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LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into on the date herein last written, by and between Bryant Thorp and Deborah Moore, whose address is 6819 Rovenna St Anchorage AK 99518 ("Lessor"), and Bryant Thorp dba "Arctic Herbery" an Alaskan marijuana grow and retail location whose principle address is 7107 Arctic Blvd, Anchorage, AK 99518 ("Lessee").

RECITALS

A. WHEREAS Lessor owns certain business property, commonly known as a commercial building, parking area, secured storage and related business facilities located at 7107 Arctic Blvd, Anchorage, AK 99518 (hereinafter, "Premises").

B. WHEREAS, Lessor desires to lease the Premises to Lessee to manage and operate the business known as "Arctic Herbery".

NOW THEREFORE, for the consideration set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Premises**. Lessor hereby leases the Premises to Lessee and Lessee hereby leases the Premises from Lessor on the terms and conditions set forth below.

2. **Permitted Use**. Lessee shall use and occupy the Premises only for legal purposes, which shall include operating and managing the business known as "Arctic Herbery" at Lessee's discretion and without the prior consent of Lessor (the "Permitted Use").

3. **Term**. The term of this Lease shall commence on the _1st___ day of _July_____, 2016____ (the "Commencement Date") and shall terminate in three (3) years (the "Termination Date"). After December 31st, 2016, this Lease may be cancelled by either party upon prior written notice to the other party actually received not less than thirty (30) days prior to the next due lease payment. Lessee may renew the Lease for one additional three (3) year term.

4. **Rent**. During the term of this Lease, Lessee shall pay the following costs and expenses as rent (the "Rent") on the dates and in the manner set forth below:

(a) **Monthly Payment**. Rent in the amount of Two Thousand Five Hundred Twenty Dollars ($_2520.00_)shall be due on the first of each month of the Lease term. The first month's payment is due at the Commencement Date.

(b) **Charges for Late Payment.** Lessee shall pay in addition to the monthly lease fee an additional payment for any lease fee received later than five (5) days after its due date, the late payment fee to be in the amount equal to Five (5%) Percent of the late lease fee; however, see also Paragraph 12(c), No Waiver of Default provision herein below.

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(c) **Utilities and Services**. Lessee shall be liable for, and shall pay throughout the term of the Lease, all services, snow and ice removal, and all utilities, including gas, water, heat, light, power, sewer, telephone services, refuse, and all other utilities used in and supplied to the Premises, together with any taxes thereon.

5. SECURITY DEPOSIT, SURRENDER

(A) Tenant shall deposit with **Landlord Two Thousand Dollars ($2,000) upon execution of the lease,** as security for Tenant's faithful performance under the terms of this lease. If Tenant is in default, Landlord can use the security deposit, or any portion thereof, to cure the default and /or as reimbursement for any and all damage sustained by Landlord as a result of Tenant's default. At Landlord's request, Tenant shall immediately pay to Landlord the sum necessary to replenish the security deposit to the original amount.

(B) The Tenant, upon the expiration or termination of this lease, and subject to Articles 9 and 13, shall peaceably and quietly deliver up to the Landlord, its successors or assigns, the Leased Property described in this lease in a clean and as good condition as when possession was tendered, normal wear and tear excepted.

In order for the security deposit to be returned in full, at such time as the Tenant surrenders possession of their unit to the Landlord, the following must be done. This includes but is not limited to:

a. Any and all trash must be pickup and removed. IF ANY
b. All tenant improvements will be removed from the property with the property being left in the same condition as it was when leased excluding pad build out.
c. Temporary alterations must be removed and area restored to its original condition.

(C) If Tenant is not in default at the expiration or termination of this lease and is in
Compliance with Article 4.2 above, after inspection and analysis of condition of leased property and any subject repairs Landlord shall return the security deposit to Tenant. Landlord's obligations with respect to the security deposit are those of a debtor and not a trustee.

6. **Taxes and Assessments**. Lessor shall be responsible for the payment of all real property taxes on the Premises during the term of the Lease. Lessee shall be responsible for payment of any sales tax, excise tax, gross receipts tax, or other business tax associated with its use of the Premises. Lessee shall make all payments of taxes directly to the charging governmental entity prior to delinquency, and before any fine, interest, or penalty shall become due or be imposed by operation of law for their nonpayment.

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7. **Conditions, Maintenance and Alteration of Premises**.

