

STATE BOARD OF LAND COMMISSIONERS

September 16, 2025

Regular Agenda

Subject

Final Approval of the Saraceno Land Exchange

Question Presented

Shall the Land Board authorize the Department to complete the land exchange with Don and Kerri Saraceno?

Background

In January 2024, the Idaho Department of Lands (Department) received an application for a land exchange from Don and Kerri Saraceno (Saraceno). The proposed exchange would trade approximately 241 acres of Saraceno-owned timberlands for approximately 120 acres of endowment lands. The two Saraceno parcels involved in this proposed land exchange are located in Clearwater County and the endowment parcel is located in Idaho County.

On March 19, 2024, the State Board of Land Commissioners (Land Board) approved the Department to proceed with due diligence on the proposed exchange by unanimous vote (Attachment 1).

Following Land Board approval, the Department initiated due diligence including:

- Access Review
- Encumbrance review
- Environmental Site Assessment
- Member of the Appraisal Institute (MAI)-certified appraisals
- MAI-certified appraisal reviews
- Third-party review by timberland advisor Vaden Bloch of Northwest Management, Inc. (Attachment 2)

Mr. Bloch's analysis highlighted several benefits: future timber revenue potential, consolidation of endowment lands, elimination of inholdings, and improved management efficiency. He concluded, "I recommend that the Land Board approve the proposed land exchange."

Discussion

Existing Endowment Land

The 120 acre-parcel Public School endowment land is located 9 miles northeast of Kamiah, in Idaho County. The endowment land involved in this exchange is an isolated parcel and is not contiguous to any other endowment land, nor any federally managed lands. The parcel was surveyed in 2020 and logged in 2021. The endowment property currently has a grazing lease, with the lessee being land exchange applicants, Don and Kerri Saraceno. There are no other leases, permits or encumbrances on the endowment land involved in the exchange. A map of the endowment land is included as Attachment 3.

Gem Valley Appraisal Services (Ruby M. Stroschein, MAI) appraised the endowment land at \$361,500. The highest and best use was determined to be Rural Recreation / Development.

Saraceno Land

The Saraceno lands are comprised of two timberland parcels, a 159-acre parcel ("Floodwood"), and an 82-acre parcel ("Fidler"). The Floodwood parcel is 44 miles northeast of Kamiah, Idaho and is surrounded by approximately 27,000 contiguous acres of core endowment timberlands. The Fidler parcel is located 9 miles north of Kamiah and is bordered on three sides by endowment timberlands, where the Department manages approximately 33,670 contiguous acres of core endowment timberlands in its Weippe block. There are no leases on the Saraceno land. Maps of the Saraceno timberlands are included as Attachment 4, as well as an overview map of all parcels as Attachment 5.

The Saraceno land was appraised at \$361,600 by the same appraiser, with the highest and best use cited as Timber Production and Recreation.

The appraised values of the properties involved in the proposed exchange indicate a difference in land value of \$100 in favor of Saraceno. The difference in land values will be paid at closing utilizing Land Bank Funds from the Public School endowment.

Saraceno and the Department are in principal agreement regarding the terms and conditions outlined in the draft Land Exchange Agreement (Attachment 6).

Benefits to the Endowment

This proposed land exchange would improve the long-term value to the endowment and help block up existing endowment timberland.

Specific benefits of the exchange include:

- Return on Asset (ROA): The long-term ROA for the Saraceno property as timberland will be equal to or higher than the timber revenue on the endowment land.

- The proposed land exchange will improve legal and physical access to existing endowment land in both the Floodwood and the Weippe areas.
- The proposed land exchange will block up existing endowment lands which will provide increased efficiency with regard to forest management and timber harvest activities.
- The proposed land exchange will eliminate inholdings in endowment land which leads to increased management efficiency and eliminates the uncertainty of incompatible land uses.
- The proposed land exchange will dispose of a relatively small, isolated parcel of endowment land. Management of small, isolated parcels is less efficient and more costly than managing larger blocks of land.

Recommendation

Approve the exchange and direct the Department to complete and close the as-proposed Saraceno land exchange, including using Land Bank funds to offset the difference in values.

Board Action

Attachments

1. March 19, 2024 Approved Memo
2. Northwest Management Review
3. Map—Endowment Land
4. Map—Saraceno Land
5. Overview Map
6. Draft Land Exchange Agreement

STATE BOARD OF LAND COMMISSIONERS

March 19, 2024

Regular Agenda

Subject

Request approval to proceed with due diligence for Saraceno Land Exchange.

Question Presented

Shall the State Board of Land Commissioners (Land Board) authorize the Department to proceed with due diligence for the proposed Saraceno land exchange?

Background

In January 2024, the Idaho Department of Lands (Department) received an application for a land exchange from Don and Kerri Saraceno (Saraceno) (Attachment 1). The proposed exchange would trade approximately 241 acres of Saraceno-owned timberlands for approximately 120 acres of endowment lands. The two Saraceno parcels in this proposed land exchange are located in Clearwater County and the endowment parcel is located in Idaho County. An overview map of the project is included as Attachment 2.

The Saraceno lands are comprised of two timberland parcels, a 159-acre parcel (Floodwood), and an 82-acre parcel (Fidler). The Floodwood parcel is 44 miles northeast of Kamiah, Idaho and is surrounded by approximately 27,000 contiguous acres of core endowment timberlands. The Fidler parcel is located 9 miles north of Kamiah and is bordered on three sides by endowment timberlands, where the Department manages approximately 33,670 contiguous acres of core endowment timberlands in its Weippe block. Maps of the Saraceno timberlands are included as Attachment 3.

The 120 acre-parcel of Public-School endowment land is located 9 miles northeast of Kamiah, in Idaho County. The endowment land involved in this exchange is an isolated parcel and is not contiguous to any other endowment land, nor any federally managed lands. The parcel was surveyed in 2020 and logged in 2021. The endowment property currently has a grazing lease, with the lessee being land exchange applicant Saraceno. There are no other leases, permits or other encumbrances on the endowment land involved in the exchange. A map of the endowment land is included as Attachment 4.

Saraceno and the Department have agreed to split the costs of due diligence evenly. Both parties desire an equal value exchange. One party may make a cash payment at closing to balance any appraised value difference, up to 10% of the transaction value. If the Saraceno parcels' value substantially exceeds (>10%) the value of the endowment lands, and all parcels otherwise satisfy the Department's due diligence requirements, the Department will ask the Land Board to consider approving the exchange and approving the use of Land Bank funds to offset the more valuable Saraceno lands.

Discussion

This proposed land exchange would improve the long-term value to the endowment and help block up existing endowment timberland.

