

LEASE

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THIS AGREEMENT OF LEASE (the "**Lease**") is made this 12 day of December, 2023 (the "**Effective Date**") by and between **Ashland Properties LLC**, a New Jersey limited liability company (the "**Landlord**") and **YERRR CANNA, LLC**, a New Jersey corporation, (the "**Tenant**") or its assignee.

1. Demised Premises. By this Lease, Landlord leases to Tenant and Tenant leases from Landlord the Demised Premises at the address known as 82 Ashland Avenue, West Orange, New Jersey 07052. The Demised Premises shall include approximately 8,000 rentable square feet in the the first and second floor of the Building on Block 62, Lot 22.01, no fewer than five parking spaces and up to such amount as may be required by applicable law, and all the improvements thereon, the easements and appurtenances thereto belonging, all tangible and intangible personal property located at the Demised Premises and all fixtures, as depicted on the Site Plan annexed as Exhibit A hereto. The demised premises of 8,000 square feet in gross leasable space which shall also include areas for at least six (6) private parking spaces, one which shall be handicap accessible. The demised premises is more fully depicted in the site plan annexed hereto as Exhibit A. The landlord shall take reasonable steps to establish a separate block, lot and address for the demised premises. The landlord shall bear all reasonable costs associated with this process.

2. Term of Lease.

- A. **Subject to any termination provisions herein**, including Tenant's satisfaction of any due diligence, the initial term of the lease shall commence upon expiration of the Due Diligence Period (defined herein) and conclude five (5) years thereafter ("Initial Term"). The Due Diligence Period shall commence on December 13, 2023 and conclude on January 13, 2023. After the conclusion of the Initial Term, the tenant shall have the exclusive option of leasing the demised premises for a second five year term ("Renewal Term"). In order to exercise this option, the tenant shall provide notice to the landlord of its intent to renew the lease no later than sixty (60) days before the Initial Term expires. After the conclusion of the Renewal Term, the tenant shall have the exclusive option of leasing the demised premises for a third, five year term ("Second Renewal Term"). In order to exercise this option, the tenant shall provide notice to the landlord of its intent to renew the lease no later than sixty (60) days before the Renewal Term expires.
- B. **Permitted Termination.** Tenant will provide Landlord with written notice if the Tenant must terminate the Lease because Tenant has been declined a license to operate the Permitted Use at the demised premises, under the NJ Cannabis Laws or Local

Laws (each, a "License"), Tenant's License is not renewed, Tenant's License is revoked, or if Tenant is prohibited from operating in the demised premises as a result of a change in law ("Permitted Termination Condition"). In the event of a Permitted Termination Condition, Tenant shall remain liable to Landlord for any accrued, but unpaid rent and any unpaid utilities through the later of the expiration of the aforementioned notice period and the date Tenant vacates the Premises. However, while Landlord may retain Tenant's Security Deposit, Tenant will not owe Landlord any other money or be liable to it in any way (including, but not limited to, accelerated rent) as a result of Tenant exercising a Permitted Termination Condition; provided, however that Tenant will be responsible to Landlord for any violations and/or penalties or fines assessed against the Premises or the Landlord in connection therewith.

3. **Rent.** Base Rent during the Initial Term shall be [REDACTED] per month until such a time as the tenant's business becomes operational. As used herein the term operational means the date that a certificate of occupancy or temporary certificate of occupancy is issued by West Orange Township. Once the tenant's business becomes operational, the monthly rent shall increase to [REDACTED] per month for the duration of the Initial Term

. Base rent for the first year of the Renewal Term shall be [REDACTED]. Thereafter, the monthly rent shall increase by [REDACTED] on an annual basis, for the duration of the Renewal Term. To the extent the tenant elects to remain in possession for a third term ("Second Renewal Term"), the base rent for the first year of the Second Renewal Term of the lease will be [REDACTED] more than the base rent for the final year of the Renewal Term. Rent will increase at a rate of [REDACTED] year over year, during the Second Renewal Term.

Additional Rent. In addition to the payment of Monthly Base Rent, Tenant shall pay all Operating Expenses applicable to the Building. To be clear, the term additional rent includes operating expenses. It is the intent of the Landlord and Tenant that the rent provided for in this Lease be "triple net" as more particularly set forth in this Lease.

Late Rent. Tenant shall pay its monthly rent in a single check or other readily available funds. Monthly rent shall be due by the first day of every month. If rent is not received by the fifth day of the month, a late fee equaling [REDACTED] of the delinquent payment will be added to the amount due. In the event the landlord is unable to negotiate the tenant's check due to insufficiency of funds, the tenant will be assessed a fee of \$[REDACTED]. This amount shall be deemed additional rent.

