REAL ESTATE SUBLEASE

This Real Estate Sublease Agreement ("Sublease") is dated August 1, 2018, by and between AK Restorations, LLC ("Sub-Landlord" or "Landlord"), and AK Slow Burn Cannabis Outlet, LLC ("Sub-Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the Sublease payments provided in this Sublease, Subleases to Subtenant (the "Premises") the Subleased space located at 1551 E, Tudor Road, Anchorage, AK 99507.

TERM. The Sublease begins on Aug 1, 2018 but rent payments shall not commence until Subtenant occupies the Premises, and shall be a two-year (2) term, with automatic renewals for an additional two (2) year term. Either party may terminate the Sublease upon substantial breach of this Agreement and prior to written notice to the other party giving a ten (10) day notice to cure the defect to avoid the termination.

SUBLEASE PAYMENTS. Subtenant shall pay to Landlord monthly installments of $1,000.00 starting upon date of occupation of the Premises. If payment is not received by the 5th day of the month a late charge of $20.00 per day beginning on the 1st and for each day thereafter will be charged. Landlord shall give Subtenant written notice of the past due Sublease payment. On the 15th the Landlord may give notice of breach, as stated above and Subtenant shall agree to vacate the premise if the breach is not remedied within ten (10) days.

USE OF PREMISES. Subtenant may use the Premises only for retail of commercial marijuana and marijuana product and all legal endeavors as prescribed in state and local law. The Premises may be used for any other purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld.

Subtenant shall notify Landlord of any anticipated extended absence of 15 days or more from the Premises not later than the first day of the extended absence.

UTILITIES AND SERVICES

Subtenant shall be responsible for the all utilities and services 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: Subtenant shall pay pro-rata share of the property's real estate taxes and assessments for the Premises.

PERSONAL TAXES. Subtenant shall pay all personal taxes and any other charges which

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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 Sublease payments.

Property Insurance. At all times during the Sublease Term, Subtenant shall procure and maintain, at its sole expense, special form ("all risk") property insurance, in an amount not less than one hundred percent (100%) of the replacement cost, covering the Premises (including all Subleasehold improvements), the contents thereof, and the Building in which the Premises are located (collectively, the "Property Insurance"). The Property Insurance shall contain business income ("loss of rents") coverage for a period of time not less than twelve (12) months following the insured casualty. Landlord shall be named as an additional insured on the Property Insurance. Landlord and Landlord's mortgagee each shall be named as loss payees on the Property Insurance with respect to proceeds attributable to damage to the Premises and the Building. Landlord shall be named as loss payee on the Property Insurance with respect to business income coverage. Subtenant shall not be a loss payee with respect to proceeds attributable to damage to the Premises or the Building or with respect to business income coverage, but Subtenant shall be the loss payee for its personal property located in the Premises. The proceeds of the Property Insurance shall be used for the repair or replacement of the property so insured except that if this Sublease is terminated following a casualty, the proceeds applicable to the Building, Premises and Sublease hold improvements contained therein shall be paid to Landlord and the proceeds applicable to Subtenant's personal property shall be paid to Subtenant. The Property Insurance policy shall be in a form and contain such endorsements as are normal and customary for property insurance policies carried on similar property or properties or by similarly situated parties.

DEFAULTS. Subtenant shall be in default of this Sublease if Subtenant fails to fulfill any Sublease obligation or term by which Subtenant is bound. Subject to any governing provisions of law to the contrary, if Subtenant fails to cure any financial obligation within 15 days (or any other obligation within 30 days) after written notice of such default is provided by Landlord to Subtenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Subtenant's financial obligations under this Sublease. Subtenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Subtenant's defaults. All sums of money or charges required to be paid by Subtenant under this Sublease shall be additional rent, whether or not such sums or charges are 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. In the event of a default by Subtenant, *Landlord will contact the Alaska Marijuana Control Office and ensure Enforcement for AMCO removes all marijuana and marijuana product from facility.*

HOLDOVER. If Subtenant maintains possession of the Premises for any period after the termination of this Sublease ("Holdover Period"), Subtenant shall pay to Landlord Sublease 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.

CUMULATIVE RIGHTS. The rights of the parties under this Sublease are cumulative and shall not be construed as exclusive unless otherwise required by law.

