



# SQUAXIN ISLAND TRIBE

## RESOLUTION NO. 05-09

of the

### SQUAXIN ISLAND TRIBAL COUNCIL

**WHEREAS**, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by the authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

**WHEREAS**, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources and rights of the Tribe; and

**WHEREAS**, the Tribe is a federally-recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

**WHEREAS**, the Squaxin Island Tribal Council has been entrusted with the creation of ordinances and resolutions in order to fulfill their duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources of the Tribe; and

**WHEREAS**, the Squaxin Island Tribal Council is empowered to acquire, manage, lease, or use Tribal real property under its Constitution, Article III, Section 1(b), and its inherent authority; and

**WHEREAS**, the Squaxin Island Tribal Council has agreed to purchase on the terms and conditions expressed in the attached Real Estate Purchase and Sale Agreement the real property (Port Blakely Tree Farms) described therein; and

**WHEREAS**, the Squaxin Island Tribal Council has agreed to the purchase price of \$678,000.00 and costs, if any;

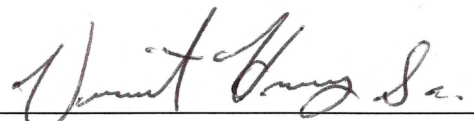
**NOW THEREFORE BE IT RESOLVED**, that the Squaxin Island Tribal Council hereby approves the purchase the property for the sale price of \$678,000.00 and associated closing costs, if any;

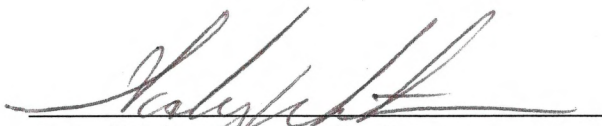
**NOW THEREFORE BE IT FURTHER RESOLVED**, that the Squaxin Island Tribal Council hereby authorizes the Chairman or, in his absence, the Executive Director to do any and all acts necessary to acquire the property, including executing the purchase and sale agreement, its exhibits, a continuation statement, excise affidavits, escrow instructions and any and all other documents necessary to close the transaction.

**CERTIFICATION**

The Squaxin Island Tribal Council hereby certifies that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 27<sup>th</sup> day of January, 2005, at which time a quorum was present and was passed by a vote of 4 for and 0 against, with 0 abstentions.

  
\_\_\_\_\_  
David Lopeman, Chairman

Attested by:   
\_\_\_\_\_  
Vincent Henry, Sr., Secretary

  
\_\_\_\_\_  
Andy Whitener, Vice Chairman



## REAL ESTATE PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement (this "Agreement") is made as of September \_\_, 2004, by and between PORT BLAKELY TREE FARMS (Limited Partnership), a Washington limited partnership ("Seller") and the SQUAXIN ISLAND TRIBE, a federally recognized Indian Tribe ("Buyer"), for purchase and sale of that certain real property situated in Mason County, Washington, and legally described on Exhibit A attached hereto and incorporated herein by reference, together with all rights appurtenant thereto (the "Property"). The Property expressly does not include (i) any mineral rights or water rights except those owned by Seller and appurtenant to the Property or (ii) any rights or interests reserved in federal patents or state deeds.

Buyer agrees to buy and Seller agrees to sell the Property on the following terms and conditions:

1. Purchase Price; Payment. The total purchase price for the Property is SIX HUNDRED SEVENTY-EIGHT THOUSAND Dollars (U.S. \$678,000.00) which amount shall be paid in cash or other immediately available funds upon closing.

2. Closing.

2.1 Time for Closing; Termination Date. This sale shall be closed in the Seattle, Washington office of First American Title Insurance Company ("Closing Agent") by Jean Couch, Commercial Escrow Officer. Closing shall occur on or before January 28, 2005, which shall be the termination date; provided, however, the termination date shall be automatically extended for up to three (3) business days as may be required by either party to deliver into escrow any required documents or funds. Buyer and Seller shall deposit in escrow with Closing Agent all instruments, documents and monies necessary to complete the sale in accordance with this Agreement.

