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:	Ganja By Sarah LLC	**License Number:**	33305		
License Type:	Retail Marijuana Store				
Doing Business As:	Ganja By Sarah				
Physical Address:	7830 Old Seward Hwy				
City:	Anchorage	**State:**	AK	**Zip Code:**	99518
Designated Licensee:	Sarah Alexander				
Email Address:	GanjaBySarah@gmail.com				

Section 2 – Attached Items

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

Attached Items:	Commercial Lease Commercial SubLease Letter from attorney

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

AMCO Received 10/9/2022

MODIFIED
COMMERCIAL LEASE

This lease agreement entered into on May 13th 2022 between **ISB Corporation**, 2231 Belmont Dr., Anchorage, Alaska 99517 referred to below as "Lessor," and **Allen Henry Choy, LLC**, d/b/a Al's Alaskan Inn, 7830 Old Seward Hwy., Anchorage, Alaska, 99518 referred to as "Lessee"

WHEREAS, Lessor represents that it is vested in the exclusive possessory interest of the real and personal property described below granted by Insook Baik for the term of this lease;

WHEREAS, Lessor desires to lease Al's Alaskan Inn Bar and Motel located at 7830 Old Seward Hwy., Anchorage Alaska 99518;

WHEREAS, Lessee is the owner of Beverage Dispensary-Tourism Liquor License No. 10 issued by the State of Alaska, Alcohol Beverage Control Board; and

WHEREAS, Lessee will lease the real property, building and improvements thereon and personal property;

NOW, THEREFORE, in consideration of the covenants and agreements contained in this Lease the parties agree as set forth below.

The terms and conditions of this Commercial Lease are as follows:

1. **Premises.** The premises include Al's Alaskan Inn, consisting of a bar, 19-room motel, and the entirety of the as-of-yet uncompleted second floor of the structure located at 7830 Old Seward Hwy., Anchorage Alaska 99518 including all Motel equipment, furniture and fixtures.

2. **Term.** The Term of this lease shall commence on May 13th, 2022, and end at 12:00 Noon on May 12th, 2032

3. **Rent.** Lessee shall pay Lessor as base rent for the premises the sum of $3,100.00 per week, due by 5:00 p.m. each and every Wednesday. At the end of five years, starting June 1, 2027, there shall be a 5% increase. Lessee shall also pay the room taxes and business personal property taxes levied with respect to this Lease. Lessee shall obtain its own tax registration number and pay the room taxes under its own tax registration number. The Lessor shall pay the real property taxes. If any payment is missed by more than 3 days, rent shall permanently increase to $3,300.00 per week.

The rent shall be net to the Lessor, in each year during the term of the Lease, and all costs, expenses, and obligations of every kind relating to the premises (except as otherwise

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specifically provided in this lease) which may rise or become due during the term of the Lease shall be paid by Lessee. The Lessor shall be indemnified by Lessee against such costs, expenses and obligations, including attorney's fees and expenses incurred from enforcing the covenants of the Lease.

4. **As-is Condition.** Lessee has examined the Leased Premises and has made a complete inspection of the same and is familiar with the physical condition thereof. Lessor has not made, and does not make, any representations as to the physical condition or any other matter affecting or relating to the Leased Premises, except as is in the Lease specifically set forth, and Lessee specifically acknowledges that no such representations have been made. Lessee further acknowledges that Lessor has afforded Lessee the opportunity for a full and complete investigation, examination, and inspection of the Leased Premises and Lessee agrees to accept the Premises "as is".

5. **Use of Premises:**

a. Lessee shall use the premises for operation of a nightclub, bar, motel, related business activities, and any other lawful use of any kind or nature. The Lessee must comply with all laws, applicable zoning ordinances, restrictions and licensure. It is the Lessee's sole responsibility to apply for, obtain, and maintain all relevant permits pertaining to the business activities the Lessee permits to occur on premises.

b. Lessee shall also be responsible for all business costs, charges and expenses of operating, maintaining, repairing, replacing, and insuring the premises, including but not limited to net costs and expenses of operating, repairs, lighting, cleaning, and securing insurance.

