereof is damaged or destroyed by a Casualty to an extent that, in the reasonable judgment of Landlord, the Building cannot be operated as an integral commercial unit; then, in any of such events in (a) through (d) herein, Landlord shall have the right to terminate this Lease by written notice to Tenant within 60 days following such Casualty.

(e) In the event of a termination of this Lease pursuant to this Article 13, this Lease shall terminate as of the date of such damage or destruction.

**13.5 Tenant's Option to Terminate.** Notwithstanding anything herein to the contrary, Tenant shall have the right to terminate this Lease if the Building is substantially damaged or destroyed (i.e., the Building is no longer operable as an integral commercial unit, in Tenant's reasonable opinion) by a Casualty if such casualty occurs within the last three (3) years of the Lease Term.

**13.6 Abatement of Rent.** If Landlord repairs or restores any damage to the Building, the Base Rent and other sums payable hereunder shall be reduced during the period of repair or

restoration to that fraction of the Base Rent otherwise prevailing, the numerator of which is the square footage of the Building reasonably usable by Tenant, in Tenant's reasonable judgment, in the conduct of its business and the denominator of which is the total square footage of the Building. The Base Rent and other sums payable hereunder shall be restored to the amount payable hereunder without abatement when the repair or restoration work required to be performed by Landlord is completed. No penalty shall accrue to Landlord for delay in commencing or completing repairs caused by adjustment of insurance claims, governmental requirements, or any cause beyond Landlord's reasonable control.

## **ARTICLE 14** **Eminent Domain**

14.1 **Total Taking.** If, during the Term of this Lease, the Premises, or any part thereof that precludes the Tenant's use of the property as substantially intended, is taken by eminent domain, this Lease will terminate on the date of vesting of title in the condemning authority. In such event, all Base Rent and other sums payable by Tenant under the Lease will be abated, and thereafter Tenant will be relieved of all obligations to pay rent and to otherwise perform any of its covenants or obligations under this Lease. Landlord and Tenant will each, however, be entitled to the value of their respective interests in the Premises and any Improvements located thereon determined as if this Lease had not been terminated. In any proceeding to determine the value of the respective interests of Landlord and Tenant in the Premises or any Improvements located thereon, the respective interests of Landlord and the Tenant will be separately determined and computed by a court having jurisdiction of such eminent domain proceeding and separate awards and judgments will be made and entered, and the separate awards so determined will be paid to Landlord and Tenant, respectively, in accordance therewith.

If the court having jurisdiction over the determination and computation of the value of the respective interests of Landlord and Tenant makes a single award without separately determining each of the Parties' respective interests, and if Landlord and Tenant do not agree in writing as to their respective portions of such award within 20 days after the date thereof, Landlord and Tenant agree to submit the matter to such court on stipulation for the purpose of a judgment determinative of their respective shares. Any award entered in favor of Tenant, will be paid simultaneously to Tenant and Landlord, as their interests may appear.

14.2 **Partial Taking.** If, during the Term of the Lease, less than the entire Premises is taken by the exercise of the power of eminent domain, and it is economically feasible (in the sole and good faith opinion of Tenant) to continue to operate the remaining portion for the purposes stated in this Lease, this Lease will not terminate but will continue in full force and effect for the remainder of the Term. In any proceeding to determine the value of the portion of the Premises so taken, the respective interests of Landlord and Tenant will be separately determined and computed in accordance with the provisions above, and the separate awards so made will be paid to Landlord and Tenant, respectively, in accordance therewith; provided, however, Tenant will receive that portion of the award made as consequential damages to the Improvements located on the remaining portion of the Premises and Tenant may, in its sole discretion, restore the Premises and

Improvements to a suitable state of repair, at its sole cost and expense, in order to permit the continued operation of the Improvements.

14.3 **Credit Against Rent.** If a partial taking occurs prior to the Commencement Date that does not preclude the Tenant's intended use of the Property, the amount of Base Rent payable by Tenant will be reduced by the amount of the condemnation award payable to Landlord pursuant to the provisions of this Lease.