2.2 Prorations; Closing Costs. Taxes and assessments for the current year and utilities constituting liens shall be prorated as of the date of closing. At closing, Seller shall pay the premium for Buyer's standard coverage title policy, real estate excise taxes, if any, and one-half (1/2) of the Closing Agent's escrow fee. At closing, Buyer shall pay the cost of recording the deed and one-half (1/2) of Closing Agent's escrow fee and assume any real estate taxes and assessments with respect to any future calendar years. If Buyer's acquisition of the Property results in a change in the forest, open space, timberland or similar non-ad valorem tax classification or designation applicable to the Property, Buyer shall pay at closing any compensating tax and related interest and penalties resulting from such change in classification or designation, and indemnify Seller from such costs. If after closing any compensating tax or related tax, interest or penalties are imposed with respect to the Property, the same shall not constitute a basis for any claim by Buyer against Seller nor entitle Buyer to rescind this transaction, and Buyer shall indemnify, defend and hold Seller harmless from any such taxes, interest, penalties, costs and liabilities. Buyer shall be solely responsible for the payment of any

taxes which may accrue at closing or anytime thereafter by reason of any change in the zoning, land use classification or tax or other classification of the Property. The parties recognize that if Buyer wishes to request a continuance of the forest or timberland tax classification or designation of the Property, it may be necessary to submit the real estate excise tax affidavit containing such request, together with a Forest Management Plan, to the applicable county assessor's office in advance of the date of closing. Such Forest Management Plan shall be prepared by Buyer at Buyer's sole cost. Seller agrees to cooperate with Buyer and sign the applicable real estate excise tax affidavit for the transaction prior to closing, as reasonably requested by Buyer, in order to have Buyer's continuance request considered in time for closing by the required date.

2.3 Possession. Buyer shall be entitled to possession upon closing. Buyer shall have a revocable license to enter onto the Property prior to closing as reasonably required for Buyer to prepare for ownership of the Property, including but not limited to cultural resource and environmental surveys, subject to the terms of this Section 2.3 and Section 6.5 below. Such entry shall be conducted by Buyer in a lawful, safe and prudent manner and without causing any damage to or liens on the Property and without violating any applicable restrictions or interfering with the rights of Seller or any third parties. If Buyer or any employee, agent or consultant of Buyer's enters onto the Property prior to closing, Buyer shall defend, indemnify and hold Seller harmless from and against any damage, claim, injury, expense or loss arising therefrom and from any violation of any provision of this Section 2.3 or Section 6.5 below. The foregoing indemnity and defense obligations shall survive closing and the termination of this Agreement.

3. Conveyance of Title. On closing, Seller shall execute and deliver to Buyer a special warranty deed in the form of the attached Exhibit B conveying title to the Property free and clear of the Disapproved Exceptions (defined below). Buyer understands and agrees that title to the Property will be conveyed subject to (i) the lien of real estate taxes and assessments for the current calendar year not yet due and payable and for all future years, (ii) the special exceptions shown in the Commitment (except the Disapproved Exceptions), (iii) any defects, encumbrances or matters that an accurate ALTA survey or inspection of the Property would show or reveal or that would be included in Seller's disclaimer contained in Section 7 below, (iv) any defects or encumbrances arising by, through or under Buyer, (v) rights, reservations, covenants, conditions, and restrictions presently of record and general to the area, (vi) rights reserved in federal patents or state deeds, (vii) reserved oil and mineral rights, (viii) temporary (*i.e.*, for term less than one year) nonexclusive rights-of-way or easements not inconsistent with the use of the Property for timberland or logging operations; (ix) building, use, zoning, environmental or protected species regulations or restrictions general to the area, and (x) the general or standard printed exceptions contained in the owner's standard coverage policy to be issued pursuant to the Commitment.

4. Title Insurance. As soon as reasonably possible after the date of this Agreement, Seller will provide Buyer with a preliminary commitment for an owner's standard coverage title insurance policy covering the Property and issued by First American Title Insurance Company (the "Commitment") together with copies of all documents shown as special exceptions therein. Buyer shall have twenty (20) days after receipt of the Commitment to notify Seller in writing of its disapproval of any special exceptions shown in the Commitment (such special exception(s) as are timely disapproved by such notice being herein called the "Disapproved Exception(s)"), and



any such special exceptions not disapproved by notice to Seller within such time period shall be deemed approved by Buyer. Buyer shall not be entitled to disapprove any of the general or standard printed exceptions contained in the owner's standard coverage title policy to be issued pursuant to the Commitment.

