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:	GOOD BUDS LLC	**License Number:**	16529		
License Type:	Retail Marijuana Store				
Doing Business As:	GOOD BUDS LLC				
Physical Address:	11770 Seward highway				
City:	Seward	**State:**	AK	**Zip Code:**	99664 - 1463
Designated Licensee:	Jared Wallace				
Email Address:	good.buds.907@gmail.com				

Section 2 – Attached Items

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

Attached Items:	Lease/ right to premise

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

Received by AMCO 3.16.18

COMMERCIAL LEASE/RENTAL AGREEMENT

This Agreement made this _12_ day of ____January_____2018, by and between:

Landlord:	Iron Mountain Enterprises c/o Marilyn Sutherland and Donald Sutherland
Address:	PO Box 1852 Seward, AK 99664

and

Tenant:	Good Buds LLC c/o Jared Wallace

In consideration of the mutual covenants contained herein and other good and valuable consideration, the parties hereto agree as follows:

1. Premises

11770 Seward Highway
Seward, Alaska 99664 (the "Premises")

Landlord hereby leases to the Tenant the above Premises upon the following terms and conditions.

2. Term

The duration of this Agreement shall be for a term of two years, commencing on the 12th day of January, 2018 and terminating on the 15th day of January, 2020 (the "Term"). The Tenant has a minimum of one year to acquire any and all licenses and permits needed to open business. If the Tenant fails to do so, the lease shall terminate on 15th day of January, 2019.

3. Rent

Rent for the Premises shall be two thousand dollars ($2000.00) plus fifteen dollar ($15.00) sales tax per month to be paid in advance on or before the first (1st) day of each month without demand or notice therefor. Rent shall be ten percent of the monthly two thousand dollar rent until the Tenant acquires the licenses and permits needed for the business. Once licensed, the Tenant must pay the agreed two thousand dollar rental amount per month. The Landlord can, if they so choose, raise rent up to fifteen percent (15%) at the beginning of each year, if mutually agreed upon by both parties.. The Landlord must provide notice, of thirty days prior to the rent increase.

All Rent and other payments to be made hereunder shall be made by deposit into the Landlord's account at Wells Fargo, account number 2225047444

Rent checks made payable to "Iron Mountain Enterprises"

Partial rental payments may be refused at the option of the Landlord. If all rent is not paid on or before the fifth (5th) day of the calendar month, the Tenant shall be charged a late fee of FIFTY DOLLARS ($50.00). In addition, the Tenant agrees to pay an administrative charge of TWENTY-FIVE DOLLARS ($25.00) for each NSF check, i.e. any check returned by the bank for non-sufficient funds. Late fees may be waived, at the Landlord's option, if Tenant notifies the Landlord at least 14 days prior to the due date for a Rent payment and the parties mutually agree to an alternate payment date.

4. Sales Tax

There is, levied by the Kenai Peninsula Borough, a consumer's sales tax of up to 3 percent maximum rate on all retail sales, on all rents, and on all services made or rendered within the borough, measured by the

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gross sales price of the seller. In addition to the tax levied by the borough, any municipality within the borough may levy a consumer's sales tax as provided by Alaska Statute which shall be reported, collected, and enforced according to the Statute. The sales tax referred to shall be applied only to the first $500.00 of each separate sale, rent or service transaction. This tax will be applied in addition to your total monthly rent and shall be paid along with the monthly rent in one check, money order or direct deposit. Because of the tax cap, any rent over $500 per month will only be charged an additional $15 tax fee per month.

5. Property Taxes

Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased Premises, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased Premises. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased Premises.

6. Security Deposit

A security deposit of two thousand DOLLARS ($2000.00) collected from Tenant, receipt of which is hereby acknowledged, shall be held by the Landlord as security against loss from damage, nonpayment of rent, or any other breach of this Agreement by Tenant.

If the Premises requires additional cleaning, it shall be billed at $40 per hour and deducted from the security deposit.

It is expressly understood that Tenant shall not direct the Landlord to apply the security deposit as unpaid Rent or other charges during the Term of this Agreement.

7. Conditions for Tenants Use of Property

Tenant shall limit the use of the property and the improvements (and or changes to the property) to only those that have been approved of and that are listed in this agreement. Please state the intended use of this property and list the activities that you expect to take place during the use of this property and what changes will be made to premises. Please list who is responsible to pay for these changes and who retains ownership of these changes if any. Unless agreed to in writing Tenant will return property to the same condition it was in before tenant occupied this property.

