

**SUBLEASE AGREEMENT**

THIS SUBLEASE AGREEMENT is made on the date last below signed between Nordic Real Estate, LLC, an Alaska limited liability company organized and existing under the laws of the State of Alaska, whose mailing address is P.O. Box 1975, Petersburg, Alaska 99833, hereinafter referred to as the "Sublessor" or "Lessee", and Dean A. Roundtree, Elena G. Roundtree, and Ariel Mary Roundtree, whose mailing address is P.O. Box 454, Petersburg, Alaska 99833, hereinafter referred to as the "Sublessee(s)", and consented to by the Petersburg Borough, P.O. Box 329, Petersburg, Alaska 99833, hereinafter referred to as the "Lessor" or the "Borough." Sublessor and Sublessee(s) are collectively referred to herein as "the parties".

**RECITALS**

WHEREAS, Nordic Real Estate, LLC is the Lessee under a Lease Agreement (hereinafter "the Lease Agreement") by and between the Petersburg Borough and Nordic Real Estate LLC, incorporated herein by reference and attached hereto as Exhibit A. The Lease Agreement was recorded on May 21, 2025 in the Petersburg Recording District as Document No. 2025-000245-0; and

WHEREAS, the real property subject to the Lease is described as follows:

Lot 4A, Block 222, Skylark II Subdivision, according to Plat 90-14, located in the Petersburg Recording District, State of Alaska ("the demised premises"); and

WHEREAS, Sublessee(s) desires to sublease a portion of the demised premises from Sublessor for the purpose of a walkway to Sublessee(s)' residence, located at 1109 S Nordic Drive, and Sublessor agrees to the Sublease; and

WHEREAS, Section 9.2 of the Lease Agreement requires the consent and approval of Lessor to any sublease, and Lessor wishes to consent to this Sublease Agreement, under the terms and conditions set out herein.

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties agree as follows:

**ARTICLE 1 - Demise and Description of Subleased Premises**

Section 1.1: Demise and Description. Sublessor hereby subleases to Sublessee(s) a portion of the demised premises described as follows:

Commencing at the northwest corner of lot 4A of block 222 of the Revised Skylark II Subdivision, Plat No. 90-14, Petersburg Recording District, which shall also be designated as corner 1 and the Point of Beginning of the Roundtree Sublease Lease Parcel, thence S 42°52'00" E a distance of 99.00' to corner 2 of the Roundtree Sublease Lease Parcel, thence N 43°45'30" E a distance of 9.00' to corner 3 of the Roundtree Sublease Lease Parcel, thence N 42°52'00" W a distance of 99.00' to

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corner 4 of the Roundtree Sublease Lease Parcel, thence S 43°45'30" W a distance of 9.00' to corner 1 of the Roundtree Sublease Lease Parcel and the Point of Beginning ("the subleased premises").

Section 1.2: Lease Agreement. In addition to the provisions of this Sublease Agreement, Sublessee(s), as to the subleased premises, agrees to be bound by and comply with all of the conditions, obligations and liabilities of Lessee set forth in the Lease Agreement, including without limitation the obligation to maintain the insurance required under the Lease.

Section 1.3: Ongoing Responsibilities of Sublessor. Sublessor shall continue to remain fully liable to Lessor for all conditions, obligations and liabilities of Lessee under the Lease Agreement for the demised premises, including the subleased premises.

**ARTICLE 2 - Term of Sublease**

Section 2.1: Term. The term of this Sublease Agreement shall commence on October 6, 2025, and end at midnight on April 20, 2026, unless sooner terminated under the terms of this Sublease Agreement.

Section 2.2: Termination of Lease Agreement terminates this Sublease. Sublessee agrees that if the Lease Agreement is terminated for any reason, this Sublease Agreement will terminate as of the same date.

Section 2.3: Renewal Request. Sublessee(s) may request that this Sublease Agreement be renewed for one four (4) term, commencing April 21, 2026 and ending April 20, 2030, and three (3) subsequent additional terms of five (5) years each, through April 20, 2045, provided that at the time of each renewal the Lease Agreement remains in full force and effect, both the Borough and the Sublessor agree to the renewal, and Sublessee(s) is not then in default under the terms of this Sublease Agreement.

