PROOF OF POSSESSION FOR PROPOSED PREMISES

1. Property Summary from FNSB showing Landlord (Equinox) owenership.

2. Lease / Purchase agreement between Aurora Develpment Group, Inc. and Equinox Development LLC

Received by AMCO 04.14.18

Received by AMCO 1.29.21

Property Summary

back to Search Page

PAN	PROPERTY PHYSICAL DESCRIPTION - DO NOT RELY ON AS A LEGAL DESCRIPTION	
0139688	LOT 1B BLOCK 2 LYNDON ACRES	
NEIGHBORHOOD	**BUSINESS**	**PROPERTY CLASS**
0601 Chena Hot Springs Hills		Residential
MILLAGE GROUP	**MOST RECENT MILLAGE RATE**	**STATUS**
0937 Steese Volunteer Fire Service Area	15.8510	TAXABLE
FIRE SERVICE AREA		**ADDITIONAL INFORMATION**
STEESE VOL FIRE S A		Building Details View Property Location

LAND AREA

Parcel
1 4.45 Acres

OWNER		ADDRESS
NAME	**INTEREST**	**SITUS ADDRESS**
EQUINOX DEVELOPMENT LLC,	OWNERSHIP	1667 AMIDON DR 0

Documents

Documents are current as of 12-31-2016

The FNSB provides a link to view the recorded document at the State of Alaska Recorders Office through the instrument #. Current registered documents **not** showing may be seen at the State of Alaska Recorders Office Search page. The FNSB has no control over the contents posted on any external web sites and these sites may have separate terms of use and privacy policies. The inclusion of this web link does not imply endorsement by the FNSB of the site, its content, advertisers or sponsors.

DESCRIPTION	RECORD DATE	BOOK	PAGE	INSTRUMENT #
Warranty Deed	1/9/2018			2018-000353-0
Deed of Trust	12/28/2017			2017-021847-0
Warranty Deed	12/28/2017			2017-021846-0
Deed of Trust	7/26/2017			2017-011454-0
Deed of Trust	2/10/2012			2012-002279-0
Deed of Trust	6/15/2010			2010-009913-0
Utility Easement	6/25/2008			2008-012762-0
Deed of Trust	5/29/2008			2008-010744-0
Warranty Deed	6/28/2007			2007-014439-0

Assessment History

For questions regarding assessments, contact the FNSB Department of Assessing at 907-459-1428.

YEAR	LAND	STRUCTURES ETC.	FULL VALUE TOTAL	EXEMPTIONS TOTAL	TAXABLE
2017	$27,474	$220,102	$247,576	$20,000	$227,576
2016	$27,474	$199,453	$226,927	$20,000	$206,927
2015	$27,474	$181,672	$209,146	$20,000	$189,146
2014	$27,474	$177,302	$204,776	$20,000	$184,776
2013	$27,474	$177,302	$204,776	$20,000	$184,776

Pay Property Taxes by credit card

Tax History (Updated: 04/13/18 03:50 AM AST)

If taxes are delinquent the interest calculation date is: 11/1/2017. All prior year delinquent payments must be made with guaranteed funds.

For payments made after the due dates, please call the FNSB Division of Treasury and Budget at 907-459-1441 for the correct amount.

YEAR	TAX LEVIED	STATE EXEMPTED	FEES	TOTAL DUE	TOTAL PAID	NET DUE
2017	$3,627.46	$0.00	$0.00	$3,627.46	$3,627.46	$0.00
2016	$3,198.30	$0.00	$0.00	$3,198.30	$3,198.30	$0.00
2015	$2,946.42	$0.00	$0.00	$2,946.42	$2,946.42	$0.00
2014	$2,813.90	$0.00	$0.00	$2,813.90	$2,813.90	$0.00
2013	$2,765.42	$0.00	$0.00	$2,765.42	$2,765.42	$0.00

Received by AMCO 04.14.18

Received by AMCO 1.29.21

AMENDMENT TO LEASE AGREEMENT

THIS AMENDMENT is entered into between Lessor and Lessee effective as of the 27 day of January 2021 under that certain Lease originally dated April 10th, 2018, related to the property commonly known as 1667 Amidon Drive, Fairbanks, AK 99712.

