

FIRST AMENDMENT TO RETAIL LEASE AGREEMENT

THIS FIRST AMENDMENT TO RETAIL LEASE AGREEMENT ("First Amendment") is made as of November 1, 2014, by and between ART PROPERTY ASSOCIATES, LLC, a Delaware limited liability company ("Landlord"), SIP ARLINGTON, LLC, d/b/a Sip Wine, a Virginia limited liability company ("Tenant") and MARK JACOBS, an individual ("Guarantor").

WITNESSETH:

WHEREAS, by that certain Retail Lease Agreement dated as of June 2, 2014 (the "Lease"), Landlord leased to Tenant, and Tenant leased from Landlord, certain premises comprising approximately 3,523 square feet of rentable area (the "Premises") on the ground floor of the building located at 1501 Wilson Boulevard, Arlington, Virginia (the "Building"), upon the terms and conditions set forth in the Lease;

WHEREAS, by that certain Guaranty of Lease dated as of June 2, 2014 (the "Guaranty"), Guarantor and Foster Smith, an individual ("Mr. Smith"), agreed to guarantee all of the obligations of Tenant under the Lease;

WHEREAS, (i) Mr. Smith is no longer affiliated with Tenant and its business operations, (ii) neither Tenant nor Guarantor has any knowledge of the whereabouts of Mr. Smith, and (iii) Landlord has therefore agreed to release Mr. Smith from all of his obligations under the Guaranty;

WHEREAS, the Term of the Lease is scheduled to expire on July 31, 2024;

WHEREAS, Landlord and Tenant wish to amend the Lease in order to revise the number of square feet of rentable area comprising the Premises, such that it will increase from 3,523 square feet of rentable area to 5,391 square feet of rentable area;

WHEREAS, Landlord and Tenant wish to modify the Base Rent which is due and payable under the Lease, such that the rate of Base Rent per square foot per annum shall be calculated based upon (i) the portion of the Premises comprising 1,868 rentable square feet of area having an initial rate of Base Rent per square foot per annum equal to \$28.00 per square foot per annum, and (ii) the remaining portion of the Premises comprising 3,523 rentable square feet of area having an initial rate of Base Rent per square foot per annum equal to \$44.50 per square foot per annum; and

WHEREAS, Landlord and Tenant wish to revise and modify the Lease accordingly, as more particularly set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant do hereby agree as follows:

1. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Lease.

2. Section 3.02 of the Lease is hereby amended by deleting the first sentence thereof in its entirety and by inserting the following language in lieu thereof: "The '**Lease Commencement Date**' is November 1, 2014". Landlord and Tenant hereby agree and confirm that notwithstanding anything to the contrary contained in the Lease, the Lease Commencement Date is hereby established to be November 1, 2014.

3. Section 1.07 of the Lease (captioned "Rent Commencement Date") is hereby amended by deleting all of the language contained therein and by inserting the following language in lieu thereof: "Rent Commencement Date: May 1, 2015."

4. Landlord and Tenant hereby agree and confirm that notwithstanding anything to the contrary contained in the Lease, the Lease Expiration Date is hereby established to be April 30, 2025.

5. Section 1.03 of the Lease (captioned "Premises") is hereby amended by deleting therefrom the language "three thousand five hundred twenty-three (3,523)" and inserting in lieu thereof the language "five thousand three hundred ninety-one (5,391)." Accordingly, all references in the Lease to the term "Premises" shall mean that certain space on the ground floor of the Building comprising five thousand three hundred ninety-one (5,391) square feet of rentable area, as more particularly shown on Exhibit A attached hereto and made a part hereof.

6. The Lease is hereby amended by deleting therefrom Exhibit A attached thereto, and by inserting in lieu thereof Exhibit A attached hereto. From and after the date of this First Amendment, all references in the Lease to the term "Premises" shall mean the Premises as amended by this First Amendment and as described on Exhibit A attached hereto.

7. Section 1.08 of the Lease (captioned "Base Rent") is hereby amended by deleting all of the language contained therein and by inserting the following language in lieu thereof: "Base Rent: Two Hundred Nine Thousand Seventy-Seven and 50/100 Dollars (\$209,077.50) for the period commencing on the Rent Commencement Date and ending on April 30, 2016, payable in twelve (12) equal monthly installments of Seventeen Thousand Four Hundred Twenty-Three and 13/100 (\$17,423.13) each."

