



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,  
and Economic Development

Alcohol and Marijuana Control Office

550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

TO: Alcoholic Beverage Control Board

DATE: June 18, 2025

FROM: Sonya Irwin, Licensing Supervisor

RE: Competing Applications:  
16269 Harbor Mountain Brewing  
Company and 16477 Sitka Spirits

The office received competing applications under 3 AAC 305.100(c), competing applications.

16269 Harbor Mountain Brewing Company  
16477 Sitka Spirits

**Sec. 04.11.320(a). Denial of new licenses and permits.** (a) An application requesting issuance of a new license or endorsement shall be denied if

(1) the board finds, after review of all relevant information, that issuance of the license or endorsement would not be in the best interests of the public;

(2) issuance of the license is prohibited by [AS 04.11.410](#), relating to location of premises near churches and schools;

(3) the application has not been completed in accordance with [AS 04.11.260](#);

(4) issuance of the license or endorsement would violate the restrictions pertaining to the particular license or endorsement imposed under this title;

(5) issuance of the license is prohibited under this title as a result of an election conducted under [AS 04.11.507](#);

(6) the requirements of [AS 04.11.420](#) — 04.11.450 relating to zoning, ownership and location of the license, and the identity and financing of a licensee have not been met or the requirements of [AS 04.11.430\(b\)](#) relating to location of the endorsement have not been met;

(7) issuance of the license is prohibited under [AS 04.11.400\(a\)](#) or prohibition of issuance of the license is found necessary under [AS 04.11.400\(b\)](#);

(8) the application contains false statements of material fact;

(9) the license is sought for the sale of alcoholic beverages in a first or second class city where there are no licensed premises at the time of application unless a majority of the voters have voted not to approve a local option to restrict or prohibit the sale of alcoholic beverages under [AS 04.11.491](#), have voted to approve a local option to allow the type of premises under [AS 04.11.491](#)(a)(2) or (3), or have voted to remove a restriction or prohibition on the sale of alcoholic beverages under [AS 04.11.495](#); or

(10) the license is sought for the sale of alcoholic beverages in an established village where there are no licensed premises at the time of application unless a majority of the voters have voted not to approve a local option to restrict or prohibit the sale of alcoholic beverages under [AS 04.11.491](#), have voted to approve a local option to allow the type of premises under [AS 04.11.491](#)(b)(2), or have voted to remove a restriction or prohibition on the sale of alcoholic beverages under [AS 04.11.495](#).

**AS 04.11.400. Population limitations.** AS 04.11.400(a)(2)(B). Except as provided in (f), (i), and (k) of this section and [AS 04.11.405](#), a new license may not be issued...a unified municipality if, after the issuance..., there would be inside...the unified municipality more than...one distillery retail license for each 9,000 population or fraction of that population.

**3 AAC 305.100. Procedure for mutually exclusive and competing applications.** (a) If the board receives an application for a license that requires denial because it would exceed the amount of licenses available for that license type under [AS 04.11.400](#)(a), the application will be considered "mutually exclusive."

(b) The board will consider, and grant or deny, mutually exclusive applications in the order in which they are received. However, all "competing applications," as defined under (c) of this section, will be treated as if they were received at the same time, and will be considered together.

(c) For the purpose of this section, competing applications are those mutually exclusive applications for licenses, with or without an endorsement, that,

(1) inside a unified municipality,...(B) are for the last available license...and are received during the 30-day period beginning on the date the board received the first application for the license.

**3 AAC 305.105. Selection among mutually exclusive and competing applications.** (a) Within an incorporated city, organized borough, or unified municipality, all competing applications, as defined in [3 AAC 305.100](#)(c) will be considered together by the board under this section.

(b) If affiliates, or persons who are related by birth or marriage, have filed competing applications for premises at a single location, the board will deny all but one of those applications.

(c) The board will deny any competing applications which are required to be denied under [AS 04.11.320](#), 04.11.340, 04.11.480, or [3 AAC 305.110](#).

(d) If the denial of one or more competing applications under (b) or (c) of this section makes any other competing applications no longer mutually exclusive, the board will approve the applications that are no longer mutually exclusive.

(e) If competing applications remain after the board takes action under (b), (c), or (d) of this section, the board may grant any applications the board considers to be most in the public interest. In determining the public interest, the board may consider factors including

- (1) the safety, suitability, and proximity of the proposed premises to other licensed premises;
- (2) the size of the proposed premises;
- (3) community amenities associated with the premises including entertainment, dining facilities, and tourist accommodations; and
- (4) preferences or priorities expressed by the local governing body.

(f) If competing applications remain after the board takes action under (b), (c), (d), or (e) of this section, the board may conduct a drawing to determine which remaining competing applications to approve.

(g) A competing application not granted under this section will be denied without prejudice to future application.

(h) A license, with or without an endorsement, granted under this section will be issued after the time within which unsuccessful competing applicants may appeal the denial of their applications, and after all statutory requirements are met by the successful applicant.



Document reference ID : 3397

# Licensing Application Summary

<b>Application ID:</b>	3397
<b>Applicant Name:</b>	Harbor Mountain Brewing Company Llc
<b>License Type applied for:</b>	Distillery Retail License (DIRL) (AS 04.09.340)
<b>Application Status:</b>	In Review
<b>Application Submitted On:</b>	10/01/2024 03:18 PM AKDT

## Entity Information

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<b>Business Structure:</b>	Limited liability company
<b>Alaska Entity Number (CBPL):</b>	10128560

## Entity Contact Information

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<b>Entity Address:</b>	1209 A Sawmill Creek Road, Sitka, AK, 99835, USA
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## Initial Application Information

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<b>Authority Type:</b>	I am authorized user by the designated licensee with binding authority
<b>Legal First Name:</b>	Zachary
<b>Legal Last Name:</b>	Anderson
<b>Email Address:</b>	cheers@harbormountainbrewing.com
<b>Phone Number:</b>	907-623-2337

## Additional Authorized Users

Legal Name	Relation with Applicant
Emerald Hagy	Other

## Ownership / Principal Party Details

Principal Parent Entity	Principal Party	Role	%Ownership
Harbor Mountain Brewing Company Llc	Baranof Investments Llc	Member	25
Harbor Mountain Brewing Company Llc	Zachary L. Anderson	Member	25
Harbor Mountain Brewing Company Llc	Gordon K. Helem	Member	25
Harbor Mountain Brewing Company Llc	Sitkoh Investments	Member	25

## Premises Address

Address:	1209 Sawmill Creek Rd, STE A, Sitka, AK, 99835-9809, USA
Does the proposed site include a valid street address?	Yes

## Primary license number

Primary License Information	Application ID - 3379 - New Distillery Manufacturer License Application - In Review
I have read AS 04.09.050. The annual production of the Manufacturer license this retail license attaches to falls under:	04.09.050(a)

## Basic Business information

Business/Trade Name:	Harbor Mountain Brewing Company
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**What is your primary business at this location?**

Manufacturer

## Premises Contact Details

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**Contact Person Name**

Zachary Anderson

**Business Phone Number**

907-623-2337

**Email Address**

cheers@harbormountainbrewing.com

**Address:**

1209 Sawmill Creek Rd, STE A, Sitka, AK,  
99835-9809, USA

## Local Government and Community Council Details

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**City/Municipality**

Sitka (City and Borough of)

## Property Ownership

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**Do you, the applicant, own the land, building, and/or warehouse at this proposed licensed location?**

No

**Property Utilization Status**

An Existing Facility

**Are you operating under?**

Lease

**Add Copy of Lease\Sublease document**

[HMBC\\_Triton Properties\\_2020 Lease\[16868\].pdf](#)

## Premises Diagram

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**Will the license or permit embrace the entire premises address?**

Yes

**Premises Diagram**

- [HMBC\\_PremisesDiagram\\_AMCO\\_Change\\_2024.pdf](#)

**Security Plan**

## Other licenses involvement

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Harbor Mountain Brewing Company, LLC. currently holds an active Brewery Manufacturing, Brewery Retail, Winery Manufacturing, and Winery Retail License.

