# LETTER OF INTENT TO LEASE

November 3, 2025

Landlord: Joseph Daniel Utrup
21635 Renault Street
Kasilof, Alaska 99610

Tenant: Smooth Like Butter, LLC
Attn: John Skurkey and Jacquelyn Skurkey
("Tenant")

Premises: 21635 Renault Street, Kasilof, Alaska 99610

1. **Purpose**

This Letter of Intent ("LOI") outlines the general terms and conditions under which the Tenant intends to lease, and the Landlord intends to lease to Tenant, the real property located at 21635 Renault Street, Kasilof, Alaska 99610 (the "Property") for purposes related to the lawful cultivation and concentrate manufacturing of marijuana under Alaska state law and the regulations of the Alcohol and Marijuana Control Office ("AMCO")

This LOI is intended as a statement of intent and shall form the basis for the preparation of a formal lease agreement.

2. **Term**

The lease term shall commence upon execution of the formal lease agreement and shall continue until the earlier of:

a. The effective date of the license transfer of Marijuana License #32350 by AMCO to Smooth Like Butter, LLC or its authorized designee; or
b. The closing of the purchase and sale transaction transferring ownership of the Property from Joseph Daniel Utrup to Smooth Like Butter, LLC or its entity officials, John and Jacquelyn Skurkey.

Upon either of these events, this letter of intent shall automatically terminate without further action by either party.



AMCO Received 11.10.25

3. **Use of Premises**

The Premises shall be used exclusively for lawful marijuana-related business activities permitted under Alaska Statutes Title 17 and 3 AAC 306, and for other uses directly incidental thereto. The Tenant shall comply with all applicable state and local laws, AMCO regulations, and local governing requirements related to licensed marijuana operations.

4. **Rent and Payments**

The rent amount, payment schedule, and any other financial terms shall be negotiated in good faith and memorialized in the final lease agreement. Pending finalization, any occupancy or use of the Premises shall be at a mutually agreed interim rate or consideration.

5. **Maintenance and Utilities**

Tenant shall be responsible for maintaining the Property in good order during the term, ordinary wear and tear excepted. Utilities and operating costs shall be borne by the Tenant unless otherwise provided in the final lease agreement.

6. **Good Faith and Exclusivity**

Both parties agree to negotiate in good faith to prepare and execute a mutually acceptable lease agreement reflecting the terms herein. During this negotiation period, the Landlord agrees not to lease or sell the Property to any other party without the written consent of the Tenant.

7. **Binding and Non-Binding Provisions**

Except for this section and any confidentiality or exclusivity obligations, this LOI is non-binding and serves only to outline the parties' mutual intent to enter into a lease. Binding obligations shall arise only upon execution of a formal lease agreement.

8. **Governing Law**

This Letter of Intent and any subsequent lease shall be governed by and construed in accordance with the laws of the State of Alaska.

*Signature page to follow:*



AMCO Received 11.10.25

Landlord:

Joseph Daniel Utrup

Tenant: Smooth Like Butter, LLC

John Skurkey
Its Manager/Member

Jacquelyn Skurkey
Its Manager/Member



AMCO Received 11.10.25