6. **Utilities.**

a. Lessee shall immediately put the utilities in its name.

b. Tenant shall promptly pay all charges when due for utilities furnished to the premises including water, gas, electricity and any other utilities services, and tenant shall promptly pay all taxes levied in connection with utilities used on the premises. The Landlord shall not be responsible or liable in any way for quality impairment, interruption, stoppage or other interference with any utility service.

7. **Repair.**

a. Except as provided in paragraph one, above, Lessee shall arrange for a yearly fire inspection and hold Lessor harmless and defend and indemnify harmless from the expense of any repairs or improvements necessary to correct any violations noted.

b. Lessee shall keep the leased grounds free of all cans, bottles, fragments, debris and trash, and in good repair, and the Lessee will keep the downspouts, gutters

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and drains clean, open and free of obstruction, and in good working order. The Lessor shall not be obligated or required to make any repairs or do any work on or about the premises or any part of them. All portions of any building leased shall be kept in good repair by Lessee and at the end of the term, the Lessee shall deliver the demised premises to Lessor in good repair and condition, reasonable wear and tear and damage from fire or other casualty excepted. Lessee shall make any and all necessary repairs and fix problems with the building at its own expense, including, but not limited to, sewer lines, plumbing, siding, room repairs, boilers, doors, roofing, and any and all other problems that may arise with the building's maintenance and upkeep. The Lessor reserves the right to enter upon the premises at reasonable times. The Lessor reserves the right to show the premises to prospective tenants and purchasers, and the right to display "For Sale" and "For Rent" signs on the premises 90 days prior to termination of this lease.

Lessor shall not be liable for any injury or damage caused by, or growing out of, any defect of the building, or its equipment, drains, plumbing, wiring, electric equipment or appurtenances, or in the premises, or caused by, or growing out of fire, rain, wind, leaks, seepage or other cause.

Should the Lessee fail to make repairs agreed to under this Lease, the Lessor may enter the premises and make such repairs and collect the cost from the Lessee.

Lessee is authorized to make any tenant improvements and secure building permits, planning and zoning permits, and licensure of any kind or nature for any lawful purpose.

8. **Indemnity & Insurance.** Lessee agrees to indemnify and hold Lessor harmless from the claims of any and all persons for bodily injury and property damage occurring upon the premises during the term of this Lease or any extension of it, provided the Lessor is not negligent. Lessee agrees to obtain and furnish at Lessee's expense a public liability insurance policy with a reputable insurance company, protecting Lessor from any and all such damages and claims, and agrees to have the policy endorsed to include Lessor as the additional insured. The policy or policies shall be with the following limits:

$1.7 million for fire and other casualty damage;

$1 million liquor liability;

$1 million Comprehensive General Liability policy,

Lessee will give to Lessor a copy of the liability insurance policy with the premium paid.

Lessor covenants and agrees to indemnify, hold harmless and defend lessee from and against all claims, losses and damages for personal injury or death, damage to property occurring

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on the premises, or Lessor's failure to pay taxes, liens, or assessments, arising out of Lessor's use or occupancy of the premises, or otherwise, arising out of Lessor's operation of the businesses or occupancy of the premises which pre-date the commencement of this Lease. This clause includes any Alaska Department of Environmental Authority, federal Environmental Protection Agency, the Alaska Department of Revenue, Internal Revenue Service, or other government entity or agency.

9. **Fire and Other Casualty.** In the event of the total destruction of, or partial damage to, the buildings upon the demised premises by fire or other casualty, Lessor shall proceed with due diligence and dispatch to repair and restore the buildings to the conditions to which they existed immediately prior to the occurrence of such casualty, at Lessor's cost and expense, provided such cost does not exceed the proceeds of insurance collected on the buildings, by reason of such casualty, the application of which insurance proceeds are not prohibited, by reason of any mortgage provision, from being used toward the cost of restoration and repairing the same. If the cost of such repair or restoration exceeds 20% of the then replacement value of the damaged leased premises, as estimated by two or more reputable contractors, Lessor may by written notice to the Lessee, within 30 days after the occurrence of such casualty, terminate this Lease. If the insurance proceeds are insufficient to effect such restoration or repairs, Lessor at its option may cancel this Lease by written notice to Lessee within 30 days after the occurrence of such casualty.

