

**STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER
SOUTHEAST REGIONAL OFFICE**

Preliminary Decision

ADL 104374

Misty Fjords LLC

Application for Lease

AS 38.05.075(c)

This Preliminary Decision (PD) is the State’s preliminary best interest finding regarding a proposed disposal of interest in state land. The public is invited to comment on this PD. The deadline for commenting is October 21st, 2026, 11:59pm. Please see the Public Notice section of this decision for requirements related to submitting comments for consideration. Only the applicant and those who comment have the right to appeal the Final Finding and Decision (FFD).

Requested Action

Misty Fjords LLC (“applicant”) applied for a tideland lease with the Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Southeast Regional Office (SERO), on July 3rd, 2025, for the continued use of state-owned tide and submerged lands located within NE ¼ Section 25, Township 78 South, Range 97 East, Copper River Meridian, Mink Bay, within the Ketchikan Gateway Borough. The purpose of this application is for the continued use of a dock and gangway used by the applicant to access their private seasonal lodge for friends and family.

The leasehold area is comprised of 2.5-acres of state-owned tide and submerged land adjacent to uplands depicted on US Survey (USS) 287 Ketchikan Recording District. The leasehold is depicted on Alaska Tideland Survey (ATS) 1454 Ketchikan Recording District, and the Development Plan submitted to DMLW on June 29th, 2026. The leasehold is located within Misty Fjords National Monument, Mink Bay, Alaska, approximately 41.5-miles southeast of Ketchikan, Alaska. The leasehold contains a portion of the gangway and all floating docks used for moorage and access for the private lodge. The second tract of the leasehold contains two floats connected with shore ties on state-owned tidelands.

Requested Improvements:

- Wooden gear float #1 – 9-feet x 33-feet
- Wooden gear float #2, floated with eight 36” HDP pipes attached to bottom of float – 25-feet x 50-feet
- Two shore ties – Approximately 220-feet and 120-feet
 - Above listed items have previously been installed (seasonally) on state-owned tide and submerged lands; applicant requests to include items within leasehold.

Existing Improvements:

- Metal gangway – approximately 7-feet x 185-feet
- Wooden dock extension – approximately 16-feet x 55-feet
- Main dock – approximately 25-feet x 116-feet
- (1) storage/fish cleaning building on main dock – 12-feet x 28-feet
- (3) standard metal pilings to secure dock
- (9) standard wood pilings to support portion of gangway contained within leasehold
- (1) 4-inch end portion of outfall line exiting into leasehold, approximately 50-feet

Proposed Action

DMLW proposes to issue a 25-year tideland lease to the applicant for the continued use and maintenance of the existing gangway and floating dock for moorage and access to the private upland lodge; and the inclusion of a second tract containing two seasonal wooden floats; contingent on comments received during Agency Review and Public Notice.

Scope of Decision

The scope of this decision is to determine if it is in the State's best interest to issue a lease for the requested activity. The administrative review for this authorization is defined by AS 38.05.035(e)(1)–(2) and limited to (1) reasonably foreseeable, significant effects of the uses to be authorized; (2) applicable statutes and regulations; (3) the facts pertaining to the land or resources; and (4) any issues that are material to the determination.

Authority

This lease application is being adjudicated pursuant to AS 38.05.035(e) Powers and Duties of the Director, AS 38.05.070 Generally, AS 38.05.075 Leasing Procedures, and AS 38.05.945 Notice. The authority to execute the PD, Final Finding and Decision (FFD), Entry Authorization (EA), and the lease has been delegated to the Regional Managers of DMLW under AS 38.05.035(b)(1).

Administrative Record

The administrative record for the proposed action consists of the Constitution of the State of Alaska, the Alaska Land Act as amended, applicable statutes and regulations referenced herein, the *Central/Southern Southeast Area Plan, November 2000* (CSSEAP) and other classification references described herein, and the casefile for the application serialized by DNR as ADL 104374.

