ALASKA COMMERCIAL LEASE AGREEMENT FOR MARIJUANA GROW SPACE

THIS LEASE (this "Lease") dated this 25th day of July, 2018

BETWEEN:

Terreisa Lane or Gary Lane of 2101 Andromeda Dr. Fairbanks, AK. 99712
Telephone: (907) 460-6269
(the "Landlord")

OF THE FIRST PART

- AND -

Blue Bear Farms LLC of 2101 Andromeda Dr. Fairbanks AK. 99712
(the "Tenant")

OF THE SECOND PART

IN CONSIDERATION OF the Landlord leasing certain premises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations set forth in this Lease, the receipt and sufficiency of which consideration is hereby acknowledged, the Parties to this Lease (the "Parties") agree as follows:

Definitions

1. When used in this Lease, the following expressions will have the meanings indicated:
    a. "Additional Rent" means all amounts payable by the Tenant under this Lease except Base Rent, whether or not specifically designated as Additional Rent elsewhere in this Lease;
    b. "Building" means all buildings, improvements, equipment, fixtures, property and facilities from time to time located at 2091 Andromeda Dr Fairbanks AK. 99712, as from time to time altered, expanded or reduced by the Landlord in its sole discretion;
    c. "Common Areas and Facilities" mean:
        i. those portions of the Building areas, buildings, improvements, facilities, utilities, equipment and installations in or forming part of the Building which from time to time are not designated or intended by the Landlord to be leased to tenants of the Building including, without limitation, exterior weather walls, roofs, entrances and exits, parking areas,

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driveways, loading docks and area, areas above and below leasable premises and not included within leasable premises, security and alarm equipment, grassed and landscaped areas, retaining walls and maintenance, cleaning and operating equipment serving the Building; and

ii. those lands, areas, buildings, improvements, facilities, utilities, equipment and installations which serve or are for the useful benefit of the Building, the tenants of the Building or the Landlord and those having business with them, whether or not located within, adjacent to or near the Building and which are designated from time to time by the Landlord as part of the Common Areas and Facilities;

d. "Leasable Area" means with respect to any rentable premises, the area expressed in square feet of all floor space including floor space of mezzanines, if any, determined, calculated and certified by the Landlord and measured from the exterior face of all exterior walls, doors and windows, including walls, doors and windows separating the rentable premises from Common Areas and Facilities. There will be no deduction or exclusion for any space occupied by or used for columns, ducts or other structural elements;

e. "Premises" means the commercial premises at 2091 Andromeda Dr Fairbanks AK. 99712;

f. "Rent" means the total of Base Rent and Additional Rent.

Leased Premises

2. The Landlord agrees to rent to the Tenant the commercial premises municipally described as 2091 Andromeda Dr Fairbanks AK. 99712, (the "Premises"). The Premises are more particularly described as follows:
   Lessor warrants and represent that it owns that certain building located in the FAirbanks North Star Bough, with the pysical address of 2091 Andromeda Dr. Fairbanks, AK. 99712. The Premises will be used for only the following permitted use (the "Permitted Use"):
   Standard Marijuana Cultivation Facility.

3. While the Tenant, or an assignee or subtenant approved by the Landlord, is using and occupying the Premises for the Permitted Use and is not in default under the Lease, the Landlord agrees not to Lease space in the Building to any tenant who will be conducting in such premises as its principal business, the services of: Standard Marijuana Cultivation Facility.

4. Subject to the provisions of this Lease, the Tenant is entitled to the use of parking (the 'Parking') on or about the Premises. Only properly insured motor vehicles may be parked in the Tenant's space.

Term

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5. The term of this lease shall commence on the first day of license approval, by Lessee and shall continue for the space of time that Blue Bear LLC wishes to lease the space.

Rent

6. Subject to the provisions of this Lease, the Tenant will pay a base rent of $800.00, payable per month, for the Premises (the "Base Rent"), without setoff, abatement or deduction. In addition to the Base Rent, the Tenant will pay for any fees or taxes arising from the Tenant's business.

Use and Occupation

7. The Tenant will carry on business under the name of Blue Bear Cannafarm and will not change such name without the prior written consent of the Landlord, such consent not to be unreasonably withheld. The Tenant will open the whole of the Premises for business fully fixtured, stocked and staffed on the date of commencement of the term and throughout the term, and will continuously occupy and utilize the entire Premises in the active conduct of its business in a reputable manner on such days and during such hours of business as may be determined from time to time by the Landlord.
8. The Tenant covenants that the Tenant will carry on and conduct its business from time to time carried on upon the Premises in such manner as to comply with all statutes, bylaws, rules and regulations of any municipal or other competent authority and will not do anything on or in the Premises in contravention of any of them.