(a) Lessee is leasing the Premises on an "AS IS" basis. Lessor is not and shall not be obligated to furnish any services or facilities, including, but not limited to, utilities, or to make any repairs or alterations in or to the Premises, any part thereof or any improvements thereon, and Lessee hereby expressly waives any right or privilege under any statute, ordinance or other law to require that repairs by performed by, or at the expense of, Lessor. Lessee acknowledges that neither Lessor, nor any of Lessor's members, agents, employees or representatives, has made any representations or warranties as to the condition or permitted use of the Premises except as may be set forth in that certain Agreement governing the purchase and sale of the business and stock of Polar Refrigeration and Restaurant Equipment, Inc. an Alaskan corporation.

(b) Lessee hereby assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the Premises. Lessee shall, at Lessee's sole cost and expense, keep the Premises in good condition and repair.

8. **Mechanic's, Materialmen's and Laborer's Liens**.

(a) Lessee shall pay or cause to be paid all costs for work done by Lessee or caused to be done by Lessee on the Premises of a character which may result in a lien on Lessor's interest therein. Lessee will keep the Premises free and clear of all mechanics', materialmen's, laborer's liens and other liens arising out of or from work done by or under Lessee which may be asserted, claimed or charged against the Premises. Lessee hereby agrees to indemnify, defend and hold harmless Lessor from and against all liability, loss, damage, costs or expenses, including attorneys' fees and interest incurred on account of any claims of any nature whatsoever relating to lien claims of laborers, materialmen or others for work performed for, or for materials or supplies furnished to, Lessee or persons claiming under Lessee. Should any liens be filed or recorded against the Premises for work or materials supplied to Lessee or its representatives, or should any action affecting the title thereto be commenced, Lessee shall cause such liens to be removed of record within 30 days after notice thereof.

(b) If Lessee shall be in default in paying any charge for which a mechanic's, materialmen's, laborer's or other lien or suit to foreclose the lien has been recorded or filed, and shall not have caused the same to be released of record, then Lessor may (but without being required to do so) pay such lien or claim and any costs to obtain a bond or title insurance protection against such lien, and the amount so paid, together with reasonable attorneys' fees incurred in connection therewith, shall be immediately due from Lessee to Lessor.

9. **Nuisance; Condition; Waste**. Lessee shall not permit the existence of any nuisance on the Premises. Lessee shall keep the Premises in a clean and safe condition. Lessee shall not commit waste or permit waste to be committed on the Premises which shall include, but not be limited to, the accumulation of junk, debris or other unsightly or hazardous materials.

10. **Compliance with Law**. Lessee shall comply with all federal, state, local and police requirements, statutes, regulations, ordinances and laws now in force or hereafter enacted or promulgated with respect to the Premises and the activities of Lessee thereon.

11. **Indemnity**. Lessee shall defend, indemnify and hold Lessor harmless, including its agents and attorneys, from and against any and all actions, costs, claims, suits, judgments, losses, expenses, damages and liabilities, including, without limitation, reasonable attorneys' fees sustained

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by Lessor, based upon the acts or omissions of Lessee attributable to any cause, including, without limitation, property damage and/or injury or death to any person or persons arising from the use and occupancy of the Premises, or the default by Lessee of any term of this Lease.

12. **Notices**. Any notice required or desired to be given pursuant to this Lease shall be in writing and shall be personally delivered, mailed (postage prepaid, by certified mail, return receipt requested) to the address as set forth herein. Any notice shall be effective when personally delivered, or, if mailed as provided herein, on the date of actual receipt. The initial addresses of the parties are:

If to the Lessor: Deb Moore, 4498 N. Dryden St. Prescott Valley, AZ 86314
If to Lessee: Bryant Thorp, 7107 Arctic Blvd. Anchorage, AK 99518

Either party may change the address to which notices shall be sent by notice in writing to the other party.

13. **Default**

(a) **Events of Default.** Each of the following events shall constitute default by Lessee under this Lease:

(i) If this Lease is assigned or the Premises are sublet, either voluntarily or by operation of law, except as expressly provided herein;

(ii) If Lessee fails to pay when due, any rent or additional payments, fees or charges required under the terms of this Lease;

(iii) If Lessee fails or ceases to operate the Premises as required herein, and such failure is not cured within twenty-four (24) hours after written notice is provided by Lessor;

(iv) If Lessee fails to comply with any provision of this Lease, and does not cure such failure within ten (10) days after written notice is provided by Lessor specifying the default;

(v) If proceedings are instituted for the reorganization, liquidation, or involuntary dissolution of Lessee, or for its adjudication as bankrupt or insolvent, or for the appointment of a receiver of the property of Lessee, and said proceedings are not dismissed and any receiver, trustee or liquidator appointed is not discharged with thirty (30) days of the institution of such proceedings; and

(b) **Remedies for Lessee's Default.** In the event of default, Lessor may, either with or without judicial process, elect to cancel and terminate this Lease, or to reenter and take possession of the Premises and terminate Lessee's right to possession of the Premises. Notwithstanding such re-entry and/or re-letting, Lessee's liability for the rent provided herein shall not be extinguished for the balance of the term of this Lease. Lessee shall also be liable for all foreseeable costs and expenses, including attorney's fees, of the re-letting of the Premises and of terminating the Lease, and for any alterations and repairs made. This liability for rent, costs, attorney's fees and expenses, plus interest thereon from the date of disbursement or as accrued, may be reduced or eliminated to the extent of the amounts actually collected from any new Lessee.