## Financial Interest

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I hereby certify that no person other than a proposed licensee listed on the liquor license application has a direct or indirect financial interest, as defined in AS 04.11.450(f) in the business for which a liquor license is being applied for.

I hereby certify that any ownership change shall be reported to the board as required under AS 04.11.040, AS 04.11.045, AS 04.11.050, and AS 04.11.055.

## Public Notice Posting Attestation and Publishers Affidavit

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<b>Have you posted your application at both required locations for ten consecutive days?</b>	Yes
<b>What was the other conspicuous location of your post? (Please Include the full address)</b>	1207 Sawmill Creek Rd, Sitka, AK 99835
<b>What was the first day you posted your application?</b>	09/20/2024

I attest that I have met the public posting notice requirement set forth under AS 04.11.310 by posting a copy of my application for the 10-day period at the location of the proposed licensed premises and at another conspicuous location in the area of the proposed premises as listed in this application.

I hereby attest that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

## Attestations

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I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 305.700.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

I certify that all proposed licensees have been listed with Division of Corporation, Business, and Professional Licensing.

I certify that I and any individual identified in the business entity ownership section of this application, has or will read AS 04 and its implementing regulations.

## Signature

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This application was digitally signed by : Zachary Anderson on 07/26/2024 10:35 AM AKDT

## Payment Info

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Payment Type : CC

Payment Id: 976c07f3-997c-456b-9bda-58544d9fd5f7

Receipt Number: 100915669

Payment Date: 10/01/2024 03:21 PM AKDT

## Documents

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#	File Name	Type	Added On
1	<a href="#">HMBC_Triton Properties_2020 Lease[16868].pdf</a>	License Lease\Sublease document	07/26/2024 10:29 AM AKDT
2	<a href="#">HMBC_PremisesDiagram_AMCO_Change_2024.pdf</a>	License Location Diagram Document	07/26/2024 10:30 AM AKDT
3	<a href="#">HMBC_AMCO_SecurityPlan.pdf</a>	License Location Diagram Security Plan Document	07/26/2024 10:30 AM AKDT

273.25'

CASCADE CONVIENCE

142.37'

SAWMILL CREEK ROAD

73.85'

PARKING LOT

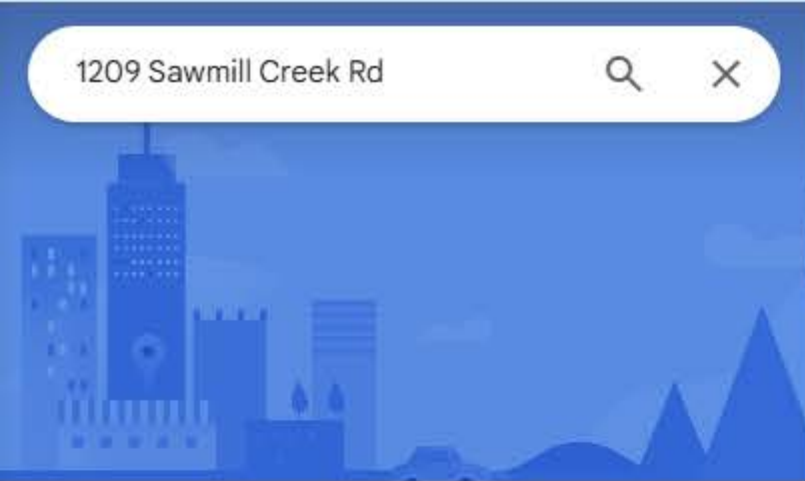
KENCARE, INC. STORAGE

187.20'

## KEY

BD: BAY DOOR  
RR: RESTROOM  
HLT: HOT LIQUOR TANK  
--- PROPERTY LINE  
— WALL/FENCE  
— LICENSED PREMISES





1209 Sawmill Creek Rd



## 1209 Sawmill Creek Rd

Building



Directions



Save



Nearby



Send to  
phone



Share



1209 Sawmill Creek Rd, Sitka, AK 99835



Suggest an edit on 1209 Sawmill Creek Rd



Add a missing place



Add your business

### At this place

#### Harbor Mountain Brewing Co.

4.8 ★★★★★ (93)

Brewery · Floor 1

Open · Closes 9 PM



#### Campfire Kitchen - Woodfire Pizza

4.7 ★★★★★ (62)

Pizza restaurant

Closed · Opens 4 PM Tue



#### Enoki Eatery

5.0 ★★★★★ (18)

Restaurant · Floor 1

Closed · Opens 5 PM Tue







SAWMILL CREEK ROAD

CASCADE CONVENIENCE

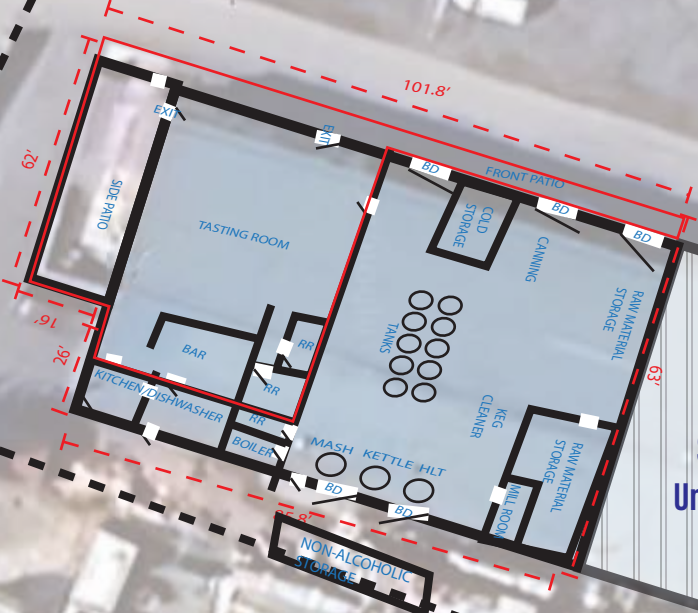
USPS

KEY

- BD: BAY DOOR
- RR: RESTROOM
- HLT: HOT LIQUOR TANK
- : PROPERTY LINE
- : WALL/FENCE
- : LICENSED PREMISES

273.25'

73.85'



Brewery Square Storage Units

Brewery Square Storage Units

187.20'

304.46'

Brewery Square Storage and Apartments





## Licensed Premises Security Plan

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The proposed premises encompasses the tasting room, manufacturing area, and outdoor space. As a result, there will be a need to mitigate for ensuring that minors are permitted to enter, but not served alcohol and always accompanied by a parent/guardian 21 years of age or older. Additionally, measures will need to be taken too ensure that alcohol is not introduced or removed from the licensed premises. We propose the following mitigation measures:

- Side Patio:
  - Barriers: This area borders the side of the building and is enclosed by a 7-foot privacy fence on two sides and a 4-foot privacy fence on the road side.
  - Visibility: This area has a direct line of sight from the bar via windows and camera feed to a monitor behind the bar.
- Front Outdoor Area:
  - Barriers: There will be 4-foot posts with brightly colored ropes marking the boundaries of the front area. Additionally, a mixture of food trucks and commercial crab pots will be used to enhance the barrier.
  - Visibility: This area has a direct line of sight from the bar via windows and camera feed to a monitor behind the bar.
- General Security Measures:
  - All Beertenders have completed/will complete the TAPS course within 30 days of hiring.
  - Beertenders will be checking IDs consistently and policing the area for non-permitted activities.
  - “No Beverages Past this Point” signs will be placed along each barrier.