Quiet Enjoyment

9. The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Tenant Improvements

10. The Tenant will be permitted to do any of the following:
    a. painting, wallpapering, redecorating without significantly altering the appearance of the Premises;
    b. removing or adding walls, or performing any structural alterations;
    c. changing the amount of heat or power normally used on the Premises as well as installing additional electrical wiring or heating units;
    d. affixing to or erecting upon or near the Premises any radio or TV antenna or tower, or satellite dish; or

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e. installing or affixing upon the Premises any plant, equipment, machinery or apparatus.

Utilities and Other Costs

11. The Tenant is responsible for the direct payment of the following utilities and other charges in relation to the Premises: electricity, water, sewer, telephone and Internet.

Insurance

12. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss. The Tenant is advised that, if insurance coverage is desired by the Tenant, the Tenant should inquire of Tenant's insurance agent regarding a Tenant's Policy of Insurance.
13. The Tenant is responsible for insuring the Premises for damage or loss to the structure, mechanical or improvements to the Building on the Premises for the benefit of the Tenant and the Landlord. Such insurance should include such risks as fire, theft, vandalism, flood and disaster.
14. The Tenant is responsible for insuring the Premises for liability insurance for the benefit of the Tenant and the Landlord.
15. The Tenant will provide proof of such insurance to the Landlord upon the issuance or renewal of such insurance.

Abandonment

Governing Law

16. It is the intention of the Parties to this Lease that the tenancy created by this Lease and the performance under this Lease, and all suits and special proceedings under this Lease, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of Alaska, without regard to the jurisdiction in which any action or special proceeding may be instituted.

Severability

17. If there is a conflict between any provision of this Lease and the applicable legislation of the State of Alaska (the 'Act'), the Act will prevail and such provisions of the Lease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Lease.

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Assignment and Subletting

18. The Tenant will not assign this Lease, or sublet or grant any concession or license to use the Premises or any part of the Premises. An assignment, subletting, concession, or license, whether by operation of law or otherwise, will be void and will, at Landlord's option, terminate this Lease.

Additional Provisions

19. Default Tenant
    A. The Landlord/Lessor will not take possession of, or remove marijuana from the premises, and that AMCO will be contacted in the event that it is necessary.

20.

Care and Use of Premises

21. The Tenant will promptly notify the Landlord of any damage, or of any situation that may significantly interfere with the normal use of the Premises.

22. Vehicles which the Landlord reasonably considers unsightly, noisy, dangerous, improperly insured, inoperable or unlicensed are not permitted in the Tenant's parking stall(s), and such vehicles may be towed away at the Tenant's expense. Parking facilities are provided at the Tenant's own risk. The Tenant is required to park in only the space allotted to them.

23. The Tenant will not make (or allow to be made) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.

24. The Tenant will not engage in any illegal trade or activity on or about the Premises.

25. The Landlord and Tenant will comply with standards of health, sanitation, fire, housing and safety as required by law.

Surrender of Premises

26. At the expiration of the lease term, the Tenant will quit and surrender the Premises in as good a state and condition as they were at the commencement of this Lease, reasonable use and wear and damages by the elements excepted.

Hazardous Materials

27. The Tenant will not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might unreasonably increase the danger of fire on the Premises or that might be considered hazardous by any responsible insurance company.

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Rules and Regulations

28. The Tenant will obey all rules and regulations posted by the Landlord regarding the use and care of the Building, parking lot and other common facilities that are provided for the use of the Tenant in and around the Building on the Premises.

General Provisions

29. Any waiver by the Landlord of any failure by the Tenant to perform or observe the provisions of this Lease will not operate as a waiver of the Landlord's rights under this Lease in respect of any subsequent defaults, breaches or nonperformance and will not defeat or affect in any way the Landlord's rights in respect of any subsequent default or breach.
30. This Lease will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns, as the case may be, of each party to this Lease. All covenants are to be construed as conditions of this Lease.
31. All sums payable by the Tenant to the Landlord pursuant to any provision of this Lease will be deemed to be Additional Rent and will be recoverable by the Landlord as rental arrears.
32. Where there is more than one Tenant executing this Lease, all Tenants are jointly and severally liable for each other's acts, omissions and liabilities pursuant to this Lease.
33. Time is of the essence in this Lease.
34. This Lease will constitute the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Lease are to be implied.

IN WITNESS WHEREOF the Parties to this Lease have duly affixed their signatures on this 25th day of July, 2018.

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Terreisa Lane

Terreisa Lane or Gary Lane (Landlord)

Per:

Mychelle Abraham

(Witness)

Blue Bear Farms LLC (Tenant) Terreisa Lane

Per:

(Witness)

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