

**J & J INDUSTRIES, INC.**



THIS LEASE, made this 19th day of April, 2013, by and between J & J INDUSTRIES, INC. herein called "Landlord" and Peking House herein called "Tenant".

**WITNESSETH** That in consideration of the rental hereinafter agreed upon and the performance of all the conditions and covenants hereinafter set forth on the part of the Tenant to be performed, the Landlord does hereby lease unto the said Tenant, and the latter does lease from the former the following premises: space at 11 East Baltimore Street, Baltimore, MD 21202.

**TERM:**

1. The term of 10 year, beginning on the 1st day of March, 2013, and ending on the 28th day of February, 2023.

**RENT:**

2. All rent payable in advance and without demand on the first day of each month during the term of this lease. Said rent shall be paid to the Landlord at [REDACTED] payable to [REDACTED] or at such other place or to such appointee of the Landlord, as the Landlord may from time to time designate in writing. The rent is due in advance of the 1<sup>st</sup> day of each month. The tenant is given a 10 day grace period to pay. The rent schedule is as follows:

3/1/13 - 2/28/14	Rent is \$3,200.00 per month
3/1/14 - 2/28/15	Rent is \$3,300.00 per month
3/1/15 - 2/28/16	Rent is \$3,400.00 per month
3/1/16 - 2/28/17	Rent is \$3,500.00 per month
3/1/17 - 2/28/18	Rent is \$3,600.00 per month
3/1/18 - 2/28/19	Rent is \$3,700.00 per month
3/1/19 - 2/28/20	Rent is \$3,800.00 per month
3/1/20 - 2/28/21	Rent is \$3,900.00 per month
3/1/21 - 2/28/22	Rent is \$4,000.00 per month
3/1/22 - 2/28/23	Rent is \$4,100.00 per month

**OPERATING COSTS AND UTILITIES:**

3. Tenant pays gas, electric, and water + sewer at his expense directly to the utility companies.

**THE TENANT COVENANTS AND AGREES WITH THE LANDLORD AS FOLLOWS:**

- To pay said rent and each installment thereof as and when due.
- To use and occupy the leased premises solely for the following:

**USE:**

#### LAW & ORDER COMPLIANCE:

4. To observe, comply with and execute at its expense, all laws, orders, rules, requirements and regulations of the United States, State, City, or County of said State, in which the leased premises are located, and of any and all governmental authorities or agencies and of and board of the fire underwriters or other similar organization, respecting the premises hereby leased and the manner in which said premises are or should be used by the Tenant.

#### ASSIGNMENT OR SUBLETTING:

5. Not to assign this lease, in whole or in part, or sublet the leased premises, or any part or portion thereof, without the prior written consent of the landlord, such consent not to be unreasonably withheld or delayed. If the Landlord assigns or sublets on its own, at a greater rental than that being charged the Tenant, the Tenant shall not have the right to receive any such excess. If such assignment or subletting is permitted, Tenant shall not be relieved from any liability whatsoever under this Lease. In the event that the amount of the rent to be paid to the Tenant by any assignee or sub-lessee is greater than the rent required to be paid by the Tenant to Landlord pursuant to this Lease, the Tenant shall pay to the Landlord any such excess as it is received by the Tenant from such assignee or sub-lessee.

#### GENERAL INSURANCE:

THE PARTIES HERETO FURTHER COVENANT AND AGREE WITH EACH OTHER AS FOLLOWS:

6. That the Tenant will not do anything in or about said premises that will contravene or effect any policy of insurance against loss by fire or other hazards; including but not limited to, public liability, now existing or which the Landlord may hereafter place thereon, or that will prevent Landlord from procuring such policies in companies acceptable to Landlord at standard rates. Tenant will do everything reasonably possible and consistent with the conduct of Tenant's business, as above limited, to obtain the greatest possible reduction in the insurance rates for or on the premises hereby leased (or, if the premises hereby leased are a part of the building, then any increase in the premium or any insurance on said entire building) caused by the occupancy of the Tenant in said premises, or otherwise resulting from any act or the Tenant, its agents, servants, employees or customers.