Timing of Payment. Upon conclusion of the Due Diligence Period, Tenant shall pay to Landlord, monthly rent representing the first six (6) months of this Lease (\$21,000) in a single lump sum payment, which shall be credited against Tenant's monthly rent obligations for the first six (6) months of the Initial Term. In the event that Tenant becomes operational within such 6-month period, Tenant shall provide notice to Landlord of the same ("Operational Notice") and pay to Landlord, promptly upon conclusion of such 6-month period, an amount equal to: $(\$4500 - \$3500) \times$ the number of months beginning on the first of the month immediately following the Operational Notice and the conclusion of such 6-month period.

4. Operating Expenses. The term operating expenses shall mean and include: (a) Ad valorem Taxes; (b) personal property taxes; (c) Insurance; (d) construction / maintenance / alterations (e) utilities. To the extent the landlord elects to pay any of the foregoing as more fully detailed below, the payment shall be deemed an operating expense. **All Operating expenses shall be deemed additional rent.**

A. Ad Valorem Taxes. The landlord shall pay the subject property's ad valorem taxes no later than February 1, May 1, August 1 and November 1 of each year. Until such a time as the landlord is able to establish a separate block, lot and address for the demised premises, the tenant shall be responsible, within thirty days of

the landlord's demand for payment of the same, to pay for a certain % of the property's annual taxes, based upon Tenant's anticipated use of the premises, as shall be determined during the Due Diligence Period, and which shall not exceed 10% of any estimate provided by Landlord. Landlord shall provide such estimate to Tenant within ten (10) days following the Effective Date of this Lease.

When a separate block, lot and address are secured for the property, the tenant shall be responsible for all ad valorem taxes associated with the new address. While the landlord shall still make payment on the dates set forth above, the tenant shall be responsible for paying 1/12th of the aggregate amount as additional rent on a monthly basis. The aggregate annual amount shall be determined by applying the then current municipal tax rate to the demised premises assessed value. To the extent the property's annual aggregate taxes exceed the amount that was paid by the tenant during a given calendar year, the excess amount shall be deemed an operating expense which shall be due and owing within thirty days of the landlord's demand for payment of same.

B. *Personal Property Taxes.* Tenant agrees to pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises or elsewhere. When possible, Tenant will cause such trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord. If any of Tenant's personal property is assessed with Landlord's real property, Tenant shall pay Landlord the uncontested taxes attributable to Tenant within thirty (30) days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

C. *Insurance.* The tenant shall maintain a general liability insurance policy in an amount that equals the replacement value of the property. Tenant's general liability insurance policy shall also provide a minimum of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. The landlord shall be named an additional insured on the policy. Tenant shall provide proof of coverage to the landlord on an annual basis no later than expiration of the Due Diligence Period and the 15th of January, each year thereafter during the Term. To the extent the landlord elects to secure additional insurance or is required to secure insurance for the property because of the tenant's failure to provide proof of coverage, the landlord's costs associated with securing insurance coverage in the amounts set forth above shall be deemed an operating expense which shall be due and owing within thirty days of the landlord's written demand for payment of same.

D. *Maintenance / Construction / Alterations.* The tenant is responsible for the "build out" of the property and all costs associated with same. As used herein, the term build out refers to the improvements and site improvements that the tenant will make to the demised premises to make the property suitable for its

intended operation - A micro Cannabis Cultivation Facility ("Permitted Use"). Landlord shall provide to Tenant, a certification in a form provided by Tenant, confirming that the Landlord is aware that the Tenant's use of the Premises will involve activities associated with operations as a cannabis cultivator, for submission by Tenant to the New Jersey Cannabis Regulatory Commission (CRC). Tenant shall not make any alterations, repairs, additions or improvements or install any Cable (collectively, "Alterations") without first obtaining the written consent of Landlord in each instance, which consent may be granted or withheld in Landlord's sole discretion, provided that Landlord consent shall not be required with respect to any Alterations which do not affect building structure or systems and which will not be visible from outside the Premises, or installation of Cable. In order to obtain such approvals, Tenant shall furnish Landlord with plans and specifications; names of contractors reasonably acceptable to Landlord; required permits and approvals, evidence of contractor's and subcontractor's insurance in amounts reasonably required by Landlord and naming Landlord as an additional insured; and any security for performance in amounts reasonably required by Landlord. Upon completion, Tenant shall furnish "as-built" plans for Alterations, completion affidavits and full and final waivers of lien. To the extent a mechanics lien is filed against the property, the landlord shall have the option, but not obligation of satisfying same. To the extent the landlord elects to satisfy a mechanic's lien, the amount shall be deemed an operating expense that shall be due and owing within thirty days that the landlord demands payment of same from the tenant.

