Alcohol & Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board

Cover Sheet for Marijuana Establishment Applications

What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Fairbanks Fireweed, LLC	**License Number:**	11092		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	FAIRBANKS FIREWEED, LLC				
Physical Address:	2101 Sheldon Avenue, Unit 2				
City:	Fairbanks	**State:**	AK	**Zip Code:**	99701
Designated Licensee:	Robert Ray				
Email Address:	rcray004@yahoo.com				

Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items:	PROOF OF RIGHT TO POSSESSION OF THE LICENSED PREMISES. CURRENT LEASE.

OFFICE USE ONLY					
Received Date:		Payment Submitted Y/N:		Transaction #:	

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LEASE OF COMMERCIAL PREMISES

THIS LEASE, made and entered into this 15th day of December, 2016
By and between: Fairbanks Fireweed LLC
Hereinafter collectively known as "Lessee, " Mendez Enterprises LLC
hereinafter collectively known as "Lessor."

WITNESSETH:

1. PROPERTY LEASED, TERM, RENT: The Lessor, in consideration of the rents herein reserved and to be paid, and the other obligations of the Lessee herein undertaken, hereby demises and leases unto the Lessee, and the Lessee hereby takes of the Lessor, upon the terms and conditions herein set forth, the following described real property located at 2101 Sheldon Ave. unit 2 Fairbanks, AK 99701 specifically (1) LOT 6, BLOCK 3 of METRO INDUSTRIAL AIRPARK, according to the plat filed December 12, 1969 as Plat Number 69-12194; Records of the Fairbanks Recording District, Fourth Judicial District, State Of Alaska. 40x40 warehouse.

TO HAVE AND TO HOLD UNTO THE LESSEE, for the ten year term commencing on December 15th, 2016, and ending with the close of December 1st 2026; and with First Right to Relet said premises at the conclusion of the initial term of this Lease, as hereinafter further provided:

YEILDING AND PAYING UNTO THE LESSOR, a BASE RENT in the amount of $3200.00 (three thousand six hundred dollars and no cents) per calendar month for the period of December 15th, 2016 through December 1, 2026 or the first day of the first month.

A deposit of $10,000.00 has been received on December 15th, 2016. Tenant agrees that Landlord may retain deposit to the extent of upaid rent (including late charge), cleaning or damages resulting from Tenants non-compliance with AS34.03.120.

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It is the intent of this agreement that during the term of this agreement that the base rent on a monthly basis will not be any less than $3,200.00 respectively per month. After ten years(120) months, or not before December 1, 2026. The Lessee may cease all rights of occupancy but continue to pay $2000.00 monthly for the remaining lease payments as an "Opt Out Clause". The maximum " opt out" payment will be not more than the equivalent of sixty (60) months of rent and will cease as soon as the entire space is leased to a new tenant.

2. Payment of Rent: The Lessee covenants to pay the rents falling due hereunder, as and when due, without further notice of demand from the Lessor, at such address as from time to time directed by the Lessor. Unless and until otherwise directed by the Lessor, such rents shall be delivered to the Lessor personally, or remitted to the Lessor at the Lessor's aforesaid address of 2101 Sheldon Ave. unit 2 Fairbanks, AK 99701. When said rents are mailed to the Lessor, the same shall be deemed to be paid as of the postmark date of such mailing, subject to payments by personal check being honored upon presentment for payment in due course.

3. Possession: The Lessee shall have and take possession of said premises effective with the commencement of the term of this Lease, and shall be entitled to retain such possession so long as not in default of the obligations of the Lessee herein undertaken.

4. Utilities: The subject building is heated by (1) oil-fired forced air unit heater, (1) oil fired boiler, and is served by no municipal sewer or water utilities. The building is served by electric utilities provided by Golden Valley Electric Association, Inc. The Lessee shall provide necessary heating oil for such heating system. The Lessee is responsible for any damage including, but not limited to freeze and/ or fire damage to the building. The below ground fuel oil tank will NOT be filled prior to the Lessee moving onto the property by the Lessor, upon termination of this agreement the Lessee will NOT be reimbursed for the remaining fuel in the tank prior to vacating.

the premises. Electricity shall be paid by the Lessee based on a monthly reading of installed meters within the premises per the current cost of electricity at the time of billing.

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*** See Septic System attachment and sign. Lessor is responsible for septic system, Lessee is responsible for following Prohibited items to protect the septic system/ leach field.

