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COMMERCIAL LEASE-4603 Pittman Road

This Real Estate Lease Agreement ("Lease") by and between JOHN E EMMI ("Landlord"), and RED RUN CANNABIS CULTIVATORS LLC,("Tenant"). The parties agree as follows:

PREMISIS. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant (the"Premises") the building and 200' around all sides of the building located at 4603 Pittman Road Wasilla, Alaska 99623, 61.634917,-149.542561. Property Description: TOWNSHIP 18N RANGE 2W SECTION 24 LOT D1

TERM. This Lease commences upon effectuation of the license transfer by the AMCO office for a term of 12 months thru March 1, 2025 with the option to renew yearly with a 5% increase in rent. Lease will automatically renew under these terms of 5% increase unless notified by Tenant in writing to Landlord 90 days of this lease expiring.

TERMINATION OF THE LEASE. The Tenant shall provide 60 day notice in writing via mail of their intention to terminate the Lease. One month penalty due to Landlord due to failure of 60 day notice given to the Landlord by Tenant.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly installments of $3,600.00 starting March 1, 2024. Payments are to be made by the 10th of each month Late by the 11th. Upon the 11th day a late fee of 10% will be assessed. Landlord may give notice of Breach if payment is not received by the 25th of the month and Tenant shall agree to vacate the premise if the breach is not remedied within the 30 days.

DEPOSIT. Not applicable

USE OF PREMISES. Tenant may use the premises for any licensed commercial cannabis use and all legal endeavors as prescribed in state and local law. Tenant shall notify Landlord of any anticipated extended absence of 5 days or more from the Premises not later than the first day of extended absence.

UTILITIES AND SERVICES. Tenant shall be responsible for all the utilities and services in connection with the premises.

TAXES. Taxes attributable to use of the Premises shall be the responsibility of the Tenant. Property taxes are the responsibility of the Landlord.

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 with9n 30 days after written notice of such default if provided

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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 and 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. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges as designated as "additional rent". The rights provided by this paragraph are cumulative and are in addition to any other rights afforded by law. In the event of a default by Tenant, Landlord shall not take into its possession any marijuana product and shall contact the State of Alaska AMCO prior to any access to the licensed premises if Tenant cannot be reached, abandons the property or similar event.

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), the Tenant shall pay to Landlord lease payment(s) during the Holdover Period at a rate equal to the most recent rate preceding the Holdover Period. Such Holdover Period shall constitute a month-to-m0nth extension of the Lease.

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

NON-SUFFICUIENT FUNDS. Tenant shall be charged $50 for each check that is returned to Landlord for lack of sufficient funds.

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, 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 any emergency, Landlord may enter the Premises without Tenant's consent. During the last 3 months of this lease, or any extension of this Lease, Landlord shall be allowed to display "FOR RENT" signs and show the Premises to prospective tenants. Landlord must abide by the Tenant's visitor policy and ensure that no agent or prospective tenant of Landlord attempts to enter the property that is under the age of 21, presents a valid state of federal identification card, and remains in eyesight of a designated agent of Tenant's at all times.

IDEMNITY 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.

PARKING. Tenant shall have sole and exclusive use of all parking spaces/parking lot on the parcel lot where the Premises sits. Tenant shall be solely responsible for the snow removal and or provided for required snow storage for the parking lot.

TENANT'S OBLIGATIONS. Tenant, at Tenant's expense shall keep in good order, condition and repair the Premises and every part thereof, including but not limited to the light bulb replacement,

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plumbing, any mechan9cal or electrical apparatus, doors, window frames, hardware, glass and non structural ceiling and walls. Tenant shall, at the expiration or termination of this Lease, surrender and deliver up the Premise to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable use, wear and tear expected. Tenant shall repair any damage to the Premises, or the Building occasioned by its use thereof or by the removal of Tenant's trade fixtures, furnishings and equipment, which repair shall include patching and filling of holes and repair of structural damage.

COMPLIANCE WITH REGULATIONS. Tenant shall promptly comply with all laws, ordinances, requirements and regulations of the state, county, municipal and other authorities. However, Tenant shall not be by this provision required to make alterations to the exterior of the building or alterations of a structural nature.

INSURANCE. Tenant acknowledges that the Tenat's personal property is not insured by Landlord with any insurance and that the Landlord has no Liability regarding Tenant's personal property. Tenant shall insure the Tenant's personal property for the Tenant's own behalf. Tenant shall also insure the Property for damage for the benefit of the parties and the Property with liability insurance for the benefit of the parties. Upon issuance or renewal of any insurance that Tenant is required to obtain under this lease, Tenant shall provide proof of Insurance to Landlord and list as additionally insured.

ACKNOWLEDGEMENT OF USE FOR MARIJUANA COMMERCIAL ACTIVITIES. Landlord is aware and agrees this premises shall be used for marijuana state and local licensed commercial activities.

MECHANCS LEIN. Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any kind of lien on the Premises and the filing of this Lease constitutes notice that such liens as invalid. Further, Tenant agrees to (1) give actual advance notice of any contractors, subcontractors or suppliers of goods, labor, or services that such lien will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Tenant.

ARBITRATION. Any controversy or claim relating to this contract, including the construction of or application of this contract, will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgement granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

ATTORNEY FEES. In the event of any legal proceeding that commences due to a dispute under this Lease, the unsuccessful party shall be responsible for paying for the successful parties attorney fees and expenses.

NOTICE. Notices under this Lease shall be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows: LANDLORD: JOHN E EMMI PO Box 672049 Chugiak, Alaska 99567

TENANT: RED RUN CANNABIS CULTUVATORS LLC 5455 Kenai Spur Hwy Kenai, Alaska 99611

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

GOVERNNG LAW. This lease shall be constructed in accordance with the laws of the State of Alaska.

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

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

WAIVER. The failure of any party to enforce any provisions of this Lease shall not be constructed 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 insure to the benefit of both parties and their respective legal representatives, successors and assigns.

Landlord- John E Emmi

_____ Date 7-16-2024

Tenant- Red Run Cannabis Cultivators LLC

DocuSigned by:

_____ Date 7/16/2024

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Marc Theiler- Member

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