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:	Green Elephant, LLC	**License Number:**	10315		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	GREEN ELEPHANT, LLC				
Physical Address:	101 Mill St.				
City:	Juneau	**State:**	AK	**Zip Code:**	99801
Designated Licensee:	Richard Dudas				
Email Address:	greenelephantalaska@gmail.com				

Section 2 – Attached Items

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

Attached Items:	Muddy Paws to Green Elephant lease

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

COMMERCIAL LEASE

THIS AGREEMENT is entered into the 1ST day of January, 2016 by and between Muddy Paws, LLC., ("Landlord") and Green Elephant, LLC., ("Tenant").

1. Leased Premises. In accordance with the provisions herein, Landlord leases to Tenant the following described real property, together with all improvements therein except as excluded, more particularly described as follows:

> Portions of the commercial building currently existing at 101 Mill Street, AJ Subdivision IV Block A, Lot 1, Juneau Recording District, 1st Judicial District, State of Alaska.

The portion of the commercial building consisting of approximately 8,000 square feet plus parking area included in this lease are identified in Exhibit A. This lease excludes the detached garage, the parking on either side and rear of that garage, the second floor of the building and the large Front Lobby Area as depicted in Exhibit A. Tenant agrees to Lease the premises in its current condition and "as is" without any required improvements or alterations by Landlord. Option to lease the Front Lobby Area will be available to the tenant when an on-premises cannabis consumption endorsement becomes available. Also, tenant may exercise an option to lease the balcony and stairs in Exhibit A for a future viewing area.

2. Term. The term of this Lease shall be five years commencing on January 1, 2016, and expiring at midnight on December 30, 2020, regardless of whether or not Tenant secures all permits and authorities to operate its business or is otherwise not able to operate.

3.1. Rent. Base Rent shall be $40,000 / mo. Plus 12% of gross sales, plus CBJ Sales tax. Landlord will be granted full access to Tenant books.

3.2. Late Charge. Any payment owed but not received by the 5th day of the month, whether base rent or a deferred payment for rent, shall bear a 20% late charge.

4. Renewal Option. This lease will be automatically renewed for an additional five year period under the same terms and conditions and at the rental rate existing at the end of the initial term, unless either party delivers written notice by May 1, 2020.

5. Operating, Maintenance and Repair Costs

All operating, maintenance and repair costs will be the responsibility of the tenant.

6. Deposit. Upon execution of this Lease, Tenant shall pay to Landlord a security deposit of $25,000.00 on or before January 1, 2016. This deposit shall be maintained in an account of Landlord's choosing, without incurring any obligation to pay interest or other charges to Tenant. Should tenant not complete the Lease term this security deposit is nonrefundable and shall be shall be used as a damage, security and rent deposit to partially assist in mitigating Landlord's losses including lost rent, repairs, damages, administrative costs; without waiving Landlord's right to recover full damages and rent owed for the entirety of the lease term. At the end of the lease term, provided all rent has been paid and all damages remedied, Landlord shall return the deposit without incurring interest.

7. Surrender. Tenant shall surrender the Premises by the expiration of the Lease, or any other earlier termination date, clean and free of debris and in the same condition as on the commencement of this Lease, reasonable wear and tear excepted.

8. Termination of Lease Prior to Term. If Tenant vacates the leased premises prior to the end of the lease term for any reason other than Landlord's breach of the Lease, all past and future deferred rent payments and lease payments that would be owed through the end of the lease term become immediately due and owed to Landlord. If not paid within 30 days of demand, Landlord may proceed to collect full amounts owed through litigation or any other remedy available.

9. Tenant Improvements. All Tenant improvements and alterations are subject to Landlord approval. Tenant shall submit proposed improvements and alterations to Landlord for review by email with drawings. Once approved, they shall be incorporated into this Lease. All costs associated with any improvements or alterations shall be the exclusive responsibility of Tenant. All improvements and alterations must comply with all permitting, building codes, laws, accepted engineering and construction standards and other legal requirements; and shall be performed by licensed and bonded contractors except for minor work approved by Landlord. Upon completion of improvements involving structural components, Tenant shall provide Landlord with "as-built" plans and specifications.

10. Ownership of Improvements and Fixtures. All tenant improvements and alterations shall be the property of, and owned by Landlord and may not be removed by Tenant at the expiration or earlier termination of the Lease. Landlord may elect to require Tenant to remove at the expiration or termination of the Lease any improvements or alterations, at Tenant's sole cost. All Tenant fixtures shall be the property of, and owned by Tenant, which Tenant may remove at any time and shall be required to remove at expiration or termination of the Lease. For all purposes of this Lease, "improvements and alterations" shall mean the improvements Tenant makes to the interior or structure of the Premises; "fixtures" shall mean those items of personal property that the Tenant affixes to the Premises in a manner that they can be easily removed without damage to the Premises. Major improvements can be lined out in addendums as we see fit.

11. Quiet Enjoyment. If Tenant performs and fulfills all the covenants and conditions herein contained, Tenant shall quietly enjoy the premises during the term of this lease.

12. Destruction of Premises. If the Premises shall be destroyed or rendered untenantable, either wholly or in part, by fire or other casualty, Landlord may, at its option, restore the Premises to its previous condition, and in the meantime the monthly rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole thereof; but unless Landlord, within 30 days after the happening of any such casualty, shall notify the Tenant of its election to so restore the Premises under this Section, Landlord must do so within a reasonable time not to exceed 10 months of the notice of its intention to so restore.

If the Building of which the Premises are a part shall be destroyed or damaged by fire or other casualty insured against under Landlord's fire and extended coverage insurance policy to the extent that more than 50% thereof is rendered untenantable, or in the case the Building of which the Premises is a part shall be materially destroyed or damaged by any other casualty other than those covered by such insurance policy, Landlord may in its election, terminate this Lease by notice in writing to Tenant within 60 days after such destruction or damage. Such notice shall be effective 30 days after receipt thereof by Tenant.

If the Premises are damaged to the extent that the damage materially interferes with Tenant's business operations, or reduces the Premises therefore by more than 25%, provided the damage is not due to the intentional or negligent acts of Tenants, then Tenant may, at its election, terminate this Lease by notice in writing to Landlord within 60 days after such damage. Such notice shall be effective 30 days after receipt by Landlord.

