

received
7-7-23
MIP



**Archuleta County
Local Licensing Authority**
398 Lewis Street
P.O. Box 1507
Pagosa Springs, CO 81147
(970) 264-8401

APPLICATION FOR MARIJUANA BUSINESS

- NEW LICENSE
- MODIFICATION

LICENSE RENEWAL

A SEPARATE LICENSE APPLICATION IS REQUIRED FOR EACH LICENSE TYPE

Medical Center License	Retail Center License
Medical Center and Cultivation License	Retail Optional Premises Cultivation License
Medical Marijuana-Infused Product Manufacturer	Retail Store and Cultivation License
	<input checked="" type="checkbox"/> Retail Marijuana-Infused Product Manufacturer

Applicant is applying as:

Documents to be submitted by type of entity:

Corporation*	<input type="checkbox"/> Certificate of Incorporation
Partnership*	<input type="checkbox"/> Partnership agreement <input type="checkbox"/> Husband and Wife Partnership (no written agreement)
Limited Liability Company*	<input type="checkbox"/> Articles of Organization <input type="checkbox"/> Operating Agreement
Sole Proprietorship**	
Other:	Attach copy of agreements creating association or relationship between the parties.

*Certificate of Good Standing or Statement of Trade Named filed with the Colorado Secretary of State

**Sole Proprietorship (Individual) requires Verification of Lawful Presence per State Law (Signed Affidavit and Photo ID)

BUSINESS INFORMATION			
Applicant's Legal Business Name/Trade Name (DBA) San Juan Strains, Inc		12 Digit Parcel ID Number 569909202009	Zone District Cloman Industrial Park
Street Address of Business 95 Industrial Circle		Business Phone Number (970) 731-2719	
Mailing Address PO Box 3163	City Pagosa Springs	State CO	Zip 81147
PRIMARY CONTACT PERSON			
Primary Contact Person for Business James Diffey	Primary Contact Phone Number (970) 731-2719	Primary Contact Cell Number	
Primary Contact Email Address Jay @ SanJuanStrains.com			
Primary Contact Address	City Pagosa Springs	State CO	Zip 81147
STATE MARIJUANA LICENSE NUMBERS			
Medical Marijuana Center Number: _____			
Retail Marijuana Center Number: _____			
Medical Optional Premises Cultivation Number: _____			
Retail Optional Premises Cultivation Number: _____			
Medical Infused Products Number: _____			
Retail Infused Products Number: 404R-00445			

Does the Applicant, as listed on Page 1 of this application, have legal possession of the premises for at least 1 year from the date that this license will be issued by virtue of ownership, lease or other arrangement?		Yes	No
		X	
<input type="checkbox"/> Own	<input checked="" type="checkbox"/> Lease	<input type="checkbox"/> Other	
If leased, list the name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease			
Landlord	Tenant	Expires	
95 Industrial circle, LLC.	Sun Juan Strains	8-30-23	
Does the Applicant propose to have food for retail sale at this location?		Yes	No
			✓
If yes, describe the items:			

For the Retail Marijuana Optional Premises Cultivation facilities, do you perform cold water extractions?	Yes	No
	✓	
For the Retail Marijuana Infused Product Manufacturer facilities, what type(s) of extraction do you perform?		
<input type="checkbox"/> Butane <input type="checkbox"/> Propane <input type="checkbox"/> Carbon Dioxide <input type="checkbox"/> Ethanol <input type="checkbox"/> None <input type="checkbox"/> Isopropanol <input type="checkbox"/> Acetone <input type="checkbox"/> Heptane <input type="checkbox"/> Other: <u>Heat / Pressure solventless</u>		

CHANGE TRADE NAME OR CORPORATE NAME/STRUCTURE

<input type="checkbox"/> Change of Trade Name / DBA only (attach the following supporting documents) <ol style="list-style-type: none"> Statement of Trade Name filed with the Secretary of State. 	
<input type="checkbox"/> Corporate Name/Structure Change (attach the following supporting documents) <ol style="list-style-type: none"> Certificate of Amendment filed with the Secretary of State, or Statement of Change filed with the Secretary of State, Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement, <u>and</u> Operating Agreement. 	
Old Trade Name	New Trade Name

MODIFICATION OF PREMISES

Note: Licensees may not modify or add to their licensed premises until approved by State and Local Authority

Describe change proposed:

