LEASE

THIS AGREEMENT is made and entered into this **November 1, 2021** by and between **PVA, LLC.** (Owner), and **Green Jar Hatcher Pass, LLC DBA: Green Jar** (Tenant)

For and in consideration of the rents, covenants, and conditions specified in this lease to be paid, performed, and observed by Lessee, which are independent, Owner rents and leases to Lessee and Lessee takes and leases from Owner, the property described below upon the following terms, covenants, and conditions:

1. Leased Property. The building leased and land on which it is situated are collectively referred to as "property" in this lease. **9351 N Palmer Fishhook Rd**

a) The agreed floor area of the leased unit on the property is approximately **1400 square feet.**

b) In addition to the above-described property, Lessee may have use of that portion of the land which is paved for parking until further notice (not a part of the lease terms).

The property is leased "as is" and the expense of any further or additional leasehold improvements, partitions, or other improvements for the benefit of Lessee shall be borne by Lessee and constructed only in accordance with this lease.

2. Term. The initial term of this lease shall be for a period of **Sixty (60) months** (more or less), commencing on the **1st Day of November 2021**, and terminating at 12:00 midnight on the **30th Day of October 2026.**

The lease term will be for **Sixty (60) months**, commencing **November 1, 2021**, and ending **September 30, 2026** unless sooner terminated as provided elsewhere in this lease.

3. Rent.

Lessee must pay rent in advance on or before the 1st day of each month during the term of this lease, at the minimum monthly rate of **$1,500.00**

a) Base monthly rent to increase three percent (3%) annually from a monthly base of $1,500.00 in year one (1). For example: in year two (2) base monthly rents would be $1,545.00, year three (3) base monthly rent would be $1,591.35.

b) Monthly rent will increase by $200 for every $1,000,000 in annual sales the store performs. The increase will take effect the month following when each sales milestone is reached. In the event that a sales milestone is reached at the very end of a month and the rent check has already been sent, the next months rent will be adjusted to include the increase for both months. In the event that the annual sales of the store decrease below a milestone that had previously been achieved the monthly rent will be decreased starting in January following the year that the decrease in sales was recorded. For example: in year one (1) the annual sales were $3,000,000. The monthly rent would have been increased by $200 at each $1,000,000 milestone for a total of 3 times. At the end of year one (1) the monthly rent would be at $2,100. In year two (2) the annual sales decreased to $2,000,000. The monthly rent would remain at $2,100 for all of year two (2) then would decrease to $1,900 in January of year three (3). In year three (3) if sales increase again, then monthly rent would go back up and if they decreased again below a sales milestone then it would decrease again starting January of the next year. NOTE: For simplicity, this example does not consider the 3% increase to the base monthly rent that would also have been applied.

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All rents due under the terms of this lease shall be payable in advance on the first day of each month. All rent checks shall be made payable to **PVA, LLC, PO Box 2024 Palmer, AK 99645**. Rent may be paid by personal check until a check is returned unpaid (NSF). If Landlord receives an NSF check, subsequent payments must be made by Cashier's Check, Certified Check, or Money Order. A service charge of $**30.00** will be paid to Landlord for all dishonored checks each time they are presented to the bank. Rent not paid on or before the 7th day of the month is delinquent, and a late fee of $25.00 will be due and payable in addition to the rent, plus an additional $10.00 late fee for each day the rent remains unpaid, beginning the 8th day of the month.

4. Security Deposit: Lessee has on deposit to Owner the sum of **$1,500.00** as security for the faithful payment and performance of the obligations of Lessee under this lease. Should Lessee default with respect to any such obligation, including, but not limited to, payment of rent, Owner may use, apply, or retain the whole or any part of such deposit to the payment of any sum in default of any other sum which Owner may be required to spend or incur by reason of such default. In such event, Lessee shall, within 10 days of written demand, deposit with Owner the amount so applied so as to restore the security deposit to its original amount.

Should Lessee fully and faithfully pay and perform all of the obligations of Lessee under this lease, and not otherwise, the security deposit will be returned to Lessee, without interest, within 30 days after expiration of the term.

In the event of a sale or leasing of the building, Owner will have the right to transfer the security deposit to the vendee or other transferee, and Owner will thereupon be deemed released by Lessee from all liability for its return.

No assignment or encumbrance of the interest of Lessee in the security deposit shall bind Owner except upon its prior written consent.