5. Condition & Use of Premises: The Lessee has examined into the physical condition of the subject premises prior to the execution hereof, is satisfied therewith, and accepts the same "as is" and without further representation or warranty from the Lessor as to such physical condition, unless the same is set forth in writing signed by the Lessor. The "as is" condition includes but is not limited to: brand new drywall, white paint throughout, and new concrete surfaces. The Lessee covenants not to use said premises, nor to permit others to use the same, in a manner that would be in violation of any statute, ordinance, reservation, restriction or easement which do now or shall hereafter regulate or control said premises, and the lawful use of the same. Vehicle parking for the Lessee and employees or agents thereof shall be on the demised premises at the front/ rear of the existing building, rather than on the adjoining land that is available for customer parking. It is represented and understood that the Lessee will be using said premises for the operation of business purposes only.

6. Repairs & Maintenance: The Lessee covenants to commit no waste upon the subject premises, as the same would be construed under the laws of Alaska; to preserve and maintain said premises in a reasonably neat, clean and orderly appearance, and in as good a condition as delivered to the Lessee at the commencement of the term of this Lease, normal wear and depreciation excepted, and at the termination or expiration of this Lease to surrender up said premises to the Lessor in such condition. Spillage, leakage or discharge of oil, solvents or lubricants on the grounds is expressly forbidden and shall not be construed as normal use, wear or depreciation; and the Lessee shall be responsible for any damage to the premises caused by the leaking or spilling of hazardous substances, including petroleum products, occurring during the continuance of this Lease, insofar as not the fault of the Lessor or Lessor's agents; and the Lessee covenants to save Lessor harmless therefrom. Lessee shall have the duty and responsibility to correct or clean up any damage thus occurring, including the removal and disposal of any soil thus contaminated, and in the manner required by federal, state or local laws and regulations. The Lessee covenants to promptly remove therefrom and dispose of garbage, refuse and junk generated in the use and occupancy of said premises; to attend to matters of snow removal as necessary or appropriate to the use and protection of said premises and its customers; to promptly repair in a good workmanlike manner all damage to said premises arising through the fault or neglect of the Lessee and those upon said premise with the express or implied consent of the Lessee; and to bear and accomplish all matters of ordinary, routine and general repair and maintenance necessary or appropriate to keep said premises in, or restore said premises to, a good tenantable condition, insofar as not covered by hazard insurance maintained by the Lessor. As concerns matters of appearance outside the building, grounds shall be kept free of trash. Lessee will remove trash from premises to transfer site on a weekly basis. Trash shall be kept in the back of building in trash receptacles completely covered. As concerns matters of appearance inside the building, it is expected that it will be accomplished to keep a professional and well-maintained appearance. Boiler, water heater, and air handling systems will be maintained by professionals in their respective fields, at the Lessee's expense. The boiler maintenance will be performed yearly by Lessee.

7. Improvements: The Lessee shall make no further improvements to the demised premises except with the written consent of the Lessor first had and obtained. Any permitted improvements made by the Lessee shall be accomplished in a good workmanlike manner, in accordance with any applicable building, electrical, plumbing and zoning codes, and at the Lessee's expense, and the same shall not diminish the fair market value of said premises. The Lessor reserves the right to post upon the premises and to record appropriate notices or non responsibility for any improvements undertaken by the Lessee. At the expiration or termination of this Lease, any permanent improvements made to said premises by the Lessee shall revert to the Lessor. Lessor has the option to have Lessee pay for the repairs to bring the building back to the original condition by removing improvements. "As is" condition includes but is not limited to new and clean concrete floors, new drywall and white paint throughout.

8. Liens: The Lessee covenants to pay and discharge, as and when due, all charges contracted by the Lessee for labor and materials in the maintenance, repair, alteration or

improvement of said premises; and covenants to do no act, nor to fail thereof, as a result of which said premises shall be encumbered by a labor or material lien under the laws of Alaska.

9. Personal Property of Lessee on Premises: Any personal property of the Lessee, including trade fixtures, placed upon or affixed to the subject premise, not in the nature of repairs, alterations or permanent improvements thereto, shall remain the personal property of the Lessee, shall not be considered a part of the realty, and may be removed therefrom by the Lessee at any time during the continuance of this Lease; provided always, that the Lessee shall be responsible for repairing any damage occasioned by the installation or removal of such property. Risk of loss or damage to such personal property shall be upon the Lessee, who shall maintain such insurance protection thereon as deemed appropriate.