Figure 1: Overview Maps of Project Area



Legal Description, Location, and Geographical Features

The State land where this proposed lease is located is described as follows:

- **Geographical location:** Misty Fjords National Monument, Mink Bay, approximately 41.5-miles southeast of Ketchikan, Alaska
- **Approximate Lat/Long:** 55.0828° N, 130.7299° W

- **Area geographical features:** Standard tideland area for Southern Southeast Alaska/Misty Fjords areas
- **Legal description:** C078S097E25; Township 78 South, Range 97 East, NE ¼ Section 25, Copper River Meridian, Alaska Tideland Survey (ATS) 1454 Ketchikan Recording District
- **Existing parcel survey, if applicable:** ATS 1454 and USS 287
- **Municipality/Borough:** Ketchikan Gateway Borough
- **Native Corporations/Federally Recognized Tribes:** Sealaska Corporation, Central Council of the Tlingit and Haida Indian Tribes of Alaska, Ketchikan Indian Community, and Cape Fox Corporation
- **Size:** Approximately 2.5 acres, more or less

Title

The State of Alaska holds title to lands beneath tidally influenced and navigable waterways within its jurisdiction, including lands underlying Mink Bay and Boca de Quadra in the section(s) referenced above, on the basis of the Equal Footing Doctrine, the Submerged Lands Act of 1953 and AS 38.04.062 (Identification of State Submerged Lands). A DNR Title Report RPT-3973 was requested on June 22nd, 2026, from DMLW Realty Services Section. A Title Report issued from Realty Services Section will state whether the State of Alaska holds title to the subject tidelands under the Equal Footing Doctrine and Submerged Lands Act of 1953. The Southeast Regional Office reserves the right to modify the Final Finding and Decision based upon the information contained in the Title Report upon completion.

Third Party Interests

No encumbrances or third-party interests exist that would prevent the issuance of the lease.

Planning and Classification

The project area is subject to the *Central/Southern Southeast Area Plan, November 2000* (CSSEAP). The site is located in Unit KT-54 – Boca de Quadra and is designated as Habitat land (“Ha”). The designation Ha is classified as “Wildlife habitat land” (CSSEAP 3-316 and 4-6).

Management Intent

“Protect anadromous streams, harbor seal concentrations within the middle and southern parts of this parcel, waterfowl concentrations in the northern areas, and bear concentrations at the tideland/upland interface in the northern part of the parcel. Consult with NMFS before authorizing development in this unit because of harbor seal concentration. At least 17 anadromous streams empty into this unit (CSSEAP 3-316).”

Resources

“Large numbers of anadromous salmon congregate, migrate through, and utilize the confined waters of this bay for critical portions of their life cycle; species which are predatory upon these juvenile or adult salmon are also present in larger than normal numbers when the salmon are present. Much of the bay is seasonally important as waterfowl and sea bird wintering, nesting, and/or molting concentration sites. It is likely

that this bay may have the largest annual runs of pink salmon in all of Southeast Alaska (CSSEAP 3-316).”

“This parcel adjoins the Misty Fjords National Monument. Adjacent uplands are designated “Wilderness National Monument” in the Tongass Land and Resource Management Plan (1998) (CSSEAP 3-316).”

Wildlife Habitat Land: “Land classified wildlife habitat land is land which is primarily valuable for: 1) fish and wildlife resource production, whether existing or through habitat manipulation, to supply sufficient numbers or a diversity of species to support commercial, recreational, or traditional uses on an optimum sustained yield basis; or 2) a unique or rare assemblage of a single or multiple species of regional, state, or national significance (CSSEAP 4-3).”

Fish and Wildlife Habitat and Harvest Areas

Goals

Ensure Access to Public Lands and Waters: “Ensure access to public lands and waters to promote or enhance the responsible public use and enjoyment of fish and wildlife resources.

The continued use of this leasehold is allowable under the Chapter 3 management intent. The dock and gangway support upland access and vessel moorage and do not diminish habitat protections outlined in Chapter 3. The floats in the unnamed bay, south of the main dock, are removed every fall season and stored on private uplands. The existing improvements are low impact that do not interfere with natural habitats. No new construction or improvements are proposed. Per the Ha designation, continued use of these improvements is consistent with the intent of allowing existing, low impact uses within Ha parcels.

Traditional Use Finding

The proposed site is located within the Ketchikan Gateway Borough. Pursuant to AS 38.05.830 a traditional use finding is not required. Additional traditional uses may be identified during the public notice period. If further traditional uses become known, they will be discussed in the Final Finding and Decision.

