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:	Parallel 64 llc	**License Number:**		10174	
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	PARALLEL 64 LLC				
Physical Address:	2128 N Post Road				
City:	Anchorage	**State:**	AK	**Zip Code:**	99504
Designated Licensee:	Travis Jones				
Email Address:	travis@parallel64.net				

Section 2 – Attached Items

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

Attached Items:	Proof of Right to Possession of The Licensed Premises

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

COMMERCIAL LEASE

DATED:

LANDLORD: Ronald Alleva
2132 N Post Road
Anchorage, AK 99504
(907)274-9269

TENANT(S): Parallel 64 LLC
By Travis Jones
Its General Manager

1. Lease of Premises:

In consideration of the covenants and agreements herein contained, Landlord does hereby lease, let and demise unto Tenant for a term of three (3) year the real property described as:

> A structure of seven thousand five hundred (7,500) square feet located at 2132 North Post Road; Anchorage, AK 99504, more particularly described as: Range three (3) west, Townsite thirteen (13) N, Section eight (8), Anchorage Recording District, Third Judicial District, State of Alaska.

Together with the completed building and an area of thirty (30) feet by _____ for parking (hereinafter all of the above is refereed to as the "premises").

This lease is contingent on the tenant receiving a license for marijuana cultivation from the State of Alaska.

2. Possession:

Tenant shall be entitled to possession of the premises as of April 1, 2016.

3. Basic Term:

The term of the Lease shall be three (3) years. The Tenant has the right to extend this Lease for an additional two (2) years at a monthly rate of eight thousand dollars ($8,000) for the fourth (4th) year and eight thousand five hundred dollars ($8,500) for the fifth (5th) year.

4. Rent and Security Deposit:

Tenant shall pay to Landlord basic monthly rent of seven thousand five hundred dollars ($7,500). There shall also be a security deposit of seven thousand five hundred dollars ($7,500) in addition to the first month's rent.

5. Additional Rent:

As additional rent, Tenant shall pay at all times during the term of this Lease, the following amounts:

(a) All charges for heat, light, power, water, sewage and other services and utilities used by Tenant on the premises. Tenant shall make payment directly to the utility or other provider of service.

(b) Cost of insurance; the premium on the fire insurance on the building as of five hundred thousand dollars ($500,000) and general liability of five hundred thousand dollars ($500,000) with a total of one million dollars ($1,000,000) for all injured parties, see section thirteen (13).

(c) Costs of special assessments, for water and sewer assessments.

(d) Any other amounts which Tenant is required to pay by any other provision of this Lease.

6. Payment of Rent:

Basic monthly rent shall be payable on or before the first day of each calendar month during the term hereof, at Landlord's address shown above or such other address designated in writing by Landlord. Tenant shall pay any additional rent payable to Landlord within ten days after receipt of Landlord's statement setting forth the amount of additional rent payable.

7. Utilities:

Landlord shall not be liable for any loss or damage caused by or resulting from any variation, interruption or failure of utilities or services, arising from any cause, condition or event beyond the reasonable control of Landlord, and the same shall not be deemed an eviction of Tenant or relieve Tenant from any obligation hereunder.

8. Use:

Tenant will use and occupy the premises for marijuana production. Tenant will not in any manner deface or injure the building situated on the demised premises or any portion thereof, or permit anything to be done upon the premises

creating a nuisance, or to use or permit the use of the premises for lodging or sleeping purposes, or for any illegal purpose.

9. Repairs and Improvements:

Tenant hereby agrees to maintain and keep the premises during the term of this Lease, at Tenant's own cost and expense, in good order and repair; reasonable wear and tear excepted. At the beginning of this lease, tenant will upgrade electric, insulation, and security, and install a bathroom. Before work, plans must be approved by the landlord. All improvement remains the property of the landlord at the termination of this lease. All improvements must be performed by a licensed contractor.