In the event the repairing and restoring of the buildings cannot be completed within four months after the date of occurrence of such casualty, as estimated by two or more reputable contractors, the Lessee shall have the right to terminate this Lease upon giving written notice to Lessor within 30 days from the date of occurrence of the casualty. From the date of such damage or destruction until the building has been substantially repaired or restored, an equitable abatement of rent shall be allowed to the Lessee. Property Lessee stores in the demised premises shall be at the sale risk of Lessee.

Neither Lessor nor the Lessee shall be liable to the other for any loss or damage from risks ordinarily insured against under fire insurance policies with extended coverage endorsements, irrespective of whether such loss or damage results from their negligence or that of any of their agents, servants, employees, licensees or contractors to the extent that such losses are covered by valid and collectable insurance on the property at the time of the loss.

10. **Improvements and Fixtures.** Lessee may at its own expense make alterations, improvements, additions and changes to the premise, provided Lessee shall not tear down or materially demolish any of the improvements on the premises or make any material change or alterations in such improvements which, when completed, would diminish the value of the premises. All shelving, trade fixtures, or other personal property of Lessee which it may have Installed or placed at its own expense on the premises may at any time be removed by Lessee provided Lessee shall repair any damage to the premises caused by such removal. Lessee agrees at Lessee's own cost and expense to keep the building on the premises well painted at all times.

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Lessee may at its own expense make improvements and alterations to the second floor of the Leased Premises, provided that all appropriate permits are properly obtained and maintained and that the Lessee shall not tear down or materially demolish any of the improvements on the premises or make any material change or alterations in such improvements which, when completed, would diminish the value of the premises. Lessee is solely responsible for the upkeep of the ordinances and zoning codes, as well as overseeing the construction/improvements of the premises. Lessee agrees that such improvements will be at Lessee's own costs and that they will not be demolished prior to the end of this lease without the Lessor's written consent.

11. **Assignment and Subletting.** Lessee agrees that it will not assign or sublet the first floor of the leased premises in whole or in part without the written consent of Lessor, unless Allen Choy owns a percentage of the Business or Corporation that becomes the sub-lessee. Landlord and Lessee agree that Lessee can sublet the second floor of the leased premises to whomever he sees fit without any further consent of the landlord, provided that the second floor of the building is fit to house such establishments. Lessee is solely responsible for the upkeep or ordinances and permits relevant to the Sub-Lessee, and no liability shall be assumed by the Lessor for any circumstances arising out of the actions or inactions of the Sub-Lessee, or the actions or inactions related to the actual Sub-Leasing in any event. But such assignment or subletting will in no event release Lessee from its responsibility under the terms of this Lease.

12. **Default.** Lessee shall be considered in default under this lease for any of the following actions or occurrences:

a. Failure of Lessee to pay rent two weeks in a row pursuant to the provisions of this lease after five (5) day notice to Lessee of such default complying with Alaska Statute (A.S.) 09.45.105.

b. Failure by Lessee to comply with any of the covenants, terms and conditions of this lease within twenty (20) days after receipt from Lessor of notice to correct such failure.

c. Failure of Lessee to obtain the release of an attachment, garnishment, execution, or levy against the premises or leased equipment within 72 hours after any such lien attaches, but excluding any liens on Lessee's liquor license.

d. Institution of bankruptcy, insolvency, receivership, or trusteeship proceedings, voluntary or otherwise, or an assignment for the benefit of creditors, by Lessee.

e. Abandonment of the premises by Lessee.

f. Death or disablement of Lessee.

13. **Lessor Remedies on Default.** Upon default in the terms and conditions of this Lease, Lessor may avail itself of the Forcible Entry and Detainer statutes of the State of Alaska (A.S. 09.45.060 et. seq.), and such other remedies as may exist in law or equity.

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14. **Return of Premises Upon Termination.** Upon termination of this Lease by expiration of the term, or by election as above provided, or otherwise, Lessee shall return the premises to Lessor in the same condition as at the commencement of this Lease, ordinary wear and tear excepted.

