REAL ESTATE
SUBLEASE

This Sublease Agreement (this "Sublease") is dated June 1, 2017, by and between BDT Properties, LLC ("Sublessor"), and 7107 Ventures, LLC, DBA Arctic Herbery ("Subtenant"). The parties agree as follows:

PREMISES. Sublessor in consideration of the lease payments provided in this Sublease, leases to Subtenant (the "Premises") located at 7107 ARCTIC BLVD, ANCHORAGE, AK 99518.

TERM. The sublease term will begin June 1, 2017 and will terminate on June 30, 2020.

LEASE PAYMENTS. Subtenant shall pay to Sublessor monthly installments of three thousand five hundred fifty dollars ($3,550) until the term of the master Lease Agreement ends. Installments are payable in advance on the first day of each month.

POSSESSION. Subtenant shall be entitled to possession on the first day of the term of this Sublease, and shall yield possession to Sublessor on the last day of the term of this Sublease, unless otherwise agreed by both parties in writing. At the expiration of the term, Subtenant shall remove its goods and effects and peaceably yield up the Premises to Sublessor in as good a condition as when delivered to Subtenant, ordinary wear and tear excepted.

USE OF PREMISES. Subtenant may use the Premises only for Retail and cultivation of commercial marijuana and marijuana product and all legal endeavors. The Premises may be used for any other purpose only with the prior written consent of Sublessor, which shall not be unreasonably withheld.
Subtenant shall notify Sublessor of any anticipated extended absence from the Premises not later than the first day of the extended absence.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Sublessor shall pay all real estate taxes and assessments for the Premises.

PERSONAL TAXES. Sublessor shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Subtenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments.

LATE PAYMENTS. For any payment that is not paid within 15 days after its due date, Subtenant shall pay a late fee of $250.00.

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HOLDOVER. If Subtenant maintains possession of the Premises for any period after the termination of this Sublease ("Holdover Period"), Subtenant shall pay to Sublessor lease payment(s) during the Holdover Period at a rate equal to the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Sublease.

REMODELING OR STRUCTURAL IMPROVEMENTS. Subtenant shall have the obligation to conduct any construction or remodeling (at Subtenant's expense) that may be required to use the Premises as specified above. Subtenant may also construct such fixtures on the Premises (at Subtenant's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken and such fixtures may be erected only with the prior written consent of the Sublessor which shall not be unreasonably withheld. Subtenant shall not install awnings or advertisements on any part of the Premises without Sublessors prior written consent. At the end of the lease term, Subtenant shall be entitled to remove (or at the request of Sublessor shall remove) such fixtures, and shall restore the Premises to substantially the same condition of the Premises at the commencement of this Sublease.

ACCESS BY SUBLESSOR TO PREMISES. Subject to Subtenant's consent (which shall not be unreasonably withheld), Sublessor shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Sublessor does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Sublessor may enter the Premises without Subtenant's consent. During the last three months of this Sublease, or any extension of this Sublease, Sublessor shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Subtenant agrees to indemnify, hold harmless, and defend Sublessor from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Sublessor may suffer or incur in connection with Subtenant's possession, use or misuse of the Premises, except Sublessors act or negligence.

MECHANICS LIENS. Neither the Subtenant nor anyone claiming through the Subtenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Sublease constitutes notice that such liens are invalid. Further, Subtenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Subtenant.

ARBITRATION. Any controversy or claim relating to this contract, including the construction or application of this contract, will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

ABANDONMENT. Landlord shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO prior to any access to the licensed premises if Tenant cannot be reached, abandons the property, or similar event.

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NOTICE. Notices under this Sublease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

SUBLESSOR:

BDT Properties, LLC
7107 ARCTIC BLVD, ANCHORAGE, AK 99518

SUBTENANT:

7107 Ventures, LLC
7107 ARCTIC BLVD, ANCHORAGE, AK 99518

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Sublease shall be construed in accordance with the laws of the State of Alaska.

ENTIRE AGREEMENT/AMENDMENT. This Sublease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Sublease. This Sublease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Sublease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Sublease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Sublease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Sublease.