Access

Physical and legal access to the leasehold is via tide and submerged lands in Mink Bay. Additional access to the leasehold is through the applicant’s private lot depicted on USS 287 Ketchikan Recording District.

Access Along Navigable and Public Waters

Pursuant to AS 38.05.126(a), the public has a constitutional right to free access to, and use of, navigable or public waters of the State of Alaska. Under 11 AAC 51.045 and AS 38.05.127, DMLW is required to reserve specific public-access easements to and along these waters. Unless comments and other information submitted to DMLW provide justifiable and convincing evidence

to do otherwise, the proposed lease will be subject to a 50-foot public access easement seaward and landward of the line of mean high water.

ATS 1454 Ketchikan Recording District depicts the required 50-foot public access easement.

Public Trust Doctrine

Pursuant to AS 38.05.126, all authorizations for this site will be subject to the principles of the Public Trust Doctrine; specifically, the right of the public to use navigable waterways and the land beneath them for: navigation, commerce, fishing, hunting, protection of areas for ecological studies, and other purposes. These rights must be protected to the maximum extent practicable while allowing for the development of this project. As such, DMLW is reserving the right to grant other authorizations to the subject area consistent with the Public Trust Doctrine.

Reservation of Mineral Estate

In accordance with section 6(i) of the Alaska Statehood Act and AS 38.05.125, the state, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing and producing the reserved mineral resources. Exploration and development, if any, which could occur, would be consistent with AS 38.05.130 and other applicable statutes and regulations.

Mineral Orders

Mineral entry within the proposed leasehold is not currently restricted. It is not necessary to restrict entry to leasehold locations only or to close the area to mineral entry.

Hazardous Materials and Potential Contaminants

Hazardous materials, specifically gasoline, will be transferred within the proposed leasehold. Gasoline is occasionally transported in standard five-gallon plastic fuel jugs to fuel skiffs moored at the main dock. Stipulations will be included in the lease to ensure proper handling and storage. The use and storage of all hazardous substances must be done in accordance with existing federal, state, and local laws. Debris (such as soil) contaminated with used motor oil, solvents, or other chemicals may be classified as a hazardous substance and must be removed from the leasehold and disposed of in accordance with state and federal law.

DEC – Division of Water, Water Quality Program commented during Agency Review that there is no record of an approved Wastewater Discharge Authorization for the wastewater outfall system serving the private upland lodge and discharging into state-owned tide and submerged lands within the leasehold. After further discussions between DEC and the applicant, DEC requires the applicant to hire an engineer to inspect the wastewater system and recommend any necessary upgrades and/or improvements, as the system may be beyond its intended lifespan. DMLW will require the applicant to provide documentation of communications with the hired engineer.

A caretaker stays at the bunk house on private uplands contained within USS 287, most of the summer season, and periodically checks on the property and dock during the spring, fall, and winter seasons. The applicant for ADL 104374 is only there during a short period of time during

the summer. Due to seasonal occupancy of the property, non-commercial use and low impact uses, DMLW is not requiring a Wastewater Discharge Authorization permit to be fully authorized before issuance of the lease agreement.

Agency Review

Information and comments received from sections within DMLW prior to and during agency review have been considered and included in the preparation of this PD. An Agency Review was conducted on June 22nd, 2026, and ended July 22nd, 2026.

Distribution List:

- Alaska Association of Conservation Districts (AACD)
- Department of Fish and Game (ADFG) – Division of Habitat, and Division of Wildlife Conservation – Access Defense Program
- Department of Environmental Conservation (DEC) – Commissioner’s Office, Division of Water – Director’s Office and Wastewater Discharge Authorization Program
- Department of Natural Resources (DNR) – Division of Mining, Land and Water – Directors Office (DO), Public Access Assertion and Defense (PAAD), Land Sales and Water Resources Section
- Department of Transportation and Public Facilities (DOT&PF) – Right of Way Office
- DNR – Division of Parks and Outdoor Recreation (DPOR) – Office of History and Archaeology

Agency Review Comment and Response

DEC – Division of Water, Water Quality Program

Comment: DEC is unable to locate records for approval of the outfall line that is presumed to be discharging wastewater. Perhaps records are under previous names for what appears to be a commercial lodge or the owner may be able to provide documentation the system is approved and permitted. DEC doesn’t support the granting of authorizations without an approved wastewater system.

