

**LAND LEASE AGREEMENT**

This Land Lease Agreement is made and entered into effective this 17 day of March, 2004, by and between **THE ALEUT CORPORATION**, hereinafter called "Lessor," and the **UNITED STATES OF AMERICA**, acting through the **U. S. FISH AND WILDLIFE SERVICE**, hereinafter called "Lessee," under the provisions of P.L. 107-239 (116 Stat. 1488) October 11, 2002.

WITNESSETH, that for and in consideration of Ninety-nine and no/100 dollars (\$99.00), due and payable upon execution of this Lease Agreement by the parties, Lessor hereby leases to Lessee two (2) separate parcels of land located in the community of Adak, Alaska, more particularly described in Exhibits A-1 through A-4, attached hereto.

1. **PURPOSE:** For use by Lessee for a headquarters site, visitor's center, storage, housing, research, and such other uses as needed by Lessee. Lessee shall make no unlawful use of the leased land, or knowingly permit any unlawful activity to be conducted thereon by others.
2. **LEASE TERM:** The term of this Lease Agreement shall be for ninety-nine (99) years commencing on the effective date written above, and expiring at midnight on the 16 day of March, in the year 2103, unless extended or terminated pursuant to the terms of this Lease Agreement.
3. **OPTION TO EXTEND:** At the expiration of the initial or any subsequent term of this Lease Agreement, Lessee, at its sole discretion, shall have the option to extend this Lease Agreement for additional terms of ninety-nine (99) years each. Said extended terms shall be upon the same terms and conditions as this Lease Agreement including the rental rate of Ninety-nine and no/100 Dollars (\$99.00) for ninety-nine (99) years payable on the effective date of the renewal. In order to exercise its option to extend, Lessee must notify Lessor of its election to extend by written notice at least one (1) year before the end of the term then in effect.
4. **COMPENSATION:** A one time lump sum fee of Ninety-nine and no/100 Dollars (\$99.00) shall be due and payable upon execution of this Lease Agreement by both parties and at the time of the effective date of any subsequent renewal.
5. **DEFAULT AND REMEDIES:** Upon failure of Lessee to pay the rent at the times and in the manner hereinbefore provided, or upon failure of Lessee to perform any covenant or agreement hereunder, or upon any breach or default of Lessee hereunder, Lessor may, after giving Lessee written notice of its breach or default, and after Lessee's failure to cure its breach or default within thirty (30) days of its receipt of said written notice, Lessee may at its option, terminate this Lease Agreement. Thereupon, following receipt of written notice of termination

of the Lease Agreement, Lessee shall have sixty (60) days to remove all improvements it may choose to remove and to vacate and surrender the land and any remaining improvements to Lessor. Only after the foregoing process is completed may Lessor re-enter and repossess itself of the leased land and remove any remaining persons or parties therefrom with or without legal process, and use such force as may be necessary to do so without being guilty of trespass, forcible entry, detainer, or any other tort. In the event of any repossession of the land by Lessor because of the default of Lessee, either under the foregoing provisions or in pursuance of any proceedings under applicable laws or statutes, Lessor may, if it so elects, re-let the land or any part thereof for the balance of the term of this Lease Agreement, or for a longer or shorter period in the discretion of the Lessor.

6. **CONDITION OF LEASED LAND:** Lessee agrees that it is entirely familiar with the physical condition of the leased area. Lessor makes no representation or warranty with respect to the condition of the leased land.

7. **INSPECTION AND ACCESS:** Subject to the conditions set forth later in this paragraph, Lessor, and its authorized representatives, may enter the leased land for the purpose of inspecting the area during regular business hours. This right of inspection and access does not apply to any of the buildings, structures or other improvements on the leased areas without the express approval of Lessee. Lessee specifically reserves the right to deny Lessor the right of access or inspection of any building, structure or improvement. Access by Lessor shall not conflict with the purposes of this Lease Agreement or the uses and improvements authorized hereunder.