14.4 **Temporary Taking.** If the whole or any part of the Premises or the Improvements is taken for the temporary use or occupancy of the condemning authority, then (a) this Lease will not terminate by reason thereof, (b) Tenant will continue to pay the full Base Rent as provided in Section 4.1, and (c) except only to the extent that Tenant may be prevented from doing so by the order of the condemning authority, the conditions and obligations under this Lease upon the part of the Tenant to be performed and observed will continue to be performed and observed as though the taking had not occurred. In such event, however, Tenant will have the right to participate in all negotiations with the condemning authority, to appear as a party in any condemnation litigation and to approve any settlement made with the condemning authority. In the event of such taking for temporary use and occupancy, Tenant will be entitled to receive the entire amount of any award made or compensation paid for such taking except that if such temporary taking extends beyond the termination of this Lease, only the portion of such award or compensation attributable to the period prior to such termination will belong to Tenant and the remainder thereof will be paid to Landlord.

## **ARTICLE 15** **Estoppel Certificates**

15.1 Upon request by Landlord or Tenant but in no event more than three times in any 12-month period, the other party will certify promptly to the requesting party (a) whether or not this Lease is valid and in full force and effect; (b) whether or not this Lease has been modified (and, if there are modifications, identifying them), (c) whether or not the party executing the certificate knows of any default or breach by the other party under any of the terms of this Lease (and, if any exists, describing them); (d) whether or not the fee interest in the Premises is subject to any lien, mortgage, or other encumbrance, securing any indebtedness; (e) the date to which rent has been paid by the Tenant and the date on which the next installment of rent is due; and (f) such other matters within the knowledge of the certifying party relating to this Lease as the requesting party may reasonably request.

## **ARTICLE 16** **Inspection of Premises**

16.1 Landlord has the right, at all times during reasonable business hours, upon three days prior written notice to Tenant, to enter upon the Premises or any Improvements for the purpose of inspecting the Premises and Improvements and ascertaining the compliance by Tenant of its obligations under this Lease. Any inspection will be made in such manner as to minimize

any interference with the use or occupancy of the Premises and Improvements by Tenant and the occupants thereof.

## **ARTICLE 17** **Representations**

17.1 **Representations of Tenant.** Tenant represents and warrants to Landlord as follows:

(a) Tenant is a limited liability company duly organized and existing and in good standing under the laws of the Commonwealth of Virginia. Tenant has the power and authority to enter into and deliver this Lease to Landlord. The execution and delivery of this Lease and the consummation of the transactions contemplated by this Lease have been authorized by all requisite action of Tenant. The individual executing this Lease on behalf of Tenant is duly authorized and this Lease is a valid and binding obligation of Tenant, enforceable in accordance with its terms.

(b) The execution and delivery of this Lease by Tenant and the performance by Tenant of its obligations under this Lease do not (i) conflict with, or result in the breach of, the provisions of, the organizational and governing documents of Tenant or any contract or agreement to which Tenant is a party, (ii) constitute a violation of any governmental law, ordinance, regulation or other requirement applicable to Tenant, (iii) constitute a violation of any judgment, decree, or order applicable to Tenant, or (iv) require the consent, waiver, or approval of any third party.

17.2 **Representations of Landlord.** Landlord represents and warrants to Tenant as follows:

(a) Landlord is a body politic and corporate under laws of the Commonwealth of Virginia. Landlord has the power and authority to enter into and deliver this Lease to Tenant. The execution and delivery of this Lease and the consummation of the transactions contemplated by this Lease have been authorized by all requisite action of Landlord. The individual executing this Lease on behalf of Landlord is duly authorized and this Lease is a valid and binding obligation of Landlord, enforceable in accordance with its terms.