13. Assignments and Subleases. Tenant shall neither assign the leasehold created hereby or any interest hereunder for any purpose, nor sublet the premises or any part thereof, nor permit any person to occupy or use the premises except upon Landlord's written consent. Landlord reserves the right to withhold said consent in its sole discretion.

14. Liens. Tenant shall not do or permit anything causing the premises to be encumbered by any lien and shall, whenever and as often as such lien is claimed against the premises purporting to be for labor or materials furnished to Tenant or otherwise being based on a claim against Tenant, discharge the same within ten (10) days or Tenant shall post with Landlord a bond in an amount and with sureties which are satisfactory to Landlord guaranteeing that said lien will be removed. Tenant shall indemnify, defend and hold harmless Landlord from any lien claim. Notice is hereby given that Landlord shall not be liable for any labor or materials furnished to Tenant upon credit and that no mechanic's lien for such labor or material or other lien shall be attached to the interest of Landlord in the premises.

15. Entry of Landlord. Landlord shall be privileged at any time to inspect the premises and during the 12 month period next preceding the expiration of the term, shall be privileged with brokers and prospective tenants to inspect the premises. If, at reasonable hours, admission to the premises for the purposes aforesaid cannot be obtained, or if any time Landlord shall deem admission necessary for the benefit of Tenant, Landlord may, but is not obligated to, enter the premises by means of a master key or other peaceable manner.

16. Indemnity. Tenant agrees to indemnify, defend and hold Landlord harmless from any and all claims of any nature whatsoever, including but not limited to for injury to person or property or contract claims, arising out of or in any way related to the conduct of

Tenant, Tenant's use of the leased premises or this Lease. Tenant shall also indemnify, defend and hold Landlord harmless from any criminal, regulatory or other government actions against Landlord arising out of Tenant's cannabis operations. Landlord agrees to indemnify, defend and hold Tenant harmless from any and all claims for injury to person or damage to property arising out of the Landlord's intentional or negligent acts pertaining to the leased premises.

17. Use and Care of the Premises. Tenant: (a) shall use the premises only for the production and sale of cannabis and related products; and offices, storage, vehicle parking and other purposes directly related to the same; (b) shall conduct its activities upon and generally maintain the premises in such a manner and with such care that injury to persons and damage to property does not result therefrom; (c) shall not make any use of the premises that will cause the cancellation of Tenant's insurance or will make such coverage unavailable; (d) shall not damage the building while moving equipment to and from the premises; (e) shall comply with all federal, state and municipal laws, ordinances, regulations or orders, whether the same are of legislative, administrative or judicial origin. Upon Tenant's failure to comply with these conditions, Tenant agrees that Landlord may bring the premises into compliance and charge Tenant the reasonable cost thereof. Any such expense incurred by Landlord is payable by Tenant to Landlord upon presentment of the charges to Tenant. When Tenant vacates the premises at the conclusion of the rental term, Tenant will be charged rent for each day required by Landlord to clean or repair the premises in order to bring the premises back to its condition at the time of renting.

18. Default. Any of the following shall constitute a default hereunder by Tenant:

a. Failure to perform the covenants contained herein for the payment of rent.

b. Failure to perform or fulfill any other covenant or condition contained herein.

c. Dissolution, other termination of existence, or insolvency, in any sense, of Tenant.

Failure to perform a covenant or fulfill a condition contained herein shall constitute a default for purposes of this paragraph, regardless of whether other consequences of such failure are provided for herein, as in the case where an assignment without consent is void.

All rights and remedies of the Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. In addition to the other

remedies in this lease provided, the Landlord shall be entitled to the restraint by injunction of the violation or attempted violation of any of the covenants, agreements or conditions of this lease. Landlord's remedies are as follows:

i. If Tenant defaults in the payment of the rent reserved in this lease, and such default continues for ten (10) days after notice, or if Tenant defaults in the prompt and full performance of any other provision of this lease and such default continues for thirty (30) days after notice, or if the leasehold interest of Tenant be levied upon under execution or be attached by process of law, or if Tenant abandons the Property, then, in any such events, Tenant shall be in default under this lease and Landlord may, at its election, either terminate this lease and Tenant's right to possession of the premises or, without terminating this lease, endeavor to relet the premises. Nothing herein shall be construed so as to relieve Tenant of any obligation including payment of the rent reserved in this lease.

ii. Upon termination of this lease, Tenant shall surrender possession and vacate the premises immediately, and deliver possession thereof to Landlord, and Tenant hereby grants to Landlord full and free license to enter into and upon the premises in such event with or without process of law, and to repossess Landlord of the Property and to expel or remove Tenant and any others who may be occupying or within the premises, and to remove any and all property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

iii. If Tenant abandons the premises or Landlord otherwise becomes entitled so to elect, and Landlord elects, without terminating this lease, to endeavor to relet the premises, Landlord may, at Landlord's option, enter into the premises, remove Tenant's signs and other evidence of tenancy, and take and hold possession thereof as provided in subparagraph (ii) of this paragraph, without such entry and possession terminating this lease or releasing Tenant, in whole or in part, from Tenant's obligation to pay the rent hereunder for the full term as hereinafter provided. Upon and after entry into possession without termination of this lease, Landlord may relet the premises or any part thereof for the account of Tenant to any person, firm or corporation other than Tenant for such rent,

for such time and upon such terms as Landlord shall determine to be reasonable. In any such case, Landlord may make repairs, alterations and additions in or to the premises, and redecorate the same to the extent deemed by Landlord necessary or desirable, and Tenant shall, upon demand, pay the cost thereof, together with Landlord's expenses of the reletting including, without limitation, broker's commissions and advertising expenses. If the consideration collected by Landlord upon any such reletting for Tenant's account is not sufficient to pay yearly the full amount of the rent reserved in this lease, together with the cost of repairs, alterations, additions, redecorating and Landlord's expenses, Tenant shall pay to Landlord the amount of each yearly deficiency upon demand.

iv. If Landlord elects to terminate this lease in any of the contingencies specified in this paragraph, it being understood that Landlord may elect to terminate the lease after, and notwithstanding its election to terminate Tenant's right to possession as provided in subparagraph (i) of this paragraph, Landlord shall forthwith, upon such termination, be entitled to recover as damages, and not as a penalty, an amount equal to the then present value of the rent reserved in this lease for the residue of the term of this lease, less the present value of the fair rental value of the premises for the residue of the term of this lease.

v. Tenant agrees that if it shall, at any time, fail to make any payment or perform any other act on its part to be made or performed under this lease, Landlord may, but shall not be obligated to, after ten (10) days prior written notice and without waiving, or releasing Tenant from any obligation under this lease, make such payment or perform such other act to the extent Landlord may deem desirable, and in connection therewith to pay expenses and employ counsel. Tenant agrees to pay a reasonable attorney's fee if legal action is required to enforce performance by Tenant of any condition, obligation or requirement thereunder. All sums so paid by Landlord and all expenses in connection therewith, together with interest thereon at the current maximum legal rate of interest from the date of payment to the date of repayment, shall be deemed additional rent hereunder and payable at the time of any installment of rent thereafter becoming due, and Landlord shall have the same rights and remedies for the non-payment thereof, or of any other additional rent, as in the case of default in the payment of rent.

