



200607130094
Skagit County Auditor

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RETURN TO:

DOCUMENT TITLE(S) (or transactions contained herein):

Lease and Lease Modification

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

[] ADDITIONAL REFERENCE NUMBERS ON PAGE ____ OF DOCUMENT.

GRANTOR(S) (Last name, first name and initials):

1. Indian Allotment # 39
- 2.
- 3.
- 4.

[] ADDITIONAL NAMES ON PAGE ____ OF DOCUMENT.

GRANTEE(S) (Last name, first name and initials):

1. Terry Paul
2. Steve Pierce
- 3.
- 4.

[] ADDITIONAL NAMES ON PAGE ____ OF DOCUMENT.

LEGAL DESCRIPTION (Abbreviated: i.e., lot, block, plat or quarter, quarter, section, township and range):

Lot 29 Cobahud Waterfront tracts

[] ADDITIONAL LEGAL(S) ON PAGE ____ OF DOCUMENT.

ASSESSOR'S PARCEL/TAX I.D. NUMBER:

P95868

[] TAX PARCEL NUMBER(S) FOR ADDITIONAL LEGAL(S) ON PAGE ____ OF DOCUMENT.

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Lease: \$5,000.00
Bond: \$5,000.00
Admin. Fee: \$ 150.00

LEASE

Puget Sound Agency

Allotment: I0039
Cobahud
Lot 29
Lease # 8725 06-56

THIS CONTRACT, made and entered on this...1st....day of..March ..A.D. 2006, by and between the Indian or Indians named below (the Secretary of the Interior acting for and on behalf of the Indians) hereinafter called the "landowner" and:

Jerry Paus
5859 Inez Street
Bow, Washington 98232

By
Skagit Co. Treasurer
Deputy

9007 6 1 JUL
9856 #
REAL ESTATE EXCISE TAX
SKAGIT COUNTY WASHINGTON

hereinafter called the "lessee" in accordance with the provision of existing law and the regulations (25 CFR 162) which by reference are made a part hereof.

WITNESSETH, That for and in consideration of the rents, covenants and agreements hereinafter provided, the lessor hereby lets and leases unto the lessee the land and premises described as follows, to wit:

Lot 29 of the Cobahud Waterfront Tracts, within Government Lot 4, Section 34, Township 34 North, Range 2 East, W.M., Skagit County, Washington on the Swinomish Indian Reservation.

containing15....acres, more or less, for the term of ..50...years, beginning on the ...1st.....day of ...March.. 2006....., to be used only for the following purposes:

Home Site & Recreation

The lessee, in consideration of the foregoing, covenants and agrees, as rental for the land and premises to pay:

TO	DATE DUE	AMOUNT
.....BUREAU OF INDIAN AFFAIRS.....	March 1 st	AND UPON.....** \$5,000.00..PER YEAR
.....FOR THE LESSORS.....		EACH SUCCESSIVE ANNIVERSARY.....SUBJECT TO.....
		DATE OF THE LEASE THEREOF.....PROVISION.#7 OF THE
		FOR THE TERM OF THE EASE.....LEASE.....
		+ \$10 Tideland fee.....

** NOTE: THE LEASE IS SUBJECT TO RENTAL ADJUSTMENT ON 02/28/2011.

*** NOTE: IT HAS BEEN DETERMINED THAT LEASING THIS LAND WILL HAVE NO SIGNIFICANT IMPACT ON THE SURROUNDING ENVIRONMENT.

Lease payments are due on or before the due date, if not paid in full a late fee of 18% will be charged until paid in full, PAYMENT IS TO BE MADE IN THE FORM OF A CASHIERS CHECK OR MONEY ORDER ONLY, PERSONAL CHECKS ARE NOT ACCEPTABLE.



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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 building 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 or she will not use or cause to be used any part of said premises for any unlawful conduct of purpose.
4. **Subleases of Assignments** - Unless otherwise provided herein, a sublease, assignment or amendment of this lease may be made only with the approval of the Secretary and written consent of all parties to this lease, including the surety or sureties.
5. **Interest** - It is understood that any payment not made by the anniversary date of said lease shall accrue interest at the rate of 18% until payment is made in full.
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 surety of 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 (5) 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 intervals in accordance with the regulations in 25 CFR 162. Such review shall give consideration to the economic conditions at the time, exclusive of improvements or development required by the contract or the contribution value of such improvements.
8. **Interest of Member of Congress** - No Member of, Delegate to, Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise here from, but this provision shall not be construed to extend to

this contract if made with a corporation of company for its general benefit.

9. **Violators of Lease** - It is understood and agreed that violations of this lease shall be acted upon in accordance with the regulations of 25 CFR 162. Lessee will be charged \$15.00 for any and all notice of violations given by the Bureau of Indian Affairs.
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 their 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 under this lease, and the obligations of its sureties, are to the United States as well as to the owner(s) 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) 14-22 has (have) been added hereto and by reference is (are) made a part of hereof.