(b) The execution and delivery of this Lease by Landlord and the performance by Landlord of its obligations under this Lease do not (i) conflict with, or result in the breach of, the provisions of, the organizational and governing documents of Landlord or any contract or agreement to which Landlord is a party, (ii) constitute a violation of any governmental law, ordinance, regulation, or other requirement applicable to Landlord, (iii) constitute a violation of any judgment, decree, or order applicable to Landlord, or (iv) require the consent, waiver, or approval of any third party.

## **ARTICLE 18** **Tenant Defaults**

18.1 **Events of Default.** The following events constitute a default on the part of the Tenant with respect to its obligations under this Lease and a breach of this Lease:

(a) The failure to pay Base Rent or any other monetary sums owing under this Lease to Landlord within 10 days after written notice of such default has been given by Landlord to Tenant; or

(b) The failure of Tenant to observe or perform any of the other covenants, agreements, and obligations to be observed and performed and the continuance of such failure for a period of 30 days after written notice has been given by Landlord to Tenant, provided, however, that if the default is of such nature that it cannot be cured with reasonable diligence within such 30-day period, the time within which Tenant is required to cure the default will be extended for an additional period as may be necessary for the curing thereof with reasonable diligence provided Tenant has diligently commenced to cure the default within the 90-day period and continues to act diligently to cure same.

18.2 **Termination of Lease.** Upon the occurrence of any default and the expiration of the grace period granted to Tenant set forth in this Lease, Landlord may, at its election, if the default continues unremedied or uncured, terminate this Lease by giving notice thereof to Tenant. On the giving of such notice, all of Tenant's rights in the Premises and Improvements will terminate. Promptly after such notice, Tenant will surrender and vacate the Premises.

## **ARTICLE 19** **Landlord Defaults**

19.1 **Events of Default.** If any default in the observance or non-performance of any term of this Lease by Landlord which has not been cured within 30 days after notice of the default, Tenant has the right to cure the default and deduct the reasonable cost thereof (together with interest as hereinafter provided) from any Base Rent or other amounts payable by Tenant. In the alternative, Tenant may demand any such payment from Landlord. If, however, a default cannot be cured with reasonable diligence within a 30-day period, the time within which Landlord must cure the default will be extended. Any additional period requires Landlord's reasonable diligence, and such diligence must have been commenced within the 30-day period. All amounts advanced by Tenant pursuant to this Section will bear interest at the Prime Rate from the date advanced by Tenant to the date reimbursed by Landlord to Tenant or offset by Tenant against any amount payable by Tenant under this Lease. If Landlord fails to cure any default despite such reasonable diligence after 180 days, Tenant may terminate this Lease.

19.2 **Limitation on Landlord's Liability.** If Landlord breaches any of the provisions of this Lease, Landlord's liability will in no event exceed Landlord's interest in the Premises, and Tenant expressly agrees that any judgment or award that it may obtain against Landlord will be recoverable and satisfied solely out of the right, title, and interest of Landlord in the Premises (including the interest of Landlord under this Lease) and Tenant will have no right of lien or levy against any other property of Landlord, or any employees, agents, or representatives of Landlord,



nor will any other property or asset of Landlord be subject to levy, execution, or other enforcement proceedings for the collection of any sums or satisfaction of any judgment or award.

**ARTICLE 20**  
**Quiet Enjoyment**

20.1 Landlord covenants to Tenant that Landlord has the right and authority to enter into this Lease and that Tenant, by paying the rents and other amounts required to be paid by Tenant and observing and performing all other covenants and conditions on Tenant's part to be performed and observed, will quietly hold, occupy, and enjoy its interest in the Premises during the Term.