Lessor shall have the right to apply the rent received from re-letting the Premises, in such priority and allocation as Lessor may elect in its sole discretion.

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If the substitute Lessee does not pay a rent installment promptly to Lessor, and the rent installment has been credited in advance of payment to Lessee's indebtedness other than rent, or if rentals from the substitute Lessee have been otherwise applied by Lessor as provided for herein, and during any rent installment period such rentals received are less than the rent payable for the corresponding installment period under this Lease, Lessor, in its sole discretion may require Lessee to pay the deficiency, separately for each rent installment deficiency period and before the end of that period, or as an aggregate lump sum amount. Lessor may at any time after the re-letting terminate the Lease for the breach on which Lessor had based the re-entry and subsequently re-let the Premises.

In the event of default, Lessor may elect to cure the default at Lessee's expense. Lessee shall reimburse Lessor for all amounts expended in connection with curing the default, including full attorney's fees and costs. Such amounts, together with interest accruing from the date of expenditure, shall be deemed additional rent due and payable when the installment of rent immediately following the expenditure is due.

The remedies conferred upon Lessor by law and in equity, and the remedies conferred upon Lessor under this Lease are cumulative, and no remedy shall be deemed to exclude any other remedy. Each remedy may be exercised from time to time, as often as occasion arises.

(c) **No Waiver of Default.** Failure by Lessor to declare Lessee in default and to terminate this Lease does not operate as a waiver of any provision of this Lease preventing Lessor from declaring Lessee in default and terminating the Lease for a further default of the same or similar nature.

14. **General Provisions.**

(a) **Entire Agreement.** This Lease constitutes the entire agreement between the parties respecting negotiations, agreements, representations and understandings, if any, between the parties concerning the matters under this Lease, and the parties make no warranties, express or implied, except those set forth in this Lease.

(b) **Modifications; Waiver.** This Lease Agreement may not be modified or discharged in any respect, except by a further agreement in writing executed by the parties. No waiver of any of Lessor's rights hereunder shall be deemed a continuing waiver with respect to any breach or default, whether of similar or different nature, unless expressly stated in writing.

(c) **No Joint Venture, Partnership, Agency, Etc.** This Lease agreement will not be construed as in any way establishing a partnership, joint venture, express or implied agency, or employer-employee relationship between the parties.

(d) **Governing Law.** This Lease shall be governed by and construed and enforced in accordance with the laws of the State of Alaska, without reference to the conflict of laws or principles thereof.

(e) **Counterparts.** This Lease may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute collectively but one

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agreement.

(f) **Limits to Assignments and Subletting**. Tenant shall not assign, pledge, sublet nor in any manner transfer or encumber this Lease or any interest therein, either voluntarily or through operation of law, without Lessor's prior written consent.

This lease to become effective as of the _1st_____ day of __July_____, 2016.

IN WITNESS WHEREOF, this Lease has been fully executed the day and year first above written.

LESSOR:

Bryant Thorp and Deborah Moore

DocuSigned by:
Bryant Thorp
DBF084F6D0D74AE...

By: Bryant Thorp and

DocuSigned by:
Deborah Moore
906CD7F91D58162...

By: Deb Moore
Its: Owners

LESSEE:

Bryant Thorp dba Arctic Herbery.

DocuSigned by:
Bryant Thorp
DBF084F6D0D74AE...

By: Bryant Thorp
Its: Owner and Operator

A L A S K A

2015-059360-0
Recording Dist: 301 - Anchorage
12/23/2015 10:18 AM Pages: 1 of 2

AFTER RECORDATION RETURN TO:

Bryant Thorp
Deborah Moore
6819 Roveena Street
Anchorage, AK 99518

WARRANTY DEED
A.S. 34.15.030

UTG 22034

The GRANTOR, **PATSY R. SHAW, an unmarried person AKA Patsy R. Timperley Shaw**, whose mailing address is P.O. Box 1408 Sterling, AK 9967211 funds, Lender OK, for and in consideration of TEN DOLLARS ($10.00) and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, convey and warrant to GRANTEES, **BRYANT THORP, an unmarried person and DEBORAH MOORE, an unmarried person, as tenants in common, each as to an undivided one-half (1/2) interest**, whose mailing address is 6819 Roveena Street, Anchorage, AK 99518, the following described real estate located in the Anchorage Recording District, Third Judicial District, State of Alaska:

Lot Four (4), Block Two (2), FIRST ADDITION GRAHAM SUBDIVISION, according to the official plat thereof, filed under Plat No. P-505A, in the records of the Anchorage Recording District, Third Judicial District, State of Alaska

SUBJECT TO the reservations and exceptions as contained in the United States Patent and/or in Acts authorizing the issuance thereof.