15. **Non-Waiver of Eminent Domain and Condemnation.** If there is a partial taking of the demised premises by eminent domain, as the result of which the total leased premises is reduced by not more than 25%, the terms of this Lease will continue and Lessor at Lessor's expense will restore the remaining premises to a complete architectural unit with store front, signs and interior of equal appearance and utility as they had previous to the taking, but there will be a pro rata reduction in the rent payable each month and Lessee will have no right to any of the proceeds of such taking. If, on the other hand, the taking exceeds 25% of the total leased premises, or in the event the improvements are condemned and ordered torn down or removed by lawful authority, then the terms of this Lease shall cease as of the date possession shall be taken by such authority, the rent will be apportioned as of the date of such taking.

16. **Miscellaneous.**

a. Notices. All notices which are required to be given pursuant to this Lease shall be deemed sufficient if in writing and sent by either registered or certified mail or hand delivery as follows:

To Lessor: 2231 Belmont Dr., Anchorage, Alaska 99517;

To Lessee: 7830 Old Seward Hwy., Anchorage, Alaska 99518.

b. Binding Effect. This Lease shall be binding and shall inure to the benefit of Lessor and Lessee, their heirs, successors and assigns

c. Integrated Contract. This lease contains the entire agreement and understanding between the parties hereto. From the date on which the form of this lease begins, this lease automatically supersedes and terminates all prior leases between lessee and lessor or the predecessors of lessee pertaining to the premises and loaned motel furniture and fixtures. No amendment, addition, alteration, modification or waiver of any provision of this lease shall be of any effect unless in writing and signed by the parties hereto.

d. Attorney's Fees. In any proceedings to enforce this Lease, the prevailing party shall pay all reasonable costs, attorneys' fees and expenses that shall be made and incurred in enforcing the agreements of this lease.

e. Applicable Law. This Lease shall be interpreted according to the law of the State of Alaska, and any legal proceedings to enforce it shall be in the courts of the State of Alaska, Third Judicial District at Anchorage.

In witness, the parties have executed this Lease on the date below.

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AMCO Received 10/9/2022

DATED at Anchorage, Alaska, this _____ day of _____, 2022

ISB CORPORATION
Lessor

By: _____
Insook Baik
Its: President

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 13th day of MAY, 2022, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Insook Baik to me known to be the person described in and who executed the above agreement, and she acknowledged to me that she executed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month, and year in this certificate first hereinafter written

LISA L. WILLIAMS
NOTARY PUBLIC, STATE OF ALASKA
Commission # 210517012
My Commission Expires
May 17, 2025

By: _____
Notary Public in and for the State of Alaska
My commission expires: 05-17-2025

DATED at Anchorage, Alaska, this 13th day of MAY, 2022

LISA L. WILLIAMS
NOTARY PUBLIC, STATE OF ALASKA
Commission # 210517012
My Commission Expires
May 17, 2025

ALLEN HENRY CHOY, LLC
Lessee

By: _____
Allen Henry Choy
Its: Member-Manager

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 13th day of MAY, 2022, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Allen Henry Choy to me known to be the person described in and who executed the above agreement, and he acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month, and year in this certificate first hereinafter written

By: _____
Notary Public in and for the State of Alaska
My commission expires: 05-17-2025

LISA L. WILLIAMS
NOTARY PUBLIC, STATE OF ALASKA
Commission # 210517012
My Commission Expires
May 17, 2025

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COMMERCIAL SUBLEASE

This lease agreement entered into on June 1st, 2022 between **Allen Henry Choy, LLC. d/b/a Al's Alaskan Inn**, 7830 Old Seward Highway., Anchorage, Alaska 99518 referred to below as "Lessor", and **Ganja By Sarah, LLC**, d/b/a Ganja By Sarah, 7830 Old Seward Hwy., Anchorage, Alaska, 99518 referred to as "Lessee"

WHEREAS, Lessor represents that it is vested in the exclusive possessory interest of the real property attached as Exhibit "A" titled, "Ganja By Sarah Marijuana Dispensary License #33305", and granted by Insook Baik in the "Master Lease" dated May 13th 2022 for the term of this lease;

