LEASE AGREEMENT

THIS INDENTURE, made and entered into this 1st day of April 2024, by and between Cherrier & Associates, 7362 W Parks Hwy #707 Wasilla, Alaska, party of the first part, hereinafter referred to as the "LESSOR", and Cherrier Investments, LLC DBA / Hollywood Vines parties of the second part hereinafter referred to as the "LESSEE".

WITNESSETH:

That the Lessor, for and in consideration of the rents, covenants and agreements hereinafter mentioned, reserved, and contained, on behalf of the Lessee to be kept, paid and performed, does by these presents grant, demise and let unto said Lessee all of that certain property, to wit:

The One-story wood / log retail building approximately 16' X 32'. To include common areas, East fenced area and associated parking spaces. Property address 3591 S Vine Road Wasilla, Alaska 99623

1. **TERM:** The term of this lease shall be 2 years commencing on the 1st day of May 2024, and shall end on the 30th day of **April** 2026. Payment grace period: Payments will not commence until the AMCO board approval is issued to Cherrier Investments, LLC. Upon AMCO board approval of the Retail store license the payments will commence monthly as stated in this lease agreement and a prorated portion will be due for that month of board approval.

2. **RENT:** Monthly rent for the above described premises shall be $2,500.00 per month, which shall be due and is payable on the first day of each and every month, following the grace period and continuing through the 30th day of April 2026, unless this lease be sooner terminated as herein provided. Payment shall be made to the Lessor at 5610 W Trinity Ave Wasilla, Alaska 99623, or as otherwise specified by the Lessor. In the event of any default whatsoever by Lessee, the entire amount of the balance due and owing at the time of such default shall be due and payable immediately.

   In the event of default by Lessee, the Lessor will not remove from the premises or take possession of marijuana and AMCO enforcement will be notified immediately by Lessor.

   . Payment grace period: Payments will not commence until the AMCO board approval is issued to Cherrier Investments, LLC. Upon AMCO board approval of the Retail store license the payments will commence monthly as stated in this lease agreement and a prorated portion will be due for that month of board approval if needed.

   Late Payments: If rent has not been paid **or arrived by 5:OOP.M. on the third** day after the rental due date, a $300.00 late fee will be assessed.

   Insufficient Funds/Returned Check Fee: If Lessee's check is dishonored and/or returned unpaid for any reason, Lessee agrees to pay in addition to the late fee (if **applicable) the sum of 5% of the rent due.**

3. **DEPOSIT:** The Lessee has deposited with Lessor a security deposit in the amount of two thousand five hundred and 00/100 ($2,500.00). Such sum shall be returned to the Lessee after the expiration of this Lease provided that the Lessee has faithfully and fully carried out all of his obligations hereunder. The cost of the damages to the Lessor for the failure of the Lessee to perform his obligations hereunder may be charged against the security deposit, but under no circumstances shall the provisions of this clause be construed as providing for liquidated damages.

4. **USE:** It is understood and agreed between parties that the Lessee intends to use property herein leased for authorized and lawful business purposes only which may include but is not limited to the operation of a state licensed marijuana retail store. It is agreed that no potentially environmentally hazardous activities will occur on the premises.

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5. **UTILITIES:** Lessor, at Lessor's expense shall connect all available utilities to the premises and Lessee shall pay, as additional rental, all utilities supplied to said premises. The Lessee agrees to have the abovementioned utilities placed in their name at the time of their possession of the premises.

6. **TAXES:** Lessor agrees to pay all real property taxes and assessments upon the property, and the Lessee agrees to pay, on or before the date when due, all personal property taxes, business taxes, and payroll taxes assessed against the personal property and the business of the lessee.

7. **CONTENTS:** It is understood and agreed that the Lessor shall not be responsible for the contents of the leased premises and that the Lessee will carry his own insurance on personal property and supplies, and all property used in conducting his business and improvements he makes to the premises. It is further understood and agreed that the Lessee will carry adequate public liability insurance of not less than $300,000.00 for personal injury claims, death claims or personal property damage claims and shall cause the Lessor to be named as an additional assured on such policy for the duration of the lease. The Lessee agrees to defend, protect and save Lessor harmless from any and all damages arising out of personal injuries received by any person or persons, whomsoever, whether employed in or about or visitors, guests, customers, or patrons to the demised premises.

8. **REPAIRS:**
   (a) Lessee shall keep all nonstructural elements of the interior and exterior of the leased premises in good order and repair including repair or replacement of light bulbs, ballasts and heating equipment; shall provide janitorial services, clean parking areas, and shall be responsible for snow and refuse removal.
   (b) Lessor shall make all structural repairs to the leased premises provided that any damage thereto shall not have been caused by the negligence of the Lessee; it's invitees, employees, or contractors, in which event Lessee shall be responsible therefor.