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NON-SUFFICIENT FUNDS. Subtenant shall be charged $100.00 for each check that is returned to Landlord for lack of sufficient funds.

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 Landlord, which shall not be unreasonably withheld. Subtenant shall not install awnings or advertisements on any part of the Premises without Landlord's prior written consent. At the end of the Sublease term, Subtenant shall be entitled to remove (or at the request of Landlord 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 LANDLORD TO PREMISES. Subject to Subtenant'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, mortgagees, subtenants 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 Subtenant's consent. During the last three months of this Sublease, or any extension of this Sublease, Landlord shall be allowed to display the usual "To Let" signs and show the Premises to prospective subtenants. Landlord must abide by Subtenant's visitor policy and ensure that no agent or prospective subtenant of Landlord attempts to enter the property that is under the age of 21, presents a valid state or federal identification card, and remains in eyesight of a designated agent of Subtenant's at all times.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Subtenant 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 Subtenant's possession, use or misuse of the Premises, except Landlord's act or negligence.

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

ACKNOWLEDGEMENT OF USE FOR MARIJAUNA COMMERICAL ACTIVITIES: Landlord is aware of and agrees this premise shall be used for marijuana state and local licensed commercial activities.

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

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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:

LANDLORD:

AK Restorations, LLC
1120 Huffman Rd., Suite 24 Box 356
Anchorage, AK 99515

SUBTENANT:

AK Slow Burn Cannabis Outlet, LLC
1551 E. Tudor Rd.,
Anchorage, AK 99507

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.

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.

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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.

Subtenant - AK Slow Burn Cannabis Outlet, LLC

By: _____ Date: 8-1-18
Lou Weaver, Managing Member

Landlord – AK Restorations, LLC

By: _____ Date: 8-1-18
Lou Weaver, Managing Member

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DocuSign Envelope ID: F20AA882-9C35-4B1C-A1A8-A5C4023EB8D7

SUPERSEDING LEASE AGREEMENT

The Original Lease was executed on April 1, 2016, by and between GH Enterprises, LLC & Mimi Kings, LLC (collectively referred to as "Lessor or Landlord") of 1131 W. 5th Avenue, Anchorage, Alaska 99501 and AK Restorations, LLC (Lessee or Tenant). This Superseding Lease Agreement (referred to herein as the "Lease") now supersedes and replaces in its entirety the Original Lease and any related extensions of the same. Landlord hereby appoints GHW Management, Ptd., to act as Landlord's agent and representative and authorizes GHW Management to act on its behalf with all respects to this Lease and its obligations herein.

In consideration of the mutual covenants contained herein, the parties agree as follows:

1.) Description of Premises. Lessor leases to Lessee the premises located at 1551 E. Tudor Road, Anchorage, Alaska 99507 and described more particularly as follows:

> That portion of the Southeast One-Quarter (SE ¼) of the Southwest One-Quarter (SW1/4) of Section 29, Township 13 North, Range 3 West, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska, more particularly described as follows:
>
> Commencing at the Southeast (SE) Corner of the Southwest One-Quarter (SW1/4) of Section 29; thence North 0 degrees 06' 30" West 50 feet to the actual Point of Beginning; thence North 0 degrees, 06' 30" West 150 feet to the Southeast (SE) corner of Lot 10-A, Block 1, Kimberly Terrace Subdivision, according to Plat 65-167, Anchorage Recording District, Third Judicial District, State of Alaska; thence West along the South boundary line of said Lot 10-A, 100 feet to the Northeast (NE) corner of Lot 8-A, Block 1 of said Kimberly Terrace Subdivision; thence South 150 feet to the North boundary line of Tudor Road Right of Way; thence East 100 feet to the Point of Beginning.

Term. The term of this Lease is 24 months, beginning January 1, 2019 and terminating on January 1, 2021 (herein after referred to as the "Term"). Tenant, at its sole discretion, shall have the option to renew this Lease for three (3) additional 24 month terms. Tenant shall provide sixty (60) days' notice prior to the end of the preceding term to Landlord to notify Landlord of Tenant's intent to renew the Lease for an additional 24-month Term. Each renewal Term shall result in a Five (5) Percent increase in Rent. All other provisions in this Lease remain the same for subsequent renewal terms.