10. Alteration of Premises:

Tenant agrees that it will make no alterations, additions or improvements to or upon premises without the written consent of Landlord first being obtained. Such consent shall not be unreasonably withheld. Any such alterations, additions and improvements consented to by Landlord shall be made at Tenant's expense. Tenant shall secure all governmental permits required in connection with such work and shall hold Landlord harmless from all liability and liens resulting therefrom. All alterations, additions and improvements, except trade fixtures and appliances and equipment which do not become permanently attached to the building, shall immediately become a part of the realty and the property of Landlord without obligation or pay

therefore, except that Landlord may require removal of all or part thereof by Tenant at the termination of the Lease, at Tenant's expense, and Tenant shall pay for or repair any damages to the premises, including, without limitation, any necessary patching, repainting and repairing caused by such removal. Upon removal of the trade fixtures and appliances and equipment which do not become attached to the building, Tenant shall restore the premises to the same condition that it was in prior to the installation of said items, including, without limitation, any necessary patching, repainting and repairing.

11. Landlord's Right of Entry:

It shall be lawful for Landlord, its agents and representatives, at any reasonable time, upon five days written notice, to enter into or upon the premises for the purpose of examining the condition thereof, or any other lawful purpose.

12. Liens:

Tenant will not permit any mechanics', laborers' or materialmens' liens to stand against the leased premises or improvements for any labor or materials furnished to Tenant or claimed to have been furnished to Tenant, or to Tenant's agents, contractors, or sub-lessees, in connection with work of any character performed or claimed to have been performed on said premises or improvement by or at the direction of sufferance of Tenant; such reasonable security as may be demanded by Landlord

to insure payment of such lien or such claim of lien. Tenant will pay any judgment rendered with all proper costs and charges and shall have such lien released or judgment satisfied at Tenant's own expense. Tenant agrees to indemnify, hold harmless and to defend landlord and the leased premises from such liens. Tenant consents to the Landlord's recording of the posting of a statutory notice of non-responsibility in accordance with Alaska Statute 34.35.065.

13. Insurance:

Tenant further agrees at all times during the term hereof, to maintain, keep in effect, furnish and deliver to Landlord, liability insurance policies and fire insurance policies with extended coverage endorsement, in form and with an insurer satisfactory to landlord, insuring both Landlord and Tenant. The Landlord is responsible for the fire premium as of 1999. The amount of said fire insurance shall be for the full replacement value of the premises. The amount of said liability insurance shall be not less than $500,000 for injury to one person, $1,000,000 for injuries arising out of one accident, and $500,000 for property damage. All policies shall provide for not less than ten days written notice to Landlord prior to cancellation.

14. Current Condition

Tenant takes the property "where is, as is" with all fault. There is a minor leak in the roof which the tenant shall repair.

15. Damage by Casualty, Fire & Duty to Repair:

In the event of damage to the building or buildings on the premises by fire or other casualty to the extent of 50 percent or more of the sound value thereof, Tenant may or may not elect to terminate this Lease. Written notice of Tenant's said election shall be given Landlord within 30 days after the occurrence of said damage. If said notice is not so given, Tenant conclusively shall be deemed to have elected not to terminate. If said building or buildings are partially destroyed and the damage so occasioned shall not amount to the extent indicated above, or if greater than such extent and tenant does not elect to terminate, as aforesaid, then Tenant shall repair such building or buildings as soon as reasonably possible. For the period of time between the day of such damage and until such repairs have been substantially completed there shall be such abatement of rent as the nature of the injury or damage and its interference with the occupancy of the premises by Tenant shall warrant. However, if the premises are slightly injured and the damage so occasioned shall not cause any material interference with the occupation of the premises by Tenant, then there shall be no abatement of rent.

16. Waiver of Subrogation Rights:

Neither party shall be liable to the other for loss arising out of damage to or destruction of the premises, or any building or improvement of which the premises are a part or with which they are connected, or the contents thereof, when such loss is caused by any of the perils which are or could be included within or insured against by a standard form of fire insurance with extended coverage. All such claims for any and all loss, however caused hereby are waived. Said absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either Landlord or Tenant or by any of their respective agents, servants, or employees.

17. Accidents to Personal Property:

It is understood that the personal property kept on the premises by Tenant shall be kept at the risk of Tenant and Landlord is not insurer of Tenant's personal property. However, Landlord shall be responsible for any damage to Tenant's property caused by negligence of Landlord. Tenant shall insure within the premises, its fixtures and contents against fire and other casualty, included in standard extended coverage by policies which shall include a waiver by the insurer of all right of subrogation against Landlord or Tenant in connection with any loss or damage thereby insured against. Neither party, nor its agents, employees or guests shall be liable to the other for loss or damage caused by any risk covered by such insurance.

