

September 13, 2012

Mr. Chris Kukulski
City Manager, City of Bozeman
P.O. Box 1230
Bozeman, MT 59715

RE: Story Mansion Purchase

Dear Chris:

Last month it was reported that Exergy Friends of the Story Mansion (EFSM) would be in a position to purchase the Story Mansion from the City of Bozeman by September 15, 2012. This anticipated closing date was set based on an expectation that Exergy Development Group, LLC, our major donor, would provide us with their planned gift of approximately \$408,000 by now, enabling us to close our real estate transaction with the City.

In a letter to me dated September 7, 2012, Mr. James Carkulis advised EFSM that, for a variety of reasons, Exergy Development Group needs to delay its planned contribution to EFSM. As a result, EFSM is not in a position to close on our purchase agreement with the City at this time.

In his letter, Mr. Carkulis states: "Our commitment to helping Exergy Friends of the Story Mansion purchase the Story property and restore both the 2nd and 3rd floors of the Mansion and the Carriage House remains undiminished." He further states: "We expect Exergy to soon regain its leadership position in the renewable energy industry," and "We plan to provide the funds necessary to close your purchase agreement well within ... six months time... ."

EFSM remains confident that Exergy Development Group will indeed be a major donor in helping us achieve our goals, as well as the City's, with regard to purchasing and restoring the Mansion property. In fact, Exergy has recently made a \$20,000 contribution to our non-profit organization to help us complete payment for all of the landscaping and irrigation work accomplished this summer in close cooperation with the City of Bozeman.

In the meantime, however, EFSM will not be sitting by idly waiting for Exergy's contribution to come through. Our Board of Directors has just committed to three courses of action to keep us moving forward in this period of transition. First, we are initiating a significant fundraising effort to identify additional major donors, to complement Exergy's contributions, or to provide a foundation of funding for our organization in the event Exergy's contribution does not materialize. Second, we are reactivating our Membership Committee to embark on a membership drive and re-energize our community outreach efforts. Third, we are actively

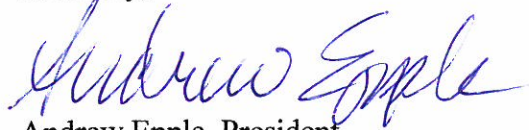
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engaging in a marketing campaign in an effort to secure more bookings at the Story through this fall and into 2013.

With these thoughts and actions in mind, EFSM respectfully requests that the City of Bozeman provide EFSM with an additional six months to secure the funding necessary to accomplish the purchase of the Story Mansion property, with a purchase date absolutely no later than June 30, 2013.

Thank you in advance for your consideration of this request, Chris. Please let me know if you have any questions or need any additional information. We look forward to hearing back from you soon.

Sincerely,

A handwritten signature in blue ink that reads "Andrew Eppe". The signature is fluid and cursive, with the first name "Andrew" being more prominent than the last name "Eppe".

Andrew Eppe, President
Exergy Friends of the Story Mansion

Gordon 'Corky' Brittan, Vice President
Jane Klockman, Secretary
Peter Bogy, Acting Treasurer
Jerry Coffey, Member
Elizabeth Darrow, Member
Peggy Beltrone, Member