2.) Rent. Lessee shall pay Lessor during the term of this lease a minimum monthly rental in the $2,000.00 per month. Lessee covenants and agrees to pay on or before the first day of each month of the term of this Lease, monthly rent in the sum outlined above.

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Payments shall be made to Lessor at the address set forth on the last page of this Lease. Lessee agrees that on default in the payment of any installment of rent due hereunder, Lessee shall pay Lessor as additional rent a late charge of 10% of any outstanding remaining balance on any installment not made on or before the seven (7) days after the day of the month when it is due.

3.) Security Deposit. An essential inducement to Lessor from Lessee for this Lease is a security deposit by Lessee in the amount of Zero dollars ($0), receipt of which by Lessor is hereby acknowledged. Said deposit is partial security for the full and faithful performance by the Lessee of all the covenants and terms of this Lease required to be performed by Lessee. Such security deposit shall be returned to the Lessee after the expiration of this Lease if Lessee has fully and faithfully carried out all of its covenants and terms. If Lessee does not fully and faithfully perform the covenants and terms of this Lease, Lessor may apply the aforementioned security deposit against damages resulting from breaches of Lessee. In the event all or part of the security deposit is so applied, Lessee shall upon demand, promptly pay to Lessor such amount as may be necessary to replenish the security deposit to its original amount. In the event of a bona fide sale of the property of which the leased premises are a part, the Lessor shall have the right to transfer such security deposit to Purchaser to be held under the terms of this Lease, and in that event the Lessor shall be released from all liability for the return of such security deposit to the Lessee. The Lessee may not assign or encumber the money deposited as security, and neither the Lessor nor its successors or assigns shall be bound by any such assignment or encumbrances.

4.) Use of Premises & Subleasing. Lessee shall have the right sublease the Premise to AK Slow Burn Cannabis Outlet LLC without Lessor approval, as approval is given in this paragraph 4. All other subleases must be approved by Lessor and such approval shall not be unreasonably withheld. Tenant and any subtenant may use to use the property for a state and municipal licensed marijuana retail sales only and any other reasonable and legal related business activities, subject to only the constraint that such activities are consistent with the intended use and quality of the property, and with the provisions and requirements of the Municipality of Anchorage Zoning Laws and any specific limitations that may be set forth and incorporated herein. Lessee and its sublessee shall comply with all municipal, state, and other state and local governmental laws, statutes, ordinances, rules and regulations. In the event Lessee or its sublessee is unable to obtain all necessary approvals, condition of occupancy, and permits to operate a marijuana retail store then Lessee and its sublessee shall be released from the remaining term and obligations of this Agreement.

5.) Rules and Regulations. Lessee shall observe the rules and regulations which the Lessor may from time to time promulgate and distribute. Lessor reserves the right to make reasonable amendments or changes thereto as in its judgment may from time to time be necessary and desirable, but shall not make rules and/or regulations that would negatively impact Tenant's business operations.

6.) Parking. Lessee agrees not to overburden the parking facilities and agrees to cooperate with Lessor and other Lessees in the use of parking facilities. Lessor reserves the right in its absolute discretion to determine whether parking facilities are becoming overcrowded and in such event to more specifically allocate parking spaces among the Lessees. Landlord will work with Tenant to form an acceptable parking plan that complies with municipal requirements for retail use within the boundaries of the properties. If in the event the Municipality of Anchorage determines

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there is not sufficient parking available for Tenant's proposed marijuana retail store, then Tenant shall be released from the obligations of this Lease.

7.) Utilities and Services. Lessee shall pay for electrical, gas, water and sewer, and refuse associated with its use of the portion of the leased premises. Lessor shall not be liable for any loss or damage caused by or resulting from any variation, interruption, or failure of said utilities or services, arising from any cause, condition, or event; and no variation, interruption, or failure of such utilities and services incident to the making of repairs, alterations, or improvements, or arising from any accident, strike, condition, cause, or event in whole or in part beyond the reasonable control of Lessor shall be deemed an eviction of Lessee or relieve Lessee from any obligation hereunder. Lessee shall arrange and pay for all services furnished to the leased premises for the term of this Lease, including any telephone and internet service and snow removal service.