Tenant agrees to keep in good order, condition and repair the Premises and every part of the Premises, regardless of whether the need for repairs arises out of Tenant's use or otherwise, including, but not limited to, maintaining, repairing and replacing, as and when needed, at Tenant's sole cost all systems, facilities and equipment, such as plumbing, heating, ventilation, air conditioning equipment, electrical, lighting facilities, fire protection systems, and other equipment within or serving the Premises, fixtures, walls (interior and exterior) (including but not limited to graffiti removal and painting when necessary), ceilings, roof membrane, floors, windows, doors, plate glass and skylights located within the Premises, and all landscaping, driveways, loading docks, parking lots, fences and signs located on the Premises and sidewalks and parkways located in or on the Premises. In performing its obligations set forth in this paragraph A, Tenant shall consistently exercise and perform good maintenance practices, specifically including arranging for and maintaining at Tenant's cost (with copies to Landlord) maintenance and service contracts reasonably approved by Landlord for HVAC equipment, fire extinguishing and alarm systems, roof preventative maintenance and landscaping maintenance, which maintenance and service contracts (other than for landscaping) shall include a requirement for an

annual inspection. Upon Landlord's request, Tenant shall deliver to Landlord a copy of each inspection report. In addition, Tenant

shall arrange for any required maintenance and the correction of any defects noted in any such inspection report. Tenant agrees to cause any mechanics' liens or other liens arising If Tenant fails to maintain any required maintenance or service contract, or fails to obtain and deliver to Landlord an annual inspection report, Landlord shall have the right (following written notice to Tenant and providing Tenant with thirty (30) days to cure), to arrange for such maintenance and service contracts, and the required inspections, and Tenant shall pay the cost of such contracts and inspections upon Landlord's delivery of an invoice for the same. In any event, Tenant shall pay the costs of and arrange for the correction of any deficiencies found. To the extent a mechanics lien is filed against the property, the landlord shall have the option, but not obligation of satisfying same. To the extent the landlord elects to satisfy a mechanic's lien, the amount shall be deemed an operating expense that shall be due and owing within thirty days of the date that the landlord demands payment of same from the tenant.

Notwithstanding the foregoing, so long as Tenant: (a) complies with all applicable laws,¹ rules (including the then current construction rules, guidelines and specifications for the Building), regulations and the terms and conditions of this Lease, and (b) coordinates construction of the Alterations with Landlord, Tenant shall have the right, without Landlord's consent, to make strictly cosmetic, non-structural additions and alterations to the Premises that do not (i) involve the expenditure of more than [REDACTED] aggregate in any 12-month period during the Term, (ii) affect the appearance of the Building or any areas outside the Premises, or (iii) affect or impact in any way the systems or structure of the Building.

In addition, notwithstanding any other provision herein, Landlord shall ensure that, at Landlord's sole responsibility and expense, there is a paved and clear path to the Premises from the front gate to the front entrance of the building thereof, as depicted in the highlighted portion of Exhibit A.

Tenant agrees to pay Landlord, as an operating expense, up to [REDACTED] per annum for actual and reasonable costs of any

¹ Due to the unique nature of the Tenant's businesses and the legal status of cannabis and cannabis-related products and services, any and all references herein to compliance with, or the application of the "law" or "laws," or regulatory authority exercised, or enforcement, by a "governmental agency," shall specifically and intentionally exclude any federal law, rule or regulation of any federal governmental agency or body that identifies or classifies the growing, production, manufacture, sale and/or possession of cannabis as a crime or otherwise prohibits the growing, production, manufacture, sale and/or possession of cannabis, including, but not limited to, the Federal Controlled Substances Act (the "Excluded Laws"). Neither Party shall interpose a defense of illegality under the Excluded Laws to the enforcement of this Lease.

professional services and costs for general conditions of Landlord's third party consultants if used by Landlord, who are reasonably acceptable to Tenant, for review of all plans, specifications and working drawings for any Alterations, within 30 days after Tenant's receipt of invoices either from Landlord or such consultants.

E. Utilities. Tenant agrees to contract directly for and to pay for all utilities and services provided to the Premises (including the Land and the Building), including, but not limited to, water, gas, heat, light, power, telephone, waste/trash removal, sewer and other utilities, janitorial and cleaning services, landscaping and outdoor maintenance, together with any taxes on such utilities and services. Landlord will not be liable to Tenant for any failure to furnish any of the foregoing utilities and

Services, in the absence of Landlord's own negligence or willful misconduct. In addition, in the event of any stoppage or interruption of services or utilities, Tenant shall not be entitled to any abatement or reduction of rent, in the absence of Landlord's own negligence or willful misconduct. Notwithstanding anything to the contrary in this Lease, **Tenant acknowledges and agrees that, except as expressly stated herein, it shall be solely responsible for providing adequate security for its Premises, and its use of the Building and the Land.** In the absence of Landlord's negligence or willful misconduct, Landlord shall have no responsibility to prevent, and shall not be liable to Tenant, its agents, employees, contractors, visitors or invitees, for losses due to theft, burglary or other criminal activity, or for damages or injuries to persons or property resulting from persons gaining access to the Premises or the Building. If the tenant fails to make any required utility payment or related municipal lien, the landlord shall have the option, but not obligation of satisfying same. To the extent the landlord elects to make the aforementioned payment(s), it shall be deemed an operating expense that is due and payable within thirty days of the landlord's demand.