DMLW Response: Thank you for commenting on application ADL 104374. The applicant is now aware of the required approval and/or authorization from DEC; and possible requirements for upgrading the aged system for the wastewater outfall system attached to the private upland lodge that exits into the tideland leasehold. The applicant is currently searching for an approved engineer to inspect the current system on site. DMLW will continue adjudicating the lease and will require documentation of communication with DEC and the hired engineer. If DEC requires the Wastewater Discharge Authorization permit, DMLW will request proof that the applicant is actively pursuing. Due to the seasonal, minimal use of this location, issuance of the final lease from DMLW does not depend on the applicant obtaining a final, approved permit from DEC.

DOT&PF – Right-of-Way

Comment: No comment at this time.

DMLW Response: None required.

ADFG – Access Defense Program

Comment: We note that the existing infrastructure (dock, gangway, shed, and outfall) appears to be already in place at the site, and this application may function as a retroactive request to formalize authorization for facilities currently in use. ADFG has no objection to the authorization of this lease. We provide the following comments and recommendations for your consideration:

1. Eelgrass Beds: Eelgrass beds occur along the project shoreline and are known to be sensitive habitats. Awareness of these areas can help guide decisions about anchoring and vessel access in shallow waters. Locations of eelgrass beds can be viewed on the Mariculture Map Portal: https://mariculture.portal.aos.org/?ls=gcibLv_Q#map.
2. Public Use: Lease activities should not interfere with public use of state waters, including access for recreation, fishing, and general navigation.
3. Subsistence Areas: The proposed construction area overlaps with documented subsistence search and harvest areas for deer and salmon, which should be considered during project planning and operations.
4. Marine Mammals:
 - a. If the lessee has documented any negative marine mammal interactions, we request to be kept informed of them. Please direct any relevant information to Alaska Department of Fish and Game Marine Mammal Program at dfg.dwc.mmcomments@alaska.gov. Report an injured, entangled, or dead marine mammal to the NOAA Fisheries Alaska Statewide 24-hour Stranding Hotline: (877) 925-7773. For sea otters, contact the US Fish and Wildlife Service (1-800-362-5148, business hours) or the Alaska SeaLife Center Hotline (1-888-774-7325, 24-hours).
 - b. To reduce risks:
 - i. Keep lines used to tether vessels taut and out of the water whenever possible to reduce the risk of entanglement.
 - ii. Dispose of food waste and garbage properly to avoid attracting marine mammals to the area.
 - iii. Store fuel securely to prevent entry into the marine environment. A spill kit should be kept on-site for any potential spills.

DMLW Response: This application is for continued authorization of existing tideland infrastructure supporting the private upland lodge. Moorage of vessels occurs primarily during summer months. Anchoring of vessels in the tideland area does not occur. The dock authorized under ADL 104374 directly provides public access to state waters. The lodge and associated lands are primarily used in summer months, the property is empty through spring, fall, and winter months; the existing infrastructure has been installed since 1995, and no reports of disturbance to wildlife have been reported. The applicant will be informed of the request to report any negative marine mammal interactions and safe vessel moorage policies. It is the applicant's responsibility to ensure proper spill kits are on-site during refueling.

Development Plan

The Development Plan (DP) attached to this decision (Attachment A) and dated August 2nd, 1994, and the additional DP, received and approved by DMLW June 29th, 2026. Should the proposed lease be granted, it is anticipated that the DP will need to be updated throughout the life of the lease as activities and/or infrastructure are added or subtracted. All updates must be approved, in

writing, by DMLW before any construction, deconstruction, replacement of infrastructure, or change in activity will be authorized. DMLW reserves the right to require additional agency review and/or public notice for changes that are deemed by DMLW to be beyond the scope of this decision.