5. Notices. Any notice or demand which under the terms of this lease or any statute may or must be given or made by either party to the other, must be in writing and made or given by mailing the same by certified mail, return receipt requested, postage prepaid, addressed to the other party as provided below. When so mailed, the notice or demand will be effective three days after the mailing date. Any demand or notice by or from Owner will be effective when personally delivered to any person who is in charge of the property for Lessee. The addresses of the parties are:

Owner:	**PVA, LLC** **PO Box 2024** **Palmer, AK 99645**
Lessee:	**Green Jar Hatcher Pass, LLC** **DBA: Green Jar** **PO Box 877710** **Wasilla, AK 99687**

Either party may designate in writing a new or other address to which the notice or demand must thereafter be given, made or mailed. Furthermore, when for purposes of demand or notice Owner uses the address at location, which she/he customarily communicates with Lessee, the demand or notice will be effective.

6. Use: The property may be used only for: **Marijuana Retailer.** Should the sale of Marijuana be banned in the Mat-Su Borough, the tenant may change the nature of the business with the owner's approval.

The use of the property described above is a substantial and important basis of the negotiations between the parties. Owner and Lessee agree that the property must be used as described above and may not be used

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for any other purposes. A waiver of this provision is effective only upon the express and written consent executed by the Owner.

7. Assignment and Subletting. Lessee will neither assign the leasehold created hereby nor any interest hereunder for any purpose, including a security purpose, nor sublet the property or any part thereof. Any such assignment or sublease shall be void. Neither will there be, nor will Lessee permit any assignment by operation of law of the leasehold, or any interest created by this lease. Owner and Lessee agree that this provision is absolute and under no circumstances is Lessee to assign or sublet or attempt to assign or sublet any portion of the property. Owner may, but only upon a prior written request, waive this provision. The parties agree that any such waiver is effective only by the prior, express, and written consent of Owner. If Owner does waive this provision according to these terms, any assignment or sublease of the property will be subject to the following:

a) All assignments and subletting must be in writing and duly executed by both parties. An executed original shall be delivered to Owner.

b) All assignment instruments must include language whereby assignee expressly assumes and agrees to pay the obligations of Lessee under this lease. No assignment shall release or diminish the obligations of Lessee for performance of Lessee's obligations hereunder and Lessee will remain liable as if no assignment were made. (That is, Lessee and assignee will be jointly and severally liable for such obligations.)

c) All sublease instruments must provide that the sublease is subject to all the terms, covenants and conditions of this lease and must authorize Owner, at Owner's option, to collect rent from sublessee and apply it against the obligations of Lessee under this lease, without waiver of Owner's rights and remedies and without diminution of Lessee's obligations under this lease.

8. Encumbrances. The property is leased subject to easements, restrictions, reservations, conditions, and covenants of record or appearing on the plat of the land; mortgages, deeds of trust and other security devices now or hereafter existing; governmental regulations, ordinances, and statutes in effect now or in the future; and all other encumbrances of record.

9. Indemnification.

a) The Lessee will defend the Owner against all claims and lawsuits arising from any act, omission or negligence of the Lessee or the officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors of Lessee in or about the property, or arising from any accident, injury, or damage, including environmental and toxic waste damage or claims, however and by whomever caused, to any person or property occurring in or about the property. If a claim or lawsuit should be brought, the Owner may employ attorneys of his own selection to appear and defend the claim or lawsuit in his behalf, at the expense of the Lessee. The Owner will have the sole authority for the direction of the defense and will be the sole judge of the acceptability of any compromise or settlement of any claims or lawsuits against the Owner.

b) The Lessee further will save, hold harmless and indemnify the Owner for any and all damage, injury, loss, liability, costs, expenses, interest, and attorney's fees that the Owner may suffer or become liable for as a result of claims or lawsuits arising out of the matters giving rise to the duty to defend described above. The Lessee's responsibility extends to liability resulting from the Owner's own negligence, but does not include the Owner's gross negligence, reckless or wanton conduct and willful misconduct.

c) The Lessee must give written notice to the Owner of any act or occurrence involving a claim, demand, liability, lawsuit, or item of cost related to this agreement to defend and indemnify within seven days after the Lessee has knowledge of the act or occurrence.

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Failure of Lessee to gain such knowledge until some time after such act or occurrence will not excuse the giving of this notice, if in the exercise of reasonable care, the Lessee should have known of it.

