OPTION AND LEASE AGREEMENT

THIS AGREEMENT, made this 28th day of April, 2016 between Polar Bear Properties, LLC (Jim Rafuse) (the "LESSOR") and Dankorage, LLC (Craig M. Aglietti and Lily Bosshart) (the "TENANT").

PROPERTY

The Property for which the tenant desires to obtain an option to lease is a retail building of 1920 square feet located in Anchorage, AK at 2812 Spenard Road, including parking lot, all plumbing electrical, sewage, heating, air conditioning, and other utilities and fixtures.

OPTION

NOW THEREFORE, in consideration of the sum of Seventeen Thousand Seven Hundred Sixty Dollars ($17,760) (the "Option Money"), to be paid by TENANT to LESSOR upon TENANT's execution of this Agreement, LESSOR hereby grants to TENANT the exclusive right and option (the "Option") to lease the Property in accordance with the terms and conditions set forth herein.

OPTION PERIOD. The Option may be exercised at any time on or prior to_____ October 1, 2016 (the "Option Period"). If TENANT fails to exercise the Option within the Option Period, the Option shall terminate, all rights and privileges granted hereunder shall be deemed completely surrendered. LESSOR shall retain all money paid for the Option, and no additional money shall be payable by either party to the other. LESSOR agrees that during the Option Period or any extension thereof, or during the term of this Agreement if the Option is exercised, LESSOR shall not impose or consent to any restriction that would prevent or limit TENANT from using the Property for the uses intended by TENANT as hereinafter set forth in this Agreement.

TRANSFER OF OPTION. The Option may not be sold, assigned, or transferred at any time by TENANT without the written consent of LESSOR, unless to another legal entity wholly owned by DANKORAGE, LLC or the principles themselves.

FIRST RIGHT OF REFUSAL. If LESSOR decides to sell the Property during the Option Period or during the term of the Lease Agreement if the Option is exercised, LESSOR shall immediately notify TENANT in writing and shall grant TENANT first right of refusal to any possible sale of Property. LESSOR agrees to disclose this option to any such potential purchasers and acknowledges that the property is encumbered by the option.

IMPROVEMENTS. TENANT shall have the right to make improvements to the Property during the Option Period with verbal approval of the LESSOR, which shall not be unreasonably withheld.

TITLE. LESSOR warrants that LESSOR is seized of good and marketable title to the Property and has the full power and authority to enter into and execute this Agreement. LESSOR further warrants that there are no deeds to secure debt, mortgages, liens, judgments, restrictive covenants, or other encumbrances on the title to the Property that would prevent TENANT from using the Property for the uses intended by TENANT as hereinafter set forth in this Agreement.

RIGHT OF POSSESSION. LESSOR shall permit TENANT or TENANT's employees, agents and contractors during the Option Period free ingress and egress to the Property by TENANT or its employees, agents, and contractors to occupy the premises and to make changes in preparation for conducting business on site. TENANT and its employees, agents and contractors shall have the right to bring the necessary vehicles and equipment onto the Property and TENANT shall indemnify and hold LESSOR harmless against any loss or damage for personal injury or physical damage to the Property.

GOVERNMENTAL APPROVALS. TENANT's ability to use the Property is contingent upon its obtaining all certificates, permits licenses and other approvals that may be required by any governmental authorities. TENANT will perform all other acts and bear all expenses associated with any procedure necessary to obtain any certificate, permit, license, or approval for the Property deemed necessary by TENANT. LESSOR acknowledges that this includes securing a retail marijuana sales license.

LESSOR agrees not to register any written or verbal opposition to any such procedures.

UTILITY SERVICES. During the Option Period and during the term of the Lease Agreement if the Option is exercised, TENANT shall be responsible for charges for all utilities to the PROPERTY, including electricity, gas, water/sewer, and waste disposal. TENANT will be responsible for grounds maintenance, including snow removal.

MAINTENANCE & REPAIR. During the Option and during the term of the Lease Agreement, The LESSOR shall keep the building's foundation, outer walls, roof, electrical, plumbing and heating systems in good repair, except that LESSOR shall not be liable for any repairs occasioned by the acts of TENANT, its agents or employees.

INSURANCE. During the Option, the TENANTS shall maintain in effect a policy or policies of insurance: a) covering its personal property located on the Property and TENANT's improvements to the Leased Property paid for and installed by TENANT, providing protection against any peril included under insurance industry practices within the classification "fire and extended coverage," providing protection as deemed desirable by TENANT with respect to its personal property and to the full insurable value of its TENANT improvements paid for by TENANT; and b) Commercial General Liability insurance with minimum limits of $1,000,000 for injury to or death of one or more persons in any one occurrence and $1,000,000 for damage to or destruction of properties in any one occurrence. TENANT shall name the LESSOR as an additional insured as its interest may appear in regards to the aforementioned policies and shall furnish LESSOR with a certificate of insurance upon request by the LESSOR.

