

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

REAL ESTATE OPTION AGREEMENT

Wenatchee, Washington

1. SELLERS, JAMES E. CLICK AND CATHRYN M. CLICK, husband and wife.

2. PURCHASER. CHELAN-DOUGLAS LAND TRUST, a Washington public benefit corporation.

3. PROPERTY. Seller is the owner of the following described property located in the County of Chelan, State of Washington, legally described as follows (the "Property"):

Portions of Lots 2 and 3 as delineated on Leslie Boyce Short Plat no 2092 Chelan County, Washington in Book SP-8 of Short Plats, Pages 21 and 22, being New Parcel C in the proposed Boundary Line Adjustment prepared by Larry Weinert of Munson Engineers, Inc.

Portions APN 261603420060 and 261603420070.

4. OPTION. In consideration of the payment by Purchaser to Seller of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller grants to Purchaser an exclusive and irrevocable option to purchase the Property on the terms and conditions set forth in this Option.

5. TERM. This Option shall be effective when fully executed by both parties ("the Effective Date") and shall expire on the date that is eleven (11) months from the Effective Date or November 30, 2013, whichever is earlier (the "Initial Option Term"). If at any time during the term of the option, Purchaser determines that its efforts to purchase the Property appear to be futile or to have no reasonable likelihood of success, then Purchaser will so notify Seller. Upon Seller's receipt of such notice from Purchaser, this Option shall terminate and Purchaser shall have no further rights with respect to the Property. If at the end of the Initial Option Term the parties have agreed on a purchase price and all other aspects of the transaction are moving forward in a positive manner, then Purchaser may extend the term of the Option for an additional period of ninety (90) days from the last day of the Initial Option Term by giving Seller written notice of Purchaser's wish to extend the term of the Option (the "Extended Option Term").

6. EXERCISE. In the event Purchaser elects to exercise the Option, it shall do so by notifying Seller in writing within the term specified in Section 6. Such notice shall be deemed timely if it is, deposited in the mail, first class postage prepaid, or delivered personally by courier or Express Mail within the term specified in Section 6.

*[Handwritten signature]*



1                   7. PURCHASE TERMS.

2                   (a) PRICE. In the event that Purchaser exercises the Option, Seller  
3 shall sell to Purchaser and Purchaser shall buy from Seller the Property for a purchase price  
4 equal to full fair market value of the Property as determined by a full self-contained, narrative  
5 appraisal of the Property to be performed by independent appraiser Larry A Rees (the  
6 "Appraisal"), and Review Appraisal by Tom Walters of the firm Walters Appraisal Service, which  
7 Appraisal and Review are approved by the agency(ies) providing the funding for the purchase of  
8 the Property and by The Chelan-Douglas Land Trust (the "Purchase Price"), provided, however,  
9 that if the fair market value of the Subject Property as determined by the Appraisal and Review is  
10 less than \$105,000, then Seller shall have no obligation to sell  
11 the Property, and may instead elect to terminate this Option by giving written notice to  
12 Purchaser. Upon Purchaser's receipt of such notice, this Option shall terminate and Purchaser  
13 shall have no further rights to the Property under this Option. Purchaser shall commission and  
14 pay for the Appraisal. Seller shall have access to the appraiser and may provide such  
15 information as Seller may possess that is relevant to the value of the Subject Property.

16                   (b) The Purchase Price shall be payable in cash at Closing.

17                   8. CONTINGENCIES. This Option is contingent on the following:

18                   (a) Feasibility Study. Purchaser shall have One Hundred Eighty 180  
19 days from the execution of this Option to complete a feasibility study on the Property. The  
20 feasibility study shall be at Purchaser's expense and shall be acceptable to Purchaser in  
21 Purchaser's sole discretion. Purchaser may conduct studies and investigations and analyze all  
22 documents and matters pertaining to the Property, including without limitation, a review of the  
23 physical and economic viability of the Property, its suitability for Purchaser's intended use for  
24 habitat conservation, open space and wildlife habitat and other uses determined in the sole  
25 discretion of Purchaser, and the presence of hazardous materials. Purchaser shall undertake  
26 no activity which may create a lien on the Property. Purchaser shall have the right to inspect  
27 the Property, with reasonable prior notice, to satisfy itself as to all matters, including  
28 environmental and geotechnical condition of the Property. To assist Purchaser in its feasibility  
study, Seller shall provide or make available to Purchaser for inspection and copying (at  
Purchaser's expense) all books, records, plans and specifications, certificates of occupancy,  
surveys, soil studies, environmental reports, financial analyses, correspondence and other  
documents and information pertaining to the Property within Seller's possession or control.

