REAL ESTATE SUBLEASE

This Sublease Agreement (this "Sublease") is dated May 1, 2018, by and between Thunder Ventures, Inc. ("Sublessor"), and North Star Gardens, Inc. ("Subtenant"). The parties agree as follows:

PREMISES. Sublessor in consideration of the lease payments provided in this Sublease, leases to North Star Gardens, Inc., (the "Premises") located at 5310 Commercial Boulevard, Unit 2A Juneau, AK 99801.

TERM. The sublease term will begin May 1st, 2018 and will terminate on April 30th, 2019.

LEASE PAYMENTS. Subtenant North Star Gardens, Inc. shall pay to Sublessor monthly installments of two thousand five hundred dollars ($2500.00).

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 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.

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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.

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 any entry by Sublessor or its agents on the premises, Sublessor and Sublessor agents or employees shall be over the age of twenty-one (21) and shall comply with Sublessee's visitor policy, show government issued photo identification, wear a visitor badge, remain in eyesight of a designated Sublessee agent, comply with and sign in and out of the visitor log, as is required by the Alaska Marijuana Control Board Regulations. At no time shall Sublessor have more than five (5) persons enter the premises.

Sublessor hereby agrees that it will not remove marijuana products or marijuana as a landlord, and in the event tenant abandons property, will contact AMCO and take all direction from AMCO regarding AMCO access and removal of marijuana and marijuana product. Sublessor will not remove the product or marijuana and will defer to all AMCO directions.

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

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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.

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:

Thunder Ventures, Inc.
5310 COMMERCIAL BLVD., UNIT 2, JUNEAU, AK 99801

SUBTENANT:

North Star Gardens, Inc.
5310 COMMERCIAL BLVD., UNIT 2A, JUNEAU, AK 99801

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.

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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.

SUBLESSOR:

_____

Thunder Ventures, Inc.
AS: Jamie Letterman – Director, Shareholder, Treasurer, Vice President

SUBTENANT:

_____

North Star Gardens, Inc.
AS: Jamie Letterman – Director, Shareholder, Treasurer, Vice President

Sublease Agreement approved by Master Landlord

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Dawn Findley-Groves

BC Leasing

BY: Dawn Findley-Groves, Partner

5-23-18

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LEASE AGREEMENT
between
BC LEASING
And
THUNDER VENTURES, INC

THIS LEASE is issued and effective this 1st day of May, 2018 at Juneau, Alaska, by BC LEASING, whose mailing address is 611 Havenwood Dr, Manson, WA 98831, acting through its Property Manager and referred to as the "Lessor", and THUNDER VENTURES, INC referred to as the "Lessee," whose mailing address is: P.O. Box 32825 Juneau, AK 99803.

Lessee may occupy the following described property, and is referred to hereinafter as the "Lease Area", and depicted on the attached site diagram (Exhibit 1):

Pacific Rim Building
5310 Commercial Boulevard, Unit 2/A&B
Juneau, AK 99801

This Lease is subject to the following general and special conditions:

1) **ALLOWED USE:** The Lease Area is to be used for: 1) marijuana cultivation; and 2) marijuana retail storefront, and for no other purpose.

2) **LEASE FEE:** Lessee will pay in advance and without notice, a monthly fee in the amount of one-thousand five hundred ($1,500.00) dollars. Upon Lessee's final inspection and approval from the Alaska Marijuana Control Board approval to begin commencement of commercial cannabis cultivation, the monthly fee will increase to one-thousand eight hundred and ninety ($1,890) dollars to include the Lessor's insurance premium. The first month will be due on the effective date of this Lease. Thereafter, subsequent monthly fees are due on the first day of each month for the term of the Lease. Any additional fees are specified in Special Conditions noted below. All payments required by this Lease must be made with a check or money order. A late fee of $50 will become due and payable after the 5th of each month during the term of this Lease. Lessee will be considered in default if payment is not received by the 15th of each month, during the term of this Lease. Lessee shall pay the State a $25 service charge on all checks returned for nonsufficient funds.