9. **ALTERATIONS AND IMPROVEMENTS:** Lessee shall not be entitled to make any alterations to the above described premises without having first received, in writing, permission from the Lessor. Lessee shall be entitled to decorate the premises to suit it's purpose, but in doing such decorating, the Lessee agrees that it will not, in any way, damage nor make waste of the premises above described and leased to the Lessee, and that the Lessee will not at any time allow or permit any liens or other encumbrances to be placed against the above described property, or any part thereof, and that it will at all times hold the Lessor harmless against any expenses or charges arising out of any redecoration, alterations, or repairs of the said premises, commenced or carried out at the request and under the direction of the Lessee. Lessee shall have the right to erect such signs and install such shelving and partitions as it deems advisable, all of which shall be regarded as owned by the Lessee and may be removed by the Lessee at any time throughout the duration of the Lease or any extension thereof and within five (5) days following the expiration and termination of the lease. Any damage caused by such removal shall be repaired by the Lessee at the Lessee's expense. It is further agreed that any partition walls to be erected at the Lessee's expense shall become the property of the Lessor at the termination of the lease.

10. **PARTIAL DESTRUCTION OF PREMISES:**
   (a) In the event that building upon the abovedescribed property shall be destroyed or substantially damaged by fire or other casualty and has become totally uninhabitable or unfit for occupancy thereof by Lessee, the parties hereto, at their option, may terminate this Lease and thereafter the Lessee shall not be required to pay rents for the property and the Lessee shall be entitled to have returned to it all rentals paid in advance and not earned at the time of cancellation.

   (b) In the event of a partial destruction of the said premises during the period of the lease, from any cause, the Lessor shall forthwith repair the same, provided such repairs can be made within one hundred and twenty (120) days after such casualty. Such partial destruction shall not effect this Lease except that the Lessee shall be entitled to a proportionate reduction or rent while repairs are being made, based upon the extent to which making of such repairs shall interfere with the business carried on by Lessee upon the premises. In the event such repairs cannot be made within one hundred and twenty (120) days, the lease may be terminated at the option of either party hereto.

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11. **CONDEMNATION:** If all or a substantial portion of the premises containing the demised premises shall be taken, either through exercise of the power of eminent domain or by purchase in lieu thereof, whether by a public or quasipublic body, this Lease Agreement shall, at the time possession is taken by such body, terminate; and a proportionate part of the rent for the calendar month in which the term so ends shall be repaid to the tenant. In the event, however, that the portion of said premises taken by such body does not include the demised premises, the Lease Agreement shall not terminate and the term hereof shall end only if the Lessor elects. Lessor, and not Lessee, shall be entitled to all amounts awarded or paid for such taking, regardless whether such award or payment is as compensation for the fee or leasehold estate. If a portion of the demised premises is taken and the lease is not terminated by agreement between the parties, the amount of the rent payable each month shall abate pro rata according to the size and character of the part of the premises taken.

12. **ASSIGNMENT AND SUBLETTING:** Upon the prior written consent of the Lessor, which shall not be unreasonably withheld, Lessee shall be entitled to assign this Lease and to subject the premises subject to the following:

    (a) All assignments and sublettings shall be in writing and duly executed by both parties. An executed original shall be delivered to Lessor.
    (b) All assignment instruments shall include language whereby Assignee expressly assumes and agrees to pay the obligation of Lessee under this Lease. No assignment shall release or diminish the obligation of the Lessee for performance of Lessee's obligation hereunder and Lessee shall 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 shall provide that the Sublease is subject to all the terms, covenants, and conditions of this Lease and shall authorize Lessor, at Lessor's option, to collect rent from the Sublessee and apply it against the obligations of the Lessee under this Lease, without waiver of Lessor's rights and remedies hereunder.

13. **LESSOR"S RIGHT OF ACCESS AND REENTRY:** The Lessee shall permit the Lessor and it's agents to enter upon the premises at all reasonable times for the purpose of inspecting same, making repairs, posting notice of nonliability for maintenance, renovating or decorating the leased premises commenced or carried out at the request and under the direction of the Lessee.

    (a) In the event of any breach of this lease by Lessee, the Lessor, in addition to other rights and remedies it may have, shall have immediate right of reentry and may remove all persons and property from the premises. Such property may be removed and stored at the cost of the Lessee. Should the Lessor elect to reenter as hereby provided, or should it take possession pursuant to any notice provided by law, lessor may either terminate the lease or relet all or any portion of the premises.