18. Indemnification:

Tenant shall defend and indemnify Landlord and save it harmless from and against any and all liability, damages, costs, or expenses, including attorney's fees, arising from any act, omission, or negligence of Tenant or the officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors of Tenant in or about the premises, or arising from any accident, injury, or damage, howsoever and by whomsoever caused, to any person or property, occurring in or about the premises and which is due to the negligence of Tenant or its agents. Landlord shall similarly indemnify and defend and hold harmless Tenant to the same degree for any acts, omissions or negligence of Landlord or the officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors of Landlord.

19. Eminent Domain:

In case of condemnation or appropriation of all or any substantial part of the premises by any public or private corporation under the laws of eminent domain, this Lease may be terminated at the option of either party hereto on 20 days written notice to the other. In case of termination pursuant to this paragraph, Tenant shall not be liable for any rent after the date of Tenant's removal from the premises.

20. Signs:

18. Indemnification:

Tenant shall defend and indemnify Landlord and save it harmless from and against any and all liability, damages, costs, or expenses, including attorney's fees, arising from any act, omission, or negligence of Tenant or the officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors of Tenant in or about the premises, or arising from any accident, injury, or damage, howsoever and by whomsoever caused, to any person or property, occurring in or about the premises and which is due to the negligence of Tenant or its agents. Landlord shall similarly indemnify and defend and hold harmless Tenant to the same degree for any acts, omissions or negligence of Landlord or the officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors of Landlord.

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In case of condemnation or appropriation of all or any substantial part of the premises by any public or private corporation under the laws of eminent domain, this Lease may be terminated at the option of either party hereto on 20 days written notice to the other. In case of termination pursuant to this paragraph, Tenant shall not be liable for any rent after the date of Tenant's removal from the premises.

20. Signs:

All signs or symbols placed in the windows or doors of the premises or upon any exterior part of the building by Tenant shall be subject to the prior written approval of Landlord which shall not be unreasonably withheld. It is agreed by the parties hereto that Tenant shall be entitled to a reasonable number of signs adequate to identify its business from the nearest public highway. Any signs so placed on the premises shall be so placed upon the understanding and agreement that Tenant will remove same at the termination of the tenancy herein created and repair any damage or injury to the premises caused thereby, and if not so removed by Tenant, then Landlord may have same removed at Tenant's expense.

21. Delivering up the Premises on Termination:

At the expiration of the term of this Lease or upon any sooner termination hereof, Tenant shall quit and deliver up the premises and all future erections and additions to or upon the same, broom clean, to Landlord or those having Landlord's estate in the premises, peaceably, quietly, and in as good order and condition, reasonable use and wear thereof and insured casualty excepted, as the same are now in or hereafter may be put in by Landlord.

22. Removal of Property:

In the event of any entry in or taking possession of the premises by Landlord pursuant to the terms of this Lease,

Landlord shall have the right, but not the obligation, to remove from the premises all personal property located therein and may store the same in any place selected by Landlord, including, but not limited to, a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, upon reasonable notice to Tenant, the proceeds of such sale to be applied first to the costs of such sale, second to the payment of charges for storage, if any, and third, to the payment of any other sums of money which may then be due from Tenant to landlord under any of the terms hereof, the balance, if any, to be paid Tenant.

23. Default:

If Tenant at any time during the term of this Lease (and regardless of any pending bankruptcy, reorganization, receivership, insolvency or other proceedings, in law, in equity or before any administrative tribunal) shall

(a) fail to make payment of any installment of rent or of any other sum herein specified to be paid by Tenant, and Tenant fails to cure such default within ten days after such failure to make payment; or

(b) fails to observe or perform any of Tenant's other covenants, agreements or obligation hereunder, and if within thirty (30) days after landlord shall have given to Tenant written notice specifying such default or defaults, Tenant shall

not have commenced to cure such default and proceed diligently to cure the same; or

(c) file a Petition for an Arrangement under Chapter 11 of the Bankruptcy Act, 11 USC 701 et seq., or a voluntary petition under any other provision of said Bankruptcy Act, or if Tenant finally and without further possibility of appeal or review:

(1) is adjudicated as bankrupt or insolvent; or

(2) has a receiver appointed for all or substantially all of its business or assets on the ground of Tenant's insolvency; or