Specific benefits of the exchange include:

- Return on Asset: While a return on asset (ROA) cannot be finalized until due diligence work is completed, it is anticipated that the long-term ROA for the Saraceno property as Department-managed timberland will be higher than the ROA of the identified endowment land.
- The Floodwood (Saraceno) parcel that the Department would manage is some of the most productive timberlands in the state, a predominantly cedar habitat. This parcel has long been an acquisition goal for the Department, and it has been included on the Department's acquisition pipeline list since at least 2018.
- The proposed land exchange will improve legal and physical access to existing endowment land in the Floodwood drainage and the Department's Weippe block as the Department needs access through the Fidler parcel in question. The Department originally built and surfaced Fidler Road and the land exchange would remove an easement gap, allowing the Department full utility to use the road system.
- The proposed land exchange will block up existing endowment lands which will provide increased efficiency with regard to forest management and timber harvest activities.
- The proposed land exchange will eliminate in-holdings within Department timberlands, eliminating foreseeable conflicting uses and related issues.
- The proposed land exchange will simplify road system use and maintenance logistics.
- The proposed land exchange would eliminate approximately six miles of property boundaries (at \$3,000/mi) and 20 survey monuments (at \$250/pin), resulting in notably less maintenance and expense. Based on recent survey contracts, this cost-savings is approximately \$23,000.

Upon Land Board approval, the next steps for the land exchange would be for the Department to perform due diligence consistent with the following and as listed in Attachment 5:

- Meet and discuss the proposed land exchange with county commissioners from Clearwater and Idaho Counties and provide commissioners the opportunity to comment on the proposed land exchange.
- Order a preliminary title report to review the legal descriptions and the current exceptions to title on the properties.
- Complete a Phase 1 Environmental Site Assessment to review the environmental history of the property. The report is intended to identify actual and potential problems based on a review of historical documentation, regulatory agency databases, and a physical on-site investigation.

- Verify the properties have legal access.
- The properties with merchantable timber will require a timber cruise to determine the species, quality, and quantity of harvestable timber. Sufficient data must be obtained to create a statistically reliable sample for the timber modeling.
- Review the existence of any endangered species at the site. The presence of threatened/endangered species can significantly reduce the value of a property.
- A real estate appraisal will be completed by a Member of the Appraisal Institute (MAI) appraiser to determine the market value for each property. Appraisals will be reviewed by a second MAI appraiser to verify the report meets Uniform Standards of Professional Appraisal Practice (USPAP).
- Review any recorded surveys, verify survey pins are placed at the corners, and determine if there is a need to commission a survey.

Based on the review of the due diligence, Department leadership will approve or terminate the land exchange for further consideration. If Department leadership approves, it will be brought back to the Land Board for final approval to complete the transaction.

Recommendation

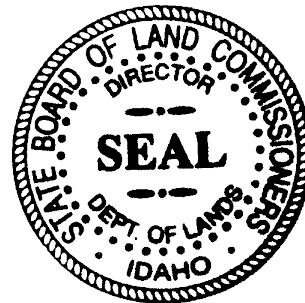
The Department recommends the Land Board approve proceeding with due diligence for the Saraceno land exchange proposal.

Board Action

A motion was made by Controller Woolf that the Land Board approve the Department's recommendation to proceed with due diligence for the Saraceno land exchange proposal. Superintendent Critchfield seconded the motion. The motion carried on a vote of 5-0.

Attachments

1. Saraceno LEX Application
2. Overview Map
3. Saraceno Floodwood and Fidler Parcel Maps
4. Endowment Land Parcel Map
5. Due Diligence Checklist





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nwmanage@northwestmanagement.com
www.northwestmanagement.com

MEMORANDUM

Date: July 24, 2025

To: Idaho Department of Lands, Real Estate Services Bureau

From: Vaiden Bloch, Timberland Advisor, Northwest Management Inc.

Subject: Review of Due Diligence Package for Proposed Land Exchange: IDL-Owned Glenwood Parcel (120.46 Acres, Idaho County) for Saraceno Fiddler (80 Acres) and Saraceno Floodwood (158.82 Acres) Parcels in Clearwater County

At your request, I have reviewed the due diligence package associated with the proposed land exchange, which has already been evaluated and approved by the Idaho Department of Lands (IDL). Based on my review, I find the materials to be comprehensive, well-documented, and supportive of the proposed action.

Key Considerations

• Timber Revenue Potential

The Saraceno Fiddler (80 acres) and Saraceno Floodwood (158.82 acres) parcels are recently harvested timberlands containing residual seed trees, along with viable advanced regeneration and seedlings. The Fiddler parcel has little to no merchantable timber, while the Floodwood parcel is estimated to contain approximately 4 MBF per acre of merchantable seed trees. These conclusions are supported by recent aerial imagery, timber cruise data, and site photographs.

Both properties demonstrate strong site potential for future timber growth. Prior harvests were conducted in compliance with the Idaho Forest Practices Act, ensuring sustainable forest management practices that protect soil, water, and wildlife habitat. If acquired, these parcels have the potential to generate future timber revenue for the endowment.

• Land Consolidation Benefits

The Fiddler parcel is bordered on three sides by IDL-managed lands, and IDL-managed lands entirely surround the Floodwood parcel. Acquiring these in-holdings would consolidate endowment ownership, eliminate management inefficiencies, and improve access and oversight.

• Forest Management Advantages

IDL employs active forest management strategies to enhance forest health, mitigate wildfire risk, and boost ecological resilience. These include timber harvesting, stand improvement, and reforestation. Acquiring the Saraceno parcels would provide IDL with full management control over a contiguous land base, enabling more coordinated and effective forest management. The



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consolidation also reduces issues related to fragmented ownership and enhances the long-term productivity and revenue potential of endowment lands.

• **Compliance with Statutory Requirements**

According to Idaho Code 58-138(5), all state endowment land exchanges must be supported by both an appraisal and a review appraisal, each prepared by an MAI-designated appraiser. These appraisals must conform to Uniform Standards of Professional Appraisal Practice (USPAP) and establish the fair market value of the properties involved.

For this exchange, the following steps have been taken:

- **Ruby Miles Stroschein, MAI**, of Gem Valley Appraisal Services, completed the original appraisal in accordance with professional and USPAP standards.
- **Sam Langston, MAI**, of Langston & Associates, Inc., conducted the review appraisal under USPAP Standards Rules 3 and 4, which govern appraisal review reporting.

These evaluations fully meet the statutory and professional requirements for a land exchange of this nature.

