

June 27, 2011

RE: Private Home & Lands Inside The Black Canyon National Park

Tom Glass, Western Land Group, tglass@westernlandgroup.com
Rob Gill, Bear Ranch Manager, Robert.Gill@flcrsi.com

Dear Tom and Rob,

I'm in the process of writing letters to America's largest landowners as well as companies attempting to complete federal land exchanges in various states. I'm proposing that they consider using the Black Canyon National Park private lands, and perhaps certain Colorado wilderness inholdings, as offerings to the public in exchange for the various federal properties they are trying to acquire. I realize that I have already sent Bill a long letter on this matter and that he is either undecided or not interested. Since that letter, a few things have changed. For one, we have completely eliminated the proposition of creating an RV park for the Montrose interests. Secondly, Park Superintendent Connie Rudd came to review the Casa Barranca home and Signal Hill lands and has expressed a strong interest in preserving the lands for the public. That in of itself is major news.

If you would consider doing so, please pass this letter on to Bill.

In closing, I would like to extend an invitation to both of you and Bill, and your families, to a luncheon or dinner at the Casa. Our chef, Ron Curry will be here for a week, from July 8th to July 15th. Would any of those dates work for you?

Thanks,

Tom

NOTE: The below excerpts contain some of the thoughts that I am transferring these various companies and individuals. Some of this you have read before. But some of this is new information and hasn't been released.

..... You may be aware of the fact that out of state lands are routinely brought into a federal land exchange for the purpose of creating the condition of interstate, which combined with interagency, allows for, actually requires, a legislated land exchange.

..... I'm telling these exchange proponents that I believe they might alter the political playing field by adding these national park and wilderness lands to their exchange proposals. These lands might not be a proponents primary offering, but they can certainly enhance any proposal. In doing so, an exchange proponent can give their congressman and senators additional traction in Washington, D.C., in that a national issue is in play as opposed to a singular state issue.

..... I tell them that they need to consider using compelling private lands, which brings up the question of what constitutes compelling private lands. There's a long wish list of private lands that the BLM, USDA Forest Service and other federal agencies want. Then there is the short list of lands they need -- lands that a majority in congress will support. I believe it is fair to say that such a short list will be dominated by private lands located inside designated wilderness areas and national parks – especially private lands presenting immediate adverse use to the federal government.

..... As the general partner of Canyon Properties, L.P., I manage the affairs of a 112 acre parcel of land and luxury home located inside the Black Canyon National Park near Montrose, Colorado. This property can be quickly reviewed at this website: www.blackcanyoncasa.com

..... I am also the general partner of TDX, L.P.. TDX may soon re-acquire a beautiful collection of private lands located inside five Colorado wilderness areas. These are high-publicity lands, at the very top of the Forest Service want list. They are commonly referred to as the “TDX Wilderness Package”. You can review these lands on the same website. Just go to the bottom menu and click on “Former TDX Wilderness Land Package”. I sold this wilderness collection of lands five years ago for \$1.0 million. All or part of it may be coming back to TDX in a foreclosure proceeding. We had yet another conference call with the judge this morning. This situation is becoming ugly, a real mess. Major players are involved, including Denver based Greenlands Reserve and the Colorado Department of Revenue. Mark Weston, the renowned conservation easement appraiser from Denver and Erin Toll, the former director of the Colorado Division of Real Estate, are working on behalf of TDX in expert witness capacity. All of this could easily result in the demise of the Colorado conservation easement program. It's bad, very bad. It involves the extinguishment of existing in-place Colorado conservation easements. TDX is nothing more than the secured creditor holding the note. The balance on that note is now over \$950,000.00, against 18 parcels of wilderness land. If you would like to know more details on this, I'd be happy to provide them. The Colorado conservation easement program desperately needs a benefactor who can bring in new, properly done appraisals, and reconstruct the five easements that are about to be extinguished. These wilderness lands are exquisite and would be easily exchangeable with Uncle Sam for federal lands on your private property boundaries.

..... I'm 61 now and have spent nearly three decades working as a private property landowner advocate in regard to 5th Amendment issues. Over the years I have received thanks from my clients as well as an incredible amount of enmity from my critics.

..... It's true that every now and then I've gotten into a disagreement with my government. The Casa Barranca is the result of one. But the fact of the matter is that I'm solidly pro-environment. I'm a big fan of our parks and wilderness system. However if the other side is not willing to participate in finding solutions that are equitable to entrapped private landowners, then I'm more than willing to walk to the front of the line (for entertainment, Google “Tom Chapman Bear Creek”).

..... The exchange incentive behind the Black Canyon National Park lands is imminent adverse use. The luxury home I constructed on the 33 acre parcel is in of itself an adverse use when owned by the private sector. But if the same property were owned by the National Park Service, it then becomes a prestige upscale public accommodation similar to the Jenny Lake Lodge in Grand Teton National Park where rooms go for \$850.00 per night.

..... But there is a more ominous adverse use looming over these Black Canyon National Park lands. One year ago I sold a 79 acre single family residential building site on the highest point inside the Park, known as “Signal Hill”. I sold it for \$2.12 million cash and distributed the money to my TDX limited partners. The purchaser from Maine intends to build a retirement estate on this land that will forever alter the nature of the Park. (By the way, I understand this gentleman owns over 800,000 acres of lands in Maine.) His proposed home will dominate over the Park and will be seen from every point within the Park. Canyon Partners, the owner of the Casa Barranca, has an option to repurchase the parcel for \$3.12 million – but only for ten more months. The option deed transferring title back to Canyon Partners is held in the vaults of Land Title Guarantee Company in Denver.

..... Two weeks ago I had a meeting with Black Canyon National Park Superintendent Connie Rudd. We met at the Casa Barranca where she toured the home. She liked it. We continued our tour to the proposed building site that dominates over the Park. I’ll have to admit she was most gracious, attentive, and engaging. I’m not speaking for Superintendent Rudd, but my impression is that she is quite supportive of efforts to preserve these irreplaceable Park lands. It is probably fair to say that her support is undoubtedly subject to federally approved appraisals and like value for like value requirements if an exchange is involved.

..... If you are passing through this part of Colorado in the coming weeks, we would love to have you, your family, or your business associates as our guests at the Casa Barranca for a luncheon or dinner. We have a wonderful chef and a beautiful place to stay.

..... Feel free to call any time. My cell number is 970-216-9269. My email is tchapman@kaycee.net

..... One last thing; in the interest of full transparency with Park Superintendent Connie Rudd, I am going to copy this email to her. She may or may not be comfortable receiving this copy. But the facts and circumstances are what they are. There isn’t much time left on the repurchase option. In my opinion, nothing can go forward without her full knowledge and support. So I will begin that transparency here.

..... Sincerely,

.....Thomas Chapman

..... 970-216-9269

..... tchapman@kaycee.net

..... Cc: Superintendent Connie Rudd

END OF TRANSCRIPT