**ARTICLE 3 – Sublease Rent**

Section 3.1: Rent; plus Proportionate Share of Real Property Taxes. Sublessee(s) shall pay to Sublessor rent in the amount of \$625.33 for the initial term of this Sublease beginning October 6, 2025 and ending April 20, 2026. This amount is due upon execution of this Sublease. If this Sublease is renewed, commencing April 21, 2026 and for each year of this Sublease Agreement through April 20, 2030, the annual rental shall equal \$625.33, due on April 21 of each year.

In the event that this sublease is further renewed and extended under Section 2.3, the rent shall be calculated based on the percentage of area that the subleased premises bears to the total demised premises. As of the execution of this Sublease, the subleased premises represents 20.57% of the demised premises. Accordingly, for any renewal term, the Sublessee(s)' annual rent shall equal 20.57% of the rent due by Sublessor to Lessor under the Lease Agreement, due on April 21 of each year.

In addition, beginning with tax year 2026, Sublessee(s) shall pay to Sublessor a proportionate share of the Borough real property taxes due each year on the Sublessor's leasehold interest in the

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demised premises. As of the execution of this Sublease, the subleased premises represents 20.57% of the demised premises; accordingly, Sublessee(s) shall pay to Sublessor 20.57% of the real property taxes levied annually on Sublessor's leasehold interest in the demised premises. On or before July 31 of each year, Sublessor shall notify Sublessee(s) of the amount of the real property taxes due for that year. The tax payment due shall be paid by Sublessee(s) to Sublessor on or before September 1 of each year.

Section 3.2: Penalty/Interest on Delinquent Payments. Any payment due under this Sublease shall be deemed in default and delinquent if not paid within fifteen (15) days of the due date, or, if no due date is specified herein, within fifteen (15) days of tender of the applicable bill or invoice. The sum of \$100, or interest at the annual rate of eight percent (8%) on the delinquent payment, whichever is greater, shall be assessed on any delinquent payment. Additionally, the Sublessee(s) shall be responsible to Sublessor for any returned check fees or other charges incurred by Sublessor as to any check or other form of payment of Sublessee(s) on which the bank or other financial institution refuses payment.

Section 3.3: Payment of Rent and Other Sums to Lessor. In the event that Lessor notifies Sublessee(s) of a default in payment of rent by Sublessor under the Lease Agreement and requests Sublessee(s) pay its rent and all other sums due under the Sublease to Lessor, Sublessee(s) shall pay such sums directly to Lessor.

### **ARTICLE 4 - Use of Subleased Premises**

Section 4.1: Use of Premises; Abandonment. The subleased premises shall be used solely as the existing walkway to the residence of Sublessee(s). No additional improvements or structures may be installed on the subleased premises. Any substantial abandonment or cessation of use by Sublessee(s) for two (2) consecutive years, will, in the Sublessor's discretion, constitute grounds for termination of this Sublease.

Section 4.2: Uses Prohibited. This Sublease grants to Sublessee(s) only the surface use of the subleased premises. Sublessee(s) shall not use, or permit the subleased premises or any part thereof, to be used, for any purpose or purposes other than the purpose or purposes for which the premises are hereby subleased; and no use shall be made or permitted to be made of the subleased premises, or acts done, which may be considered hazardous on account of fire or otherwise. Any use not authorized by this Sublease shall constitute a trespass against the Sublessor and considered a breach of this Sublease. No fuel storage shall be allowed on the subleased premises.

### **ARTICLE 5 - No Assignment or Subletting of Subleased Premises**

Section 5.1: Assignment. Sublessee(s) may not assign this Sublease.

Section 5.2: Subletting. Sublessee(s) may not sublease the subleased premises or any part thereof.

**ARTICLE 6 - Default and Remedies**

**Section 6.1: Default/Breach.** Each of the following shall be deemed a default by Sublessee(s) and a breach of this Sublease:

- (a) Sublessee(s) shall fail to pay any installment of rent or perform any other obligation hereunder involving the payment of money on the date the same is due.
- (b) Sublessee(s) shall fail to comply with any term, provision, requirement, or covenant of this Sublease.
- (c) Sublessee(s) shall desert or vacate or shall commence to desert or vacate the subleased premises or any substantial portion thereof or shall remove or attempt to remove, without the prior, written consent of Sublessor, all or a substantial portion of Sublessee(s)' improvements on the subleased premises.

**Section 6.2: Default Remedies.** If Sublessee(s) defaults hereunder, and the default continues for thirty (30) calendar days after service of written notice by Sublessor, without complete remedy of the default, Sublessor shall take such action as is necessary to protect its rights and best interests, including the exercise of any and all rights after default permitted by this Sublease. No improvements may be removed by Sublessee(s) or any other person during any time Sublessee(s) is in default under this Sublease. If the default consists of a failure to obtain the required insurance, or creates a health or safety concern, the Sublessor may immediately suspend Sublessee(s)' activities and operations on the subleased premises.