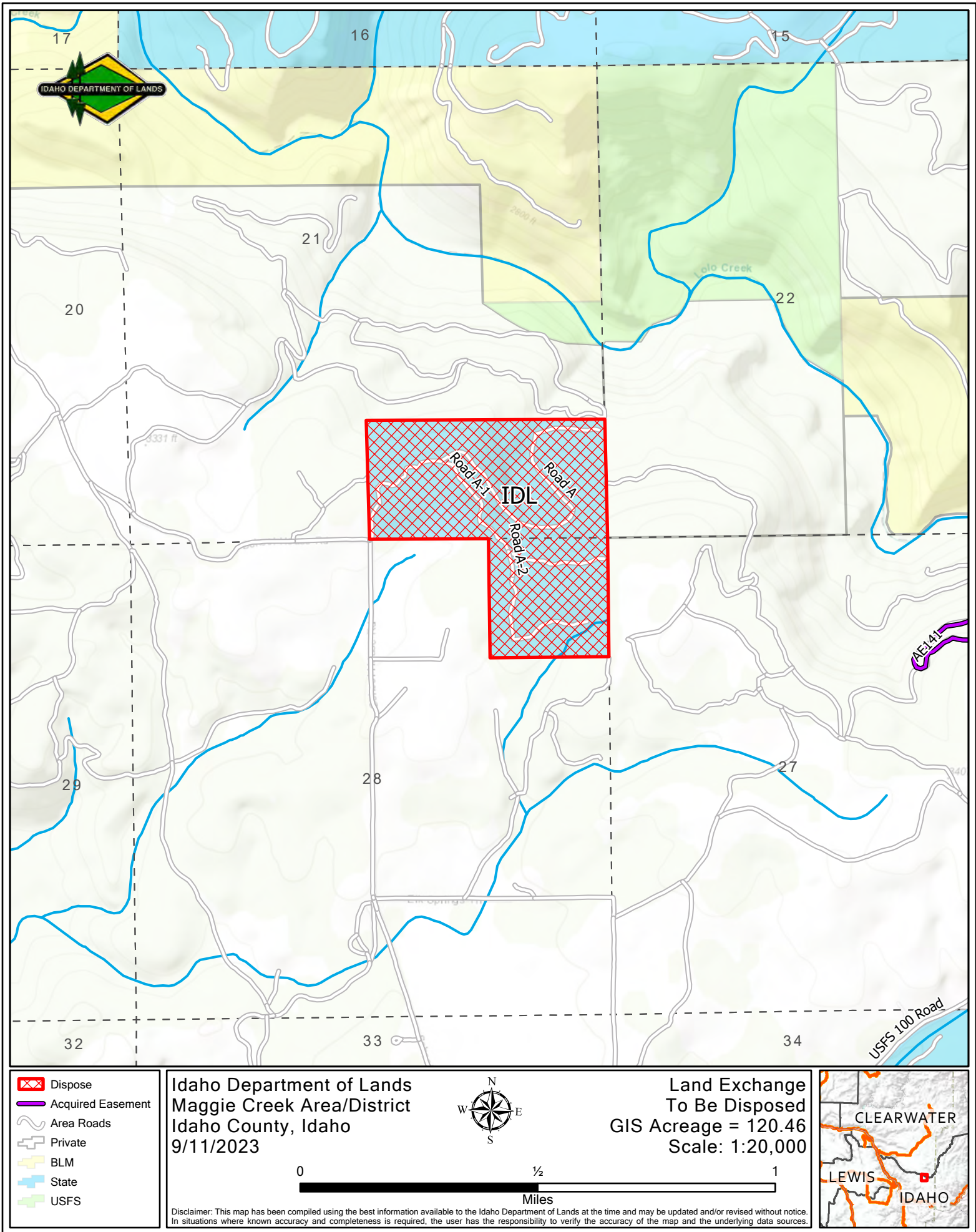
Recommendation

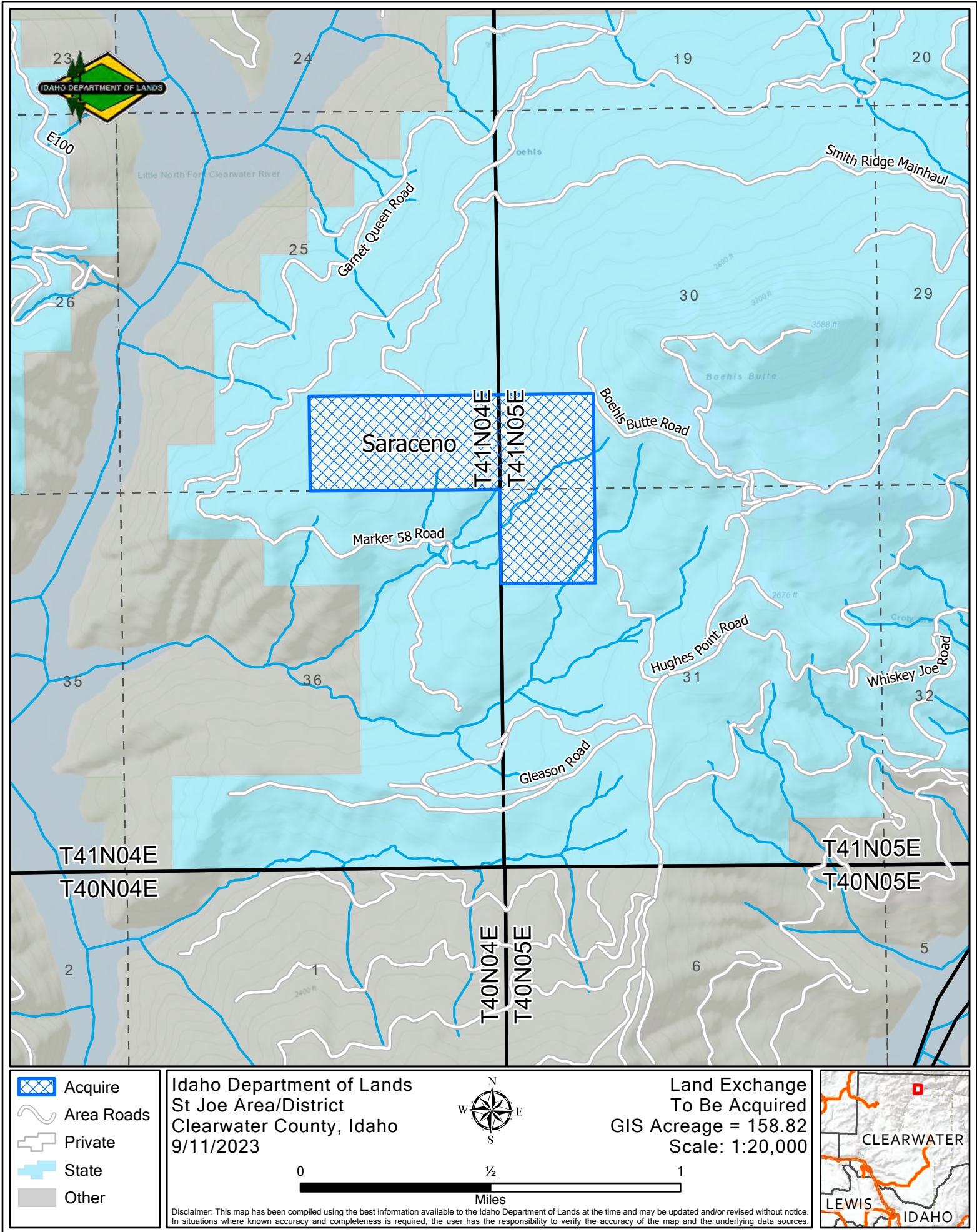
Based on the review and findings summarized above, I recommend that the Land Board approve the proposed land exchange.