19. Insurance. During the term of this Lease Tenant shall maintain at its sole cost and with proof of said insurance upon demand by Landlord:

(a) Commercial general comprehensive liability insurance, that specifically includes coverage for Tenant's cannabis operations, protecting Tenant and Landlord (as an additional named insured) against all claims for personal injury and death, and property damage based upon, involving, or arising out of the operation, maintenance or use of the Premises or Tenant's business operations, in an amount of not less than Three Million and No/100 Dollars ($3,000,000.00) per occurrence. The foregoing insurance may be effected under a master or general policy carried by Tenant. Any such insurance shall be endorsed to require at least thirty (30) days' notice to Landlord prior to cancellation.

(b) Insurance coverage on Tenant's personal property and fixtures. Tenant shall also be responsible for providing Tenant's own loss of business, property damage, content, personal property/inventory insurance coverage. Landlord will not be providing any insurance for the protection of Tenant, including but not limited to Tenant's loss of business, personal injury or property damage claims or content coverage.

(c) Fire and casualty insurance on the building, premises and all leasehold improvements protecting against loss, damage or destruction caused by wind, fire, lightning, explosion, vandalism, malicious mischief, or such other casualties and such other risks as may be provided by extended coverage, said amount to be sufficient to cover any such losses as to be determined by Landlord. Any such insurance shall name Landlord as an additional insured or contain such other provisions as may be needed to preclude any subrogation claims by the insurers against Landlord. Any such insurance shall be endorsed to require at least thirty (30) days' notice to Landlord prior to cancellation.

(d) All policies of insurance shall be issued by and maintained in responsible insurance companies selected by Tenant, organized under the laws of one of the states of the United States or The Underwriters at Lloyd's of London, authorized under the laws of the State of Alaska to assume the risks covered thereby, and rated at least "A" by A.M. Best Company, Inc. or Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc. Tenant will deposit annually with Landlord policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating

that such insurance is in force and effect. Each policy shall contain a provision that the insurer shall not cancel nor modify it without giving written notice to Landlord and Tenant at least 30 days before the cancellation, non-renewal or modification becomes effective.

20. Hazardous Materials. Tenant shall be strictly liable for any and all hazardous waste materials stored, used, tested or distributed from the premises during the term of this lease. Further, Tenant shall be strictly liable for any and all hazardous waste damage done to the property during the lease term as a result of Tenant's acts, even if such hazardous waste damage does not become known until after the lease termination. Tenant further agrees to indemnify, defend and hold Landlord harmless against any claim, cause of action, or regulatory action arising out of the use, storage, removal, or disposal of hazardous waste products in, on, or about the leased premises, said indemnity to continue in existence beyond the lease termination for all hazardous waste activities identifiable to Tenant.

21. Key to Leased Premises. Landlord agrees to provide Tenant with a key to said premises, and further agrees that all locks to that portion of the property demised to Tenant shall be keyed differently from the Landlord's facilities. Tenant, at Tenant's sole cost and expense, is authorized to install such lock(s) on all doors, grates over windows or motion security systems as are deemed necessary by Tenant, provided Tenant agrees to provide a key for each lock to Landlord.

22. Signs. Tenant will pay for exterior signage for Tenant's business. All signage must be consistent with the signing size requirements of the City and Borough of Juneau. Tenant must obtain Landlord's prior written consent on the location of Tenant's business sign, and the manner by which said sign shall be displayed.

23. Notice. All notices required or permitted to be given hereunder shall be deemed given if in writing and delivered personally or sent by registered or certified mail, with postage thereon paid, addressed to Landlord or Tenant, as the case may be, at the addresses stated in the opening paragraph of this agreement. Either party may change the address at which it is to receive notices hereunder by giving the other party notice thereof, in writing, in the manner set forth above.

24. Taxes and Assessments. Tenant shall be responsible to pay any and all personal property taxes assessed by the City and Borough of Juneau for the leasehold interest in the

subject premises. Landlord agrees to pay the real property taxes assessed by the City and Borough of Juneau on the land and building, exclusive of any Tenant improvements. Tenant shall be responsible for any additional taxes on any Tenant improvements. Said amounts shall be payable at least ten (10) days prior to delinquency. Nonpayment of sales taxes, assessments and/or real property taxes shall be enforceable in the same manner as nonpayment of rent.

25. Attorney's Fees and Costs. Tenant agrees to pay any and all reasonable actual attorney's fees and costs incurred by Landlord if legal action is required to enforce performance by Tenant of any condition, obligation or requirement under this lease.

26. General.

i. The provisions hereby shall bind and inure to the benefit of the devisees, legatees, heirs, distributees, representatives, and assigns of the parties.

ii. This lease contains all of the covenants, promises, agreements, conditions and understanding, either oral or written, between the parties. No subsequent alteration, change or amendment to this lease shall be binding upon the parties unless reduced to writing and signed by them.

iii. Time is of the essence in this lease agreement.

iv. This lease agreement shall be construed under the laws of the State of Alaska. Any litigation arising out of or in any way related to this Lease or leasehold shall be filed and may only be brought in a court for the State of Alaska, the First Judicial District in Juneau.

v. Tenant agrees to attorney to a lender or any other party who acquires ownership of the Premises by reason of a foreclosure of Security Device. Tenant agrees to subordinate to any ground lease, mortgage, deed of trust or other security device placed by Landlord.

vi. In the event Tenant shall hold over at the expiration or other termination of the Lease, this Lease shall continue as a month to month lease subject to termination by either Party upon 60 days prior written notice, and shall be subject to all terms and conditions of this Lease.

DATED this 26th day of September, 2016.

