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## COLORFUL COOKING NEGOTIATION

### Confidential Information for Randy Cooke

You are Randy Cooke, Trustee of the Cooke Family Trust, which owns 120 acres by a lake in Washington State. The land was purchased 30 years ago and put in trust by your parents for you, your brother, and your two sisters. (You are now in your 40's and your parents are in their early 70's.)

You have been in the medical rat race for many years, as a physician in San Francisco. However, the take-over by managed care has taken all the joy out of medical practice. You blame your recent divorce on the pressures of that system. After traveling to Washington State for as many weekends as you could, you are ready to move there. Your dream is to write medical novels and supplement your income with part-time emergency room work. You are not sure you can swing this financially because you remain responsible for the kids' college education under the divorce settlement. If you do move to Washington permanently, you would want to build a far better house than the squalid, crumbling ranch you've been "camping" in on the weekends. You did contact a builder friend, who estimated that it would cost \$900,000 to build the house you sketched based on plans in an architectural magazine. That's a bit rich for you right now (though you could handle something close to that after selling your \$600,000 condominium in San Francisco).

When you received a call from some manager at Indigogreen about purchasing a small portion of the Trust land, you hesitated and then said: "Well, it couldn't hurt to talk." It sometimes kills you that the Trust is sitting on 120 prime acres. The land is magnificent, but the taxes are high. You have paid most (but not all) of the taxes lately, in exchange for use of the ranch house.

You read in the papers that the entrance to Indigogreen's planned development was destroyed by a landslide on the west side. You assume that they need to build a new entrance to the east, and that's why they want to talk to you. You don't know exactly how much they will want. Your friend, president of the local Audubon society, warned you that companies like Indigogreen often buy more land than they need and then sell it to loggers to make extra profits. (The property has ten acres on small mountain ridges and great lake frontage. You wonder if they would sell the trees, clear the land, and start a ski resort. That would destroy your refuge.)

You called each of your siblings and secured their permission to negotiate as high a price as possible for a portion of land adjacent to the Indigogreen property.

A few years ago, when you heard that Indigogreen was in the area, your older sister objected to the idea of selling to a developer. She has changed her tune a bit recently, as a recent divorce has made her less financially secure. She told you to get as much money as possible.

Selling the entire parcel is not an option. Leaving aside the enormous capital gains or your sister's troubles, your parents would be horrified by logging or a ski resort on the property. Even though you and your siblings would certainly benefit from money now, you would not want to violate your parents' wishes. Also, your brother and your other sister want to retain some acreage to build homes there, perhaps on the lake. They both have young children and not enough cash to fund building more roads or homes there now. Someday, they want to enjoy homes nestled between the lake and mountains.

Negotiate the best deal you can on behalf of the Cooke family trust - you and your siblings.