10. Condemnation. If all of the property or such portions of the building as may be required for the reasonable use of the property is taken by eminent domain, this lease will automatically terminate as of the date Lessee is required to vacate the property and all rent must be paid to that date. In case of a taking of a part of the property, or a portion of the building not required for the reasonable use of the property, then this lease will continue in full force and effect and the rent will be equitably reduced based on the proportion by which the floor area of the property is reduced. The rent reduction is to be effective as of the date possession of such portion is delivered to the condemning authority. Owner reserves all rights to damages to the property for any taking of eminent domain, and Lessee hereby assigns to Owner any right Lessee many have to such damages or award, and Lessee will make no claim against Owner for damages for termination of the leasehold interest or interference with Lessee's business. Lessee will have the right, however, to claim and recover from the condemning authority compensation for any loss to which Lessee may be put for Lessee's moving expenses and for the interruption of or damage to Lessee's business provided that such damages may be claimed only if they are awarded separately in the eminent domain proceeding and not as part of the damages recoverable by Owner.

11. Use, Occupancy and Care of the Leased Property: At all times during the term hereof, Lessee must:

a) Keep the property and the land clean, safe, and orderly, including front and rear outside walk areas for your unit, including removal of sidewalk snow/ice (directly in front of your unit);

b) Conduct activities upon and generally maintain the property in such a manner with such care that injury to persons and damage to property does not result therefrom;

c) Not use the property in such manner that will increase the rate of fire and extended coverage insurance, or which will cause cancellation of the insurance or will make coverage unavailable;

d) Make no alterations or improvements in the property or incorporate fixtures therein without the written consent of the Owner, except as provided in this lease;

e) Not damage the property or the building while moving equipment to, within and from the property;

f) Not use any plumbing facilities in the building except for their intended purposes;

g) Not use or permit any part of the property to be used for any unlawful or unauthorized purposes;

h) Comply with Borough, State, and other governmental laws, statutes, ordinances, rules and regulations of whatever type and nature, including, but not limited to, zoning ordinances, health, fire, safety, and environmental regulations, including the maintenance of fire extinguishers and emergency lights on the property;

i) Not cause or permit any waste, damage, or injury to the property;

j) Keep the property as now or hereafter constituted with all improvements made thereto;

k) Replace at Lessee's own expense all broken glass, and replace light bulbs as required:

I) Remove from property, the building, and the land all movable personal property placed there by Lessee at the expiration or termination of this lease.

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12. Signs. Lessee may erect, install, post, or otherwise place any signs on the exterior of the building or on the property only with the prior written approval of the Owner. Owner may demand the removal of signs which are not so approved, and Lessee's failure to comply with such a request within 48 hours will constitute a breach of this paragraph and will entitle Owner to terminate this Lease to cause the sign to be removed and the building repaired at the sole expense of the Lessee. At the termination of this lease, Lessee will remove all signs placed by it upon the premises and will repair any damages caused by such removal. All signs must comply with governmental sign laws, regulations, and permit requirements.

13. Removal of Property. If lessee fails to remove any of his property of any nature whatsoever from the property at the expiration or termination of this lease, or when Owner has the right of re-entry, Owner may, at his option, remove and store said property without liability for loss thereof and damage thereto, such storage to be for the account and at the expense of lessee.

Except as follows: **If any Marijuana or Marijuana products are left on the premise the owner or property manager will contact AMCO Enforcement to remove them from the premise.**

If Lessee does not pay the cost of storing any such property within 3 days of receipt of notice given by Owner pursuant to Paragraph 5 hereof, Owner may sell the property at either public or private sale, and in a manner and at such times and places as Owner in his sole discretion deems proper, so long as such sale would be deemed commercially reasonable under the Uniform Commercial Code for sales of repossessed collateral. Owner will apply the proceeds of the sale: first, to the cost and expense of the sale, including a reasonable attorney's fee actually incurred; second, to the payment of the costs or charges for storing any such property; third to the payment of any other sums of money which may then be or thereafter become due Owner from Lessee under any of the terms of this lease; and fourth, the balance if any, to the Lessee. As an alternative to the foregoing, Owner may distrain Lessee's property for rent.