LANDLORD: **MUDDY PAWS, LLC,**

By: _____

TENANT: **GREEN ELEPHANT, LLC,**

By: _____

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

THIS CERTIFIES that on this 26th day of September, before me, the undersigned, a notary public in and for the State of Alaska, personally appeared Jennifer Canfield and Richard Dudas, to me known and known to me to be the persons named in and who executed the within and foregoing document, and he/she/they individually acknowledged that he/she/they executed the same freely and voluntarily, for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

Notary Public, State of Alaska
My commission expires: 1/28/19

STATE OF ALASKA
NOTARY PUBLIC
ERIN BOGERT
My Commission Expires 1/28/19

AMMENDMENT TO COMMERCIAL LEASE

PARAGRAPH 1

THIS AGREEMENT is entered into the First day of January, 2016 by and between Muddy Paws, LLC., ("Landlord") and Green Elephant, LLC., ("Tenant").

1. Leased Premises. In accordance with the provisions herein, Landlord leases to Tenant the following described real property, together with all improvements therein except as excluded, more particularly described as follows:

> Portions of the commercial building currently existing at 101 Mill Street, AJ Subdivision IV Block A, Lot 1, Juneau Recording District, 1st Judicial District, State of Alaska.

Suite A (warehouse) and Suite B (retail) portions of the commercial building consisting of approximately 8,000 square feet plus parking area included in this lease are identified in Exhibit A. This lease excludes the detached garage, the parking on either side and rear of that garage, the second floor of the building and the large Front Lobby Area as depicted in Exhibit. Tenant agrees to Lease the premises in its current condition and "as is" without any required improvements or alterations by Landlord. Option to lease Suite C (the Front Lobby Area) will be available to the tenant when an on-premises cannabis consumption endorsement becomes available. Also, tenant may exercise an option to lease the balcony and stairs in Exhibit for a future viewing area.

AMMENDMENT TO COMMERCIAL LEASE

PARAGRAPH 18

18. Default. Any of the following shall constitute a default hereunder by Tenant:

a. Failure to perform the covenants contained herein for the payment of rent.

b. Failure to perform or fulfill any other covenant or condition contained herein.

c. Dissolution, other termination of existence, or insolvency, in any sense, of Tenant.

Failure to perform a covenant or fulfill a condition contained herein shall constitute a default for purposes of this paragraph, regardless of whether other consequences of such failure are provided for herein, as in the case where an assignment without consent is void. All rights and remedies of the Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. In addition to the other remedies in this lease provided, the Landlord shall be entitled to the restraint by injunction of the violation or attempted violation of any of the covenants, agreements or conditions of this lease. Landlord's remedies are as follows:

i. If Tenant defaults in the payment of the rent reserved in this lease, and such default continues for ten (10) days after notice, or if Tenant defaults in the prompt and full performance of any other provision of this lease and such default continues for thirty (30) days after notice, or if the leasehold interest of Tenant be levied upon under execution or be attached by process of law, or if Tenant abandons the Property, then, in any such events, Tenant shall be in default under this lease and Landlord may, at its election, either terminate this lease and Tenant's right to possession of the premises or, without terminating this lease, endeavor to relet the premises. Nothing herein shall be construed so as to relieve Tenant of any obligation including payment of the rent reserved in this lease. The Landlord will not remove any cannabis, cannabis product or cannabis waste from the property and will contact the Alcohol and Marijuana Control office at the State of Alaska.

ii. Upon termination of this lease, Tenant shall surrender possession and vacate the premises immediately, and deliver possession thereof to Landlord, and Tenant hereby grants to Landlord full and free license to enter into and upon the premises in such event with or without process of law, and to repossess Landlord of the Property and to expel or remove Tenant and any others who may be occupying or within the premises, and to remove any and all property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and

without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

iii. If Tenant abandons the premises or Landlord otherwise becomes entitled so to elect, and Landlord elects, without terminating this lease, to endeavor to relet the premises, Landlord may, at Landlord's option, enter into the premises, remove Tenant's signs and other evidence of tenancy, with the exception of any cannabis, cannabis product or cannabis waste, and take and hold possession thereof as provided in subparagraph (ii) of this paragraph, without such entry and possession terminating this lease or releasing Tenant, in whole or in part, from Tenant's obligation to pay the rent hereunder for the full term as hereinafter provided. Should any cannabis material be found on the premises, Landlord will not remove it and will contact the Alcohol and Marijuana Control office at the State of Alaska. Upon and after entry into possession without termination of this lease, Landlord may relet the premises or any part thereof for the account of Tenant to any person, firm or corporation other than Tenant for such rent, for such time and upon such terms as Landlord shall determine to be reasonable. In any such case, Landlord may make repairs, alterations and additions in or to the premises, and redecorate the same to the extent deemed by Landlord necessary or desirable, and Tenant shall, upon demand, pay the cost thereof, together with Landlord's expenses of the reletting including, without limitation, broker's commissions and advertising expenses. If the consideration collected by Landlord upon any such reletting for Tenant's account is not sufficient to pay yearly the full amount of the rent reserved in this lease, together with the cost of repairs, alterations, additions, redecorating and Landlord's expenses, Tenant shall pay to Landlord the amount of each yearly deficiency upon demand.

iv. If Landlord elects to terminate this lease in any of the contingencies specified in this paragraph, it being understood that Landlord may elect to terminate the lease after, and notwithstanding its election to terminate Tenant's right to possession as provided in subparagraph (i) of this paragraph, Landlord shall forthwith, upon such termination, be entitled to recover as damages, and not as a penalty, an amount equal to the then present value of the rent reserved in this lease for the residue of the term of this lease, less the present value of the fair rental value of the premises for the residue of the term of this lease.

v. Tenant agrees that if it shall, at any time, fail to make any payment or perform any other act on its part to be made or performed under this lease, Landlord may, but shall not be obligated to, after ten (10) days prior written notice and without waiving, or releasing Tenant from any obligation under this lease, make such payment or perform such other act to the extent Landlord may deem desirable, and in connection therewith to pay expenses and employ counsel. Tenant agrees to pay a reasonable attorney's fee if legal action is required to enforce performance by Tenant of any condition, obligation or requirement thereunder. All sums so paid by Landlord and all expenses in connection therewith, together with interest thereon at the current maximum legal rate of interest from the date of payment to the date of repayment, shall be deemed additional rent

hereunder and payable at the time of any installment of rent thereafter becoming due, and Landlord shall have the same rights and remedies for the non-payment thereof, or of any other additional rent, as in the case of default in the payment of rent.