MAR 08 REC'D



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SWINOMISH WATERFRONT LOTS

SUPPLEMENTAL SHEET

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 by mail to the Tribal Planning Commission, Box 416, LaConner WA 98257, plans and specifications for any proposed improvements. The Tribal Planning Commission will establish the conditions for improvements and issue a building permit if the Planning commission so rules.
16. It is understood and agreed that it shall be the Lessee's responsibility to ascertain 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 the 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 it's 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.
21. 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 premises. 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 the assignee accepts and agrees in writing to be bound by all the terms and conditions of the lease. If the purchaser is an party other than the encumbrancer, approval by the Secretary of any assignment will be bound by the terms of the lease and will assume in writing all obligations thereunder.
22. Septic and water systems shall meet Tribal standards which are the same as those administered by Skagit County Health Department.



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Skagit County Auditor

I agree to these terms and conditions.

Jerry Paus
Jerry Paus (Lessee)
5859 Inez Street
Bow, Washington 98232

Trust Signatories:

Ethel Marie Barber
Ethel Marie Barber
17536 1st Street, La Conner, WA
(360) 466-1899
Contact through Janie Beasley, Realty Officer, Swinomish Tribe at (360) 266-3163 ext. 5

Helen Lewis
Helen Lewis
2085 Lummi Shore Road
Bellingham, WA 98226

Donald W. Damien
Donald Damien
P.O. Box 764, La Conner, WA
(360) 466-0481

This new lease is hereby approved and declared to be made in accordance with the law and the rules and regulations prescribed by the Secretary of the Interior thereunder, and now in force.

Approved pursuant to 209 DM 8, 230 dm1, 3 IAM 4, 4a and 25 CFR Part 162.

Andith K. Joseph
Superintendent, Puget Sound Agency

3/24/06
Date Approved

MAR 08 REC'D



200607130094
Skagit County Auditor

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

LEASE MODIFICATION

Admin. Fee: \$150.00

Allotment: I0039 Cobahud

Lease: 8725 06-56

It is hereby agreed by and between Jerry Paus lessee and the Cobahud Waterfront Tracts Signatories, for lessors, that Lease number 8725 06-56 covering Lot 29 of the Cobahud Waterfront Tracts, within Gov't Lot 4, T. 34 N. R. 2 E, Willamette Meridian, Skagit County, Washington be modified for the following reasons:

Modify the lease to add the name of Steve Pierce of address: 18288 Capet, La Conner, Washington 98257 to Lease 8725 06-56.

This modification does not change any of the terms, conditions, or stipulations, except as specifically set forth herein.

I agree to these terms and conditions:

Jerry Paus 6/11/06
Jerry Paus
5859 Inez St.
Bow, Washington 98232

Steve Pierce 6-11-06
Steve Pierce
18288 Capet
La Conner, Washington 98232



200607130094
Skagit County Auditor

We, the undersigned, lessors of lessee herein, consent to the foregoing modification, effective from the date of approval of the modification by the officer in charge of the Agency.

Trust Signatories:

Ethel Marie Barber

Ethel Marie Barber

17536 1st Street, La Conner, WA

(360) 466-1899

Contact through Janie Beasley, Realty Officer, Swinomish Tribe at (360) 266-3163 ext. 5

Helen Lewis

Helen Lewis

2085 Lummi Shore Road

Bellingham, WA 98226

Donald W. Damien

Donald Damien

P.O. Box 764, La Conner, WA

(360) 466-0481

I certify on honor that I have this day examined records of the PUGET SOUND AGENCY and that said records do not show anything delinquent for cash rental or filing fees.

Sam C. Cline

Realty, Puget Sound Agency

This within modification is hereby approved and declared to be made in accordance with the law and the rules and regulations prescribed by the Secretary of the Interior thereunder, and now in force, effective JUN 28 2006.

Approved pursuant to 209 DM 8, 230 dm 1, 3 IAM 4, 4a.

Date approved: 6/28/06

Judith R. Joseph
Judith R. Joseph, Superintendent
Puget Sound Agency



200607130094

Skagit County Auditor

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Lease: \$5,000.00
Bond: \$5,000.00
Admin. Fee: \$ 150.00

LEASE

Puget Sound Agency

Allotment: I0039
Cobahud
Lot 29
Lease # 8725 06-56

THIS CONTRACT, made and entered on this...1st....day of..March ..A.D. 2006, by and between the Indian or Indians named below (the Secretary of the Interior acting for and on behalf of the Indians) hereinafter called the "landowner" and:

3536
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

Jerry Paus
5859 Inez Street
Bow, Washington 98232

JUL 13 2006

Amount Paid \$
By Skagit Co. Treasurer
Deputy

hereinafter called the "lessee" in accordance with the provision of existing law and the regulations (25 CFR 162) which by reference are made a part hereof.