8.) Acceptance of the Premises. By execution of this agreement, Lessee acknowledges that it has examined the leased premises and accepts the same as being in the condition called for by this Lease, with the exception of parking and other items identified in this Lease.

9.) Alterations and Mechanics Liens. Substantial alterations to the leased premises may not be made without the prior written consent of the Lessor. Lessee may make interior modifications to render the retail space suitable for a marijuana retail store and to meet the marijuana control board requirements and regulations. Lessee shall return the leased premises upon the termination of this Lease in the same condition as when rented to Lessee, reasonable wear and tear, and approved improvements excepted. Lessee shall keep the leased premises, the building and the property in which the leased premises are situated free from any liens arising out of any work performed for, material furnished to or obligations incurred by Lessee. At Lessor's option, Lessee shall at its own expense when surrendering the leased premises remove there from all partitions, counters, and other improvements installed by Lessee.

10.) Insurance.

a.) Liability Insurance. Lessee shall procure and maintain in force at Lessee's expense during the term of this Lease and any extension thereof, general liability insurance with insurers and brokers approved by Lessor. Such coverage shall be in the minimum amount of One Million Dollars ($1,000,000) per occurrence. The insurance policies shall name Lessor as an additional insured. Lessee shall deliver a certificate or copy of such policy, together with evidence of payment of all premiums, to the Lessor prior to the commencement date of this Lease. Lessee shall maintain a written obligation from the insurers to notify Lessor in writing at least thirty (30) days prior to cancellation or refusal to renew any policy. If the insurance coverage is not kept in force during the entire term of this Lease or any extension thereof, Lessor may provide the necessary insurance and pay the premium therefore, and the premium shall be repaid to Lessor as an additional rent installment for the month following the date in which the premiums were paid by Lessor.

b.) Fire and Extended Coverage Insurance. Lessor's obligation to maintain fire and extended coverage insurance is limited to the structure and does not extend to coverage to Lessee, its personal property, or other property in or on the Premises. If the insurance premium on the Building of which the Premises are a part shall be increased because of the use or occupancy by Lessee, then in that event, upon written notice from Lessor, Lessee may elect to abate the

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use which has caused the increase of premium or shall thereupon and thereafter reimburse Lessor for the amount of increase in the premium.

c.) Indemnify and Hold Harmless. Lessee agrees to indemnify and hold Lessor harmless from and against any and all claims arising from any breach of this Lease by acts, omissions or negligence of Lessee, its contractors, licensees, agents, invitees, or employees or arising from any accident, injury, or damage whatsoever caused to any person or property occurring in , on or about the Premises or any part of them and from and against all costs, expenses and liability incurred in or in connection with any such claim or proceeding. Lessee further agrees to indemnify Lessor from any claim brought by any persons, including without limitation, the employees of Lessee with respect to any obligation under applicable laws or acts pertaining to the Premises. The above indemnities do not apply to those claims arising out of or caused or contributed by Lessor's negligence or breach of Lessor's obligations under this Lease. This provision shall survive termination of the Lease.

11.) Repairs. Lessee shall at its sole expense keep and maintain the leased premises, appurtenances and every part thereof, including windows, interior walls, doors and hardware of the leased premises. Lessor agrees to repair exterior walls and roofs when necessary. Lessee agrees to keep its leased premises in good and sanitary order, condition and repair. Lessee shall at its sole expense keep and maintain all utilities, fixtures and mechanical equipment used by Lessee in good order, condition and repair. Lessee expressly waives all right to make repairs at the expense of Lessor, absent the written consent of Lessor. Lessor warrants that all lighting, the HVAC, electrical, water and sewer systems at the initiation of this lease are all in good working order and will bear the cost of any repairs to these items that become necessary during the term of this Lease.

12.) Signs and Landscaping. Lessor shall have the right to control landscaping and approve the placing of signs and the size and quality of same with such approval not unreasonably withheld.