DATED this 23rd day of December, 2016.

LANDLORD: **MUDDY PAWS, LLC,**

By: _____

TENANT: **GREEN ELEPHANT, LLC,**

By: _____

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:	Green Elephant, LLC	**License Number:**	10315		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	GREEN ELEPHANT, LLC				
Physical Address:	101 Mill St.				
City:	Juneau	**State:**	AK	**Zip Code:**	99801
Designated Licensee:	Richard Dudas				
Email Address:	greenelephantalaska@gmail.com				

Section 2 – Attached Items

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

Attached Items:	G2 to Muddy Paws lease

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

COMMERCIAL LEASE

THIS AGREEMENT is entered into the 25th day of November 2015 by and between **G2 PROPERTIES, LLC,** of 808 Fifth Street, Juneau, Alaska 999801 ("Landlord"), and **MUDDY PAWS, LLC**, of PO Box 21315, Juneau, Alaska 99802 ("Tenant").

1. Leased Premises. In accordance with the provisions herein, Landlord leases to Tenant the following described real property, together with all improvements therein except as excluded, more particularly described as follows:

> The commercial building currently existing at 101 Mill Street, AJ Subdivision IV Block A, Lot 1, Juneau Recording District, 1st Judicial District, State of Alaska.

The commercial building consisting of approximately 11,000 square feet plus parking area included in this lease are identified in Exhibit A. This lease excludes the detached garage and the parking on either side and rear of that garage, as depicted in Exhibit A. Tenant agrees to Lease the premises in its current condition and "as is" without any required improvements or alterations by Landlord.

2. Term. The term of this Lease shall be five years commencing on January 1, 2016, and expiring at midnight on December 30, 2020, regardless of whether or not Tenant secures all permits and authorities to operate its business or is otherwise not able to operate.

3.1. Rent. Tenant shall pay Landlord monthly rent ("rent") on or before the first day of each calendar month and continuing thereafter every month as follows:

(a) Beginning January 1, 2016, monthly rent shall be $20,000.00 base rent plus CBJ sales tax, with $18,000.00 of the payment deferred.

(b) Beginning May 1, 2016, monthly rent shall be $20,000.00 base rent plus CBJ sales tax, with $15,000.00 of the payment may be deferred until January 2017 as set forth below.

(c) Beginning October 1, 2016, monthly rent shall be $20,000.00 base rent, plus CBJ sales tax. Payment of $10,000.00 of the base rent owed may be deferred until January 2017 as set forth below.

(d) Beginning January 1, 2017, monthly rent shall be $20,000 base rent; plus 2% of monthly gross sales (defined below); plus CBJ sales tax on the total rent owed. In addition, payment of the deferred rent in paragraphs (a) and (b) will begin as set forth below.

(e) Beginning January 1, 2019, monthly rent shall be $20,000.00 base rent increased on January 1, 2019, and increased again on January 1, 2020, by the increase in the CPI for Anchorage, Alaska from the prior year; plus 2% of monthly gross sales (defined below); plus CBJ sales tax. In addition, the deferred rent in paragraphs (a) and (b) will continue as set forth below.

3.2. Deferred Payment of Rent. Beginning January 1, 2017, rent payments that were deferred under paragraphs 3.1(a) and (b) shall begin and be paid on the first of every month at the rate of no less than $5,000.00 per month. Payments shall be separately designated as payment for current monthly rent and deferred payments. If CBJ sales tax was not previously owed or paid on said amount, Tenant will pay CBJ sales tax at this time.

3.3. Gross Sales. For purposes of calculating rent, monthly gross sales includes all sales of any nature whatsoever for all company wide sales including any subsidiaries of or related to the production and sale of cannabis, excluding any sales or revenue, other than wholesale or retail sales of cannabis, arising from writing, journalism, marketing, advertising, website, promotional, and similar activities, present or future, that involve words, phrases, symbols, designs, works of artistic or literary nature, and other creations of the intellect, whether or not technically within the definition of intellectual property . Tenant shall allow Landlord access to all books and accounting at least annually to verify monthly gross sales. Payment

of monthly rent that includes a percentage of gross sales in no way intends or means that Landlord is a partner, joint-venture or in any way in business or associated with Tenant or Tenant's business other than as Landlord-Tenant. Monthly gross sales means gross sales minus any sales or excise tax collected that month, including but not limited to under AS 43.61.010, whether imposed by a state, federal, municipal, or other governmental entity or agency. The gross sales portion of the rent payment owed for each month shall be paid at the same time as the base rent two months later. For example, the gross sales portion of the rent for January will be paid with the March 1 payment.

3.4. Late Charge. Any payment owed but not received by the 5th day of the month, whether base rent or a deferred payment for rent, shall bear a 5% late charge.

4. Renewal Option. This lease will be automatically renewed for an additional five year period under the same terms and conditions and at the rental rate existing at the end of the initial term, unless either party delivers written notice by May 30, 2020.

5. Operating, Maintenance and Repair Costs. Landlord shall be responsible for and repair, maintain and replace, at its sole cost and expense the following structural building components: roof, boiler system and radiant floor heating system, foundation, within or below the foundation or slab plumbing fixtures, utility lines located outside the building or below the foundation or slab, and the structural soundness of the exterior, interior load bearing and demising walls of the building, unless these components are damaged due to the negligence, malfeasance or operations of the Tenant. Landlord's obligation does not include repairing clogged lines and drainage or normal routine and maintenance of plumbing. Landlord's responsibility for exterior maintenance includes painting the exteriors by June 1, 2016, weather permitting. Otherwise Tenant shall timely maintain, repair and pay for all costs including regular maintenance, grounds keeping, janitorial, all utilities (including phone, electricity, heat, sewer and water), plumbing, refuse disposal, snow plowing and

removal. In addition, at its sole cost Tenant agrees to install and maintain a security system that meets the State's requirements.

