

SUBLEASE AGREEMENT

This sublease agreement is made this 6 day of June, 2011, between Columbus Downtown, Inc., ("Sublessor"), a not-for-profit corporation organized under the laws of the State of Indiana, having its principal place of business located in the Jackson Street Parking Garage, and Garage Pub Partners, LLC, ("Sublessee").

RECITALS

A. Sublessor is a lessee of the developed property described below under a master lease with the City of Columbus, and Sublessee desires to sublease said property from Sublessor for use as a restaurant/bar within the parking garage located on the corner of Fourth St. & Jackson Street, Columbus, Indiana. Notwithstanding anything to the contrary contained in this sublease, the parties hereto agree that performance by Sublessor of all its obligations under this sublease is conditional on the due performance by City of Columbus Redevelopment Commission corresponding obligations under the master lease. The parties further agree that the obligations under this Sublease Agreement are contingent upon the Sublessee obtaining a Riverfront liquor license from the City of Columbus and the Alcohol and Tobacco Commission of Indiana. If the Sublessee does not obtain said license within six (6) months from the date hereof this Agreement shall be null and void.

B. Sublessee desires to sublease an area of Sublessor's property.

In consideration of the matters described above and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

SECTION ONE.
DESCRIPTION OF PREMISES

Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor, certain premises consisting of approximately four thousand five hundred ninety (4,590) and located in Columbus, Indiana (hereinafter the "demised premises," "premises," or "property"). The premises is depicted in Exhibit A.

SECTION TWO.
PURPOSE

A. Sublessee shall use the demised premises for the exclusive purpose of operating a restaurant/bar on the premises and shall continuously operate the restaurant during the hours at least 11:00 a.m. to 9 p.m., 7 (seven) days a week, unless otherwise agreed to by and between Sublessor and Sublessee

for economic reasons and to stay in conformity with other spaces leased on the premises. Failure to open and operate shall be a default of the lease. Sublessee shall abide by all rules and regulations of the Sublessor.

B. Sublessee shall comply with all governmental regulations affecting the operation of the demised premises.

SECTION THREE.
RESTRICTIONS ON USE

A. Sublessee shall not conduct any activity that is unlawful, hazardous, or that would increase the premiums for liability insurance on the demised premises.

B. All advertising material that is to be affixed to the exterior portions of the building by Sublessee shall be submitted to Sublessor for approval prior to installation, and all material installed shall be removed by Sublessee on surrender of the demised premises.

SECTION FIVE.
CONDITION OF PREMISES

Sublessor shall deliver and Sublessee shall accept the premises in its "as-is" condition.

SECTION SIX.
RESERVATIONS BY SUBLESSOR

Sublessor shall have the right to enter the premises to inspect the demised premises and make repairs, alterations, or modifications as may be required.

SECTION SEVEN.
TERM, OCCUPANCY, OPTION TO RENEW & OPTION TO TERMINATE

A. The initial term of this *Sublease* shall be for a period of five (5) calendar years. The parties further agree that this Lease shall commence when the Sublessee obtains a Riverfront liquor license from the Alcohol and Tobacco Commission of Indiana. If the Sublessee does not obtain said license within six (6) months from the date hereof this Agreement shall be null and void.

B. Sublessee shall have two (2) options to renew this *Sublease*. Each option, if exercised, shall renew this *Sublease* for an additional term of five (5) years. Each such additional term shall run consecutively to the initial term of this *Sublease* and, in the event multiple options are exercised, consecutive to any and all preceding additional term(s).

C. To exercise the option(s) granted by this Section, Sublessee must provide Sublessor with written notice confirming Sublessee's exercise of said option(s) not less than one hundred eighty (180) days prior to the expiration of the initial term of this *Sublease* or, in the event multiple options are exercised, not less than one hundred eighty (180) days prior to the expiration of the immediately preceding additional term.

SECTION EIGHT,
SECURITY DEPOSIT

Sublessee shall pay a Security Deposit in the amount of \$6,000 to Sublessor upon execution of Lease. Sublessee's obligation to pay rent and any damage to the building by Sublessee or Sublessee's contractors shall be secured by the Security Deposit. The Security Deposit shall be returned to the Sublessee at the expiration of the lease, provided that the Premises are surrendered in acceptable condition. Reasonable wear and tear excepted.