WITNESSETH, That for and in consideration of the rents, covenants and agreements hereinafter provided, the lessor hereby lets and leases unto the lessee the land and premises described as follows, to wit:

Lot 29 of the Cobahud Waterfront Tracts, within Government Lot 4, Section 34, Township 34 North, Range 2 East, W.M., Skagit County, Washington on the Swinomish Indian Reservation.

containing15.....acres, more or less, for the term of ..50...years, beginning on the ...1st.....day of ...March.. 2006....., to be used only for the following purposes:

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TO	DATE DUE	AMOUNT
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.....FOR THE LESSORS.....EACH SUCCESSIVE ANNIVERSARY.....	SUBJECT TO.....
.....DATE OF THE LEASE THEREOF.....	PROVISION.#7 OF THE
.....FOR THE TERM OF THE EASE.....	LEASE.....
.....	+ \$10 Tideland fee.....

** NOTE: THE LEASE IS SUBJECT TO RENTAL ADJUSTMENT ON 02/28/2011.

*** NOTE: IT HAS BEEN DETERMINED THAT LEASING THIS LAND WILL HAVE NO SIGNIFICANT IMPACT ON THE SURROUNDING ENVIRONMENT.....

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4. **Subleases of Assignments** - Unless otherwise provided herein, a sublease, assignment or amendment of this lease may be made only with the approval of the Secretary and written consent of all parties to this lease, including the surety or sureties.
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this contract if made with a corporation of company for its general benefit.

9. **Violators of Lease** - It is understood and agreed that violations of this lease shall be acted upon in accordance with the regulations of 25 CFR 162. Lessee will be charged \$15.00 for any and all notice of violations given by the Bureau of Indian Affairs.
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11. **Upon Whom Binding** - It is understood and agreed that the covenants and agreements hereinbefore mentioned shall extend to and be binding upon their 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 under this lease, and the obligations of its sureties, are to the United States as well as to the owner(s) 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.
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MAR 08 REC'D



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SWINOMISH WATERFRONT LOTS

SUPPLEMENTAL SHEET

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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 the 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.
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21. 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 premises. 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 the assignee accepts and agrees in writing to be bound by all the terms and conditions of the lease. If the purchaser is an party other than the encumbrancer, approval by the Secretary of any assignment will be bound by the terms of the lease and will assume in writing all obligations thereunder.
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Skagit County Auditor

I agree to these terms and conditions.

Jerry Paus
Jerry Paus (Lessee)
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Trust Signatories:

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Helen Lewis
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Donald W. Damien
Donald Damien
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This new lease is hereby approved and declared to be made in accordance with the law and the rules and regulations prescribed by the Secretary of the Interior thereunder, and now in force.

Approved pursuant to 209 DM 8, 230 dm1, 3 IAM 4, 4a and 25 CFR Part 162.

Judith K. Joseph
Superintendent, Puget Sound Agency

3/24/06
Date Approved

MAR 08 RECD



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Modify the lease to add the name of Steve Pierce of address: 18288 Capet, La Conner, Washington 98257 to Lease 8725 06-56.

This modification does not change any of the terms, conditions, or stipulations, except as specifically set forth herein.

I agree to these terms and conditions:

Jerry D. Paus 6/11/06
Jerry Paus
5859 Inez St.
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Steve Pierce 6-11-06
Steve Pierce
18288 Capet
La Conner, Washington 98232



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Trust Signatories:

Ethel Marie Barber

Ethel Marie Barber

17536 1st Street, La Conner, WA

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Helen Lewis

Helen Lewis

2085 Lummi Shore Road

Bellingham, WA 98226

Donald W. Damien

Donald Damien

P.O. Box 764, La Conner, WA

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I certify on honor that I have this day examined records of the PUGET SOUND AGENCY and that said records do not show anything delinquent for cash rental or filing fees.

Sara C. Circle

Realty, Puget Sound Agency

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Approved pursuant to 209 DM 8, 230 dm 1, 3 IAM 4, 4a.

Date approved: 6/28/06

Judith R. Joseph

Judith R. Joseph, Superintendent
Puget Sound Agency



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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 building 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 or she will not use or cause to be used any part of said premises for any unlawful conduct of purpose.
4. **Subleases of Assignments** - Unless otherwise provided herein, a sublease, assignment or amendment of this lease may be made only with the approval of the Secretary and written consent of all parties to this lease, including the surety or sureties.
5. **Interest** - It is understood that any payment not made by the anniversary date of said lease shall accrue interest at the rate of 18% until payment is made in full.
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 surety of 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 (5) 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 intervals in accordance with the regulations in 25 CFR 162. Such review shall give consideration to the economic conditions at the time, exclusive of improvements or development required by the contract or the contribution value of such improvements.
8. **Interest of Member of Congress** - No Member of, Delegate to, Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise here from, but this provision shall not be construed to extend to

this contract if made with a corporation of company for its general benefit.