6. Deposit. Upon execution of this Lease, Tenant shall pay to Landlord a security deposit of $15,000.00 on or before November 25, 2015 ($10,000.00 plus the $5,000.00 already paid as referenced in the parties' Letter of Intent). This deposit shall be maintained in an account of Landlord's choosing, without incurring any obligation to pay interest or other charges to Tenant. Should tenant not complete the Lease term this security deposit is nonrefundable and shall be shall be used as a damage, security and rent deposit to partially assist in mitigating Landlord's losses including lost rent, repairs, damages, administrative costs; without waiving Landlord's right to recover full damages and rent owed for the entirety of the lease term. At the end of the lease term, provided all rent has been paid and all damages remedied, Landlord shall return the deposit without incurring interest.

7. Surrender. Tenant shall surrender the Premises by the expiration of the Lease, or any other earlier termination date, clean and free of debris and in the same condition as on the commencement of this Lease, reasonable wear and tear excepted.

8. Termination of Lease Prior to Term. If Tenant vacates the leased premises prior to the end of the lease term for any reason other than Landlord's breach of the Lease, all past and future deferred rent payments and lease payments that would be owed through the end of the lease term become immediately due and owed to Landlord. If not paid within 30 days of demand, Landlord may proceed to collect full amounts owed through litigation or any other remedy available.

9. Tenant Improvements. All Tenant improvements and alterations are subject to Landlord approval. which approval shall not be unreasonably denied. Tenant shall submit proposed improvements and alterations to Landlord for review by Hayden. Once approved, they shall be incorporated into this Lease. All costs associated with any

improvements or alterations shall be the exclusive responsibility of Tenant. All improvements and alterations must comply with all permitting, building codes, laws, accepted engineering and construction standards and other legal requirements; and shall be performed by licensed and bonded contractors except for minor work approved by Landlord. Upon completion of improvements involving structural components, Tenant shall provide Landlord with "as-built" plans and specifications.

10. Ownership of Improvements and Fixtures. All tenant improvements and alterations shall be the property of and owned by Landlord and may not be removed by Tenant at the expiration or earlier termination of the Lease. Landlord may elect to require Tenant to remove at the expiration or termination of the Lease any improvements or alterations, at Tenant's sole cost. All Tenant fixtures shall be the property of and owned by Tenant, which Tenant may remove at any time and shall be required to remove at expiration or termination of the Lease. For all purposes of this Lease, "improvements and alterations" shall mean the improvements Tenant makes to the interior or structure of the Premises; "fixtures" shall mean those items of personal property that the Tenant affixes to the Premises in a manner that they can be easily removed without damage to the Premises. Major improvements can be lined out in addendums as we see fit.

11. Quiet Enjoyment. If Tenant performs and fulfills all the covenants and conditions herein contained, Tenant shall quietly enjoy the premises during the term of this lease.

12. Destruction of Premises. If the Premises shall be destroyed or rendered untenanable, either wholly or in part, by fire or other casualty, Landlord may, at its option, restore the Premises to its previous condition, and in the meantime the monthly rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole thereof; but unless Landlord, within 30 days after the happening of any such casualty, shall notify the Tenant of its election to so restore the Premises under this Section, Landlord must do so within a reasonable time not to exceed 10 months of the notice of its intention to so restore.

If the Building of which the Premises are a part shall be destroyed or damaged by fire or other casualty insured against under Landlord's fire and extended coverage insurance policy to the extent that more than 50% thereof is rendered untenantable, or in the case the Building of which the Premises is a part shall be materially destroyed or damaged by any other casualty other than those covered by such insurance policy, Landlord may in its election, terminate this Lease by notice in writing to Tenant within 60 days after such destruction or damage. Such notice shall be effective 30 days after receipt thereof by Tenant.

If the Premises are damaged to the extent that the damage materially interferes with Tenant's business operations, or reduces the Premises therefore by more than 25%, provided the damage is not due to the intentional or negligent acts of Tenants, then Tenant may, at its election, terminate this Lease by notice in writing to Landlord within 60 days after such damage. Such notice shall be effective 30 days after receipt by Landlord.

13. Assignments and Subleases. Tenant shall neither assign the leasehold created hereby or any interest hereunder for any purpose, nor sublet the premises or any part thereof, nor permit any person to occupy or use the premises except upon Landlord's written consent. Landlord reserves the right to withhold said consent in its sole discretion; however Landlord may not without good cause withhold consent for subleases to Tenant's affiliated entities, so long as such affiliated entities are engaged in the same business as described in paragraph 17, and remain owned and controlled by the individuals personally guaranteeing this Lease. Lessor acknowledges that tenant intends to sublease or assign this leasehold to an affiliated entity, Green Elephant, LLC, which affiliated entity will engage in the business described in paragraph 17. Lessor agrees to this sublease or assignment. Further, rent and gross sales for rent shall apply for all such affiliated entities. Any other unapproved assignment or sublease shall be void. Notwithstanding any assignment or sublease pursuant to Landlord's consent thereto, Tenant shall remain fully liable on this lease and shall not be released from performing any of the terms, covenants and conditions thereof.

14. Liens. Tenant shall not do or permit anything causing the premises to be encumbered by any lien and shall, whenever and as often as such lien is claimed against the premises purporting to be for labor or materials furnished to Tenant or otherwise being based on a claim against Tenant, discharge the same within ten (10) days or Tenant shall post with Landlord a bond in an amount and with sureties which are satisfactory to Landlord guaranteeing that said lien will be removed. Tenant shall indemnify, defend and hold harmless Landlord from any lien claim. Notice is hereby given that Landlord shall not be liable for any labor or materials furnished to Tenant upon credit and that no mechanic's lien for such labor or material or other lien shall be attached to the interest of Landlord in the premises.

15. Entry of Landlord. Landlord shall be privileged at any time in the case of an emergency and at reasonable times on reasonable notice to inspect the premises or for the purpose of performing its duties under this lease, and time to inspect the premises, and during the 12 month period next preceding the expiration of the term, shall be privileged with brokers and prospective tenants to inspect the premises. If, at reasonable hours, admission to the premises for the purposes aforesaid cannot be obtained, or if any time Landlord shall deem admission necessary for the benefit of Tenant, Landlord may, but is not obligated to, enter the premises by means of a master key or other peaceable manner. Any entry by landlord shall not unduly disrupt tenant's quiet enjoyment or disturb the ongoing operations by tenant.

16. Indemnity. Tenant agrees to indemnify, defend and hold Landlord harmless from any and all claims of any nature whatsoever, including but not limited to for injury to person or property or contract claims, arising out of or in any way related to the conduct of Tenant, Tenant's use of the leased premises or this Lease. Tenant shall also indemnify, defend and hold Landlord harmless from any criminal, regulatory or other government actions against Landlord arising out of Tenant's cannabis operations. Landlord agrees to indemnify, defend

and hold Tenant harmless from any and all claims for injury to person or damage to property arising out of the Landlord's intentional or negligent acts pertaining to the leased premises.