DEPARTMENT OF THE TREASURY – ALCOHOL AND TOBACCO TAX AND TRADE BUREAU		1. PERMIT NUMBER
<div>BASIC PERMIT</div> <div>(Under Federal Alcohol Administration Act)</div>		AK-S-20024
		2. DATE OF PERMIT
		03/18/2025
5. NAME AND ADDRESS OF PERMITTEE (Number and street, city or town, State and Zip Code)  HARBOR MOUNTAIN BREWING COMPANY LLC  DBA:HARBOR MOUNTAIN BREWING COMPANY  1209 SAWMILL CREEK RD STE A SITKA, AK 99835		3. REGISTRY NUMBER (if applicable) DSP-AK-20021
		4. DATE OF APPLICATION 10/02/2024
6. TRADE NAMES AUTHORIZED BY THIS PERMIT (Trade name approval does not constitute approval as a brand name for labeling purposes. If needed, list on reverse or use continuation sheet.)		
7. PERMIT GRANTED FOR (ONE TYPE OF OPERATION ONLY)		
Pursuant to the application of the date indicated in item 4, you are authorized and permitted to engage, at the above address, in the business of:		
a. <input checked="" type="checkbox"/> Distilled Spirits - <input checked="" type="checkbox"/> distiller <input checked="" type="checkbox"/> rectifier (processor) <input checked="" type="checkbox"/> warehouseman and/or <input checked="" type="checkbox"/> warehouseman and bottler and while so engaged, to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the distilled spirits so distilled or rectified, or warehoused and bottled, or the wines so rectified,		
b. <input type="checkbox"/> Wine - <input type="checkbox"/> producer and blender <input type="checkbox"/> blender and while so engaged, to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the wine so produced or blended,		
c. <input type="checkbox"/> Importer - importing into the United States the following alcoholic beverages: while so engaged, to sell, offer to deliver for sale, contract to sell or ship, in interstate or foreign commerce, the alcoholic beverages so imported,		
d. <input type="checkbox"/> Wholesaler – Purchasing for resale at wholesale the following alcoholic beverages: while so engaged, to receive or to sell, offer or deliver for sale, contract to sell or ship, in interstate or foreign commerce, the alcoholic beverages so Purchased.		
<p>This Permit is conditioned upon your compliance with the Federal Alcohol Administration Act; the Twenty-first Amendment and laws relating to its enforcement; all other Federal laws relating to distilled spirits, wine, and malt beverages, including taxes with respect to them; the Federal Water Pollution Control Act; and, all applicable regulations made pursuant to law which are now, or may hereafter be, in force.</p> <p>This basic permit is effective from the date shown above and will remain in force until suspended, revoked, annulled, voluntarily surrendered, or automatically terminated.</p> <p>THIS PERMIT WILL AUTOMATICALLY TERMINATE THIRTY DAYS AFTER ANY CHANGE IN PROPRIETORSHIP OR CONTROL OF THE BUSINESS, unless an application for a new basic permit is made by the transferee or permittee within the thirty day period. If an application for a new basic permit is timely filed, the outstanding basic permit will continue in effect until the application is acted on by the District Director, Alcohol and Tobacco Tax and Trade Bureau.</p> <p>THIS PERMIT IS NOT TRANSFERABLE. ANY CHANGE IN THE TRADE NAME, CORPORATE NAME, MANAGEMENT OR ADDRESS OF THE BUSINESS COVERED BY THIS PERMIT, OR ANY CHANGE IN STOCK OWNERSHIP (MORE THAN 10%) MUST BE REPORTED TO THE NATIONAL REVENUE CENTER OR PUERTO RICO FIELD OFFICE WITHOUT DELAY.</p>		
THIS IS AN		<input checked="" type="checkbox"/> ORIGINAL PERMIT
REASON FOR AMENDMENT		<input type="checkbox"/> AMENDED PERMIT
		DATE OF AMENDMENT
SIGNATURE AND TITLE OF AUTHORIZED TTB OFFICIAL		
		Specialist

## AUTHORIZED TRADE NAMES

\*Used for Contract Bottling or Packaging/Branding Purposes

PERMIT NUMBER: AK-S-20024

REGISTRY NUMBER: DSP-AK-20021

TYPE

TRADE NAME

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REASON FOR AMENDMENT



# Department of Commerce, Community, and Economic Development

## CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

[State of Alaska](#) / [Commerce](#) / [Corporations, Business, and Professional Licensing](#) / [Search & Database Download](#) / [Corporations](#) / [Entity Details](#)

## ENTITY DETAILS

### Name(s)

Type	Name
Legal Name	Harbor Mountain Brewing Company LLC

**Entity Type:** Limited Liability Company

**Entity #:** 10128560

**Status:** Good Standing

**AK Formed Date:** 3/26/2020

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** 1/2/2026

**Entity Mailing Address:** 1209 A SAWMILL CREEK ROAD, SITKA, AK 99835

**Entity Physical Address:** 1209 A SAWMILL CREEK ROAD, SITKA, AK 99835

### Registered Agent

**Agent Name:** Gary Smith

**Registered Mailing Address:** 110 JARVIS STREET, SITKA, AK 99835

**Registered Physical Address:** 110 JARVIS STREET, SITKA, AK 99835

### Officials

☐ Show Former

AK Entity #	Name	Titles	Owned
79518D	BARANOF INVESTMENTS, LLC	Member	25.00
	Gordon Kenneth Helem	Member	25.00
10124798	Sitkoh Investments, LLC	Member	25.00



AK Entity #	Name	Titles	Owned
	Zach Anderson	Member	25.00

Filed Documents

Date Filed	Type	Filing	Certificate
3/26/2020	Creation Filing	<a href="#">Click to View</a>	<a href="#">Click to View</a>
3/26/2020	Initial Report	<a href="#">Click to View</a>	
1/26/2022	Biennial Report	<a href="#">Click to View</a>	
2/08/2024	Biennial Report	<a href="#">Click to View</a>	



THE STATE  
of **ALASKA**

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806  
(907) 465-2550 • Email: corporations@alaska.gov  
Website: corporations.alaska.gov

FOR DIVISION USE ONLY

**Articles of Organization**  
**Domestic Limited Liability Company**

Web-3/26/2020 9:16:55 AM

**1 - Entity Name**

**Legal Name:** Harbor Mountain Brewing Company LLC

**2 - Purpose**

Any Lawful.

**3 - NAICS Code**

312120 - BREWERIES

**4 - Registered Agent**

**Name:** Gary Smith

**Mailing Address:** 110 Jarvis Street, Sitka, AK 99835

**Physical Address:** 110 Jarvis Street, Sitka, AK 99835

**5 - Entity Addresses**

**Mailing Address:** 1209 A Sawmill Creek Road, Sitka, AK 99835

**Physical Address:** 1209 A Sawmill Creek Road, Sitka, AK 99835

**6 - Management**

The limited liability company is managed by its members.

**7 - Officials**

Name	Address	% Owned	Titles
H. Clay Keene			Organizer

**Name of person completing this online application**

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

**Name:** Emily Dell

AMCO

APR 22 2020

State of Alaska  
Department of Commerce, Community, and Economic Development  
Corporations, Business, and Professional Licensing

## Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

**Harbor Mountain Brewing Company LLC**



IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **March 26, 2020**.

A handwritten signature in cursive script, appearing to read "Julie Anderson".

Julie Anderson  
Commissioner

APR 22 2020

**Alaska Department of Commerce, Community, and Economic Development**

Division of Corporations, Business, and Professional Licensing

PO Box 110806, Juneau, AK 99811-0806

This is to certify that the owner

Harbor Mountain Brewing Company LLC

is licensed by the department to do business as

**Harbor Mountain Brewing Company**

1209 A Sawmill Creek Road, Sitka, AK 99835

for the period

January 19, 2024 to December 31, 2025

for the following line(s) of business:

31-33 - Manufacturing



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.  
It is not transferable or assignable.