WHEREAS, Lessor desires to lease the area of 16' 7" by 21' attached as "Exhibit A" located at 7830 Old Seward Hwy., Anchorage Alaska 99518; **(FORMERLY AN AREA LOCATED WITHIN Al's Alaskan Inn's licensed Alcohol Establishment)**

WHEREAS, Lessor is the owner of Beverage Dispensary-Tourism License No. 10 issued by the State of Alaska, Alcohol Beverage Control Board; and **THE LEASED AREA IS NOT ACCESSABLE FROM ANY BAR ENTRANCES or ANY LICENSED ALCOHOL AREAS. This leased area was FORMERLY Leased by Major Liquors in the distant past.**

WHEREAS, Lessee will lease the real property, building and improvements thereon and personal property;

NOW, THEREFORE, in consideration of the covenants and agreements contained in this Lease the parties agree as set forth below.

The terms and conditions of this Commercial Lease are as follows:

1. **Premises.** The premises is **attached hereto as "Exhibit A" consisting of an area with dimensions of 16 feet 7 inches (running North to South) by 21 feet (running East to West)** located at 7830 Old Seward Hwy., Anchorage Alaska 99518 including all equipment, furniture and fixtures.

2. **Term.** The Term of this lease shall commence on June 1st, 2022, and end on May 12th, 2032 at 12:00 Noon. **NOTE: NO PAYMENTS SHALL BE DUE, and NO POSSESSION OF THE PROPERTY SHALL OCCUR UNTIL or UNLESS Marijuana**

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Dispensary License #33305 is fully approved by The Municipality of Anchorage and The State of Alaska.

During this time period of Marijuana Dispensary License Application, Possession of the property shall remain and be under exclusive control of the existing Alcohol Beverage Dispensary License #10 owned by Allen Henry Choy, LLC d/b/a Al's Alaskan Inn.

If the Marijuana Dispensary License #33305 is approved by both the Municipal and State Governing Bodies, this Lease shall become effective upon the date of the Marijuana Dispensary Licensure issuance.

If the Marijuana Dispensary License #33305 is not approved, this agreement shall become null and void.

3. **Rent.** Lessee shall pay Lessor as base rent for the premises the sum of $10,000.00 per month, due by 5:00 p.m. on the first day of each and every month. Lessee shall also timely pay all taxes and business personal property taxes levied with respect to this Leased Area. Lessor shall pay the real property taxes.

The rent shall be net to the Lessor, in each year during the term of the Lease, and all costs, expenses, and obligations of every kind relating to the premises (except as otherwise specifically provided in this lease) which may rise or become due during the term of the Lease shall be paid by Lessee. Lessor shall be indemnified by Lessee against such costs, expenses and obligations, including attorney's fees and expenses incurred from enforcing the covenants of the Lease.

4. **Use of Premises:**

a. **Lessee shall use the premises for operation of a Marijuana Dispensary**, and related business activities, and must comply with all laws, applicable zoning ordinances and restrictions.

b. Lessee shall also be responsible for all business costs, charges and expenses of operating, maintaining, repairing, replacing, and insuring the premises, including but not limited to net costs and expenses of operating, repairs, lighting, cleaning, and securing insurance.

5. **Utilities.**

a. Lessor shall pay all utilities.

b. Landlord shall promptly pay all charges when due for utilities furnished to the premises including water, gas, electricity and any other utilities services, and

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tenant shall promptly pay all taxes levied in connection with utilities used on the premises.

6. **Repair.**

a. Except as provided in paragraph one, above, Lessee shall arrange for a yearly fire inspection and hold Lessor harmless and defend and indemnify harmless from the expense of any repairs or improvements necessary to correct any violations noted.

b. Lessee shall keep the leased grounds free of all cans, bottles, fragments, debris and trash, and in good repair, and the Lessee will keep the downspouts, gutters and drains clean, open and free of obstruction, and in good working order. Lessor shall not be obligated or required to make any repairs or do any work on or about the premises or any part of them. All portions of any building leased shall be kept in good repair by Lessee and at the end of the term, the Lessee shall deliver the demised premises to Lessor in good repair and condition, reasonable wear and tear and damage from fire or other casualty excepted. Lessor reserves the right to enter upon the premises at reasonable times. Lessor reserves the right to show the premises to prospective tenants and purchasers, and the right to display "For Sale" and "For Rent" signs on the premises 90 days prior to termination of this lease.