During adjudication, the applicant requested an additional tract of state-owned tide and submerged land (approximately 0.24-acres) be included in the decision for the inclusion of two seasonal floats and two shore ties in the bay directly south of leasehold ADL 104374. The applicant submitted a DP to DMLW on June 29th, 2026, that depicts two floats and shore ties connected to rocks below the mean high-water line. These floats are used seasonally in the summer months and removed every fall to the private uplands depicted on USS 287. The floats are used strictly for skiff moorage, outdoor gear and kayak storage. DMLW approves the use of this additional tract of state-owned land and does not require an additional survey to be completed to depict the additional tract. This tract is now included within leasehold ADL 104374. A new ATS survey is not required for the issuance of this lease agreement.

Performance Guaranty

In accordance with AS 38.05.035 and AS 38.05.860, the applicant will be required to submit performance guaranties for the lease to incentivize performance of the conditions of the Entry Authorization (EA) (if applicable) and the lease and to provide a mechanism for the state to ensure that the lessee shares in financial burden in the event of noncompliance for site cleanup, restoration and any associated costs after termination or expiration of the leases, the following bonds will be required.

\$10,134.00 Performance Guaranty

Performance Guaranties (PG) provide a means to pay for corrective action if the lessee fails to comply with the lease requirements. In accordance with AS 38.05.035(a)(4), the applicant will be required to submit a PG. The amount of the PG is based on the scope and the nature of the activity and the potential cost of restoring the site. PGs are subject to periodic adjustments being made during the term of the authorization to address increases or decreases in the costs of rectifying problems and rehabilitating state land due to inflation, changes in the level or nature of development, or other appropriate factors.

The Lessee must post a PG in the amount of \$10,134.00 to secure faithful performance with all terms and condition of the lease and to ensure site restoration of the leasehold. The PG must remain in effect for the duration of the lease term or until released in writing by the AO.

Failure by the Lessee to provide replacement security, upon notice of non-renewal of an existing form of security, shall be grounds for the AO to make a claim upon the existing security to protect the Lessor's interests.

The guaranty amount will be subject to periodic adjustments and may be adjusted upon approval of any amendments to the lease, assignments, re-appraisals, changes in the development plan,

approval of a reclamation plan, any change in the activities conducted or performance of operations conducted on the leased premises and as a result of any violations to the lease agreement.

The guaranty may be utilized by the AO to cover actual costs incurred by the State of Alaska to pay for any necessary corrective actions in the event the Lessee does not comply with the site utilization, restoration requirements and/or other stipulations contained in the lease agreement. If the Lessee fails to perform the obligations under the lease agreement within a reasonable timeframe, the AO may perform the Lessee's obligations at the Lessee's expense. The Lessee agrees to pay within 20 days following demand, all costs and expenses reasonable incurred by the State of Alaska as a result of the failure of the Lessee to comply with the terms and conditions of the lease agreement. The provisions of these authorizations shall not prejudice the State's right to obtain a remedy under any law or regulation.

The PG will be released upon expiration of the lease provided that all terms and conditions of the lease have been met, including complete removal and restoration of the leased area leaving the site in a safe and clean condition.

Insurance

To protect the State from liability associated with the use of the site, the applicant shall provide and maintain a comprehensive general liability insurance policy with the State of Alaska named as an additional insured party per the stipulations of the authorization. The applicant shall secure or purchase at its own expense and maintain in force at all times during the term of this lease, liability coverage and limits consistent with what is professionally recommended as adequate to protect the applicant and the State, its officers, agents and employees from the liability exposures of all the insured's operations on state land. The insurance requirement may be adjusted periodically.

Survey

In accordance with AS 38.04.045, this lease does not require a survey. However, the State of Alaska reserves the right to require one in the future, should the need arise due to changes in statutes or increased use of the area. The applicant will be required to submit GPS coordinate points for the leased area.

ATS 1454 depicts the current leasehold and the DP submitted to DMLW on June 29th, 2026, is accepted and used as the depiction of the additional tract used by the applicant.

Compensation and Appraisal

In accordance with AS 38.05.840, State-owned land may only be leased if it has been appraised within two years before lease issuance. The applicant will be required to provide an appraisal of the proposed leasehold before the lease is issued. Once the appraisal has been approved by DMLW, the annual lease fee will be set at the fair market value of the proposed leasehold. Furthermore, in accordance with AS 38.05.105, the proposed lease will be subject to reappraisal at five-year intervals after the issuance of the proposed authorization.