EXERCISE OF OPTION. TENANT shall exercise the Option by written notice to LESSOR. The notice shall be deemed effective on the date it is received by hand or posted by mail. On and after the date of such notice, this Agreement shall also constitute a lease agreement between LESSOR and TENANT on the following terms and conditions:

LEASE AGREEMENT

I. LEASE OF PROPERTY. LESSOR hereby leases to TENANT the Property, which lease includes the grant of a nonexclusive right and easement during the term of this Agreement for ingress and egress, seven (7) days a week, twenty-four (24) hours a day.

2. INITIAL TERM AND RENTAL. This Agreement shall be for an initial term of four (4) years beginning on the date the Option is exercised by TENANT at an monthly rental of Five thousand seven hundred sixty Dollars ($5,760) to be paid on the first day of each month during the term to LESSOR or to such other person, firm or place as the LESSOR designates in this agreement. There shall be a grace period of ten days. If TENANT fails to pay rent by the tenth of the month, TENANT shall incur a late fee of One hundred dollars ($100). The monthly rental fee shall increase on an annual basis. The second year of the lease, which will begin October 1, 2017, the monthly rent will be Five thousand eight hundred sixty dollars (5,860). The third year, which will begin October 1, 2018, the rent will increase to Five thousand nine hundred sixty dollars ($5960). And the fourth year, which will begin October 1, 2019, the rent shall increase to Six thousand sixty dollars (6,060). If the Option is exercised, TENANT shall make a payment, due October 1, 2016, of the monthly rent for the first and twelfth months of the term of this Agreement, a sum to equal Eleven thousand five hundred twenty Dollars ($11,520). One half of that initial payment ($5760) shall be a security deposit, which shall be refunded to the TENANT when TENANT vacates the PROPERTY, provided the PROPERTY has not been left in disrepair or damaged and that no rents are due.

3. EXTENSION OF TERM. At the end of the 4 year term of this agreement, TENANT shall have the option to extend the term of this Agreement. At that time, should Tenant desire to extend the terms of the lease, TENANT and LESSOR will renegotiate the cost of the lease. LESSOR will not charge TENANT an unreasonable or above market rate for like commercial retail properties. The annual rental for the extended terms shall be payable in the same manner as the annual rental for the initial term.

4. TAXES. LESSOR shall pay all real property taxes levied against the Property on or before the date such taxes become delinquent.

5. INSURANCE. TENANT shall, at its sole cost and expense, at all times during the term of this Lease maintain in effect a policy or policies of insurance: a) covering its personal property located on the Leased Property and TENANT's improvements to the Leased Property paid for and installed by TENANT, providing protection against any peril included under

insurance industry practices within the classification "fire and extended coverage," providing protection as deemed desirable by TENANT with respect to its personal property and to the full insurable value of its TENANT improvements paid for by TENANT; and b) Commercial General Liability insurance with minimum limits of $1,000,000 for injury to or death of one or more persons in any one occurrence and $1,000,000 for damage to or destruction of properties in any one occurrence. TENANT shall name the LESSOR as an additional insured as its interest may appear in regards to the aforementioned policies and shall furnish LESSOR with a certificate of insurance upon request by the LESSOR.

6. INDEMNIFICATION. TENANT shall indemnify and hold LESSOR harmless against any liability or loss from personal injury or property damage resulting from or arising out of the use and occupancy of the Property by TENANT or its employees or agents, excepting, however, such liabilities and losses as may be due to or caused by the acts, omissions or negligence of LESSOR, its employees, agents or contractors.

7. SALE OF PROPERTY. Should LESSOR, at any time during the initial or any extended term of this Agreement, decide to sell the Property, TENANT shall have first right of refusal.

8. This Agreement may not be sold, assigned or transferred without the written consent of LESSOR.

9. CONDEMNATION. If the whole of the Property, or such portion thereof as will make the Property unusable for the purposes herein leased, is condemned by any legally constituted public authority, then this Agreement, and the term hereby granted, shall cease from the time when possession thereof is taken by the public authority, and rental shall be accounted for as between LESSOR and TENANT as of that date.

10. OPPORTUNITY TO CURE. If TENANT should fail to pay any rental or other amounts payable under this Agreement when due, or if TENANT should fail to perform any other of the covenants, terms or conditions of this Agreement prior to exercising any rights or remedies against TENANT on account thereof, LESSOR shall first provide TENANT with written notice of the failure and provide TENANT with a thirty (30) day period to cure such failure (if the failure is a failure to pay rental or any other sum of money under this Agreement) or a sixty (60) day period to cure such failure (if the failure is a failure to perform any other covenant, term, or condition of this Agreement). If the failure is not a failure to pay rental or any other sum of money hereunder but is not capable of being cured within a sixty (60) day period, TENANT shall be afforded a reasonable period of time to cure the failure provided that TENANT promptly commences curing the failure after the notice and prosecutes the cure to completion with due diligence.