Neither Seller nor Buyer shall be required to close or have any liability for such failure to close and this Agreement shall terminate if any such Disapproved Exception(s) cannot be or is not removed by the termination date; provided, however, that Buyer may elect to waive its objection to any such Disapproved Exception(s) and close subject thereto without reduction in the purchase price (and such waiver shall automatically cause such exception(s) to be deemed approved and no longer Disapproved Exception(s)). Notwithstanding the foregoing, Seller shall remove on or before closing all monetary liens attaching by, through or under Seller except non-delinquent road, utility or similar assessments payable on an installment basis ("Assessment Installments") which Buyer shall assume for the period from and after closing. Assessment Installments payable in future years shall be deemed approved by Buyer and shall not be Disapproved Exceptions. Exceptions to be discharged by Seller may be paid out of the purchase price at closing. Buyer shall have no right of specific performance or claim for damages as a consequence of Seller's inability to provide insurable title.

As soon as available after closing, Seller will provide to Buyer a standard coverage owner's policy of title insurance pursuant to the Commitment, dated as of the closing date and insuring Buyer in the amount of the purchase price against loss or damage by reason of defect in Buyer's title to the Property, subject only to the printed exclusions and general or standard printed exceptions appearing in the policy form, the lien of real estate taxes and assessments for the current calendar year not yet due and payable, Assessment Installments payable in future years, those special exceptions approved or deemed approved by Buyer as provided above, and any exceptions arising by, through or under Buyer.

5. Risk of Loss; Condemnation. Risk of loss of or damage to the Property shall be borne by the Seller until the date of closing. If the Property or any material portion thereof is taken in condemnation or materially damaged by fire or other casualty prior to closing, Buyer may elect to terminate this Agreement or accept the Property subject to such damage or taking and close, without reduction in price, on or before the termination date. If Buyer does not so elect to terminate this Agreement within ten (10) days after notice from Seller of the casualty or taking, then Buyer shall be deemed to have accepted such casualty or taking, and Buyer shall close this transaction, without reduction in the purchase price, on or before the termination date. For purposes of this Section 5, "material" or "materially" means where such taking or damage would diminish the value of the Property by at least \$50,000.

6. Representations and Warranties. Seller represents and warrants to Buyer that:

6.1 Seller, and the person signing on its behalf, has full right, power and authority to enter into and perform this Agreement, and the execution and performance of this Agreement has been duly authorized by all necessary action on the part of Seller.

6.2 Seller is not a "foreign " person or entity for purposes of Section 1445 of the Internal Revenue code. Prior to closing, Seller shall execute and deliver to Closing Agent an affidavit which meets the I.R.C. Section 1445 Foreign Investment in Real Property Tax Act requirements necessary to eliminate any withholding obligation of Buyer.

Buyer represents and warrants to Seller that:

6.3 Buyer, and the person signing on its behalf, has full right, power and authority to enter into and perform this Agreement, and the execution and performance of this Agreement has been duly authorized by all necessary action on the part of Buyer.

6.4 Buyer has sufficient funds to close this transaction.

6.5 Prior to closing, Buyer shall not (i) engage in any timber cutting or removal, clearing, or other invasive activity on the Property, (ii) damage the Property or remove anything from or dispose of anything on the Property or, (iii) do anything to create any liens, claims, restrictions or encumbrances against the Property, or (iv) change or attempt to change the land use, zoning, tax, environmental, permitting or other governmental or regulatory classification, status or condition of the Property. If any violation of this Section 6.5 occurs, Seller shall have the right, in addition to any other available remedy, to terminate this Agreement.