**ARTICLE 21**  
**Notices**

21.1 **Addresses.** Any notice required or referenced under this Lease must be in writing and delivered to the Parties at the following addresses:

- (a) If given to Landlord:

Board of Supervisors of Fairfax County, Virginia  
Facilities Management Department  
Fairfax County Government Center Suite 424  
12000 Government Center Parkway  
Fairfax, Virginia 22035  
Attention: Leasing Department

with a copy to:

Office of the County Attorney  
Fairfax County Government Center Suite 549  
12000 Government Center Parkway  
Fairfax, Virginia 22035  
Attention: County Attorney

- (b) If given to Tenant:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Either party may change the addresses set forth in this provision upon 10 Business Days written notice to the other party. No such new address will take effect until such notice is given.

21.2 **Manner of Delivery of Notice.** Any notice required or referenced by this Lease must be served by registered or certified mail, postage prepaid, return receipt requested, by personal delivery, or by commercially recognized ground or air same day or overnight courier service. Every notice will be deemed to have been given on the date of receipt by the addressee. If any delivery is refused by the addressee, or a notice is not delivered because no notice of a change of the address was given by the receiving party, the date of receipt will be the date of refusal or attempted delivery. Whenever under this Lease a notice is required to be delivered on a day that is not a Business Day, the day of required delivery will automatically be extended to the next Business Day. Notices, demands, requests, and other communications given by a party's attorney and sent to the other party to this Lease as provided in this Article 21 will have the same effect as if given by a party to this Lease.

#### **ARTICLE 22** **Holding Over**

22.1 This Lease will terminate without further notice at the expiration or earlier termination of the Term. Any holding over by Tenant after the expiration or termination of the Term will not constitute a renewal or extension or give Tenant any rights in or to the Premises except as expressly provided in the Lease. Any holding over with the consent of Landlord (which may be withheld in its sole discretion) will be construed to be a tenancy from month to month, at 150% of the monthly fair rental value of the Premises during the period of holdover and will otherwise be on the terms and conditions specified in this Lease insofar as applicable.

#### **ARTICLE 23** **No Partnership or Agency**

23.1 Nothing contained in this Lease may be deemed or construed as creating a partnership, joint venture, or any other association between Landlord and Tenant, or cause Landlord or Tenant to be responsible in any way for the debts or obligations of the other, or render either party to this Lease the agent of the other, or empower either party to act for or bind the other, and no provision contained in this Lease nor any acts of the Parties may be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

#### **ARTICLE 24** **Surrender of Premises**

24.1 On the Lease Termination Date, Tenant will surrender and deliver the Premises, together with any Improvements then located thereon, in good, clean, orderly condition and repair (ordinary wear and tear excepted), and otherwise in compliance with the provisions of this Lease.

**ARTICLE 25**  
**Miscellaneous**

25.1 **No Third-Party Beneficiary.** Each and every provision of this Lease is intended to create rights and obligations enforceable only between Landlord and Tenant and their successors and assigns. Nothing in this Lease constitutes or may be construed as a contract for the benefit of a third party.

25.2 **No Broker.** With the exception of JLL, whose fees will be the sole responsibility of Landlord, Landlord and Tenant each represent and warrant to the other that this Lease has been negotiated without the aid or assistance of any party who is entitled to be paid a real estate commission or similar fee.

25.3 **Amendments.** The terms of this Lease may be amended or otherwise modified only by a written instrument duly executed by the Parties.

25.4 **Rules of Construction.**

(a) When a reference is made in this Lease to an Article, a Section, or an Exhibit, such reference is to an Article of, a Section of, or an Exhibit to this Lease unless otherwise indicated.

(b) Whenever the words “include,” “includes,” or “including” are used in this Lease, they will be deemed to be followed by the words “without limitation.”

(c) The definitions contained in this Lease are applicable to the singular as well as to the plural forms of such terms and to the masculine, feminine, and neuter genders and non-genders of such terms. Whenever the context requires, any pronouns used in this Lease include the corresponding masculine, feminine, or non-gender forms.

25.5 **Severability.** If any provision of this Lease or its application to any party or circumstances is determined by any court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Lease will not be affected, and each provision of this Lease will be valid and will be enforced to the fullest extent permitted by law.