17. Use and Care of the Premises. Tenant: (a) shall use the premises only for the production and sale and testing of cannabis and related products; and offices, storage, vehicle parking and other purposes directly related to the same; (b) shall conduct its activities upon and generally maintain the premises in such a manner and with such care that injury to persons and damage to property does not result therefrom; (c) shall not make any use of the premises that will cause the cancellation of Tenant's insurance or will make such coverage unavailable; (d) shall not damage the building while moving equipment to and from the premises; (e) shall comply with all federal, state and municipal laws, ordinances, regulations or orders, whether the same are of legislative, administrative or judicial origin. Upon Tenant's failure to comply with these conditions, Tenant agrees that Landlord may bring the premises into compliance and charge Tenant the reasonable cost thereof. Any such expense incurred by Landlord is payable by Tenant to Landlord upon presentment of the charges to Tenant. When Tenant vacates the premises at the conclusion of the rental term, Tenant will be charged rent for each day required by Landlord to clean or repair the premises in order to bring the premises back to its condition at the time of renting.

18. Default. Any of the following shall constitute a default hereunder by Tenant:

a. Failure to perform the covenants contained herein for the payment of rent.

b. Failure to perform or fulfill any other covenant or condition contained herein.

c. Dissolution, other termination of existence, or insolvency, in any sense, of Tenant.

Failure to perform a covenant or fulfill a condition contained herein shall constitute a default for purposes of this paragraph, regardless of whether other consequences of such failure are provided for herein, as in the case where an assignment without consent is void. All rights and remedies of the Landlord herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. In addition to the other remedies in this lease provided, the Landlord shall be entitled to the restraint by injunction of the violation or

attempted violation of any of the covenants, agreements or conditions of this lease. Landlord's remedies are as follows:

i. If Tenant defaults in the payment of the rent reserved in this lease, and such default continues for ten (10) days after notice, or if Tenant defaults in the prompt and full performance of any other provision of this lease and such default continues for thirty (30) days after notice, or if the leasehold interest of Tenant be levied upon under execution or be attached by process of law, or if Tenant abandons the Property, then, in any such events, Tenant shall be in default under this lease and Landlord may, at its election, either terminate this lease and Tenant's right to possession of the premises or, without terminating this lease, endeavor to relet the premises. Nothing herein shall be construed so as to relieve Tenant of any obligation including payment of the rent reserved in this lease.

ii. Upon termination of this lease, Tenant shall surrender possession and vacate the premises immediately, and deliver possession thereof to Landlord, and Tenant hereby grants to Landlord full and free license to enter into and upon the premises in such event with or without process of law, and to repossess Landlord of the Property and to expel or remove Tenant and any others who may be occupying or within the premises, and to remove any and all property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

iii. If Tenant abandons the premises or Landlord otherwise becomes entitled so to elect, and Landlord elects, without terminating this lease, to endeavor to relet the premises, Landlord may, at Landlord's option, enter into the premises, remove Tenant's signs and other evidence of tenancy, and take and hold possession thereof as provided in subparagraph (ii) of this paragraph, without such entry and possession terminating this lease or releasing Tenant, in whole or in part, from Tenant's obligation to pay the rent hereunder for the full term as hereinafter provided. Upon and after entry into possession without termination of this lease, Landlord may relet the premises or any part thereof for the account of Tenant to any person, firm or corporation other than Tenant for such rent, for such time and upon such

terms as Landlord shall determine to be reasonable. In any such case, Landlord may make repairs, alterations and additions in or to the premises, and redecorate the same to the extent deemed by Landlord necessary or desirable, and Tenant shall, upon demand, pay the cost thereof, together with Landlord's expenses of the reletting including, without limitation, broker's commissions and advertising expenses. If the consideration collected by Landlord upon any such reletting for Tenant's account is not sufficient to pay yearly the full amount of the rent reserved in this lease, together with the cost of repairs, alterations, additions, redecorating and Landlord's expenses, Tenant shall pay to Landlord the amount of each yearly deficiency upon demand.

iv. If Landlord elects to terminate this lease in any of the contingencies specified in this paragraph, it being understood that Landlord may elect to terminate the lease after, and notwithstanding its election to terminate Tenant's right to possession as provided in subparagraph (i) of this paragraph, Landlord shall forthwith, upon such termination, be entitled to recover as damages, and not as a penalty, an amount equal to the then present value of the rent reserved in this lease for the residue of the term of this lease, less the present value of the fair rental value of the premises for the residue of the term of this lease.

v. Tenant agrees that if it shall, at any time, fail to make any payment or perform any other act on its part to be made or performed under this lease, Landlord may, but shall not be obligated to, after ten (10) days prior written notice and without waiving, or releasing Tenant from any obligation under this lease, make such payment or perform such other act to the extent Landlord may deem desirable, and in connection therewith to pay expenses and employ counsel. Tenant agrees to pay a reasonable attorney's fee if legal action is required to enforce performance by Tenant of any condition, obligation or requirement thereunder. All sums so paid by Landlord and all expenses in connection therewith, together with interest thereon at the current maximum legal rate of interest from the date of payment to the date of repayment, shall be deemed additional rent hereunder and payable at the time of any installment of rent thereafter becoming due, and Landlord shall have the same rights and remedies for the non-payment thereof, or of any other additional rent, as in the case of default in the payment of rent.

d. The parties agree that nothing in this paragraph or in this commercial lease limits or otherwise affects each party's duty to mitigate its losses and damages in the event of default or breach by the other party. G2 will of course be looking for a new tenant in which case you would get an offset in rent. But it is the obligation of the tenant to obtain a qualified lessee.

19. Insurance. During the term of this Lease Tenant shall maintain at its sole cost and with proof of said insurance upon demand by Landlord:

(a) Commercial general comprehensive liability insurance, that specifically includes coverage for Tenant's cannabis operations, protecting Tenant and Landlord (as an additional named insured) against all claims for personal injury and death, and property damage based upon, involving, or arising out of the operation, maintenance or use of the Premises or Tenant's business operations, in an amount of not less than Three Million and No/100 Dollars ($3,000,000.00) per occurrence. The foregoing insurance may be effected under a master or general policy carried by Tenant. Any such insurance shall be endorsed to require at least thirty (30) days' notice to Landlord prior to cancellation.