#### LIABILITY AND INDEMNIFICATION OF THE LANDLORD:

7. Landlord shall not be liable to the Tenant for any loss or damage to the Tenant or to any other person or to the property of the Tenant or to any other person. The said Tenant shall indemnify and hold harmless the Landlord, its successors or assigns from all claims and demands of every kind, that may be brought against it, them or any of them for or on account of any damage, loss or injury to persons or property in or about the leased premises during the continuance of this tenancy, or during the time of any alterations, repairs or improvements or restorations to said property by the Tenant and arising in connection therewith, and from any and all cost and expenses, counsel fees, and other charges which may be imposed upon the Landlord, its successors or assigns, or which it or they may be obligated to incur in consequence thereof, except to the extent that such damages and/or liabilities are caused by the negligence or other tortious act or tortious omission of the Landlord, its agents, employees or contractors. Tenant shall also carry and pay for a straight single limit insurance policy in the amount of not less than One Million Dollars (\$1,000,000.00), and will furnish Landlord with certificate of said. J & J Industries, Incorporated is to be named as additional insured in this policy.



### ALTERATIONS:

8. The Tenant shall not make any alteration to said premises without the prior written consent of the Landlord, such consent not to be unreasonably withheld or delayed. If the Tenant shall desire to make such alterations, plans for the same shall first be submitted to and approved by the Landlord, and the same shall be done in a good and workmanship manner, that the structural integrity of the building shall not be impaired, and that no liens shall attach to the premises by reason thereof. The Tenant agrees to obtain at the Tenant's expense, all permits pertaining to the alterations.

### OWNERSHIP OF ALTERATIONS:

9. Unless the Landlord shall elect that all or part of any alterations, referred to in or contemplated by the provisions of paragraph 8, and consented to by the Landlord in writing, shall remain, the premises shall be restored to their original condition (except as to any part of said alterations which the Landlord shall elect to remain) by the Tenant before the expiration of its tenancy, at its own expense. Upon said election by the Landlord, any such alterations, improvements, betterments and mechanical equipment, including but not limited to heating and air conditioning systems shall become the property of the Landlord as soon as they are affixed to the premises, and all rights, title and interest therein of the tenant shall immediately cease, unless otherwise agreed to in writing. The Landlord shall have the sole right to collect any insurance for any damage of any kind to any of the improvements placed upon the said premises by the Tenant. If the making of any such alterations, or the obtaining of permits or franchise therefor shall directly or indirectly result in a franchise, minor privilege or other tax or assessment, such tax or assessment shall be paid, immediately upon its levy, by the Tenant.

### MAINTENANCE:

10. The Tenant will during the term of this Lease keep said demised premises and appurtenances including plumbing, HVAC and electrical works thereof in good order and condition at tenant expense. The Landlord will make all necessary structural repairs including all repairs (except painting) to the exterior masonry walls and roof of the demised premises, and to the plumbing, heating, and electrical works of demised premises at its own expense, after being notified of the need of such repairs, and shall have a reasonable time in which to complete such repairs. In the event that the repairs required to be made by the Landlord are necessitated as a result of the negligence of the Tenant, its agents, servants, employees, licensees or guests, or by any contractor engaged by or on behalf of Tenant, such repairs shall be made by and be paid for by the Tenant. Tenant shall maintain all driveways and parking areas in good condition and repairs including snow removal. The Tenant will, at the expiration of the term or at the sooner termination thereof by forfeiture or otherwise, deliver up the demises premises in the same good order and condition as they were at the beginning of the tenancy, reasonable wear and tear excepted.

### DEFAULT:

11. Any of the following events shall constitute a default by Tenant.

- a) If the rent (basic or additional) shall be in arrears for a period of ten (10) days after due;
- b) If Tenant shall have failed to perform any other term, condition, or covenant of this Lease on its part to be performed for a period of ten (10) days after notice of such failure from Landlord; or

- c) If the premises were vacant, unoccupied or deserted for a period of thirty (30) days without notice from the Tenant at any time during the term; or
- d) If Tenant is adjudicated a bankrupt or insolvent by any court of competent jurisdiction or if any such court enters any order, judgment or decree finally approving any petition against Tenant seeking reorganization, liquidator or conservator is appointed for all or substantially all of the Tenant's assets and such appointment be not vacated within ten (10) days after the appointment, or if Tenant seeks or consents to any of the relief herein above enumerated in this subparagraph (4) or filed a voluntary petition in bankruptcy or insolvency or makes an assignment of all or substantially all of its assets for the benefit of creditors or admits in writing of its inability to pay its debts generally as they come due or files Articles of Dissolution with the appropriate authority of the place of its incorporation; or
- e) If Tenant's leasehold interest under this Lease is sold under execution, attachment, or decree of court to satisfy any debt of Tenant, or any lien (including mechanic's liens) against Tenant's leasehold interest.