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. **WHEREAS**, Seller/Landlord and Buyer/Tenant have together executed a prior lease agreement, the subject of which is the aforementioned Property (the "Lease Agreement"). The Buyer / Tenant will be operating a licensed regulated marijuana cultivation facility and a licensed regulated marijuana concentrate manufacturing facility and is entitled to operate other marijuana facility licenses that they may subsequently obtain. The Buyer/Tenant will occupy the residence for residential purposes as well as operate the aforementioned licenses in the garage. The terms of this Lease to Purchase Agreement also allow the Buyer / Tenant to develop and construct other outside cultivation areas or separate structures to house other marijuana facilities with the permission of the Seller / Landlord, whose permission shall not be unreasonably withheld.
2. **Tenant's Conduct**: Buyer/Tenant shall not conduct on premises any activity deemed extra hazardous, or a nuisance, or requiring an increase in fire insurance premiums. Buyer/Tenant will be operating cannabis cultivations and a marijuana concentrate manufacturing facility and is responsible for meeting regulations as required under law.
3. **Recording of Agreement**: Buyer/Tenant shall not record this Option to Purchase Agreement on the Public Records of any public office without the express and written consent of Seller/Landlord, with the exception of disclosures that may be required to obtain an Alaska Marijuana Facility License.

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.

Lessor:
Equinox Development LLC

By: _____

Lessee:
Aurora Development Group, Inc.

By: _____

Received by AMCO 1.29.21

LEASE TO PURCHASE OPTION AGREEMENT

This Lease to Purchase Option Agreement ("Option to Purchase Agreement") is made on April 10, 2018 [month, day, year] between Equinox Development LLC (the "Seller/Landlord") and Aurora Development Group, Inc. (the "Buyer/Tenant").

WHEREAS, Seller/Landlord is the fee owner of certain real property being, lying and situated in Fairbanks North Star Borough (County), Alaska, such real property having a street address of: 1667 Amidon Drive, Fairbanks, AK 99712 (the "Property").

WHEREAS, Seller/Landlord and Buyer/Tenant have together executed a prior lease agreement, the subject of which is the aforementioned Property (the "Lease Agreement").

The Buyer / Tenant will be operating a licensed regulated marijuana cultivation facility and is entitled to operate other marijuana facility licenses that they may subsequently obtain. The Buyer/Tenant will occupy the residence for residential purposes as well as operate a licensed marijuana cultivation operation in the garage. The terms of this Lease to Purchase Agreement also allow the Buyer / Tenant to develop and construct other outside cultivation areas or a separate structures to house other marijuana facilities with the permission of the Seller / Landlord, whose permission shall not be unreasonably withheld.

NOW, THEREFORE, for and in consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller/ Landlord hereby grants to Buyer/Tenant an exclusive option to purchase the aforementioned "Property." The parties hereto hereby agree as follows:

1. **Term:** Term of this lease shall be from April 1, 2018 to December 31, 2025, unless option to purchase is exercised on or after January 1, 2021.

2. **Security Deposit:** A security deposit of $1,000.00 will be collected upon execution of this agreement.

3. **Rent**:

Rent for the year of 2018: will be abated due to need to build out the residence to meet needs of the business operations of the Buyer / Seller's limited marijuana cultivation.

Rent for the year of 2019, payments commence Apr. 1, 2019: for the year of 2019, payments shall be made in monthly installments at the first of the month equaling $8,300.00 per month.

Rent for the year of 2020, payments commence Jan. 1, 2020: for the year of 2020, payments shall be made in monthly installments due at the first of the month equaling $9,300.00.

Rent for the year of 2021, payments commence Jan. 1, 2021: for the year of 2021, payments shall be made in monthly installments due at the first of the month equaling $10,300.00.

Rent for the year of 2022, payments commence Jan. 1, 2022: for the year of 2022, payments shall be made in monthly installments due at the first of the month equaling $11,300.00.

Received by AMCO 04.14.18
Received by AMCO 1.29.21

Rent for the year of 2023, payments commence Jan. 1, 2023: for the year of 2023, payments shall be made in monthly installments due at the first of the month equaling $12,300.00.

Rent for the year of 2024, payments commence Jan. 1, 2024: for the year of 2024, payments shall be made in monthly installments due at the first of the month equaling $13,300.00.

Rent for the year of 2025, payments commence Jan. 1, 2025: for the year of 2025, payments shall be made in monthly installments due at the first of the month equaling $14,300.00.

Tenant may exercise the purchase option, at its sole discretion, in January 2021 or thereafter. Buyer/Tenant shall give Seller/Landlord thirty (30) days' notice of intention to exercise purchase option. Should Buyer/Tenant not elect the purchase option in January 2021, Buyer/Tenant shall have the continuing option to purchase the building, from January 2021 moving forward through the option period ending January 31, 2025. Buyer/Tenant shall pay Landlord the rents as specified above during said term, each payable monthly on the first day of each month in advance at such place as the parties may from time to time specify by written notice to the parities.
In the event option to purchase is not exercised: Rent for the remainder of the Term, or until option to purchase is exercised, Buyer/Tenant continue to pay in rent, on the first of the month, as specified above.