FURTHER SUBJECT TO the easement for electrical transmission and/or telephone distribution and incidental purposes, including terms and provisions thereof and granted to Chugach Electric Association, Inc. recorded June 20, 1952 in Deed Book 74 at Page 39. Affects Blanket Easement.

FURTHER SUBJECT TO the covenants, conditions and restrictions, including the terms and provisions thereof, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenant, condition or restriction violates 42 USC 3604 (c), as contained in an instrument recorded April 22, 1960 in Book 12 at Page 72.

FURTHER SUBJECT TO the easements as shown on the plat of said subdivision. Covenants and notes as shown on the plat of said subdivision.

eRecorded Document

DATED this 21 day of December, 2015.

GRANTOR:

Patsy R. Shaw
PATSY R. SHAW

STATE OF ARIZONA)
) ss.
COUNTY OF Yuma)

The foregoing instrument was acknowledged before me this 21 day of Dec, 2015, by **PATSY R. SHAW, an unmarried person.**

OFFICIAL SEAL
MARY A MONTES
NOTARY PUBLIC - STATE OF ARIZONA
YUMA COUNTY
My Comm. Expires May 1, 2016

Mary A. Montes
Notary Public in and for Arizona
My Commission Expires: 5-1-16

2/22/2016

Bryant Thorp and Deborah Moore agree that the jointly owned property located at 7107 Arctic Blvd, Anchorage, AK, was purchased with the intent for it to be used as a legal marijuana grow and retail business by Mr. Thorp.

Ms. Moore will NOT be involved in the marijuana licensing with Mr. Thorp and her interests will be limited to her ownership interests of the property.

Bryant Thorp

Deborah Moore

MUNICIPALITY OF
ANCHORAGE

Home Residents Businesses Government Visitors Departments Public Safety

Departments > Finance > Property Taxes > New Search > results

@nbsp; @nbsp;

Back | Pay Account | Property Appraisal | Find Parcel Number - - - 000 | Submit Search

Owner Information	**DETAILED PROPERTY INFORMATION**	**02/25/16 11:41:08**
Parcel ID	**012 101 12 000 1 5**	
Legal Description	GRAHAM #1	
	BLK 2 LT 4	
Site Address	7107 ARCTIC BLVD	
Tax District	003	
Account Name	THORP BRYANT 50% &	
Mailing Address	MOORE DEBORAH 50%	
	6819 ROVENNA STREET	
	ANCHORAGE AK 99518 0000	

Tax Information	**2015 Tax Year**		**2014 Tax Year**
Value before Exemptions	**294,000**		301,600
Tax before Exemptions	**4,321.80**		4,517.96
Sr. Citizen/Disabled Veteran Exemption	**(.00)**	**(if applicable)**	(.00)
Residential Exemption	**(.00)**	**(if applicable)**	(.00)
Tax Credit	**(.00)**		(.00)
TAX NET OF EXEMPTIONS/CREDITS	**4,321.80**		4,517.96
First Half Tax Amount	**2,160.90**	**Due June 15, 2015** See status below	
Second Half Tax	**2,160.90**	**Due August 15, 2015** See	

Amount status below

Mortgage Company Requesting Tax Information:

Tax Account Status	Tax	Interest	Penalty	Cost	Total Due
Advance Payment	.00				.00
Current Year 2015 Click for details	.00	.00	.00	.00	.00
Prior Year(s) Click for details	.00	.00	.00	.00	.00
Total	.00	.00	.00	.00	.00

NOTICE: The above figures are taken from the most recent postings available. Current year tax is the calendar year 2015.

When payment is applied to an account in delinquent status, it will automatically pay delinquent year(s) first in the following order: cost; penalty; interest; principal.

For detail on prior year(s) taxes owing contact the Tax Section at (907) 343-6650.

Information concerning Tax Deed Property is not available on the website. For more information on Tax Deed Property, contact Real Estate Services at (907) 343-7953 or (907) 343-7986.

632 W. 6th Avenue Suite #330 Anchorage, Alaska 99501
PO Box 196040 Anchorage, Alaska 99519-6040