10. Liability of Personal Injury on Premises: As between the parties, the Lessee shall be responsible for safeguarding the demised premises such that the same shall not cause injury to persons who are upon said premises during the term of this Lease; and the Lessee covenants to save the Lessor harmless from any claims of alleged injury while upon said premises during the term of this Lease. The Lessee shall maintain public liability insurance indemnifying against loss for personal injury or property damage occurring on the demised premises with combined single incident coverage in the amount of at least $1,000,000.00. The Lessor shall be included as an additional insured party on such insurance, such policies shall contain or provide for a 30-day notice to Lessor by the insurer prior to any cancellation, and a copy of all such policies of insurance shall be provided to the Lessor as issued. **Lessee shall present proof of insurance prior to occupying the premises.**

11. Property Taxes; Improvement Assessments: The Lessor shall bear and discharge any property taxes levied upon the demised premises during the term of this Lease. If any municipal sewer and water improvement assessments are levied on said premises during the continuance of this Lease, the Lessor shall bear and discharge, as and when due, the periodic installment payments falling due thereon.

12. Inspection by Lessor: The Lessor, personally or through agent designated in writing, may enter upon the demised premises at reasonable times upon prior notice to the Lessee, for the purpose of inspecting the condition thereof or making any repair thereto reasonably necessary or appropriate to protect, preserve or safeguard the demised premises.

13. Subletting & Assignment: The Lessee may not sublet the demised premises nor assign this Lease, except with the written consent of the Lessor first had and obtained. In event of any subletting or assignment permitted by Lessor, the Lessee shall continue to be personally responsible for the due payment and performance of obligations herein undertaken by said Lessee.

14. Quiet Enjoyment: The Lessor covenants that the Lessee, upon paying the rents herein provided, as and when due, and upon otherwise abiding the obligations of the Lessee herein undertaken, shall peaceably hold and enjoy the demised premises during the term of this Lease, without interruption by any person lawfully claiming or to claim the same.

15. Bankruptcy: In the event the Lessee shall be adjudged a bankrupt, upon a voluntary or involuntary petition thereon before a court of competent jurisdiction, or in the event the rights of the Lessee hereunder shall pass to a third party by seizure or levy pursuant to operations of law, the Lessor may terminate this Lease, and all possessory rights herein afforded the Lessee, by written notice of termination for such stated reasons, delivered to the Lessee or to the successors in interest of said Lessee, subject however to such limitations upon such right as may arise under the bankruptcy laws of the United States. In event of any such termination, rents shall be pro-rated as of the effective date such premise are recovered back by the Lessor. In event of a bankruptcy proceeding, the Lessee covenants it will not oppose a motion by Lessor to have this property released from any automatic stay arising under 11 USCA, §362.

16. Hazard Insurance: During the term of this Lease the Lessor shall, at Lessor's expense, keep the existing building insured against loss by fire and with such extended coverage as deemed appropriate. The Lessee covenants not to utilize the subject premises, nor to permit others to utilize the same, in a manner that causes an increase in insurance rates because of

hazardous activities or substance on said premises. In the event the subject improvements are partially damaged by fire or other insured hazard, but not rendered un tenantable, the same shall be repaired from insurance proceeds with due diligence. In the event the existing building is so substantially damaged or destroyed by fire or other insured hazard as to be un tenantable, neither party shall be under a duty to repair or rebuild, and this Lease may thereupon be terminated by either party, with rents to be pro-rated as of the date the premises are surrendered back to the Lessor. Each party does hereby release and relieve the other from and waive his entire claim of recovery against the other for, any loss, damage or injury to person or property arising out of or incident to fire, lightning, smoke or water damage occurring on the premises, and any other perils covered by the extended coverage endorsement to any insurance policies on said premises, whether due to negligence of either party or their agents, employees, invitees or otherwise, but not hereby intending to release a party from any intentional wrongdoing. It is expressly understood that such insurance coverage does not insure against loss to the Lessee's equipment and inventory of merchandise on said premises; and that the Lessee should maintain separate insurance coverage on such matters.

17. Late Charge: If any rent falling due hereunder, whether base rent or percentage rent, be not paid by the 10th day of the month in which due, a late charge of $300.00 shall automatically be imposed and due, and the same shall be paid with such delinquent rent.

18. Default: Time is of the essence in this Lease. In the event the Lessee shall fail to make any rent payment falling due hereunder within five (5) days after the due date thereof; or in the event the Lessee shall fail to abide or perform any other obligation herein undertaken by the Lessee for a like period of days after written notice of such failure has been given to the Lessee by the Lessor; then and in either of such events the Lessee shall be in default of the Lessee's obligations hereunder; and at any time while such default continues, and without prejudice to any other remedy afforded at law or in equity for the enforcement of the Lessee's obligations hereunder or for recovery of damages for the breach thereof, the Lessor shall have and does hereby reserve the further right to terminate this Lease, and all possessory rights herein afforded the Lessee, by written notice of termination for such reasons stated, delivered to the lessee personally or sent to the Lessee at the Lessee's last known mailing address, and pursuant thereto the Lessor shall have the right to re-enter and retake the subject premises, or any portion thereof in the name of the whole, and to remove therefrom the Lessee and those claiming under said Lessee, with force if necessary.

