# LEASE AGREEMENT

By entering into this Lease Agreement, made on the 23rd day of January, 2020, between

Lessee or Tenant:

Barrow's Retail LLC dba Buds Below Zero
Lessee or Tenant

and

Edith Kaleak
Lessor or Landlord:

Lessor does lease to Lessee the residence situated at 4326 Nathaniel Olemaun Jr Boulevard formerly known as Laura Madison Street, Barrow, Alaska 99723, for the period beginning January, 2020 through January 30, 2030 on the following terms and conditions, and an option to extend the lease for 10 years as outlined below:

1. **RENT Terms:** Lessee agrees to pay to Lessor monthly rent for the premises of the following rents:
    a. $2000 per month for years 1-3
    b. $2300 per month for year 4
    c. $2400 per month for year 5
    d. $2500 per month for year 6
    e. $2600 per month for year 7
    f. $2700 per month for year 8
    g. $2800 per month for year 9
    h. $2900 per month for year 10

    Rents will began once the retail license is open. Landlord understands the property is for a marijuana retail store. Rents start once the retail store is open and/or start no later than May 1, 2020.

    Option to extend the lease for 10 years. The business has the right to extend the lease for an 10 additional years with a price to be determined by adjustment for market rate determined in year 8-9 by landlord and leasee.

2. **INSURANCE AND DAMAGE TO PREMISES:** Lessee shall insure against loss the premises and all personal property owned by Lessee or its permitted Tenant that is located on the premises. If the premises are materially damaged by fire, Lessee may continue with the Lease or terminate the Lease at its option.



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3. **UTILITIES:** Lessee shall be responsible for arranging and paying for all reasonable utility services required on the premises. Lessee reserves the right to ration water, gas, or electricity as need arises, but Lessee will maintain heat in the building at all times to prevent water pipes from freezing.

4. **MAINTENANCE & REPAIR:** Lessor will be responsible for major repairs and maintenance. For purposes of determining the difference between minor and major repairs, it is agreed that any one repair, not Lessee caused, with a cost of more than $200 shall be considered major and thus the responsibility of Lessor. Lessee will be responsible for minor repairs up to, but not more than, three such repairs during the term of this Lease ($600 total). If Lessor does not make repairs, for which Lessor is responsible within two weeks, then Lessee may either terminate the Lease or make the necessary repairs and charge Lessor for the repairs. Lessee may reduce subsequent rent payments to cover Lessee's expenses for the repairs. Repairs resulting from actions and/or negligence on the part of Lessee will be the responsibility of Lessee.

5. **RIGHT OF INSPECTION:** Lessor and his agents shall have the right at all reasonable times to enter the premises for the purpose of inspecting the same. Lessor shall provide Tenant with 48 hours' advance notice prior to exercising this right of access. The lessor must be escorted through the property within any secured locations as a guest and must be with an employee of the retail store at all times.

6. **ALTERATIONS:** Lessee will only make approved alterations. See Architect drawing attached with proposed changed to the property.

7. **USE OF THE PREMISES:** Lessee agrees that the premises will be used for marijuana retail store.

8. **ASSIGNMENT AND SUBLETTING:** The Lessee may sublet the premises without notification to the Lessor.

9. **DANGEROUS MATERIALS:** Lessee shall not keep or permit to be kept on the premises any article or thing of a dangerous, inflammable, or explosive character that might unreasonable increase the danger of fire on the Premises or that might be considered hazardous or extra hazardous by any responsible insurance company.

10. **REMOVAL OF LESSOR'S PERSONAL PROPERTY:** If the lessee falls behind in rent, in the case of marijuana inventory, Owner shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska Alcohol and Marijuana Control Office (AMCO) prior to any access to the licensed premises if Tenant cannot be reached, abandons the property, or similar event.



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11. **LESSEE TO TURN OVER THE PROPERTY IN A CLEAN CONDITION:** Lessee shall clean, repair and restore said residence and return it to the Landlord in its original condition (reasonable wear and tear expected).

12. **VENUE:** It is agreed that the venue of any legal action brought under the terms of this Lease shall be in Barrow, Alaska, in the Second Judicial District, and that this Lease shall be construed according to the laws of the State of Alaska.

13. **INTEGRATED AGREEMENT:** This document constitutes the entire agreement between Landlord and Tennant.

14. **SPECIAL PROVISIONS:** If the Leasee can not receive a marijuana license or is unable to maintain a license from the state, local or federal regulators, the lease has the right to cancel the lease with 30 days notice to the landlord.

IN WITNESS WHEREOF, the parties have executed this Lease on the day, month, and year first written above.

| LESSOR/LANDLORD: | | LESSEE/TENANT: |
|---|---|---|
| Owner | | Barrow's Retail LLC |
| Edith Kaleak / OWNER | | |
| [Printed Name/Title] | By: | [Printed Name/Title] |



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# TNST BRW USS 4615 BLK 8 LOT 14 4326

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