13.) Entry by Lessor. Lessee shall permit Lessor and Lessor's agents to enter the leased premises at an agreed upon time and date, but in any event no later than 48 hours after Lessor has giving Lessee notice of its desire to inspect the property. Due to the nature of Lessee's business, Lessor must comply with the Visitor Policy when entering restricted access areas of the licensed marijuana facility. This includes, but is not limited to, remaining in eyesight of the Lessee's designated employee, ensuring that any Lessor agent is over the age of 21, has valid government identification, and understands that the agent must remain with a designated Lessee employee at all times. Lessor may make an appointment to enter the premises for the purpose of inspecting the premises or for the purpose of maintaining the building, or for the purpose of making repairs, alterations or additions to any portion of the building including the erection and maintenance of such scaffolding, canopies, fences and props as may be required, or for the purpose of posting notices of non-responsibility for alterations, additions, or repairs, or for the purpose of placing upon the building any usual or ordinary "For Sale" or "For Rent" signs, without any abatement of rent and without any liability to the Lessee for any loss of occupation and client enjoyment of the leased premises thereby occasioned. Lessee shall permit Lessor at any time within thirty (30) days prior to the expiration of this Lease to place upon the premises any usual or ordinary "For Rent" signs, unless Lessee has evoked its option to renew Lease. Lessee shall give Lessor notice in writing five (5) days prior to employing any laborer or

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contractor to perform work resulting in alteration to the leased premises so that Lessor may post such notices as are necessary in Lessor's discretion, Lessor agrees to instruct its agents, contractors and any other designated persons to comply with Lessees visitor policy.

14.) Abandonment. Lessee shall not vacate nor abandon the leased premises at any time during the lease term nor permit the leased premises to remain unoccupied for a period longer than ten (10) consecutive days during the lease term. If Lessee shall abandon, vacate, or surrender the leased premises or be dispossessed by process of law or otherwise, any personal property belonging to Lessee and left on the leased premises shall at the action of the Lessor be deemed abandoned, with the exception of any and all marijuana or marijuana product. In the event Lessee abandons the premises then Lessor shall immediately contact the Alcohol Marijuana Control Office ("AMCO") and grant access to agents of AMCO to remove all marijuana and marijuana product.. Absence from the premises for longer than ten (10) days while an installment of rent is due and owing shall be deemed abandonment, unless prior written approval is obtained from Lessor.

15.) Destruction of the Premises. In the event of either a partial destruction of the leased premises or the building during the leased term which requires repairs either to the leased premises or the building, or in the event that the leased premises or the building are declared unfit for occupancy by any authorized public authority for any reason other than the Lessee's acts, omission to act, use or occupancy, which declaration requires repairs either to the leased premises or the building, Lessor agrees that to the extent that cost thereof is covered by fire or extended coverage insurance to forthwith repair same. This Lease shall remain in full force and effect except that Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made based on the extent to which the making of such repairs shall interfere with the business carried on by Lessee on the leased premises.

In the event the leased premises are damaged or require repairs, or the building requires repairs, as above referenced, and the same are not covered by fire or extended coverage insurance, then Lessor, at its option, may either undertake such repairs and restoration with this Lease continuing in full force and effect with the rental to be proportionately reduced as hereinabove provided, or Lessor may give notice to Lessee at any time within thirty (30) days after such event and such notice shall, at the option of the Lessor, terminate this Lease as of the date specified in such notice, which termination shall not be less than thirty (30) days nor more than sixty (60) days after the giving of such notice. In the event that giving such notice, this Lease shall expire and all interest of Lessee in the leased premises shall terminate on the date so specified in such notice and the rental shall be reduced by any proportionate reduction based on the extent, if any, to which such damage interferes with the business carried on by Lessee in the leased premises provided that Lessee's rent shall be current at the date of such termination.

16.) Condemnation. Eminent domain proceedings resulting in the condemnation of a part of the premises leased herein, but leaving the remaining premises usable by Lessee for the purpose of its business, will not terminate this Lease unless Lessor, at its option, terminates the Lease by giving thirty (30) days written Notice of Termination to Lessee. The effect of any condemnation, where the option to terminate is not exercised, will be to terminate the Lease as to the portion of the premises condemned, and the Lease of the remainder of the leased premises shall remain intact. The rental for the remainder of the leased term shall be reduced by the amount that the usefulness of the premises has been reduced for the business purposes of the Lessee. Lessee

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hereby assigns and transfers to Lessor any claim it may have to compensation for damages as a result of any condemnation.

