Return Address:

Land Title Company of Skagit County 2801 Commercial Ave. Anacortes, WA 98221

> Kathy Hill, Skagit County Auditor 8:58:16AM 8/13/1999 Page

LAND TITLE COMPANY OF SKAGIT COUNTY

DOCUMENT TITLE(S) (for transactions contained therein): 1. BUREAU OF INDIAN AFFAIRS - LEASE 3. Reference Number(s) of Documents assigned or released: (on page of document(s)) n/a Grantor(s) 1. U. S. DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN AFFAIRS 3. Additional Names on page of document. Grantee(s) Boal Form Fyrian Tax 1. JOSEPH E. NELLES AUG 1 3 1999 2. DENNIS SINCLAIR Amount Paid 6 4. Additional Names on page of document. Legal Description (abbreviated i.e. lot, block, plat or section, township, range) Lot 6 MORRIS DAN WATERFRONT TRACTS Additional legal is on page 1 of document. Assessor's Property Tax Parcel/Account Number The Auditor/Recorder will rely on information provided on the form. The staff will not read the document verfiy the accuracy or completeness of the indexing information provided herein.

Real Prop. Mgmt.
__ Ten. & Mgmt.

U.S. DEPARTMENT OF THE INTERIOR

PUDEAU OF INDIAN AFFAIRS

199908130005
Kathy Hill, Skagit County Auditor
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LEASE

13/1999 Page 2 of 6 8:58:16AM		Swinomish George
	Allotmen	t No. Swinomish 34
Bond: \$1,050.00	Lease No.	7 0 3 4
Western Washington Indian		Alt
Western Washington Indian	Agency Confract	No
THIS CONTRACT, made and entered into this	16th day of June	AD 10 75
by and between the Indian or Indians named below nereinafter called the "lessor," and Joseph E.	(the Secretary of the Interior act Nelles and Dennis Sincl	ing for and on behalf of the Indians)
320 Melro		
Seattle, I	A_98102	of
here	24	randrina ya sa Silama wakee ka da waxa
aw and the regulations (25 CFR 131) which by ref WITNESSETH, That for and in consideration tereby lets and leases unto the lessee the land and p	rence are made a part hereof. f the rents, covenants, and agree	nents hereinafter provided, the lessor
TAR C AS AN ARMADA DA GA)//Q	
Lot 6 of the Morris Dan Waterfront	Fracts within Gov't. Lo	t 1 sec. 34,
T. 34 N., R. 2 E., Willamette Meric	ian Wachington	
##VX.MFF.4%c. 2. HFF. WIII difference Meric	ran, washington	~ ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~
ontaining lot acres, more or less, for the to	erm of 25 years,/beginning	
recreational		
The lessee, in consideration of the foregoing, cov	nants and agrees, as rental for th	e land and premises to pay.
T O—	DATE DUE	AMOUNT
BUREAU OF INDIAN AFFAIRS		\$1,050.00 per annum,
	each successive anniver	
	or the lease.	on the 10th and 20th waar of the lease.
	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	wedi or the tease.
NOTE: It has been determined that	leasing this tract will	in no way cause any
significant impact on the surroundi		
In the event of the death of any of the owners	the second secon	
entals remaining due and payable shall be paid to t		
eased premises. This provision is applicable only v		T 7 T T T T T T T T T T T T T T T T T T
While the leased premises are in trust or restri		

lessee, suspend the direct rental payment provisions of this lease in which event the rentals shall be paid to the official of the

Bureau of Indian Affairs having jurisdiction over the leased premises.

This lease is subject to the following provisions:

- 1. "SECRETARY" as used herein means the Secretary of the Interior or his authorized representative.
- 2. IMPROVEMENTS.—Unless otherwise provided herein it is understood and agreed that any buildings or other improvements placed upon the said land by the lessee become the property of the lessor upon termination or expiration of this lease.
- 3. UNLAWFUL CONDUCT.—The lessee agrees that he will not use or cause to be used any part of said premises for any unlawful conduct or purpose.
- 4. SUBLEASES AND ASSIGNMENTS.—Unless otherwise provided herein, a sublease, assignment or amendment of this lease may be made only with the approval of the Secretary and the written consent of all parties to this lease, including the surety or sureties.
- 5. INTEREST.—It is understood and agreed between the parties hereto that, if any installment of rental is not paid within 30 days after becoming due, interest at the rate of 6 percent per annum will become due and payable from the date such rental became due and will run until said rental is paid.
- 6. RELINQUISHMENT OF SUPERVISION BY THE SECRETARY.—Nothing contained in this lease shall operate to delay or prevent a termination of Federal trust responsibilities with respect to the land by the issuance of a fee patent or otherwise during the term of the lease; however, such termination shall not serve to abrogate the lease. The owners of the land and the lessee and his surety or sureties shall be notified by the Secretary of any such change in the status of the land.
- 7. RENTAL ADJUSTMENT.—The rental provisions in all leases which are granted for a term of more than five years and which are not based primarily on percentages of income produced by the land shall be subject to review and adjustment by the Secretary at not less than five-year in-

tervals in accordance with the regulations in 25 CFR 131. Such review shall give consideration to the economic conditions at the time, exclusive of improvement or development required by this contract or the contribution value of such improvements.