29                   (b) Acquisition Funding and Funder Approval. Purchaser shall have  
30 60 days after receipt of the later of the appraisal review and environmental site assessment, all  
31 performed at Purchaser's cost, to obtain final approval from funders to close the transaction. If  
32 such approval is not obtained within said 60 days, Purchaser shall have no obligation to buy the  
33 Property, and may instead elect to terminate this Option by giving written notice to Seller. Upon  
34 Seller's receipt of such notice, this Option shall terminate and Seller shall have no further rights  
35 to the Property under this Option.



1 (c) Stewardship Funding. Purchaser shall have 60 days after receipt  
2 of the later of the appraisal review and environmental site assessment, all performed at  
3 Purchaser's cost, to obtain adequate stewardship funding in accordance with Purchaser's  
4 policies. If such stewardship funding is not obtained within said 60 days, Purchaser shall have  
5 no obligation to buy the Property, and may instead elect to terminate this Option by giving  
6 written notice to Seller. Upon Seller's receipt of such notice, this Option shall terminate and  
7 Purchaser shall have no further rights to the Property under this Option.

8 (d) Acquisition of Adjoining Property. Purchaser shall have 60 days  
9 after receipt of the later of the appraisal review and environmental site assessment, all  
10 performed at Purchaser's cost, to determine whether Purchaser can acquire adjacent property,  
11 APN 261603420000 and APN 261603420050. If Purchaser is not able to acquire the adjacent  
12 property within said 60 days, Purchaser shall have no obligation to buy the Property, and may  
13 instead elect to terminate this Option by giving written notice to Seller. Upon Seller's receipt of  
14 such notice, this Option shall terminate and Purchaser shall have no further rights to the  
15 Property under this Option.

16 9. COOPERATION. Seller agree to cooperate with Purchaser at such times  
17 and in such manner as reasonably requested by Purchaser to assist Purchaser in satisfying the  
18 Contingencies set forth under Paragraph 8 above.

19 10. TITLE. Unless otherwise specified in this Option, title to the Property shall  
20 be marketable at Closing. Rights, reservations, covenants, conditions, and restrictions,  
21 presently of record, easements and encroachments not materially affecting the value of the  
22 property or unduly interfering with Purchaser's intended use of the Property shall not cause the  
23 title to be considered unmarketable. Encumbrances to be discharged by Seller shall be paid by  
24 Seller on or before Closing.

25 11. TITLE INSURANCE. Seller authorizes closing agent, at Seller's expense,  
26 to apply for a standard form owner's policy of title insurance to be issued by North Meridian Title  
27 & Escrow. The title policy shall contain no exceptions other than those contained in said  
28 standard form and those not inconsistent with this Option. If title is not so insurable and cannot  
be made so insurable prior to closing, Purchaser may elect either to waive such encumbrances  
or defects, or to terminate this Option.

12 12. CONVEYANCE. Title shall be conveyed by Statutory Warranty Deed free  
13 of encumbrances and defects except those included in this Option or otherwise acceptable to  
14 Purchaser. Seller shall transfer to Purchaser at closing the Seller's interest in any permits,  
15 licenses or water rights, if any, appurtenant to the Property.

16 13. ACKNOWLEDGEMENT. If desired by Seller, Purchaser agrees to place a  
17 recognizable sign on a portion of the Property acknowledging Seller's family history on the  
18 Property (the "Acknowledgment"). The location, form and design of such Acknowledgment  
19 shall be in the discretion of the Purchaser, but Purchaser agrees to discuss such location, form  
20 and design with Seller and consider Seller's input in such decisions.

21 14. SELLER'S DISCLOSURES, REPRESENTATIONS AND DISCLAIMERS.



1  
2 (a) Property Condition. Seller agrees to maintain the property in its  
3 present condition until the time Purchaser is entitled to possession. Seller represents that to  
4 the best of its knowledge, information and belief, no hazardous or toxic wastes of any kind, as  
5 those terms are defined or used in federal or Washington statutes and regulations, had been  
6 improperly stored or disposed of on the property prior to the Purchaser's possession of the  
7 property. Seller further represents and warrants that:

8 (i) To the best of Seller's actual knowledge, Seller has not received  
9 any notice of any violation of any Environmental Laws;

10 (ii) To the best of Seller's actual knowledge, no tanks used for the  
11 storage of any Hazardous Material above or below ground are present or were at any time  
12 present on or about the Real Property;

13 (iii) To the best of Seller's actual knowledge, no action has been  
14 commenced or threatened regarding the presence of any Hazardous Material on or about the  
15 Real Property; and

16 (iv) Seller has not released or waived and will not release or waive  
17 the liability of any previous owner, lessee or operator of the Property or any party who may be  
18 potentially responsible for the presence or removal of Hazardous Material on or about the Real  
19 Property. Seller has made no promises of indemnification regarding Hazardous Material to any  
20 party.