Julie Sande  
Commissioner

Harbor Mountain Brewing Company  
1209 A Sawmill Creek Road  
Sitka, AK 99835

## COMMERCIAL LEASE

This Commercial Lease (herein, "Lease"), is made and entered into this 1st day of March, 2025, by and between Brewery Square, LLC ("Landlord"), whose address is 1314 Sawmill Creek Road Sitka AK 99835, and Harbor Mountain Brewing Company; whose address is 1209 A Sawmill Creek Road, Sitka AK 99835 ("Tenant").

### RECITALS

A. Landlord is the owner the commercial property located at 1209 Sawmill Creek Road, the total property of which is divided into separate units, with varying tenants, and includes the adjacent parking area located at 1209 Sawmill Creek Rd. in the City of Sitka, Alaska. The building, all units, and any adjacent buildings and ground area owned by Landlord is herein referred to as the "Landlord's Property", and is more particularly described as:

Lot I of Baranof Subdivision No. 2, according to Plat No. 2006-25,  
Records of the Sitka Recording District, First Judicial District, State  
of Alaska.

B. Tenant desires to Lease approximately 6,112 square feet within the building, specifically 1209 SMC Unit "A" for activities related to Tenant's brewery business. UNIT A is more particularly illustrated on Appendix A, which is incorporated herein and by this reference made a part of this Lease. In addition to Unit A, tenant has exclusive use of the covered shelter, the 36' x 9' container van and 10'x12' storage shed and may have shared use Building parking areas along with other occupants. The property consisting of the UNIT A, the covered shelter, the 9'x6' container van and the outside wood shed, all shown in Appendix A, are herein collectively referred to as the "Leased Premises."

NOW, THEREFORE, in consideration of the terms, conditions, and other provisions hereinafter set forth, the parties hereto agree as follows:

1. **Leased Premises.** Landlord hereby Leases and demises to Tenant, and Tenant hereby takes and Leases from Landlord the Leased Premises, under the terms, conditions, and other provisions set forth in this Lease.

2. **Lease Term.** The term of this Lease shall be for (1) year commencing at 12:01 a.m. on the 1st day of March 2025 and expiring, unless sooner terminated or extended as provided in this Lease, at midnight on February 28, 2026. At the tenant's discretion this lease can be renewed with for an option period of 5 additional years, subject to the continuing 2.5% rent adjustment. Such option to extend the lease must be exercised in writing no later than December 1, 2029 and no earlier than October 1, 2029. The option may not be exercised if Tenant is in material breach of any term of this Lease.

3. **Rent.** Beginning March 1, 2025, Tenant shall pay Landlord total base rent for the Lease term in the amount of \$7100.00 per month + sales tax..

The first installment payment to be due on or before the 1<sup>st</sup> day of March 2025, and on the first day of each month thereafter during the Lease term with the last payment due on or before the 1<sup>st</sup> day of February, 2030.

The Tenant acknowledges that there is a “5-day grace period” and it is the Tenant's responsibility to make full and timely payment of rent each and every month during the Lease. The payment of rent shall be made to Brewery Square LLC at 1314 Sawmill Creek Road Sitka AK 99835, Sitka, Alaska, 99835, or at such other address as the Landlord may designate.

4. All rents paid by Tenant shall be accompanied by the additional payment of applicable local (City and Borough of Sitka, Alaska) sales tax. Landlord agrees that Tenant, upon paying the rent and performing the covenants and conditions of this Lease, may quietly have, hold and enjoy the Leased Premises during the Lease term, subject however, to any mortgages, agreements, and encumbrances to which this Lease is subordinate.

5. Tenant further acknowledges that the monthly rent payments provided above are exclusive of the cost of utilities, including electricity, heating fuel, water, trash and sewage. Tenant is responsible for utilities, including electric, heating fuel, water, trash and sewage.

6. Tenant has paid to Landlord a damage deposit in the amount of \$5,000.00 which shall be held by Landlord, without interest accruing thereon, during the term of the Lease. Upon the expiration or termination of this Lease Tenant shall return the Leased Premises in good condition, including, but not limited to, clean floors, floor coverings, interior walls, windows, counter-tops, and fixtures, with ordinary wear and tear excepted. The damage deposit shall be applied to the cleaning and repair damage or misuse resulting from Tenant's use. Landlord shall account to Tenant within thirty (30) days for the damage deposit and refund to Tenant any portion not used by Landlord to clean or otherwise repair or replace damage or misuse resulting during the Lease term to the Leased Premises.

7. **Business Purpose and Use.** The Leased Premises are to be used by Tenant for the purpose of operating a beverage manufacturing facility. Tenant shall not use or permit the Leased Premises or any part thereof to be used for any other purpose or purposes or under any other name whatsoever, without the express consent of Landlord, which consent shall not be unreasonably withheld. Tenant further covenants and agrees that it will not use or permit any person(s) to use the Leased Premises or any part therefore for any use or purpose in violation of this Lease, the laws of the United States of America, or the laws, ordinances, regulations, and requirements of the State of Alaska, City and Borough of Sitka, or of any other lawful authority. Tenant further agrees that, during the term of this Lease, Tenant shall keep the Leased Premises in a clean condition, free from objectionable noises, odors, or nuisances, and that all health regulations shall, in all respects and at all times, be fully complied with by Tenant. If Tenant or Tenant's guests leave garbage or debris in the Leased premises, including any shared areas, such garbage or debris shall promptly

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be cleaned. If Tenant does not promptly clean up, Landlord may engage cleaners at Tenant's cost to perform such cleanup. Tenant shall reimburse Landlord the actual, reasonable cost of such cleaning within 30 days after invoicing by Landlord, which payment obligation shall be Additional Rent due and owing under this Lease.

If Tenant permits its employees or guests to bring pets on to the Leased Premises, Tenant shall require that any such pets are well behaved, do not cause a nuisance to other building occupants, and Tenant shall ensure that any animal waste is promptly cleaned.

The Tenant agrees that no business will be conducted or anything done in and about the Leased Premises which will increase the Landlord's present rate of insurance, and if Landlord's insurance costs increase as a result of Tenant's activities within the Leased Premises, in such event, Tenant shall pay the increase of insurance cost incurred by Landlord.

Beginning March 1, 2025, Tenant and Tenant's employees and invitees shall have the right to make the non-exclusive use of the parking area in common with other tenants, visitors, and users of Landlord's Property. However, Tenant may make the exclusive use of a portion of the parking area as needed for special events. (March 1 – following February 28/9). In order to have the right of such exclusive use, Tenant must provide no less than 7 days advance written notice of the date upon which exclusive use is to be made. Tenant shall provide a narrative describing the proposed use, the area to be occupied, the duration of the exclusive use, the identity of any proposed users, and such permits and licenses as are legally required, or which Landlord may reasonably require. Tenant must allow for legally required emergency access and may not unreasonably impede the access of other users. Tenant shall cause the area to be promptly and completely cleaned up and restored after each such exclusive use.

At other times, Tenant may request Landlord's permission to allow the use of a portion of the parking area for a food truck or other vendors. Any such food truck must be legally permitted to operate and must carry reasonable policies of insurance. Landlord may grant or deny such requests in its good faith discretion, taking into account, among other things, impacts on the Landlord's Property, its other users and occupants, health, safety, and public convenience.