   All payments shall be sent to: 611 Havenwood Dr, Manson, WA 98831. Checks must be payable to the BC LEASING.

3) **LEASE TERM:** Lessee may occupy the Lease Area for a term of twelve months commencing on 05/01/2018 and ending on 04/31/2019, and Lessee will have the option to continue to

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occupancy of the Lease Area on a year to year or month-to-month basis, unless sooner revoked as provided herein.

4) **EARLY TERMINATION:** Lessee has the option of termination this agreement with 60 days written notice, and will be responsible for all rents during the 60 days prior to vacating the premises.

5) **SECURITY DEPOSIT:** At the signing of the Lease, Lessee shall deposit with Lessor, in trust, a security deposit of $1,000.00 as security for the performance by Lessee of the terms under this Lease and for any damages caused by Lessee, Lessee's family, agents and visitors to the Premises. However, Lessor is not limited to the security deposit amount and Lessee remains liable for any balance. Lessee shall not apply or deduct any portion of any security deposit from the last, or any months, rent. Lessee shall not use or apply any such security deposit at any time in lieu of payment of rent. If Lessee breaches any terms or conditions of this Lease, Lessee shall forfeit any deposit, as permitted by law.

6) **DEFAULTS:** If Lessee fails to perform or fulfill any obligation under this Lease, Lessee shall be in default of this Lease. Subject to any statute, ordinance or law to the contrary, Lessee shall have seven (7) days from the date of notice of default by the Lessor to cure the default. In the event the Lessee does not cure the default, Lessor may, at Lessor's option: (a) cure such default and the cost of such action may be added to Lessee's financial obligations under this Lease; or (b) declare Lessee in default of the Lease. In the event of default, Lessor may also, as permitted by law, re-enter the Premises and re-take possession of the Premises. Lessor may, at its option, hold Lessee liable for any difference between the rent that would have been payable under the Lease during the balance of the unexpired term, if this Lease had continued in force and any rent paid by any successive Lessee if the Premises are re-let. In the event the Lessor is unable to re-let the Premises during the remaining term of this Lease, after default by Lessee, the Lessor may at its option hold Lessee liable for the balance of the unpaid rent under this Lease if this Lease had continued in force. The failure of Lessees or their guests or invitees to comply with any term of this Agreement is grounds for termination of this tenancy, with appropriate notice to Lessees and procedures as required by law.

7) **POSSESSION AND SURRENDER OF PREMISES:** Lessee shall be entitled to possession of the Premises on the first day of the Lease term. At the expiration of the Lease, Lessee shall peaceably surrender the Premises to Lessor or Lessor's agent in good condition, as it was at the commencement of the Lease, reasonable wear and tear excepted.

8) **CONDITION OF PREMISES:** Lessee or Lessee's agent has inspected the premises, the fixtures, the grounds, building and improvements and acknowledges that the Premises are in good and acceptable condition and are habitable. If at any time during the term of this Lease, in the Lessee's opinion, the conditions change, Lessee shall promptly provide reasonable notice to Lessor.

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9) **ASSIGNMENT AND SUBLEASE:** Lessor agrees that the Lessee may sublease the Lease Area in whole or in party, without further written approval to Borealis Mountain, Inc and to North Star Gardens, Inc. Any other subleases require prior written consent if Lessor, which consent cannot be reasonably withheld. Any assignment or sublease without Lessor's prior written consent shall, at Lessor's option, terminate this Lease.

10) **DANGEROUS MATERIALS:** Lessee shall not keep or have on or around the Premises any item of a dangerous, flammable, or explosive nature that might unreasonably increase the risk of fire or explosion on or around the Premises or that might be considered hazardous by any responsible insurance company.

11) **UTILITIES AND SERVICES:** Lessee will be responsible for all utilities and services required on the Premises, except Lessor will provide: 1) city water; 2) city sewer; and 3) snow removal as needed. Lessee is responsible for all individually-metered electrical service and on-site disposal of trash, including trash receptacles.

