Commercial
Lease

This Lease Agreement (this "Lease") is effective on the ____, day of _____, 2023 by and between Xela, LLC, an Alaska limited liability company ("Landlord"), and RDA Enterprise LLC an Alaska limited liability company ("Tenant")

1. Property.
Landlord leases to Tenant the Leased Premises located at 200 W. 68th #A, Anchorage, Alaska 99518 (the "Leased Premises"). The occupied square footage of the Leased Premises is approximately 1,550 square feet.

2. Term. Landlord leases to the Tenant the above-described Leased Premises on a Sixty (60) Month basis. This Lease shall commence on _____, 2023, ("Commencement Date") and shall expire _____, 2028. After the Initial Term and any successive additional term, the parties hereto may renew this Lease for an additional Twelve (12) month term. If the parties agree to such renewal at least Thirty (30) days prior to the end of the then-current Term. If the parties do not agree to renew this Lease at least Thirty (30) days prior to the end of the then- current Term, this Lease shall convert to a Month-to-Month tenancy.

3. Lease Payments (1).

A. Payments shall be made to the Landlord as calculated and as scheduled below in **D** & **E,** at the following location: PO Box 520203, Big Lake, Alaska 99652.

B. Additional Rent Based Upon Late Payment. If Tenant defaults, for more than five (5) days in the payment of any monthly Payment additional rent of Tenant under the Lease, then Tenant shall pay Landlord, as additional rent, a late charge of 10% of the rent.

C. Security Deposit. In addition to the rental payment to be paid in advance by Tenant, Tenant shall pay a deposit to Landlord , in Trust, a security deposit of Two Thousand Dollars ($2,000.00) as security for all obligations that may become due and owing by the Tenant under this Lease, including but not limited to, any Lease Payment or other sum of money in which Tenant is obligated to pay but did not pay, any sum expended by Landlord on Tenant's behalf in accordance with the provisions of this Lease, or any sum which Landlord may expend or be required to expend as a result of Tenant's default. This amount shall be paid to Landlord on or before the first day of the term of this Lease. The security deposit shall bear no interest. If Tenant fully and faithfully complies with all the provisions of this Lease, the security deposit shall be returned to Tenant after Tenant vacates the Leased Premises. In the event of a transfer of Landlord's interest in the Leased Premises, Landlord shall have the right to transfer the security deposit, and Tenant agrees to look solely to the transferee for the return of the security deposit.

D. Lease Payments (2). Lease Payments shall in addition to the Base Rent in E, shall include the cost of Tenant improvements amortized over 5 years at a 4.5% interest rate and a proportionate share of reoccurring common expenses of the entire building such as

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Taxes and Insurance.

E. Base Payment.

The Base Rent shall be paid as follows

1) First rent of $2,000.00 due _____ 1, 2023 continuing for the first year of the lease.
2) 2nd year rent shall be $2,325.00
3) 3rd year rent shall be $3,100.00
4) 4th year rent shall be $3,196.00
5) 5th year rent shall be $3,289.00

4. Utilities. Tenant shall, at Tenant's own expense, obtain all utility services supplying the Leased Premises, including, but not limited to, refuse, electricity, additional excess water, sewer, standby water for sprinkler, gas, telephone and all other utilities and other communication services, in its own name, effective as of the commencement of this Lease, and shall pay the cost directly to the applicable utility, including any fine, penalty, interest or cost that may be added thereto for non-payment thereof. Tenant shall, at Tenant's own expense, pay the cost of additional water used over the amount allotted by Landlord. Payment will be considered a charge as a portion of common expenses. Water and sewage usage covered by Landlord will be determined from the previous year's average usage.

5. Possession. Tenant shall be entitled to possession on the first day of the term of this Lease and shall yield possession to Landlord on the last day of the term of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Leased Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

6. Use of Leased Premises. Tenant may use the Leased Premises only for the use of commercial cultivation of marijuana and all legal endeavors. The Premises may be used for any other purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the first day of the extended absence.