12. In the event of default, Landlord in addition to any and all legal and equitable remedies:

- a) To distrain for any rent in default; and
- b) At any time after default, without notice, to declare this Lease terminated and enter the premises with or without legal process; and in such event Landlord shall have the benefit of all provisions of law or hereafter in force respecting the speedy recovery of possession from Tenant holding over to the same extent as if the Lease had not been entered into and Tenant waives any and all provisions for notice under such laws. In the event of such termination, Tenant shall immediately be liable to Landlord for the sum of the following:
- c) All rent in arrears, without apportionment to the termination date, including Tenant's contribution to taxes under paragraph 11 (if any) for the year of termination.
- d) All other liabilities of Tenant then occupied under this Lease;
- e) ©All of the Landlord's cost and expenses (including reasonable counsel fees) in connection with such default and recovery of possession;
- f) There is a security deposit of \$2,794.00 on this account.
- g) The amount by which the rent, apportioned from the date of termination to the end of the stated term of the Lease, exceeds the fair rental value of the premises for said period; and:
- h) Any other damages recoverable by law.

**DAMAGE OR DESTRUCTION:**

13A. If during the term the premises are damaged by fire or other casualty, but not to the extent that Tenant is prevented from carrying on business in the premises, Landlord shall promptly restore the premises to the condition immediately prior to the casualty; and if such damage renders a portion of the premises unusable by Tenant, the rent



required by this paragraph (except Tenant's share of the charge for metered water) shall be reduced during the period of its unuse proportionately to the amount by which the area so rendered unusable bears to the entire area of the space lease hereunder, and such reduction shall be apportioned from the date of the casualty and to the date when the building is rendered fully usable.

13B. If during the term the premises are destroyed or so damaged by fire or other casualty that Tenant is prevented from carrying on business in the premises, Landlord shall have the option either to restore the premises to their condition immediately prior to the casualty or to terminate the Lease. Such option shall be exercised by Landlord by written notice to the Tenant within fifteen (15) days after the casualty. In the event of termination, the rent required by this paragraph shall abate from and after and be apportioned to the date of casualty. If Landlord restores the premises, such restoration shall be completed One Hundred Eighty (180) days from the date of the casualty and to the date when Tenant is able to make full use of the premises.

#### **POSSESSION:**

14. The Landlord covenants and agrees that possession of the said premises shall be given to the Tenant as soon as said premises are ready for occupancy by the said Tenant. In case possession, in whole or in part, cannot be given to the Tenant on or before the beginning date of this Lease, the Landlord agrees to accept the rent proportionately until possession is given to said Tenant and the Tenant agrees to accept such pro rata abatement as liquidated damages for the failure to obtain possession.

#### **SIGNS, ETC.:**

15. Without the prior written consent of the Landlord, such consent not unreasonably withheld, the Tenant covenants and agrees that it will not place or permit any signs, lights, awnings, or poles in or about said premise, not paint or make any change in, to or on the outside of said premises to change the uniform architecture, paint or appearance of said building.

#### **OUTSIDE:**

16. The Tenant further covenants and agrees not to pile anything on the sidewalk or parking lot in the front, rear, or side of said building or block said sidewalk, and not to do anything that directly or indirectly will take away any or the rights of ingress or egress or of light from any other tenant of the Landlord or do anything which will, in any way, change the uniform and general design of any property of the Landlord of which the premises hereby leased shall constitute a part or unit. Landlord will also keep sidewalks, steps, and porches free and clear of ice, snow and debris.

#### **WATER DAMAGE:**

17. The Tenant covenants and agrees that the Landlord shall not be held responsible for and the Landlord is hereby released and relieved from, and forever saved harmless from, and liability by reason or resulting from and forever saved harmless from, any liability by reason of or resulting from damage or injury to person or property of the Tenant or anyone else, directly or indirectly caused by (a) dampness or water in any part of said premises or in any part of said property of the Landlord or of others and/or (b) any leak or break in any part of any other property or of said premises of the Landlord or of others or in the pipes of the plumbing or heating works thereof, no matter how caused, except to the extent that such damages and or liabilities are caused by the negligence or other tortious act or tortious omission of the Landlord, its agents, employees or contractors.



#### RIGHT OF ENTRY:

18. It is understood and agreed that the Landlord, and its agents, servants, and employees, including any builder or contractor employed by the Landlord, shall have, and the Tenant hereby gives them and each of them, the absolute and unconditional right, license and permission, at any and all reasonable times and for any reasonable purpose whatsoever, to enter through, across or upon the premises hereby leased or any part thereof, and at the option of the Landlord, to make such reasonable repairs to or changes in said premises as the Landlord, to make reasonable repairs to or changes in said premises as the Landlord may deem necessary or proper. Landlord will provide 24 hour notice when the time required for access into the space is during Tenant's regular business hours (8:30 a.m. Monday through 5:30 p.m. Friday) and the reason for access involves activities that will be disruptive to Tenant's business operations.