7. Seller's Disclaimer; "AS IS" Sale. Buyer has examined the Property and is purchasing the Property solely on the basis of Buyer's own examination and evaluation thereof. Neither Seller nor any agent, officer or employee of Seller makes or has made any representations or warranties and neither Seller nor any agent, officer or employee of Seller shall in any way be liable for or with respect to : (1) the condition, value, merchantability, quality or fitness of the Property or any timber, improvements, roads or fixtures thereon; (2) the suitability of the Property for commercial timber harvest, subdivision or real estate development or for any use whatsoever; (3) any applicable forestry, land use, zoning, building, environmental, endangered or protected species, or fire laws, regulations, rules or ordinances or moratoriums or compliance therewith; (4) the existence or availability of water or utilities to the Property or water hookups; (5) the area or acreage of the Property, the timber volume or quantity, the age classification(s) of the timber or the species of timber; (6) the availability of permits for harvesting timber from the Property or for developing, subdividing or improving the Property; (7) access to the Property or the suitability thereof; (8) drainage, wetlands, shorelands, slope stability, critical areas or environmentally sensitive areas, boundaries, views, or encroachments; (9) the presence of endangered, threatened or protected species, or the nesting sites, waterways or critical or protected habitat of same; (10) the presence of any underground tanks, environmental contamination or toxic or hazardous substances in, on or under the Property or groundwater thereof or of any adjacent property; (11) the existence of any moratorium affecting the Property or use or development thereof; or (12) the existence of any treaty, tribal, Native American or other aboriginal rights, claims or restrictions against the Property or area in which the Property is located, whether based on historical use(s) of the Property or the area in which the Property is located, the presence of any religious, archeological or historical cultural resources,



artifacts, features, or remains on the Property or in the area in which the Property is located, or otherwise.

Buyer assumes the responsibility and risks of all defects and conditions, including such defects and conditions, if any, that cannot be observed by casual inspection. Buyer has inspected the Property, is satisfied with the condition of the Property, and will be relying entirely on its inspection of the Property. Buyer has independently ascertained the applicable zoning, forestry, land use, environmental, endangered and protected species and other ordinances, rules, regulations, restrictions, laws and moratoriums affecting the Property and accepts the Property subject thereto. Buyer accepts the land, timber, improvements and fixtures and all other aspects of the Property in their present "AS IS" condition, without any representation or warranty, express or implied, and waives and releases all claims against Seller with regard to any condition affecting the Property, including, without limitation, any environmental contamination of or the presence of hazardous or toxic substances in, on or under on the Property or groundwater thereof or any adjacent property, and agrees to indemnify Seller, from and after closing, against all claims and liabilities pertaining to the Property or any such condition affecting the Property.

8. No Assignment or Recording; Confidentiality. Buyer shall not assign its rights hereunder to any person or entity without the prior written consent of Seller, which may be withheld in Seller's sole discretion. Buyer agrees to cooperate with Seller if Seller elects to convert this transaction into an I.R.C. Section 1031 like-kind exchange; provided that in connection with any such exchange, Buyer shall not be obligated to incur any additional liability or take title to any other property, and any additional expense Buyer incurs due solely to Seller's exchange shall, if reasonable and documented, be reimbursed by Seller at closing. Buyer shall not cause this Agreement or any memorandum or notice hereof to be recorded or placed of public record, nor shall Buyer disclose, prior to closing, the purchase price of the Property or other provision of this Agreement or information it discovers about the Property to any third party other than its lender, appraiser, attorney or representative integrally involved in this transaction on behalf of Buyer.

9. General. Time is of the essence in this Agreement. Unless specified otherwise herein, any periods of time referenced in this Agreement shall expire at 4:00 p.m. (Pacific Time Zone) of the last calendar day of the specified time period unless the last day is a Saturday, Sunday or legal holiday in the State where the Property is located, in which event the specified period of time shall expire at 4:00 p.m. (Pacific Time Zone) on the next business day. Notices shall be given in writing at the respective addresses set forth below or by facsimile transmission, with a machine-printed confirmation, to the respective facsimile numbers and attention of the respective persons identified below. Facsimile transmission or re-transmission of any signed original document or notice shall be the same as delivery of an original; however, on request of either party or the Closing Agent, any document or notice sent by facsimile transmission shall be confirmed by prompt delivery of an original signed document or notice. In no event shall any officer, director, employee, agent, or representative of Seller have any personal liability in connection with this Agreement or transaction. The headings in this Agreement are for purposes of reference only and shall not limit or define the meanings thereof.