7. Condition of the Leased Premises.
Tenant hereby acknowledges that it has viewed the Leased Premises, is familiar with the condition of the Leased Premises, and accepts the Leased Premises with the agreed upon improvements to its present condition and configuration, with all faults.

8. Improvements
Tenant shall not make any improvements, alternations, additions, utility installations, or modifications of any kind to the Leased Premises, which includes the erection of signs, without the prior written consent of Landlord, which shall not unreasonably be withheld, and obtaining all required permits and authorizations, if any, of governmental entities; provided however, that Landlord's consent is not required for nonstructural alternations costing less than $1,000 individually or in the aggregate. This exempts the agreed upon initial tenant improvements. Tenant shall pay, in a timely manner, for any improvements affixed to the Leased Premises

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and shall become the Leased Premises of Landlord on termination of this Lease without any obligation of Landlord to pay Tenant for the same. Upon termination of the Lease, Landlord shall notify Tenant to remove any improvements Landlord does not elect to retain, and Tenant shall restore the Leased Premises to its original condition before the improvements were made.

9. Compliance with Laws/Environmental Provisions.

(a) General Compliance and Compliance with Regulations. Tenant shall promptly comply with all laws, ordinances, requirements, and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters. However, Tenant shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature. Tenant shall remain in compliance with the Marijuana Control Board regulations. Landlord shall not take control of the premise or marijuana product in the event Tenant abandons the property, Landlord agrees to immediately contact AMCO and local law enforcement and obtain guidance on how to handle any marijuana or marijuana product left in the premises.

(b) Environmental Laws. In furtherance and not in limitation of the foregoing paragraph, Tenant shall, at its own expense, comply with all laws, ordinances, regulations and administrative agency or court orders relating to health, safety, noise, environmental protection, waste disposal, hazardous or toxic materials, and water and air quality. In the event any discharge, leakage, spillage, emission or pollution of any type, or other release of hazardous materials occurs upon or from the Leased Premises during the Lease term or any holdover thereafter which is deemed attributable to Tenant's use and occupancy of the Leased Premises, but which shall not include discharge, leakage, spillage, emission, or pollution of any type or Tenant's use of the Leased Premises, such as from adjacent parcels of land, expense, clean and restore the Leased Premises to the satisfaction of Landlord and any governmental body or court having jurisdiction of the matter.

(c) Hazardous Materials on Premises. Tenant shall not cause or permit any hazardous materials to be brought upon, kept or used in or about the Leased Premises by Tenant, its agents, employees, contractors or invites without the written consent of Landlord, then only in compliance with all applicable laws and regulations. Landlord shall not unreasonably withhold consent as long as Tenant demonstrates to the reasonable satisfaction of Landlord that such hazardous material is necessary or useful to Tenant's business and will be used, kept and stored in a manner that complies with all laws regulating any such hazardous materials so brought upon or used or kept in or about the Leased Premises.

(d) Environmental Indemnity. Tenant agrees to indemnify, hold harmless, and defend Landlord against all liability, cost and expense, including without limitation, any fines, penalties, diminution in value of any of the Leased Premises, assessment and clean-up costs, judgments, litigation costs and attorney's fees incurred by or levied against Landlord as a result of Tenant's breach of these environmental provisions or as a result of any discharge, leakage, spillage, emission or pollution on or discharged from the Leased Premises as a result of Tenant's use and occupancy of the Leased Premises, without regard to whether such liability, cost or expense arises during or after the Lease term; provided, however, that Tenant shall not be required to indemnify Landlord under this paragraph if the parties agree or a court of competent jurisdiction determines that such liability, cost or expense is caused

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directly and solely by the negligence of Landlord. The foregoing indemnity shall survive the expiration or earlier termination of this Lease. The foregoing indemnity shall not apply to any discharge, leakage, spillage, emission, or pollution which is caused by a person who occupies the Leased Premises after the termination of this Lease.

