**NOTE: The following is a model ground lease for ANCSA Corporations’ fee simple land. The model lease should be reviewed by each individual Tribal Organization to insure it satisfies their individual requirements. If it is an organization’s first time utilizing the model lease and the lease has been modified, it should be submitted to HUD’s ONAP Office of Loan Guarantee for approval.**

**GROUND LEASE**

[HUD 184 Program]

This Ground Lease (this “Lease”) is made and entered into and effective as of the Insert Day day of Insert Month, Insert Year (the “Effective Date”), by and between Insert Lessee(s) and state husband and wife if applicable, (the “Lessee”), whose address is Insert Address and Insert Corporation Name Corporation, an Alaska Native Village corporation (“Lessor”), whose address is Insert Address.

**RECITALS**

A. Lessor, an Alaska Native Village Corporation created pursuant to the Alaska Native Claims Settlement Act, as amended, is the fee simple owner of that certain parcel of unimproved real property, legally described on Exhibit A hereto (the “Parcel”), which Parcel is located in the Insert Location/Subdivision/Legal Description and City & State, (the “Subdivision”).

B. Lessee has applied to and been approved as a qualified borrower pursuant to the Insert Lender (the “Lender”) HUD 184 program.

C. The Lender will make a loan (the “Loan”) to Lessee pursuant to such program, which loan shall be secured by a deed of trust (the “Deed of Trust”) on Lessee’s leasehold interest in the Parcel, and the Secretary of Housing and Urban Development (“HUD”) will issue a loan guarantee to the Lender with respect to the Loan pursuant to Section 184 of the Housing and Community Development Act of 1992 (Pub. L. 102-550).

D. For purposes of this Lease, the term Lender shall also include any of the Lender’s successors or assigns of the Lender’s right, title to, or interest in, the Deed of Trust and any subsequent noteholder secured by the Deed of Trust.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. Demise; Description of Premises. Subject to the terms of this Lease, Lessee hereby leases the Parcel (the “Premises”) from Lessor. The rights granted under this Lease are also subject to all exceptions, agreements, easements, rights-of-way, conditions, covenants, reservations, terms, conditions and restrictions of record against the Premises.

2. Use of Premises. The purpose of this Lease is to enable Lessee to purchase or construct, improve and maintain a residential dwelling and related structures on the Premises. Lessee shall use the Premises solely for the purpose of purchasing/constructing and occupying the single-family principal place of residence for Lessee and Lessee’s immediate family, and for no other use. Lessee agrees not to use any part of the Premises for any unlawful conduct or purposes and will comply with all applicable Federal Laws. Any rights not expressly provided to Lessee are reserved by Lessor. Upon reasonable notice from Lessee, Lessor shall cooperate and coordinate with Lessee with respect to the granting of any utility easements that may be reasonably necessary or required for Lessee to satisfy Lessee’s construction obligations under Section 4 below.

3. Term. The term of this Lease shall be for Insert written number (#) - Must be at least 50 yrs years, commencing on Insert Date, ie. September 1, Insert Year (the “Commencement Date”) and expiring on Insert Date, ie. September 1, Insert Year (the “Term”), unless earlier terminated pursuant to the terms hereof. This Lease may not be terminated by either or both parties during its Term if, and as long as, this Lease and/or any improvements on the Premises, or any interest therein, is mortgaged or otherwise pledged as security for any loan in accordance with the provisions hereof, including the Loan and Deed of Trust unless consent in writing to such termination is given by the Lender and HUD, so long as HUD guarantees the Loan. This Lease shall not be subject to any forfeiture or reversion and shall not be otherwise terminable if such event would adversely affect any interest in the Premises, including improvements thereon acquired in accordance with the provisions hereof by the holder of any mortgage, including the Lender, or other lien, or of any purchaser at a foreclosure sale under such mortgage (or lien) or under any conveyance given in lieu of foreclosure, or of any holder subsequent to such purchase. Lessor shall not terminate this Lease without the written consent of HUD, as long as the mortgage guaranteed by HUD is in force, notwithstanding any other provision in the Lease to the contrary.