This Agreement shall be governed by and construed in accordance with the laws of the state where the Property is located. Venue of any action with respect to the enforcement of this Agreement shall be in the Superior Court in the county in which the Property is located, or at Seller's option, in King County, Washington, and the parties hereby irrevocably agree to submit to the jurisdiction of the courts of the State of Washington; provided, however, if because of Buyer's status as a federally recognized Indian tribe any such action is legally required to be brought in federal court, the venue and jurisdiction of such action shall be federal court in the Western District of Washington. The terms, covenants, indemnities, waivers, releases, warranties, and representations contained herein shall not merge in the deed of conveyance, but shall survive closing. This Agreement constitutes the entire agreement of Buyer and Seller with respect to the subject matter and supersedes any and all prior agreements, negotiations and representations between them, written or oral.

The parties agree that no agency, partnership or joint venture of any kind shall be or is intended to be created by or under this Agreement. All exhibits to which reference is made herein are deemed incorporated in this Agreement in their entirety.

This Agreement may be modified only in writing, signed by Buyer and Seller. Any waiver of rights hereunder shall be in writing and signed by the waiving party. No failure of either party to exercise any power given hereunder or to insist upon strict compliance with any obligation specified herein, and no custom or practice at variance with the terms hereof, shall constitute a waiver of either party's right to demand exact compliance with the terms hereof. In construing the parties' intent with regard to this Agreement, no greater or stricter construction of any term or provision hereof shall be asserted against a party by reason of such party's being the drafter or alleged drafter thereof. Subject to the restriction on Buyer's assignment, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. If any provision of this Agreement is found by a court to be invalid or unenforceable, such finding shall not render the other provisions hereof invalid or unenforceable. This Agreement may be signed in multiple counterparts, which together shall constitute one agreement.

10. Commissions. No real estate agent or broker has been involved in this transaction and no commission is owing. Each party represents and warrants to the other that (i) it has not engaged any real estate agent or broker in connection with this sale, and (ii) it will pay at closing the commission of any agent or broker it has engaged with respect to this sale. Any party who has engaged any such broker or agent shall indemnify the other party against and hold it harmless from any and all loss, damage, liability, cost or expense, including attorneys' fees, suffered or incurred by it arising out of or relating to any claim for real estate commission or fee made by any such real estate agent or broker.

11. Default. If Seller defaults hereunder or fails, without legal excuse, to close as required herein, Buyer, at its election, may (a) bring an action for specific performance and/or (b) bring an action for damages. If Buyer defaults hereunder or fails, without legal excuse, to close as required herein, Seller, at its election, may (a) bring an action for specific performance, (b) bring an action for damages, and/or (c) pursue any and all remedies in addition to or by way of alternative to the foregoing available at law or in equity. In any suit, action or proceeding, or appeal therefrom, to enforce or interpret this Agreement or any term or provision hereof, or in any bankruptcy proceeding to obtain relief from stay or take other action to protect or enforce its



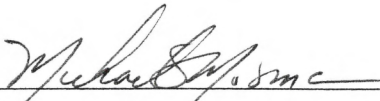
rights and remedies hereunder, the substantially prevailing party shall be entitled to recover its costs incurred therein, including reasonable attorney's fees.

12. Professional Advice. Buyer and Seller each acknowledge that the terms and conditions of this Agreement affect the parties' rights and may have tax implications, and that it is therefore advisable to have this Agreement reviewed by such party's legal counsel and/or accountant. Each party is specifically aware that issues such as the form of deed, agency representation, title insurance, liquidated damages, financing, and representations and warranties are complicated and that the parties may require advice that a real estate agent or broker is not qualified or licensed to give and for which each party should contact its own attorney or accountant. Furthermore, each party confirms and agrees that (a) it is not relying on any representations or advice by any real estate agent or broker involved in this transaction, and (b) it has satisfied itself as to the terms and conditions of this sale.

