

STATE OF NORTH CAROLINA  
COUNTY OF HARNETT  
**LEASE AGREEMENT**

**THIS LEASE AGREEMENT**, made and entered into this 1<sup>st</sup> day of December 2025 between **WILLIAM D. POWELL and wife, PATSY L.**

**POWELL** of Harnett County, North Carolina, herein called "Lessor", and herein called "Lessees"; "China Garden" represented by Yuyan Chen (Theresa) and JinDong Liang (Jim Liang) for China Garden at 1115 A West Broad Street, Dunn, N. C. (Jim Liang) is to remain on lease for a duration of one year.

**WITNESSETH:**

In consideration of the covenants and agreements herein contained, the Lessor does hereby demise and lease unto Lessee for use as "China Garden" that certain space to contain approximately 1525 square feet off floor space partitioned off in a building on real estate of Lessor located at 1115A West Broad Street, Dunn, Harnett County, North Carolina.

**TO HAVE AND TO HOLD** said property unto the Lessee together with all rights and privileges thereunto belonging, upon the following terms and conditions:

1. **PREMISES** "Premises" or "demised premises" refer to the space located in the building, containing approximately 1525 square feet. Lessee shall have the right to use in common with other tenants of Lessor and invitees, the parking areas, driveways, and any other designated common facility located on the real estate. However, the Lessor reserves the right, subject to other provisions of this lease, to regulate parking by tenants, their employees, and customers and to do such other things regarding said common facilities like Lessor, in his sole discretion, deems reasonably necessary. The Entrance on Broad and Cumberland streets shall remain accessible to all tenants at all times. All employees are requested to park in the back behind the shopping center.
2. **TERM:** The term of this lease shall begin as of the first day of the month of the months following the month, and shall continue for a period of three (3) years), Thereafter, with one (1) option of three years (3 years) at either party's discretion or until said term or any extended term shall otherwise be lawfully terminated. A 3% increase will become effective at the beginning of the third (3rd) year of the lease and effective for each year thereafter. Lessor will be willing to discuss it at the end of first three years.  
The first 2 years of the lease, from December 1, 2025 to November 30, 2027, the rent is to remain at \$1378.68. After the first two years, beginning of the third year of lease, December 1, 2027, the rent shall increase to \$1420.04 per month. The current rate of the CAM, \$571.32, shall remain for the current year, thereafter the CAM is liable to change each year according to operating expense, and to cover the rise of insurance. First year of lease consists of current rental rate of \$1378.68 + current CAM rate of \$571.32 for a total of \$1950.00 monthly.

3. **RENTAL:** The Lessee shall pay to the Lessor net annual rental on a monthly basis in advance of the first day of each month as hereinafter specified, and until further notified, Lessee shall make such payments to Lessor at its address, 180 Canterbury Drive, Dunn, North Carolina, or to Lessor's Agent as directed in writing. There is also a \$ 1100.00 Security Deposit Required, which has been transferred from previous Lessee Yan Chen, (Jim Liang) to Yuyan Chen (Theresa)

4. **ADDITIONAL PAYMENT:** In addition to the net annual rental herein above Provided, the Lessee shall pay Lessor an additional fee for the following items: This may increase according to increase on items listed below.  
(a) City, county and other ad valorem taxes levied against the demised

premises and its prorata share of the taxes on the common areas and parking areas. Lessee will pay any insurance premium increases due to restaurant use

(b) Premiums for fire, casualty, and liability insurance maintained by the Lessor on the demised premises and its prorata share of the premium applicable to the common areas. Lessee will pay any Insurance Premium increase due to restaurant use.

(c) Common grounds upkeep and maintenance. Parking area lights & garbage pickup.

5. **LESSEE EXPENSE: NET-NET-NET:** The Lessee shall also assume and pay the following expenses related to Lessee's business and the demised premises:

(a) all city, county, or other ad valorem taxes or assessments levied upon Lessee's property is located or installed on the premises, which are subject to increase yearly.

(b) all utility charges of every kind, including gas and telephone, Electricity (including prorated charge for outside parking lot lights)

(c) all premiums for workers' compensation and liability insurance required Of Lessee

(d) the cost to install and maintain all signs erected by Lessee, all signs must be approved in writing by Lessor prior to erection, which approval will not be unreasonably withhold.

(e) normal maintenance and repairs required to keep the interior of the, demised premises in a first-class tenantable condition, janitorial and custodial care, all maintenance required to keep any machinery, plumbing mechanical and electrical equipment in the premises are fully operable, except those obligations herein expressly assumed by the Lessor, and all other charges or expenses which may arise or grow out of the occupancy of the demised premises except those obligations herein expressly assumed by the Lessor.