8. **Maintenance of the Premises.** The parties' responsibilities as to the maintenance of the Leased Premises during the term of this Lease are as follows:

a. Tenant is responsible for maintaining the interior of the Leased Premises, from and including the painted interior surface plasterboard walls, at Tenant's own expenses, which shall include maintenance of the plasterboard and utilities related to brewery equipment inward, and the replacement of light bulbs, janitorial standard cleaning of the interior of the Leased Premises, basic clean up, Tenant shall arrange, at Tenant's expense, for adequate garbage collection service from the Leased Premises to the designated locations as to preclude any unsightliness as a result of garbage or litter on the surrounding area and disposal of its business related garbage.



b. No remodeling or structural alterations of the Leased Premises may be undertaken without the Tenant first having obtained Landlord's written consent, which consent shall not be unreasonably withheld. All such undertakings shall be performed and completed in a workmanlike manner and in compliance with all applicable building and zoning codes. Tenant shall have only a licensed and qualified contractor construct Leasehold Improvements, and all construction shall be consistent with the applicable building codes then in effect.

c. Due to electrical panelboards, heating and water supply for the entire premises, Landlord shall have access to the Leased Premises at all times.

d. Tenant is responsible for repair, and maintenance of any damage caused by tenant occupancy. Tenant shall only employ owner approved personnel for repairs and maintenance. Tenant is responsible for keeping clean all door and window glass that are part of the Leased Premises. Tenant shall not display signs, or advertisement posters on the exterior of the building or ground area adjacent to the Leased Premises without written prior approval by Landlord. Tenant shall notify Landlord of all Landlord maintenance required. All signage approved by Landlord shall also be consistent with all applicable ordinances, codes, and regulations of the City and Borough of Sitka.

e. Tenant shall keep the access road open at all times in front of Unit A so that other tenants may access apartments and storage units. In addition, Tenant shall always keep access open for fuel delivery.

f. Landlord shall provide for periodic snow removal and maintenance of the shared parking area on an as-needed basis. Tenant shall reimburse Landlord 40% of the actual, reasonable charge of such snow removal and maintenance within 30 days after invoicing by Landlord, which payment obligation shall be Additional Rent due and owing under this Lease.

9. Condition of Premises. Tenant acknowledges that it has inspected the Leased Premises. The Leased Premises are being Leased "AS IS" IN ITS PRESENT CONDITION AND STATE OF REPAIR, WITH NO EXPRESS OR IMPLIED COMMERCIAL LEASE REPRESENTATIONS, STATEMENTS, OR WARRANTIES BY THE LANDLORD AS TO THE PHYSICAL CONDITIONS, QUALITY OF CONSTRUCTION, WORKMANSHIP, STATE OF REPAIR, OR FITNESS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE SPECIFICALLY DISCLAIMED BY LANDLORD.

10. Security Agreement. To secure for Landlord the performance by Tenant of the terms, conditions, covenants, and obligations of this Lease, Landlord shall have a security interest, pursuant to Alaska Statute 45.29.010 et seq. in the Tenant's leasehold improvements, furniture, fixtures, and equipment situated within the Leased Premises from and after the effective date of this Lease. Tenant shall execute all necessary financing statements in a form satisfactory to Landlord and the same shall be filed in the Central Recording District, and such other recording district as Landlord may desire.

11. **Insurance.**  
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i. Landlord. Landlord shall carry and maintain, during the full Term of this Lease, the following types of insurance:

1. Fire Insurance. Landlord shall maintain on the building and other improvements in which the Leased Premises are located, a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief, boiler and machinery special coverage, and business interruption endorsements to the extent of full insurable replacement value. It is expressly acknowledged by Tenant that Landlord's fire and casualty insurance shall not cover the Tenant's leasehold improvements, fixtures, or personal property. The insurance policy shall provide that any proceeds shall be made payable only to Landlord. Use of any proceeds received shall be subject to the rights of a mortgagee, if any. Landlord shall not be obligated to apply any insurance proceeds to the repair of the Leased Premises. Rather, how Landlord elects to use the proceeds shall be solely within Landlord's discretion. In the event the insurance proceeds are not used to restore the Leased Premises, Tenant may immediately elect to terminate this Lease without further liability to Landlord. At least annually, Tenant shall provide Landlord access to all fire sprinkler and extinguishers to perform necessary inspections.

2. Liability Insurance. Landlord may, but is not obligated to, carry and maintain broad form comprehensive general public liability insurance with limits of not less than One Million Dollars (\$1,000,000.00), combined single limit insuring against any and all liability of Landlord with respect to the Leased Premises, or arising out of the maintenance, use, or occupancy thereof.

ii. Tenant. Tenant shall carry and maintain, during the entire term hereof, at Tenant's sole cost and expense, the following types of insurance, in the amounts specified and, in the form, hereinafter provided for and satisfactory to Landlord.

1. Fire Insurance. Tenant, at its cost shall maintain on all its personal property including inventory, fixtures, equipment, Tenant improvements, and alterations, in, on, or about the Leased Premises, a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements, to the extent acceptable to Landlord, but in no event less than one hundred percent (100%) of the replacement value of the Tenant's personal property. The proceeds of any such policy shall be used by Tenant for the replacement of personal property or the restoration of Tenant's improvements or alterations in the event Landlord elects to restore the Leased Premises in the event of loss or damage to the building.

2. Liability Insurance. Broad form comprehensive public liability insurance with limits of not less than \$1,000,000.00 combined single limit issued under a Commercial General Liability (CGL) policy, insuring against any and all liability of Tenant with respect to the Leased Premises or arising out of the maintenance, use, or occupancy of the Leased Premises, including liquor liability which provides coverage on the basis of an "occurrence" policy. Landlord shall be named as an "additional insured" on all such policies, and, for purposes of this Lease, Tenant's liability insurance on the Leased Premises shall be deemed primary coverage to any liability coverage which Landlord may have in place at the time of the occurrence.

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3. Workers' Compensation. Tenant further covenants and agrees, at its expense, to acquire, maintain and display at all times necessary, workers compensation insurance, as required by the State of Alaska, covering all persons employed by Tenant in and about the Leased Premises.

4. Method of Coverage. Tenant's obligation to insure under this section may be provided by appropriate amendment, rider, or endorsement on any blanket policy or policies carried by Tenant.

12. **Personal Property and Sales Taxes.** Tenant shall pay before delinquency all taxes, assessments, license fees and other charges (hereinafter "taxes") that are imposed, levied, or assessed by the federal, state, borough, city, or other governmental body or agency on any personal property of Tenant. In addition, Tenant shall pay all tax, including state or municipal sales tax that is assessed from the sale of goods and for services that occur from the Leased Premises.

13. **Real Property Taxes.** Landlord shall pay, prior to delinquency, any real property taxes assessed or levied on the Building and the Leased Premises.

14. **Changes and Improvements by Tenant.** Tenant shall not make any improvements, structures, alterations, or additions, and no modifications thereto, in, on, or about the Leased Premises, including structural alterations to the walls or floors of any of Landlord's permanent structures in which the Leased Premises are located, without the prior written consent of Landlord being first had and obtained. A violation by Tenant of the provisions of this paragraph shall be deemed a material breach of this Lease. Prior to the construction of the improvements, Tenant shall submit to Landlord plans and drawings for the improvements, which shall conform to the general architectural scheme and overall plans adopted by Landlord for Leased Premises.