(e) Hazardous Material. For purposes of this Lease, the term "hazardous material" means any hazardous or toxic substances, material, or waste, including but not limited to those substances, materials, and wastes listed or defined as such in federal, state, or local law, regulation or ordinance, including but not limited to, in the following: U.S. Department of Transportation Hazardous Materials Table (49 C.F.R.-172.201); regulations of the U.S. Environmental Protection Agency (including 40 C.F.R. Part 302; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.-9601 et seq. And its implementing regulations; the Solid Waste Disposal Act of 1 984~ the Resource Conservation and Recovery Act, 42 U.S.C.-6901, et seq.); and as a petroleum product or oil as defined in 33 U.S.C.-1321.

10. Quiet Possession.

Upon paying the rents and other sums required of Tenant under this Lease and faithfully and fully performing the terms, conditions, and covenants of this Lease on Tenant's part to be performed, Tenant shall peaceably and quietly have, hold and enjoy the Leased Premises for the Term.

11. Maintenance and Repairs.

(a) Tenant shall keep the interior portions of the Leased Premises, including ceiling, walls, floor, lighting, doors, all furnishings, appliances, and improvements, in good order, condition, and repair, and make or cause to be made all necessary repairs, alterations and replacements. All such repairs, alterations, or replacements shall be of good quality. Tenant shall bear all costs of repairs and maintenance and hold Landlord harmless from any claims, liens, or encumbrances which may be created or attached to the Leased Premises because of such repairs, alterations, or replacements. Tenant shall be responsible for any and all maintenance and repairs attributable to obstructions or objects deliberately or inadvertently introduced or placed in the fixtures, lines or equipment by Tenant, its employees, agents, licensees or invites. Tenant agrees to furnish and maintain such fire extinguishers as are recommended or required by any governmental fire agency or department and/or insurance underwriters for the Leased Premises.

(b) If Tenant fails to perform Tenant's obligations under the above paragraph, Landlord, at its
option, and after ten (10) days advance written notice to Tenant, may enter upon the Leased Premises, and put the Leased Premises in good order, condition and repair. Tenant shall pay the cost of Landlord's repair at the time of Tenant's next rental payment upon receipt of an invoice from Landlord.

(c) Tenant shall pay for all damage to the Leased Premises, as well as damage to other tenants or occupants, caused by Tenant's misuse or neglect of the Leased Premises, its apparatus,

AMCO Received 10.17.23

or appurtenances.

(d) Landlord shall not be responsible or liable at any time for any loss or damages to Tenant's equipment, fixtures, or other personal Leased Premises or to Tenant's business except to the extent attributable to Landlord's own gross negligence or to Landlord's own intentional tortuous conduct.

(e) Landlord shall not be responsible or liable to Tenant or to those claiming by, through or under Tenant for any loss or damages to either the person or Leased Premises of Tenant that may be occasioned by or through the acts or omissions of persons occupying other portions of the Leased Premises.

(f) Landlord shall not be responsible or liable for any condition of the Leased Premises, or for any defect, latent or otherwise, in the improvements situated on the Leased Premises, or any of the equipment, machinery, utilities, appliances or apparatus on or used with the Leased Premises, nor shall it be responsible or liable for any injury, loss or damage to any person or to any Leased Premises of Tenant or other person caused by or resulting from bursting, breakage or by or from leakage, steam, Leased Premises, the building or the surrounding area, or for any injury or damage caused by or resulting from acts of God or the elements, or for any injury or damage caused by or resulting from any defect in the occupancy, construction, operation or use of any of the Leased Premises, building, machinery, apparatus or equipment by any occupant of the Leased Premises, unless Landlord itself is grossly negligent.