4. Rental. Lessor is leasing the Premises to Lessee pursuant to the Program and the consideration for this Lease is the obligation of Lessee to further the purposes of the Program by improving the Premises and residing thereon. As additional consideration, Lessee agrees to pay Lessor the following annual rent during the entire Term: Insert Written Amount dollars ($ Insert Amount), payable in advance on the Insert Written Day ie. first day of Insert Written Month of each calendar year during the Term. It is understood and agreed between the parties hereto that, if any installment of rent is not paid within Insert Written Number of Days, ie. thirty (Insert # of Days) days after becoming due, interest will be assessed at the existing prime rate, plus Insert Written Number of Interest (Insert Percent # %), times the amount owed for the period during which payments are delinquent. Interest will become due and payable from the date such rent becomes due and will run until said rent is paid. The interest rate formula is: interest = (prime rate + Insert Percent # %) times (x) amount due.

5. Improvements; Utilities. All buildings or other improvements now existing or hereafter constructed on the Premises shall be the leasehold property of Lessee during the Term, including any extension or renewal thereof. During the Term, Lessee shall obtain any necessary governmental permits, approvals or authorization required for the construction and use of all improvements Lessee places or causes to be placed on the Premises, and shall comply with all laws applicable to the construction and use of improvements. Lessee shall pay all costs associated with constructing and maintaining the residence and all other improvements and fixtures on the Premises. All costs for utilities and other activities necessary for the operation of the Premises, improvements thereon, and Lessee’s activities thereon, including without limitation gas, heating oil, electric, water, sewer and telephone, shall be provided by Lessee at Lessee’s sole cost and expense. Lessee shall be solely responsible, at Lessee’s sole cost and expense, for necessary utility hook-ups and connection, including without limitation, those necessary for water and sewer. Neither Lessor, the Lender nor the United States shall have responsibility for providing any utilities or any utility hook-ups.

6. Acceptance of Premises. Lessee has inspected the Premises, including without limitation, all improvements located thereon (which were constructed by the Original Lessee) and Lessee accepts the same “as is with all faults.” Lessor makes no specific warranties, expressed or implied, concerning the title or condition of the Premises, including survey, access, utility availability or suitability for use, including the use authorized by this Lease. Lessor shall have no liability or obligation with respect to the condition, maintenance or use of the Premises or any improvements now existing or hereinafter placed on the Premises.

7. Quiet Enjoyment. Lessor agrees to defend the title to the Premises and also agrees that Lessee and any successors in interest shall peaceably and quietly hold, enjoy and occupy the Premises for the duration of the Term without any hindrance, interruption, ejection or molestation by Lessor or by any other persons whomsoever, except in the event of default by Lessee or any successors in interest.

8. Indemnification.

(a) General. Lessee shall save, protect, hold harmless, indemnify and defend Lessor and the United States, and their representatives, officers, directors, employees and shareholders, of, from and against any and all liability, damages, demands, penalties, fines, causes of action, losses, costs or expenses, including attorney’s fees, arising from any act, omission or negligence of Lessee or the officers, contractors, subcontractors, licensees, agents, servants, employees, guests, invitees or visitors of Lessee in or about the Premises or improvements located thereon, or arising from any accident, injury or damages howsoever and by whomsoever caused, to any person or property, including but not limited to damage to the Premises itself, improvements thereon, or injury to or death of persons, occurring in or about the Premises or improvements located thereon, or in any manner arising out of Lessee’s use and occupation of the Premises or improvements thereon, or as a result of the condition of the Premises or improvements thereon. Lessee, as a material part of the consideration of this Lease, hereby waives on Lessee’s behalf all claims against Lessor and/or the United States and agrees to hold Lessor and/or the United States free and harmless from liability for all claims for any loss, damage, or injury arising from the use for the premises by Lessee, together with all costs and expenses in connection therewith.