(3) has itself appointed as debtor-in-possession; or

(4) has a Trustee appointed for it after a petition has been filed for Tenant's reorganization under the Bankruptcy Act of the United States known as the Chandler Act or any future law of the United States having the same general purpose; or

(5) if Tenant shall make an assignment for the benefit of its creditors, then in any such event Landlord shall have the right at its election, then or at any time thereafter, and while such default, defaults or events shall continue, to give Tenant notice of Landlord's intention to terminate this Lease and all Tenant's right hereunder, on a date specified in such notice, which date shall not be less than ten days after the date of giving such notice, and on the date specified in such notice,

the term of this Lease and all rights granted Tenant hereunder shall come to an end as fully as if the Lease then expired by its own terms, and Tenant hereby covenants peaceably and quietly to yield up and surrender to Landlord the premises and all structures, buildings, and improvements located thereon, and to execute and deliver to landlord such instrument or instruments as shall be required by landlord as will properly evidence termination of Tenant's rights hereunder or its interest therein. In the event of termination of this Lease as in this paragraph above provided, Landlord shall have the right to repossess the premises and such structures, buildings, and improvements either with process of law or through any form of suit or proceeding, as well as the right to sue for and recover all rents and other sums accrued up to the time of such termination, and damages arising out of any breach on the part of Tenant, including damages for rent not then accrued, provided that Landlord and Tenant agree that Landlord's damages shall not exceed (a) the sum of basic monthly rental reserved hereunder from the date Tenant vacates the premises until the date as a new tenant has been or, with the exercise of reasonable diligence on the part of Landlord, could have been, secured; (b) reasonable advertising and brokerage commission expenses associated with securing a new tenant and reasonable expenses for maintaining the premises while vacant; and (c) the

difference (at net present value) between the basic monthly rental of this Lease and the new lease, if less, and if negotiated in good faith.

24. Assigning and Subletting:

Tenant shall have no right to assign this Lease or sublet the premises, or any part thereof, or any right or privilege appurtenant thereto or suffer any other person to occupy the premise or any portion thereof.

25. Modification:

This Lease shall not be altered, changed or varied in any manner whatsoever, except by a writing signed by Landlord and Tenant or their duly authorized agents.

26. Rights and Remedies:

Except insofar as this is inconsistent with or contrary to any provision of this Lease, no right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right to remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

27. Waiver and Forbearance:

Except to the extent that Landlord may have otherwise agreed in writing, no waiver by Landlord of any breach by Tenant of any of its obligations, agreements or covenants hereunder

shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by Landlord to seek a remedy for any breach of Tenant be deemed a waiver by Landlord of its rights or remedies with respect to such breach. With respect to the matters covered in this paragraph, Tenant shall have the same rights with respect to Landlord as Landlord has with respect to Tenant.

28. Holding Over:

In the event that Tenant holds over at or after the end of the term, the tenancy shall be deemed a month-to-month tenancy commencing on the first day of the holdover period. The terms of such holdover tenancy shall be as specified by this Lease except that the Tenant may terminate the tenancy at any time provided thirty days prior notice is given Landlord.

29. Quiet Enjoyment:

Landlord warrants that Tenant shall be able to quietly enjoy the beneficial use of the premises during the entire basic Lease term and any renewal thereof and Landlord shall defend Tenant's right to do the same.

30. Marginal Titles and Headings:

The marginal titles, subtitles, headings and subheadings of the paragraphs and subparagraphs herein are intended to be for reference and for the sake of convenience only and should not be construed to narrow or broaden the scope of or modify, amend or

affect whatever interpretation or construction would otherwise be given to the plain and ordinary meanings of the words herein.

31. Entire Agreement:

This Lease constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior or contemporaneous agreements, oral or written, between the parties not included herein.

32. Applicable Law:

This Lease and the respective rights and obligations of the parties shall be construed and interpreted in accordance with the laws of the State of Alaska.

33. Severability:

The invalidity or unenforceability of any particular provision of this Lease shall not affect the remaining and hereof, and, in any such event, this Lease shall be construed and interpreted in all respects as if such invalid or unenforceable provisions were omitted.

34. Gender and Plurality:

Unless the context of this Lease clearly requires a different interpretation or construction, all references to the masculine, feminine or neuter genders shall be construed to refer to all such genders; and all references to the singular shall also include the plural, and vice versa.