5. **Mutual Covenants.** Landlord and Tenant agree that the letting and hiring of the Premises is upon and subject to the terms, covenants and conditions contained in this Lease and each party covenants as a material part of the consideration for this Lease to keep and perform their respective obligations under this Lease.

6. **Security Deposit.** Before the commencement of the lease, Tenant shall be required to deliver the Security Deposit in the amount of [REDACTED] to Landlord in immediately available funds, to be held by Landlord without liability for interest as security for the performance of Tenant's obligations. The Security Deposit is not an advance payment of rent or a measure of damages. Landlord may use all or a portion of the Security Deposit to satisfy past due rent, to cure any default by Tenant, or to compensate Landlord for any other loss or damage Landlord may suffer by reason of Tenant's default. If Landlord uses any portion of the Security Deposit, Tenant shall on demand restore the Security Deposit to its original amount, and Tenant's failure to do so within 30 days following written demand thereof, shall be a default under this Lease. If Tenant is not in default at the expiration or earlier termination of this Lease, Landlord shall return any unapplied portion of the Security Deposit to Tenant within thirty (30) days after the later to occur of: (a) payment of the final rent due from Tenant, or (b) the later to occur of the Expiration Date or the date Tenant surrenders the Premises to Landlord. Landlord's obligations with respect to the Security Deposit are those of a debtor and not a trustee. Landlord can maintain the Security Deposit separate and apart from Landlord's general funds or can commingle the Security Deposit with Landlord's general and other funds. Landlord shall not be required to pay Tenant interest on the

Security Deposit. Tenant waives the provisions of N.J.S.A. 46:8-10, et seq. and all other provisions of law, now or later in force, which provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums reasonably necessary to compensate Landlord for any other loss or damage, foreseeable or unforeseeable, caused by the act or omission of Tenant or any officer, employee, agent or invitee of Tenant.

7. Tenant's Use of Premises. The tenant may use the demised premises for the purpose of operating a Micro Cannabis cultivation facility. At Tenant's sole cost and expense, Tenant agrees to procure, maintain and hold available for Landlord's inspection, all governmental licenses and permits required for the proper and lawful conduct of Tenant's business from the Premises. At a minimum Tenant specifically agrees to secure approvals, if necessary, from: the New Jersey CRC, the Local Cannabis Commission of West Orange Township, the planning and/or boards of adjustment for West Orange Township, the West Orange Police Department, the West Orange Fire Department, the West Orange Building / Code Enforcement Department and/or its functional equivalent.

Tenant agrees to use and occupy the Premises and cause the Premises to be used and occupied in compliance with: (i) any and all laws, statutes, zoning restrictions, ordinances, rules, regulations, orders and rulings now or later in force and any requirements of any insurer, insurance authority or duly constituted public authority having jurisdiction over the Premises now or later in force; (ii) the requirements of the Board of Fire Underwriters and any other similar body; (iii) the Certificate of Occupancy issued for the Building; and (iv) any recorded covenants, conditions and restrictions and regulatory agreements, if any, which affect the use, occupation or alteration of the Premises (collectively, "Legal Requirements").

Tenant agrees not to use or allow the Premises to be used for any unlawful or unreasonably objectionable purpose. Tenant agrees not to cause, maintain or permit any nuisance or waste in, on, under or about the Premises, it being understood that, in the absence of gross negligence or willful misconduct by Tenant, the Permitted Use shall not, in and of itself, constitute waste or a nuisance

8. Hazardous Materials. Tenant agrees not to cause or permit any Hazardous Materials to be brought upon, stored, used, handled, generated, released or disposed of on, in, under or about the Premises, the Building or any portion of the same by Tenant, its agents, employees, subtenants, assignees, licensees, contractors or

invitees (collectively, "Tenant Parties") without the prior written consent of Landlord. As used in this Lease, the term "Hazardous Materials" shall mean and include any hazardous or toxic materials, substances or wastes as now or later designated under any law, statute, ordinance, rule, regulation, order or ruling of any agency of the State, the United States Government or any local governmental authority, including, but not limited to, asbestos, asbestos-containing material ("ACM"), presumed asbestos containing materials ("PACM"), petroleum, petroleum hydrocarbons and petroleum based products, urea formaldehyde foam insulation, polychlorinated biphenyls ("PCBs"), and freon and other chlorofluorocarbons. As used herein, the term hazardous material does not include materials or items that are customarily used in the field of cannabis cultivation.