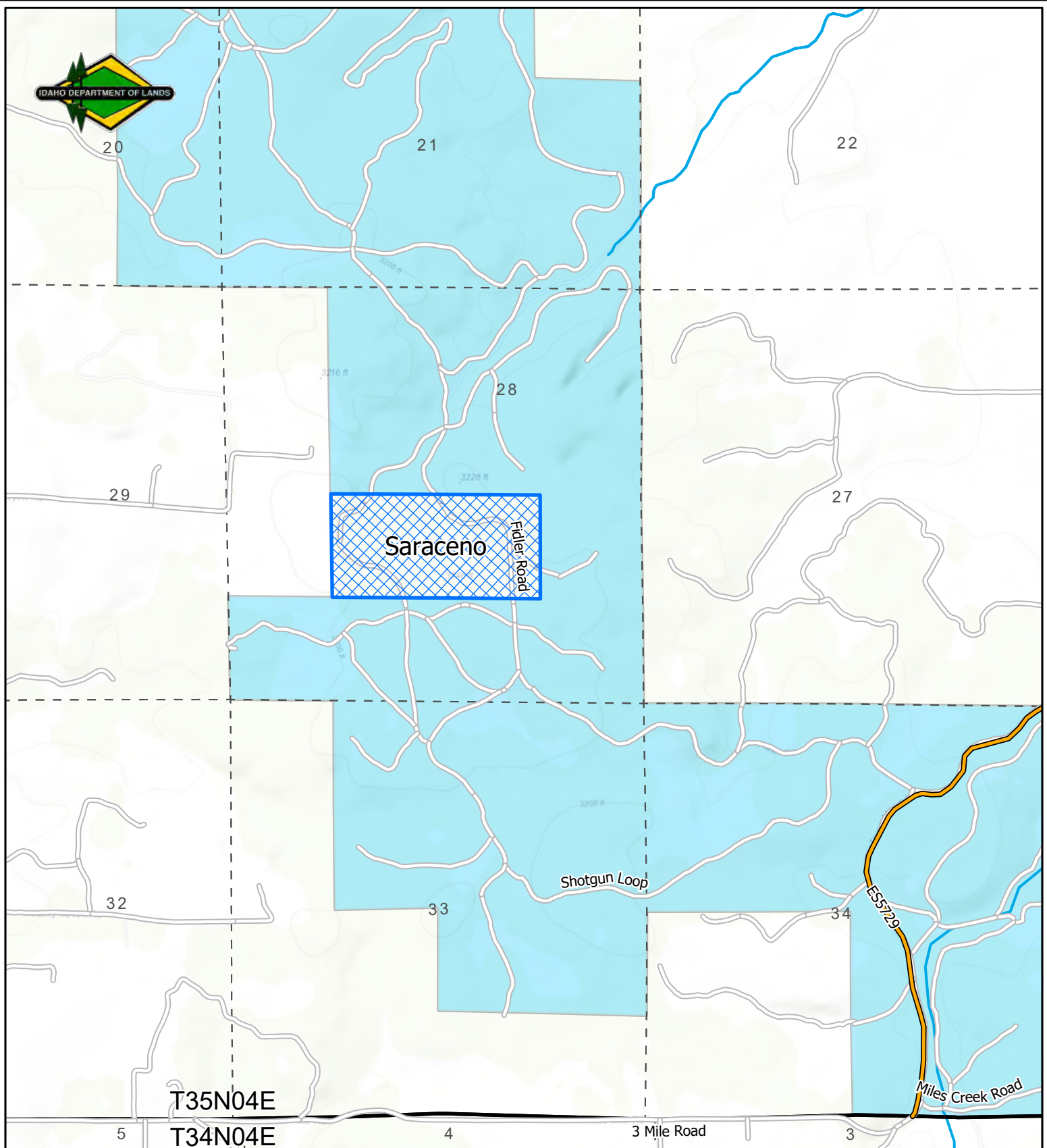
Sincerely,

Vaiden Bloch

Timberland Advisor
Northwest Management, Inc.





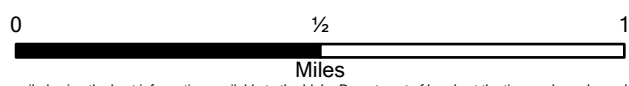


- Acquire
- Granted Easement
- Area Roads
- Private
- State

Idaho Department of Lands
Maggie Creek Area/District
Clearwater County, Idaho
9/11/2023