8. **NO CLAIMS AGAINST LESSOR:** Nothing contained in this Lease Agreement shall compromise the consent or request by Lessor, whether expressed or implied, for the performance of labor or services, or the furnishing of materials or other property, with respect to the leased land or any part thereof. Lessee will not permit any mechanic's, laborer's or materialman's liens to stand against the leased land for any labor or material furnished to Lessee or claimed to have been furnished to Lessee or to Lessee's agent's, contractor's or sub lessee's, in connection with work of any character performed or claimed to have been performed on said land, by or at the direction or sufferance of Lessee, provided, however, Lessee shall have the right to contest the validity or amount of any such lien or claimed lien.

9. **IMPROVEMENTS:** Lessor acknowledges that all improvements on the leased land are owned by the Lessee.

- (a) Lessee reserves the right to demolish, remove or otherwise dispose of any improvements presently or subsequently situated upon the demised premises. Such improvements remain the property of Lessee and may be disposed of by Lessee any way it shall deem advisable.
- (b) Lessee reserves the right to erect, place or install upon leased premises any buildings, structures or improvements from time to time as it shall deem advisable.



- (c) Lessee may make such alteration, improvements, additions or repairs to any building, structure or improvements as it may desire.
- (d) Prior to expiration or termination of this lease agreement, Lessee shall have the option of removing any or all improvements.

10. **CONDEMNATION:** If the whole or any part of the land shall be taken for any public or quasi-public use under any statute or by right of eminent domain, or private purchase in lieu thereof by a public body vested with the power of eminent domain, then at Lessee's option, Lessor shall provide Lessee with replacement land and facilities on Adak of equivalent utility. Said land and facilities shall be made available under the same terms as those described in this Lease Agreement. Upon Lessor providing Lessee with replacement land and facilities of equivalent utility, Lessor shall be entitled to receive all condemnation proceeds including those allocable to all improvements on the leased land.

11. **RELOCATION OF FACILITIES:** Lessee agrees that if Lessor requires for reuse any or all of the land or facilities encompassed in this Lease Agreement, Lessee will exchange those facilities and land for facilities and land on Adak of equivalent utility. Said land and facilities shall be made available under the same terms as those described in this Lease Agreement. Such an exchange will be subject to Lessee's agreement to the move, such agreement not to be unreasonably withheld. Lessor will be responsible for all costs of such relocation including, but not limited to, construction of comparable facilities. Lessee will not vacate any existing facilities until replacement facilities, that Lessee agrees are of equivalent utility, are ready for occupancy. All improvements at any new location will be owned by Lessee and shall remain the property of Lessee during the term of this Lease Agreement, or any extension thereof.

12. **QUIET ENJOYMENT:** Lessor covenants that Lessee shall have quiet enjoyment of the demised premises without hindrance by Lessor.

13. **SUCCESSORS IN INTEREST:** This Lease Agreement shall be binding upon and shall inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

14. **SURRENDER AT END OF TERM:** Lessee agrees that upon the last day of the Lease Agreement term, or upon the last day of any extension thereof, Lessee will peaceably and quietly vacate and surrender the leased land to Lessor, free and clear of hazardous waste and/or material and in a condition satisfactory to Lessor.

15. **NOTICES:** Any notice or other writings required or permitted by this Lease Agreement from Lessor to Lessee will be served to, U.S. Fish and Wildlife Service, 1011 East Tudor Road, Anchorage, Alaska 99503, Attention: Regional Director; and any notice or other writings from Lessee to Lessor will be served to, The Aleut Corporation, 4000 Old Seward Highway, # 300, Anchorage, Alaska 99503, Attention: Corporate Executive Officer or Designee.



16. **UTILITIES AND MAINTENANCE:** All utilities and maintenance on improvements will be paid by Lessee.