Tenant agrees to promptly notify, indemnify, protect, defend and hold harmless Landlord and Landlord's partners, officers, directors, employees, agents, successors and assigns (collectively, "Landlord Indemnified Parties") from and against any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including, but not limited to, cleanup, removal, remediation and restoration costs, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees and court costs) which arise or result from the presence of Hazardous Materials on, in, under or about the Premises or the Building and which are caused or permitted by Tenant or any Tenant Parties. Tenant agrees to promptly notify Landlord of any release of Hazardous Materials at the Premises, which Tenant becomes aware of during the Term of this Lease, whether caused by Tenant or any other persons or entities. In the event of any release of Hazardous Materials caused or permitted by Tenant or any Tenant Parties, Landlord shall have the right, but not the obligation, to cause Tenant to immediately take all steps Landlord deems necessary or appropriate to remediate such release and prevent any similar future release to the satisfaction of Landlord and Landlord's mortgagee(s). Landlord confirm represents that, following due inquiry, it has no knowledge as of the date of this Lease of the existence of any Hazardous Materials existing at the Building in violation of applicable laws, rules or regulations.

Landlord agrees to promptly notify, indemnify, protect, defend and hold harmless Tenant and Tenant's partners, officers, directors, employees, agents, successors and assigns (collectively, "Tenant Indemnified Parties") from and against any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including, but not limited to, cleanup, removal, remediation and restoration costs, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees and court costs) which arise or result from the presence of Hazardous Materials on, in, under or about the Premises

or the Building and which were caused or permitted by Landlord, prior to the Initial Term.

9. **Notices.** Any notice required or permitted to be given under this Lease must, be in writing and sent via email, regular mail and certified mail to the following addresses:

To Landlord:With Copy to:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] 07010
[REDACTED]

To Tenant:

With copies via email and mail (which such copies shall not satisfy the notice requirement) To:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

10. **Brokers.** The landlord has employed the services of a broker in connection with this transaction. The landlord shall bear all costs associated with the broker. Landlord shall indemnify, defend, and hold Tenant harmless with respect to any amounts due to or related to any broker, including reasonable attorneys' fees.

11. **Surrender / Holdover.** Tenant will not be permitted to hold over possession of the Premises after the expiration of lease that has not been renewed without the express written consent of Landlord, which consent Landlord may withhold in its sole and absolute discretion. If Tenant holds over after the expiration or earlier termination of the Term, Landlord may, at its option, treat Tenant as a tenant at sufferance only, and such continued occupancy by Tenant shall be subject to all of the terms, covenants and conditions of this Lease, so far as applicable, except that the rent for any such holdover period shall be equal to 110% of the Base Rent in effect under this Lease immediately prior to such

holdover, or market rent, whichever is greater, and in either case, prorated on a daily basis including any Operating Expenses. Acceptance by Landlord of rent after such expiration or earlier termination will not result in a renewal of this Lease. The provisions of this are in addition to and do not affect Landlord's right of re-entry or any rights of Landlord under this Lease or as otherwise provided by law. If Tenant fails to surrender the Premises upon the expiration of this Lease in accordance with the terms of this section despite demand to do so by Landlord, Tenant agrees to promptly indemnify, protect, defend and hold Landlord harmless from all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including reasonable attorneys' fees and costs), including, but not limited to, costs and expenses reasonably and actually incurred by Landlord in returning the Premises to the condition in which Tenant was to

surrender it.

12. **Liens.** Tenant agrees not to intentionally permit any tax liens, utility liens mechanic's, materialmen's or other liens to be filed against all or any part of the Premises, nor against Tenant's leasehold interest in the Premises, by reason of or in connection with any repairs, alterations, improvements or other work contracted for or undertaken by Tenant or any other act or omission of Tenant or Tenant's agents, employees, contractors, licensees or invitees. At Landlord's request, Tenant agrees to provide Landlord with enforceable, conditional and final lien releases (or other evidence reasonably requested by Landlord to demonstrate protection from liens) from all persons furnishing labor or materials at the Premises. Landlord will have the right at all reasonable times to post on the Premises and record any notices of non-responsibility which it deems necessary for protection from such liens. If any such liens are filed, Tenant will, at its sole cost, promptly cause such liens to be released of record or bonded so that it no longer affects title to the Premises. If Tenant fails to cause any such liens to be so released or bonded within twenty (20) days after the filing of such a lien, such failure will be deemed a material breach by Tenant under this Lease and, subject to reasonable notice and cure period, Landlord may, subject to applicable law, without waiving its rights and remedies based on such breach, and without releasing Tenant from any of its obligations, cause such liens to be released by any means it shall deem proper, including payment in satisfaction of the claims giving rise to such liens. To the extent the landlord elects to satisfy the above referenced lien, the amounts paid shall be deemed an operating expense that shall be due and payable within thirty (30) days of the landlord's demand.