12) **ALTERATIONS AND IMPROVEMENTS:** Lessee agrees not to make any improvements or alternations to the Premises without prior written consent of the Lessor. If any alternations, improvements, or changes are made or built on or around the Premises except for fixtures and personal property that can be removed without damage to the Premises, they shall become the property of the Lessor and shall remain at the expiration of the Lease unless otherwise agreed to in writing.

13) **DAMAGE TO PREMISES:** If the Premises or part of the Premises are damaged or destroyed by fire or other casualty not due to Lessee's negligence, the rent will be abated during the time that the Premises are uninhabitable. If Lessor decides to not repair or rebuild the Premises, then this Lease shall terminate and the rent shall be prorated up to the time of the damage. Any unearned rent paid in advance shall be refunded to the Lessee.

14) **MAINTENANCE AND REPAIR:** Lessee will, at Lessee's sole expense, keep and maintain the Premises in good, clean and sanitary condition and repair during the term of this Lease and any renewal thereof. Lessee shall be responsible to make all repairs to the Premises, fixtures, appliances and equipment therein that may have been damaged by Lessee's misuse, waste or neglect, or that of the Lessee's family, agent, or visitor. Lessee agrees that no painting will be done on or about the Premises without the prior written consent of Lessor. Lessee shall promptly notify Lessor of any damage, defect or destruction of the Premises, or in the event of the failure of any of the appliances or the equipment. Lessor will use its best efforts to repair or replace any such damaged or defective area, appliance or equipment.

15) **RIGHT OF INSPECTION:** Lessee agrees to make the Premises available to Lessor or Lessor's agents for the purposes of inspection, making repairs or improvements, or to supply agreed services or show the premises to prospective buyers or Lessees, or in the case of an emergency. Except in the case of emergency, Lessor shall give the Lessee reasonable notice of

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intent to enter. For these purposes, a twenty-four (24) hour notice is deemed reasonable. Lessee shall not, without Lessor's prior written consent, add, alter, or re-key any locks to the Premises. At all times, the Lessor shall be provided with a key or keys capable of unlocking all such locks and gaining entry. Lessee further agrees to notify Lessor in writing if Lessee installs any burglar alarm system, including instructions on how to disarm it in case of an emergency entry.

During any entry by Lessor or its agents on the premises, Lessor and Lessee agents or employees shall be over the age of twenty-one (21) and shall comply with Lessee's visitor policy, show government issued photo identification, wear a visitor badge, remain in eyesight of a designated Lessee agent, comply with and sign in and out of visitor log, as is required by the Alaska State Marijuana Control Board Regulations. At no time shall Lessor have more that five (5) persons enter the premises.

16) **ABANDONMENT:** If Lessee abandons the Premises or any personal property during the term of this Lease, the Lessor may at its option enter the Premises by any legal means without liability to Lessee and may at the Lessor's option terminate the Lease. Abandonment is defined as absence of the Lessees from the Premises for at least thirty (30) consecutive days without notice to the Lessor. If Lessee abandons the Premises while the rent is outstanding for more than fifteen (15) days and there is no reasonable evidence other than the presence of the Lessee's personal property that the Lessee is occupying the unit, Lessor may, at Lessor's option, terminate this agreement and regain possession in the manner prescribed by law. Lessor will dispose of all abandoned personal property on the Premises in manner allowed by law.

Lessor shall not take into its possession any marijuana or marijuana product and shall contract the State of Alaska AMCO division prior to any access to the licensed premises if Lessee cannot be reached, abandons the property, or similar event.

17) **SECURITY:** Lessee understands that the Lessor does not provide any security alarm system or other security for Lessee or the Premises. In the event any alarm system is provided, Lessee understands that such an alarm system is not warranted to be complete in all respects or to be sufficient to protect Lessee or the Premises. Lessee releases Lessor from any loss, damage, claim, or injury resulting from the failure of any alarm system, security, or from the lack of any alarm system or security.

18) **SEVERABILITY:** If any or parts of this Lease shall be held unenforceable for any reason, the remainder of this agreement shall continue in full force and effect. If any provision of this Lease is deemed invalid or unenforceable by any court or competent jurisdiction, and if limiting such provision would make this provision valid, then such provision shall be deemed to be construed as so limited.