(b) Environmental. Lessee shall abide by, and shall cause Lessee’s agents, any contractors or subcontractors it employs, to abide by, all applicable rules and regulations related to fire, safety, health and environmental protection. Without limiting the duty to indemnify as provided in (a) above, Lessee shall save, protect, defend, indemnify and hold harmless Lessor from and against any and all demands, claims, causes of action (whether in the nature of an action for damages, indemnity, contribution, government cost recovery or otherwise), lawsuits, settlements, actions, damages, fines, penalties, judgments, costs and expenses (including without limitation costs of defense, settlement and reasonable attorney’s fees), charges, forfeitures, liens, liabilities or losses of any nature and kind whatsoever, which arise during or after the Term from or in connection with the presence or suspected presence of Hazardous Substances in the soil, groundwater, or otherwise on, above or in the Premises, or otherwise generating from the Premises, or operations or activities thereon (i) as a result of Lessee (or Lessee’s agents, contractors, subcontractors, guests, invitees or assigns, and their respective employees, agents, contractors or subcontractors) use and occupancy of the Premises; or (ii) from any alleged or actual violation of an Environmental Law by such persons on the Premises. This indemnification includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work. For purposes of this Lease, the term “Hazardous Substance” means any flammables, explosives, radioactive materials, crude or refined petroleum, pollutants, contaminants or any hazardous, toxic, or dangerous waste, substance or material, including asbestos, defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C.A. Sec. 9601 et. seq.), any so-called “Superfund” or “Superlien” law, or any other Environmental Law, including but not limited to, Alaska Statutes Title 46, Chapters .03, .08 and .09, as now or at any time hereafter in effect. For purposes of this Lease, the term “Environmental Law” means any Federal, state or local laws, ordinances, codes, regulations, rules, orders or decrees, relating to, or imposing liability or standards of conduct concerning the treatment, storage, use or disposal of any Hazardous Substances.

(c) All of the foregoing indemnification, defense and hold harmless obligations in (a) and (b) above shall survive the expiration or early termination of this Lease.

9. Condemnation. If all of the Premises or such portion as may be required for the reasonable use of the Premises, are taken by eminent domain, this Lease shall automatically terminate as of the date Lessee is required to vacate the Premises, and all rent shall be paid which is due and owing through that date. In the case of a taking of less than that portion of the Premises required for the reasonable use of the Premises, then this Lease shall continue in full force and effect, and the rent shall be equitably reduced based upon the proportion of the square footage by which the Premises is reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Lessor reserves all rights to just compensation and/or damage for any taking of the Premises, and Lessee hereby assigns to Lessor, and Lessee shall make no claim against Lessor, for damages arising out of the condemnation, provided, Lessee shall have the right to claim and recover from the condemning authority, to the extent permitted by law, compensation for any loss to which Lessee may be put for the improvements and for Lessee’s moving expenses to the extent such damages may be claimed and awarded separately from the damages and/or compensation awarded to Lessor.

10. Use, Occupancy and Care of the Premises. At all times during the Term, Lessee shall, at Lessee’s sole cost and expense:

(a) keep the Premises and improvements constructed thereon clean, safe and orderly;

(b) conduct activities upon and generally maintain the Premises and improvements in such a manner and with such care that injury to persons and damage to property does not result therefrom;

(c) not use or permit any part of the Premises or improvements to be used for any unlawful or unauthorized purpose nor perform, permit or suffer any act or omission upon or about the Premises or improvements which would result in a nuisance or a violation of any applicable laws, ordinances or regulations;

(d) comply with city, state, federal and other governmental laws, statutes, ordinances, rules, orders and regulations of whatever type and nature, including but not limited to, zoning ordinances, health, fire, safety and environmental laws and regulations which in any manner affect the Premises, improvements or activities thereon;

(e) not cause or permit any waste, damage or injury to the Premises or improvements; and

(f) not vacate or abandon the Premises at any time during the Term.