15. **Right of Landlord to Enter, Inspect, and Make Repairs.**

i. Landlord will give tenant 24-hour of notice (through its authorized employees, agents, contractors, subcontractors, and other representatives) shall have the right to enter upon any of the Leased Premises for any or all of the following purposes:

1. to inspect the premises to determine whether Tenant has complied with the terms and conditions of this Lease;

2. to perform maintenance and make repairs and replacements in any case where Tenant is obligated to do some and had failed after written notice unless in circumstances of an emergency, in which event Landlord can enter without notice being first served. In such event, Tenant shall reimburse Landlord for the reasonable cost incurred by Landlord to perform the maintenance and repair required of Tenant;

3. to perform maintenance and make repairs and replacements in any case where Landlord is obligated to do so; and in any other case where Landlord, in its reasonable

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judgment, determines that it is necessary or desirable to do in order to preserve the structural safety of such Premises or the building in which they are located or to correct any condition likely to cause injury or damages to persons or property. Each party agrees that the cost and expense of any repair or maintenance to the one party's property or structures, or the mechanical or other equipment therein that are occasioned by the negligence or misuse by the other party (its employees or invitees,) shall be paid or reimbursed by such other party; and,

4. to make structural additions, repairs, and alterations to the buildings or structures in which the Leased Premises are located when deemed necessary by Landlord, in Landlord's sole discretion.

ii. All entries made for any purpose enumerated above shall be without abatement of rent, and Landlord may, for that purpose, erect scaffolding or use other necessary equipment.

iii. No entry for any of the purposes authorized in this paragraph by or on behalf of Landlord shall cause or constitute a constructive or actual eviction or an interference with the possession or the quiet enjoyment of Tenant.

16. **Liens.** Tenant agrees to keep the Leased Premises and all improvements thereon free of mechanics liens and any other liens, claims, or encumbrances which may be asserted by reason of any acts or work done by or at the instance of Tenant, its agents or contractors, and to protect fully and indemnify Landlord against any and all such liens, encumbrances, or claims and against all attorneys' fees and other costs and expenses growing out of or incurred by reason of or on account of any such liens, encumbrances, or claims. During construction of improvements and repairs conducted by Tenant within the Leased Premises, Landlord may post Notice of Non-Responsibility for all lienable charges incurred by Tenant, and may in its sole discretion obtain from Tenants contract such waivers of lien rights that the contractor or vendor may otherwise have against the improvements made or materials to the Leased Premises. To facilitate Landlord's right to obtain such waiver of lien rights, Tenant shall inform Landlord of the name, address, and telephone number of each contractor and vendor to provide materials and services to the Leased Premises not less than fifteen (15) days prior to commencement of work, or delivery of materials to the Leased Premises.

17. **Damage or Destruction.** If, during the Lease term, the Leased Premises or the improvements in which the Leased Premises are located are totally or partially destroyed from a risk covered by insurance, rendering the Leased Premises totally or partially inaccessible or unusable, and if the damage is reparable within thirty (30) days from the date of the occurrence, the Leased Premises and other improvements in which the Leased Premises are located may be restored and in the meantime, the rent shall be abated during the period of restoration. Such destruction shall not obligate Landlord to restore the Leased Premises to a useable condition. Within ten (10) days after the loss, Landlord may elect not to make repairs or shall give Tenant written notice of termination of this Lease. The failure to make either election shall be deemed a decision to terminate the Lease effective as of the date of the occurrence. If repairs cannot be made within thirty (30) days from the date of the occurrence, the Lease shall terminate immediately upon the date of the occurrence.

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If Landlord shall elect to continue this Lease in effect, it will proceed in a reasonable manner to restore or repair the Leased Premises. For the period from the occurrence of any damage to the date repairs are completed, the rent shall be abated. Tenant acknowledges and agrees that Landlord shall not be liable to Tenant for any loss or damage incurred by Tenant as a result of an occurrence that causes either the temporary closure of Tenant's business or the denization of the Lease. Tenant agrees herein to assume the risk resulting in the loss of business and damage and loss of property from fire, water, or other such insurable risk, regardless of whether such loss was caused or resulted, in whole or in part, from Landlord's (its employees, agents, contractors, or invitees) negligence.

If the Leased Premises are totally or partially destroyed from a risk not covered by the insurance either party is required to have, then either party shall have the right to terminate this Lease. If Landlord elects to restore the damage incurred to the Leased Premises, Landlord shall not be required to restore any of Tenant's trade fixtures, and/or personal property, such excluded items being the sole responsibility of Tenant to restore, regardless whether the loss or damage thereto was the result of Landlord's negligence, in whole or in part.

18. **Default by Tenant.** The Tenant's default or breach of this Lease shall be deemed to have occurred in the event that one or more of the following conditions occur:

i. Tenant shall fail to pay a monthly installment of rent or any other obligation hereunder involving the payment of money on the date the payment is due. It is understood that a payment owed by Tenant under this Lease must be actually received by Landlord on or before the date on which the payment is due.

ii. Tenant shall fail to comply with any term, provision, or covenant of this Lease, other than as described in subsection a. above, and shall not cure such failure within ten (10) days after written notice thereof to Tenant.

iii. Tenant or any guarantor of Tenant's obligations under this Lease shall become insolvent, or shall make a transfer in fraud of creditors or shall make an assignment for the benefit of creditors.

iv. Tenant or any guarantor of Tenant's obligations under this Lease shall file a petition under any section or chapter of the U.S. Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof, or Tenant or any guarantor of Tenant's obligations under this Lease shall be adjudged bankruptcy or insolvent in proceedings filed against Tenant or any guarantor of Tenant's obligations under this Lease.

v. A receiver or Trustee shall be appointed for the Leased Premises or for all or substantially all of the assets of Tenant or of any guarantor of Tenant's obligations under this Lease, where possession is not restored to Tenant within sixty (60) days.

19. **Surrender of Possession or Abandonment.** Upon the termination or expiration of this Lease term, or an extension thereof, the Tenant agrees to the following:

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i. At the expiration or termination of the Lease created hereunder, Tenant shall surrender the Leased Premises free and clear of any and all liens and encumbrance, and in as good, safe, and clean condition and state of repair, equal to the condition of the Leased Premises on the effective date of this Lease, subject only to reasonable wear and tear.

ii. Tenant shall promptly remove, after relinquishment of possession, all of Tenant's personal property. In the event it is not immediately removed, within thirty (30) days all property will be considered abandoned. However, Tenant shall be and remain responsible for any costs of disposal, storage or removal. Tenant shall not remove Leasehold Improvements or Equipment, including but not limited to lighting fixtures, carpeting, doors, electrical outlets, wall coverings, lighting units,, moldings, heat and air conditioning units, telephone, and alarm systems, if any. Tenant shall also repair any damage occasioned by such removals, at Tenant's expense, and in default thereof, Landlord may elect such removal and/or repair and Tenant shall pay Landlord the cost thereof, with interest at the rate specified in this Lease hereof from the date of payment by Landlord, until paid in full, plus any other damages caused thereby, including loss of rent.

iii. Tenant shall not vacate or abandon the Leased Premises at any time during the term of this Lease. If Tenant vacates or abandons the Leased Premises or is dispossessed by process of law or otherwise, any personal property, fixtures, or other improvements left on the Leased Premises and not removed within five (5) days after such abandonment, shall be deemed abandoned to the sole and exclusive ownership of Landlord, and Landlord may dispose of such property as Landlord deems appropriate without reimbursement to Tenant. Tenant waives any right to claim any right or interest therein or thereto and Landlord may remove, store, or otherwise dispose of such items and repair any damages caused thereby at the cost and expense of Tenant, plus interest and damages as provided in b., above.

20. **Holding Over.** The Tenant acknowledges that this Lease does not provide a holdover provision which may otherwise entitle Tenant to remain in possession after the expiration of the Lease Term. Tenant acknowledges and agrees that Tenant shall surrender possession of the Leased Premises on or prior to the expiration of the Lease Term. Tenant further agrees that upon surrender of the Leased Premises, the Leased Premises shall be in a condition consistent with paragraph 18 of this Lease.