#### EXPIRATION:

19. It is agreed that the term of this Lease expires on 2/28/20 unless Tenant gives ninety (90) days prior notice that it wishes exercise one of its options to renew this Lease (details are outlined previously) If the Tenant shall occupy said premises after such expiration, it is understood that, in the absence of any written agreement to the contrary, said Tenant shall hold said premises as a Tenant from month to month, subject to all the other terms and conditions of this Lease, at 125% the highest monthly rental installment reserved in this Lease; provided that the Landlord shall, upon such expiration, be entitled to the benefit of all public general or public local laws relation to the speedy recovery of the possession of lands and tenements held over by Tenants that may be now in force or may hereinafter be enacted.

#### CONDEMNATION:

20A. If during the term all or a substantial part of the premises be taken by eminent domain, the Lease shall terminate as of, and the rent (basic and additional) shall be apportioned to and abate from and after, the date of taking, and Tenant shall have no right to participate in any award or damages for such therein to Landlord. For purposes of this paragraph, "a substantial part of the premises" shall mean such part thereof that the remainder of the premises is rendered inadequate and cannot practicably be repaired and improved so as to be made adequate, to permit Tenant to carry on its business to substantially the same efficiency as before taking.

20B. If during the term less than a substantial part of the premises (as hereinabove defined) be taken by eminent domain, the Lease shall remain in full force and effect according to its terms; and Tenant shall have no right to participate in and award or damages for such taking and hereby assigns all of its rights, title, and interest therein to Landlord, and Landlord shall at its expense, up to but not in excess of the amount of the award or damages received promptly make such repairs and improvements as shall be necessary to make the remainder of the premises adequate to permit Tenant to carry on its business to substantially the same extent and with substantially the same efficiency as before the taking. If, as a result of such taking, any part of the building is rendered permanently or temporarily unusable, the basic annual rent shall be reduced in an amount as may be fair and reasonable; however, not to exceed the proportion which the building area space usable by Tenant prior to such taking. If the unusability is temporary, the rental abatement shall be apportioned from the date of taking to the date when full usability is restored. If the taking shall not render any part of the building unusable, there shall be no abatement of rent.

20C. For the purpose of this paragraph, "taking under the power of eminent domain" shall include a negotiated sale or lease and transfer of possession to condemning authority under bona fide threat of condemning for public use, the Landlord alone shall have the right to negotiate with the condemning authority and conduct and settle all litigation connected with the condemnation. As hereinabove used, the words "award damages" shall, in the event of such sale or settlement, include the purchase per settlement price.



20D. Nothing herein shall be deemed to prevent Tenant from claiming from the condemning authority, if legally payable, compensation for the taking of Tenant's own tangible property and damages for Tenant's loss of business interruption, or removal and relocation.

**SUBORDINATION:**

21 This Lease shall be subject to and subordinate at all times to the lien or any mortgages and/or deeds of trust now or hereafter made on the premises and to all advances made or hereafter to be made thereunder. This subordination provision shall be self-operative and no further instrument of subordination shall be required. The Tenant agrees to execute any documents necessary, subsequent to the execution of this Lease, which are required to effect a subordination. Tenant hereby constitutes and Landlord as Tenant's attorney-in-fact to execute any such instrument for and on behalf of Tenant.

**LANDLORD'S RIGHT TO PERFORM TENANT'S COVENANTS:**

22 If Tenant shall fail to reform any covenant or duty required of it by this Lease or by law, Landlord shall have the right (but not the duty) to enter the premises, if necessary, to perform the same without notice, but the reasonable cost thereof shall be deemed to be additional rent, and shall give the Landlord the same rights and remedies as though the additional rent were part of the monthly rent due the Landlord under this Lease.

**ASSIGNMENT OF LANDLORD'S INTEREST:**

23. If Landlord should ever assign this Lease or the rents hereunder to a creditor as security for a debt, Tenant shall, after notice of such assignment and upon demand by Landlord or the assignee, pay all sums thereafter becoming due Landlord hereunder to the assignee and give all notices required to be given Landlord hereunder both the Landlord and the assignee and have all policies of insurance required hereunder endorsed so as to protect the assignee's interest as it may appear and deliver such policies, or certificates thereof, to the assignee.

**ATTORNMEN:**

24. In the event the herein premises are sold at any foreclosure sale by virtue of any judicial proceedings or otherwise, this Lease shall continue in full force and effect and Tenant agrees, upon requires, to attorn to and acknowledge the foreclosure purchasers will honor the Tenant's lease for at least twelve (12) months after given written notice thereof to the Tenant.