11. Maintenance and Repair. Lessee covenants throughout the Term, at Lessee’s sole cost and expense, to properly keep the Premises and improvements in good maintenance, repair, order and condition. Lessee acknowledges that Lessor has no responsibility to maintain the Premises or improvements during the Term.

12. Surrender of Premises. Upon expiration of the Term, or upon earlier termination of this Lease, Lessee shall peaceably and quietly leave and surrender the Premises and all improvements located thereon. Except in cases where the Premises is encumbered by a mortgage guaranteed by HUD, upon termination or expiration of this Lease, title to any improvements located on the Premises shall automatically pass to, vest in and belong to Lessor without further action on the part of either party and without cost or charge to Lessor; provided, however, that Lessor may, at Lessor’s option, (a) demand that Lessee remove some or all of the improvements from the Premises, at Lessee’s sole cost, and Lessee shall comply with such demand, or (b) itself cause some or all of the improvements to be removed from the Premises and bill Lessee for the cost of such removal. In either event Lessee shall be solely obligated to pay the costs of such removal. If Lessor elects either (a) or (b), then title to such property shall at all times remain with Lessee. Lessee further agrees, at the request of Lessor, to execute such other or further documents necessary to transfer Lessee’s interest in the improvements or fixtures should Lessor retain the improvements and fixtures. Lessee shall leave the land in good order and condition.

13. Access. The Secretary of Housing and Urban Development or his or her duly authorized representative (the “Secretary”), the Lender, Lessor and Lessor’s agents, employees, officers and designees shall have the right to enter the Premises at all reasonable times to inspect the same, to post “Notices of Non-Responsibility”, and to preserve and protect the Premises.

14. Liens. Except for the lien created by the mortgage in favor of the Lender, Lessee shall keep the Premises and any part thereof free from liens for labor or materials ordered or supplied upon the express or implied request of Lessee. Should any such lien be recorded or should a lien be recorded by Lessee, Lessee shall forthwith and within thirty (30) days of learning of such recording cause the same to be cancelled and discharged of record at Lessee’s sole cost and expense.

15. Taxes and Assessments. Lessee shall be responsible (directly or through Lender escrow) for and shall pay promptly when due any and all general, special, real property, sales, personal property and possessory interest taxes and assessments levied against the Premises and/or the improvements thereon.

16. Holding Over. If Lessee shall remain in possession of said Premises after the termination of this Lease or after the expiration of the Term without a proper extension or renewal of this Lease, Lessee shall be deemed to occupy the Premises as a Lessee from month-to-month.

17. Insurance. Lessee, at Lessee’s own expense (directly or through Lender escrow), shall provide (a) liability insurance, naming Lessor as an additional insured, and (b) property and fire insurance on the buildings and improvements constructed on the Premises and the furnishing used in the Premises with extended coverage endorsements in an amount equal to the full insurable value of the buildings and improvements. Lessee acknowledges and agrees that neither Lessor nor the United States is providing and neither is responsible for providing any of the foregoing insurance coverages, and Lessee waives any and all rights with respect to the same against Lessor.

18. Notices. Any and all notices required or permitted under this Lease, unless otherwise specified in writing by the party whose address is changed, shall be as follows:

Lessor: Insert Corporation

Insert Address

Insert Address

Attn: President

Lessee: Insert Lessee(s)

Insert Address

Insert Address

Lessor may also deliver a notice to Lessee in person at the Premises.

19. Default.

(a) The occurrence of one or more of the following events shall constitute a default and breach of this Lease by Lessee:

(i) Violation or breach or failure to keep or perform any covenant, agreement, term or condition of this Lease which shall continue or not be remedied within fifteen (15) days (or if no default in payment of rent is involved within thirty (30) days) after notice thereof is given by Lessor to Lessee specifying the matter or matters claimed to be in default.