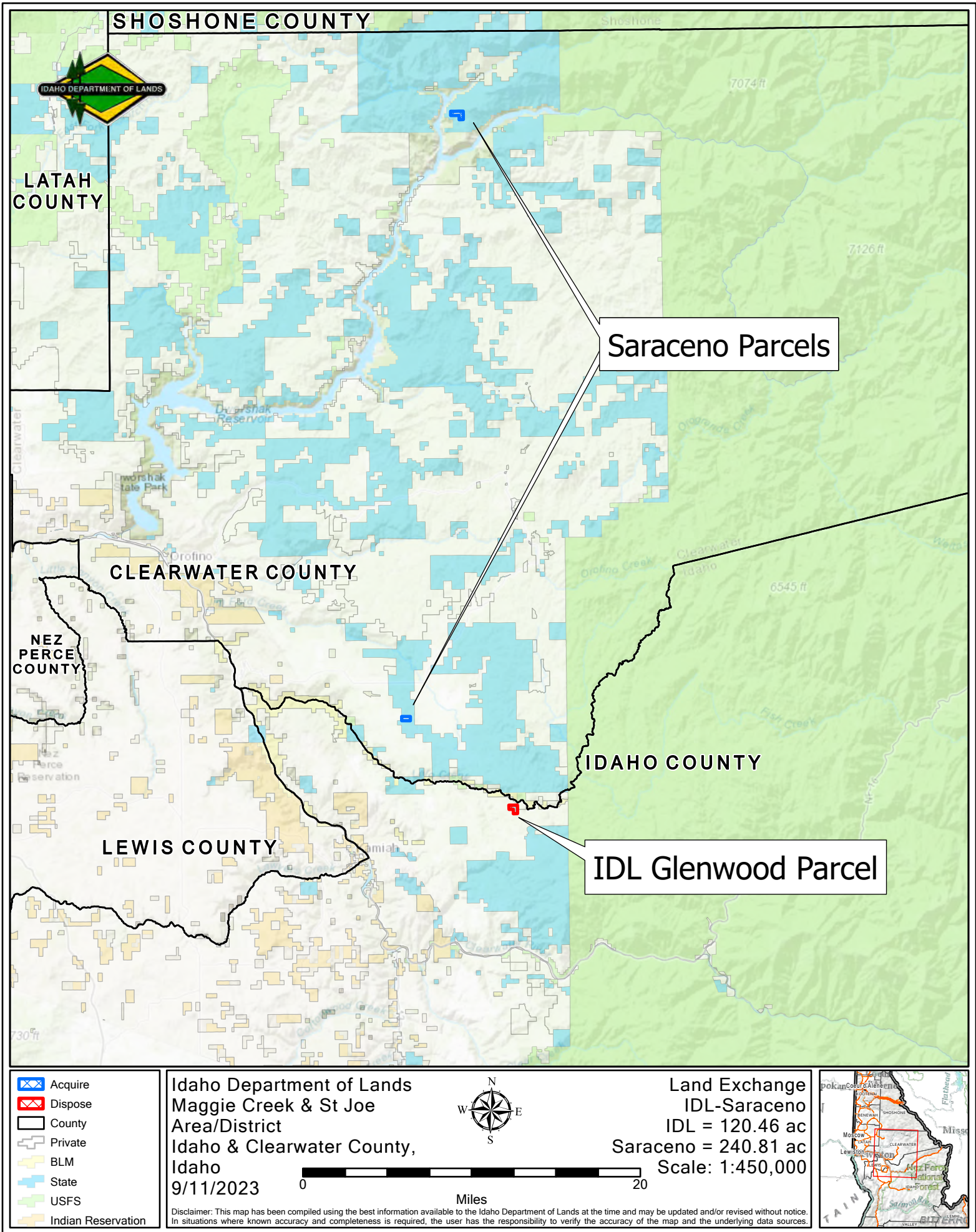


Land Exchange
To Be Acquired
GIS Acreage = 81.99
Scale: 1:20,000



Disclaimer: This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.





LAND EXCHANGE AGREEMENT SARCENO LAND EXCHANGE

This Land Exchange Agreement ("Agreement") is entered this ____ day of ____, 2025, by and among the **STATE BOARD OF LAND COMMISSIONERS**, acting by and through the **IDAHO DEPARTMENT OF LANDS** (the "Department"), and **DON SARACENO, JR and KERRI LEE SARACENO, husband and wife** ("Saraceno"). The Department and Saraceno are sometimes collectively referred to herein as the "Party" or "Parties", as the context may require.

WHEREAS, the Department currently manages on behalf of the State Board of Land Commissioners (the "Land Board") certain parcels of State endowment land, some of which are the subject of the exchange set forth in this Agreement. A list of State endowment land parcels to be exchanged in this transaction is more particularly described in **Exhibit A**, attached hereto and incorporated herein by reference ("Endowment Land"); and

WHEREAS, it is the desire of the Department and the Land Board to exchange the Endowment Land for other suitable property of substantially equal value, in this case timberland. The properties acquired will add to the forestland portfolio and improve management efficiency, increase the primary timber base, and achieve a rate of return consistent with the required return identified for the asset type; and

WHEREAS, Saraceno is currently the owner of certain real property more particularly described in **Exhibit B**, attached hereto and incorporated herein by reference ("The Saraceno Property"); and

WHEREAS, the Endowment Land has an appraised value, as if vacant and unimproved, of Three Hundred Sixty-One Thousand Five Hundred Dollars (\$361,500.00); and

WHEREAS, The Saraceno Property has an appraised value, as if vacant and unimproved, of Three Hundred Sixty-One Thousand Six Hundred Dollars (\$361,600.00); and

WHEREAS, Saraceno desires to exchange The Saraceno Property for the Endowment Land, and the Department desires to exchange the Endowment Land for The Saraceno Property.

NOW THEREFORE, for and in consideration of the mutual promises, covenants and conditions set forth herein, the Parties agree as follows:

1. The above recitals are incorporated into this Agreement as if fully set forth herein and are contractual in nature and not mere recitals.
2. Equal Value Exchange.
 - a. The intent of each of the Parties to this Agreement is to exchange real property of relatively equal value in order for the State of Idaho to meet its constitutional and statutory duties for an exchange.
 - b. Saraceno is not an agent of the Department.
 - c. The appraised value of the Saraceno Property in the Appraisal Report performed by Ruby Stroschein, MAI of Gem Valley Appraisal with effective

dates of September 10, 2024 and October 26, 2024, will be the value used for the purposes of this exchange.