12. Assignment or Subleasing.

a) Tenant shall not assign, sublease, pledge, or otherwise encumber this Lease, either voluntarily or through operation of law, without the written consent of Landlord, which consent shall not unreasonably be withheld. All such unauthorized assignments, subleases, and encumbrances shall be void, and this Lease shall terminate automatically without notice.

b) Assignment is defined as the creation of any lien, encumbrance, or other interest in this Lease as well as the transfer of shares, partnership interest or any other beneficial interest resulting in more than twenty percent (20%) of such shares, partnership interest or other beneficial interest having been transferred by Tenant since this Lease was executed.

c) The consent to one assignment, mortgage, sublease, pledge, or encumbrance shall not be deemed to be any subsequent assignment, mortgage, sublease, pledge or encumbrance. Any attempt to assign, mortgage, sublease, pledge or encumber without the prior written approval of Landlord will constitute a breach of this Lease and convey no rights or interest in the Lease or Leased Premises. Landlord's consent to any assignment, mortgage, sublease, pledge or encumbrance of the Lease by Tenant, which consent shall not unreasonably by withheld, shall be subject to Landlord's option to increase the rental to the amount per square foot of rental for similar lease of commercial space in the vicinity.

d) Landlord shall have the right to assign this Lease at any time without the consent of Tenant and the assignee or assigns, if any, of Landlord shall take subject to all the terms and conditions of this Lease.

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13. Unlawful Use.
Tenant shall not make or allow any use or occupancy of the Leased Premises contrary to any law or ordinance now or hereafter in effect.

14. Hold Harmless.
Tenant shall indemnify, defend, and hold Landlord and its agents, representatives, trustees, employees, brokers, and attorneys harmless against all claims, damages, losses, costs, and expenses, including attorney's fees, for or on account of any injury or damage to any persons or Leased Premises caused by or resulting from Tenant's possession, use or occupancy of the Leased Premises or the activities, work, or things done, permitted or allowed by any of Tenant's employees, contractors, invitees, patients, or agents. This provision shall survive the termination of the Lease.

15. Risk of Loss and Insurance.

(a) Tenant, as a material part of the consideration for this Lease, hereby waives all claims against Landlord for damage to personal Leased Premises in, upon, or about the Leased Premises, from any causes arising from other than Landlord's gross negligence or intentional tortuous conduct at any time during the term of this Lease.

(b) Landlord shall secure and maintain Leased Premises insurance.

(c) Tenant shall, at Tenant's sole cost and expense, secure and maintain liability insurance with a company or companies acceptable to Landlord. Tenant shall carry general liability insurance of not less than One Million Dollars ($1,000,000) for each person injured as a result of an accident or occurrence and not less than One Hundred Thousand Dollars ($100,000) for loss or damage to Leased Premises resulting from any one accident or occurrence. All policies of insurance shall name Landlord and its agents as additional insureds. Insurance purchased by Tenant shall be with companies rated A or better in the "Best Insurance Guide" and shall not be cancelable or materially changed except after thirty (30) days written notice to Landlord. Tenant shall deliver to Landlord; certificates evidencing such insurance and shall furnish Landlord with renewal binders upon renewal of such insurance.

(d) Tenant waives the protection of any statute, code, or judicial decision which grants a tenant the right to terminate a lease in the event of substantial or total destruction of the Leased Premises.

16. Landlord's Access.
Landlord shall at reasonable times and with notice, during Tenant's business hours, have access to the Leased Premises to view the condition of the Leased Premises or to post notices of non-responsibility. Landlord shall also be entitled to affix signs in and about the Leased Premises, and to show the Leased Premises, in accordance with the terms above, to prospective Tenants, during the last Thirty (30) days of the Lease term and any extended term, and during any period of time after Landlord has given Tenant a notice of termination. Additionally, Landlord will ensure that it and any of its employees or agents, will respect and adhere to the Tenant's visitor

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policy, provide government issued ID ensuring that any agent or employee of Landlord is over the age of 21, sign in and out of the visitor log provided by Tenant, wear the Tenant's visitor badge, and remain in direct eyesight of designated Tenant agent.