(ii) Filing by Lessee in any court pursuant to any statute, either of the United States or any state, a petition in bankruptcy or insolvency, or for reorganization or for the appointment of a receiver or trustee of all or a portion of Lessee’s property, or an assignment by Lessee for the benefit of creditors.

(iii) An abandonment or vacation of the Premises by Lessee prior to the expiration of the Term.

(iv) The use of the Premises for any purpose other than those specified in Section 2.

(v) Subject to Sections 23 and 30, the transfer of title to the improvements located upon the Premises by foreclosure, sale, operation of law, gift or otherwise.

(vi) Subject to Section 31, a default by Lessee with respect to the Loan secured by the Deed of Trust.

(b) Subject to the last sentence of Section 3 above and subject to Section 31 below, upon the occurrence of a default as defined in subsection (a) above, Lessor may, at Lessor’s option, declare Lessee’s rights under this Lease terminated and may re-enter the Premises and improvements, using such force as is necessary, and without further notice, remove all persons and property from the Premises and repossess Lessor of Lessor’s former estate. In such case, Lessor shall be deemed to have an immediate right to possession of the Premises and improvements (if Lessor so desires) and Lessee shall peacefully surrender the same. No judicial action shall be necessary to effect such termination.

(c) Such re-entry and termination notwithstanding, the liability of Lessee for payment of all amounts required to be paid by Lessee under this Lease, including payment of the full rental provided herein for what would otherwise have constituted the balance of the Term shall not be extinguished and Lessee shall make good to Lessor the expenses and damages suffered by Lessor as a result of the default, repossession and reletting, including without limitation, legal expenses, renovation expense, alteration expense and any rental deficiency resulting from the inability to relet the Premises or reletting at a lesser rate.

Lessor may, but shall not be obligated to, relet the Premises or any part thereof in the name of Lessor, or otherwise, for such term (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and on such conditions as Lessor may determine appropriate, and may collect and receive the rent therefrom; Lessor shall not be responsible or liable for any failure to relet the Premises, or any part thereof, or for any failure to collect any rent due upon any such reletting.

(d) In the event of default, as defined in subsection (a), Lessor shall have such further and additional rights as are provided by law or equity.

20. Cure of Default by Lessor. Lessor may, at the expense of Lessee, cure any default by Lessee hereunder, but shall not be required to do so. Lessee shall reimburse Lessor for all amounts expended in connection therewith, including attorney’s fees and other incidental expenses. Such amounts, together with interest at the maximum lawful rate of interest, shall be deemed additional rent payable within thirty (30) days of notification that such amount is due.

21. Attorneys’ Fees, Costs and Expenses. In the event either party brings or commences legal proceedings to enforce any of the terms of this Lease, the prevailing party in such action shall receive from the other, in every action commenced, a reasonable sum for attorneys’ fees and costs to be fixed by the court in the same action.

22. Rights and Remedies. No right or remedy herein conferred upon or reserved to a party hereunder is intended to be exclusive of any other right or remedy, and such and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

23. Assignment and Subletting.

(a) Except as otherwise provided herein, including Section 30, Lessee shall not assign or sublet this Lease without the prior written consent of Lessor, and the Lender and the Secretary so long as the Lessee has any outstanding obligations under the Loan, the Deed of Trust or any other loan document related thereto. Lessee may assign this Lease and deliver possession of the Premises, including any improvements thereon, to the Lender or its successors, or HUD as guarantor of the Loan, if Lessee defaults under the Deed of Trust or any other mortgage or other loan agreement for which this Lease and/or improvements on the Premises are pledged as security, and, in such event, the Lender or its successors in interest may transfer this Lease or possession of the Premises to a successor lessee; provided, however, that this Lease may only be transferred to another shareholder of Lessor or a descendant of a shareholder of Lessor. Except with respect to the Loan, Lessee may not mortgage or otherwise pledge Lessee’s interest in this Lease or any improvements on the Premises without the prior written consent of Lessor and the approval of the Secretary. Any purported assignment, sublease, mortgage, pledge or assignment not in accordance with the terms hereof shall be null and void and of no force or effect. Lessor may sell, pledge, transfer or assign its rights in this Lease and the Premises to any party.