- d. The appraised value of the Endowment Land in the Appraisal Report performed by Ruby Stroschein, MAI of Gem Valley Appraisal effective September 10, 2024 will be the value used for the purposes of this exchange.
3. As the appraised value of the Saraceno Property exceeds the appraised value of the Endowment Land by One Hundred Dollars (\$100.00), the Parties agree that the Department shall pay the difference in the amount of \$100.00 to Saraceno at closing to equalize the exchange.
4. Due Diligence and Expenses. This Agreement is contingent upon the Department's acceptance of studies, reports, and other items related to the Department's due diligence, which may include, but is not limited to, Phase I Environmental Site Assessment, timber cruise, appraisal, and appraisal review (the "Due Diligence Items").
5. The Parties have previously entered into a due diligence cost sharing agreement dated August 8, 2024 (**Exhibit C**). The costs of the due diligence will be divided between the parties as follows:
 - i. The total cost of the Appraisal Reports dated September 10 and October 26, 2024, prepared by Ruby Stroschein, MAI of Gem Valley Appraisal for the Endowment Land and The Saraceno Property was Eleven Thousand Five Hundred Dollars (\$11,500.00). Saraceno paid the appraisal fee in full at the time of service. As per the due diligence cost share agreement, the Department will be debited half that amount, Five Thousand Seven Hundred Fifty Dollars (\$5,750.00) at closing for the appraisals.
 - ii. The total cost of the Review Appraisal Reports dated January 15, 2025, prepared by Sam Langston, MAI of Langston & Associates Inc. for the Endowment Land and The Saraceno Property was Seven Thousand Dollars (\$7,500.00). Saraceno paid the appraisal review fee in full at the time of service. As per the due diligence cost share agreement, the Department will be debited half that amount, Three Thousand Seven Hundred Fifty Dollars (\$3,750.00) at closing for the appraisals.
 - iii. The total cost of the Environmental Assessment, Phase 1 report prepared by 191 North for the Saraceno; dated May 27, 2025, and June 26, 2025, was Four Thousand Nine Hundred Dollars (\$4,900.00). The Department paid in full for the ESA at the time of service. As per the due diligence cost share agreement, Saraceno will be debited half that amount, One Thousand One Hundred Fifty Dollars (\$2,450.00) at closing for the ESAs.
4. Due Diligence and Expenses. This Agreement is contingent upon Saraceno's approval before Closing of studies, reports, and other items related to Saraceno's due diligence investigation of the Endowment Land, which may include the same investigations as the Due Diligence Items defined above.
5. Lease Terminations. The Endowment Land is currently the subject of one grazing lease. This Agreement is contingent upon the execution prior to or at Closing by the Department and the lessees of the Endowment Land of an agreement for cancellation

of state lease due to land exchange terminating such lease in the forms attached hereto as **Exhibit D**. The Saraceno Property is not subject to any lease.

6. Access and Inspections. The Department hereby authorizes Saraceno and its agents, access to the Endowment Land; and, Saraceno hereby authorizes the Department and its agents, access to the Saraceno Property, each for all reasonable inspections related to the Due Diligence Items.
7. “AS-IS” Exchange. With the exception of any covenant or warranty in any deed of the Endowment Land to Saraceno, Saraceno hereby specifically agrees to take and accept the Endowment Land “AS IS”, subject to its approval before Closing of its due diligence investigation as described above. With the exception of any covenant or warranty in any deed of the Saraceno Property to the Department, the Department hereby specifically agrees to take and accept The Saraceno Property “AS IS”, subject to its approval before Closing of its due diligence investigation as described above.
8. Termination for Hazardous Material. Prior to Closing, either Party may terminate this Agreement following the completion of any inspection if either Party determines there is an unacceptable level of risk for hazardous material or solid waste present upon any portion of any property which is the subject of this exchange demonstrated by any such inspection or test.
9. Legal Access. The Saraceno Property shall have legal access for the purpose of resource management.
10. Appurtenances and Water Rights Generally. Water rights, water right permits, claims to water rights and all other appurtenances associated with The Saraceno Property shall be transferred to the State of Idaho. All water rights, water right permits, claims to water rights and all other appurtenances associated with the Endowment Land shall be transferred to Saraceno.
11. Mineral rights. Mineral rights, permits, and claims to mineral rights associated with The Saraceno Property shall be transferred to the Department, and all mineral rights associated with the Endowment Land shall be transferred to Saraceno.
12. Title Commitment. Each party may obtain at any time a preliminary title commitment relating to the real property it will acquire in this transaction and may request at any time before Closing that the other party cause the applicable title insurance company to modify or remove any of the title exceptions disclosed therein, which request the other party may comply with or not, in its sole discretion.
13. Title Insurance. Each party may obtain at its sole cost any title insurance policy it desires at or after closing, in such form and subject to such exceptions as it may approve; provided however, that neither party shall be obligated to remove any exceptions from its respective real property before Closing except leases and mortgages; and, provided further, that Closing is contingent upon each parties acceptance of the status of title and encumbrances which may appear of record. Before Closing, each party shall execute and deliver to any title insurance company that has issued a preliminary title commitment relating to the real property that such party is exchanging to the other party an owner’s affidavit and other instruments to the extent requested or required by the title insurance company in order for it to issue a title insurance policy to the other party at Closing without including exceptions for mechanics’ liens and rights of parties in possession.

14. Documents Transferring Title. Saraceno shall transfer title to The Saraceno Property to the Department via Warranty Deed in the form of **Exhibit E**, attached hereto. The Department shall transfer title to the Endowment Land to Saraceno via State of Idaho Deed in the form of **Exhibit F**, attached hereto. Saraceno shall bear the costs to record the deeds of the Endowment Land in the county in which such property is located. The Department is exempt from paying any cost to record the deed to the Saraceno Property in the county in which such property is located.
15. Real Estate Commissions. Each party represents and warrants that it has not contracted with, or otherwise engaged, any broker, agent, or finder to act in their behalf in connection with this transaction.
16. Representation and Warranties. Each Party warrants and represents it is the owner of the respective property which is the subject of this exchange and has full power and authority to enter into this exchange transaction and to transfer title to the respective properties. Saraceno is not aware of any encroachment, adverse interest or prescriptive easement claimed by any person or entity on any portion of the Saraceno Property. The person or persons executing this Agreement on behalf of each Party has full power to execute all related instruments and to perform all obligations of each Party under this Agreement.
17. Ad Valorem Taxes and Assessments. Saraceno shall be responsible for, and shall pay all real property ad valorem taxes; any taxes or deferred taxes by virtue of the designation of The Saraceno Property, or any portion thereof, as Forest Lands as provided by Idaho Code § 63-1701; and assessments, if any, accrued on The Saraceno Property up to the date of Closing.
18. Prorations. Taxes and assessments for the current year; collected rents; interest; prepaid premiums for insurance to be assigned to the Department, if any; utilities; and all other items of income and direct expense relating to The Saraceno Property (including without limitation existing service or supply contracts, owner's association dues, etc., if any) shall be prorated as of the date of Closing.
19. State Board of Land Commissioners' Approval; Date and Place of Closing. Closing is contingent upon the Land Board's approval of this fully executed Agreement. Closing shall occur within a mutually agreed upon commercially reasonable amount of time after Land Board approval, but in no event later than ninety (90) days following said approval, at the office of First American Title Company, 2150 S. Bonito Way, Meridian, ID 83642 (the "Closing"). Closing shall be deemed complete upon the recordation of all deeds for the Endowment Land and The Saraceno Property. In the event the Land Board rejects approval of the exchange contemplated herein or the Closing does not occur within the time specified above, this Agreement shall terminate with no further obligation by either Party other than the payment of all costs and expenses incurred up to the point of such termination, to be paid by the Party incurring any such cost or expense, or the Party obligated to pay any such cost or expense as provided for herein. Prior to Closing, either Party may terminate this Agreement, and the payment of all costs and expenses incurred up to the point of such termination shall be paid by the Party incurring any such cost or expense, or the Party obligated to pay any such cost or expense as provided for herein.
20. Closing Costs. Except as otherwise specified herein, the Parties shall share equally in all costs of closing, including, but not limited to, any closing agent and escrow fees.