25.6 **Choice of Law.** This Lease and any dispute, controversy or proceeding arising out of or relating to this Lease (whether in contract, tort, common or statutory law, equity or otherwise) will be governed by Virginia law, without regard to conflict of law principles of Virginia or of any other jurisdiction that would result in the application of laws of any jurisdiction other than those of Virginia.

25.7 **Venue.** All claims and litigation arising out of or related to this Lease must be brought and resolved in the courts of the Commonwealth of Virginia located in Landlord of Fairfax, Virginia or U.S. District Court for the Eastern District of Virginia, Alexandria Division.

25.8 **Waiver of Jury Trial.** Each party waives all rights to a trial by jury in any claim, action, proceeding, or counterclaim arising out of or in any way connected with this Lease.

25.9 **Headings.** The captions of this Lease are for reference only and do not describe the intent of this Lease or otherwise alter the terms of this Lease.

25.10 **Non-Waiver.** No waiver of any breach of this Lease will be deemed a waiver of any preceding or succeeding breach under this Lease or any other agreement. No extension of time for the performance of any obligation or act will be deemed an extension of time for the performance of any other obligation or act.

25.11 **Counterparts and Distribution.** This Lease may be executed and delivered in any number of counterparts, in the original or by electronic transmission, each of which so executed and delivered will be deemed to be an original and all of which will constitute one and the same instrument.

25.12 **Entire Agreement.** This Lease, together with the attached Exhibits, all of which are incorporated by reference, is the entire agreement between the Parties. The terms of this Lease may be amended or modified only by a written instrument executed by the Parties.

25.13 **Appropriations.** Any terms of this Lease that would require the payment of money by Landlord are subject to appropriations by the Fairfax County Board of Supervisors. If appropriations are not made for any fiscal year, Landlord will not be obligated to make any payments beyond the amount appropriated.

IN WITNESS WHEREOF, the Parties have caused this Lease to be executed as of the day and year first above written.

[Signatures on the following pages]

**LANDLORD:**

BOARD OF SUPERVISORS OF FAIRFAX COUNTY, VIRGINIA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**TENANT:**

DrinkLocal LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

Identification of Premises and Surrounding Land

W-13 Lease Premises



Landlord's Abutting Land



## **EXHIBIT B**

### LANDLORD'S WORKLETTER

#### Building Exterior

- Existing Window Repairs & Restorations with new storm windows
- Existing Slate Roof and Slate Dormer Cladding Repairs
- Exterior Brick Tuckpointing
- Exterior Wood Fascia and Wood Trim Repairs

#### Building Interior

- New Painted Wall Finishes (gypsum board)
- Resurfaced/ Sealed Brick Wall Finish (Level 1 at east and west elevations)
- Patched and Painted Ceiling Finishes (Level 1)
- New Painted Ceiling Finishes (Level 2) (gypsum board)
- Existing Concrete Floor Finishes (Patched)
- Wood Door Repair, New Wood Doors, & New Hardware
- New interior Stair
- Structural repairs (new shear wall, existing steel beam retrofit, new 2<sup>nd</sup> floor wood columns and beams)
- Hazardous Materials Removal

#### Mechanical, Electrical and Plumbing - (All elements are for potential use, reuse, or modification in a future tenant fit up as determined.)

- Removal of existing MEP systems and replacement with new infrastructure for building shell space
- New electrical meters and Electric CT cabinets
- New electric baseboard heating
- New emergency lighting and general lighting for building shell space
- New power and data infrastructure
- Site electrical work (building security lighting, walkway illumination, and site sign lighting)
- New plumbing rough-ins for toilet rooms
- New fire suppression system and fire alarm system
- Space allocated in plans for mechanical and electrical tenant fit up requirements
- Utility meter/stub-ups: Water, Electricity, Natural Gas, & Cox Fiber