**13-A. Continuing Forest Land Obligations. Buyer acknowledges that the Property is subject to certain continuing forest land obligations applicable to the Property under the forest practices rules adopted pursuant to RCW 76.09.370, including but not limited to the continuing obligations, if any, listed on the notice which is attached hereto as Exhibit C (the "Continuing Forest Land Obligations"). At or before closing, Buyer agrees to sign and deliver to Seller the original of the notice attached hereto as Exhibit C or such other notice that indicates the Buyer's knowledge of the Continuing Forest Land Obligations as may be required by the Washington Department of Natural Resources ("DNR") at the time of closing. At closing, Seller shall send the executed notice to DNR in accordance with the requirements of RCW 76.09.390. As of closing, Buyer assumes and agrees to perform the Continuing Forest Land Obligations at Buyer's sole cost and expense in a timely fashion, and to indemnify, defend and hold Seller harmless from and against the Continuing Forest Land Obligations and any claim, loss, damage, cost or expense resulting from Buyer's failure to fulfill and perform the same. The provisions of this indemnity shall survive the closing.**

Signed in duplicate as of the date first above-written.

SELLER: **PORT BLAKELY TREE FARMS  
(Limited Partnership)**

By 

Dated: 12/20/04

Its V.P. Resources

Seller's Address: Port Blakely Tree Farms  
Attn: Mike Mosman  
8133 River Dr SE  
Tumwater, Washington 98501

Tel. 360-570-1992 Fax 360-570-0311

BUYER: SQUAXIN ISLAND TRIBE Dated: December 14, 2004

By:   
Ray Peters  
Its: Executive Director

Buyer's Address: 10 SE Squaxin Lane  
Shelton, WA 98584

Tel. 360.426.9781

Additional notice to: Squaxin Island Legal Department  
3711 SE Old Olympic Hwy  
Shelton, WA 98585  
Tel. 360.432.1771 Fax. 360.432.3699



**EXHIBIT A**

**LEGAL DESCRIPTION**

The South half of the Southwest quarter and the Southwest quarter of the Southeast quarter of Section 19, Township 19 North, Range 3 West, W.M., in Mason County, Washington except PSH #9 and except public roads.

**EXHIBIT B**

**FORM OF DEED**

RECORDED AT THE REQUEST OF:  
AND AFTER RECORDING RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SPECIAL WARRANTY DEED**  
(State of Washington)

**Grantor:** Port Blakely Tree Farms (Limited Partnership)

**Grantee(s):**

**Abbreviated**

**Legal Description:**

Additional legal description is on Exhibit A of document

**Assessor's Property Tax Parcel Account Number(s):**

**Reference Numbers of Documents Assigned or Released (if applicable):**



SPECIAL WARRANTY DEED

The Grantor, Port Blakely Tree Farms (Limited Partnership), a Washington limited partnership, (for good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby acknowledged) (for and in consideration of "I.R.C. Section 1031 Tax-Deferred Exchange of Like-Kind Real Property"), grants, bargains, sells, conveys, and confirms to \_\_\_\_\_, a \_\_\_\_\_, the following described real estate, situated in the County of \_\_\_\_\_, State of Washington:

The real property described on **Exhibit A** attached hereto and incorporated herein by this reference,

SUBJECT TO the exceptions, encumbrances and matters described on **Exhibit B** attached hereto and incorporated herein by this reference.

The Grantor for itself and its successors-in-interest does by these presents expressly limit the covenants of this Deed to those herein expressed, and excludes all covenants arising or to arise by statutory or other implication, and does hereby covenant that Grantor will forever warrant and defend the said described real estate against all persons whomsoever claiming or to claim by, through, or under said Grantor and not otherwise.

DATED as of \_\_\_\_\_, 2004.

GRANTOR:

PORT BLAKELY TREE FARMS (LIMITED PARTNERSHIP),  
a Washington limited partnership

By: \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

STATE OF WASHINGTON  
COUNTY OF KING

SS.

