5 Year Commercial Lease

THE PARIES. This Lease Agreement agreed on May 27th, 2020 between:

The **Lessor** know as Lee (Kevin) Drotzur with a mailing address of 1665 Richardson Hwy North Pole, Alaska 99705, hereinafter referred to as the "Lessor."

AND

The **LESSEE** known as Beasty Buds LLC with a mailing address of PO Box 10611 Fairbanks, Alaska 99710, hereinafter referred to as the "Lessee."

The Lessor and Lessee herby agree as follows:

DESCRIPTION OF LEASED PREMISES. The Lessor agrees to lease to the Lessee the following described space located at 1665 Richardson Hwy Unit B North Pole, Alaska 99705.

Hereinafter referred to as the "Premises."

LEASE TYPE. This Agreement shall be considered a:

Fixed Lease. The Lessee shall be allowed to occupy the premises starting on 4/1/2020, and end on 4/1/2025 ("Lease Term"). At the end of the Lease the Lessee may extend the 5yr Lease of the Premises under the same terms of this agreement for an additional 5 years with a cost of living adjustment of rent up to 15%.

Lessee has permission to run a marijuana cultivation at the said Premises.

If Lease is terminated at any time the Lessor will not take possession of or remove marijuana/marijuana products from the premises, and will contact AMCO for guidance if removal is necessary.

OCCUPANTS. The Premises is to be occupied strictly as a Wholesale Business.

The aforementioned property shall be leases wholly by the Lessee.

PURPOSE. The Lessee and Occupant(s) may only use the Premises as: A marijuana cultivation business only and not as a residence.

RENT. The Lessee shall pay the Lessor, in equal monthly installments, $2000.00 ("Rent"). The Rent shall be due on the 1st of every month ("Due Date") and paid under the following instructions: CASH OR CHECK too Lessor.

NON-SUFFICIENT FUNDS (NSF CHECKS). If the Lessee pays Rent with a check that is not honored due to insufficient funds (NSF): There will be a fee of $100.00 per incident.

There shall be a penalty of $50.00 due as One (1) Time Payment if Rent is late. Rent is considered late when it has not been paid within 5 day(s) after the due date.

X- Lessor does not require a Security Deposit as part of this agreement.

X- Shall not inspect the Premises or complete a move-in checklist.

PARKING. The Lessor: Shall provide 2 parking space(s) to the Lessee.

SALE OF PROPERTY. If the Premises is sold, the Lessee is to be notified of the new Owner, and if there is a new Manager, their contact details for repairs and maintenance shall be forwarded. If the Premises is conveyed to another party, the new owner: does not have the right to terminate this agreement.

UTILITIES. The Lessor shall provide the following utilities and services to the Lessee: Fuel (Excess usage charge if necessary) & Water.
Lessee shall pay any and all electric
Any and all utilities not mentioned will be the responsibility of the Lessee.

NOTICES. Any notices to be sent by the Lessor or the Lessee to each other shall use the following addresses:

Lessor's/Agent's Address:
Kevin Drotzur
1665 Richardson Hwy. North Pole, AK 99705

Lessee's Mailing Address:
Beasty Buds LLC
PO Box 10611 Fairbanks, AK 99710

POSSESSION. Lessee has examined the condition of the Premises and by taking possession acknowledges that they have accepted the Premises in good order and in its current condition except as herein otherwise stated.

SUBLETTING. The Lessee shall not be able to sublet the Premises.

ABANDONMENT. If the Lessee vacate or abandons the Premises for a time-period that is the minimum set by State law or seven (7) days, whichever is less, the Lessor shall have the right to terminate this Agreement immediately notify AMCO. Lessor will not take possession or remove any marijuana/marijuana product from the premises and

will contact AMCO for guidance. If the Lessee vacates or abandons the Premises, the Lessor shall immediately terminate the Agreement.

RIGHT OF ENTRY. The Lessor shall have the right to enter the Premises during normal working hours by providing twenty-four (24) hour notice in order for inspection, make necessary repairs, alterations or improvements, to supply services as agreed or for any reasonable purpose. The Lessor may exhibit the Premises to prospective purchasers, mortgagees, or lessees upon reasonable notice and must have the Lessee or representative with them at all time and following visitor protocol by AMCO standards.

MAINTENANCE, REPAIRS, OR ALTERATIONS. The Lessee shall, at their own expense and at all times, maintain premises in a clean and sanitary manner, and shall surrender the same at gemination hereof, in good condition as received, normal wear and tear expected. The Lessee may not make any alterations to the leased premises without the consent in writing from the Lessor. The **Lessor** shall be responsible for repairs to the interior and exterior of building.