19. Payments by Lessor in Behalf of Lessee: Should the Lessee fail to pay or perform any obligation herein by the Lessee undertaken, then the Lessor, but without being required so to do, may pay or perform the same to protect the security hereof, and in such event all out-of-pocket expenditures by the Lessor, with interest thereon at 10% per annum, shall be repaid by the Lessee to the Lessor, upon demand of the Lessor and submission to Lessee of a written accounting as to the nature and amount of such expenditures.

20. Notice of Lessor's Objections to Lessee's Use of Premises; First Right to Relet: It is understood that the Lessor has adjoining property which the Lessor intends to develop and put to commercial uses in the future, and that the Lessor has a special interest as to the Lessee's conduct of business on the leased premises and a special interest as to the care and attractiveness of such leased premises while in the Lessee's possession; as also that if this Lease proves to be mutually satisfactory and profitable to the parties, they would both like it to continue into the future under an extension or renewal of this Lease, or under some modification hereof or some reletting of the premise by the Lessor to the Lessee. To these ends it is agreed that if the Lessor shall find that any aspect of the Lessee's operations on the leased premise, or any aspect of the Lessee's use and care of the leased premise, are at any time unsatisfactory or upsetting to the Lessor, then and in such event the Lessor shall give the Lessee prompt written notice of the same so that the Lessee can consider such concerns and take such action as deemed appropriate in light thereof. The Lessee, upon paying the rents falling due hereunder, as and when due, and upon otherwise abiding the Lessee's obligations herein undertaken, and upon being found by the Lessor to be a satisfactory tenant in said leased premises, shall have and is hereby granted the first right and option to relet said premises at the conclusion of the term of this Lease, for such rents and upon such terms and conditions as shall be mutually agreed upon by the parties, it being understood that such reletting of said premise to the Lessee is contingent upon the Lessor finding this to be in the Lessor's best interest. If the Lessee so desires to relet

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Said premise; the Lessee shall give the Lessor written notice to such effect at least sixty (60) days prior to expiration of the term of this Lease. If the Lessor is of the view that the Lessee is unacceptable as a continuing tenant in said premises, the Lessor shall so notify the Lessee in writing within ten (10) days. Otherwise the parties shall endeavor to negotiate and agree upon the rents and other terms of such reletting, and during such remaining period of the within Lease the Lessor covenants not to commit or conclude a future lease of said premises to any third party at rents or other terms and provisions more attractive to a tenant than those afforded to the within Lessee.

21. Modifications: No modifications hereof shall be binding upon the parties unless the same is in writing and signed at least by the party thereby surrendering an existing right or undertaking a further duty. Letter modifications are thus permitted, and notarization of signatures is not required.

22.Expunging Record: Upon the expiration of this Lease, or its earlier termination, the Lessee agrees to execute and deliver to Lessor, upon Lessor's request, an appropriate recordable quitclaim or other release instrument acknowledging or confirming that this Lease, and all possessory rights herein afforded the Lessee, are of no further force and effect.

23. Successors: Joint and Several Obligations: The benefit hereof shall inure to, and the burden hereof shall be binding upon, the heirs, executors, administrators, successors and lawful assigns of the respective parties. The obligations herin devolving upon a party shall be deemed and construed as joint and several obligations of the persons who are herein denominated as that party.

24. Acknowledgement from Lessor of use of premises: The Landlord/Lessor acknowledges that the Lessee will be using the property leased as a marijuana "Grow Only" establishment.

25. Removal of property: The Lessor will not remove or take possession of any marijuana or other property belonging to the Lessee. The A.MC.O will be contacted.

AGREEMENT:

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Fairbanks Fireweed LLC, (LESSEE) Agrees to the terms of this agreement.

Signed/Date: Taryn Nishino 12/15/2016

Printed name/Title TARYN NISHINO CO-OWNER

Signed/Date: Robert Con Ray 12/15/2016

Printed name/Title ROBERT CON RAY CO-OWNER

LESSOR: MENDEZ ENTERPRISES LLC

Signed/Date: JUAN FRANCISCO MENDEZ 12/15/16

Printed name/Title Juan F Mendez

Owner of Mendez Enterprices LLC