SECTION NINE,
BASE RENT, GROSS SALES, LATE CHARGES & OPERATING EXPENSES

A. During the initial term of this *Sublease*, Base Rent for the Property shall be Twelve Dollars per square foot (\$12.00/ft²) per year or Fifty-Five Thousand Eighty Dollars (\$55,080.00) annually. Base Rent shall be payable in equal monthly payments in advance with no offsets.

B. The first rental payment under this *Sublease* shall be due June 1, 2011. Every subsequent rental payment shall be due on the first of the month.

C. In the event Sublessee exercises its options to renew, then Base Rent for the Property shall increase by five percent (5%) for each such five (5)-year renewal period so that during the first renewal period, rent will increase to Twelve Dollars and Sixty Cents per square foot (\$12.60/ft²) per year or Fifty-Seven Thousand Eight Hundred Thirty-Four Dollars (\$57,834.00) annually and during the second renewal period, rent will increase to Thirteen Dollars and Twenty-Three Cents per square foot (\$13.23/ft²) per year or Sixty Thousand Seven Hundred Twenty-Five Dollars and Seventy Cents (\$60,725.70) annually.

D. Sublessee shall pay all Rent promptly, without: (i) prior demand; (ii) deductions or setoffs for any reason whatsoever; or (iii) relief from valuation and appraisal laws. Sublessor may charge a late fee in the amount of 10% of the payment due with respect to any Rent that is overdue by ten days or more. The balance of any unpaid Rent shall accrue interest at the per annum rate of the prime rate reported as the Wall Street Journal prime rate, plus 5%. Sublessor shall have no obligation to accept less

than the full amount of any installment of Rent, together with any: (i) interest thereon; and (ii) charges hereunder; that are due and owing by Sublessee to Sublessor; provided that, if Sublessor accepts less than the full amount owing, then Sublessor may apply the sums received toward any of Sublessee's obligations, in Sublessor's discretion.

E. Sublessee shall be responsible for taxes, insurance and all maintenance of the premises. The Sublessor shall be responsible for the roof, foundations and exterior walls, not including the glass storefront, which shall be Sublessee's responsibility. Sublessee shall be responsible for all HVAC equipment maintenance, repairs and replacements.

SECTION TEN.
DAMAGES

A. Sublessee shall give notice to Sublessor of damages caused by natural disasters, and Sublessor shall repair the damages within sixty (60) days, during which time Sublessee shall be entitled to abatement on the rental. If more than two thirds (2/3) or sixty-six percent (66%) of the demised premises is destroyed by a natural disaster, Sublessor shall have the option of refusing to repair or replace the demised premises, and Sublessee's duty to pay rental under this lease agreement shall terminate as of the date of the disaster.

B. Sublessee shall be liable for the costs of all damages caused by the negligence of Sublessee, and there will be no abatement of rent or termination of this lease agreement for these damages.

SECTION ELEVEN.
UTILITIES

A. Sublessee shall contract for all utility services required on the demised premises in the name of Sublessee and shall be liable for payment for all utility services received. Sublessee shall deliver to Sublessee upon demand receipts or other satisfactory evidence of payment of all utilities. Notwithstanding anything to the contrary set forth herein, if there are utilities that are not separately metered to the demised premises, then Sublessee shall reimburse Sublessor for the cost of such utilities: (a) at the same rate as the rate that would be charged to Sublessee by the applicable utility companies; and (b) based on usage or consumption of the utilities, as reasonably determined by Sublessor.

B. Sublessor shall arrange and grant all necessary easements to utility service suppliers to facilitate installation, maintenance, and repairing of utility service required by Sublessee.

SECTION TWELVE.
TAXES

A. Sublessee shall be solely responsible for all real estate taxes and assessments levied on or against the property which become due and payable subsequent to the execution of this *Sublease*.

B. Sublessee shall pay all personal property taxes and assessments and all business taxes and license fees levied on or against the property which become due and payable subsequent to the execution of this *Sublease*.

SECTION THIRTEEN.
ASSIGNMENT AND SUBLEASE

Sublessee shall not assign this lease agreement or sublet the demised premises to another party without the express written approval of Sublessor.