8. The Lease is hereby amended by deleting the "Base Rent Schedule" shown on Exhibit E attached thereto, and by inserting the following new Base Rent Schedule in lieu thereof:

<u>"Time Period"</u>	Rate of Base Rent Per Square Foot <u>Per Annum</u>	Rate of Base Rent <u>Per Annum</u>	Rate of Monthly Base Rent
5/1/15-4/30/16	\$38.78	\$209,077.50	\$17,423.13
5/1/16-4/30/17	\$39.95	\$215,367.44	\$17,947.29
5/1/17-4/30/18	\$41.15	\$221,854.34	\$18,487.86
5/1/18-4/30/19	\$42.39	\$228,519.52	\$19,043.29
5/1/19-4/30/20	\$43.66	\$235,381.66	\$19,615.14

5/1/20-4/30/21	\$44.97	\$242,440.76	\$20,203.40
5/1/21-4/30/22	\$46.32	\$249,713.37	\$20,809.45
5/1/22-4/30/23	\$47.71	\$257,182.94	\$21,431.91
5/1/23-4/30/24	\$49.13	\$264,884.70	\$22,073.73
5/1/24-4/30/25	\$50.61	\$272,818.65	\$22,734.89"

Notwithstanding anything to the contrary contained in the Lease, in addition to all other amounts due and payable under the Lease, from and after the Rent Commencement Date, Tenant shall pay to Landlord Base Rent and Percentage Rent in the amounts set forth above in accordance with the terms and conditions set forth in Article 4 of the Lease (captioned "Base Rent and Percentage Rent").

9. Section 1.22 of the Lease (captioned "Tenant's Share of Operating Charges") is hereby deleted in its entirety and the following new Section 1.22 is hereby inserted in lieu thereof:

"1.22. Tenant's Share of Operating Charges:

<u>Time Period</u>	<u>Rate of Tenant's Share of Operating Charges Per Square Foot Per Annum</u>	<u>Rate of Rate of Tenant's Share of Operating Charges Per Annum</u>	<u>Rate of Monthly Amount of Tenant's Share of Operating Charges</u>
5/1/15-4/30/16	\$3.50	\$18,868.50	\$1,572.38
5/1/16-4/30/17	\$3.61	\$19,461.51	\$1,621.79
5/1/17-4/30/18	\$3.71	\$20,000.61	\$1,666.72
5/1/18-4/30/19	\$3.82	\$20,593.62	\$1,716.14
5/1/19-4/30/20	\$3.94	\$21,240.54	\$1,770.05
5/1/20-4/30/21	\$4.06	\$21,887.46	\$1,823.96
5/1/21-4/30/22	\$4.18	\$22,534.38	\$1,877.87
5/1/22-4/30/23	\$4.30	\$23,181.30	\$1,931.78
5/1/23-4/30/24	\$4.43	\$23,882.13	\$1,990.18
5/1/24-4/30/25	\$4.57	\$24,619.11	\$2,051.59 "

Notwithstanding anything to the contrary contained in the Lease, in addition to all other amounts due and payable under the Lease, from and after the Rent Commencement Date, Tenant shall pay to Landlord Tenant's Share of Operating Charges in the amounts shown above in accordance with Section 5.02(1) of the Lease.

10. Landlord and Tenant hereby agree and confirm that notwithstanding anything to the contrary contained in the Lease or in that certain Work Agreement between the parties dated June 2, 2014 (the "Work Agreement") with respect to the Lease, Landlord shall have no obligation to perform any work or improvements to the portion of the Premises shown on Exhibit B attached hereto and made a part hereof, and Tenant accepts said portion of the Premises in its "as-is" condition as of the Lease Commencement Date. Notwithstanding anything in the Lease

or the Work Agreement to the contrary, including, but not limited to, anything to the contrary contained on Exhibit C-1 (captioned "Landlord's Work"), Landlord shall perform Landlord's Work following receipt from Tenant of Tenant's demand load letter, it being understood and agreed by Tenant that the performance of Landlord's Work shall not affect the Lease Commencement Date or the Rent Commencement Date under the Lease.