17. **TAXES AND OTHER CHARGES:** Lessor agrees to pay to the public authorities charged with collection thereof, promptly as the same become due and payable, all taxes, assessments, general and specific, permit, inspection and license fees and other public charges, whether of a like or different nature levied upon or assessed against the leased land, but excluding the amount attributable to any improvements or fixtures thereon, and which are assessed and are, or become, a lien during the term of this Lease Agreement. Lessor agrees to exhibit to Lessee, on demand, receipts, evidencing payment of all such taxes, assessments and public charges so payable by Lessor. Subject to the availability of appropriations, Lessee agrees to pay to the public authorities charged with collection thereof, promptly as the same become due and payable, all legally assessable taxes, assessments, general and specific, permit, inspection and license fees, and other public charges, whether of a like or different nature levied upon or assessed against and attributable to any buildings, structures, fixtures or improvements now or hereinafter located on the leased land, but not the value attributable to the land itself, and which are assessed and are, or become, a lien during the term of this Lease Agreement. Lessee agrees to exhibit to Lessor, on demand, receipts, evidencing payment of all taxes, assessments and public charges so payable by Lessee.

18. **ENCUMBRANCES:** The described premises are leased subject to any easements or rights-of-way for utilities existing at the time of lease.

19. **ENTIRE AGREEMENT:** This Lease Agreement, together with exhibits attached hereto, comprises the entire agreement and sets forth all prior covenants, promises, agreements, conditions and understandings between Lessor and Lessee concerning the leased land. This Lease Agreement may not be modified or amended except by a written document signed by all parties to the Lease Agreement. Any amendment or modification which is not in writing and signed by both parties is of no legal effect.

20. **SEVERABILITY:** If any provision of this Lease Agreement is adjudged to be invalid, that judgment does not affect the validity of any other provision of this Lease Agreement, nor does it constitute any cause of action in favor of either party ~~as~~ against the other.

21. **LIABILITY:** Lessor will not be held responsible for any liability that may result from this Lease Agreement. In accordance with the Federal Tort Claims Act, 28 U.S.C. § 2671, *et seq.*, or such other authority as may be available, Lessee agrees to promptly consider and adjudicate any and all claims and to respond to any litigation which may arise out of its use and occupancy of the demised premises.

22. **SUCCESSORS IN INTEREST:** This Lease Agreement shall be binding upon and shall inure to the benefit of the respective successors, assigns and heirs of the parties hereto.



23. **WAIVER AND FORBEARANCE:** Except to the extent that Lessor may have otherwise agreed in writing, no waiver by Lessor of any material breach by Lessee of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by Lessor to seek a remedy for any breach of Lessee be deemed a waiver by Lessor of its rights or remedies with respect to such breach.

24. **ASSIGNMENT AND SUBLEASE:** Lessee may not sublease the land, or any part thereof, or assign its interest under this Lease Agreement, or any part thereof, to any non-governmental entity, without the prior written consent of Lessor, to such subletting or assignment, which consent shall not be unreasonably withheld.

25. **MAPS:** The maps included as part of the property description and attached as, Exhibits A-2 and A-3, to this Lease Agreement depict the lands leased from Lessor. In case of any discrepancies between the maps and the written legal description set forth above, the maps shall be controlling.

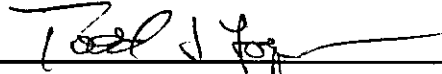
return to:

THE ALEUT CORPORATION
ONE ALEUT PLAZA SUITE 300
4000 OLD SEWARD HIGHWAY
ANCHORAGE, AK 99503



IN WITNESS WHEREOF, the parties hereunto have set their hands.

LESSEE: UNITED STATES OF AMERICA
U.S. Fish and Wildlife Service



By: Rowan W. Gould
Regional Director, Region 7
U.S. Fish and Wildlife Service

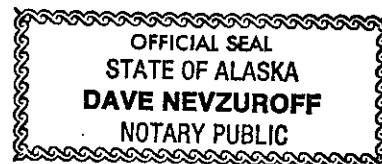
ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 12th day of August, 2004, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared Rowan W. Gould, Regional Director, U.S. Fish and Wildlife Service, Region 7, and he acknowledged to me that he signed as accepting the foregoing Land Lease Agreement conveying to the United States the interest in lands described herein, and he acknowledged to me that he executed the foregoing instrument freely and voluntarily.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this 12th day of August, 2004.