17.) Default or Breach. Each of the following events shall constitute a default or breach of this Lease by Lessee:

a.) If Lessee, or any successor assignee of Lessee while in possession shall file a Petition of Bankruptcy or insolvency or for reorganization under any Bankruptcy Act, or shall voluntarily take advantage of such act by answer or otherwise, or shall make an assignment for the benefit of creditors.

b.) If voluntary proceedings under any Bankruptcy Law or Insolvency Act shall be instituted against Lessee, or the receiver or Trustee shall be appointed for all or substantially all of the property of Lessee, and such proceeding shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.

c.) If Lessee shall fail to pay Lessor any rent or additional rent when the rent shall become due and shall not make the payment within ten (10) days after written notice thereof by Lessor to Lessee.

d.) If Lessee shall fail to perform or comply with any of the conditions of this Lease and if the non-performance shall continue for a period of (30) days after written notice thereof by Lessor to Lessee, or if the performance cannot be reasonably had within the thirty (30) day period, or if Lessee shall not in good faith have commenced performance within the thirty (30) day period and shall not diligently proceed to completion of performance.

e.) If Lessee shall vacate or abandon the premises.

f.) If this Lease or the estate of Lessee hereunder shall be transferred to or shall pass to or devolve on any other person or party, except in the manner herein permitted.

18.) Remedies. In the event of any such material default or breach by Lessee, Lessor shall have the following rights and remedies, all in addition to any rights and remedies the Lessor may have by statute, ordinance, law or otherwise, which rights and remedies Lessor may exercise at any time thereafter, without notice or demand, as follows:

a.) Lessor shall have the right to cancel and terminate this Lease, as well as all of the right, title and interest of Lessee hereunder by giving to Lessee not less than fifteen (15) days written notice of the cancellation and termination. On expiration of the time fixed in the notice, this Lease and the right, title and interest of Lessee hereunder, shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the Notice of Cancellation and Termination were the end of the term herein originally determined.

b.) Distrain for rent due.

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c.) Lessor may elect, but shall not be obligated, to make any payment required of Lessee herein or comply with any agreement, term, or condition required to be performed by Lessee, and Lessor shall have the right to enter the leased premises, after contacting and obtaining approval from AMCO, for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee or the right of Lessor to take any action as may be otherwise permissible hereunder in the case of any default.

d.) Lessor may, after contacting and obtaining approval from AMCO, re-enter the premises immediately and remove the property and personnel of Lessee, and store the property in a public warehouse or at a place selected by Lessor, at the expense of Lessee. After re-entry, Lessor may terminate the Lease on giving fifteen (15) days written notice of termination to Lessee. Without the notice, re-entry will not terminate the Lease. On termination, Lessor may recover from Lessee all damages proximately resulting from the breach, including the cost of recovering the premises, and the worth of the balance of this Lease over the reasonable rental value of the premises for the remainder of the lease term, which sums shall be immediately due Lessor from Lessee.

e.) After re-entry, Lessor may relet the premises or any part thereof for any term without terminating the Lease, at the rent and on the terms as Lessor may choose. Lessor may make alterations and repairs to the premises. The duties and liabilities of the parties if the premises are relet as provided herein shall be as follows:

(1) In addition to Lessee's liability to Lessor for breach of the Lease, Lessee shall be liable for all expenses of the reletting, for the alterations and repairs made, and for the difference between the rent received by Lessor under the new Lease Agreement and the rent installments that are due for the same period under this Lease.

(2) Lessor shall have the right, but shall not be required, to apply the rent received from the reletting (1) to reduce the indebtedness of Lessee to Lessor under this Lease, not including indebtedness for rent, (2) to expenses of the reletting and alterations and repairs made, (3) to past rent due under this Lease, or (4) to payment of future rent under this Lease as it becomes due.