11. Notwithstanding anything to the contrary contained in the Lease or the Work Agreement, provided that Tenant timely complies with each of the Tenant's Work Milestones (as hereinafter defined), Landlord agrees that Base Rent, Tenant's Share of Operating Charges and Tenant's Share of Real Estate Taxes which are due and payable by Tenant under the Lease for the period commencing on May 1, 2015 and ending on July 31, 2015 (such aggregate deferred amount of Base Rent, Tenant's Share of Operating Charges and Tenant's Share of Real Estate Taxes being referred to herein as the "Deferred Rent Amount") shall instead be due and payable from Tenant to Landlord in eight (8) equal monthly installments (each such monthly installment being referred to herein as a "Catch-Up Payment"), commencing on August 1, 2015 and continuing thereafter on the first day of each calendar month continuing through and including April 1, 2016 (such time period being referred to herein as the "Deferral Repayment Period"). Tenant shall pay each Catch-Up Payment to Landlord at the place, and upon the same terms and conditions, as apply to payments of Base Rent, Tenant's Share of Operating Charges and Tenant's Share of Real Estate Taxes under the Lease; provided, however, that if Tenant defaults under the provisions of the Lease or under the provisions of this First Amendment at any time prior to the expiration of the Deferral Repayment Period, the then remaining balance of the Deferred Rent Amount plus all late fees and interest on such payments from the respective due dates pursuant to the Lease shall be immediately due and payable by Tenant to Landlord. Such Catch-Up Payments shall be in addition to all Base Rent and Additional Rent coming due and payable by Tenant under the Lease during the Deferral Repayment Period. Tenant shall comply with the following milestones (the "Tenant's Work Milestones"), none of which shall be subject to any additional notice or cure rights: (a) on or before February 27, 2015, Tenant shall provide to Landlord written evidence reasonably acceptable to Landlord that Tenant's architect has commenced the preparation of such architectural drawings which are required in order for Tenant to obtain all permits, approvals and licenses with respect to Tenant's Work; (b) Tenant shall provide the Architectural Drawings and Specifications and the Engineering Plans and Specifications (each, as defined in the Work Agreement) to Ms. Jennifer Burns of the Landlord on or before March 23, 2015; (c) if the Architectural Drawings and Specifications or the Engineering Plans and Specifications are to be revised by Tenant based upon comments provided by Landlord or otherwise, then Tenant shall modify each of same to respond to Landlord's comments, if any, and resubmit each of same to Landlord for approval within three (3) days following receipt of Landlord's comments; (d) Tenant shall apply for the Building Permits (as defined in the Work Agreement) on or before the fifth (5th) day following the date on which Landlord approves the Tenant's Plans (as defined in the Work Agreement); and (e) Tenant shall commence construction of Tenant's Work on or before the fifteenth (15th) day following the issuance of the Building Permits.

12. The parties agree and acknowledge that the Tenant Allowance described in Paragraph 4 of the Work Agreement shall be Three Hundred Sixty-Three Thousand Eight Hundred Ninety-Two and 50/100 Dollars (\$363,892.50), which is an amount equal to the product of (i) Sixty-Seven and 50/100 Dollars (\$67.50), multiplied by (ii) the number of square feet of

rentable area in the Premises (i.e., 5,391), which Tenant Allowance shall be payable at the same times and in the same manner as set forth in the Work Agreement. Landlord's and Tenant's obligations set forth in the Work Agreement shall not be modified by this First Amendment except with respect to the amount of the Tenant Allowance as described in the immediately preceding sentence.

13. Landlord and Tenant each represents and warrants to the other that neither of them has employed any broker in procuring or carrying on any negotiations relating to this First Amendment. Landlord and Tenant shall indemnify and hold each other harmless from any loss, claim or damage relating to the breach of the foregoing representation and warranty, including, but not limited to, all court costs and reasonable attorneys' fees.

14. Effective as of the date of this First Amendment, Mr. Smith no longer has any rights or obligations under the Guaranty, and Mr. Smith is hereby released from any liability under the Guaranty. Guarantor hereby covenants and agrees with Landlord that, notwithstanding the foregoing release of Mr. Smith or anything contained herein, Guarantor shall remain liable to Landlord and its legal representatives, successors and assigns, for the full and faithful performance and observance of all terms, obligations, covenants, conditions, provisions, agreements, restrictions and limitations set forth in the Guaranty, on the part of Guarantor to be kept and performed. Further, by his execution of this First Amendment below, Guarantor hereby acknowledges and agrees to the foregoing terms and conditions set forth in this First Amendment and confirms that his guaranty of the Lease shall continue to apply to the Lease, as modified by this First Amendment.

15. Except as expressly modified by this First Amendment, all terms and provisions of the Lease shall remain in full force and effect.

16. Landlord and Tenant represent and warrant to each other that the person signing this First Amendment on its behalf has the requisite authority and power to execute this First Amendment and to thereby bind the party on whose behalf it is being signed.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, Landlord, Tenant and Guarantor have executed this First Amendment to Retail Lease Agreement as of the day and year first hereinabove written.