**Section 6.3: Rights upon Default after Notice.** After notice has been given and the default remains uncorrected for a period of thirty (30) days, Sublessor, in addition to any rights and remedies that Sublessor possesses by statute, common law or otherwise, may, without limitation, do one or more of the following:

- (a) Reenter the subleased premises and take possession of and remove all persons and property from the same, without liability for any damage or injury therefor, either by summary proceedings, suitable action at law, or other legal means, provided that any entry or reentry, possession, repossession or dispossession by Sublessor, whether taken by summary proceedings or otherwise, shall not be deemed to absolve, relieve, release, or discharge Sublessee(s), either in whole or in part, for the monetary liability under this Sublease;
- (b) Declare the Sublease terminated and the term ended;
- (c) Collect any and all rents due or to become due from Sublessee(s) or other occupants of the demised premises;
- (d) Recover from Sublessee(s) the following items of damage:
  - (1) Actual attorney's fees and other expenses reasonably incurred by reason of the breach or default by Sublessee(s),

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- (2) The cost of performing any term, provision, requirement, or covenant on the Sublessee(s)' part to be performed,
- (3) Interest at the maximum allowable rate on all amounts owing to Sublessor from the date due until payment thereof in full,
- (4) An amount equal to all rents due for the remainder of the term without reduction for anything other than the amount in fact received on resubleasing of the premises, and
- (5) Obtain specific performance of this Sublease.

Section 6.4: Remedies Cumulative/Obligations Survive. The remedies of Sublessor hereunder shall be deemed cumulative and not exclusive of each other. All obligations of the Sublessee(s) set forth in this Sublease survive expiration or earlier termination of this Sublease.

### **ARTICLE 7 - Termination and Holding Over**

Section 7.1: Redelivery of Premises. Sublessee(s) shall, at the expiration or sooner termination of this Sublease, peaceably and quietly quit and surrender to Sublessor the subleased premises in as good a state and condition as the premises were at the commencement of the term, excepting normal wear and tear. Sublessee(s) shall also remove, with no injury to the demised premises, the walkway installed by Sublessee(s) on the premises.

At the election of the Sublessor, upon expiration or sooner termination of this Sublease, improvements remaining on the subleased premises may revert to, and be considered the property of, Sublessor, or may be removed and/or destroyed by Sublessor, at the expense of Sublessee(s).

Section 7.2: Termination by Mutual Agreement, Due to Unlawful Purpose, or Upon Notice. This Sublease may be terminated in whole or in part, at any time, (a) upon mutual written agreement of Sublessee(s) and the Sublessor, (b) by the Lessor, acting alone, if the subleased premises are used for any unlawful purpose, or (c) by Sublessor, without cause, upon one (1) year's written notice to Sublessee(s).

Section 7.3: Reentry by Sublessor. In the event the Sublease is terminated, or in the event that the subleased premises, or any part thereof, are abandoned by Sublessee(s) during the term of this Sublease, Sublessor or its agents, employees or representatives, may, immediately or at any time thereafter, reenter and resume possession of said subleased premises or such part thereof, and remove all persons and property therefrom, either by summary proceedings, a suitable action or proceeding at law, or other legal means, without being liable for any damages or injury therefor. No reentry by Sublessor shall be deemed an acceptance of a surrender of the Sublease.

Section 7.4: Forfeiture of Rental Upon Termination. In the event that this Sublease shall be terminated because of any breach of Sublessee(s), the annual rental payment last made by Sublessee(s) shall be retained by Sublessor and the Sublessor may demand from Sublessee(s) the amount equal to all rents due for the remainder of the term.

Section 7.5: Holding Over. Upon failure of Sublessee(s) to surrender possession of the subleased premises and remove Sublessee(s)' improvement at the expiration or earlier termination of this Sublease, and during any period of holding over, Sublessee(s) shall be responsible for payment for

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the annual rental payment calculated on a monthly pro rata basis. Sublessee(s) shall acquire no additional rights to, or interest in, the subleased premises by holding-over after expiration or earlier termination of this Sublease, and shall be subject to action, including legal action, by Sublessor to require the surrender of the premises. All terms of this Sublease Agreement shall apply during the hold-over period. The receipt by Sublessor of any rent or any other sum of money after the expiration or earlier termination of the Sublease, including after the giving by Sublessor of any notice hereunder to effect surrender of the premises, shall not reinstate, continue or extend the resultant term herein demised, or in any manner impair the efficacy of, any notice or termination as may have been given by Sublessor to Sublessee(s) prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by Sublessor.