21. Possession. The Department shall be entitled to possession of The Saraceno Property upon Closing. Saraceno shall be entitled to possession of the Endowment Land upon Closing.
22. Survival of Terms. The terms and conditions of this Agreement shall survive the Closing and transfer of the respective properties between the Parties.
23. Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be deemed an original, but all of which together shall constitute one and the same instrument
24. Modifications. This Agreement may only be modified in writing by mutual written agreement of the Parties prior to Closing, and any such modification shall be attached hereto. Amendments may require Land Board approval as determined by the Department.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement.

(The rest of this page has been intentionally left blank, signatures on the next page)

IDAHO DEPARTMENT OF LANDS

Dated: _____

DUSTIN MILLER, Director

Date: _____

DON SARACENO, JR

Date: _____

KERRI LEE SARACENO

DRAFT

Exhibit A

(Legal description of Endowment Land)

The Land referred to herein below is situated in the County of Idaho, State of Idaho, and is described as follows:

Township 34 North, Range 5 East Boise Meridian, Idaho County, Idaho
Section 21: S1/2SE1/4

AND

Township 34 North, Range 5 East Boise Meridian, Idaho County, Idaho
Section 28: NE1/4NE1/4

DRAFT

Exhibit B

(Legal Description of The Saraceno Property)

The Land referred to herein below is situated in the County of Clearwater, State of Idaho and is described as follows:

Property 1

Township 41 North, Range 4 East Boise Meridian, Clearwater County, Idaho
Section 25: South One-Half Southeast Quarter (S 1/2 SE 1/4)

Property 2

Township 41 North, Range 5 East Boise Meridian, Clearwater County, Idaho
Section 31: Government Lot 1

Property 3

Township 41 North, Range 5 East Boise Meridian, Clearwater County, Idaho
Section 30: Government Lot 4

Property 4

Township 35 North, Range 4 East, Boise Meridian, Clearwater County, Idaho
Section 28: NE1/4 SW1/4, NW1/4 SE1/4

Exhibit C

(Due Diligence Agreement)

Saraceno Land Exchange Due Diligence Cost Sharing Agreement

This Due Diligence Cost Sharing Agreement is entered into this 8th day of August, 2024, by and among the IDAHO STATE BOARD OF LAND COMMISSIONERS ("Land Board"), acting by and through its administrative state agency, the IDAHO DEPARTMENT OF LANDS ("IDL"), and Don and Kerri Saraceno ("Saraceno"). The Parties are sometimes collectively referred to herein as the "Party" or "Parties", as the context may require.

WHEREAS, at the Regular Meeting of the State Board of Land Commissioners held on March 19, 2024, the Land Board approved the due diligence phase of a land exchange between the Land Board and Saraceno; and

WHEREAS, the Land Board and Saraceno desire to share the cost of the due diligence items equally, except as noted below;

NOW THEREFORE, for and in consideration of the mutual promises, covenants, and conditions set forth herein, the Parties agree as follows:

1. The Parties shall share equally the cost of any title reports or title investigations necessary for the land currently owned by the state endowment ("State Land") and the land currently owned by the County.
2. The Parties shall share equally the cost of the appraisal report and appraisal review report for the State Land. The parties understand and agree that multiple appraisal and appraisal review reports may be necessary.
3. The Parties shall share equally the cost of the appraisal report and appraisal review report for the land currently owned by Saraceno ("Saraceno Land"). The parties understand and agree that multiple appraisal and appraisal review reports may be necessary.
4. The Parties shall share equally the cost of the Environmental Site Assessment, Phase 1, and any additional reports that may be required or recommended by the ESA Phase 1 report for Saraceno Land.
5. The Parties shall share equally the cost of the Environmental Site Assessment, Phase 1, and any additional reports that may be required or recommended by the ESA Phase 1 report for the State Land.
6. The Parties shall share equally the cost of any boundary survey or surveys necessary for either the land currently owned by the state endowment, or Saraceno Land.
7. The Parties shall share equally the cost of any other study required by IDL or by Saraceno.
8. The Parties shall share equally the cost of closing agent or escrow fees.
9. IDL shall be solely responsible for the cost of any timber cruise and/or evaluation necessary for the timber resources on Saraceno Land.
10. IDL shall be solely responsible for the cost of third-party due diligence review performed by Mason, Bruce, and Gerard, LLC.

11. Saraceno shall be solely responsible for the cost of any timber cruise and/or evaluation necessary for the timber resources on State Land.

The Parties understand and agree that either Party may elect to cancel the land exchange at any point in the process. In the event that one or both Parties decide to cancel the land exchange project, the cost of the due diligence performed to that point in time will be allocated as shown above.

(the rest of this page has been intentionally left blank)

DRAFT

IN WITNESS WHEREOF, the parties have duly executed this agreement.

8/8/21 Date

IDAHO DEPARTMENT OF LANDS

Dustin T. Miller
Dustin Miller, Director

SARACENO

____ Date _____
Don Saraceno

____ Date _____
Kerri Saraceno

DRAFT

IN WITNESS WHEREOF, the parties have duly executed this agreement.

IDAHO DEPARTMENT OF LANDS

____ Date _____
Dustin Miller, Director

SARACENO

07/30/24 Date Don Saraceno
Don Saraceno

7/30/24 Date Kerri Saraceno
Kerri Saraceno

DRAFT

Exhibit D
Form of Lease Cancellation

**AGREEMENT FOR CANCELLATION OF
STATE LEASE DUE TO LAND
EXCHANGE
(Grazing Lease #G420024)**

The undersigned Lessee of lands owned by the State of Idaho more particularly described below, hereby agrees with the State of Idaho that State of Idaho Lease Number G420024 of the below described real property currently in force and effect between lessee and the State of Idaho is terminated and of no further force and effect by reason of the land exchange transaction between the State of Idaho and Don and Kerri Saraceno.

The State and the Lessee hereby waive, each as against the other, and for their respective successors and assigns any and all claims, causes of action related to the lease, if any, and further do hereby release the other from any and all obligations or duties under and pursuant to the terms of the lease.