Lessor shall not be liable for any injury or damage caused by, or growing out of, any defect of the building, or its equipment, drains, plumbing, wiring, electric equipment or appurtenances, or in the premises, or caused by, or growing out of fire, rain, wind, leaks, seepage or other cause. However, this does not relieve lessor of liability if the building is defective because of lessor's actions.

Should the Lessee fail to make repairs agreed to under this Lease, the Lessor may enter the premises and make such repairs and collect the cost from the Lessee.

Lessee is authorized to make any tenant improvements and secure building and planning and zoning permits for construction or Marijuana Dispensary Application and Licensure. The Lessee is hereby Authorized to apply for ANY Permitting or Licensure of any kind or nature related to obtaining Marijuana License #33305 by ANY Governing Body.

7. **Indemnity & Insurance.** Lessee agrees to indemnify and hold Lessor harmless from the claims of any and all persons for bodily injury and property damage occurring upon the premises during the term of this Lease or any extension of it, provided the Lessor is not negligent. Lessee agrees to obtain and furnish at Lessee's expense a public liability insurance policy with a reputable insurance company, protecting Lessor from any and all such damages and claims, and agrees to have the policy endorsed to include Lessor as the additional insured. The policy or policies shall be with the following limits:

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$1 million Comprehensive General Liability policy,

Lessee will give to Lessor a copy of the liability insurance policy with the premium paid.

Lessor covenants and agrees to indemnify, hold harmless and defend lessee from and against all claims, losses and damages for personal injury or death, damage to property occurring on the premises, or Lessor's failure to pay taxes, liens, or assessments, arising out of Lessor's use or occupancy of the premises, or otherwise, arising out of Lessor's operation of the businesses or occupancy of the premises which pre-date the commencement of this Lease. This clause includes any Alaska Department of Environmental Authority, federal Environmental Protection Agency, the Alaska Department of Revenue, Internal Revenue Service, or other government entity or agency.

8. **Fire and Other Casualty.** In the event of the total destruction of, or partial damage to, the buildings upon the demised premises by fire or other casualty, Lessor shall proceed with due diligence and dispatch to repair and restore the buildings to the conditions to which they existed immediately prior to the occurrence of such casualty, at Lessor's cost and expense, provided such cost does not exceed the proceeds of insurance collected on the buildings, by reason of such casualty, the application of which insurance proceeds are not prohibited, by reason of any mortgage provision, from being used toward the cost of restoration and repairing the same. If the cost of such repair or restoration exceeds 20% of the then replacement value of the damaged leased premises, as estimated by two or more reputable contractors, Lessor may by written notice to the Lessee, within 30 days after the occurrence of such casualty, terminate this Lease. If the insurance proceeds are insufficient to effect such restoration or repairs, Lessor at its option may cancel this Lease by written notice to Lessee within 30 days after the occurrence of such casualty.

In the event the repairing and restoring of the buildings cannot be completed within four months after the date of occurrence of such casualty, as estimated by two or more reputable contractors, the Lessee shall have the right to terminate this Lease upon giving written notice to Lessor within 30 days from the date of occurrence of the casualty. From the date of such damage or destruction until the building has been substantially repaired or restored, an equitable abatement of rent shall be allowed the Lessee. Property Lessee stores in the demised premises shall be at the sole risk of Lessee.

Neither Lessor nor Lessee shall be liable to the other for any loss or damage from risks ordinarily insured against under fire insurance policies with extended coverage endorsements, irrespective of whether such loss or damage results from their negligence or that of any of their agents, servants, employees, licensees or contractors to the extent that such losses are covered by valid and collectable insurance on the property at the time of the loss.