Use of the Property:

(a) The landlord acknowledges that this premise will be used for a marijuana retail store.
(b) Disclaimer: the landlord may not take or possession of or remove marijuana from the premises, and that AMCO will be contacted in the event that this is necessary.

Improvements at Owner's Expense: Basic build. Completion of outside shell, electrical, insulation, sheet rock. Installation of Heat Recovery Ventilation. Completion of one bathroom. Insulate, tape, and mud ceiling. Installation of center wall if needed. Installation of flooring up to one dollar $1.00 per square foot. If Tenant wants flooring that costs more than $1.00 per, Tenant is responsible for the additional cost.

Improvements at Tenant's Expense (if needed): Second bathroom. Additional walls other than center wall. Additional electrical work or specific lighting. Any construction specific to business need.

*If Tenant requests a drop ceiling, the Owner will split the cost with the Tenant of construction.

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Only those things listed in this agreement have been authorized as uses for this property any activities other then those listed can be grounds to cancel this lease agreement.

8. Business Licenses

Tenant shall apply for and maintain any all licenses that are required by the State of Alaska. Should the tenant not acquire or maintain all such licenses, this can be grounds to void this rental agreement. The Business Owner is responsible for knowing what is required of them and to make sure they are in compliance with the law.

9. Non Smoking Policy

Due to the increased risk of fire, and the known health effects of secondhand tobacco smoke, smoking is prohibited in any area of the property, both private and common, whether enclosed or outdoors. The policy applies to all owners, tenants, guests, and servicepersons. The term "smoking" means inhaling, exhaling, burning, or carrying any lighted cigar, cigarette, or other tobacco product in any manner or in any form. The tenant might forfeit all or a portion of their security deposit or be subject to eviction for violating the non smoking policy.

10. Utilities & Services

The following utilities and services shall be provided and/or paid for by the party indicated beside each item:

Service / Utility	Provided by	
	Landlord	Tenant
Electricity		T
Gas / heating	L	
Water / sewer	L	
Internet		T
Snow Removal	L	T
Garbage pick-up	L	
Smoke detector batteries		T
Light bulb replacements		T

The tenant is responsible for paying twenty percent of the snow removal bill for the month.

***11.* Appliances & Furnishings**

Any furniture, appliance or decoration which is supplied by the Landlord upon move in shall remain on the Premises and be in the same condition upon move out. Any personal item that belongs to the Landlord and was left for the Tenant is the responsibility for the Tenant to provide proper care and use. Any misuse will result in the Tenant paying for the damages or the damaged being assessed against the security deposit.

12. Keys

Tenant hereby acknowledges receipt of the following code and keys to the Premises: *door code*. Tenant agrees to pay the actual costs of replacing the locks in the event that any keys are lost, stolen, broken or not returned when Tenant vacates the Premises.

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13. Pets

No pets or animals of any kind will be permitted on the Premises. Any violation of this clause will be considered a breach of this Agreement and shall immediately give the Landlord the right to declare the Tenant in default. If a pet is found on the premises (even if it is just there temporarily) the Tenant will be charged a $500.00 damage fee and the pet shall be removed from the premises immediately.

14. Landlord's Right of Entry

(c) The Landlord reserves the right at all times to enter the Premises without notice or consent in the case of an emergency. The Landlord reserves the right, upon twenty-four (24) hours' notice to Tenant and during reasonable hours, to enter the Premises for making inspections, repairs, alterations, or improvements, to supply necessary or agreed services, or to show the Premises to potential or actual tenants, purchasers, mortgagees, workmen or contractors, and Tenant shall not unreasonably withhold consent to such entry. If Tenant refuses to allow Landlord lawful access to the Premises, the Landlord may obtain injunctive relief to compel access or terminate this Agreement.

15. Obligations of Tenant

The Tenant shall:

(a) maintain the Premises in a clean and sanitary condition;

(b) dispose of all trash and other waste in a clean and safe manner in the trash receptacles provided;

(c) use all electrical, plumbing, heating, air conditioning and other services, facilities and appliances in a safe, reasonable and energy-efficient manner;

(d) not intentionally or negligently damage, impair, destroy or remove all or any part of the Premises, furnishings, appliances, fixtures or appurtenances belonging to the Landlord;

(e) not engage in conduct, or allow any of Tenant's guests or invitees to engage in conduct, which is noisy or may be disturbing to other tenants or neighbors;

(f) make no alterations, repairs or renovations to the Premises without the express written consent of the Landlord;

(g) not sublet the Premises, assign this Agreement or transfer possession of the Premises without the express prior written consent of the Landlord;

(h) give prior written notice to the Landlord if Tenant and the other occupants will be absent from the Premises in excess of seven (7) days.