17. Waiver of Subrogation.
Landlord and Tenant each waive any and all rights of recovery against the other, for loss or damage to such waiting party or its Leased Premises or the Leased Premises of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage, to the extent of such insurance coverage, only.

18. Tenant's Default.
If Tenant shall at any time be in default in the payment of rent herein required, and/or one of the following events occurs:

(a) Abandonment of the Leased Premises and/or Tenant ceases to occupy the Leased Premises for a period exceeding thirty (30) days.

(b) The making by Tenant of any general arrangement for the benefit of its creditors, the filing by or against Tenant of a petition in bankruptcy including reorganization or arrangement, unless, in the case of a petition filed against tenant, the same is dismissed within thirty (30) days, or the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Leased Premises or of Tenant's assets located at the Leased Premises or of Tenant's interest in the Lease; or

(c) Failure in the performance of any 6f the covenants, terms, conditions or provisions of this Lease, and Tenant shall fail to remedy such default within ten (10) days after written notice from Landlord; it shall be lawful for Landlord to enter upon the Leased Premises and again have, possess and enjoy the same as if this Lease had not been made; and, thereupon, this Lease shall cease and terminate without prejudice, however, to the right of Landlord to recover from Tenant all rent due and that which would fall due until the normal expiration of the Lease, plus such foreseeable expenditures and costs incurred in preparing to terminate and in terminating the Lease. Landlord may reenter and repossess the Leased Premises either with or without judicial process, and Tenant covenants and warrants that upon demand, Tenant will surrender and deliver quiet possession of the Leased Premises to Landlord. **Landlord shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO prior to any access into or around the licensed premises if Tenant cannot be reached, abandons the Leased Premises, or similar type of event. Additionally, Landlord will ensure that it and any of its employees or agents, will respect and adhere to the Tenant's visitor policy, provide government issued ID ensuring that any agent or employee of Landlord is over the age of 21, sign in and out of the visitor log provided by Tenant, wear the Tenant's visitor badge, and remain in direct eyesight of designated Tenant agent.** In case of any default and reentry by Landlord. Landlord may elect at its option to relet the Leased Premises for some or all the remainder of the term for the highest reasonable rent available and may recover from Tenant any deficiency between the amount so obtain and the rent herein reserved. In the event Landlord elects to relet the Leased Premises, Landlord may remove all personal Leased Premises of Tenant from the Leased Premises. At Landlord's option, Landlord may arrange for

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storage of the personal Leased Premises at Tenant's expense and without liability to Landlord. Landlord's reentry shall not terminate this Lease unless Landlord gives written notice of an intention to terminate to Tenant. Landlords exercise of any right or remedy shall not prevent it from exercising any other right or remedy.

19. Default by Landlord.
Tenant shall notify Landlord promptly of Landlord's default. Landlord shall not be in default unless Landlord fails to perform its obligations within thirty (30) days after receiving written notice from Tenant specifying the obligation Landlord has failed to perform. If the nature of Landlord's for performance, Landlord shall not be in default if Landlord commences performance within thirty (30) days of Tenant's written notice and thereafter completes Landlord's performance within a reasonable time.

20. Waiver.
No waiver by Landlord of any provision of this Lease shall be deemed a waiver of any other provision or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to any subsequent act by Tenant. The acceptance of rent by Landlord shall not be a waiver of any preceding breach by Tenant of any provision hereof.

21. Estoppel Certificate.
Tenant shall within ten (10) days after notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing certifying that this Lease is unmodified and in full force and effect, the date to which the rent or other charges have been paid in advance, if any, whether any defaults exist under the Lease, and such other reasonable requests as made by Landlord.