### **ARTICLE 8 - General Provisions**

Section 8.1: Disclaimer. Lessor's or Sublessor's consent to Sublessee(s)' use of the subleased premises hereunder shall not be construed as endorsing the use of the premises for the purposes proposed by Sublessee(s) and Lessor and Sublessor disclaim any such express or implied endorsement.

Section 8.2: Notices. Any notice or demand, which under the terms of this Sublease must be given or made by the parties hereto, shall be in writing and shall be given or made by hand-delivery or by certified mail, return receipt requested, addressed to the other party at the address of record, designated as follows:

(a) Sublessor:

Nordic Real Estate, LLC  
Attn: Sarah or Randal Holmgrain  
Physical address: 24 Halvoy Lane  
Mailing address: P. O. Box 1844  
Petersburg, Alaska 99833

(b) Sublessee(s):

Dean A. Roundtree, Elena G. Roundtree, and Ariel Mary Roundtree  
Physical address: 1109 South Nordic Drive  
Mailing address: PO Box 454  
Petersburg, AK 99833

Either party may designate in writing another address to which such notice or demand shall hereafter be given. If given by certified mail, notice given under this provision shall be deemed delivered three (3) days after same is deposited into an appropriate receptacle of the United States Postal Service.

Section 8.3: Inspection and Condition of Premises. Neither Lessor nor Sublessor make any representations or express or implied warranties regarding the subleased premises. Sublessee(s)

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acknowledges that it has been given unlimited opportunity to inspect the subleased premises and accepts said premises “as is, where is,” in its present condition. The Lessor and Sublessor assume no liability whatsoever regarding the condition, quality, profitability, or fitness for a particular use, of the subleased premises, including without limitation the environmental and physical aspects of the premises (including the soil conditions, water drainage, access, and natural or artificial hazards that may exist), and any applicable statutory or other warranty is expressly disclaimed by Lessor and Sublessor and waived by Sublessee(s). The Sublessee(s) represents that Sublessee(s) has inspected the subleased premises and any improvements located thereon, or has voluntarily declined to do so, and has adequately determined that same is suitable for the use intended, and accepts all risks, obvious or hidden, arising from possession, occupation and use.

Section 8.4: Non-Waiver. No failure on the part of Lessor or Sublessor to enforce any covenant or provision herein contained, nor any waiver of any right hereunder by Lessor or Sublessor, unless in writing and signed by the parties sought to be bound, shall discharge or invalidate such covenant or provision or affect the right of Lessor or Sublessor to enforce the same in the event of any subsequent breach or default. The receipt of rent by Sublessor with knowledge of any breach of the Sublease by Sublessee(s) or any default on the part of Sublessee(s) in observance or performance of any of the conditions or covenants of this Sublease shall not be deemed to be a waiver of any provision of this Sublease.

Section 8.5: Responsibility/Indemnification. Sublessee(s) agrees to assume full control and responsibility for all activities and operations on or connected with this Sublease. Sublessee(s) shall defend, indemnify, and save harmless Lessor and Sublessor from and against,

(a) any and all losses, damages, liabilities, expenses, claims and demands of whatsoever kind or character, direct or indirect, including attorney fees and costs, arising out of or in any way connected with this Sublease or Sublessee(s)' use or occupancy of the subleased premises, or Sublessee(s)' operations, activities and improvements thereon;

(b) any fire or accident on the subleased premises;

(c) any nuisance made or suffered on the subleased premises; and

(d) any failure of the Sublessee(s) to keep the subleased premises in a safe and lawful condition, consistent with all applicable laws, regulations, ordinances, statutes, and orders.

Section 8.6: Integration. This Sublease sets forth all the covenants, terms, conditions, and understandings between the parties hereto, and there shall be no covenants, terms, conditions, or understandings, either oral or written, between them other than as herein set forth.

Section 8.7: Amendments or Modification. This Sublease may not be amended or modified orally or in any manner other than by an agreement in writing signed by both parties and approved by the Petersburg Borough Assembly.

Section 8.8: Recording of Sublease. At the request of Lessor, Sublessor shall record this Sublease at Sublessor's own expense.