The annual use fee shall remain at the current amount of \$1,300.00 until the fair market value appraisal has been completed and finalized by the applicant/appraiser and DNR – Appraisals.

Entry Authorization

DMLW proposes to authorize the applicant entry onto state land through the issuance of an Entry Authorization (EA) while they are completing the required appraisal. The term of the EA will be for two years. The proposed EA would be issued after the FFD goes into effect.

Subleases

Subleasing is permissible through AS 38.05.095, if the proposed lease is approved. A sublease is defined to include any lease, rental, storage, or accommodation agreement between the Lessee and another individual, business or corporation utilizing or benefiting from the lease parcel. Sublessee shall be defined to mean any individual or business entity executing an agreement, as above, with the Lessee. A sublease pertaining to the proposed lease includes but is not limited to, user agreements, license agreements, communication site agreements, or any contracts between the lessee and other commercial entities. All potential subleases must first be approved in writing by DMLW. DMLW may conduct further agency review and/or public notice before making a determination on the appropriateness of the proposed sublease. The sublease fee will be 25% of the annual fee paid to the lessee by the sublessee. All sublessees and activities must meet the statutory qualifications under which this original lease was issued.

Assignment

The proposed lease, if issued, may be assigned to another individual or corporation only with written approval from the State of Alaska. A lease will not be assigned to an entity if that entity does not meet the statutory qualifications or requirements of the lease, or if the lessee is considered not to be in “good standing” with this or any other agency authorization.

Reclamation

In accordance with AS 38.05.090, the leasehold must be restored to a “good and marketable condition” within 120 days after termination of the lease.

In accordance with AS 38.05.090(b), all lessees must restore their lease sites to a “good and marketable condition” within 120 days after termination of the lease. What level of reclamation constitutes as being “good and marketable” is at the discretion of DMLW. DMLW reserves the right to require a reclamation bond due to non-compliance issues during the term of the lease or near the end of the life of the project.

Public Notice

Pursuant to AS 38.05.945, this PD will be noticed for a 30-day public comment period, starting on September 21st, 2026. The Ketchikan Post Office located closest to the proposed leasehold will be requested to post the notice pursuant to AS 38.05.945(b)(3)(C). The notice will also be posted on the State of Alaska Online Public Notice website pursuant to AS 38.05.945(b)(3)(B) located at: <https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=225219>. Additionally, Public Notice will be sent to all third-party interests and any adjacent landowners.

The public is invited to comment on this PD. All comments received during the public comment period will be considered in the FFD. A copy of the FFD, along with instructions on filing an appeal, will be sent to all persons who comment on the PD. If public comments result in significant changes to the PD, additional public notice may be given.

To be eligible to appeal, a person affected by the FFD must provide written comments during the public comment period.

**Written comments about this project must be received in this office no later than
October 21st, 2026, 11:59pm to be considered.**

To submit comments please choose one of the following methods:

Mail: Department of Natural Resources
Division of Mining, Land and Water
Southeast Regional Land Office
ATTN: *Quinn McClurg*
PO Box 111020
Juneau, AK 99811-1020

Email: quinlan.mcclurg@alaska.gov

DNR-DMLW complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services or special modifications to comment should contact Alaska Relay at 711 or 1-800-770-8973 for TTY services.

Signature page follows:

Recommendation

DMLW has completed a review of the information provided by the applicant, examined the relevant land management documents, agency comments, and land ownership, and has found that this project is consistent with all applicable statutes and regulations. DMLW considered both direct and indirect benefits to the State. DNR finds granting of the proposed lease provide the greatest benefit to the State.

I recommend proceeding to public notice for the purpose of providing the members of the public and those entities identified in AS 38.05.945 an opportunity to review and submit comments.

<i>Quinn McClurg</i>	9/21/2026
Quinn McClurg, Natural Resource Specialist III	Date

Preliminary Decision

It is the determination of the Division of Mining, Land and Water that it is in the State's best interest to issue a non-competitive tideland lease for 25 years to the applicant, as described above. This Preliminary Decision shall now proceed to Public Notice.

<i>Mason Auger</i>	9/21/2026
Mason Auger, Natural Resource Manager II	Date

Attachments

1. Development plans
2. Draft Entry Authorization
3. Draft Lease Agreement