13. **Entry by Landlord.** Subject to applicable law, including, without limitation, the New Jersey Cannabis Regulatory, Enforcement, Assistance and Marketplace Modernization Act (CREAMM) (P.L.2021, c.16) (A2 I) (the "Act"), the enabling regulations ("NJ Regulations") adopted by the CRC, (N.J.A.C. 17:30) (collectively, the "NJ Cannabis Laws"); Revised General Ordinances of the Township of West Orange ("Local Laws"); and any future rules and regulations ("Future Regulations") that may be promulgated under the NJ Cannabis Laws or Local Laws, as the same may be revised, amended, updated, or superseded from time-to-time, Landlord and its employees and agents will at all times have the right to enter the Premises to inspect the Premises, to show the Premises to lenders, investors or prospective purchasers, , to repair the Premises as permitted or required by this Lease. In exercising such entry rights, Landlord will endeavor to minimize, as reasonably practicable, interference with Tenant's business, and will provide Tenant with reasonable advance notice (no less than 48 hours) of any such entry (except in emergency situations). Landlord may, in order to carry out such purposes, erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed. Landlord will at all times have and retain a key with which to unlock all doors in the Premises, excluding Tenant's vaults and safes or any restricted access areas, as may be required by the NJ Cannabis Laws or local

laws. Subject to the NJ Cannabis Laws and Local Laws, Landlord will have the right to use any and all means which Landlord may reasonably deem proper to open such doors in an emergency in order to obtain entry to the Premises. Any entry to the Premises obtained by Landlord by any of such means, or otherwise, will not be construed or deemed to be a forcible or unlawful entry into the Premises, or an eviction of Tenant from the

Premises. If the tenant fails to exercise its right to renew the lease during its first or second term, subject to the NJ Cannabis Laws and Local Laws, the landlord shall have the right to show the demised premises to prospective tenants during the last thirty days of each term. Landlord agrees and acknowledges that any visitor to the demised premises during the Initial Term or any Renewal Term, including the Landlord, must be accompanied by an escort with a cannabis business identification card at all times.

14. Right of First Refusal. If the landlord seeks to sell the demised premises during the pendency of Initial or any Renewal Term, it shall provide the tenant with written notice of its intention to sale the property. The tenant shall then have the exclusive right to purchase the demised Premises at the then-fair market value (as determined by an appraiser mutually acceptable to the parties) and a right of first refusal to purchase the property. In order to exercise its right of first refusal, the tenant must agree to equal any amount offered by a good faith purchaser. The tenant must provide a deposit equaling 10% of the purchase price within ten (10) days of being notified in writing of the good faith offer. The deposit shall be held in the trust account of the landlord's attorney. The tenant must then close title to the property within thirty days of being notified of the good faith offer.

15. Due Diligence Period. Tenant shall have one month from the Effective Date within which to conduct environmental and other reasonable due diligence with respect to the demised premises. During this environmental due diligence period, it is agreed and understood that the tenant shall be responsible for adequately securing and protecting the general public from injury and harm caused by the tenant's due diligence efforts and tenant shall secure such locations in a proper manner to accomplish same. To the extent environmental or other material issues are discovered at the property, the tenant may cancel this lease without penalty, provided this right is exercised during the due diligence period. To the extent the tenant proceeds with the lease agreement, the tenant shall have the sole obligation of satisfying all legal requirements of any governmental entity having jurisdiction concerning remedial action. The landlord and tenant understand and agree that the landlord shall be under no obligation to mitigate any environmental contamination at the subject property. **If the tenant fails to cancel this agreement at any time during the due diligence period the first term of the lease will become effective upon the day that immediately follows expiration of the Due Diligence Period.**

16. Destruction of Property. If the Premises are damaged by fire or other casualty to an extent not exceeding 25% of the full replacement cost of the Premises, and Landlord's contractor (reasonably acceptable to Tenant) reasonably estimates in a writing delivered to Landlord and Tenant that the damage to the Premises may be repaired, reconstructed or restored to substantially its condition immediately prior to such damage within ninety (90) days from the date of such casualty, and Landlord will

receive insurance proceeds sufficient to cover the costs of such repairs, reconstruction and restoration (including proceeds from Tenant or Tenant's insurance) to Tenant's reasonable satisfaction, then Landlord agrees to

commence and proceed diligently with the work of repair, reconstruction and restoration. The lease will recommence when the work is complete and certificate of occupancy and/or its functional equivalent is issued.

Any damage or destruction to the Premises which Landlord is not obligated to repair pursuant to the preceding paragraph will be deemed a substantial destruction. In the event of a substantial destruction, Tenant may elect that Landlord either: (i) repair, reconstruct and restore the portion of the Premises damaged by such casualty, in which case Tenant may decide that the Lease will continue in full force and effect once the repairs are complete; or (ii) terminate this Lease effective the date of notification.