4. **Utilities and Services**: During the first year of the lease, from April 1, 2018 through March 31, 2019 Seller / Landlord shall at its expense provide the following utilities or services:
-Electricity, not to exceed $4,800
-Internet / Cell Phone Hot Spot (GCI), not to exceed $3,600
-Water, not to exceed $2,400
-Heating Fuel, not to exceed $2,400
-Boiler, Hot Water, plumbing repair and maintenance as required, not to exceed $1,000

5. **For Years Two and beyond, beginning April 1, 2018,** Buyer/Tenant shall at its own expense provide the following utilities or services: Buyer/Tenant must pay promptly as they become due all charges for furnishing:

-Electricity, Internet / Cell Phone Hot Spot, any Cable / Dish TV, Water and Heating Fuel

Landlord does not warrant the quality or adequacy of the utilities or services specified above, nor does Landlord warrant that any of the utilities or services specified above will be free from interruption caused by repairs, improvements, or alterations of the building or the premises or any of the equipment and facilities of the building, any labor controversy, or any other causes of any kind beyond Landlord's reasonable control. Any such interruption--and any other inability on Landlord's part to fulfill Landlord's lease obligations resulting from any such cause--will not be considered an eviction or disturbance of Tenant's use and possession of the premises, or render Landlord liable to Buyer/Tenant for damages, or relieve Buyer/Tenant from performing Tenant's lease obligations.

6. **Buyer/Tenant further agrees that**:

a) **Condition of Premises**: Upon the expiration of the Lease it shall return possession of

Received by AMCO 04.14.18
Received by AMCO 1.29.21

the leased premises in its present condition, reasonable wear and tear, fire casualty excepted. Buyer/Tenant shall commit no waste to the leased premises.

b) **Assignment or Subletting**: Buyer/Tenant shall not assign or sublet said premises or allow any other person to occupy the leased premises without Landlord's prior written consent.

c) **Alterations**: Buyer/Tenant will make modifications to the garage area to support a cannabis cultivation operation.

d) **Compliance with Law**: Buyer/Tenant shall comply with all building, zoning and health codes and other applicable laws for the use of said premises.

e) **Tenant's Conduct**: Buyer/Tenant shall not conduct on premises any activity deemed extra hazardous, or a nuisance, or requiring an increase in fire insurance premiums. Buyer/Tenant will be operating a cannabis cultivation and is responsible for meeting regulations as required under law.

f) **Pets**: Buyer/Tenant may have a maximum of two dogs and two cats.

g) **Right of Termination and Re-Entry**: In the event of any breach of the payment of rent or any other allowed charge, or other breach of this Lease, Landlord shall have full rights to terminate this Lease in accordance with state law and re-enter and re-claim possession of the leased premises, in addition to such other remedies available to Landlord arising from said breach. Notwithstanding the forgoing; during any entry by Landlord or its agents on the premises, Landlord's agents or employees shall be over the age of 21 and shall comply with Tenant's visitor policy, show government issued ID, wear a visitor badge, remain in eye sight of a designated Buyer/Tenant agent, comply with and sign into the log in sheet and sign out when leaving the premises, as is required by the Alaska Marijuana Control Board Regulations. At no time shall Landlord have more than five persons enter the premises. If Buyer/Tenant has abandoned the property, Landlord shall contact the Alaska Marijuana Control Office (AMCO). Under no circumstances may Landlord remove marijuana from the facility.

7. **Option to Purchase.** Buyer/Tenant may exercise the purchase option, at is sole discretion, in January 2021 or thereafter. Buyer/Tenant shall give Seller/Landlord thirty (30) days' notice of intention to exercise purchase option. Should Buyer/Tenant not elect the purchase option in January 2021, Buyer/Tenant shall have the continuing option to purchase the building, but until that option is exercised, from January, 2021 moving forward, Buyer/Tenant shall pay Landlord the annual rent as previously specified during said term, each payable monthly on the first day of each month in advance at such place as the parties may from time to time specify by written notice to the parities.

<u>In the event option to purchase is not exercised:</u> Rent for the remainder of the Term, or until option to purchase is exercise, Buyer/Tenant continue to pay in rent, on the first of the month, as specified above.

Option may only be exercised by Buyer/Tenant if Buyer/Tenant is current in rental payments.

8. **Notice required to exercise option.** To exercise the Option to Purchase, the Buyer/ Buyer/Tenant must deliver to the Seller/Landlord written notice of Buyer/Tenant's intent to purchase. In addition, the written notice must specify a valid closing date. The closing date must

Received by AMCO 04.14.18
Received by AMCO 1.29.21

occur before the original expiration date of the Lease Agreement, or the date of the expiration of the Option to Purchase Agreement designated in paragraph 1, whichever occurs later.

9. **Option consideration**. As consideration for this Option to Purchase Agreement, the Buyer/Tenant shall pay the Seller/Landlord a non-refundable fee of $ 10.00, receipt of which is hereby acknowledged by the Seller/Landlord. This amount shall be credited to the purchase price at closing if the Buyer/Tenant timely exercises the option to purchase, provided that the Buyer/Tenant: (a) is not in default of the Lease Agreement, and (b) closes the conveyance of the Property. The Seller/Landlord shall not refund the fee if the Buyer/Tenant defaults in the Lease Agreement, fails to close the conveyance, or otherwise does not exercise the option to purchase.

