COMMERCIAL LEASE

This Lease Agreement (this "Lease") is dated as of August 1, 2023, by and between Koenig Real Estate LLC ("Landlord"), and Kreative Konfections LLC ("Tenant"). The parties acknowledge that the main building and land are leased from another party and concerning that portion this is a SUBLEASE. The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant Commercial Kitchen, Class 1 Division 1 Facility, and associated equipment (the "Premises") located at 2115 E Bogard Rd #2, Wasilla, AK 99654.

TERM. The lease term will begin on October 1, 2023 and will terminate on Oct 31, 2028. Tenant acknowledges that requested improvements may not be fully completed until April 30, 2024.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly installments of $25,000.00, payable in advance on the first day of each month. Lease payments shall be made to the Landlord at 3251 N Eureka Cir, Wasilla, Alaska 99654. The payment address may be changed from time to time by the Landlord.

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 Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

PROPERTY INSURANCE. Tenant shall maintain casualty insurance on the Premises in an amount not less than $1,000,000.00. Landlord and land owner shall be named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

LIABILITY INSURANCE. Tenant shall maintain liability insurance on the Premises in a total aggregate sum of at least $1,000,000.00. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies.

UTILITIES AND SERVICES. Landlord shall be responsible for all utilities and services incurred in connection with the Premises.

AMCO Received 10/16/2023

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

PERSONAL TAXES. Landlord shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Tenant's use of the Premises.

TERMINATION UPON SALE OF PREMISES. Notwithstanding any other provision of this Lease, Landlord may terminate this lease upon 30 days' written notice to Tenant that the Premises have been sold.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 5 days (or any other obligation within 10 days) after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. In the event of default, State of Alaska AMCO shall be notified, and the Landlord shall not remove any marijuana or marijuana products.

LATE PAYMENTS. Starting one month after Tenant is granted a Marijuana Manufacturing license, for any payment that is not paid within 1 days after its due date, Tenant shall pay a late fee of $250.00.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

REMODELING OR STRUCTURAL IMPROVEMENTS. Landlord shall have the obligation to conduct any construction or remodeling (at Landlord's expense) that may be required to use the Premises as specified above. Landlord may also construct such fixtures on the Premises (at Landlord's expense) that appropriately facilitate its use for such purposes. Tenant shall not install awnings or advertisements on any part of the Premises without Landlord's prior written consent.

ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Landlord does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent. During the last three months of this Lease, or any extension of this Lease, Landlord shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants.

AMCO Received 10/16/2023

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Tenant agrees to indemnify, hold harmless, and defend Landlord from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Landlord may suffer or incur in connection with Tenant's possession, use or misuse of the Premises, except Landlord's act or negligence. Landlord understands Tenant will be operating a Marijuana Manufacturing Facility licensed with the State of Alaska.

COMPLIANCE WITH REGULATIONS. Tenant shall promptly comply with all laws, ordinances, requirements and regulations of the 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.

ASSIGNABILITY/SUBLETTING. Tenant may not assign or sublease any interest in the Premises, nor effect a change in the majority ownership of the Tenant (from the ownership existing at the inception of this lease), nor assign, mortgage or pledge this Lease, without the prior written consent of Landlord, which shall not be unreasonably withheld.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

LANDLORD:
Koenig Real Estate LLC
3251 N Eureka Cir
Anchorage, Alaska 99654

TENANT:
Kreative Konfections LLC
3060 N. Lazy Eight Ct, Ste 2, PMB 403
Wasilla, Alaska 99654

Such addresses may be changed from time to time by any party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Alaska.

ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it

AMCO Received 10/16/2023

would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

LANDLORD:
Koenig Real Estate LLC

By: _____ Date: 8/1/2023

Jenny Koenig,
Member

TENANT:
Kreative Konfections LLC

By: _____ Date: 8-1-2023

Matthew Koenig,
Member

AMCO Received 10/16/2023