

COMMERCIAL LEASE

This Lease Agreement (this "Lease") is dated as of April 17, 2021, by and between Somerset Owners Association ("Landlord"), and Artesian Partners, LLC doing business as "Peavine Taphouse Eats and Beats", ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant the Pool Snack Bar Facility and Equipment (the "Premises") which consists of approximately 200 square feet located on the Pool patio at 7650 Town Square Way, Reno, NV 89523.

TERM. The lease Term (the "Term") will begin on April 17, 2021 and will Terminate on October 31, 2021, unless sooner Terminated pursuant to the Terms hereof.

LEASE PAYMENTS. Tenant shall pay to Landlord a lease payment of \$2,000.00, payable at the end of the Term, on October 31, 2021 unless the Tenant can show with point of sales information that the total sales from the premises is less than \$20,000 for the season. Should the Tenant's total sales during the lease period be shown to be less than \$20,000, no lease payment will be due. Lease payment, if any, shall be made to the Landlord at 7650 Town Square Way, Reno, Nevada 89523 within five days of the end of the Term.

POSSESSION. Tenant shall be entitled to possession of the Premises on the first day of the Term of this Lease and shall transfer possession to Landlord on the last day of the Term of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the Term, Tenant shall remove its goods and effects and peaceably transfer the Premises to Landlord in as good a condition as when the Premises were delivered to Tenant, ordinary wear and tear excepted.

USE OF PREMISES. Tenant may use the Premises only for food and beverage prep and service at the pool and the golf course only. The Premises may not be used for any other purpose without the prior written consent of Landlord. Tenant agrees to give Landlord a minimum of 30 days' notice before ceasing operations.

EXCLUSIVITY. Landlord shall not directly or indirectly, through any employee, agent, or otherwise, lease any space within the property (except the Premises herein described), or permit the use or occupancy of any such space whose business operates a food or beverage operation that competes with the snack bar. Landlord hereby gives the Tenant the exclusive right to conduct their primary business activity at the pool.

PROPERTY INSURANCE. Tenant shall each maintain appropriate property insurance for the Premises and Landlord's equipment and personal property located on the Premises. Landlord shall be named as an additional insured in Tenant's policies. Tenant shall deliver appropriate evidence to Landlord of proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord prior to the commencement of the Term. Tenant's insurance company will provide landlord advance written notice of any termination of such insurance policies. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

LIABILITY INSURANCE. Tenant shall maintain liability insurance on the Premises in a total aggregate sum of at least \$1,000,000.00. Tenant shall deliver appropriate evidence such as an ACORD form, to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any Termination of such insurance policies. Tenant shall have Landlord named as an additional insured on the Tenant's general liability policy, which shall also provide the insurance company will have to provide the landlord with at least 10 days written notice before the policy is cancelled or expires.

REQUIRED GOVERNMENT PERMITS: Tennant shall obtain and keep in force all permits, licenses, and certifications required to legally conduct food and beverage service and sales, including alcohol.

BUILDING AND EQUIPMENT IMPROVEMENTS: Landlord will make available and pay for a maximum of \$25,000 to be used for facility repair and upgrade and for necessary food service equipment. Landlord will retain full ownership of all required or upgraded items paid for. Tenant will assist Landlord in specifying and purchasing the equipment needed, and in arranging for the Premises improvements to be done.

MAINTENANCE.

During the Term of the Lease, Landlord's obligations for maintenance shall include:

- the roof, outside walls, and other structural parts of the building
- the sewer, water pipes, and other matters related to plumbing in the Premises
- the electrical wiring of the Premises
- the air conditioning system in the Premises, if any.

During the Term of the Lease, Tenant shall maintain all items in the Premises not required to be maintained by Landlord as stated above.

During the Term of hereof, Tenant shall bus all tables, clean all garbage provide garbage containers dispose of garbage from served food and beverage, provide cooking, prep, and service of food and beverage items to patrons at the pool.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Landlord shall pay all real estate taxes and assessments for the Premises.

PERSONAL INCOME TAXES. Tenant shall pay all personal and or income taxes and any other charges which may be levied against the operator of the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments.

CONTINUOUS OPERATION: Tenant agrees to provide food and beverage service at the pool during the pool operational hours, a minimum of 3 days a week. If for any reason Tenant ceases food and beverage service for a period of more than 14 days, then the Term of this Lease will terminate immediately, and Tenant shall immediately vacate the Premises, but in no event later than 7 days of Termination.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or Term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial or other obligation within 10 days after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative and shall not be construed as exclusive unless otherwise required by law.

ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, However, Landlord does not assume any liability for the care or

supervision of the Premises. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Tenant agrees to indemnify, hold harmless, and defend Landlord its officers, directors, members, agents, employees and/or representatives, collectively the "landlord parties" or individually a "Landlord Party" from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, hereafter collectively "losses" if any, which Landlord or a Landlord Party may suffer or incur relating or arising out of Tenant's possession, use or misuse of the Premises, except where such Losses are due to Landlord's act or negligence or willful misconduct.

COMPLIANCE WITH REGULATIONS. Tenant shall promptly comply with all laws, ordinances, requirements, and regulations of the federal, state, county, municipal and other authorities, including government requirements for food and alcohol beverages. However, Tenant shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature.

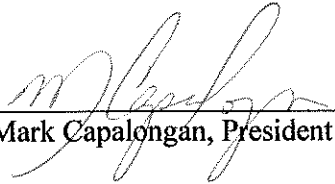
MECHANICS LIENS. Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises the signing of this Lease constitutes notice that such liens are invalid.

DISPUTE RESOLUTION. The parties will attempt to resolve any dispute arising out of or relating to this Agreement through negotiations amongst the parties. If the matter is not resolved by negotiation, the parties will resolve the dispute using the below Alternative Dispute Resolution (ADR) procedure.

Any controversies or disputes arising out of or relating to this Agreement will be submitted to mediation in accordance with any statutory rules of mediation. If mediation does not successfully resolve the dispute, then the parties may proceed to seek an alternative form of resolution in accordance with any other rights and remedies afforded to them by law.


ASSIGNABILITY/SUBLETTING. Tenant may not assign or sublease any interest in the Premises, nor assign, mortgage, or pledge this Lease, without the prior written consent of Landlord.

LANDLORD:
Somerset Owners Association

By: 
Mark Capalongan, President

Date: 4/17/2021

TENANT:
Peavine Taphouse

By: 
Anita Noble, Owner

Date: April 17, 2021