10. **Purchase price**. Provided that the Buyer/Tenant timely executes the option to purchase and is not in material default of the Lease Agreement, Seller/Landlord shall credit towards the purchase price at the time of closing 100% of the sum of from each monthly lease payment from the previous two years that the Buyer/Tenant timely made. Buyer/Tenant shall pay all closing costs. As of the date of January 1, 2021, the total purchase price for the Property will be $592,690.00. The prior two years of lease payments will equal $196,600. In the event the purchase option is timely noticed, the full $196,600 of lease payments shall be credited towards the purchase price, which would leave the remaining balance of the purchase price to be approximately $396,090.00, which will be due at the time of closing..

a) Should Buyer/Tenant elect to purchase the property on a date later than the date of January 1, 2021, the applicable amount of the monthly rent to be credited towards the purchase shall be reduced to only 50% of the value of the rent payments paid after January 1, 2021.

11. **Exclusivity of option**. This Option to Purchase Agreement is exclusive and non-assignable and exists solely for the benefit of the named parties above. Should Buyer/Tenant attempt to assign, convey, delegate, or transfer this option to purchase without the Seller/Landlord's express written permission, any such attempt shall be deemed null and void.

12. **Closing and settlement**. Seller/Landlord shall determine the title company at which settlement shall occur and shall inform Buyer/Tenant of this location in writing. Buyer/Tenant agrees that closing costs in their entirety, including any points, fees, and other charges required by the third-party lender, shall be the sole responsibility of Buyer/Tenant. The only expense related to closing costs apportioned to Seller/Landlord shall be the pro-rated share of the ad valorem taxes due at the time of closing, for which Seller/Landlord is solely responsible.

13. **Financing disclaimer**. The parties acknowledge that it is impossible to predict the availability of obtaining financing towards the purchase of this Property. Obtaining financing shall not be held as a condition of performance of this Option to Purchase Agreement. The parties further agree that this Option to Purchase Agreement is not entered into in reliance upon any representation or warranty made by either party.

14. **Remedies upon default**. If Buyer/Tenant defaults under this Option to Purchase Agreement or the Lease Agreement, then in addition to any other remedies available to Seller/Landlord at law or in equity, Seller/Landlord may terminate this Option to Purchase by giving written notice of the termination. If terminated, the Buyer/Tenant shall lose entitlement to any refund of rent or option consideration. For this Option to Purchase Agreement to be enforceable and effective, the Buyer/Tenant must comply with all terms and conditions of the Lease Agreement.

Received by AMCO 04.14.18
Received by AMCO 1.29.21

15. **Commission.** No real estate commissions or any other commissions shall be paid in connection with this transaction.

16. **Recording of agreement.** Buyer/Tenant shall not record this Option to Purchase Agreement on the Public Records of any public office without the express and written consent of Seller/Landlord.

17. **Acknowledgments.** The parties are executing this Option to Purchase Agreement voluntarily and without any duress or undue influence. The parties have carefully read this Option to Purchase Agreement and have asked any questions needed to understand its terms, consequences, and binding effect and fully understand them and have been given an executed copy. The parties have sought the advice of an attorney of their respective choice if so desired prior to signing this Option to Purchase Agreement.

18. **Timing.** Time is of the essence in this Agreement.

19. **Governing law and venue.** This Option to Purchase Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Alaska. The parties further agree that the venue for any and all disputes related to this Option to Purchase shall be 4th Judicial District, Fairbanks North Star Borough, Alaska.

20. **Option to purchase controlling.** In the event a conflict arises between the terms and conditions of the Lease Agreement and the Option to Purchase Agreement, the Option to Purchase Agreement shall control.

21. **Entire agreement; modification.** This document sets forth the entire agreement and understanding between the parties relating to the subject matter herein and supersedes all prior discussions between the parties. No modification of or amendment to this Option to Purchase Agreement, nor any waiver of any rights under this Option to Purchase Agreement, will be effective unless in writing signed by the party to be charged.

SELLER/LANDLORD:
Equinox Development LLC

Signature: _____

Printed Name: Joseph Notkin

Title: Manager Member

Equinox Development LLC

Signature: _____

Printed Name: Natthaphon Navachai

Title: Member

Equinox Development LLC

BUYER/TENANT:
Aurora Development Group, Inc.

Signature: _____

Printed Name: Joseph Notkin

Title: President

Aurora Development Group, Inc.

Signature: _____

Printed Name: Scott Wynne

Title: Secretary

Aurora Development Group, Inc.

Received by AMCO 04.14.18

Received by AMCO 1.29.21