This Agreement shall become effective contemporaneously with the closing of the land exchange between the State of Idaho and the Saraceno under which the described below real property is exchanged. In the event that the below described real property is not exchanged, this Agreement shall be null and of no force and effect.

Real Property Description – See Exhibit A attached hereto.
[The rest of this page has been intentionally left blank]

STATE OF IDAHO
Department of Lands

DUSTIN T. MILLER, Director

Date: _____

LESSEE

Don Saraceno, Jr

Date _____

Kerri Lee Saraceno

Date _____

DRAFT

EXHIBIT A
to
Lease Cancellation Agreement

Legal Description

Township 34 North, Range 5 East Boise Meridian, Idaho County, Idaho
Section 21: S1/2SE1/4

AND

Township 34 North, Range 5 East Boise Meridian, Idaho County, Idaho
Section 28: NE1/4NE1/4

DRAFT

Exhibit E
Form of Warranty Deed
The Saraceno Property

Recording Requested By and
When Recorded Return to:

STATE OF IDAHO,
IDAHO DEPARTMENT OF LANDS,
300 North 6th Street, Suite 103
Boise, Idaho 83720-0050

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

WARRANTY DEED

Deed No. _____

THIS WARRANTY DEED is made this ____ day of _____, 2025, by **DON SARACENO, JR.** and **KERRI LEE SARACENO**, husband and wife, whose mailing address is 312 School House Road, Kamiah, ID 83536, ("**Grantor**"), and the **STATE BOARD OF LAND COMMISSIONERS**, through its administrative agency, the **IDAHO DEPARTMENT OF LANDS**, whose mailing address 300 North 6th Street, Boise, ID 83720-0050 ("**Grantee**").

WITNESSETH, that Grantor, for good and valuable consideration, the receipt whereof is hereby acknowledged, has granted, bargained, sold, and by these presents does grant, bargain, sell, convey and confirm unto Grantee, and to Grantee's heirs and assigns forever, all of the following described property in the County of Clearwater, State of Idaho, which property is legally described as follows, to-wit:

Clearwater County

Property 1

Township 41 North, Range 4 East Boise Meridian, Clearwater County, Idaho
Section 25: South One-Half Southeast Quarter (S 1/2 SE 1/4)

Property 2

Township 41 North, Range 5 East Boise Meridian, Clearwater County, Idaho
Section 31: Government Lot 1

Property 3

Township 41 North, Range 5 East Boise Meridian, Clearwater County, Idaho
Section 30: Government Lot 4

Property 4

Township 35 North, Range 4 East, Boise Meridian, Clearwater County, Idaho
Section 28: NE1/4 SW1/4, NW1/4 SE1/4

TOGETHER WITH any reversions, any remainders, rents, issues and profits therefrom; and all estate, right, title and interest in and to the timber rights, as well in law as in equity, of Grantor.

TO HAVE AND TO HOLD the premises and the appurtenances unto Grantee, and to Grantee's

heirs and assigns forever. Grantor and Grantor's heirs shall warrant and defend the premises in the quiet and peaceable possession of Grantee and Grantee's heirs and assigns, against Grantor and Grantor's heirs, and against every person whomsoever who lawfully holds (or who later lawfully claims to have held) rights in the premises as of the date hereof.

In construing this Warranty Deed and where the context so requires, the singular includes the plural.

[remainder of page left intentionally blank]

DRAFT

Exhibit F

Form of State Deed

Recording Requested By and
When Recorded Return to:

STATE OF IDAHO,
IDAHO DEPARTMENT OF LANDS,
300 North 6th Street, Suite 103
Boise, Idaho 83720-0050

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

STATE OF IDAHO DEED

DEED NO. _____

THIS STATE DEED (“**Deed**”) is made this ____ day of _____, 2025, by and between the **STATE BOARD OF LAND COMMISSIONERS**, whose mailing address is P.O. Box 83720, Boise, Idaho 83720-0050 (hereinafter referred to as "**Grantor**"), and **DON SARACENO, JR** and **KERRI LEE SARACENO**, husband and wife, whose mailing address is 312 School House Road, Kamiah, ID 83536 (hereinafter referred to as "**Grantee**").

WITNESSETH: That Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby transfer, sell, convey and release unto Grantee all of Grantor's right, title and interest in and to the following described real property (the "**Property**") situated in Idaho County, State of Idaho, to-wit:

Idaho County

Township 34 North, Range 5 East Boise Meridian, Idaho County, Idaho
Section 21: S1/2SE¼

AND

Township 34 North, Range 5 East Boise Meridian, Idaho County, Idaho
Section 28: NE¼NE¼

TOGETHER WITH the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining.

RESERVING THEREFROM a right of way for ditches constructed by authority of the United States as identified in Idaho Code § 58-604.

THE PROPERTY IS CONVEYED “AS IS”, with no representation or warranty of any

kind as to the fitness of the Property for any particular purpose.

TO HAVE AND TO HOLD, all and singular, the Property unto the said Grantee and its successors and assigns forever.

(The rest of this page has been left blank intentionally. Signatures on next page.)

DRAFT

IN WITNESS WHEREOF, Grantor has executed this instrument as set forth below.

STATE BOARD OF LAND COMMISSIONERS

President of the State Board of Land Commissioners
and Governor of the State of Idaho

Countersigned:

Secretary of the State of Idaho

Director of the Idaho Department of Lands

STATE OF IDAHO)
)ss.
COUNTY OF ADA)

On this ____ day of _____, 2025, before me, a Notary Public in and for said State, personally appeared **BRAD LITTLE**, as the President of the State Board of Land Commissioners and Governor of the State of Idaho, that executed the within instrument, and acknowledged to me that he executed the same as said President and Governor, and that the State Board of Land Commissioners and the State of Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

(seal)

Notary Public for State of Idaho
My Commission Expires: _____

STATE OF IDAHO)
)ss.
COUNTY OF ADA)

On this ____ day of _____, 2025, before me, a Notary Public in and for said State, personally appeared **PHIL MCGRANE**, as Secretary of the State of Idaho, that executed the

within instrument, and acknowledged to me that he executed the within instrument as said Secretary of State and that the State Board of Land Commissioners and the State of Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

(seal)

Notary Public for State of Idaho

My Commission Expires: _____

STATE OF IDAHO)
)ss.
COUNTY OF ADA)

On this ____ day of _____, 2025, before me, a Notary Public in and for said State, personally appeared **DUSTIN T. MILLER**, the Director of the Idaho Department of Lands and Secretary of the State Board of Land Commissioners, and acknowledged to me that he executed the within instrument as said Director and Secretary, and that the State Board of Land Commissioners and the State of Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

(seal)

Notary Public for State of Idaho

My

Commission Expires: _____