    (b) In the event that the Lessee shall abandon this Lease for other reasons than fire or other casualties as heretofore provided, or in the event that the Lessor shall retake possession of the premises by reason of breach of covenant on the part of the Lessee, or in the event that the Lessee shall be evicted for breach of covenant, then in that event, all rentals paid in advance by the Lessee to the Lessor may be retained by the Lessor as additional rental for the property.

14. **INSURANCE AND INDEMNITY:** Lessor will insure the building at his expense against loss by fire, windstorm, and other natural casualty.

    (a) Lessee shall maintain at it's sole cost and expense, fire and extended coverage insurance on any contents or on the leased premises in such amount as it deems appropriate, and shall indemnify and hold Lessor harmless from any loss therefrom, regardless of the cause.
    (b) Lessor and Lessee hereby mutually waive all right of recovery against each other from any loss from perils insured against under their respective insurance policies, including any extended coverage and endorsements thereto; provided, however, that this release and waiver shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Lessor or Lessee.

    (c) The Lessee shall hold the Lessor harmless from any claim or action for personal injury brought about or resulting from the Lessee's occupancy or use of the premises. Increases in insurance costs brought about by the occupancy or use of the premises shall be paid by the Lessee within ten (10) days of the premium due date

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15. **NOTICE OF DEFAULT:** In the event that the Lessor shall consider the Lessee guilty of a breach of Lease, the Lessor agrees to give the Lessee written notice and Lessee shall have seven (7) days after the receipt of such notice within which to correct any default or breach of this lease; failing this, the Lessor shall be free to retake the premises as herein provided and pursue such other or further remedies as may be afforded the Lessor by law.

    (a) **COST UPON DEFAULT:** In the event that either party shall be in default in the performance of any of it's obligations under this lease, and any action shall be brought for the enforcement thereof, the defaulting parry shall pay to the other all the expenses incurred therefor, including attorney fees.
    (b) In the event either party shall, without fault on it's part, be made a party to any litigation commenced by or against the other, then such other party shall pay all cost and attorney fees incurred or paid by such party in connection with such litigation.

16. **WAIVER:** The waiver by Lessor or Lessee of any breach of any term, covenant, or condition hereof shall not be deemed to be a waiver of such terms, covenants or conditions.

The subsequent acceptance of rent by the Lessor shall not be deemed to be a waiver of any preceding breach by the Lessee of any term, covenant or condition, other that the failure of the Lessee to pay the particular rent so accepted, regardless of the Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

17. **ESCALATION FOR SALES TAX:** Lessor and Lessee covenant and agree that in the event the taxing authority having jurisdiction to enact a sales tax on property rentals, the rentals herein provided to be paid by the Lessee shall be increased to cover such tax.

18. **HOLDING OVER:** Any holding over by the lessee or any assignee or subtenant beyond the expiration of the term of this Lease shall give rise to a tenancy from month to month.

19. **NOTICES:** Each notice, demand or request required or permitted under this lease must be in writing and shall be effective and deemed to be given or made when delivered personally or sent registered in the United States mail, postage prepaid and addressed to the other party at the address as set forth as follows

LESSOR:	Cherrier & Associates 7362 W Parks Hwy #707 Wasilla, Alaska 99623	LESSEE:	Cherrier Investments, LLC / Hollywood Vines 7362 W Parks Hwy #707 Wasilla, Alaska 99623

20. **LAW GOVERNING:** The rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of Alaska.

21. **INSPECTION:** Lessee has examined and know the condition of the premises and, by it's signature hereto acknowledges that the same is in good condition and agrees, upon the termination of this Lease to return the premises to the Lessor in as good condition as received, reasonable wear and tear excepted.

22. **LIABILITY:** Lessee specifically agrees that it shall hold and save the Lessor specifically harmless of any liability to third persons arising out of the Lessee's acts or omissions of acts upon these premises.

23. **JURISDICTION:** It is agreed between parties that any civil action concerning this Lease shall be commenced in a court of competent jurisdiction in Anchorage, Alaska, Third Judicial District, State of Alaska.

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24. TIME: Time is of the essence in this Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 23rd day of April, 2024

LESSEE:

Cherrier Investments, LLC
Hollywood Vines

LESSOR:

Cherrier & Associates

Curtis R. Cherrier - Owner

Emergency telephone numbers:
272-2004
242-8998

Lessee is responsible for:
Electric
Telephone
Garbage
Internet

Lessor is responsible for:
Water / Sewer
Snow removal

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Damage noted:

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

Previous Landlord :_____

Address:_____

Years rented:_____

Telephone number:_____

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