(f) It will be the responsibility of the lessee to keep Heating & Air Condition in good Condition. If Lessee needs new heating and air: Lessee will provide.

The cost intended by paragraph 5. (a) must be limited to costs incurred by the Lessee's business or Lessee's occupancy.

6. **IMPROVEMENTS:** Lessee may, at its own expense, make alterations or improvements to the interior of the building providing that approval of the Lessor shall first be obtained. As to any change, all work shall be according to federal, state and local codes, and in a manner consistent with the insurance requirements. And, further providing that any such improvement shall belong to the Lessor upon termination of this lease unless Lessor directs that it be removed (in which event Lessee shall remove such addition and repair any damage caused by the removal). Lessor shall not unreasonably deny approval for proposed Lessee improvements.

Such approved improvements should be made in accordance with the federal state and local codes and of a quality consistent with the existing facility. **LESSEE SHALL PROVIDE LESSOR WITH INSURANCE CERTIFICATES PROVIDING COVERAGE FOR GENERAL LIABILITY AND WORKER'S COMPENSATION FOR WORK PERFORMED BY LESSEE AND OTHER CONTRACTORS** Lessee shall also provide evidence that all suppliers and contractors have been paid and that no lien rights exist.

7. **FIXTURES AND PERSONAL PROPERTY** It is understood that the premises are equipped with certain fixtures and equipment installed in or attached to the Leased premises being owned by Lessor. Further equipment, which shall remain the property of the Lessee, may be added at the expense of the Lessee unless a written agreement between the parties provides for removal.



Upon the termination of this lease and from time to time, the Lessee shall have the right to remove from the leased premises any of the Lessee's property stored or placed on the leased premises providing no fault hereunder exists. The Lessee, at its own cost, shall repair any damage resulting to the premises from the removal of Lessee's personal property. However, the Lessee shall not remove any of the Lessor's property at any time or any of the Lessee's non-inventory property from the leased premises at any time during which Lessee is in default under any provisions of this lease.

If the Lessee fails to remove any of its property within thirty (30) days after termination or expiration of this lease, the Lessor shall have the right, at its option, either to retain said property as its own or to affect the removal thereof and to charge any resulting damage and the costs of the removal to the Lessee.

The Lessor's right to remove equipment, alterations or improvements at the Lessee's expense will be void if prior written agreement allows the equipment or improvements to remain at the termination of the lease.

**8 REPAIRS:** The Lessee shall be responsible for repairs necessitated by or resulting from the negligence of the Lessee, its employees, its clients, its agents, or its customers as well as other minor repairs which may be necessary to keep the premises in first-class condition.

The Lessor shall be responsible for repair and maintenance of the exterior and structural portions of the premises and improvements including the foundation, supporting the wall, roof, and roof drainage system.

The Lessee shall be responsible for all maintenance and upkeep. The lessee shall be responsible for upkeep of any roof repair due to equipment being installed through the roof.

Should either party hereto fail to make any such repairs required of it under this lease after reasonable notice of the need therefore, the other party may make same for the account of such defaulting party in which event the defaulting party shall remain liable for the costs incurred plus interest thereon as provided in Paragraph 21.

**9. DAMAGE OR DESTRUCTION OF LEASED PROPERTY:** In case of fire or other casualty, the Lessee shall give immediate notice to the Lessor. In the event the improvements upon the demised premises are partially destroyed or damaged but are not thereby rendered untenable, then the Lessor shall promptly repair the same to in essentially the same condition as before the damage, and the rent shall abate only in proportion to the actual loss of the premises of floor area that the Lessee is reasonably unable to use based upon the total square feet of building area, provided repairs begin within thirty (30) days the date of such damage, the Lessee may either make such repairs at its expense or cancel This lease by serving written notice upon the Lessor.

In the event of damage or destruction to the extent building codes or laws require, reconstruction of higher standards which are not covered by insurance, then the lease amount may, at the option of the Lessor, be increased annually by 10 percent of the added cost caused by compliance with such codes or laws. In the event such costs are required by the Lessor, then the Lessee may terminate the lease.

If the building in which the demised premises may be situated is destroyed to an extent of not less than one-third of the replacement costs thereof, Lessor may elect to terminate this lease whether the demised premises by injured or not. The destruction of the building in which the premises may be situated shall terminate this lease.

In the event of the total loss or damage to such an extent as to render the premises untenable, then this lease, at the option of either party, shall terminate, and the rent shall abate as of the date of said loss.



**10. INSURANCE AND INDEMNIFICATION.** The Lessor will obtain and maintain fire and extended coverage insurance on the demised premises and building to the extent of the full replacement cost. In the event the cost of the insurance premium is increased due to the Lessee's type of business, then such additional cost shall be paid by the Lessee. The Lessee does hereby agree to hold the Lessor harmless against any and all claims, demands, suits, or causes of action or judgments which may be entered therein, brought for damages, or alleged damages resulting from any injury to persons or property or from loss of life sustained in, on, or about the demised premises and The Lessee does hereby agree to hold the Lessor harmless against all claims, demands, suits, or causes of action or judgments which may be entered therein, appurtenances thereto resulting from Lessee's occupancy of the demised premises. Lessee shall indemnify the Lessor from any expense or payment including reasonable legal expenses incurred in connection with defending any such action or claim and any legal expenses incurred in enforcing any provision of this lease. Lessee shall obtain, pay all premiums for, and maintain (a) a policy of fire and extended insurance insuring Lessee's property and interests, (b) a policy of workers' compensation insurance insuring Lessee for the statutory limits, and (c) a policy of comprehensive public liability insurance for the mutual protection of the Lessor and the Lessee against all claims arising out of or from the use of the demised premises with limits of not less than \$1,000,000 Liability and not less than \$500,000 /\$1,000,000 property damage with said policy or endorsement thereof naming the Lessor as a coinsured. Lessor is not responsible for ANY ACTS OF GOD.

**11. APPLICATION FOR INSURANCE PROCEEDS:** If there is any loss covered under insurance maintained on the demised premises, the proceeds thereof shall be used to make any repairs or replacements, which either party may otherwise hereunder be obligated to make.

The parties hereby waive all rights of subrogation and of recovery against each other, their respective officers, agents, and employees, for loss occurring to their respective properties located in the demised premises and will cooperate to cause a waiver of subrogation endorsement to be added to the fire and extended coverage insurance maintained by either party insuring said premises or any part thereof.

**12. DEFAULT:** If the Lessee shall fail or neglect to make any monthly payment of rent or other payments provided for; shall the Lessee fail to carry out or perform any other covenant herein agreed by it, in the further event that the Lessee should fail to make good or remedy such default within ten (10) days After written notice from the Lessor; or if the Lessee should petition to be or be declared bankrupt or insolvent or make any conveyance or general assignment for the benefit of creditors or, if a receiver, be appointed for them; then, in anyone of such events, the Lessor may immediately or at any time thereafter without further notice or demand, enter into and upon the said premises and expel the Lessee from the premises without such reentry operating as a forfeiture of the rents to be paid and the covenants to be performed herein. Lessor may also, at the Lessor's election, lease or sublet said premises or any part thereof without prejudice to all other remedies that may be available to the Lessor under the law. In any such event, notice to quit the possession and every other formality are hereby expressly waived by the Lessee.

Notwithstanding the foregoing, if any default on Lessee's part cannot, by the exercise of due diligence, be cured within such ten-day period, Lessor shall not have the right to exercise any of the above remedies if Lessee, within such ten-day period, has taken all necessary steps to begin the cure of such default and proceed with due diligence to affect said cure as soon after the expiration of such ten-day period as may be reasonably feasible.

**13. CONDEMNATION:** If the entire demised premises shall be taken under



the power of eminent domain, this lease shall terminate as of the date possession shall be so taken. The taking of any part of the building shall be deemed taking the entire premises. If only a portion of the parking area is taken, and such does not substantially interfere with Lessee's operations, this leasehold and reversion shall belong to the Lessor, but Lessees shall be entitled to claim and receive any award separately allocated for relocation costs, fixtures, or other personal property belonging to Lessees.

**14. RETURN OF LEASE PROPERTY:** Lessee shall return the premises, fixtures and personalty at the termination of this lease (or other lawful termination thereof) broom cleaned and in good condition as the same were at the beginning of the rental term, loss by fire, other casualties, or by ordinary, expected wear and tear.

**15. NONASSIGNMENT:** Lessee may not assign or sublet and part of the demised premises without the prior written consent of the Lessor, which consent may be withheld. However, if the Lessee shall sell its business assets to another party, which will continue to operate the same or identical business, such consent shall not be unreasonably withheld. The consent of the Lessor to any assignment or subletting, accepting rental or any other act of Lessor shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. No act of waiver of consent or release the Lessee from any of the obligations herein imposed on Lessee. In the event any rental agreed upon between the Lessee herein and a subtenant in a subleasing agreement exceeds the rental stipulated in this lease; Lessee shall pay such excess to Lessor.