- 8. INTEREST OF MEMBER OF CONGRESS.—No Member of, or Delegate to, Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise herefrom, but this provision shall not be construed to extend to this contract if made with a corporation or company for its general benefit.
- 9. VIOLATIONS OF LEASE.—It is understood and agreed that violations of this lease shall be acted upon in accordance with the regulations in 25 CFR 131.
- 10. ASSENT NOT WAIVER OF FUTURE BREACH OF COVENANTS.—No assent, express or implied, to any breach of any of the lessee's covenants, shall be deemed to be a waiver of any succeeding breach of any covenants.
- 11. UPON WHOM BINDING.—It is understood and agreed that the covenants and agreements hereinbefore mentioned shall extend to and be binding upon the heirs, assigns, successors, executors, and administrators of the parties of this lease. While the leased premises are in trust or restricted status, all of the lessee's obligations under this lease, and the obligations of its sureties, are to the United States as well as to the owner of the land.
- 12. APPROVAL.—It is further understood and agreed between the parties hereto that this lease shall be valid and binding only after approval by the Secretary.
- 13. ADDITIONS.—Prior to execution of this lease, provision(s) number(s) 14, 15, 16, 17, 18,

19. 20.21.22.2 has (have) been added hereto and by reference is (are) made a part hereof. as shown on attached supplemental

sheets 1 and 2.

Bureau of Indian Affairs, Portland, Oregon APPBOYED: pursuant to authority redelegated to the Area Director by the Commissioner of Indian Affairs in 10 BIAM 3, (dated January 20, 1975).

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Area Director

Date

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14./ It is understood and agreed that this lease is subject to existing and future rights-of-way granted by the Lessor.

15./ It is understood and agreed that the Lessee shall submit to the Superintendent for approval, before construction of any improvements on the leased premises, plans and specifications for the proposed improvements, that construct tion, according to the approved plans shall commence within one (1) year from lease approval.

16./ It is understood and agreed that it shall be the Lessee's responsibility to ascertain that any improvements, including landscaping, constructed on the leased premises are within the lot boundary lines. In the event the Lessee violates this provision, he shall be liable for all costs incurred in moving

said improvements.

17./ It is understood and agreed that any improvements owned by the Lessee may be removed by him at any time within sixty (60) days after the expiration or termination of this lease. In the event the improvements are not removed within the specified sixty (60) day period, they shall become the property of the Lessor. The Lessee shall restore the premises to the same condition as that existing at the time of entering upon the same under this lease, reasonable and ordinary wear and tear and damages by the elements or by circumstances over which the Lessee has no control excepted. It is further understood and agreed that if the Superintendent finds there is damage to the Lessors property, once this lease expires; the Lessee is obligated to pay such amount as appraised by the Superintendent. 18./ It is a condition of this lease that the Lessee shall faithfully comply with all ordinances or resolutions, as approved by the Secretary of the Interior, enacted by the tribal governing body of the particular reservation, relating to

the use of the above described premises.

19./ Liens, Taxes, Assessments, Utility Charges-Lessee shall not permit to be enforced against the leased premises or any part thereof, any liens arising from any work performed, materials furnished, or obligations incurred by Lessee, and Lessee shall discharge or post bond against all such liens before any action is brought to enforce same. Lessee shall pay, when and as the same become due and payable, all taxes, assessments, licenses, fees and other like charges levied during the term of this lease upon or against the leased land, all interests therein and property thereon. Lessee shall also promptly pay all taxes, assessments, license fees and other like charges levied against the Lessee by the Tribe during the term of this lease. Upon written request, the Lessee shall furnish to the Secretary written evidence, duly certified, that any and all taxes required to be paid by Lessee have been paid, satisfied, or otherwise discharged. Lessee shall have the right to contest any claim, asserted tax, or assessment against the property by posting bond to prevent enforcement of any lien resulting therefrom, and Lessee agrees to protect and hold harmless the Lessor, the Secretary, and the leased premises and all interests therein and improvements thereon from any and all claims, taxes, assessments and like charges and from any lien therefore or sale or other proceedings to enforce payment thereof, and all costs in connection therewith. Lessor shall execute and file any appropriate documents with reference to real estate tax exemption of the land when requested by Lessee. Lessee shall hold harmless the Lessor for all charges for water, sewage, gas, electricity, telephone, and other utility services supplied to said premises as they become due. 20./ It is understood and agreed that this lease includes beach privileges, for recreational uses only and no improvements shall be built upon the tidelands without the written permission of the Swinomish Tribe. There is reserved to the Swinomish Indian Tribal Community, and to its members, the right to use or cross said tidelands at any time. The Lessee does not have the right to dig clams or harvest oysters on the tidelands.

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## SUPPLEMENTAL SHEET NO. 2 - Lease 7034

This lease may be renewed at the option of the Lessee for a further term of not to exceed twenty-five years, commencing at the expiration of the original term upon the same conditions and terms as in effect at the expiration of the original term, provided that notice of the exercise of such option shall be given by the Lessee to the Lessor and the Superintendent, in writing, at least sixty (60) days prior to the expiration of the original term.

22/. That the Lessee is authorized to encumber his leasehold interest in the premises for the purpose of borrowing capital for the development and improvement of the leased land. The encumbrance instrument must be approved by the Secretary. If a sale or foreclosure under the approved encumbrance occurs and the encumbrancer is the purchaser, he may assign the leasehold without the approval of the Secretary or the consent of the other parties to the lease, provided; however, that without the approval of the Secretary or the occurs and the encumbrancer is the purchaser, he may assign the leasehold without the approval of the Secretary or the consent of the other parties to the lease, provided; however, that the assignee accepts and agrees in writing to be bound by the terms of the lease and will assume in writing all the obligations thereunder.

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Witnesses (two to each signature):			_		
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