19) **INSURANCE:** Lessor and Lessee shall each be responsible for maintaining appropriate insurance for their respective interests in the Premises and property located on the Premises. Lessee understands that Lessor will not provide any insurance coverage for Lessee's property.

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Lessor will not be responsible for any loss of Lessee's property, whether by theft, fire, riots, strikes, acts of God, or otherwise. Lessee will be required to obtain and provide proof of commercial liability insurance with the Lessor identified as "Named Insured" on the Certificate of Insurance. Commercial Liability Insurance shall have minimum coverage of $1,000,000 per occurrence.

20) **INDEMNIFICATION:** To the extent permitted by law, the Lessee will indemnify and hold Lessor and Lessor's property, including the Premises, free and harmless from any liability for losses, claims, injury to or death of any person, including Lessee, or for damage to property arising from Lessee using and occupying the Premises or from the acts or omissions of any person or persons, including Lessee, in or about the Premises with Lessee's express or implied consent except Lessor's act or negligence.

21) **LEGAL FEES:** In the event any legal action by the Parties arises out of this Lease, the losing party shall pay the prevailing party reasonable attorney's fees and costs in addition to all other relief.

22) **BINDING EFFECT:** The covenants and conditions contained in the Lease shall apply to and bind the parties and their heirs, legal representatives, successors and permitted assigns of the parties.

23) **GOVERNING LAW:** The Lease shall be governed by and construed in accordance with the laws of the State of Alaska and City and Borough of Juneau.

24) **ENTIRE AGREEMENT:** This Lease constitutes the entire agreement between the parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings, or other agreements, oral or written, relating to the subject matter of this Lease. This Lease may be modified in writing and must be signed by both Lessor and Lessee.

25) **NOTICE:** After Lessee receives approval from the Alaska Marijuana Control Office to commence operations, the Lessee agrees to provide Lessor with 30 days' notice before commencing in the commercial cultivation of cannabis so the Lessor may enact their increased commercial insurance liability policy. Any notice required or otherwise given pursuant to this Lease shall be in writing and mailed, certified and return receipt requested, with postage prepaid, or delivered by overnight delivery service, to Lessee, at the Premises and to the Lessor, at the address above, for the payment of rent. Either party may change such addresses from time to time by providing notice as set forth above.

26) **CUMULATIVE RIGHTS:** Lessor's and Lessee's rights under this Lease are cumulative, and shall not be construed as exclusive of each other unless otherwise required by law.

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27) **WAIVER:** The failure of either party to enforce any provisions of the Lease shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease. The acceptance of rent by Lessor does not waive Lessor's right to enforce any provisions of this Lease.

28) **DISPLAY OF SIGNS:** Lessor or Lessor's agent may display "For Sale" or "For Rent" or "Vacancy" or similar signs on or about the Premises and enter to show the Premises to prospective Lessees during the last sixty (60) days of this Lease. Lessee agrees that no signs shall be placed on the Premises without the prior written consent of the Lessor.

29) **PARKING:** Lessee shall be entitled to use two parking spaces in the front of the building for the parking of motor vehicles, and additional parking spaces for up to eight vehicles in the back of the building.

30) **KEYS:** Lessee shall be given two keys for the Premises. Lessee shall be charged **$25.00** if all keys are not returned or Lessor following termination of the Lease or if keys are lost and must be replaced during tenancy.

31) **COMMERCIAL INSURANCE STIPULATION:** The Lessee also agrees to pro-rate the Lessor for the remaining balance of the yearly premium of the Lessor's commercial insurance policy, should for any reason the Lessee have to abandon the lease prior to the compensation of the pro-rated annual lease/insurance policy term.

IN WITNESS, THEREOF, Lessee and Lessor have each executed this Lease Agreement on the day herein above as written.

BC LEASING

Dawn Findley-Groves, Partner

7-13-18
Date

THUNDER VENTURES, INC

Jamie Letterman, Authorized Official

7/13/18
Date

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