(b) Notwithstanding the provisions contained above, the following additional requirements shall be applicable to this Lease so long as the Loan is outstanding: In the event that HUD acquires the Deed of Trust, which is secured by this Lease, and subsequently acquires this Lease by foreclosure, or by the assignment of this Lease by Lessor, Lessee or Lessee’s lessees or assigns, then:

(1) HUD will notify Lessor of the availability of this Lease for sale, the sales price of any improvements located on the Premises and other terms of sale.

(2) This Lease may only be assigned to another shareholder of Lessor or descendant of a shareholder of Lessor, except that HUD may lease the Premises to a non-shareholder or descendant thereof under the conditions specified herein. Any such sublease or assignment shall be executed consistent with applicable law.

(3) If a purchaser is found, this Lease will be transferred by HUD to the purchaser, with the prior written consent of Lessor.

(4) If a purchaser cannot be found, HUD shall be entitled to sublease the Premises and improvements without the prior written approval of Lessor. Such sublease shall be to a shareholder of Lessor or a descendant of a shareholder of Lessor, unless such an individual cannot be found, in which case HUD may sub-lease to any individual. The term of the initial lease period and any succeeding period shall not exceed one (1) year each. Any purchase of this Lease shall be subject to any sublease by the HUD pursuant to this subsection.

(5) No mortgagee (except a Federal Agency as mortgagee or assignee of a mortgagee) may obtain title to the interest created by this Lease without the prior written consent of Lessor.

In the event that the Lender is the entity responsible for acquiring this Lease and the leasehold estate by foreclosure, the Lender shall have the rights of HUD under subparagraphs (1) through (5) above. Lessor may sell, pledge, transfer or assign its rights to any party.

24. Waiver and Forbearance. No waiver by a party hereto of any breach by the other party 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 a party to seek a remedy for any breach of the other party be deemed a waiver by the first party of its rights or remedies with respect to such breach.

25. Successors in Interest. This Lease shall be binding upon and inure to the benefit of the respective heirs, successors and permitted sublessees or assigns of the parties hereto.

26. Applicable Law. This Lease shall be construed and enforced in accordance with the laws of the State of Alaska.

27. No Partnership, Joint Venture, Etc. Nothing in this Lease shall be intended or deemed to create a partnership, joint venture, association or other similar relationship between the parties hereto.

28. No Third Party Beneficiaries. This Lease does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this Lease.

29. Severability. If any provision of this Lease or any application thereof shall be held invalid, illegal or unenforceable, the remainder of this Lease or any other application of such provision shall not be affected thereby.

30. Right of First Refusal. Should at any time during the Term, Lessee desires to transfer all or part of Lessee’s interest in the improvements located upon the Premises or in this Lease to any person or entity, or if Lessee’s interest in this Lease shall be transferred in connection with Lessee’s death, Lessor shall be entitled to thirty (30) days written notice of any intention to make such disposition. Such notice shall include (i) a statement of intention to transfer, (ii) the name and address of the prospective purchaser or transferee, (iii) the description of the property and interest to be transferred, and (iv) all material terms of such transfer. Within twenty (20) days after the receipt of such notice, Lessor may, at its option, elect to acquire the interest in the property to be transferred. Such acquisition by Lessor shall be on the same terms as set forth in the notice; provided, however, where such terms include consideration other than money, Lessor shall have the right to pay the monetary valuation of such non-monetary consideration. The rights provided in this Section 30 shall continue for so long as this Lease is in effect even if Lessor may have previously waived its rights hereunder with respect to other transactions. Lessor may transfer and assign its rights under this Section 30 to a shareholder of Lessor or his or her descendants.