21. **Insolvency and Bankruptcy.** Landlord may, at its option, without notice or demand upon Tenant, or upon any person or persons claiming by, through, or under Tenant, immediately cancel and terminate this Lease and terminate each, every, and all of the rights of Tenant, and of any and all persons claiming by, through, or under Tenant, in and to the Leased Premises, including the option to renew, if any, should anyone of the following events occur:

i. Tenant shall file a voluntary petition in bankruptcy or shall institute any proceedings of whatever kind or character under any bankruptcy or insolvency law in effect at the date hereof or which may hereafter be enacted or become effective such that Landlord's right to collect rent or enforce the provisions of this Lease is affected in any material degree.

- ii. The Tenant is declared to be insolvent by any court.
- iii. Tenant makes an assignment, general or otherwise, for the benefit of creditors.
- iv. A trustee or receiver is appointed to take possession of all or substantially all of Tenant's assets where possession is not restored to Tenant within 120 days.
- v. A taking of all or substantially all of Tenant's assets pursuant to proceedings brought under the provisions of any Federal Reorganization Act or the Internal Revenue Code or regulations, and the failure of Tenant to secure the return of said assets within one hundred twenty (120) days from the date of taking of possession.
- vi. A taking of the Leased Premises or all or substantially all of the assets of Tenant by virtue of any attachment, execution or the levy of any judicial process in any action instituted against Tenant in any court of competent jurisdiction and the failure of Tenant to secure the release of such attachment, execution or levy within one hundred twenty (120) days from the date of the taking of such possession.
- vii. The abandonment or cessation of business at Leased Premises for a period of thirty (30) days by Tenant.

In the event of termination, Landlord shall have the right to retake possession and occupy the Leased Premises either with or without process of law or through any form of notice or proceedings, as well as the right to sue for and recover all rents and other sums accrued up to the time of such termination, including damages arising out of any breach on the part of Tenant. Landlord shall also have the right, with or without resuming possession of the Leased Premises or terminating this Lease, to sue for and recover all rents and other sums, including damages, at any time and from time to time accruing hereunder and to exercise such other rights as may be provided by law.

**22. Landlord's Default Remedies.** In the event default has occurred, the following rights and remedies in addition to those provided by statute or otherwise, are available to Landlord, to-wit:

- i. To re-enter the Leased Premises and remove and store all property in the Leased Premises, at Tenant's costs and without responsibility for loss or damage, provided Tenant is given reasonable notice. This right shall include the right to immediately change locks on all entry doors, remove and store all personal property of the Tenant, at the Tenant's expense.
- ii. The right to declare this Lease to be terminated.
- iii. The right to re-rent the Leased Premises to a third party for any sum Landlord deems the best available rental rate Premises.

iv. The right to collect rents due from other occupants of the Leased Premises, if any.

v. The right to declare all rent and other charges due and owing for the balance of the applicable term in accordance with the amounts due set forth in this Lease. Landlord shall be entitled to retain all rents paid and received by Tenant without reimbursing Tenant a prorata share as of the date of termination, should Landlord elect to terminate the Lease under subpart b., above.

vi. The right to recover damages against Tenant, including but not limited to, the following:

1. the cost of performing Tenant's obligations pursuant to the Lease;
2. the amount equal to the total due under this Lease, less payments made by Tenant and rents received or what would have been received by reason of Landlord's common law obligation to mitigate damages;
3. interest shall be charged at the rate defined in this Lease;
4. actual attorney fees and costs computed in accordance with reasonable hourly rates and charges customarily charged in Alaska; and,
5. Such other costs and damages incurred by Landlord that are consequential or incidental to Tenants breach of this Lease.

23. **Assignment and Subletting.** Tenant will have exclusive rights to food and sales within the Leased area. Tenant shall not assign or sublet the Lease Premises, or any part thereof, without the prior written consent of Landlord which consent shall not be unreasonably withheld. Any such attempted assignment or subletting without the prior written consent of Landlord shall be void and of no force or effect and may, at the option of Landlord, be deemed a material default and a basis for termination of this Lease. Consent given on one occasion shall not be construed as, or constitute a waiver of the requirement of consent as to any subsequent or further assignment or subletting. In the event of assignment or subletting, Tenant shall remain liable and responsible for performance of all the terms, covenants, conditions, and provisions provided for in this Lease, including payment of rent and other charges herein provided and the assignee shall be required to enter into an agreement to perform all of the terms and conditions of this Lease. In the event the Leased Premises, or any portion thereof, are Leased, Tenant shall pay to Landlord, any costs incurred by Landlord in considering and consenting to the Lease or assignment of any rights of Tenant under this Lease, including actual attorney fees incurred by Landlord related thereto. For the purposes of this provision, the sale or exchange of 51% or more of the Tenant entity shall be deemed to be an assignment requiring Landlord consent.

24. **Subordination Agreement.** Upon written request of Landlord, or any mortgage, deed of trust trustee or beneficiary of Landlord, Tenant will, in writing, subordinate its rights hereunder to the lien of any mortgage or deed of trust which encumbers the Leased Premises or **Commercial Lease**



any improvements hereafter placed upon the Leased Premises, and to all advances made or hereafter to be made upon the security thereof, provided that the mortgagee or beneficiary as the case may be, shall agree to recognize this Lease in the event of foreclosure if Tenant is not in default at such time.

In the event any proceedings are brought for foreclosure or in the event of the exercise of the power of sale under mortgage or deed of trust made by Landlord covering the Leased Premises, Tenant shall attorn to the purchaser, upon any such foreclosure, or sale, and recognize such purchaser as Landlord under this Lease.

Tenant agrees that any such mortgage, beneficiary, or purchaser shall not be liable for any default of Landlord under the Lease occurring before the foreclosure sale.

Tenant shall at any time and from time to time, upon not more than ten (10) days' written notice from Landlord, execute, acknowledge, and deliver to the Landlord a statement in writing (1) certifying that this Lease represents the entire agreement between Landlord and Tenant, and 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); (2) certifying the commencement and termination dates of the Lease Term; (3) certifying that there has been no assignment or other transfer by Tenant of this Lease, or any interest therein; and (4) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of the Landlord hereunder and that Tenant has no right of offset, counterclaim, or deduction against rental, or specifying such defaults alleged by Tenant. Any such statement may be relied upon by any prospective purchaser or lender upon the security within such time shall be conclusive and binding upon Tenant (1) that this Lease is in full force and effect, without modification except as may be represented by Landlord, (2) that there are no uncured defaults in Landlord's performance and that Tenant has no right of offset, counterclaim or deduction against rental, and (3) that no more than one (1) month's rent has been paid in advance.

25. **Hold Harmless.** The use of the Leased Premises by Tenant, its officers, agents, members, employees, contractors, customers, and guests shall be at its own risk. Tenant agrees it shall defend, indemnify, and hold Landlord, harmless from all claims, causes of action, judgment, liabilities, expenses, costs, and attorney fees arising from any act, omission, or neglect of the Tenant, Tenant's agents or employees, or of any person permitted by Tenant to be upon or about the Leased Premises, as well as from all claims, causes of action, judgments, liabilities, expense, costs, and attorney fees brought by or at the instance, or in the name of any governmental body, or any public authority in which it shall be attempted to subject the Tenant or the Leased Premises, or any portion thereof, to any damages, costs injunctions, restrictions, or regulations, by reason of any claim that there shall have been any such act, omission, or neglect in any of the respects aforesaid. All claims of which Tenant has knowledge shall be promptly communicated to Landlord, and Tenant shall thereupon indemnify, defend, and hold Landlord, harmless therefrom.