35. Counterparts:

This Lease may be executed in counterparts so long as each of the parties to this Lease executes at least one counterpart. All such counterparts shall collectively constitute one and the same original instrument.

36. Action or Suit:

If either party institutes any suit or action to collect the amounts due hereunder or to enforce any covenant or agreement hereof, or to obtain any of the remedies herein provided, the prevailing party shall be entitled to recover such sum of money as the court may adjudge reasonable as attorney's fees in such suit or action, including any appeals taken by either party in such suit or action.

37. Notices:

All notices, requests, demands and other communications under this Lease shall be in writing and shall be deemed to have been duly given on the date of service, if served personally on the party to whom notice is to be given, or on the third day after mailing, if mailed to the party to whom notice is to be given, by certified mail, postage prepaid, and properly addressed to the address stated above. Any party may change its address for purposes of this Lease by giving the other party written notice of the new address in the manner set forth above.

38. Parties Affected:

The rights, liabilities and remedies provided for herein shall extend to the successors and assigns of the parties hereto. The words "Landlord" and "Tenant" and their accompanying verbs and pronouns, whenever used in this Lease, shall apply equally to all persons, firms and corporations that may be or become parties hereto.

39. Memorandum:

The parties shall execute a memorandum of this Lease in recordable form that identifies the parties, the premises, the basic term and the renewal term, provided that Tenant will subordinate this Lease to Landlord's construction or permanent financing for the premises.

40. Financing:

Tenant agrees to furnish such documents and information as are reasonably necessary to assist Landlord in securing financing. In order to obtain financing, Landlord may assign this Lease, provided, however, that Landlord shall remain obligated to perform Landlord's obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date first hereinabove written.

LANDLORD: Ron Alleva

TENANT(S):

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

The foregoing Commercial Lease was acknowledged before me this 4th day of March, 2016 by Ronald Alleva.

STATE OF ALASKA
NOTARY PUBLIC
Jacques Alleva
My Commission Expires January 18, 2018

Jacques Alleva
Notary Public in and for Alaska
My Commission Expires: 01/18/2018

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

The foregoing Commercial Lease was acknowledged before me this 4th day of March, by Travis Jones.

Jacques Alleva
Notary Public in and for Alaska
My Commission Expires: 01-18-2018

STATE OF ALASKA
NOTARY PUBLIC
Jacques Alleva
My Commission Expires January 18, 2018

Amendment to lease dated 03/04/2016 between Ron Alleva and Travis Jones/Parallel 64.

Section 22 shall be changed to read: In the event of any entry or taking possession of the premises by Landlord pursuant to the terms of this Lease, Landlord shall have the right, but not the obligation, to remove from the premises all personal property, with the exception of marijuana and marijuana products, for which Landlord shall contact Alaska Marijuana Control Office Enforcement if any marijuana or marijuana product needs to be removed from the premises, located therein and may store the same in any place selected by landlord, including, but not limited to, a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, upon reasonable notice to Tenant, the proceeds of the sale to first be applied to the cost of such sale, second to the payment for storage, if any, and third, to the payment of any other sums of money which may then be due from Tenant to Landlord under any of the terms hereof, the balance, if any, to be paid Tenant.

Ron Alleva

Ron Alleva, Landlord

Date: 5-11-16

Travis Jones, Parallel 64 LLC

Date: 5/11/2016

STATE OF ALASKA
NOTARY PUBLIC
Jacques Alleva
My Commission Expires January 18, 2018

Subscribed and sworn to before me
this 11 day of May, 2016

Jacques Alleva NOTARY PUBLIC SIGNATURE

Jan 18, 2018 COMMISSION EXPIRATION

Amendment 4 to lease dated 03/04/2016 between Ron Alleva and Travis Jones/Parallel 64

Leased property physical address shall be changed from 2132 N Post Road to 2128 N Post Road, Anchorage, Alaska 99501.

Ron Alleva, Landlord

Date: 12-1-16

Travis Jones, Parallel 64 LLC

Date: 11/30/2016

Subscribed and sworn to before me
this 6 day of December, 2016

Jacque Allen NOTARY PUBLIC SIGNATURE

Jan 18, 2018 COMMISSION EXPIRATION

S[illegible] ALASKA
[illegible] PUBLIC
[illegible]
My [illegible] January 18, 2018