31. Lessor’s Option. Subsequent to Lessee’s breach of any covenant or agreement under the Deed of Trust or any other mortgage or other security instrument for which this Lease or any improvements on the Premises are pledged as security, and upon the expiration of any applicable cure period, Lessor shall have an option (herein, the “option”) to acquire Lessee’s leasehold interest (subject to all valid liens and encumbrances) upon either payment in full of all sums secured by the Deed of Trust or assumption of the Loan with the approval of the Lender or HUD as evidenced by the promissory note (the “Promissory Note”) and the Deed of Trust and execution of an assumption agreement acceptable in all respects to the Lender. Such option is subject to the following conditions:

(a) If Lessee or any assignee of Lessee fails to cure the default, the Lender shall give written notice to Lessor of Lessee’s failure, and said notice shall be given before the Lender or successor invokes any other remedies provided under the Deed of Trust or by law. Thereafter, the Lender may issue an acceleration notice to Lessee or Lessee’s lessees or assigns under the Deed of Trust or other security instrument, requiring Lessee or Lessee’s lessees or assigns to pay all sums secured by the Deed of Trust or other security instrument. If Lessee or Lessee’s lessees or assigns fail to cure the default in accordance with the terms of the Lender’s acceleration notice, the Lender shall give Lessor written notice of said failure to cure. Lessor may exercise its option at any time within thirty (30) days of the date of the Lender’s written notice to Lessor of said failure to cure. This option shall be exercised by notice in writing from Lessor to Lessee and the Lender.

(b) Notwithstanding Lessor’s option to acquire Lessee’s interest in the Premises, such option shall be subject to any right Lessee may have under the Deed of Trust or by law to reinstatement after the acceleration, and the right to bring appropriate court action to assert the non-existence of a default or any other defense to acceleration and sale or foreclosure.

(c) The estate acquired by Lessor through the exercise of the option shall not merge with any other estate or title held by Lessor as long as the leasehold interest or any improvements on the Premises, or any interest therein, are mortgaged or otherwise pledged as security for any loan, and the leasehold interest shall remain subject to any valid and subsisting mortgage or other security instrument.

32. Miscellaneous Provisions.

(a) This Lease constitutes all of the agreements and conditions made between the parties and may not be modified orally or in any manner other than by an agreement in writing signed by both parties or their respective successors in interest.

(b) Each term and such provision of this Lease shall be construed to be both a covenant and a condition of this Lease.

(c) Time is of the essence in each term and provision of this Lease.

(d) This Lease may be executed in any number of counterparts, including by facsimile signature, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

33. Original Ground Lease. As of the Effective Date, the Original Ground Lease is hereby terminated, which shall be treated as a natural expiration of such Original Ground Lease.

IN WITNESS WHEREOF, the undersigned have caused this Lease to be executed as of the Effective Date.

[SIGNATURE AND ACKNOWLEDGEMENT PAGES FOLLOW]

**LESSOR: INSERT CORPORATION**

By:

Its:

**ACKNOWLEDGEMENT**

STATE OF ALASKA )

) ss

SECOND JUDICIAL DISTRICT )

The foregoing GROUND LEASE was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_, by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, of Insert Corporation, an Alaska Native Village corporation on behalf of the corporation.

Notary Public for the State of Alaska

My Commission Expires:

**LESSEE:** **INSERT LESSEE**

By:

Insert Lessee

**INSERT LESSEE**

By:

Insert Lessee

**ACKNOWLEDGEMENT**

STATE OF ALASKA )

) ss

SECOND JUDICIAL DISTRICT )

The foregoing GROUND LEASE was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_, by Insert Lessee.

Notary Public for the State of Alaska

My Commission Expires:

**ACKNOWLEDGEMENT**

STATE OF ALASKA )

) ss

SECOND JUDICIAL DISTRICT )

The foregoing GROUND LEASE was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_, by Insert Lessee.

Notary Public for the State of Alaska

My Commission Expires: