LAW OFFICES
KUDER, SMOLLAR & FRIEDMAN, P. C.
1925 K STREET, N. W.
SUITE 200
WASHINGTON, D. C. 20006
(202) 331-7522
TELECOPIER NO. (202) 331-0388
LAWYERS@KSFLAW.COM

ARMIN U. KUDER†
PAUL R. SMOLLAR°
SUSAN M. FRIEDMAN†
THERESA M. MIHALIK°
ANDREA E. HIRSCH†

†MARYLAND & D. C. BAR
°VIRGINIA & D. C. BAR

MARYLAND OFFICE
SUITE 456
414 HUNGERFORD DRIVE
ROCKVILLE, MARYLAND 20850

March 4, 2002

RECEIVED
D.C. OFFICE OF ZONING
2002 MAR -5 PM 1:20

Board of Zoning Adjustment
for the District of Columbia
441 4th Street, N.W.
Suite 210 South
Washington, DC 20001
Attn: Ms. Bailey

Re: ***Application No. 16840***
Athena Wisconsin, LLC

Dear Board:

At the Public Hearing on February 26, 2002, in connection with the above-referenced application for special exception, the Board inquired of Capital Vespa, Inc., trading as Vespa Washington, about its designated parking spaces, and requested a copy of a lease of the spaces. I am transmitting herewith a copy of the covering page (with cost data redacted), the signature pages and pages 26 and 27 of the lease between Washington Ceiling Fan, Inc., and Athena Wisconsin, LLC, together with a copy of the sublease between Washington Ceiling Fan, Inc., and Capital Vespa, Inc. I certify that these are true copies of the original documents. I have not copied the entire lease, but if the Board wishes it, it can be supplied.

As Mr. Mitchell testified, Vespa Washington does not intend to offer test drives of the motorscooters. Only persons with motorcycle operator a licenses would be permitted to operate a scooter, and the operator would be limited to the immediate area in the parking lot.

BZA
Case No. 16840
Exhibit No. 27

Board of Zoning Adjustment
District of Columbia
CASE NO.16840
EXHIBIT NO.27

Please let us know if anything further is required.

Very truly yours,

Armin U. Kuder

lna\
Enclosures

cc: Mr. Charles H. Betts (w/out enclosures)

SUBLEASE

This SUBLEASE ("Sublease") is hereby made and entered into as of the 31ST day of January 2002 ("Effective date") by and between Washington Ceiling Fan, Inc., a District of Columbia corporation (hereinafter called "Sublandlord") and Capital Vespa Inc., a District of Columbia corporation (hereinafter called "Subtenant");

RECITALS

WHEREAS, by that certain Lease Agreement dated August 30, 2001, a copy of which is attached hereto as Exhibit A and is incorporated by reference (hereinafter called the "Prime Lease"), Athena Wisconsin LLC, a Delaware limited liability company, (hereinafter, together with its successors and assigns, called the "Landlord"), leased to the Sublandlord 2,995 square feet on the first floor in the building having the street address of 2233 Wisconsin Avenue, N.W. Washington, D.C. (hereinafter called the "Premises").

WHEREAS, Sublandlord acknowledges and agrees that pursuant to Paragraph 18(A)-(E) of the Prime Lease, no portion of the premises can be subleased without the prior written consent of the Landlord;

WHEREAS, Sublandlord acknowledges and agrees that the Sublease shall in no way release the Sublandlord from any of its covenants, agreements, liabilities, responsibilities and duties under the Prime Lease and any amendments thereto and that the Sublease is in all respects, subject and subordinate to the Prime Lease; and

WHEREAS, subject to the consent of the Landlord, Subtenant desires to sublease from Sublandlord, and Sublandlord desires to sublease to Subtenant, 1,200 rentable square feet of the Premises (hereinafter called the "Subpremises"), all upon the terms and subject to the conditions and provisions hereinafter set forth;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, Sublandlord and Subtenant agree as follows:

Article 1. Subtenant's Use and Operations.

Subtenant shall use and occupy the Subpremises for the retail sale of motor scooters and related accessories, and the related management thereof, and for no other purpose whatsoever.

Article 2. Term.

The term of this Sublease (the "Term") shall commence (the "Sublease Commencement Date") on the later to occur of (a) February 1, 2001 and (b) the date upon which the Sublandlord delivers possession of the Subpremises to Subtenant and shall, unless sooner terminated as hereinafter provided, terminate on the earlier of the last day of the tenth (10^{th}) Lease Year (as herein defined) and the prior termination of the Prime Lease. The term "Rent Commencement Date" shall mean the earlier of (i) ninety (90) days after Sublandlord's tender of possession of the Subpremises to Subtenant or (ii) the date that the Subtenant first opens for business in the Subpremises. The term "Lease Year" as used in this Sublease shall mean the twelve calendar month period commencing on the Commencement Date (or, if the Commencement Date is not the first day of the calendar month, then commencing on the first day of the calendar month during which the Commencement Date occurs) and each anniversary thereof, except that the last Lease Year may not be twelve calendar months and shall terminate on the last day of this Sublease.

Article 3. Gross Rent.

The Subtenant shall pay to Sublandlord gross annual rental (hereinafter called "Gross Rent") for the Subpremises in accordance with the following payment schedule:

Gross Rent shall be due and payable in twelve equal monthly installments in accordance with the payment schedule detailed above. Each such monthly installment shall be due and payable in advance on the fifth day prior to the first day of each calendar month of the term hereof. If the term of the Sublease commences on a day other than the first day of the month or ends on a day other than the last day of the month, Gross Rent for such month shall be prorated; prorated Gross Rent for any partial first month of the term hereof shall be paid on the date on which the term commences. The Gross Rent paid by the Subtenant is subject to adjustment based on adjustments to the "Base Rent" and "Rent Adjustments" (as those terms are defined in the Prime Lease) for the entire Premises. The Subtenant will be responsible for increases and decreases in the Base Rent and Rent Adjustments under the Prime lease in an apportioned amount in direct proportion to the amount of square footage that is occupied by the Subpremises. The Subtenant shall also pay to the Sublandlord all other amounts payable by the Sublandlord under the Prime Lease which are attributable to the Subtenant, its agents, employees, customers, or invitees. By way of example and not by way of limitation, the "Operating Expenses" and "Taxes" (as the terms are defined under the Prime Lease) that are attributable to the Subpremises would be amounts payable by the Subtenant pursuant to this Article.

Article 4. The Prime Lease.

This Sublease and all the rights of the Subtenant hereunder and with respect to the Subpremises are subject to the terms, conditions and provisions of the Prime Lease. Subtenant hereby assumes and agrees to perform faithfully and be bound by, with respect to the Subpremises, all of the Sublandlord's obligations, covenants, agreements and liabilities under the Prime Lease and all other terms, conditions, provisions and restrictions contained in the Prime Lease.

Article 5. Default by Subtenant.

Upon the happening of the following:

(A). Subtenant fails to pay any Gross Rent within five (5) days after the date that it is due;

(B). Subtenant fails to pay any other amount due from Subtenant and such failure continues for three (3) days after notice thereof from Sublandlord to Subtenant;

(C). Subtenant fails to perform or observe any other covenant or agreement set forth in this Sublease and such failure continues for seven (7) days after notice thereof from Sublandlord to Subtenant; or

(D). any other event occurs which involves Subtenant or the Subpremises and which would constitute a default under the Prime Lease if it involved the Sublandlord or the Premises.

Subtenant shall be deemed to be in default hereunder, and Sublandlord may exercise, without limitation of any other rights and remedies available to it hereunder or at law or in equity, any and all rights an remedies of the Landlord set forth in the Prime Lease in the event of a default by the Sublandlord thereunder.

Article 6. Cumulative Rights and Remedies.

All rights and remedies of the Sublandlord under this Sublease shall be cumulative and none shall exclude any other rights or remedies allowed by law.

Article 7. Waiver of Claims and Indemnity.

(A). Subtenant hereby releases and waives any and all claims against the Landlord and the Sublandlord and each of their respective officers, directors, partners, agents and employees for injury or damage to person, property or business sustained in or about the Premises or the Subpremises by Subtenant other than by reason of negligence or wilful misconduct and except in any case which would render this release and waiver void under law.

(B). Subtenant agrees to indemnify, defend and hold harmless Landlord and its beneficiaries, Sublandlord and the managing agent of the Premises and each of their respective officers, directors, partners, agents and employees, from and against any and all claims, demands, costs and expenses of every kind and nature, including attorneys' fees and litigation expenses,

arising from Subtenant's occupancy of the Subpremises, Subtenant's construction of any leasehold improvements on the Subpremises or from any breach or default on the part of the Subtenant in the performance of any agreement or covenant of Subtenant to be performed under this Sublease or pursuant to the terms of this Sublease, or from any act of negligence of Subtenant or its agents, officers, employees, guests, customers or invitees on or about the Premises.

Article 8. Successors and Assigns.

This Sublease shall be binding upon and inure to the benefit of the successors and assigns of the Sublandlord and shall be binding upon and inure to the benefit of the successors of the Subtenant and, to the extent that any such assignment may be approved, Subtenants assigns.

Article 9. Entire Agreement.

This Sublease contains all the terms, conditions, covenants and agreements between the Sublandlord and the Subtenant relating in any manner to the rental use and occupancy of the Subpremises. No prior agreement or understanding pertaining to the same shall be valid or of any force or effect. The terms, covenants and conditions of this Sublease cannot be changed, altered, modified or added to except by a written instrument signed by Sublandlord and Subtenant.

IN WITNESS WHEREOF, Sublandlord and Subtenant have executed this Sublease as of the date aforesaid.

SUBLANDLORD

WASHINGTON CEILING FAN, INC.

By: C. Philip Mitchell
President

WITNESS:

SUBTENANT

CAPITAL VESPA INC.
a, District of Columbia Corporation

By: Charles H. Betts
Vice-President

WITNESS:

AGREEMENT OF LEASE

BETWEEN

ATHENA WISCONSIN LLC
as Landlord

and

WASHINGTON CEILING FAN, INC.
as Tenant

Dated: August 31, 2001

AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE (the "Lease") made the 31 day of August, 2001 (the "Effective Date" or the "Lease Date"), by and between **ATHENA WISCONSIN LLC**, a Delaware limited liability company (hereinafter called "Landlord"), and **WASHINGTON CEILING FAN, INC.**, a District of Columbia corporation d/b/a **Fan Fair** (hereinafter called "Tenant").

WITNESSETH:

1. Premises: Term; Base Rent.

(A) Premises. Landlord, in consideration of the covenants and agreements herein set forth and the rents herein reserved and agreed to be paid by Tenant, does hereby lease and demise unto Tenant, and Tenant does hereby lease and hire as tenant of Landlord, at the rental and upon the terms, covenants and conditions herein set forth, the space in the building having the street address of 2233 Wisconsin Avenue, N.W., Washington, D.C. (herein called the "Building") shown on Exhibit A and described as follows:

> Approximately 2,995 rentable square feet located on the first floor of the Building, herein called the "Premises."

(B) Term. The term of this Lease (the "Term") shall commence on November 1, 2001 (the "Lease Commencement Date") and shall end, unless sooner terminated as hereinafter provided, on the last day of the tenth (10th) Lease Year (as defined below). The term "Rent Commencement Date" shall mean the earlier of (i) ninety (90) days after Landlord's tender of possession of the Premises to Tenant or (ii) the date Tenant first opens for business in the Premises. The date on which the Term expires (as such Term may be extended pursuant to Paragraph 28 below) shall be the "Expiration Date". Following the occurrence of the Rent Commencement Date, Landlord and Tenant shall jointly execute a Declaration, in the form attached hereto as Exhibit B setting forth, among other things, the date on which possession has been delivered to Tenant, and (in the Declaration executed on the Rent Commencement Date) the Expiration Date.

The term "Lease Year" as used in this Lease shall mean the period commencing on the Rent Commencement Date and each consecutive twelve (12) months' period thereafter which falls in whole or in part during the Term. However, if the Rent Commencement Date is not the first day of a calendar month, the first Lease Year shall be the period commencing on the Rent Commencement Date and ending on the date which is twelve (12) months after the last day of the calendar month in which the Rent Commencement Date occurs and each subsequent Lease Year shall be each consecutive twelve (12) months' period thereafter which falls in whole or in part during the Term.

(C) Base Annual Rent. Tenant hereby covenants and agrees to pay a base annual rental (the "Base Annual Rent") for each Lease Year of the Term in accordance with the following schedule:

any interference with Tenant's use and enjoyment of the Premises and reasonable means of access to the Premises, in exercising Landlord's rights under this Paragraph 42(I).

