



June 1, 2011

Dear Fromm Family,

This letter is to confirm our mutual intent to proceed with a transaction whereby the Fromm Family Partnership will grant a conservation easement to the Chelan-Douglas Land Trust to protect important habitat on Icicle Creek. Please review this letter, and if acceptable have a majority of the partners sign one copy and return it to us. We will be submitting this letter of intent to the funding agency to request a change in project scope and extension of the existing contract with the Salmon Recovery funding Board in order to complete this transaction.

The subject property consists of approximately 15 acres, including 10 acres of APN 241713320000 on the west side of Icicle Creek, and about 5 acres of APN 241713340050 between Icicle Creek and East Leavenworth Road.

We have preliminarily agreed to the following terms:

- Conservation easement in substantially the form of the attached draft, subject to approval by funding agency(ies) and review by legal counsel for both parties;
- Purchase at fair market value as determined by independent appraisal and review;
- CDLT's obligation to purchase is contingent upon its obtaining grant funding sufficient to pay the full purchase price and all expenses;
- Fromm Family to provide, prior to appraisal, documentation relating to access easement for property from Wilson Street and boundary line adjustment/certificate of exemption for the East Leavenworth Road property, at your cost;
- CDLT's obligation to purchase is contingent upon satisfactory due diligence including but not limited to title, appraisal and environmental assessment;



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-Each party will be responsible for its own costs at closing, such as: excise tax (1.78%) and title insurance paid by Fromm Family, half of escrow fee paid by each party, filing fees paid by CDLT.

-To support CDLT's conservation work, the Fromm Family will at closing make a stewardship donation to CDLT based on the Land Trust's easement stewardship calculator. The exact amount will depend on the number of rights reserved in the final easement; based on the current draft, it would not exceed \$15,000. CDLT will provide a donation acknowledgment consistent with Internal Revenue Service regulations. Any additional donation of cash or property interest is, as always, greatly appreciated. As we discussed, you are consulting with your legal and tax advisors relating to this matter.

-Closing to occur by December 31, 2011.

Thank you for the hard work towards completion of this first phase to conserve your family's heritage on Icicle Creek! We are grateful for the opportunity to work with you.

Sincerely,

*Mickey Fleming*

Mickey Fleming, Lands Project Manager

*Linda I. Rabutson*  
*Cindy Burnett*  
*Pat Fromm* \*  
*Jim Fromm*

\* contingent upon  
 building sites  
 on both parcels