NOISE/WASTE. The Lessee agrees to not commit waste on the premises, maintain, or permit to be maintained, a nuisance thereon, or use, or permit the premises to be used, in an unlawful manner. The Lessee further agrees to abide by any and all local and State noise ordinances. The Lessor agrees to not commit waste and maintain easy access to the front of Lessee's business.

COMPLIANCE WITH LAW. The Lessee agrees that during the term of the Agreement, to comply with any present and future laws, ordinances, orders, rules, regulations, and requirements of the Federal, State, Borough, City and Municipal government or any of their departments, bureaus, boards, commissions, and officials thereof with respect to the premises, or the use or occupancy thereof, whether said compline shall be ordered or directed to or against the Lessee, the Lessor, or both.

DEFAULT. If the Lessee fils to comply with any of the financial or material provisions if the Agreement, or of any present rules and regulations or any that may be hereafter prescribed by the Lessor, or materially false to comply with any duties imposed on the Lessee by statute or State law, within the time period after delivery written notice by the Lessor specifying the the non-compliance and indicating the intention of the Lessor to terminate the Agreement by reason thereof, the Lessor may terminate the Agreement. If the Lessee fails to pay rent when due and the default continues for the time-period specified in the written notice thereafter, the Lessor may, parable herder to be immediately due and payable and may exercise any and all rights and remedies available to the Lessor at law or in equity and may immediately terminate this Agreement.

The Lessee will be in default if: (a.) Lessee does not pay rent or other amounts that are owed; (b,) Lessee, their guests, or the Occupant(s) violate this Agreement, rules, safety, health, or criminal laws, regardless of whether arrest or conviction occurs; (c.) Lessee

abandons the Premises; (d.) Lessee gives incorrect or false information in the rental application; (e.) Lessee, or any Occupant(s) is arrested, convicted or given deferred adjudication for a criminal offense involving actual or potential physical harm to a person; (f.) any illegal drugs or paraphernalia are found in the premises or on the person of the Lessee guests, or Occupant(s) while on the premises and/or; (g.) **as otherwise allowed by law.**

MULTIPLE TENANT OR OCCUPANT(S). Each individual that is considered a Lessee is jointly and individually liable for all of this Agreement's obligations, including but not limited to rent monies. If any Lessee, guest, or occupant(s) violates this Agreement, the Lessee is considered to have violated this Agreement. Lessors requests and notices to the Lessee or any of the occupant(s) of legal age constitutes notice to the Lessee. Notices and requests from the Lessee or any one of at the occupant(s) (including repair requests and entry permissions) constitutes notice from the Lessee. In eviction suits, the Lessee is considered the agent of the Premises for the services of process.

DISPUTES. If a dispute arises during or after the term of this Agreement between the Lessor and Lessee, they shall agree to hold negotiations amongst themselves, in "good faith", before any litigation.

SEVERABILITY. If any provision of this Agreement or the application thereof shall, for any reason and to extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities, or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

SURRENDER OF PREMISES. The Lessee has surrendered the Premises when (a) the move-out date has passed and no one is working on the Premises within the Lessors reasonable judgement; or (b) Access to the Premise have been turned into Lessor - whichever cones first. Upon the expiration of the term hero, the Lessee shall surrender the Premises in better or equal condition, as it were at the commencement of this Agreement, reasonable use, wear and tear thereof, and images by the elements excepted.

HAZARDOUS MATERIALS. The Tenant agrees to not possess any type of personal property that could be considered a fire hazard or as a substance having flammable characteristics on the premises. Items that are prohibited o be bought into the Premises, other than for everyday cooking or the need of an appliance, includes but not limited to gas (compressed), gasoline, fuel, propane, kerosene, motor oil firework or any other related content in the form of liquid, solid or gas.

IMDEMNIFICAION. The Lessor shall not be liable for any damage or injury to the Lessee, or any other person, or to any property, occurring on the Premises, or any

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code

from any claims or damages unless caused solely by the Lessors negligence. It is recommended that renter's insurance be purchased at the Lessee's expense.

COVENANTS. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, and assigns of the parties hereto, and all convents are to be construed as conditions and agreement.

GOVERNING LAW. This Agreement is to be governed under the laws located in the State where the Premises is located.

ADDITIONAL TERMS AND CONDITIONS. Lessee is responsible for all utility bills on property ie: electric or any excessive oil usage of their part. (Water is free)

ENTIRE AGREEMENT. This Agreement contains all the terms agreed to by the parties relating to its subject matter including any attachments or addendums. This Agreement replaces all previous discussions, understandings, and oral agreements. The Lessor and Lessee agree to the terms and conditions and shall be bound util the the Lease Term.

Lessor's Signature _____ **Date** 6-22-22

Print Name Levey Dmotzav

Lessee's Signature Tammy Holland **Date** June 24, 2022

Print Name Tammy Holland