## AMENDED LEASE WITH OPTION TO PURCHASE

LEASE AGREEMENT WITH OPTION TO PURCHASE entered into this 19th day of June, 2018, by and between John L. Dupier, 2147 Solstice Cir., Anchorage, Alaska 99503, hereinafter called Landlord, and Snow Capped Gardens, LLC, 450 Klooda Cir., Wasilla, Alaska 99654, hereinafter called Tenant.

WHEREAS, Landlord wishes to lease and Tenant to occupy the landlord's real property with an option to purchase;

WHEREAS, Tenant/Purchaser intends to occupy property as a marijuana cultivation facility, with a section of the property potentially licensed for a marijuana concentrate manufacturing facility;

WHEREAS, the property is subject and subordinate to a Deed of Trust, John L. Dupier, Trustor, Northrim Bank, Beneficiary, recorded on June 9, 2015, Serial No. 2015-011750-0.

NOW, THEREFORE in consideration of the mutual covenants contained herein, and other good and valuable consideration, the parties agree as follows:

1. SUBJECT OF LEASE. Landlord hereby leases and lets to Tenant the premises described as follows: 13150 Soapstone Rd., Palmer, AK 99645, more specifically described as: Tract Thirty-Three (33), Holiday Subdivision, 1052 Addition, Plat: 13-266, Records of the Palmer Recording District, Third Judicial District, State of Alaska.

2. TERM OF LEASE. This lease shall be for a term of one (1) year commencing immediately after AMCO has completed the transfer of the limited cultivation license from American Growers Company LLC. to Snow Capped Gardens LLC. and terminating at midnight one (1) year after that date of transfer occurs.

3. MONTHLY RENTAL. Tenant shall pay Landlord rent of Four Thousand, Dollars and No Cents ($4000.00) per month, payable and commencing immediately after AMCO has completed the transfer of the limited cultivation license from American Growers Company LLC. to Snow Capped Gardens LLC. and terminating at midnight one (1) year after that date of transfer occurs. Rent shall be paid by direct deposit into Northrim bank account #xxxxxx9312. Rent shall be considered late if not paid by the 15th of the month.

4. TAXES AND UTILITIES. Landlord shall be liable for the payment of all real property taxes assessed against the premises. Tenant shall pay all remaining utility charges, including electricity, natural gas, water/sewer, trash disposal, lawn mowing, snow removal, and telephone.

5. REPAIRS. Tenant shall make at its expense all repairs, including lights, door knobs, water faucets, etc. on the premises, except where repairs are necessitated by structural damage, after advising landlord of the necessity therefore. Landlord shall be responsible for making all structural repairs at its expense.



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6. DEFAULT. Landlord may elect to terminate this lease for default by Tenant of the terms and conditions hereof on giving written notice to Tenant of the intention to terminate as follows:

a. The failure to pay rent when those rental payments are due shall be a default by Tenant, and Landlord may give seven (7) days written notice to tenant before terminating this lease.

b. Landlord may give tenant ten (10) days' written notice of the noncompliance by tenant of any other provision of this lease, and if not corrected within ten (10) days of the notice, Landlord may terminate this lease.

c. After the expiration of the initial lease term, unless the purchase option has been exercised, the tenancy is converted to a month-to-month lease terminable upon written notice served more than thirty (30) days from the next rental due date.

**d. In the event of default by Tenant, Landlord may not remove from the premises or take possession of any marijuana, and AMCO enforcement will be notified immediately.**

7. INSURANCE. Tenant shall furnish to Landlord a policy of liability insurance with a limit of $300,000, naming Landlord as an additional insured.

8. OPTION TO PURCHASE. Landlord shall, on receipt of a written notice from Tenant/Purchaser on or before the termination date of the lease stating that the Tenant elects to purchase the demised premises pursuant to the provisions hereof, convey the demised premises to Tenant, subject to the following conditions:

a. The $4000.00 per month payments termed "rent" will pay down the underlying Northrim mortgage.

b. At the time Tenant/Purchaser exercises the purchase option, he must pay off the outstanding principal balance and accrued interested (if any) of the underlying mortgage; payment of the mortgage shall be considered a down payment. Landlord/Seller represents that there is no prepayment penalty in the Northrim promissory note.

c. The purchase price of the demised premises shall be Four Hundred Thousand Dollars and No Cents ($400,000.00) plus the payoff on the underlying mortgage.

d. Landlord/Seller shall provide Tenant/Buyer with a payoff quote from Northrim. The balance of the purchase price shall be owner financing, with a Promissory Note secured by a Deed of Trust, amortized over five (5) years at 4% APR. There shall be no prepayment penalty in the promissory note.