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of Port Blakely Tree Farms (Limited Partnership), a Washington limited partnership, to be the free and voluntary act of such limited partnership for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,  
residing at \_\_\_\_\_

My appointment expires \_\_\_\_\_



EXHIBIT B

CONTINUING FORESTLAND OBLIGATIONS

**Washington State Department Of Natural Resources  
Notice of Continuing Forest Land Obligation**

**Sellers and Buyers of land and perpetual timber rights** have certain rights and responsibilities when The land or perpetual timber rights are sold or transferred. Where the land is subject to certain continuing forestland obligations including without limitation reforestation, Road Maintenance and Abandonment Plans and Harvest Strategies along Type 4 Waters in Eastern Washington, **prior to the sale or transfer of the land or perpetual timber rights the law requires that the following occur:** 1) the seller shall notify the buyer of the existence and nature of the obligation and 2) the buyer shall sign a Notice of Continuing Forestland Obligation Form indicating the buyer's knowledge of such obligation. At the time or sale or transfer of the land or perpetual timber rights the seller shall send the signed Form to the Department of Natural Resources (DNR). The Form may be obtained from your DNR region office.

**If the seller fails to notify the buyer** about the continuing forest land obligation referenced above, the seller shall pay the buyer's costs related to such continuing forest land obligation, (including all legal costs) incurred by the buyer in enforcing the continuing forestland obligation against the seller. Failure by the seller to send the required notice to the DNR at the time of sale shall be prima facie evidence. in all action by the buyer against the seller for costs related to continuing forest land obligation, that the seller did not notify the buyer of the continuing forest land obligation prior to sale. See RCW 76.09.070, RCW 76.09.390 and W AC 222~20-055.

There are also other types of continuing forestland obligations subject to certain requirements, including without limitation Small Forest Landowner Forest Riparian Easements and Landowner Landscape Plans. For more information contact the DNR Regional Office.

CONTINUING OBLIGATION/S

**Reforestation (RCW 76.09.070)**

\_\_\_\_\_ Obligation exists on the property identified above and relates to the following Forest Practice Application/Notification (FPA/N) Numbers (list all that apply, add attachment if necessary):

X No Reforestation obligation exists on the property.

**Road Maintenance and Abandonment Plan (WAC 222-24.051)**

X Obligation exists on property identified above and relates to the following FPA/N Numbers and/or Road Maintenance Plan Numbers (list all that apply, add attachment if necessary): R240048-1

\_\_\_ No Road Plan obligation exists on the property.

**Harvest Strategy along Type 4 Waters in Eastern Washington (W AC 222-30-022 (2)(b))**

\_\_\_ Obligation exists on the property identified above and relates to the following FPA/N Numbers (list all that apply, add attachment if necessary):

X No Harvest Strategy obligation exists on the property.

**PROPERTY IDENTIFICATION**

**Land/Rights Sold/Transferred** (circle one): *Land and Timber* Land Perpetual Timber Rights

**Date that the Land/Rights was/were Sold/Transferred** (month/day/year): \_\_\_\_\_


**County/ies:** MASON

**DNR Region/s:** SOUTH PUGET

**Legal Description of the Lands/Rights being Sold/Transferred** (include county parcel number/s, add attachment if necessary): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**SELLER:**  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Print name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

**BUYER:**  
Signature:  \_\_\_\_\_  
Date: \_\_\_\_\_  
Print name: Ray Peters  
Title: Executive Director, Squaxin Island Tribe  
Address: 10 SE Squaxin Lane, Shelton WA 98584  
Phone: 360.432.3900

**NOTE TO SELLER**

*At the time of sale or transfer of the property or the perpetual timber rights:  
The seller is responsible for delivering (by certified mail or in person) the .SIGNED ORIGINAL to the DNR Region Office in which the property is located. However, if you choose to also have this form recorded by the county, the original is delivered to the county and a copy delivered (by certified mail or in person) to the DNR Region Office.*

**FOR DEPARTMENTAL USE ONLY**

Notice (f) Continuing Forestland Obligation #: \_\_\_\_\_ Date Received: \_\_\_\_\_  
Region: \_\_\_\_\_ Received: \_\_\_\_\_  
FORM DNR QQ-42 (6/22/01)