N/A

Is the proposed change in compliance with local building codes and zoning regulations?	Yes	No
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Attach the following supporting documents:

- A floor plan of the current licensed premises, drawn to scale on 8-1/2 x 14" or 11x17" paper, showing the layout of the dispensary and the principal uses of the floor area including a depiction of where any services other than the dispensing of marijuana are proposed to occur on the licensed premises. The plan must also indicate separation of those areas open to non-patrons, and the location of the steel or solid wood door and any safes as well as any doors or windows.
 - Lease that is revised due to the modification.
 - Planning/Zone Confirmation Form
 - Building Code Confirmation Form
 - Fire Code Confirmation Form
 - San Juan Basin Health Department Approval
- N/A

All Applicants for a Retail and/or Medical Marijuana Business Establishment in Archuleta County are responsible for understanding Archuleta County Ordinance Numbers 11-2013 and 13-2015, enabling the operation of certain operations pursuant to and consistent with Article XVII, Section 14 of the Colorado Constitution and all other applicable State laws.

I declare, under penalty of perjury, that this application has been examined by me; that the statements made herein are made in good faith and, to the best of my knowledge and belief, are true, correct and complete.

Applicant Signature 	Applicant Title OWNER	Date 7-7-23
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Received By Mhelminski	Title Exec Asst	Date 7-7-23
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OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

San Juan Strains, Inc.

is a

Corporation

formed or registered on 08/27/2015 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20151558530 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 07/06/2023 that have been posted, and by documents delivered to this office electronically through 07/07/2023 @ 12:25:11 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 07/07/2023 @ 12:25:11 in accordance with applicable law. This certificate is assigned Confirmation Number 15128386 .



Jena Griswold

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

Colorado Commercial Lease Agreement

This Commercial Lease Agreement ("Lease") is made and effective January 1, 2023, by and between 95 Industrial Circle Investment, LLC ("Landlord") and San Juan Strains, Inc. ("Tenant").

Landlord is the owner of land and improvements commonly known and numbered as 95 Industrial Circle, Pagosa Springs, Colorado, 81147, and legally described as follows: CLOMAN IND PARK PH 1 Lot:16 CIP 1 Sec. 9 Twn:35 Rng: 2W PLAT #442. (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning January 1, 2023, and ending December 31, 2023.

2. Rental.

A. Fixed Minimum Rent - Tenant shall pay to the office of Landlord during the Initial Term rental of _____ per year, payable in installments of _____ per month. Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at _____ Road, Pagosa Springs, Colorado, 81147, or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Both Landlord and Tenant acknowledge that the premises will be used for marijuana cultivation of all kinds.

4. Sublease and Assignment.

Tenant shall have the right without Landlord's consent, to assign this Lease to a corporation with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets. Except as set forth above, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, including major mechanical systems, lighting systems, etc.

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6. Construction, Alteration, Relocation and Financing of Improvements

A. Landlord's Obligation. Landlord agrees to cause to be constructed, those items agreed to between Tenant and Landlord. Landlord has agreed to purchase and update lighting system and costs are reflected in this updated lease.

B. Tenants Obligation. Tenant agrees at Tenant's sole cost and expense to provide all work (except Landlord's Work) of whatsoever nature that is necessary to complete the Leased Premises and open the Leased Premises for business. Tenant agrees to furnish Landlord with a complete and detailed set of plans and specifications. Tenant's Work shall be subject to approval in writing by Landlord using reasonable discretion.

7. Property Taxes, Insurance, and Snow Removal.

Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased Premises, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased Premises as well as the other expenses listed above. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased Premises.

8. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

9. Utilities.

Tenant shall pay all utilities.

10. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission

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from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Building or in reasonable proximity thereto, for Tenant and Tenant's agents and employees.

13. Building Rules.

Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing. The initial rules for the Building are attached hereto as Exhibit "A" and incorporated herein for all purposes.

14. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

15. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated

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by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

16. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

17. Condemnation.

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

18. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion.

19. Security Deposit.

N/A

20. Brokers.

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

21. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

22. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

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23. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

24. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

25. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

26. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

27. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

28. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

29. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Colorado.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.



Colorado Commercial Lease Agreement

95 Industrial Circle Investments, LLC Managing Partner

James Diffey

San Juan Strains, Inc., CGO

Signature: 
James Diffey (Nov 2, 2022 09:22 MDT)

Email: jay@sanjuanstrains.com