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Section 8.9: Attorney's Fees. If Sublessor institutes any action to recover any payment due under this Sublease, or on account of any breach of this Sublease, or to recover possession of the subleased premises, Sublessor shall be entitled to recover its actual attorney's fees and all costs and expenses reasonably incurred by it in connection with such action and on any appeal therefrom.

Section 8.10: Severability of Terms. The invalidity or unenforceability of any provision(s) of this agreement shall not affect or impair any other provisions.

Section 8.11: Joint and Several Liability of Sublessee(s). Each named Sublessee is jointly and severally liable for the conditions, obligations and liabilities of the Sublessee(s) hereunder.

Section 8.12: Effect of Headings. The captions, section headings and numbers, and article headings and numbers in this Sublease are inserted only as a matter of convenience and in no way define, limit, or describe the scope or intent of the sections or articles of this agreement, nor in any way affect the agreement.

Section 8.13: Governing Law/Jurisdiction. This Sublease shall be governed by, construed, and enforced in accordance with the laws of the State of Alaska. The parties consent to the jurisdiction of the courts of the State of Alaska located in Petersburg, Alaska.

Section 8.14: Interpretation. Both parties have had the full and complete opportunity to seek the advice and assistance of counsel in connection with the execution of this Sublease, and no rule favoring the interpretation of a written document urged by the non-drafting party shall apply in the event a dispute arises hereunder.

Section 8.15: Counterparts. This Sublease may be executed in counterparts and such counterparts exchanged by email transmission. Each such counterpart shall be deemed original, but all counterparts shall constitute one and the same agreement.

Section 8.16: Inspections. The Lessor and Sublessor shall have, upon twenty-four (24) hours' notice, except in case of emergency, access to the subleased premises and any improvements thereon for purposes of inspection. The Sublessee(s) may be charged fees by Lessor or Sublessor for routine inspections of the subleased premises, inspections concerning potential non-compliance, and a final close-out inspection.

Section 8.17: Time of the Essence. Time is of the essence in all provisions of this Sublease.

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IN WITNESS WHEREOF Nordic Real Estate, LLC, as Sublessor, and Dean A. Roundtree, Elena G. Roundtree, and Ariel Mary Roundtree, as Sublessee(s), having authority to execute this Sublease, have hereunto set their respective hands, agreeing to keep, observe and perform all the terms, conditions and provisions herein contained or attached.

SUBLESSOR:  
NORDIC REAL ESTATE, LLC

\_\_\_\_\_  
By: Sarah Holmgrain  
Its: Managing Member  
Dated: \_\_\_\_\_

STATE OF ALASKA                    )  
  ) ss.  
FIRST JUDICIAL DISTRICT    )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2025, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Sarah Holmgrain, to me known to be the Managing Member of Nordic Real Estate, LLC, who executed the above and foregoing instrument, and acknowledged to me that she signed said instrument on behalf of said entity as her free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS My Hand and Official Seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for the State of Alaska  
My commission expires: \_\_\_\_\_

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SUBLESSEE(S):  
DEAN A. ROUNDTREE  
ELENA G. ROUNDTREE  
ARIEL MARY ROUNDTREE

\_\_\_\_\_  
Dean A. Roundtree

Dated: \_\_\_\_\_

\_\_\_\_\_  
Elena G. Roundtree

Dated: \_\_\_\_\_

\_\_\_\_\_  
Ariel Mary Roundtree

Dated: \_\_\_\_\_

STATE OF ALASKA                    )  
  ) ss.  
FIRST JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2025, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Dean A. Roundtree**, to me known to be the individual who executed the above and foregoing instrument, and acknowledged to me that he signed this instrument as his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS My Hand and Official Seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for the State of Alaska  
My commission expires: \_\_\_\_\_

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STATE OF ALASKA                    )  
  ) ss.  
FIRST JUDICIAL DISTRICT         )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2025, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Elena G. Roundtree**, to me known to be the individual who executed the above and foregoing instrument, and acknowledged to me that she signed this instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS My Hand and Official Seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for the State of Alaska  
My commission expires: \_\_\_\_\_

STATE OF ALASKA                    )  
  ) ss.  
FIRST JUDICIAL DISTRICT         )

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2025, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Ariel Mary Roundtree**, to me known to be the individual who executed the above and foregoing instrument, and acknowledged to me that she signed this instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS My Hand and Official Seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for the State of Alaska  
My commission expires: \_\_\_\_\_