(b) Insurance coverage on Tenant's personal property and fixtures. Tenant shall also be responsible for providing Tenant's own loss of business, property damage, content, personal property/inventory insurance coverage. Landlord will not be providing any insurance for the protection of Tenant, including but not limited to Tenant's loss of business, personal injury or property damage claims or content coverage.

(c) Fire and casualty insurance on the building, premises and all leasehold improvements protecting against loss, damage or destruction caused by wind, fire, lightning, explosion, vandalism, malicious mischief, or such other casualties and such other risks as may be provided by extended coverage, said amount to be sufficient to cover any such losses as to be determined by Landlord. Any such insurance shall name Landlord as an additional insured or contain such other provisions as may be needed to preclude any subrogation claims by the insurers against Landlord. Any such insurance shall be endorsed to require at least thirty (30) days' notice to Landlord prior to cancellation.

(d) All policies of insurance shall be issued by and maintained in responsible insurance companies selected by Tenant, organized under the laws of one of the states of the United States or The Underwriters at Lloyd's of London, authorized under the laws of the State of Alaska to assume the risks covered thereby, and rated at least "A" by A.M. Best Company, Inc. or Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc. Tenant will deposit annually with Landlord policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. Each policy shall contain a provision that the insurer shall not cancel nor modify it without giving written notice to Landlord and Tenant at least 30 days before the cancellation, non-renewal or modification becomes effective.

20. Hazardous Materials. Tenant shall be strictly liable for any and all hazardous waste materials stored, used, tested or distributed from the premises during the term of this lease. Further, Tenant shall be strictly liable for any and all hazardous waste damage done to the property during the lease term as a result of Tenant's acts, even if such hazardous waste damage does not become known until after the lease termination. Tenant further agrees to indemnify, defend and hold Landlord harmless against any claim, cause of action, or regulatory action arising out of the use, storage, removal, or disposal of hazardous waste products in, on, or about the leased premises, said indemnity to continue in existence beyond the lease termination for all hazardous waste activities identifiable to Tenant.

21. Key to Leased Premises. Landlord agrees to provide Tenant with a key to said premises, and further agrees that all locks to that portion of the property demised to Tenant shall be keyed differently from the Landlord's facilities. Tenant, at Tenant's sole cost and expense, is authorized to install such lock(s) on all doors, grates over windows or motion security systems as are deemed necessary by Tenant, provided Tenant agrees to provide a key for each lock to Landlord.

22. Signs. Tenant will pay for exterior signage for Tenant's business. All signage must be consistent with the signing size requirements of the City and Borough of Juneau. Tenant must obtain Landlord's prior written consent on the location of Tenant's business sign, and the manner by which said sign shall be displayed.

23. Notice. All notices required or permitted to be given hereunder shall be deemed given if in writing and delivered personally or sent by registered or certified mail, with postage thereon paid, addressed to Landlord or Tenant, as the case may be, at the addresses stated in the opening paragraph of this agreement. Either party may change the address at which it is to receive notices hereunder by giving the other party notice thereof, in writing, in the manner set forth above.

24. Taxes and Assessments. Tenant shall be responsible to pay any and all personal property taxes assessed by the City and Borough of Juneau for the leasehold interest in the subject premises. Landlord agrees to pay the real property taxes assessed by the City and Borough of Juneau on the land and building, exclusive of any Tenant improvements. Tenant shall be responsible for any additional taxes on any Tenant improvements. Said amounts shall be payable at least ten (10) days prior to delinquency. Nonpayment of sales taxes, assessments and/or real property taxes shall be enforceable in the same manner as nonpayment of rent.

25. Attorney's Fees and Costs. Tenant agrees to pay any and all reasonable actual attorney's fees and costs incurred by Landlord if legal action is required to enforce performance by Tenant of any condition, obligation or requirement under this lease.

26. General.

i. The provisions hereby shall bind and inure to the benefit of the devisees, legatees, heirs, distributees, representatives, and assigns of the parties.

ii. This lease contains all of the covenants, promises, agreements, conditions and understanding, either oral or written, between the parties. No subsequent alteration, change or amendment to this lease shall be binding upon the parties unless reduced to writing and signed by them.

iii. Time is of the essence in this lease agreement.

iv. This lease agreement shall be construed under the laws of the State of Alaska. Any litigation arising out of or in any way related to this Lease or leasehold shall be filed and may only be brought in a court for the State of Alaska, the First Judicial District in Juneau.

v. Tenant agrees to attorney to a lender or any other party who acquires ownership of the Premises by reason of a foreclosure of Security Device. Tenant agrees to subordinate to any ground lease, mortgage, and deed of trust or other security device placed by Landlord.

vi. In the event Tenant shall hold over at the expiration or other termination of the Lease, this Lease shall continue as a month to month lease subject to termination by either Party upon 60 days prior written notice, and shall be subject to all terms and conditions of this Lease.

DATED this 2nd day of March, 2016.

LANDLORD: **G2 PROPERTIES, LLC,**

By: _____
Hayden Garrison, Manager

TENANT: **MUDDY PAWS, LLC,**

By: _____
Rich Dudas, Manager

PERSONAL GUARANTY: I hereby personally guarantee all obligations, responsibilities, liabilities and payments of the Tenant.

By: _____
Rich Dudas

THIS CERTIFIES that on this 2nd day of March, 2016, before me, the undersigned, a notary public in and for the State of Alaska, personally appeared Hayden Garrison, to me known to be the Manager of G2 Properties LLC, the company that executed the foregoing instrument, and he acknowledged the said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above - written.

_____
Notary Public for Alaska
My Commission Expires: 11/28/19

STATE OF ALASKA
NOTARY PUBLIC
ERIN BOGERT
My Commission Expires 11/28/19

On this 2nd day of March, 2016, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Richard Dudas, to me known to be the Manager of Muddy Paws, LLC the entity that executed the foregoing instrument, and also individually as the personal Guarantor, and he acknowledged the said instrument to be the free and voluntary act and deed of said corporation and himself, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above -written.

_____
Notary Public for Alaska

My Commission Expires: 11/28/19

STATE OF ALASKA
NOTARY PUBLIC
ERIN BOGERT
My Commission Expires 11/28/19