9. **Improvements and Fixtures.** Lessee may at its own expense make such alterations, improvements, additions and changes to the premise, provided Lessee shall not,

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without the written consent of Lessor, tear down or materially demolish any of the improvements on the premises or make any material change or alterations in such improvements which, when completed, would substantially diminish the value of the-premises. All shelving, trade fixtures, or other personal property of Lessee which it may have Installed or placed at its own expense on the premises may at any time be removed by Lessee provided Lessee shall repair any damage to the premises caused by such removal. Lessee agrees at Lessee's own cost and expense to keep the leased area on the premises well painted at all times.

10. **Assignment and Subletting.** Lessee agrees that it will not assign or sublet the leased premises in whole or in part without the written consent of Lessor.

11. **Default.** Lessee shall be considered in default under this lease for any of the following actions or occurrences:

a. Failure of Lessee to pay by the first day of each and every month pursuant to the provisions of this lease after five (5) day notice to Lessee of such default complying with Alaska Statute (A.S.) 09.45 .1 05.

b. Failure by Lessee to comply with any of the covenants, terms and conditions of this lease within twenty (20) days after receipt from Lessor of notice to correct such failure.

c. Failure of Lessee to obtain the release of an attachment, garnishment, execution, or levy against the premises or leased equipment within 72 hours after any such lien attaches, but excluding any liens on Lessee's liquor license.

d. Institution of bankruptcy, insolvency, receivership, or trusteeship proceedings, voluntary or otherwise, or an assignment for the benefit of creditors, by Lessee.

e. Abandonment of the premises by Lessee.

f. Death or disablement of Lessee.

g. Assignment or sublease, of this Lease by Lessee without the written consent of the Lessor.

12. **Lessor Remedies on Default.** Upon default in the terms and conditions of this Lease, Lessor may avail itself of the Forcible Entry and Detainer statutes of the State of Alaska (A.S. 09.45.060 et. seq.), and such other remedies as may exist in law or equity.

13. **Return of Premises Upon Termination.** Upon termination of this Lease by expiration of the term, or by election as above provided, or otherwise, Lessee shall

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return the premises to Lessor in the same condition as at the commencement of this Lease, ordinary wear and tear excepted.

14. **Non-Waiver of Eminent Domain and Condemnation.** If there is a partial taking of the demised premises by eminent domain, as the result of which the total leased premises is reduced by not more than 25%, the terms of this Lease will continue and Lessor at Lessor's expense will restore the remaining premises to a complete architectural unit with store front, signs and interior of equal appearance and utility as they had previous to the taking, but there will be a prorata reduction in the rent payable each month and Lessee will have no right to any of the proceeds of such taking. If, on the other hand, the taking exceeds 25% of the total leased premises, or in the event the improvements are condemned and ordered torn down or removed by lawful authority, then the terms of this Lease shall cease as of the date possession shall be taken by such authority, the rent will be apportioned as of the date of such taking.

15. **Miscellaneous.**

a. Notices. All notices which are required to be given pursuant to this Lease shall be deemed sufficient if in writing and sent by either registered or certified mail or hand delivery as follows:

To Lessor: 7830 Old Seward Highway., Anchorage, Alaska 99518.

To Lessee: 7830 Old Seward Hwy., Anchorage, Alaska 99518.

b. Binding Effect. This Lease shall be binding and shall inure to the benefit of Lessor and Lessee, their heirs, successors and assigns

c. Integrated Contract. This lease and the attached schedule of property contain the entire agreement and understanding between the parties hereto. From the date on which the form of this lease begins, this lease automatically supersedes and terminates all prior leases between lessee and lessor or the predecessors of lessee pertaining to the premises and loaned equipment. No amendment, addition, alteration, modification or waiver of any provision of this lease shall be of any effect unless in writing and signed by the parties hereto.

d. Attorney's Fees. In any proceedings to enforce this Lease, the prevailing party shall pay all reasonable costs, attorneys' fees and expenses that shall be made and incurred in enforcing the agreements of this lease.

e. Applicable Law. This Lease shall be interpreted according to the law of the State of Alaska, and any legal proceedings to enforce it shall be in the courts of the State of Alaska, Third Judicial District at Anchorage.