22. Damage or Destruction.

(a) If at any time during the term of this Lease the Leased Premises is damaged to significant extent, it shall be the Landlord's option to either repair this damage as soon as reasonably possible, in which event this Lease shall continue in effect or to give Tenant written notice within thirty (30) days after the date of the occurrence of such damage of Landlord's intention to cancel and terminate this Lease.

(b) If at any time during the term of this Lease the Leased Premises is totally destroyed by any cause, this Lease shall automatically terminate as of the date of such total destruction.

(c) If the Leased Premises is partially damaged or totally destroyed, the rent payable shall be subject to abatement and/or proration as of the date of the damage.

23. Eminent Domain.
If the Leased Premises or any material portion of it is taken or appropriated or condemned by reason of eminent domain or sold under the threat of the exercise of such power, this Lease may be canceled at the option of either the Landlord or Tenant, by either party giving thirty (30) days written notice to the other. Any award for the taking of all or any part of the Leased Premises under the power of eminent domain shall be the sole Leased Premises of Landlord; provided that the portion of building shall not warrant any abatement or entitle Tenant to any

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abatement of rent.

24. Subordination and Non-Disturbance.
This Lease and all of the rights of Tenant are and shall be subject and subordinate to the lien of every security interest, deed of trust and every mortgage now or hereafter placed on the Leased Premises or any part thereof (except the Leased Premises of Tenant and others stated to be removable under this Lease), and to any and all renewals, modifications, consolidations, replacements, extensions, or substitutions of any such security interest, mortgage or deed of trust ("encumbrances"). In addition, the interest of Tenant shall be subject and subordinate to the interest of a purchaser of the Leased Premises who acquires an interest subsequent to the date of this Lease.

25. Successors and Assigns.
The covenants and agreements of this Lease shall be binding upon the legal representatives, successors, and assigns of the parties.

26. Waiver and Forbearance.
Except to the extent that Landlord may have otherwise agreed in writing, no waiver by Landlord of any breach by Tenant of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by Landlord to seek a remedy for any breach of Tenant be deemed a waiver by Landlord of its rights or remedies with respect to such breach.

27. Attorney's Fees.
If, by reason of any default by either party in the performance of the terms and conditions or provisions of this Lease, a party deems it necessary to employ an attorney, the prevailing party shall receive all costs, expenses and attorney's fees expended or incurred by the prevailing party.

28. Headings.
The headings used in this Agreement are inserted for convenience only and shall be disregarded in construing this Lease.

29. Rule of Construction.
The rule of strict construction of a document against the drafter is waived in partial consideration for the other covenants contained herein, and all parties to this Lease recognize that they have been represented by separate counsel or have been afforded that opportunity in this transaction, and all terms and conditions herein have been negotiated at arm's length.

30. Memorandum of Lease.
Tenant agrees that Tenant will not record this Lease. At the request of either Landlord or Tenant, the parties shall execute a memorandum lease for recording purposes in lieu of recording this Lease (in such form as may be satisfactory to their respective attorneys).

31. Notices.
Wherever in this Lease it shall be required or permitted that notices or demands be given or

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served by either party to the Lease to or on the other, such notice or demand shall be given or served and shall not be deemed to have been given or served unless in writing and personally delivered or received by certified mail or telefacsimile by the respective parties at the following addresses:

Landlord:

Xela, LLC
PO Box 520203
Big Lake, AK 99652

Tenant:

RDA Enterprise, LLC
1844 Concord Hill Dr
Anchorage, AK 99515

Such addresses may be changed from time to time by either party by serving notice as herein provided.

IN WITNESS WHEREOF, the said Landlord and Tenant have hereto caused their respective names and seals to be affixed this _____ day of _____, 2023. The undersigned Tenant, whether signing in an individual capacity or as a representative for a principal, partnership or corporation, hereby personally guarantees full and timely payment in accordance with the terms of the lease.

Landlord – Xela, LLC	Tenant – RDA Enterprise, LLC
By: _____	By: _____
Title:_____	Title:_____

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