(J) Rules of Construction. The parties acknowledge that each party and its counsel have reviewed and revised this Lease, and the parties hereby agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any amendments thereto.

(K) Tenant Liability. If two or more individuals, corporations, partnerships or other persons (or any combination of two or more thereof) shall sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other persons to pay the rent and perform all other obligations hereunder shall be deemed to be joint and several.

(L) Time is of the Essence. Time is of the essence of each provision of this Lease.

(M) Benefit and Burden. The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective heirs, executors, administrators, successors, and assigns. Landlord may freely assign its interest hereunder.

(N) Gender and Number. Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number, in any place or places herein in which the context may require such substitution or substitutions. Landlord herein for convenience has been referred to in the neuter form.

(O) Representations. Each party hereto represents and warrants to the other that it is duly authorized to execute and deliver this Lease and, upon such execution and delivery by both parties hereto, this Lease shall be the valid and binding obligation of such party.

(P) Submission of Lease. The submission of this Lease for examination does not constitute a reservation of or an option for lease, and the same shall not be effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

(Q) Quiet Enjoyment. Tenant, upon paying all the rent reserved herein and performing all of Tenant's other obligations in this Lease, shall peaceably and quietly have, hold and enjoy the Premises during the Term without ejection by any person lawfully claiming by, through or under Landlord pursuant to the terms of this Lease, subject however to all mortgages and deeds of trust, encumbrances, easements and underlying leases to which this Lease may be or become subject and subordinate, from time to time.

42. Parking.

(A) Any areas of the Building or the land on which the Building is located which may be set aside by Landlord for the parking of automobiles shall be used solely by Tenant, its visitors, licensees and invitees, for the parking of their automobiles, in common with like use by other tenants of space in the Building, but subject to any charges which Landlord may impose from time to time on such use. The use of said automobile parking areas by Tenant and Tenant's visitors, invitees and licensees shall be at their sole risk and expense, and in no event shall Landlord have any liability for damage to, or theft or loss of, property of Tenant or of Tenant's employees, visitors, licensees or invitees suffered or sustained in or about said parking areas. Said parking areas shall be under the exclusive control of Landlord, who shall have the right to establish rules and regulations governing the use of said parking areas, and the right to change such rules and regulations from time to time, and the right to limit or terminate the right of Tenant, its visitors, invitees and licensees or any other parties to use such parking areas. Tenant agrees to keep, observe and comply with all such rules and regulations so established by Landlord, and will direct and require its employees, licensees, visitors and invitees to comply therewith. No employee of Landlord is authorized to accept possession of any vehicle from Tenant or from Tenant's employees, licensees, visitors or invitees, nor to accept custody of any articles from Tenant.

(B) Subject to the terms and conditions set forth in Paragraph (A) above and the terms and conditions of this Paragraph (B), during the Term of this Lease, Tenant, its visitors,

licensees and invitees shall be permitted to park in the (i) Building garage and the surface lot in the rear of the Building at the prevailing rates then charged by Landlord or its designee between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday and (ii) surface lot in the rear of the Building after 6:00 p.m. Monday through Friday, and on the weekends, without charge. Landlord agrees to reserve ten (10) parking spaces in the surface lot in the rear of the Building for Tenant, its visitors, licensees and invitees. Tenant shall not be required to pay the monthly parking fee for five (5) of the ten (10) reserved parking spaces during the initial ten (10) year term of the Lease, but, if Tenant exercises its Renewal Option pursuant to Section 29 above, Tenant shall be required to pay the then applicable monthly parking fee for all ten (10) of the reserved spaces during the Renewal Term.

IN WITNESS WHEREOF, Landlord has caused these presents to be signed and sealed by its duly authorized partner, and Tenant has caused these presents to be signed in its name by its duly authorized officer and attorney-in-fact, and its seal to be hereto affixed and duly attested, all done as of the date first above written.

WITNESS:

LANDLORD:

ATHENA WISCONSIN, LLC

By: _____ (SEAL)
Name:
Title:

WITNESS/ATTEST

TENANT:

WASHINGTON CEILING FAN, INC.

By: _____ (SEAL)
Name: Charles H. Betts
Title: Vice President

(Corporate Seal)

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