In witness, the parties have executed this Lease on the date below, written

AMCO Received 10/9/2022

DATED at Anchorage, Alaska, this _____ day of _____, 2022

Allen Henry Choy, LLC

d/b/a Al's Alaskan Inn

Lessor

By: _____

Allen Henry Choy

Its: Member-Manager

STATE OF ALASKA)

)ss.

THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 3rd day of JUNE, 2022, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Allen Henry Choy to me known to be the person described in and who executed the above agreement, and he acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month, and year in this certificate first hereinafter written

"Official Seal"
Notary Public
Eli Gionet
State of Alaska
Commission # 180613013 Expires 06/13/2022

By: _____

Notary Public in and for the State of Alaska

My commission expires: 6-13-2022

DATED at Anchorage, Alaska, this 3 day of JUNE, 2022

A.C.

AMCO Received 10/9/2022

Ganja By Sarah, LLC

Lessee

By: _____

Sarah Annalyn Alexander

Its: Member-Manager

STATE OF ALASKA)

)ss.

THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 3rd day of JUNE, 2022, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Sarah Annalyn Alexander to me known to be the person described in and who executed the above agreement, and she acknowledged to me that she executed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month, and year in this certificate first hereinafter written

"Official Seal"
Notary Public
Eli Gionet
State of Alaska
Commission # 180613013 Expires 06/13/2022

By: _____

Notary Public in and for the State of Alaska

My commission expires: 6-13-2022

AMCO Received 10/9/2022

ATTORNEYS
BRADLY A. CARLSON
CYNTHIA A. FRANKLIN
D. PATRICK PHILLIP
ERIN K. EGAN

CARLSON LAW
CARLSON LAW GROUP, LLC

645 G STREET
SUITE 100 #558
ANCHORAGE, AK 99501

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June 21, 2022

Ryan Yelle
Planning Department
P.O. Box 196650
Anchorage, AK 99519-6650

Re: Property Owner Letter of Authorization

Dear Mr. Yelle:

My client, Allen Choy of Al's Alaskan Inn, entered into a Modified Commercial Lease with regard to the property located at 7830 Old Seward Highway, Anchorage, AK 99518. See attached. Per the terms of the lease agreement, Mr. Choy has the right to sublease the property without the consent of the property owner. Further, clause 5a of the lease agreement states that Mr. Choy has the "sole responsibility to apply for, obtain, and maintain all relevant permits pertaining to the business activities" that he permits on the premises. According to this authority vested in Mr. Choy by the terms of the Modified Commercial Lease, Mr. Choy, through his legal counsel, provides his consent to "Ganja by Sarah, LLC" using a portion of the property located at 7830 Old Seward Highway, Anchorage, AK 99516 for the purpose of operating a marijuana business in compliance with all relevant state and local requirements.

If you have any questions, please contact our office at (907) 677-8111. Thank you.

Respectfully,

CARLSON LAW GROUP, LLC
ATTORNEYS FOR AL'S ALASKAN INN

Erin K. Egan

AMCO Received 10/9/2022

Second MODIFICATION OF COMMERCIAL "Master Lease" dated April 17, 2023

The lease agreement entered into on May 13th, 2022 between **ISB Corporation "lessor"** and **Allen Henry Choy, LLC, d/b/a Al's Alaskan Inn is hereby modified as follows:**

1) In the event of default of this "Master Lease" the "lessor" agrees not to take possession of any cannabis products, and further, will notify AMCO within 24 hours.

Aut. 문성영

Mutually Agreed, ISB Corporation (lessor)

Mutually Agreed, Allen Henry Choy, LLC (lessee)

d/b/a Al's Alaskan Inn

First MODIFICATION OF COMMERCIAL SUBLEASE dated April 17, 2023

The lease agreement entered into on June 1st, 2022 between **Allen Henry Choy, LLC "lessor"** and **Ganja by Sarah, LLC, d/b/a Ganja by Sarah is hereby modified as follows:**

1) In the event of default of this "SUBLEASE" the "lessor" agrees not to take possession of any cannabis products, and further, will notify AMCO within 24 hours.

Mutually Agreed, Allen Henry Choy, LLC (lessor)

Mutually Agreed, Ganja by Sarah, LLC (lessee)

d/b/a Ganja by Sarah