26. **Hazardous Wastes and Environmental Matters.** Tenant shall not cause or permit any activities on the Leased Premises which directly or indirectly could result in the Leased Premises or any other property becoming contaminated with wastewater, hazardous or toxic waste

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or substances, or which violates any municipal, state, or federal environmental law. For purposes of this Lease, the term "hazardous or toxic waste or substances" means any substance or material defined or designated as wastewater, hazardous or toxic waste or substance, hazardous or toxic material or other similar terms by an applicable federal, state, or local statute, regulation, or ordinance now or hereafter in effect during the term of this Lease, and shall also include waste water. Tenant shall provide written notice to Landlord immediately upon Tenant becoming aware that the Leased Premises or any adjacent property is being or has been contaminated with hazardous or toxic waste or substances. Tenant shall comply, at Tenant's expense, with all statutes, regulations, and ordinances, which apply to Tenant or the Leased Premises, relating to use, collection, storage, removal, or cleanup of hazardous, or toxic waste or substances in or on the Leased Premises. Tenant shall indemnify and hold Landlord harmless from all costs including remediation and cleanup costs, penalties, fees, and reasonable attorney fees incurred by Landlord as a result of Tenant's failure to comply with the provisions of this paragraph. The provisions of this paragraph shall survive the expiration or earlier termination of this Lease.

On addition, all waste generated by the brewery operations will immediately be cared for and properly disposed of to prevent attractants to birds, animals, odors, and any other real or potential nuisances.

**27. Miscellaneous.**

i. Relationship of Parties. Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither method of computation of rent nor any other provision contained herein, nor any act of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

ii. Terminology. Whenever herein the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders.

iii. Non-Waiver. No delay or omission of the right to exercise any power by either party shall impair any such right or power, or shall be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term, or condition of this Lease by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party to or any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

iv. Law Applicable. The laws of the State of Alaska shall govern the construction, validity, performance, and enforcement of this Lease. Venue as to any action, claim, or proceeding arising out of, or based upon this Lease, including, but not limited to, any action for declaratory or injunctive relief, shall be the appropriate Court sitting in the City of Sitka, First Judicial District, Alaska. Both parties waive their right to a jury trial, meaning that any dispute

between the parties shall be tried before a judge acting as factfinder as well as making conclusion of law.

v. Paragraph Headings. The headings of the several subsections contained herein are for convenience only and do not define, limit, or constitute the contents of such sections and subsections.

vi. Successors and Assigns. Except as otherwise provided herein, the covenants, agreement and obligations herein contained shall extend to bind and insure to the benefit not only of the parties hereto but to their respective personal representatives, heirs, successors, and assigns.

vii. Compliance with Laws and Regulations. Tenant shall, at Tenant's sole cost and expense, comply with all of the requirements of all local, state, or federal laws or ordinances existing as of the commencement of this Lease, pertaining to Tenant's use or occupancy of said Leased Premises, and shall faithfully observe in the use and occupancy of the Leased Premises all local, state, and federal laws, ordinances, and regulations in force as of the commencement of the Lease provided however, that Tenant shall not be required to make any structural modifications to Leased Premises not made necessary as a result of the acts or omissions of Tenant, its employees, agents, representatives, or not made necessary as a result of any improvements, alterations, or modifications made by, or at the request of, Tenant, its employees, agents, or representatives.

viii. Notice of Claims or Damages. Tenant shall, upon discovery, give immediate notice to Landlord, in case of fire or accidents in or on the Leased Premises or in the building of which the Leased Premises are a part, or of defects therein or in any fixtures or equipment, or from which persons may be injured.

ix. Terms Construed as Covenants and Conditions. Every term and each provision of this Lease to be performed by either party shall be construed to be both a covenant and a condition.

x. Interest on Amount Unpaid. Except as otherwise provided herein, any sum not paid when due pursuant to the terms of this Lease shall thereafter bear interest at the rate of five percent (5%) per month from the date the same was payable as provided, however, that interest shall not exceed the maximum interest rate authorized by law, and that in the event the interest rate provided herein exceeds such maximum, such interest rate shall be deemed to be adjusted downward to conform to the minimum rate so authorized by law.

xi. Time of the Essence. Time is of the essence for each term, condition, covenant, and provision of this Lease.

xii. Entire Agreement. This Lease constitutes the entire agreement between the parties and supersedes all prior understandings and writings, and may be changed only by a writing signed by the parties hereto. Tenant acknowledges that it has read this entire Lease, has fully  
**Commercial Lease**

understood the provisions thereof, was satisfied therewith, and signed the same of its own free will. The parties further acknowledge that any prior contracts, promises, representations, or agreements between Tenant and Landlord, their members, employees, agents, and servants, relating to the Lease of the subject premises, are hereby extinguished. The parties agree that there are no oral or written promises, representations or agreements between Tenant and Landlord or the persons above referred to relating to the Lease of the subject premises, except as set forth in this document. Accordingly, this Lease constitutes the entire and only agreement between Landlord and Tenant relating to the Lease of the subject premises.

xiii. Severability. In the event any provision of this Lease is adjudicated or held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

xiv. Notice. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class, certified, return-receipt-requested mail to the other party at the address set forth below:

**LANDLORD:**

Brewery Square, LLC  
1314 Sawmill Creek Rd.  
Sitka, AK 99835

**TENANT:**

Harbor Mountain Brewing Company  
1209 A Sawmill Creek Rd.  
Sitka, AK 99835

Either party may change its address by notifying the other party of its change of address in writing as provided for herein. Notice shall be deemed to have been duly made and given when delivered if served personally, or upon mailing if mailed as provided in this section.

xv. Remedies Cumulative. Each of the rights and remedies of the parties hereto shall be construed as cumulative and to be in addition to any other rights or remedies that may now or hereafter be provided by law or equity, including, but not limited to, the right to recover reasonable attorney fees and costs actually incurred by the prevailing party.

xvi. Limit of Liability and Responsibility. Landlord shall not be responsible for any damage to or theft of any personal property, furnishings, or equipment belonging to Tenant, its employees, agents, or assigns, or for any claims by Tenant, its employees, agents, or assigns for any such damage or loss incurred by Tenant, Tenant's clients, customers, employees, invitees, agents, contractors, or representatives, except as may be caused by employees of Landlord while

acting within the course and scope of their employment. In no event shall either party be responsible to the other for punitive, exemplary, or consequential damages.

IN WITNESS WHEREOF, the parties hereto have caused the Commercial Lease to be executed as of the day and year first written below:

LANDORD:  
Brewery Square, LLC

By: Doug Helem

TENANT:  
Harbor Mountain Brewing Company, LLC

By: Zachary Anderson

# Affidavit of Publication

STATE OF ALASKA  
FIRST JUDICIAL DISTRICT ) ss.  
AT SITKA, ALASKA

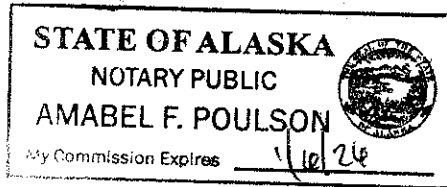
Sarah Smith, being first sworn, says she or he  
is the publisher, managing editor or business manager of the DAILY SITKA  
SENTINEL, a newspaper printed and published in Sitka, Alaska, and le-  
gally qualified as a medium of official and legal publications, and that the  
Legal notice a copy of  
which is hereto annexed, was published in the Daily Sitka Sentinel on:

5/28 , 6/4 , 6/11 ,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

Signature \_\_\_\_\_

Sworn and subscribed to  
before me this 12<sup>th</sup> day of June, 20 25

Notary Public for Alaska Amabel F. Poulson



## LEGAL NOTICE - LIQUOR LICENSE

Harbor Mountain Brewing Company, LLC. is making an application for a new Distillery Retail AS 04.09.340 liquor license doing business as Harbor Mountain Brewing Company located at 1209 Ste. A, Sawmill Creek Road, Sitka, AK 99835.

Interested persons should submit written comment to their local governing body, the applicant, and to the Alcoholic Beverage Control Board at 550 West 7th Ave. Suite 1600 Anchorage AK 99501 or [alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)

**Published: May 28, June 4 & 11, 2025**