14. Utilities and Services: Lessee must have all utilities and services placed in his name and pay any required utility deposits within 10 days of the date of this lease. Lessee agrees that should Lessee fail to have utilities placed in his name y the 10th day after the date of this lease, Lessee will pay to Owner the sum of $50.00 and an additional $50.00 for each succeeding month in which the utilities are not placed in Lessee's name. Owner will be responsible for any snow plowing or snow removal required.

In addition to the $50.00 fee(s) described above, Lessee agrees to reimburse Owner for all utilities paid by Owner for the leased property during the term of this lease. Lessee will be financially responsible for the various utilities as follows:

a) Electricity

b) Gas and Fuel Oil

c) Trash Removal

d) Telephone

e) Janitorial

15. Default:

a) The occurrence of one or more of the following events will constitute a default and breach of this lease by the Lessee:

i) Violation or breach or failure to keep or perform any covenant, agreement, term, or condition of this lease which continues or is not remedied within 20 days (or for rent with 7 days)

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certification, Lessee will be deemed to have given such certificate as above provided without modification, and will be deemed to have admitted the accuracy of any information supplied by Owner with regard to the commencement and expiration date of this lease, the date Lessee entered into occupancy of the property, the amount of Lessee's minimum monthly rental, and the date to which such rental has been paid.

28. Owner and Lessee Not Partners. The Owner and the Lessee do not intend, and this lease and the agreements contained in it should not be construed, to create a co-partnership by the between the Owner and the Lessee, nor to make them joint ventures, nor to make Lessee in any way responsible for the debts and/or losses of the Owner, nor to make the Owner in any way responsible for the debts and/or losses of the Lessee.

29. General.

a) No amendment, modification, or waiver of a provision of this lease, nor a consent required by this lease will be effective unless expressed in a writing executed by Owner and Lessee.

b) No failure on the part of Owner to enforce any covenant, agreement, term, or provision herein contained will discharge or invalidate such covenant, agreement, term, or provision, or affect the right of Owner in exercising any of his rights of Owner to enforce the same. No delay or omission on the part of the Owner in exercising any of his rights will operate as a waiver of such right or any other rights. No waiver by Owner of any default will operate as a waiver of any other default or of a like default on a future occasion.

c) Time will be of the essence for the performance of the obligations of this lease by Lessee.

d) The invalidity of one or more provisions of this lease will not render invalid the remaining problems.

e) No consent by Owner to an act or omission by Lessee will constitute consent to any other act or omission or to a like act or omission on a future occasion.

f) The title to headings of the articles of this lease are not part of this lease and will have no effect upon the construction or interpretation of any part of thereof.

g) The rule of construction that an instrument is to be construed more strictly against the party who drafted the same will not apply to this lease.

h) The parties hereto agree and acknowledge that no promises, representations, or agreement have been made, not contained in the body of this lease or in attached exhibits which have been signed by the parties.

i) No right or remedy herein conferred upon or reserved to Owner is intended to be exclusive to any other right or remedy, and each and every right and remedy will be cumulative and in addition to any other right and remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

j) Subject to the terms and provisions in the main body of this lease, this lease binds and inures to the benefit of the parties, their heirs, personal representatives, assigns and other successors in interest.

k) As used in this lease, the masculine pronouns shall be read as feminine and/or neuter pronouns and singular references shall be read as plural references as the context may require.

30. Acceptance of Property: Lessee has inspected the property and acknowledges and agrees that they are in good order and condition, safe and suitable for Lessee's intended use; and Lessee accepts the same "as is".

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31. Joint and Several Liability. The parties of the Lessee will be jointly and severally liable to Owner for the performances for this lease.

IN WITNESS WHEREOF, the parties hereto have executed this document the day and year first above written

OWNER: PVA, LLC

LESSEE: Green Jar Hatcher Pass, LLC
DBA: Green Jar

10/13/2021

Managing Member – Jeff Kinion

I, Christopher Farris, do hereby personally guarantee this lease obligation under Green Jar

BY:

Christopher Farris

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 17th day of October, 2021, personally appeared before me Christopher Farris, to me known to be the individual described in and who executed the within Lease and acknowledged that he/she signed the same as his/her free and voluntary act and deed for the uses and purpose therein mentioned.

GIVEN UNDER my hand and official seal the day and year last above written.

Notary Public in and for the State of Alaska
My commission expires: July 7, 2022

BRIAN T. ROBERTS
NOTARY
PUBLIC
STATE OF ALASKA

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