**16. QUIET ENJOYMENT:** The Lessor covenants that, subject to compliance With all terms and obligations herein imposed upon the Lessee, the Lessee shall hold and enjoy from lawful and nonoffensive use the demised premises during the term of this lease free from the adverse claims of all people. Such use shall be and remain compatible with other tenants.

**17. HOLDING OVER:** If the Lessee remains in possession after the expiration of the term or any extension hereof, without the execution of a new lease, the Lessee shall not hereby acquire any right, title or interest in or to the leased premises and shall be a Lessee by sufferance during such holding over on a month-to-month basis. But in such event; the Lessee shall be subject to all the conditions, provisions, and obligations of This lease insofar as the same shall then be applicable.

**18. SUBORDINATION:** This lease and all leasehold rights hereunder shall be, become, and remain subordinate to the line of any bona fide mortgage or deed of trust now or hereafter imposed upon all or any part of the demised premises, and the Lessee shall execute and deliver to the Lessor, upon request, an instrument or instruments reasonably requested by the Lessor consenting to the full subordination of this lease to any such mortgage or deed of trust upon the condition that Lessee's rights hereunder shall not be disturbed by any foreclosure or otherwise so long as Lessee is not in default.

**19. NOTICE:** All notice by either party to the other provided for in this lease shall be in writing and shall be sent by registered or certified mail or personally delivered as follows:

To Lessor:

William D. Powell  
180 Canterbury Drive  
Dunn, North Carolina 28334

To Lessee:

"China Garden"

Yuyan Chen (Theresa) & Yan Chen (Jim Liang)  
1115A West Broad St.  
Dunn, N.C. 28334

Home: 55 Mable CT, Lillington, NC 27546

Yan Chen  
105 Bishop Lane  
Dunn, NC 28334  
SS # 050-92-7117

20. **ENTRY AND INSPECTION:** Lessor or its authorized representative may enter the demised premises at all reasonable times for the purpose of making inspections, performing any work required, and exhibiting the premises for lease, sale, mortgage, or financing.

21. **INTEREST:** Any payment required of either party shall bear interest in the then prime rate of North Carolina's largest commercial bank plus three (3) percent, thirty (30) days after due date until paid. There shall be a late payment penalty of \$50.00 for each payment not made by the seventh of the month following the due date.

22. **ESTOPPEL CERTIFICATE:** Lessee shall, at a time upon not less than ten (10) days' prior written notice from Lessor, execute, acknowledge, and deliver to Lessor a statement in writing (1) certifying that this lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this lease, as so modified, is in full force and effect), the amount of security deposit, and the date to which the rent and other charges are paid in advance, if any, and (2) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrance to the premises.

At Lessor's option, Lessee's failure to deliver such statement within such time shall be a material breach of this lease or shall be conclusive upon lessee (1) that this lease is in full force and effect, without modification except as may be represented by Lessor, (2) that there are no uncured defaults in Lessor's performance and (3) that not more than one month's rent has been paid in advance, or such failure may be considered by Lessor as a default by Lessee under this lease.

If Lessor desired to finance, refinance, or sell the premises or any part thereof, Lessee hereby agrees to deliver to any lender or purchaser designated by Lessor such Financial statements of Lessee as may be reasonably required by such lender or purchaser. Such statements shall include the past three years' financial statements of Lessee. All such financial statements by Lessor and such lender or purchaser in confidence and shall be used for the purposes herein set forth.

23. **ENTIRE AGREEMENT:** The covenants and agreement on the parties hereto, their successors, assigns, and legal representative. The lease embodies all the understanding and agreements of the parties, and the terms hereof shall not be changed or varied except by written instrument signed by both parties.

24. **RECORDATION:** Upon the request of either party, the other party will, in good faith, cooperate in the preparation and execution of a recordable short form lease.

25. **SPECIAL PROVISION:**

(a) Lessee agrees not to engage in any business that is competitive with existing tenants if they occupy said space at 1115 A West Broad St. Dunn NC.

(b) The use of property is to be only used for pick-up and delivery of food for Chinese Restaurant, with permission of 4-6 tables to eat inside.



IN WITNESS WHEREOF, Landlord and Tenant have signed and sealed this Lease on the day, and year first above written.

By: William D. Powell  
William D. Powell (Landlord)  
Powell Investment Properties, LLC

By: Patsy Powell  
Patsy Powell (Landlord)  
Powell Investment Properties, LLC

By: Yuyan Chen  
Yuyan CHEN (THERESA (TENANT))

BY: Jindong Liang  
JINDONG LIANG (JIM LIANG)

(TENANT)