(3) If the new Lessee does not pay a rent installment promptly to Lessor, and the rent installment has been credited in advance of payment to the indebtedness of Lessee other than rent, or if rentals to the new Lessee have been otherwise applied by Lessor as provided for herein and during any rent installment period are less than the rent payable for the corresponding installment period under this Lease, Lessee shall pay Lessor the deficiency separately for each installment deficiency, and before the end of that period. Lessor may at any time after reletting terminate the Lease for the breach on which Lessor had based the re-entry and subsequently relet the premises.

f.) After re-entry, Lessor may procure the appointment of a receiver to take possession and collect rents and profits of the business of Lessee, if necessary to collect the rents and profits. The receiver may carry on the business of Lessee and take possession of the personal property used in the business of the Lessee, including inventory, trade fixtures, and furnishings, and use them in the business without compensating Lessee. Proceedings for appointment of a receiver by Lessor, or the appointment of receiver and the conduct of the business of Lessee

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by receiver, shall not terminate and forfeit this Lease unless Lessor has given written notice of termination to Lessee as provided herein.

19.) Notice. All notices to be given with respect to this Lease shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid and return receipt requested, to the party to be notified at the address set forth hereinafter, or at such other address as either party may from time to time designate in writing.

To Lessee, addressed to: AK Restorations, LLC, 1551 E. Tudor Road, Anchorage, AK 99507.

To Lessor, addressed to: GHW Management, c/o Glen Hemingson, 1131 W. 5th Avenue, Anchorage, Alaska 99501.

Every notice shall be deemed to have been given at the time it shall be deposited in the United States mails in the manner prescribed herein. Nothing contained herein shall be construed to preclude personal service of any notice in the manner prescribed for personal service of a summons or other legal process.

20.) Effect of Holding Over. If Lessee holds over after the expiration or earlier termination of the term hereof without the express written consent of Landlord, Tenant shall become a tenant at sufferance only, at a rental rate equal to one hundred fifty percent (150%) of the rent in effect upon the date of such expiration (prorated on a daily basis), and otherwise subject to the terms, covenants and conditions herein specified, so far as applicable. Acceptance by Landlord of rent after such expiration or earlier termination shall not result in a renewal of this Lease nor affect Landlord's right of reentry or any rights of Landlord hereunder or otherwise provided by law. If Tenant fails to surrender the premises upon the expiration of this Lease despite demand to do so by Landlord, Tenant shall indemnify and hold Landlord harmless from all loss or liability, including without limitation, any claim made by any succeeding Tenant founded on or resulting from such failure to surrender and together with interest, attorney's fees and costs.

21.) Waiver. The waiver by Lessor of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease other than the failure of Lessee to pay the particular rental amount so accepted, regardless of Lessor's knowledge of such preceding breach at the time of the acceptance of such rent.

22.) Attorney's Fees. In the event that it becomes necessary for Lessor to employ legal counsel, or to obtain legal assistance, to enforce any of the provisions herein contained, Lessee agrees to pay as additional rent all attorneys' fees and court costs reasonably incurred thereby. In the event of any legal action or proceeding involving the parties hereto, reasonable attorney's fees and the expenses of the prevailing party incurred in any such action or proceeding may be added to the judgement rendered therein.

23.) Estoppel Certificates. Lessee shall at any time upon not less than (10) days prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing:

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a.) Certifying that this Lease is unmodified and in full force and effect, or, if modified, state the nature of such modification and certifying that this Lease as so modified is in full force and effect, and the date to which the rent and other charges are paid in advance, if any;

b.) Acknowledging that there are not to Lessee's knowledge any unsecured defaults on the part of Lessor hereunder or specifying such defaults, if any are claimed. Any such statement may be conclusively relied upon by any perspective purchaser or encumbrance of the premises.

In the event of any sale or conveyance by Lessor of the building containing the leased premises, the sale or conveyance shall operate to release Lessor from any future liability upon any of the covenants or conditions express or implied herein contained in favor of Lessee and in such event Lessee agrees to look solely to the successor in interest of Lessor in and to this Lease to carry out the responsibilities of the Lessor hereunder. It is further agreed that the Lease may, at the option of the Lessor and any lender, be made subordinate to any ground or underlying leases, mortgages, or deeds of trust which may at present or hereafter affect the real property of which the leased premises form a part. Lessee or its successors in interest will execute and deliver upon demand of Lessor any and all instruments desired by Lessor subordinating in the manner requested by Lessor this Lease to such lease, mortgage or deed of trust.