BINDING EFFECT. The provisions of this Sublease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

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SUBLESSOR:

BDT Properties, LLC
AS: Bryant Thorp – Member, Manager

SUBTENANT:

7107 Ventures, LLC
AS: Bryant Thorp – Member, Manager

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Amended and Superseding Agreement to Lease Agreement for 7107 Arctic Blvd., Anchorage, AK 99518

THIS AMENDED LEASE AGREEMENT SUPERSEDES THE ORGINAL LEASE AGREEMENT ("Amended Lease") is made and entered into this 1st day of April, 2017, and supersedes the Original Lease Agreement dated July 1, 2016 by and between Bryant Thorp and Deborah Moore, whose address is 6819 Rovenna St Anchorage, AK 99518 (collectively referred to as "Lessor"), and Bryant Thorp dba "Arctic Herbery" an Alaskan marijuana grow and retail location whose principle address is 7107 Arctic Blvd, Anchorage, AK 99518 ("Former Lessee"). The Former Lessee is hereby replaced by BDT Properties, LLC, whose sole member is Bryant Thorp, (herein after referred to as "Lessee) and the use of the premises will remain the same as indicated in the Original Lease, the operation of a state and local licensed cannabis cultivation and retail establishment.

RECITALS

A. WHEREAS, Lessor owns certain commercial property, including a commercial building, parking areas, secured storage, and approximately 8000 square feet of yard/building space behind the commercial building, commonly known collectively as 7107 Arctic Blvd., Anchorage, AK 99518 (herein after referred to as the "Premises"); and

B. WHEREAS, Lessor desires to lease the Premises to Lessee for the purposes of managing property, expanding the commercial building, operating or manage a company operating a cannabis establishment from the Premises, and Lessee desires to lease the Premises for these purposes on the terms and conditions set forth below.

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

1. Original Lease is hereby null and void and the parties agree that this Lease replaces and supersedes the Original Lease in its entirety;

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Lessor Initials Lessee Initial

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

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3. Right to Sublease – Lessor agrees that Lessee may sublease Premises in whole or in part, without further written approval to 7107 Ventures, LLC, doing business as Arctic Herbery. Any other subleases must be approved in writing by Lessor prior to subleasing the premises.

DS

Lessor Initials

Lessee Initial

4. Permitted Uses - Lessee shall use and occupy the Premises only for legal purposes, which shall include operating and managing a state and local licensed cannabis establishment.

5. Term and Right to Renew – The term of this Lease shall commence upon the date of execution of this Lease and shall terminate three (3) years from the execution date of this Lease (hereinafter referred to as the "Term"). Lessee may renew this Lease for two (2) additional three (3) year Terms at Lessee's option. Each renewal shall be noticed in writing at least 14 days from expiration of the Term and the rental rate shall be subject to an increase in rental payment, to be later agreed upon by the parties, but in any event shall not to exceed seven (7) percent of the current rental rate, per each renewed Term.

6. Rental Rate – The Rental Rate shall consist of the following:
   a. Monthly Payment. Monthly Rent shall be in the amount of **Three Thousand and Seven Hundred Dollars ($3,550.00) per month and shall be due on the first day of each month of the Term.**

   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 being the amount equal to Five (5%) Percent of the late lease fee; however, see also, No Waiver of Default provision herein below.

   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.

7. Security Deposit, Surrender.
   a. Lessor acknowledges that under the Original Lease Lessee did pay a deposit of $2,000.00 and said $2,000.00 deposit is sufficient and given the natural person

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owning the entity that is the new Lessee, it is agreed that the existing deposit shall be consider the security deposit of this superseding Lease agreement.

b. Upon expiration or termination of this Lease and renewal terms, Lessee shall peacefully and quietly deliver to Lessor, its successors or assigns, the Premises in good, clean, condition, normal wear, tear, and approved improvements excepted.

8. 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.

9. 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 be performed by, or at the expense of, Lessor.

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.

10. 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

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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.

11. 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.

12. Compliance with Law. Lessee shall comply with all 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.

13. 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 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 provision of this Lease.

14. 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, electronic mail with 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.

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15. 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 notify the Enforcement Division of the Alcohol and Marijuana and Control Office ("AMCO") and notify AMCO of the default and request Enforcement enter premises and remove all marijuana product, plants, and marijuana, Lessee may then 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 &om 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.

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

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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.

16. 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, Partners 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.

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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 agreement.

This Lease to become effective as of this 1st day of April, 2017.

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

Lessor:

DocuSigned by:

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Deborah Moore

Bryant Thorp

Lessee:

BDT Properties, LLC
Bryant Thorp – its Managing Member

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