21 15. CLOSING. This sale shall be closed within thirty (30) days after  
22 Purchaser exercises this Option by First American Title Insurance Company in Wenatchee,  
23 Washington. "Closing" means the date on which all documents are recorded and the sale  
24 proceeds are available for disbursement to Seller. Purchaser and Seller shall deposit with  
25 closing agent all documents and monies required to complete this sale in accordance with this  
26 Option.

27 16. CLOSING COSTS AND PRORATION. Seller and Purchaser shall each  
28 pay customary escrow fees. Seller shall pay the title insurance premium and real estate excise  
tax. Taxes for the current year shall be prorated as of Closing.

17. CHARITABLE DONATION. Seller acknowledges that Seller may be  
entitled to claim a charitable deduction for the difference in the fair market value of the Property  
and the purchase price ("Possible Charitable Donation"), if applicable. Purchaser makes no  
representations or warranties to Seller on its ability to obtain a Possible Charitable Donation, or  
on the amount of the Possible Charitable Donation, if any. If requested by Seller, Purchaser  
agrees to execute the Donor Acknowledgement Section of a properly prepared and  
substantiated IRS Form 8283 reflecting the sale of the Property to Purchaser on the terms  
herein. Seller acknowledges that limitations exist on the ability to claim a Possible Charitable  
Donation for transfers of real property to conservation organization, as set forth under IRC  
§170(h).

1 18. POSSESSION. Purchaser shall be entitled to possession on Closing.  
2 Purchaser may be entitled to enter upon the Property prior to Closing for purposes of satisfying  
3 the Contingencies set forth under paragraph 7, above.

4 19. ASSIGNMENT. Purchaser's rights under this Option may be assigned.

5 20. FIRPTA COMPLIANCE. If Purchaser does not intend to use the property  
6 as a principal residence, or if the purchase price exceeds \$300,000, then this sale may be  
7 subject to the withholding and reporting requirements of the Foreign Investment In Real  
8 Property Tax Act (FIRPTA), unless Seller furnishes to Purchaser an affidavit of nonforeign  
9 status. Seller and Purchaser agree to comply with FIRPTA, if applicable.

10 21. NOTICES. All notices shall be in writing.

11 All notices to be given to Seller may be delivered as follows:

12 Served on James E. Click and Cathryn M. Click by sending notice by U. S.  
13 Mail, postage prepaid, or recognized national courier addressed as  
14 follows:

15 James E. Click and Cathryn M. Click  
16 18809 State Hwy. 2  
17 Leavenworth, WA 98826

18 or at such other place, address, fax number or e-mail address as Seller may direct  
19 in writing.

20 All notices to be given to Purchaser may be delivered as follows:

21 Served on Bob Bugert, Executive Director, on behalf of Chelan-Douglas  
22 Land Trust by sending notice by U. S. Mail, postage prepaid, or recognized  
23 national courier addressed as follows:

24 Chelan-Douglas Land Trust  
25 c/o Bob Bugert  
26 18. N. Wenatchee Avenue  
27 P.O. Box 4461  
28 Wenatchee, WA 98807-4461

Notice shall be deemed delivered on the date of delivery if personally delivered or two days after  
the date of postmark if mailed, or two days after deposit with a recognized national courier for  
overnight delivery or within 24 hours of being sent by fax or e-mail. All notice periods shall begin  
and end on midnight. Unless specified as business days, all notice periods set out as a number  
of days shall mean calendar days. If any notice period expires on Saturday, Sunday or legal  
holiday under Washington state law, the notice period shall be deemed extended to the next day  
which is not a Saturday, Sunday or such legal holiday.



1 The parties agree that this Option may be transmitted between them by facsimile  
2 machine. The parties intend that faxed signatures constitute original signatures and that a  
3 faxed Option containing the signatures (original or faxed) of all the parties is binding on the  
4 parties. For purposes of this provision, the term "fax," "faxed," and "facsimile" shall include e-  
mail, provided such is sent as an image of the original signed document via a PDF or other  
similar electronic format.

5 22. COMPUTATION OF TIME. Unless otherwise expressly specified herein,  
6 any period of time specified in this Option shall expire at 5:00 p.m. of the last calendar day of  
7 the specified period of time, unless the last day is Saturday, Sunday or a legal holiday, as  
8 prescribed in RCW 1.16.050, in which event the specified period of time shall expire at 5:00  
p.m. of the next business day. Any specified period of five (5) days or less shall include  
business days only.

9 23. ATTORNEYS FEES AND VENUE. In the event that Purchaser or Seller  
10 shall commence proceedings or institute action to enforce any rights hereunder, the venue for  
11 any such proceeding or action shall be in Chelan County, Washington, and the substantially  
prevailing party shall be entitled to costs and reasonable attorney's fees, including those for  
12 appeal.