24.) Collection of Less Than Monthly Rent. No payment by Lessee or receipt of by Lessor of an amount less than the monthly rent herein stipulated shall be deemed to be other than on account of the stipulated rent, nor shall any endorsement on any check or any accord and satisfaction, but Lessor may accept such rent payment without prejudice to its rights to collect the balance of such rent.

25.) Nuisances. Lessee shall not, during the term hereof, maintain, commit, or permit the maintenance or permission of any nuisance on the leased premises. Lessee agrees to mitigate and remediate any and all odors or contaminates that are created by Lessee's use and occupancy, as deemed necessary by Landlord.

26.) Storage of Explosives and Flammables. Lessee shall not, without Lessor's written consent, keep for use on the leased premises any explosive or flammable substances, beyond those quantities necessary for day-to-day operations.

27.) Lessee Business Signage. Lessee shall bear the cost of any business sign for leased premises, and shall adhere to any and all necessary municipal codes and restrictions.

28.) Miscellaneous Provisions. Whenever the singular number is used in this Lease and when required by context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders and vice versa, and the word "person" shall include corporations, firms or associations. If there be more than one Lessee, the obligations imposed under this Lease upon Lessee shall be joint and several.

29.) Agency/ Broker Disclosure. Except as set forth below, Lessee represents and warrants to Lessor that Lessee has not engaged any broker, finder or other person (other than Hugh Wade and Spire Commercial) who would be entitled to any commission or fees in respect of the

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negotiation, execution, or delivery of this Lease and Lessee agrees to indemnify, defend and hold Lessor harmless from and against any loss, cost, liability, or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements made by or on behalf of Lessee.

Lessor and Lessee acknowledge that Hugh Wade of Spire Commercial has acted as neutral licensee for this transaction. Wade has an ownership interest in the Lessor, and is party to the *Exclusive Real Estate Services Agreement* dated February 8, 2016 with Lou Weaver. Lou Weaver has an ownership interest in the Lessee and represented the Lessee in the negotiation of this Lease.

30.) Entire Agreement. This instrument contains all of the agreements and conditions made and existing between the parties to this Lease and may not be modified orally or in any other manner than by an agreement in writing signed by all of the parties to this Lease.

31.) Successors and Assigns. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Lessor and Lessee.

32.) Severability. If any portion of this Lease is held to be invalid or unenforceable for any reason, such holding shall not affect the validity or enforceability of the remaining portions of this Lease.

33.) Right of First Refusal. If Lessor decides to sell Premises or receives a offer for purchase of the Premises that Lessor would accept, Lessor will first offer the Premises for purchase onto Lessor for the same terms of the offer or listing price (in the event Premises is listed for sale) and Lessee shall have first right of refusal for the same. Lessee also has first right of refusal for leasing the Premises past its three (3) 24 month option terms.

34.) Tenant Can Terminate Lease with Proper Notice if No Licensure Obtained. Should the Tenant not obtain full licensure from city and state, Tenant shall be able to terminate lease with thirty (30) days' notice to Lessor, and shall forfeit security deposit, prepaid rents, cash bonus payments and all interior and exterior improvements to Landlord.

35.) Other Clauses.

a.) Lessee Premise Improvements in Lieu of Bonus Payments: (Purposely not addressed in this Lease.)

b.) Acknowledgement of Parking Arrangement with 1549 E. Tudor: The Lessor also owns 1549 E. Tudor, and bought 1549 E. Tudor (the adjacent property to the west) and 1551 E. Tudor (the Property being leased) together. The residential tenants at 1549 E. Tudor park along the eastern edge of that property and building in five designated parking spaces on 1551 E. Tudor (the Property being leased). Those five designated parking spaces are on the parcel of 1551 E. Tudor, at its west boundary. Landlord retains the rights to those parking spaces for the tenants of 1549 E. Tudor.

Time is of the essence of each term and provision of this Lease. It is a legally binding contract.

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Lessee:

DocuSigned by: 1/16/2019

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AK Restorations, LLC Date

By: Lou Weaver

Lessor:

DocuSigned by: 1/16/2019

Glen Hemingson

GH Enterprises, LLC

By: Glen Hemingson

DocuSigned by: 1/16/2019

Hugh Wade

Mimi Kings, LLC By: Hugh Wade

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