Notary Public in and for the State of Alaska
My commission expires: 2-14-05



LESSOR: THE ALEUT CORPORATION

Martina B. Malavsky

President

Title

Sharon Lind

Corporate Secretary

ACKNOWLEDGMENT

STATE OF ALASKA)
)ss.
_____ JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 12th day of MARCH, 2004, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared MARTINA MALAVSKY, the PRESIDENT of The Aleut Corporation, and SHARON LIND, the Corporate Secretary, respectively, of The Aleut Corporation, a for profit Alaskan corporation, to me known and known to me to be the persons they represent themselves to be, and the same identical persons who executed the above and foregoing Land Lease Agreement on behalf of The Aleut Corporation, and who acknowledged to me they had full power and authority to and did execute the above and foregoing as a free and voluntary act and deed of said corporation for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and official seal on this 12th day of MARCH, 2004.

Red Negot

Notary Public in and for the State of Alaska

My commission expires: 2-11-06

OFFICIAL SEAL
STATE OF ALASKA
DAVID NEVILL



**USFWS Facilities
Description**

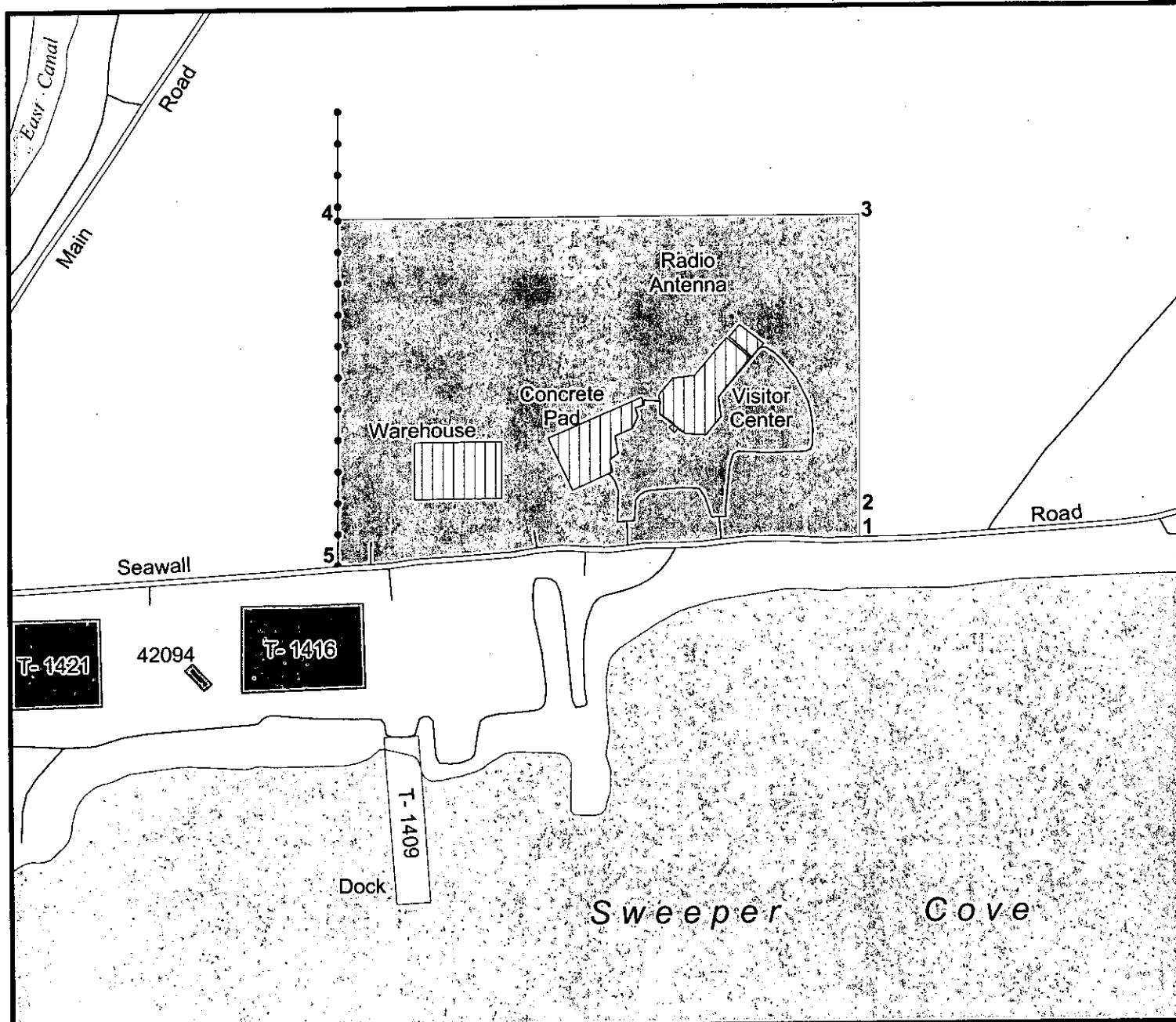
Headquarter's

Warehouse (formally known as Building 42069)
Concrete Pad
Visitor Center








Service Housing

Quarters 1 - Q1
Quarters 2 - Q2
Quarters 3 - Q3
Quarters 4 - Q4
Quarters 5 - Q5
Quarters 6 - Q6 (formally known as Building 42246)
Quarters 7 - Q7 (formally known as Building 42245)
Bunkhouse



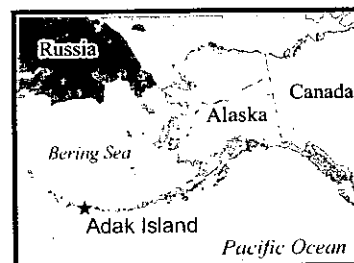


Adak Naval Complex Exchange Headquarters Lease Area

-  USFWS Lease Area
-  USFWS Buildings and Structures
-  Buildings
-  GPS Point Numbers
-  Public Roads
-  Other Roads
-  Powerline