SECTION FOURTEEN.
REPAIRS, ALTERATIONS, MODIFICATIONS & SIGNAGE

A. Sublessee, at its cost and expense, shall: (i) keep the demised premises, all improvements located in the demised premises, clean, neat, and safe, and in good order, repair, and condition, including, without limitation, that Sublessee shall make all repairs, alterations, additions, or replacements to the demised premises as may be required by any Law, or by fire underwriters or underwriters' fire prevention engineers; (ii) keep all windows, window frames, doors, door frames, fixtures, skylights, and other locations clean and in good order, repair, and condition, and replace glass that may be damaged or broken with glass of the same quality; and (iii) paint and decorate the demised premises as necessary or appropriate to comply with the terms and conditions of this Subsection. If it becomes necessary or appropriate to replace any equipment or fixtures, then Sublessee shall: (i) replace such equipment or fixtures with new or completely reconditioned equipment or fixtures; and (ii) repair all damage resulting from the replacement of such equipment or fixtures. If Sublessee fails to perform its obligations under this Subsection, then: (i) Sublessor, at its option and without notice to Sublessee, may perform such obligations on behalf of Sublessee; and (ii) Sublessee, within five days after receipt of a written notice from Sublessor, shall reimburse Sublessor for the full amount of the costs and expenses incurred by Sublessor in connection with performing such obligations.

B. Sublessor, at its cost and expense, shall keep the foundations and roof of the demised premises in good order, repair and condition, and shall maintain the exterior walls of the demised premises in a structurally sound condition, except to the extent that there is damage caused by any act or omission of Sublessee or its employees, agents, contractors, invitees, or licensees. Sublessor shall commence repairs

required to be made by it pursuant to this Subsection as soon as reasonably practicable after receipt of written notice from Sublessee specifying the nature of the required repairs. Except as provided in this Subsection, Sublessor shall not be obligated to make repairs, replacements, or improvements of any kind to or for the demised premises, or any trade fixtures or equipment contained therein, all of which such repairs, replacements, or improvements shall be the responsibility of Sublessee.

C. Sublessee's signs shall conform to the buildings standards and restrictions and be approved by the Sublessor. The sign is expected to be consistent and similar to all other signs on the building.

SECTION SIXTEEN.
INSURANCE

Sublessee shall insure all the premises except for the "cold dark shell" delivered by the Sublessor. Sublessee shall provide liability insurance in the amount of Five Million Dollars (\$5,000,000.00) and shall name the Sublessor as an additionally insured. Sublessor shall insure the structure of the building and shall provide liability insurance on the Sublessor's property. The Sublessee will reimburse the Sublessor for their pro-rata share of the insurance premium.

SECTION SEVENTEEN.
BANKRUPTCY

Sublessor shall have the option to immediately terminate this lease agreement if Sublessee files for voluntary bankruptcy, is placed in receivership, or has involuntary bankruptcy proceedings instituted against it by creditors.

SECTION EIGHTEEN.
CONDEMNATION

A. This lease agreement shall terminate in the event of a total condemnation of the demised premises by an authorized governmental agency. A partial condemnation of the demised premises shall only terminate this lease agreement at the option of Sublessor, but if Sublessor elects to continue this lease agreement, Sublessee shall be entitled to a partial abatement of rent proportionate to the loss of use in the demised premises suffered by Sublessee.

B. Sublessor shall be entitled to all consequential damages awarded as a result of any eminent domain proceedings.

SECTION NINETEEN.
EXAMINATION OF PREMISES

A. Sublessee shall examine the demised premises prior to execution of this lease agreement and shall acknowledge that the demised premises are in satisfactory condition at the time Sublessee enters into possession.

B. Sublessor has made no representations to Sublessee relating to the condition of the demised premises except as specifically provided in this lease agreement.

SECTION TWENTY,
LIQUOR LICENSE

Tenant shall have the right to apply for any liquor license approved by the City of Columbus pursuant to any Riverfront program implemented by the City.

SECTION TWENTY-ONE,
PARKING

Sublessee shall be entitled to ten (10) parking reserved spaces within the parking garage at the current rate /space. The terms will be as per the standard lease with the parking garage.

SECTION TWENTY-TWO,
DEFAULT AND REMEDIES

A. Each of the following shall be deemed to be a default by Sublessee:

- (i) Sublessee's failure to pay any amount of Rent when due;
- (ii) Sublessee's failure to observe or perform any term or condition of this Lease to be observed or performed by Sublessee with respect to insurance, and the continuance of such failure for ten days;
- (iii) Sublessee's failure to observe or perform any other term or condition of this Lease to be observed or performed by Sublessee, and the continuance of such failure for 15 days after Sublessor delivers written notice to Sublessee of such failure;
- (iv) The sale of Sublessee's leasehold interest hereunder pursuant to execution;
- (v) The adjudication of Sublessee as a bankrupt or insolvent;
- (vi) The making by Sublessee of a general assignment for the benefit of creditors;