13 24. DEFAULT. If either party defaults (that is, fails to perform the acts required  
14 of them) in their contractual performance herein, the nondefaulting party may seek specific  
performance pursuant to the terms of this Option, damages or rescission.

15 25. GENERAL PROVISIONS. Time is of the essence. There are no verbal  
16 Options which modify this Option. This Option constitutes the full understanding between Seller  
17 and Purchaser. Purchaser has personally observed the property and has reached Purchaser's  
18 own conclusion as to the adequacy and acceptability of the property based upon such personal  
inspection. Unless otherwise expressly specified herein, square footage, dimensions, and/or  
19 boundaries used in marketing the property are understood to be approximations and are not  
intended to be relied upon to determine the fitness or value of the property.

20 26. LEGAL AND TAX IMPLICATIONS. This Option affects your legal rights  
21 and obligations and will have tax implications. If you have any questions regarding this Option  
and the addendums, attachments or other related documents, you should consult an attorney  
or tax advisor.

22 27. AUTHORITY TO SIGN. The parties signing this instrument hereby  
23 acknowledge that they are authorized to execute the instrument on behalf of the entities they  
24 are signing for and acknowledge it to be the free and voluntary act of such parties for the uses  
and purposes mentioned in the instrument.

25 28. FACSIMILE/E-MAIL COPIES/COUNTERPARTS. The parties agree that  
26 this Option may be executed in counterparts, each of which shall be deemed an original and all  
27 of which together shall constitute one and the same Option, and may be transmitted between  
them electronically or by facsimile machine. The parties intend that electronically transmitted or  
28 faxed signatures constitute original signatures and that Options containing the signatures  
(original, e-mailed or faxed) of all the parties shall constitute a fully executed original and shall  
be binding on the Parties.

"PURCHASER"

CHELAN-DOUGLAS LAND TRUST  
A Washington Nonprofit Corporation

By Andrew R. Dapper, President

Date: 2/27/2013, 2012

Phone No. 509-667-9708

ACKNOWLEDGMENT

State of Washington )  
 ) ss.  
County of Chelan )

On this 27<sup>th</sup> day of February, 2013, before me,  
Mary Michele Fleming the undersigned Notary Public in and for the state of  
Washington, personally appeared Andrew R. Dapper, personally known to me (or  
proved to me on the basis of satisfactory evidence) to be the person who executed the within  
instrument on behalf of The Chelan Douglas Land Trust, the corporation therein named and  
acknowledged to me that the corporation executed said instrument as its free and voluntary act  
and deed for the purposes therein mentioned, and an oath stated that he/she was authorized to  
so execute said instrument.

Notary Public  
State of Washington  
MARY MICHELE FLEMING  
MY COMMISSION EXPIRES  
JANUARY 26, 2014

Mary Michele Fleming  
Print Name: MARY MICHELE FLEMING  
Notary Public in and for the State of Washington  
Residing at Wenatchee WA



"SELLER"

James E. Click  
JAMES E. CLICK

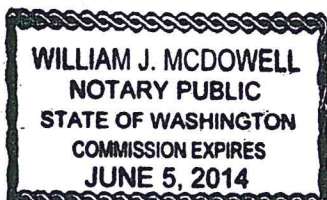
Date: 2-15-2013, 2013

Phone No. 509-763-3094

ACKNOWLEDGMENT

State of Washington )  
 ) ss.  
County of Chelan )

On this 15th day of February, 2013, before me, William J. McDowell  
the undersigned Notary Public in and for the state of Washington, personally appeared  
James E. Click, personally known to me (or proved to me on the basis of  
satisfactory evidence) to be the person who executed the within instrument and acknowledged to  
me that she executed said instrument as her free and voluntary act and deed for the purposes  
therein mentioned.



William J. McDowell  
Print Name: William J. McDowell  
Notary Public in and for the State of Washington  
Residing at East Wenatchee Washington



"SELLER"

Cathryn M. Click  
CATHRYN M. CLICK

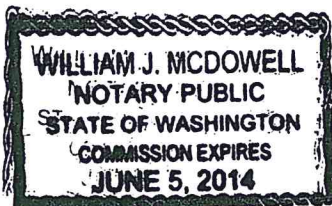
Date: 2-15-2013, 2013

Phone No. 509-763-3094

ACKNOWLEDGMENT

State of Washington )  
 ) ss.  
County of Chelan )

On this 15th day of February, 2013, before me, William J. McDowell  
the undersigned Notary Public in and for the state of Washington, personally appeared  
Cathryn M. Click, personally known to me (or proved to me on the basis of  
satisfactory evidence) to be the person who executed the within instrument and acknowledged to  
me that she executed said instrument as her free and voluntary act and deed for the purposes  
therein mentioned.



William J. McDowell  
Print Name: William J. McDowell  
Notary Public in and for the State of Washington  
Residing at East Wenatchee Washington