**FAILURE TO INSIST UPON STRICT PERFORMANCE:**

25. The failure of the Landlord to insist upon a strict performance of any of the terms, conditions, covenants herein contained shall not be deemed a waiver of any rights or remedies that the Landlord may have and shall not be deemed a waiver of any subsequent breach or default in the term, conditions, and covenant herein contained. This instrument may not be exchanged modified or discharged orally.

**NOTICES:**

26. Any notice required by this Lease to be sent by certified mail to the Landlord at:



Any notice required by the Lease to be sent by certified mail to Tenant at:

Peking House  
11 East Baltimore Street  
Baltimore, MD 21202

**SEVERABILITY:**

27A. It is agreed that, for the purpose of any suit brought or based on this agreement, this agreement shall be construed to be a divisible contract to the end that successive actions may be maintained on said agreement as successive periodic sums shall mature under said agreement, and it is further agreed that failure to include in any suit or action any sums then matured shall not be a bar to the maintenance of any suit or action for the recovery of said sum or sums so omitted, and Tenant agrees that it will not in any suit or suits brought on this Lease for a matured sum for which judgement has not previously been received, plead, rely on or urge as a bar to said suit or suits, the defenses or readjudicate, former recovery extinguishment, merger, election of remedies or other similar defense.

27B. If any term, clause or provision of this Lease is declared invalid by a court of competent jurisdiction the validity of the remainder of the Lease shall not be affected thereby but shall remain in full force and effect.

**NON-WAIVER:**

28. It is understood and agreed that nothing shall be construed to be a waiver of any of the terms, covenants and conditions herein contained, unless the same be in writing, signed by the party to be charged with such waiver, and no waiver of the breach of any covenant shall be construed as the waiver or the covenant or any subsequent breach thereof.

**NON-WAIVER OF FUTURE ENFORCEMENT:**

29. It is agreed that the failure of the Landlord to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right herein contained shall not be construed as a waiver or relinquishment for the future of such covenant or right herein, by the same shall remain in full force and effect, unless the contrary is expressed in writing by Landlord.

**FINAL AND ENTIRE AGREEMENT:**

30. This Lease contains the final and entire agreement between the parties hereto, and neither they nor their agents shall be bound by any term, conditions or representations not herein written.



**SECURITY DEPOSIT:**


Tenant has paid the sum of six hundred forty Dollars (\$2,794.00) to be held by Landlord as security for the payment of rent and the performance of Tenant's other obligations under this Lease. Landlord may (but need not) invest the deposit in interest bearing securities or accounts, and interest earned thereon, if any, shall belong to the Landlord. Said deposit shall be returned to Tenant at the termination of this Lease if all of Tenant's obligations hereunder are performed to the date of termination. IF Tenant defaults in the performance or observance of any payment of the rent in default or other money arrearage and/or to the damages and costs incurred by Landlord as a result of any default, and/or costs incurred by Landlord in rectifying any default, and/or to the payment of rent for any subsequent period of the term, and Tenant shall promptly thereafter restore the security deposit to the original amount above specified shall not be construed as a limitation upon Landlord's right to invoke any other remedy available under this Lease or at law or equity for breach of this Lease, or to collect the full amount of damages owing by Tenant on account of such breach. If, by reason of Tenant's default under this Lease, landlord terminates this Lease either before or after the commencement of the term and re-enters the Premises or if Tenant holds over at the end of the term, Landlord may retain the security deposit as liquidated damages (applying it against the damages which it suffers but without waiving its rights to recovery of additional damages to which it may be entitled) or apply it to the monthly installments of rent hereunder in inverse order of accrual.


AS WITNESS the hands and seals of the parties hereto the day and year first above written.

WITNESS:

TENANT:

\_\_\_\_\_



Peking House 

WITNESS:

TENANT:

\_\_\_\_\_

Peking House

WITNESS:

LANDLORD:

\_\_\_\_\_


Attached as part of this lease is addendum "A": Compliancy for Insurance Purposes

## Addendum "A" insurance Compliancy

By signing this lease, the tenant agrees to any and all requirements of inspection by Erie Insurance Group, its agents or representatives at the property at 11 east Baltimore st. The tenant will continue to do so from the date of signing to the end of the lease term.

Failure to adhere to said insurance requirements will result in the tenant being in default of the lease. The tenant will lose his security deposit and the landlord will look to seek damages from said tenant.

The tenant taking care of proper insurance requirements and keeping the place in compliance and up to code is vital.

WITNESS:

TENANT:

\_\_\_\_\_

  
Peking House  