(vii) The appointment of a receiver for Sublessee's property, if such appointment is not vacated or set aside within 30 days from the date of such appointment;

(viii) The appointment of a trustee or receiver for Sublessee's property in a reorganization, arrangement, bankruptcy, or other insolvency proceeding, if such appointment is not vacated or set aside within 30 days from the date of such appointment;

(ix) Sublessee's filing of a voluntary petition in bankruptcy or for reorganization or arrangement, or the filing of an involuntary petition in bankruptcy or for reorganization or arrangement against Sublessee, if such involuntary petition is not vacated within 30 days after the filing thereof; or

(x) Sublessee's filing of an answer admitting bankruptcy or insolvency or agreeing to reorganization or arrangement.

B. In the event of any default by Sublessee, Sublessor, in addition to any other rights or remedies available to it at law or in equity, and without further notice or demand, may exercise the following rights and remedies:

- (i) accelerate all rent under the lease;
- (ii) terminate this Lease;
- (iii) exercise its rights under Indiana Law or Section Twenty-One;
- (iv) if Sublessee has failed to perform any of its obligations under this Lease, enjoin the failure or specifically enforce the performance of such obligation;
- (v) if Sublessee has failed to perform any of its obligations under this Lease, other than the obligation to pay Rent, perform the obligation that Sublessee has failed to perform (entering upon the Premises for such purpose, if necessary); provided that the performance by Sublessor of such obligation shall not be construed either as a waiver of the default of Sublessee or of any other right or remedy of Sublessor with respect to such default or as a waiver of any term or condition of this Lease; or
- (vi) immediately re-enter, and take possession of, the Premises as permitted by the Laws, remove all persons and property therefrom, and store such property in a public warehouse or elsewhere at the sole cost and expense, and for the account, of Sublessee, all in compliance with the Laws;

SECTION TWENTY-THREE.
HOLDING OVER

A. Sublessee shall acquire no additional rights, title, or interest to the demised premises by holding the demised premises after termination or expiration of this lease agreement. Sublessee shall be subject to legal action by Sublessor to obtain the removal of Sublessee in the event of any such holding over.

SECTION TWENTY-FOUR
SURRENDER PREMISES

- A. Sublessee shall promptly surrender Premises to Sublessor upon the expiration of the Lease.
- B. Sublessee shall return the Premises in a "white box" condition to Sublessor upon the expiration of the Lease, meaning finished floors, ceiling, plumbing, restrooms, venting, HVAC, electrical wiring, anything permanently affixed to the building.

SECTION TWENTY-FIVE.
REMEDIES FOR SUBLESSOR

A. Any and all remedies provided to Sublessor for the enforcement of the provisions of this lease agreement are cumulative and not exclusive, and Sublessor shall be entitled to pursue either the rights enumerated in this lease agreement or remedies authorized by law, or both.

B. Sublessee shall be liable for any costs or expenses incurred by Sublessor in enforcing any terms of this lease agreement or in pursuing any legal action for the enforcement of Sublessor's rights.

SECTION TWENTY-SIX.
WAIVERS

Waiver by Sublessor of any breach of any covenant or duty of Sublessee under this lease is not a waiver of a breach of any other covenant or duty of Sublessee, or of any subsequent breach of the same covenant or duty.

SECTION TWENTY-SEVEN.
GOVERNING LAW

This lease agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Indiana.

SECTION TWENTY-EIGHT.
ENTIRE AGREEMENT

This lease agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this lease agreement shall not be binding upon either party except to the extent incorporated in this lease agreement.

SECTION TWENTY-NINE.
MODIFICATION OF AGREEMENT

Any modification of this lease agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if evidenced in a writing signed by each party or an authorized representative of each party.

SECTION THIRTY.
BINDING EFFECT

This lease agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties.

SECTION THIRTY-ONE.
TIME OF THE ESSENCE

It is specifically declared and agreed that time is of the essence of this lease agreement.

SECTION THIRTY- TWO.
SECTION HEADINGS

The titles to the sections and paragraphs of this lease agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this lease agreement.