## EXHIBIT C

### TENANT IMPROVEMENTS

1. **Building:** Final interior design and fit-out by Tenant to accommodate approved retail use for food and beverage establishment.
2. **Plaza:** Tenant will have exclusive use of a 1,035 sf exterior brick dining plaza with furniture and related materials to operate for approved uses provided by Tenant.
3. **Floor:** Tenant will provide flooring on the first floor, over concrete slab prepared by Landlord. Tenant will provide finished flooring on the second floor, to cover Landlord provided plywood substrate. Any sub-flooring required to make Tenant's final finish work will be Tenant's responsibility. Tenant is required to make any interior building ADA accommodations.
4. **Lighting:** Tenant will be responsible for any lighting for the brick dining plaza and building over and above the emergency lighting by code general lighting for building shell space provided by the Landlord.
5. **Gas:** Existing 2" gas line is provided by the Landlord with final connection by Tenant.
6. **Water:** Landlord to provide a 6" waterline for Fire service and a 2" domestic water supply tap to one point within the Demised Premises. Additional interior water lines and connections from the tap to be provided by the Tenant.
7. **Waste/Sanitary:** Landlord to provide a 4" sanitary line for Tenant's final connection. Plumbing roughed- ins provided for toilet rooms, drinking fountains with final design and fixture installation by Tenant.
8. **Sprinkler:** Landlord shall supply sprinkler loop with up-turned sprinkler heads in compliance with code for unoccupied space. Tenant shall be responsible for final configuration and distribution to meet code requirements for Tenant's use and layout.
9. **Telephone:** Data outlets with empty conduits required by code are provided by the Landlord, with final wiring and connection by Tenant.
10. **HVAC:** Landlord will provide electric base board heaters to provide warm shell. Additional HVAC equipment will be installed by Tenant.

## **EXHIBIT D**

### **Tenant's Permitted Use**

The Premises are subject to a several land use approvals governing the use of the site. Governing approvals include:

- RZ/FDP 2003-MV-033, approved on July 26, 2004, to rezone the property from the R-C District to the PDC district
- PCA/FDPA 2003-MV-033, approved on August 3, 2009, to modify the previous 2004 RZ 2003-MV-033 approval.
- Minor Variation Request for PCA 2003-MV-033, approved on September 25, 2019, to add Craft Beverage Production Establishment and Small-Scale Production Establishment as permitted secondary uses under PCA 2003-MV-033.

Subject to the above-mentioned land use approvals for W-13, approved proffer restrictions, and all other applicable regulatory ordinances, the Tenant is permitted for the following uses on the Premises:

- Operation of a craft beverage and/or small-scale production establishment, subject to the proffer limitations regarding eating establishments
- Operation of an eating establishment subject to the following hourly operation restrictions:
  - Permitted hours of operation from 11:00 a.m. – 11:00 p.m. from Sunday through Thursday and 11:00 a.m. – 1:00 a.m. on Friday and Saturday.
  - There shall be no hourly restrictions on the use and occupancy of structures and facilities by staff/employees of the Tenant
- Any other permitted uses for W-13 that may be allowed under approved or subsequently approved through land use applications or determinations by Fairfax County and/or the Fairfax County Department of Planning and Development.

## **EXHIBIT E**

### **Landlord Services**

1. **Building:** Landlord will be responsible for maintenance of building exterior, roof, and fire safety systems.
2. **Plaza and Grounds:** Landlord will be responsible for maintenance of landscaping, sidewalks, and brick plaza for repairs. Tenant will have responsibility for general upkeep, cleaning, and snow removal in outdoor spaces on the Premises.
3. **Parking Lots:** Landlord will be responsible for restriping, repairs, and snow removal for surface parking areas. Snow removal priority status will be communicated to the Tenant to the Landlord annually, and with any change in service level status.
4. **Courtyard Area:** Landlord will be responsible for landscaping, snow removal, stormwater device maintenance, hardscape, and furnishings for the Courtyard area immediately adjacent to the Premises, as depicted in the Landlord's Abutting Land in Exhibit A.

**EXHIBIT F**

**Insurance**