U.S. Fish and Wildlife Service
Alaska Maritime National Wildlife Refuge

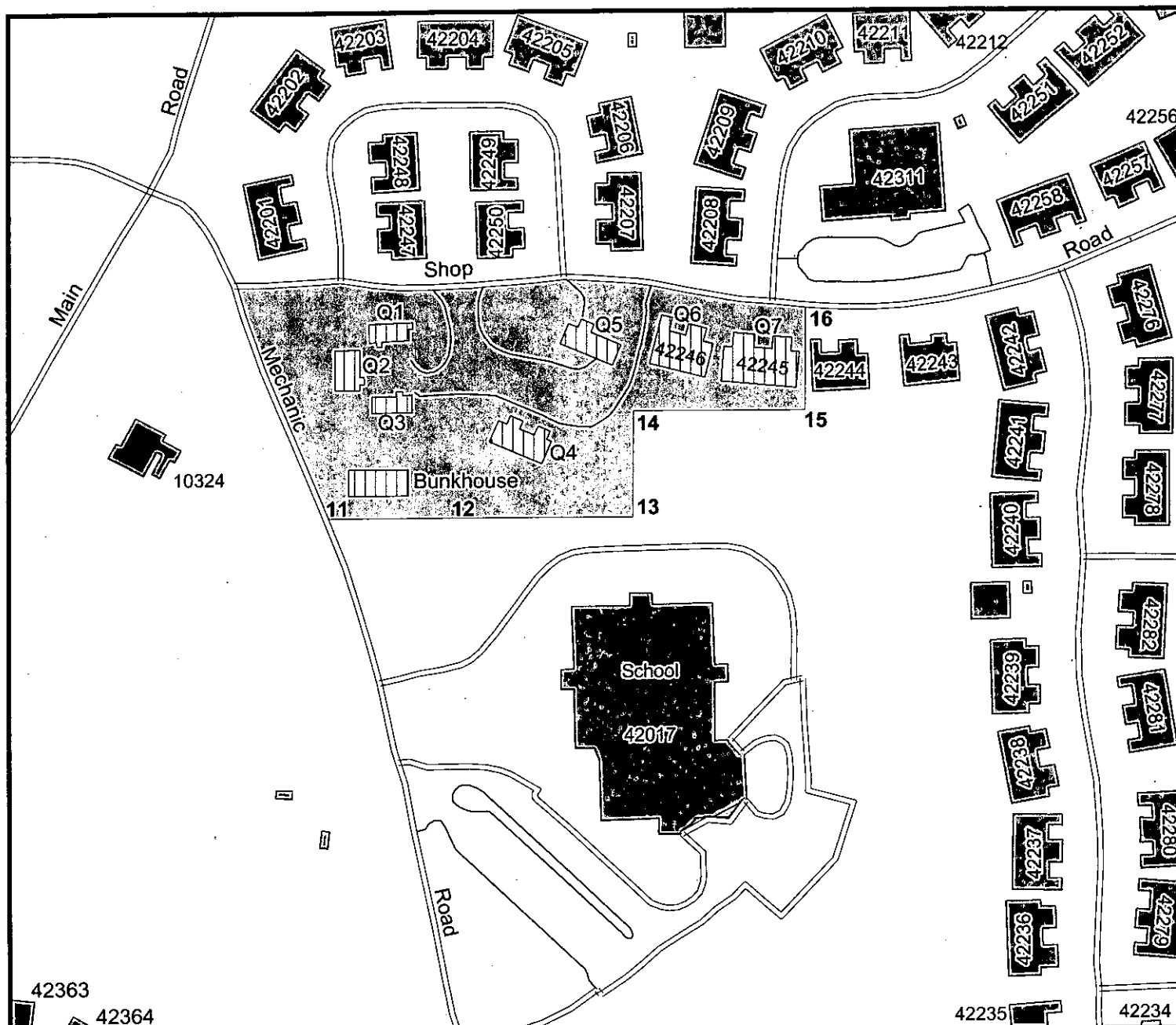


Information provided by the Navy (1997).
Map projection unknown.

01-0135

03/02/04 JGB



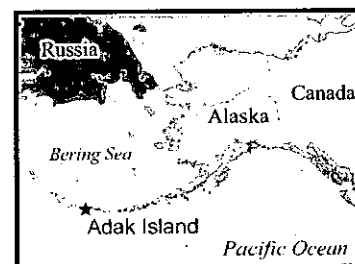


Adak Naval Complex Exchange Service Housing Lease Area



U.S. Fish and Wildlife Service Alaska Maritime National Wildlife Refuge

- USFWS Lease Area
- USFWS Buildings and Structures
- Buildings and Structures
- 11** GPS Point Numbers
- Public Roads
- Other Roads



Information provided by the Navy (1997).
Map projection unknown.

01-0134

03/02/04 JGB



USFWS Lease Area Description

Headquarter's Parcel

Starting at Global Positioning System* (GPS) Point # 1 (51° 51.665' N, 176° 38.589' W) located at the edge of Seawall Road then going northerly to GPS Point # 2 (51° 51.678' N, 176° 38.592' W) located at a NOAA brass cap survey marker, then northerly to GPS Point # 3 (51° 51.763' N, 176° 38.616' W), then westerly to GPS Point # 4 (51° 51.760' N, 176° 38.847' W) located at a power pole, then southerly to GPS Point # 5 (51° 51.668' N, 176° 38.817' W) located where the power poles terminate at the edge of Seawall Road, then easterly along Seawall Road back to GPS Point # 1 (51° 51.665' N, 176° 38.589' W).

Service Housing Parcel

Starting at GPS Point # 11 (51° 52.138' N, 176° 38.367' W) located at the edge of Mechanic Road and the USFWS maintenance road, then westerly to GPS Point # 12 (51° 52.139' N, 176° 38.318' W) located midway down the school fence, then westerly to GPS Point # 13 (51° 52.146' N, 176° 38.267' W) located at the corner of the school fence, then northerly to GPS Point # 14 (51° 52.160' N, 176° 38.280' W) located at the corner of the school fence, then westerly to GPS Point # 15 (51° 52.166' N, 176° 38.213' W) located at the transformer and fence between housing units 42245 and 42244, then northerly between housing units 42245 and 42244 to GPS Point # 16 (51° 52.172' N, 176° 38.214' W) located on Shop Road, then westerly following Shop Road to the intersection of Shop Road and Mechanic Road, then southerly along Mechanic Road to GPS Point # 11 (51° 52.138' N, 176° 38.367' W).

* GPS Datum set to NAD 84, Spheroid WGS84.