SECTION THIRTY-THREE.
MISCELLANEOUS

- A. This Lease shall not be recorded.
- B. The rights and remedies of Sublessor and Sublessee hereunder shall be cumulative, and no one of them shall be deemed or construed as exclusive of any other right or remedy hereunder, at law, or in equity. The exercise of any one such right or remedy by Sublessor or Sublessee shall not impair its standing to exercise any other such right or remedy.
- C. All prior representations, undertakings, and agreements by or between Sublessor and Sublessee with respect to the subject matter of this Lease are merged into, and expressed in, this Lease,

and any and all prior representations, undertakings, and agreements by and between Sublessor and Sublessee with respect thereto hereby are canceled.

D. Nothing contained herein shall be deemed or construed by Sublessor and Sublessee, or by any third party, as creating between Sublessor and Sublessee any relationship other than the relationship of Sublessor and Sublessee.

E. The invalidity or unenforceability of any particular term or condition of this Lease shall not affect the terms and conditions, and this Lease shall be construed in all respects as if such invalid or unenforceable term or condition had not been contained herein.

G. If Sublessor breaches any obligation of reasonableness, then the sole remedy of Sublessee shall be an action for specific performance or injunction to enforce the obligation, and Sublessee shall not be entitled to any monetary damages for, or in connection with, a breach of such obligation, unless the breach is willful or in bad faith, in which event Sublessee shall be entitled to all remedies available to it at law or in equity.

H. No waiver of any term or condition, or of the breach of any term or condition, of this Lease shall be deemed either to constitute a waiver of any subsequent breach of such term or condition, or to justify or authorize a non-observance upon any occasion of such term or condition, or any other term or condition, and the acceptance of Rent by Sublessor at any time when Sublessee is in default of any term or condition shall not be construed as a waiver of such default or of any right or remedy of Sublessor on account of such default.

I. No payment by Sublessee or receipt by Sublessor of a lesser amount than the Rent due hereunder shall be deemed to be other than on account of the Rent first due hereunder. No endorsement or statement on any check or letter accompanying any check or payment of Rent shall be deemed to be an accord and satisfaction, and Sublessor may accept any such check or payment without prejudice to the right of Sublessor to recover the balance of such Rent or to pursue any other right or remedy.

J. This Lease may be executed in separate counterparts, each of which when so executed shall be an original, but all of which together shall constitute but one and the same instrument.

K. Each person executing this Lease represents and warrants that: (i) he or she has been authorized to execute and deliver this Lease by the entity for which he or she is signing; and (ii) this Lease is the valid and binding agreement of such entity, enforceable in accordance with its terms.

L. In the event of any breach or default by Sublessor in any term or condition of this Lease, excluding any breach or default caused by the gross negligence or willful misconduct of Sublessor, Sublessee shall look solely to the equity interest then owned and/or leased by Sublessor in the Mall; provided that in no event shall any deficiency judgment be sought or obtained against any individual person or entity comprising Sublessor.

M. Notwithstanding anything to the contrary set forth herein, if Sublessor or Sublessee is delayed in, or prevented from: (i) completing Sublessor's Work or Sublessee's Work, respectively, before the applicable dates set forth in Section 4; or (ii) otherwise observing or performing any of its obligations hereunder (other than the payment of any amount of money due hereunder) or satisfying any term or condition hereunder; in either case as the result of an act or omission of the other party or any other cause that is not within the control of the delayed or prevented party (including, without limitation, inclement weather, the unavailability of materials, equipment, services or labor, and utility or energy shortages or acts or omissions of public utility providers), then such completion, correction, observation, performance, or satisfaction shall be excused for the period of days that such completion, correction, observation, performance, or satisfaction is delayed or prevented, and the dates set forth in Section 4, and other deadlines for completion, correction, observation, performance, and satisfaction, as applicable, shall be extended for the same period.

N. Whenever in this Lease a singular word is used, it also shall include the plural wherever required by the context and vice versa. This Lease shall be construed in accordance with the laws of the State of Indiana. The captions of this Lease are for convenience only and do not in any way limit or alter the terms and conditions of this Lease. All references in this Lease to periods of days shall be construed to refer to calendar, not business, days, unless business days are specified. All Exhibits in this Lease are attached hereto and incorporated herein by reference.

Each party to this lease agreement has caused it to be executed on the date indicated below.

SUBLESSOR: COLUMBUS DOWNTOWN, INCORPORATED


(Signature)

Ann G. DeVore
(Printed)

Position: Pres. CDT

Date: 6-6-11

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SUBLESSEE: GARAGE PUB PARTNERS, LLC

(Signature) 

(Printed) Stephen Leneb

Position: 

Date: 6/6/11