16. Repairs & Maintenance

Tenant shall not make any repairs without the express prior written consent of the Landlord. Tenant agrees to give the Landlord prompt notice of necessary repairs. The Landlord will make all necessary interior and exterior repairs to the Premises in a timely manner, to keep the Premises in a tenantable condition as prescribed by local or state housing ordinances. The Landlord shall commence repairs or cause repairs to be commenced to heating, plumbing or electrical failures within twenty-four (24) hours of receiving a request from the Tenant for such repairs. Tenant hereby agrees to pay for any repairs beyond normal wear and tear caused by the Tenant, Tenant's family, guests or invitees.

The Tenants are responsible for maintaining drains. If a bathtub or kitchen sink drain is clogged because of Tenant use (i.e. hair, food scraps), then the Tenant is responsible for having that fixed.

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Sewer and septic systems are sensitive to items placed in them. DO NOT flush anything except toilet paper and human waste. Absolutely no paper towels, wipes, or feminine care products may be flushed down toilets.

17. Signs

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

18. Disturbances, Illegal Activities, Violations of Ordinances

The Tenant is responsible for the conduct of family members, guests and invitees. Violation of local housing ordinances and disturbances to neighbors will not be tolerated. If local law enforcement authorities are needed to enforce ordinances or control noise, the Tenant may be subject to eviction.

The Tenant shall not engage in conduct or allow any family member, guest or invitee on the Premises with expressed or implied permission to engage in conduct which is hazardous, dangerous or unlawful. In the event the Tenant or any invitee of the Tenant is convicted or diverted for a criminal offense occurring in or around the Premises, the Landlord shall have the right to terminate this Agreement immediately. Violation of this clause shall not only be a breach of this Agreement, but, in addition, the Tenant agrees to reimburse Landlord for any damages Landlord suffers by reason of any such violation.

19. Indemnification of Landlord

Tenant shall indemnify Landlord and its Manager (each an "Indemnitee") from and against each and every demand, suit, action, proceeding, claim, obligation, liability, cost, fee, award, penalty and judgment (each a "Claim"), which in any way arises out of, results from, or is based upon, in whole or in part, any act, omission, error or conduct in, on or about the Premises (each an "Occurrence") by Tenant, or any other person in, on or about the Premises with the express or implied consent of Tenant. Tenant shall, at its expense, defend each such Indemnitee against each such Claim which in any way arises out of, results from or is based upon any such Occurrence, regardless of its merit or lack of merit. Each such defense and indemnity obligation shall survive the expiration or sooner termination of this Agreement for any reason.

20. Tenant's Insurance

The Tenant understands and acknowledges that the Landlord's insurance coverage does not insure against loss or damage of Tenant's personal property on the Premises due to fire, theft, vandalism or other causes. Any losses incurred by Tenant shall be borne entirely by Tenant, and Tenant shall not hold or attempt to hold the Landlord responsible for any such loss or damage. It is recommended that Tenant obtain renter's insurance to cover Tenant's personal property against loss or damage.

Tenant shall at all times maintain real property and liability insurance in sufficient amounts to cover any damage to the Property, or to persons or items (personal property) on the Property, arising from Tenant's operations on the property, **which policies shall name Landlord as an additional insured**. Tenant shall provide proof that such insurance and any insurance required by the State of Alaska is in place before they will be allowed to do business and proof that this insurance is being maintained will be provided upon request.
Please attach insurance documentation to lease or provide the information here.

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Insurance company: _____TBD before conducting business. _____

Insurance broker name and phone number: _____

Insurance policy number: _____
We may check from time to time to be sure the required insurance is being maintained. If the insurance lapses for any reason this lease agreement may be considered void at landlord's discretion.

21. Termination

Tenant hereby acknowledges Tenant's obligation to pay Rent for the full Term as set out in Section 3 hereof. If for any reason the Tenant vacates the Agreement early they are responsible for the remainder of the rent for the Term of the Agreement or until a new, qualified renter is found. Any Tenant vacating a Lease early, whether by their own choice or because they violated a term on this Agreement, will be responsible for paying the replacement fee for finding a new renter which is 50% of one full month's rent - in addition to the rent owed. This cost can be taken out of the security deposit.

Upon termination of this Agreement, Tenant shall surrender the Premises in as good a condition as it was in when Tenant took possession, normal wear and tear excepted. All keys, and any copies made of such keys, must be returned upon Tenant's vacating the Premises. Failure to return the keys at such time will result in Tenant being charged Rent on a daily pro rated basis until all keys are returned or the locks changed, and the actual charges for such lock replacement will be deducted from the security deposit.

