AMENDMENT TO REAL ESTATE LEASE

THIS AMENDMENT is entered into between Landlord and Tenant effective as of the 1 day of December 2018 under that certain Real Estate Lease originally dated January 1, 2018, related to the property commonly known as 972 N. Satisfied Drive, Wasilla, AK 99629.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS ACKNOWLEDGED BY BOTH LANDLORD AND TENANT, THE PARTIES HEREBY AGREE THAT THE LEASE IS AMENDED AS FOLLOWS.

1. USE of Premises – Landlord is aware and agrees to the commercial growing, processing and sale of marijuana from this property and the use of the property as a state licensed marijuana establishment.
2. **Default**: 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.

Except to the extent that the terms and conditions of this Lease Amendment are to the contrary, all other terms and conditions of the original Lease Agreement and any amendments thereto remain in full force and effect.

DATED effective as of the year and date above set forth.

LANDLORD:
Anthony S. Delarm

By: _____
Anthony S. Delarm

TENANT: SMG, LLC

By: _____
Anthony S. Delarm, Member

AMCO Received 1/10/2019

COMMERCIAL LEASE

This Lease Agreement (this "Lease") is dated as of July 01, 2018, by and between Anthony S. Delarm ("Landlord"), and SMG LLC ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant a 1600 square foot building at 972 N. Satisfied Drive, Wasilla, AK to include a 20 foot surrounding margin. (the "Premises") located at 972 N. Satisfied Drive, Wasilla AK 99654.

TERM. The lease term will begin on July 1st 2018 and will terminate on July 1st 2021.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly instalments of $500.00, payable in advance on the first day of each month. Lease payments shall be made to the Landlord at 972 N. Satisfied Drive, Wasilla, Alaska 99654. The payment address may be changed from time to time by the landlord.

SECURITY DEPOSIT. At the time of the signing of this Lease, Tenant shall pay to Landlord, in trust, a security deposit of $500.00 to be held and disbursed for Tenant damages to the Premises (if any) as provided by law.

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

USE OF PREMISES. Tenant may use the premises only for a Limited Marijuana Cultivation Facility The Premises may be used for any other purpose only with the prior written consent of Landlord, which. shall not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the first day of the extended absence.

EXCLUSIVITY. Landlord shall not directly or indirectly, through any employee, agent, or otherwise, lease any space within the property (except the premises herein described), or permit the use or occupancy of any such space whose primary business activity. The Landlord hereby gives the Tenant the exclusive right to conduct their primary business activity on the property.

PROPERTY INSURANCE. Tenant shall maintain casually insurance on the Premises in an amount not less than $10,000.00. Landlord shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

LIABILITY INSURANCE. Tenant shall maintain liability insurance on the Premises with personal injury limits of at least 10,000 for injury to one person, and 20,000 for any one accident, and a limit of at least 10,000 for damage to property. Tenant shall deliver appropriate evidence to landlord as proof that adequate

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insurance is in force issued by companies reasonably satisfactory to landlord. Landlord shall receive advanced written notice from insurer prior to any termination of such insurance policies.

RENEWAL TERMS. This lease shall automatically renew for an additional period of 3 years per renewal term, unless either party gives written notice of termination no later than sixty days prior to the end of the term or renewal term. The lease terms during any such renewal term shall be the same as those contained in this lease.

UTILITIES AND SERVICES, Tenant shall be responsible for all utilities and services incurred in connection with the premises.

TAXES, Taxes attributable to the Premises or the use of the premises shall be allocated as follows;

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

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

DEFAULTS; Tenant shall be in default of this Lease if tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 5 days (or any other obligation within 10 days) after written notice of such default is provided by Landlord to Tenant, Landlords may take possession of the premises without further notice (to the extent permitted by Law), and without prejudicing Landlords rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenants financial obligations under this lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenants defaults. All sums of money or charges required to be paid by Tenant under this lease shall be additional rent, whether or not such sums or charges designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

CUMULATIVE RIGHTS; The rights of the parties under the Lease are cumulative and shall not be constructed as exclusive unless otherwise required by law.

REMODELING OR STRUCTURAL IMPROVEMENTS; Tenant shall have the obligation to conduct any construction or remodeling (at tenants expense) that may be required to use the Premises as specified above. Tenant may also construct such fixtures on the premises (at Tenants 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 Landlord which shall not be unreasonable withheld. Tenant shall not install awnings or advertisements on any part of the premises without Landlords prior written consent. At the end of the lease term, Tenant shall be entitled to remove (or at the request of the Landlord shall remove) such fixtures, and shall restore the premises to substantially the same condition of the premises at the commencement of this lease.

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ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgages, tenants, or workers. However, Landlord does not assume any Liability for the care or supervision of the premises. As provided by law, in the case of an emergency, Landlord may enter the premises without the Tenants consent. During the last three months of this lease, or any extension of this Lease, Landlord 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, Tenant agrees to indemnify, hold harmless, and defend Landlord from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Landlord may suffer or incur in connection with Tenant's possession, use or misuse of the premises, except Landlords act or negligence.

DANGEROUS MATERIALS. Tenant shall not keep or have on the premises any article or thing of a dangerous, flammable, or explosive character that might be considered hazardous by a responsible insurance company, unless the prior written consent of Landlord is obtained and proof of adequate insurance protection is provided by Tenant to Landlord.

COMPLIANCE WITH REGULATIONS. Tenant shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, country, municipal and other authorities, and the fire insurance underwriters. However, Tenant shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature.

MECHANICS LIENS. Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this lease constitutes notice that such liens are invalid. Further, tenant 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 tenant.

DISPUTE RESOLUTION. The parties will attempt to resolve any dispute arising out of or relating to this Agreement through friendly negotiations amongst the parties. If the matter is not resolved by negotiation, the parties will resolve the dispute using the below Alternative Dispute Resolution (ADR) procedure.

Any controversies or disputes arising out of or relating to this Agreement will be submitted to mediation in accordance with any statutory rules of mediation. If meditation is not successful in resolving the entire dispute or is unavailable, any outstanding issues will be submitted to final and binding arbitration under the rules of the American Arbitration Association. The arbitrator's award will be final, and judgement may be entered upon it by any court having proper jurisdiction.

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

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LANDLORD:

Anthony S. Delarm

PO Box 29-8422

Wasilla Ak. 99629

TENANT:

SMG LLC

972 N. Satisfied Dr.

Wasilla Ak 99654

Such addresses may be changed from time to time by any 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 Lease shall b e constructed in accordance with the laws of the State of Alaska.

ENTIRE AGREEMENT/AMENDMENT. This Lease 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 Lease. This Lease 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 Lease 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 Lease 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, constructed, and enforced as so limited.

Waiver. The failure of either party to enforce any provisions of this Lease 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 Lease.

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

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LANDLORD;

Anthony S. Delarm

DATE; 6-19-2018

Anthony S. Delarm

TENANT;

SMG LLC

DATE; 6-19-2018

Witness - Carol Palmer 6-19-18

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