COMMERCIAL LEASE AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of March, 2025, by and between:

Landlord (Lessor):
Dean and Patricia Scibold
P.O. Box 1010
Delta Junction, AK 99737
deanscibold@protonmail.com
(907) 388-4211

Tenant (Lessee):
DBD Holdings, LLC
P.O. Box 217
Delta Junction, AK 99737
deltablazersbuds@gmail.com
(907) 750-1164 or (503) 956-9618

Collectively, the Landlord and Tenant shall be referred to herein as the "Parties."

1. **Property Description.** The Landlord agrees to lease to the Tenant the following described real property: Mile 284 Richardson Highway, Delta Junction, AK 99737, which is more particularly described as:

> Lot Two (2), Section Seven (7), Township Eight South (T8S), Range Nine East (R9E), Fairbanks Recording District, State of Alaska. The lot is adjacent to and accessed through a permitted commercial driveway located at Mile 284 Richardson Highway in Shaw Creek Flats, approximately 18 miles north of the City of Delta Junction, Alaska.

The foregoing is hereinafter referred to as the "Premises."

2. **Use of Lease Premises.** The Landlord is leasing the Premises to the Tenant and the Tenant is hereby agreeing to lease the Premises for the following use and purpose: Retail Marijuana Store. Landlord acknowledges this is the intended use of the Premises, but also hereby approves any additional, lawful, use of the Premises by Tenant, including but not limited to: retail store operations, warehouse storage, tenant security, residential use, highway frontage, storefront retail business.

Landlord PS /Landlord
Tenant

3. **Lease Term.** The term of this Lease shall be for a period of two (2) years commencing on the 6 day of March, 2025, and expiring at midnight on the 6 day of March, 2027 ("Initial Term").

4. **Rent.** The net rental payment for the Initial Term shall be Nineteen Thousand Two Hundred Dollars ($19,000.00) ("Base Rent"), payable as a lump sum, with such payment due upon the commencement of the Lease. Rental payment for any period during the term hereon, which is for less than one (1) month shall be a pro-rata portion of the monthly rent.

5. **Option to Renew.** Tenant has the right to renew the Lease with a total of three (3) renewal periods with each term being two (2) years which may be exercised by giving written notice to Landlord no less than 60 days prior to the expiration of the Lease or renewal period. Rent for each renewal period shall increase by multiplying the Base Rent by the annual change in the Consumer Price Index (CPI) published by the Bureau of Labor Statistics by the most recent publication to the option period start date. The rental payment(s), as increased as set forth above, due from Tenant to Landlord under any renewal period shall be payable by Tenant, in Tenant's sole discretion, as a lump sum payment, due at the time Tenant provides notice of exercising its renewal option, or by equal monthly installment payments, with the first such payment due upon the commencement of the renewal period and each monthly installment payment payable thereafter on or before the 5th day of each month. Rental payment for any period during the term hereon, which is for less than one (1) month shall be a pro-rata portion of the monthly rent.

6. Maintenance; Repairs; Expenses. It is the intention of the Parties that this Lease shall be considered a "Triple Net Lease". Accordingly:

a. Operating Expenses. The Landlord shall have no obligation to provide any services, perform any acts, or pay expenses, charges, obligations or costs of any kind whatsoever with respect to the Premises. The Tenant hereby agrees to pay one hundred percent (100%) of all Operating Expenses as hereafter defined for the entire term of the Lease and any extensions thereof in accordance with specific provisions hereinafter set forth.

b. Taxes. Tenant shall pay, during the term of this Lease, the real estate taxes including any special taxes or assessments (collectively, the "taxes") attributable to the Premises and accruing during such term. Taxes for any fractional calendar year during the term hereof shall be prorated.

c. Insurance. Tenant shall maintain, at all times during the term of this Lease, comprehensive commercial liability and property insurance from an insurance company licensed to do business in the State of Alaska, protecting and insuring Tenant. Tenant shall name Landlord as an additional insured.

Landlord _____ /Landlord _____
Tenant _____

7. **Security Deposit.** Tenant shall pay a security deposit of $1,000 ("Security Deposit") in cash or bond to cover property damages and liability concerns. The Security Deposit shall be due and payable in advance or at the signing of this Lease. The Security Deposit shall be held in escrow by the Landlord in a separate, interest-bearing account as security for the faithful performance of the terms and conditions of the Lease. The Security Deposit shall be returned to Tenant at the end of the lease term if no damages or liabilities occur.

8. **Improvements.** Tenant is authorized to make any improvements to the Premises that Tenant, in its sole discretion, deems prudent and necessary for business operations, provided that any such improvements are made only in accordance with applicable federal, state or local codes, ordinances or regulations, are environmentally sound, and do not interfere with Landlord's access to the Premises. Any such improvements shall the sole expense of Tenant, and Tenant shall be entitled, but not required, to remove such improvements if deemed, in Tenant's sole discretion, prudent and advisable.