22. Extended Absences by Tenant

Tenant shall notify Landlord in advance if Tenant will be away from the Premises for seven (7) or more consecutive days. During such absence, Landlord may enter the Premises at times reasonably necessary to maintain the Premises and inspect for needed repairs. If such absences are customary and frequent, Tenant agrees to provide Landlord with a schedule outlining the expected frequency and duration of Tenant's extended absences throughout the term of this Lease.

The Tenant is responsible for having someone check on the Property regularly while they are out of town. It is not the responsibility of the Landlord to check on the Property. The Tenant shall supply contact information for the house sitter to the Landlord and vice versa in case of emergency.

23. Abandonment

Abandonment shall be defined as the absence of the Tenant from the Premises for a period of seven (7) or more consecutive days while rent or any monies owing remain unpaid. In such event, Tenant will be considered in default of this Lease. This definition is subordinate to, and shall not in any way impair, the rights and remedies of Landlord under this Lease and/or applicable law, except in the case of abandonment, Landlord or Landlord's agents may immediately or any time thereafter enter and re-take the Premises and terminate this Lease without notice to Tenant.

24. Default in Payment of Rent

If Tenant shall default in the payment of Rent when due, a seven (7) Demand for Rent Notice shall be issued. If Tenant fails to pay the Rent within the time specified in the Notice, the tenancy will terminate and the Landlord may seek a court order to immediately recover possession of the Premises. No second Demand for Rent Notice will be given.

25. Breach of Agreement

If Tenant shall fail to keep or perform any of the covenants or agreements herein contained, the Landlord may deliver written notice giving Tenant ten (10) days to cure the breach, failing which this Agreement

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will terminate in twenty (20) days and Landlord may seek a court order to recover possession. If Tenant fails to exercise due care and substantially the same breach occurs within six (6) months of the first occurrence, the Landlord may terminate the Agreement upon giving Tenant five (5) days written notice. Tenant acknowledges and agrees that this provision constitutes a continuing demand for Rent on the first (1st) day of each month during which it remains in effect.

26. Miscellaneous Provisions

a) The State of Alaska requires the registration of sex offenders residing within the State of Alaska (AS 12.63.010). As a tenant it is your responsibility to independently investigate and verify for yourself the acceptability of a property with respect to these issues (AS 34.70.050). www.dps.state.ak.us

b) *Amendments:* This Agreement may not be modified or amended except in writing and executed by both of the parties.

c) *Jurisdiction:* The parties agree that if any legal action pertaining to the enforcement of this Agreement or any of its provisions is initiated by any party to the subject Lease, the jurisdiction and venue for said action shall lie exclusively with the Courts of the Third Judicial District for the State of Alaska.

d) *Entire Agreement:* This Agreement shall constitute the entire agreement between the parties hereto, and no other agreement unless in writing and signed by the parties hereto shall be binding upon the parties with respect to the subject Premises. If the Landlord, its agents or employees have made any representations or promises with respect to any part of the Premises, the same shall not be valid unless reduced to writing and incorporated herein.

e) *Obligations Joint and Several:* In the event the Premises is rented to one or more individuals as the Tenant hereunder, each of the individuals shall be jointly and severally liable for the entire rent due and the performance of the terms and conditions of this Agreement. Each individual Tenant understands and acknowledges that there is joint and several responsibility with respect to the Premises and, accordingly, must exercise responsibility to see that the Premises is maintained in good order and repair and that the rental account is kept current.

f) *Severability:* In the event any provision of this Agreement shall be held invalid, such provisions shall be deemed severable and the remaining provisions hereof shall remain in full force and effect.

g) *No Waiver:* No delay or failure on the part of the Landlord in insisting upon the strict performance of the terms hereof or in exercising any remedy or right under this Agreement shall operate as a waiver of such remedy or right.

27. Notices

All notices required or permitted to be given pursuant to this Agreement shall be delivered by hand to the party for which it is intended, or sent by regular mail to the party to the address for the party as set out in the preamble of this Agreement or to such other address as either party may stipulate by notice to the other.

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OWNER

9/20/2018
Date

Marilyn A Sutherland
Marilyn Sutherland for Iron Mountain Enterprises

9-20-2018
Date

Donald Sutherland for Iron Mountain Enterprises

9-20-18
Date

[TENANT]

9-20-18
Date

N/A
[TENANT]

Tenant: (Please put all contact information down) address:
PO Box 181

Telephone numbers: 907 362 3623

Email Address: Jimbo_224@hotmail.com

Emergency Contacts names and numbers:

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