11. NOTICES. Except as otherwise provided herein, any notices or demands which are required by law or under the terms of this Agreement shall be given or made by LESSOR or TENANT in writing and shall be given by hand delivery or sent via facsimile followed up by an

original hard copy or by certified or registered mail, and addressed to the respective parties set forth below. Such notices shall be deemed to have been given in the case of certified or registered mail when deposited in the United States mail with postage prepaid, every notice, demand, or request hereunder shall be sent to the addresses listed below:

If to LESSOR: 6906 Double Tree Ct.
Anchorage, Alaska 99507

For convenience, rent can be hand-delivered to
Anchorage House of Hobbies
2803 Spenard Road
Anchorage, Alaska 99503

If to TENANT: 4621 E. 115th Ave
Anchorage AK
99516

12. TERMINATION. TENANT, at its sole and absolute discretion, shall have the right to terminate this Lease with thirty (30) days prior written notice to LESSOR in the event the State of Alaska does not issue a retail license to do business or takes an unreasonable amount of time, outside expected timetables, to issue said license. Moreover, should any government body enforce or attempt to enforce a law or regulation which challenges the legality of retail marijuana sales, TENANT obligations under this lease are voided and no further rent is due. All payments made to that point are to be considered non-refundable, with the exception of the lease deposit which shall be returned to TENANT if TENANT has met all obligations outline in this lease agreement. Notwithstanding any other termination rights available to TENANT under this Lease, TENANT, at its sole and absolute discretion, shall have the right to terminate this Lease with ninety (90) days prior written notice to LESSOR and a lump sum payment to LESSOR in an amount equal to three (3) month's rent or the total of the remaining months of the term, whichever is less. The rental rate shall be computed at the rate which is in effect at the time of termination. Upon termination TENANT shall execute upon the request of the LESSOR a written cancellation of the lease upon the TENANT vacating the Property or upon termination of the lease, in recordable form and TENANT shall have no other further obligations, other than TENANT's obligation to remove its property as hereinafter provided.

13. REMOVAL OF IMPROVEMENTS. Title to all improvements constructed or installed by TENANT on the Property shall remain the property of TENANT, regardless of whether such improvements are attached or affixed to the Property. Furthermore, all improvements constructed or installed by TENANT shall be removable at the expiration or earlier termination of this lease or any renewal or extension thereof, provided TENANT shall not at such time be in default under any covenant or agreement contained in this lease. TENANT, upon termination of this Agreement, shall, within ninety (90) days, remove all improvements, fixtures and personal

property constructed or installed on the Property by TENANT and restore the property to its original above grade condition, reasonable wear and tear excepted. If such removal causes TENANT to remain on the Property after termination of this Agreement, TENANT shall pay rent at the then existing monthly rate, or on the existing monthly pro rata basis if based upon a longer payment term, until such time as the removal is completed. Should TENANT fail to remove property, fixtures, or improvements, TENANT shall be responsible for the cost of removing said property, fixtures, or improvements.

14. MISCELLANEOUS. This Agreement cannot be modified except by written modification executed by LESSOR and TENANT in the same manner as this Agreement is executed. The headings, captions and numbers in this Agreement are solely for convenience and shall not be considered in construing or interpreting any provision in this Agreement. Whenever appropriate in this Agreement, personal pronouns shall be deemed to include other genders and the singular to include the plural, if applicable. This Agreement contains all agreements, promises and understandings between the LESSOR and TENANT, and no verbal or oral agreements, promises, statements, assertions or representations by LESSOR and TENANT or any employees agents, contractors, or other representatives of either, shall be binding upon LESSOR or TENANT.

15. QUIET ENJOYMENT. LESSOR covenants that by paying the rental and performing the covenants, terms, and conditions required of TENANT contained herein, TENANT shall peaceably and quietly have, hold, and enjoy the Property and the leasehold estate granted to TENANT by virtue of this Agreement.

16. SECURITY INTEREST. It is the express intent of the parties to this Lease that LESSOR have no security interest whatsoever in any personal property of the TENANT whatsoever, and, to the extent that any applicable statute, code, or law interest, LESSOR does hereby expressly waive any rights thereto.

17. GOVERNING LAW. This Agreement shall be governed and interpreted by, and construed in accordance with, the laws of the State of Alaska.

18. LESSOR will give TENANT 48 hour notice to access the Property. TENANT must be present when LESSOR accesses the Property, except in the case of an emergency that puts any person or the Property at risk.

19. ATTORNEY'S FEES. In any proceeding which either party may prosecute to enforce its rights hereunder, the unsuccessful party shall pay all costs incurred by the prevailing party (as such parties are hereafter defined), including reasonable attorneys' fees.

POLAR BEAR PROPERTIES: Jim Rafuse

Jim G Rafuse

Date: 4-28-16

DANKORAGE,LLC CRAIG AGLIETTI Craig Aglietti, [illegible]

DANKORAGE,LLC LILY BOSSHART Lily Bosshart, Lily Bosshart

Date: 4-28-16