e. During the period up to the exercise of the purchase option or end of the lease, whichever arrives first, Landlord shall keep the property free and clear of all liens and



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encumbrances, and if any are recorded on the property, Landlord shall hold Tenant harmless and defend and indemnify Tenant therefrom. If any such liens or encumbrances cannot be removed or reconveyed at the time of closing, it shall be considered a material breach of this agreement, relieving Tenant of any further obligations.

f. If Northrim Bank calls the entire principal amount and accrued interest due and payable because of this agreement based on a due-on-sale clause in its mortgage, Landlord will hold Tenant harmless from the acceleration of Northrim Bank's promissory note.

g. Landlord/Seller agrees to convey a good merchantable title and Warranty Deed. Landlord/Seller shall furnish to Tenant/Purchaser at the time of delivery of the Warranty Deed a policy of title insurance showing that Landlord is the owner of the demised premises, free and clear of all encumbrances except as specified therein. Seller warrants that Seller has not received notification from any lawful authority regarding any assessments, pending public improvements, repairs, replacements or alterations to said premises that have not been satisfactorily made. These warranties shall survive the delivery of the deed.

h. Property taxes and insurance are to be prorated as of the date of closing. The closing costs, including attorney document preparation fee and recording fee, shall be paid by Tenant/Purchaser except for the title insurance, which shall be paid for by Landlord/Seller.

i. Purchaser to pay 5% commission on sale, not more than $20,000.00.

j. The parties agree that the Disclosures in Residential Real Property Transfers Act (AS 34.70.010 – AS 34.70.200), does not apply as this is not a residence. To the extent it applies, pursuant to AS 34.70.110, the parties knowingly and expressly waive its application.

9. FURTHER AGREEMENTS.

a. Any notice hereunder shall be given in writing to the party for whom it is intended by hand delivery or by certified mail, return receipt, at the following addresses, or such future addresses as may be designated in writing:

Landlord/Seller: 2147 Solstice Cir.,
Anchorage, Alaska 99503
Phone (907) 317-5878
jdupier@gci.net

Tenant/Buyer:
450 Klooda Cir.
Wasilla, Alaska 99654
Phone (907) 232-8687
martyb@mtaonline.net

b. Lease shall be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives.



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c. This Lease shall be subordinate to a Deed of Trust, John L. Dupier, Trustor, Northrim Bank, Beneficiary, recorded on June 9, 2015, Serial No. 2015-011750-0.

d. This LEASE WITH OPTION TO PURCHASE constitutes the entire agreement of the parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this contract will supersede all previous communications, representations, or agreements, either verbal or written, between the parties hereto. No alteration or other modifications of this Agreement shall be effective unless such modification is in writing and signed by the parties.

e. This LEASE WITH OPTION TO PURCHASE has significant legal and financial consequences. The parties are advised to seek independent legal and financial counsel, including tax advice from a tax attorney or CPA, before signing. The parties acknowledge that John C. Pharr and the LAW OFFICES OF JOHN C. PHARR, P.C. represents ONLY the Tenant/Purchaser in this transaction.

DATE: 6/19/18

John Dupier

John L. Dupier, Landlord/Seller

STATE OF ~~ALASKA~~ VA )
BH )
~~THIRD JUDICIAL DISTRICT~~ BH ) ss:
County of Franklin )

THIS IS TO CERTIFY that on this 19 day of June, 2018, before me, the undersigned Notary Public in and for the State of ~~Alaska~~ VA, duly commissioned and sworn, personally appeared John L. Dupier, to me known to be the person described in and who executed the foregoing Residential Lease with Option to Purchase, and he acknowledged to me that he executed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month and year in this certificate first hereinabove written.

Brenda Hudson Hunt

Notary Public in and for ~~Alaska~~ VA
My Commission Expires: 9-30-2018

BRENDA HUDSON HUNT
Notary Public
Commonwealth of Virginia
137975
My Commission Expires Sep 30, 2018



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Snow Capped Gardens, LLC.

DATE: 6-19-18

By: _____
Martin D. Brown, Member/Mgr.

STATE OF ALASKA )
) ss:
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this 19 day of June, 2018, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Martin D. Brown, of Snow Capped Gardens, LLC, to me known to be the person described in and who executed the foregoing Residential Lease with Option to Purchase, and she acknowledged to me that he executed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month and year in this certificate first hereinabove written.

Notary Public in and for Alaska
My Commission Expires: 10/27/2020

ERIKA J. ROSENBERGER
Notary Public
State of Alaska
My Commission Expires Oct 27, 2020



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