9. **Termination of Lease.** This Lease may be terminated by the Parties under the following conditions:

a. The lease may be terminated at any time by mutual agreement between Tenant and Landlord.

b. Landlord may terminate the lease upon 30 days' notice to Tenant of an alleged violation of this Lease and providing Tenant with at least 15 days within which Tenant may cure any alleged violations. If Tenant cures the alleged violations, Landlord may not terminate the Lease.

c. Tenant, upon 60 days' notice to Landlord, may terminate the Lease if:

   i. Landlord fails to provide necessary documentation to Tenant upon request and at least 10 business days within which to provide the requested documentation;

   ii. Tenant is unable to obtain full licensure, permitting, and/or zoning approvals, the need for same being at the Tenant's sole discretion;

   iii. Tenant determines, in its sole discretion, that the market conditions, legal landscape, or investor issues prevent further business operations; or

   iv. Environmental or zoning issues arise that, in Tenant's sole discretion, impact ongoing business feasibility.

Landlord /Landlord
Tenant

10. **Default and Remedies.** In the event that the Tenant fails to pay said rent, and expenses as set forth herein, or any part thereof, when the same are due and payable, or otherwise be in default of any other terms of said Lease for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Parties shall seek to mutually negotiate a resolution and, if unsuccessful, submit the dispute to mediation. The Parties agree that completion of the foregoing two steps is a condition precedent to initiating legal action. Any legal action taken shall be deemed to include seeking any such relief as provided for under Alaska law.

11. **Sublet/Assignment.** The Tenant may not transfer or assign this Lease, or any right or interest hereunder or sublet said lease Premises or any part thereof without first obtaining the prior written consent and approval of Landlord.

12. **Confidentiality.** The terms of this Lease, including the financial terms, are confidential. However, the Parties agree that this Lease, as well as its terms, may be disclosed by Tenant, without consent of Landlord, if disclosure is necessary for business operations, including but not limited to licensure by the State of Alaska.

13. **Usage by Tenant.** Tenant must comply with all applicable local, state, and federal laws governing use of the Premises. Tenant is permitted to install any signage it deems necessary without prior consent of Landlord.

14. **Governing Law.** This Lease shall be governed by the laws of the State of Alaska. Any proceeding related to this Lease shall be filed in the State of Alaska, Fourth Judicial District, and such venue is agreed to be the exclusive venue of any legal proceeding.

15. **Notices.** Any notice required or permitted to be given under this Lease shall be in writing, shall specifically refer to this Lease, and shall be addressed to the appropriate Party at the address specified above, on page 1, and shall be deemed to have been given for all purposes (a)when received, if hand-delivered or sent by a reputable courier service, or (b) five (5) business days after mailing, if mailed by first class certified or registered airmail, postage prepaid, return receipt requested.

16. **Binding Effect.** This Lease and any amendments thereto shall be binding upon the Landlord and the Tenant and/or their respective successors, heirs, assigns, executors, and administrators.

[SIGNATURES OF PARTIES APPEAR ON FOLLOWING PAGE]

[REMAINDER OF PAGE INTENTIONALLY BLANK]

Landlord /Landlord
Tenant

Landlord _____/Landlord
Tenant _____

IN WITNESS WHEREOF, the parties hereto set their hands and seal this 6 day of March, 2025.

LANDLORD (Lessor):

DEAN SEIBOLD

PATRICIA SEIBOLD

STATE OF ALASKA)
) ss
FOURTH JUDICIAL DISTRICT)

This instrument was acknowledged before me on this 6 day of March, 2025, by Dean Seibold and Patricia Seibold.

Notary Public
ROSEMARIE BRENNAN
State of Alaska
My Commission Expires 04/19/2028

Rosemarie Brennan
Notary Public – State of Alaska
Commission Expires: 04/19/2028

TENANT (Lessee):
DBD Holdings, LLC

By: Tim Clark

Name: Tim Clark

Its: Owner

Benjamin J. Sloan
Owner

STATE OF ALASKA)
) ss
FOURTH JUDICIAL DISTRICT)

This instrument was acknowledged before me on this 6 day of March, 2025, by Rosemarie Brennan, who confirmed he is the Owners of DBD Holdings, LLC.

Notary Public
ROSEMARIE BRENNAN
State of Alaska
My Commission Expires 04/19/2028

Rosemarie Brennan
Notary Public – State of Alaska
Commission Expires: 04/19/2028

Landlord DS /Landlord
Tenant BJS