Tenant shall be relieved of its obligation to pay rent to the extent it is unable to operate during any period of repair. Except for abatement of rent for Tenant as here provided, neither Party will be entitled to any compensation or damages for loss of, or interference with, its respective business or use or access of all or any part of the Premises or for lost profits, or any other consequential damages of any kind, which result from any such damage, repair, reconstruction or restoration.

17. Takings / Condemnation. If any portion of the floor area of the Building, or any percentage of the land area of the Premises which is not occupied by the Building, is taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, then Tenant will have the right to terminate this Lease effective as of the date possession is required to be surrendered to such authority.

If more than 50% of the floor area of the Building, or 50% of the land area of the Premises which is not occupied by the Building, is taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, then either party will have the right to terminate this Lease effective as of the date possession is required to be surrendered to such authority.

Without limiting the foregoing, Landlord represents and warrants that it has no knowledge of any taking or condemnation proceeding, actual, planned, or threatened, with respect to the Premises.

In connection with any taking of all or any portion of the Premises, Landlord will be entitled to receive the entire amount of any award which may be made or given in such taking or condemnation, without deduction or apportionment for any estate or interest of Tenant, it being agreed by Tenant that no portion of any such award will be allowed or paid to Tenant for any so-called bonus or excess value of this Lease, and such bonus or excess value will be the sole property of Landlord. Tenant agrees not to assert any claim against Landlord or the taking authority for any compensation because of such taking (including any claim for bonus or excess value of this Lease); provided, however, if any portion of the Premises is taken, Tenant will have the right to recover from the condemning authority (but not from Landlord unless included in the award to Landlord) any compensation as may be separately awarded or recoverable by Tenant for the taking of Tenant's furniture, fixtures, equipment and other personal property within the Premises, for Tenant's relocation expenses, and for any other damage to Tenant's business by reason of such taking.

18. Subordination. Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, and at the election of Landlord or any mortgagee or beneficiary with a deed of trust encumbering the Premises, or any lessor of a ground or underlying lease with respect to the Premises, this Lease will be subject and subordinate at all times to: (i) all ground leases or underlying leases which may now exist or later be executed affecting the Premises; and (ii) the lien of any mortgage or deed of trust which may now exist or later be executed for which the Premises, or Landlord's interest and estate in any of such items, is specified as security. Notwithstanding the foregoing, Landlord reserves the right to subordinate any such ground leases or underlying leases or any such liens to this Lease, provided, however, that, notwithstanding anything else set forth herein, Landlord represents and warrants that, entry into this Lease will not result in the default of any other instrument to which Landlord is a party, including, without limitation, any mortgage. If any such ground lease or underlying lease terminates for any reason or any such mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, at the election of Landlord's successor in interest, Tenant agrees to attorn to and become the tenant of such successor, in which event Tenant's right to possession of the Premises will not be disturbed as long as Tenant is not in default under this Lease. Tenant waives its rights under any law which gives or purports to give Tenant any right to terminate or otherwise adversely affect this Lease and the obligations of Tenant under this Lease in the event of any such foreclosure proceeding or sale. Tenant agrees to execute and deliver, upon demand by Landlord and in the form reasonably required by Landlord, any additional documents evidencing the priority or subordination of this Lease and Tenant's attornment

agreement with respect to any such ground lease or underlying leases or the lien of any such mortgage or deed of trust if such subordination agreement includes a non-disturbance provision. If Tenant fails to sign and return any such documents within 30 days of receipt, Tenant will be in default under this Lease.

19. Easements. Landlord reserves to itself the right, from time to time, to grant such easements, rights and dedications that Landlord deems necessary or desirable, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Tenant. Tenant shall sign any of such documents upon request of Landlord and failure to do so shall constitute a material breach of this Lease.

20. Waiver. The waiver by either party of any breach of any term, covenant or condition of this Lease will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition of this Lease, nor will any custom or practice which may develop between the parties in the administration of the terms of this Lease be deemed a waiver of or in any way affect the right of either party to insist upon performance in strict accordance with such terms. The subsequent acceptance of rent or any other payment under this Lease by Landlord will not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No acceptance by Landlord of a lesser sum than the basic rent and additional rent or other sum then due will be deemed to be other than on account of the earliest installment of such rent or other amount due, nor will any endorsement or statement on any check or any letter accompanying any check be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or other amount or pursue any other remedy provided in this Lease. The consent or approval of Landlord to or of any act by Tenant requiring Landlord's consent or approval will not be deemed to waive or render unnecessary Landlord's consent or approval to or of any subsequent similar acts by Tenant.

21. Exterior Signage. Subject to the approval of all applicable governmental and quasi-governmental entities and applicable covenants, conditions and restrictions, and subject to all Legal Requirements and the terms of this Lease, Landlord grants Tenant the right to install and maintain one exterior sign on top of the Building bearing Tenant's name (the "Exterior Signage"). The design, size, specifications, graphics, materials, manner of

affixing, exact location, colors and lighting (if applicable) of the Exterior Signage shall be (i) consistent with the quality and appearance of the Building, and (ii) subject to the approval of all applicable governmental authorities, and Landlord's approval (which shall not be unreasonably withheld, conditioned or delayed). Tenant shall install, maintain and repair the Exterior Signage at Tenant's sole cost and expense.

22. Limitation on Liability. In consideration of the benefits accruing under this Lease, each Party on behalf of itself and all successors and assigns of such Party agrees that, in the event of any actual or alleged failure, breach or default under this Lease by the other Party: (a) such Party's recourse against the other Party for monetary damages will be limited to, with respect to Landlord, Landlord's interest in the Premises including, subject to the prior rights of any Mortgagee, Landlord's interest in the rents of the Premises and any insurance proceeds payable to Landlord and with respect to Tenant, Tenant's interest in its business, accounts receivable, and any insurance proceeds payable to Tenant; (b) except as may be necessary to secure jurisdiction of the other Party, no member or partner of the other Party shall be sued or named as a party in any suit or action and no service of process shall be made against any member or partner of such other Party; (c) no member or partner of such other Party shall be required to answer or otherwise plead to any service of process; (d) no judgment will be taken against any member or partner of such other Party and any judgment taken against any member or partner of such other Party may be vacated and set aside at any time after the fact; (e) no writ of execution will be levied against the assets of any member or partner of such other Party; (f) the obligations under this Lease do not constitute personal obligations of the individual members, partners, directors, officers or shareholders of either Party, and neither Party shall seek recourse against the individual members, partners, directors, officers or shareholders of the other Party or any of their personal assets for satisfaction of any liability in respect to this Lease; and (g) these covenants and agreements are enforceable both by each Party and also by any member or partner of each Party.

Governing Law; Good Faith Negotiation - Mediation. This Lease shall be governed by and construed solely pursuant to the laws of New Jersey, without giving effect to its choice of law principles. If a dispute arises out of or relates to this Lease, or the alleged breach thereof, and if the dispute is not settled through good faith negotiation between the parties, the parties agree first to try in good faith to settle the dispute by mediation within 30 days administered under the JAMS Comprehensive Rules and Procedures, before resorting to litigation or some other dispute resolution procedure. In the event that parties are unable to agree on a mediator, a mediator shall be appointed in accordance with such rules.

23. Binding Effect. Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease

shall be binding upon and shall inure to the benefit of the parties to this Lease and their respective heirs, personal representatives, successors and assigns.

24. Entire Agreement. This Lease with its incorporated exhibits, riders and attachments constitutes and is intended by the parties to be a final, complete and exclusive statement of their entire agreement with respect to the subject matter of this Lease. This

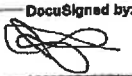
Lease supersedes any and all prior and contemporaneous agreements and understandings of any kind relating to the subject matter of this Lease, including, without limitation that certain Letter of Intent between the Parties dated May 14, 2022. There are no other agreements, understandings, representations, warranties, or statements, either oral or in written form, concerning the subject matter of this Lease. No alteration, modification, amendment or interpretation of this Lease shall be binding on the parties unless contained in a writing which is signed by both parties.

25. Severability. The provisions of this Lease shall be considered severable such that if any provision or part of this Lease is ever held to be invalid, void or illegal under any law or ruling, all remaining provisions of this Lease shall remain in full force and effect to the maximum extent permitted by law and the parties shall negotiate in good faith, to reform and replace the invalid, void, or illegal provision with a new provision that effectuates the original intent of the parties, as closely as possible.

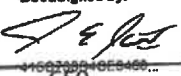
26. Non-Disclosure of Lease Terms. Each Party acknowledges and agrees that the terms of this Lease are confidential. Disclosure of the terms could adversely affect the ability of either Party to negotiate other commercial transactions. Accordingly, each Party agrees that it, and its partners, officers, directors, employees, agents and attorneys, shall not intentionally and voluntarily disclose the terms and conditions of this Lease to any newspaper, publication, or other news media or any other tenant or apparent prospective tenant of the Building or other portion of the Premises, or real estate agent, either directly or indirectly, without the prior written consent of the other Party; provided, however, that Tenant may disclose the terms to prospective subtenants or assignees under this Lease, or in order to satisfy any compliance obligations under the NJ Cannabis Laws, Local Laws, or any other applicable law.

27. Interest. To the extent operating expenses, additional rent and/or any funds remain due to the landlord for a period in excess of thirty (30) days following Tenant's receipt of written notice of default thereof, simple interest will be applied to the outstanding amount due at a rate of [REDACTED] per annum, until the entire outstanding amount due is paid.

LANDLORD

DocuSigned by:

By: _____
Title: CEO
Date: 12/12/2023

TENANT

DocuSigned by:

By: _____
Title: CEO
Date: 12/12/2023