WITNESS:

LANDLORD:

ART PROPERTY ASSOCIATES, LLC, a
Delaware limited liability company

By: Natie Recker

By: [Signature]
Name: Timothy Helmig
Title: Vice President

WITNESS:

TENANT:

SIP ARLINGTON, LLC, d/b/a Sip Wine, a
Virginia limited liability company

By: S. Keane

By: [Signature]
Name: Mark Jacobs
Title: Managing Member

WITNESS:

GUARANTOR:

MARK JACOBS, an individual

By: S. Keane

By: [Signature]
Mark Jacobs

EXHIBIT A

PLAN OF PREMISES

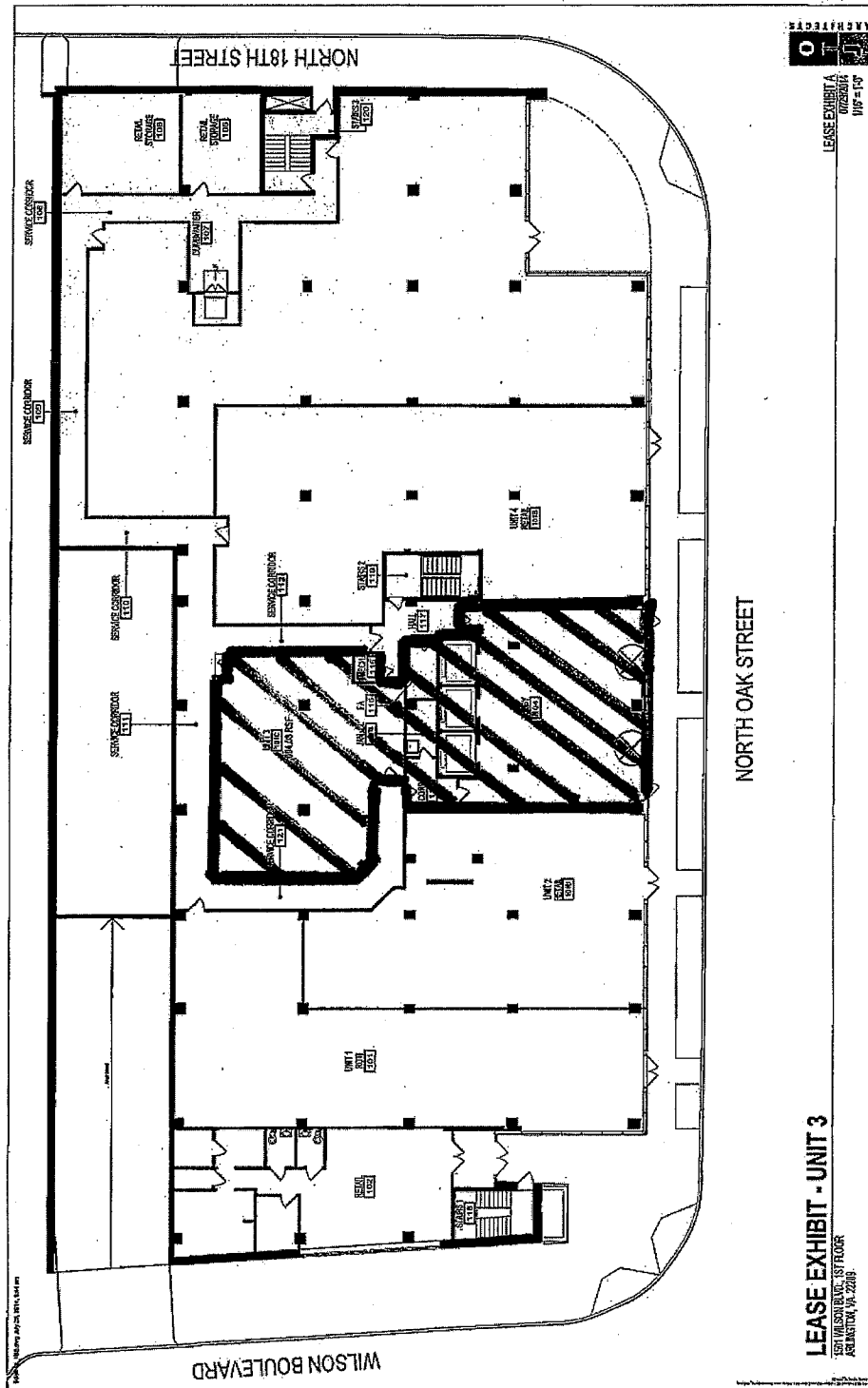


EXHIBIT B

PLAN SHOWING "AS-IS" PORTION OF PREMISES