9. **Violators of Lease** - It is understood and agreed that violations of this lease shall be acted upon in accordance with the regulations of 25 CFR 162. Lessee will be charged \$15.00 for any and all notice of violations given by the Bureau of Indian Affairs.
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 their 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 under this lease, and the obligations of its sureties, are to the United States as well as to the owner(s) 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) 14-22 has (have) been added hereto and by reference is (are) made a part of hereof.

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SWINOMISH WATERFRONT LOTS

SUPPLEMENTAL SHEET

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 by mail to the Tribal Planning Commission, Box 416, LaConner WA 98257, plans and specifications for any proposed improvements. The Tribal Planning Commission will establish the conditions for improvements and issue a building permit if the Planning commission so rules.
16. It is understood and agreed that it shall be the Lessee's responsibility to ascertain 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 the 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 it's 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.
21. 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 premises. 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 the assignee accepts and agrees in writing to be bound by all the terms and conditions of the lease. If the purchaser is an party other than the encumbrancer, approval by the Secretary of any assignment will be bound by the terms of the lease and will assume in writing all obligations thereunder.
22. Septic and water systems shall meet Tribal standards which are the same as those administered by Skagit County Health Department.

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I agree to these terms and conditions.

Jerry Pats
Jerry Pats (Lessee)
5859 Inez Street
Bow, Washington 98232

Trust Signatories:

Ethel Marie Barber
Ethel Marie Barber
17536 1st Street, La Conner, WA
(360) 466-1899
Contact through Janie Beasley, Realty Officer, Swinomish Tribe at (360) 266-3163 ext. 5

Helen Lewis
Helen Lewis
2085 Lummi Shore Road
Bellingham, WA 98226

Donald W. Damien
Donald Damien
P.O. Box 764, La Conner, WA
(360) 466-0481

This new lease is hereby approved and declared to be made in accordance with the law and the rules and regulations prescribed by the Secretary of the Interior thereunder, and now in force.

Approved pursuant to 209 DM 8, 230 dm1, 3 IAM 4, 4a and 25 CFR Part 162.

Indith K. Joseph
Superintendent, Puget Sound Agency

3/24/06
Date Approved

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

LEASE MODIFICATION

Admin. Fee: \$150.00

Allotment: I0039 Cobahud

Lease: 8725 06-56

It is hereby agreed by and between Jerry Paus lessee and the Cobahud Waterfront Tracts Signatories, for lessors, that Lease number 8725 06-56 covering Lot 29 of the Cobahud Waterfront Tracts, within Gov't Lot 4, T. 34 N. R. 2 E, Willamette Meridian, Skagit County, Washington be modified for the following reasons:

Modify the lease to add the name of Steve Pierce of address: 18288 Capet, La Conner, Washington 98257 to Lease 8725 06-56.

This modification does not change any of the terms, conditions, or stipulations, except as specifically set forth herein.

I agree to these terms and conditions:

Jerry D. Paus 6/11/06
Jerry Paus
5859 Inez St.
Bow, Washington 98232

Steve Pierce 6-11-06
Steve Pierce
18288 Capet
La Conner, Washington 98232



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We, the undersigned, lessors of lessee herein, consent to the foregoing modification, effective from the date of approval of the modification by the officer in charge of the Agency.

Trust Signatories:

Ethel Marie Barber

Ethel Marie Barber

17536 1st Street, La Conner, WA

(360) 466-1899

Contact through Janie Beasley, Realty Officer, Swinomish Tribe at (360) 266-3163 ext. 5

Helen Lewis

Helen Lewis

2085 Lummi Shore Road

Bellingham, WA 98226

Donald W. Damien

Donald Damien

P.O. Box 764, La Conner, WA

(360) 466-0481

I certify on honor that I have this day examined records of the PUGET SOUND AGENCY and that said records do not show anything delinquent for cash rental or filing fees.

Jim C. Cline

Realty, Puget Sound Agency

This within modification is hereby approved and declared to be made in accordance with the law and the rules and regulations prescribed by the Secretary of the Interior thereunder, and now in force, effective JUN 28 2006.

Approved pursuant to 209 DM 8, 230 dm 1, 3 IAM 4, 4a.

Date approved: 6/28/06

Judith R. Joseph
Judith R. Joseph, Superintendent
Puget Sound Agency



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Skagit County Auditor

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