

MEMO

To: Sarah London
From: Stephanie Smith
Date: April 15, 2016



Re: Governor's Acceptance & Approval

Attached you will find a Governor's Acceptances for the Cadreact Farm in Milton, Vermont. This is one of the last few farmland conservation projects that the Agency will co hold. A memo outlining the project, map, and draft conservation easement are also included for your review. Also included are letters from the Town of Milton and the Chittenden Regional Planning Commission.

As part of VAAFM's review of the conservation project in advance of your receipt we have conducted/contacted the following resources to confirm there are no outstanding violations within ANR and VAAFM's databases.

- VAAFM
 - ARM Division: None
 - Consumer Assurance: None
 - Dairy
 - Animal Health
 - Meat Inspection
 - Consumer Protection
- ANR
 - Brownfields Division- None
- NRCS
 - No hazardous waste issues – verification enclosed

Attached is a map of the farm project utilizing ANR data layers showing no hazardous wastes on this farm.

Please do not hesitate to contact me via email (stephanie.smith@vermont.gov) or phone if you have any questions (828-1732). I am happy to pick up once it is signed.



Agency of Agriculture, Food & Markets
116 State Street
Montpelier, VT 05620-2901
www.VermontAgriculture.com

TO: Peter Shumlin, Governor
FROM: *Deanne Batty* Deputy Secretary
For Charles R. Ross, Jr., Secretary, Vermont Agency of Agriculture, Food & Markets
DATE: April 15, 2016
RE: Acquisition of Development Rights – Cadreact, Milton

Your approval is requested for the acquisition of development rights, conservation restrictions, option to purchase, and right of enforcement of the United States on 255 acres of farmland in Milton owned by David and Katherine Cadreact.

The Town of Milton Selectboard, Planning Commission, Conservation Commission, and the Chittenden County Regional Planning Commission indicate their support of the conservation of this parcel, as evidenced by the attached letters.

I. Description of Property

David Cadreact's father sold a portion of his farm to add to Sandbar Wildlife Management Area (WMA), and David and Katherine Cadreact are conserving much of the remainder of their farm. The family is working with the Lake Champlain Land Trust (LCLT) and Vermont Land Trust (VLT) to conserve their land. Their property will be conserved under two easements—a 255-acre farm easement for the operating farmland held by the Vermont Land Trust, Vermont Housing and Conservation Board and Vermont Agency of Agriculture Food and Markets. A 186-acre sugarbush easement held by LCLT on the western sugarbush acreage. The conservation of the farmland will be contingent upon conservation of the sugarbush, and vice versa, for a total conservation project of 441 acres.

David's grandfather purchased the farm in 1918, and it was in dairy until about ten years ago. When the dairy cows were sold, David switched to certified organic grains to meet an increasing need for organic dairy operations. He is currently focusing on hay and beef and has about 30 head. The farmland project includes 130 acres of prime and statewide significant soils spread over large, easily accessible fields with over a mile of road frontage. The scenic meadows include a spectacular view from Cadreact Road through to Lake Champlain and Law Island. There are high-priority archeological sites on the farmland project and the farm includes a tributary to Trout Brook, which contains several rare and uncommon fish species.



The farmhouse will be excluded from the project on 20 acres to enable the separate ownership of David and Katherine's home and the potential for a home for one of their children. The barns will be included in the project within a five-acre building envelope. A second building envelope of ten acres has been identified to allow for a sole-discretion farm labor house right location where an old farmhouse had burned.

The larger conservation effort, including a conservation easement on the mature sugarbush and significant woodlands overlooking Lake Champlain and abutting the Sandbar WMA, will help maintain the scenic views from the lake and the Route 2 causeway. The western portion of the property includes a Limestone Bluff Cedar-Pine Forest and unplowed and intact high-priority mapped archeological sites used by Native Americans.

With the adjoining two conserved farms and WMAs, the conservation of the Cadreact land would result in over 3,000 acres of contiguous protected land. The Cadreacts will be making a \$75,000 bargain sale on the sugarbush easement, equating to a 16% bargain sale on the total project. David and Katherine have seen rapid growth in Milton and would like to ensure that their land does not follow the same path.

II. Need

The sale of a conservation easement would allow David and Katherine to protect their resource-rich land from the rising trend of development in the area and to ensure a stronger future for their farm.

III. Source of Funds

The purchase price for the easement with the option to purchase at agricultural value is \$351,724. VHCBC approved a grant for this project in the amount of \$355,724 (\$351,724 for easement purchase and \$4,000 for third-party costs). Financial leverage for this conservation effort includes a \$75,000 bargain sale on a companion sugarbush project equal to 16% of the value of the projects combined.

The landowner is exempt from paying 1% of the purchase price because of the bargain sale on the companion project.

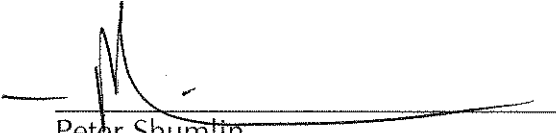
**APPROVAL AND ACCEPTANCE OF
DEVELOPMENT RIGHTS IN REAL PROPERTY**

Now come Peter Shumlin, Governor, and Charles R. Ross, Jr., Secretary, the undersigned, and hereby approve and accept the Grant of Development Rights, Conservation Restrictions and Option to Purchase and Right of Enforcement of the United States for 255 acres, more or less, of land owned by David and Katherine Cadreact located in the Town of Milton, Vermont, by the Vermont Agency of Agriculture, Food and Markets. The Grant is to be recorded in the Land Records of the Town of Milton.

This action is taken pursuant to the authority vested in the Governor and the Secretary of the Vermont Agency of Agriculture, Food and Markets by Title 6, Chapter 1, Section 14 of the Vermont Statutes Annotated.

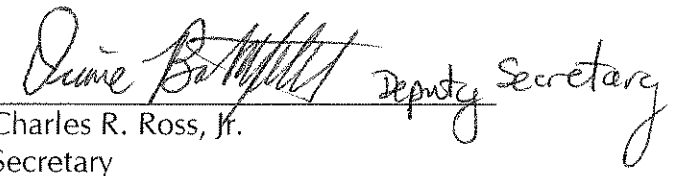
4/19/16
Date

STATE OF VERMONT


Peter Shumlin
Governor

VERMONT AGENCY OF AGRICULTURE,
FOOD AND MARKETS

4/18/16
Date

 Deputy Secretary
For Charles R. Ross, Jr.
Secretary



This map is not a survey or subdivision plat, and should be used or construed for such purposes. It was prepared for the benefit of field measurements or extensive title research, and is intended solely to assist the owner(s) of the conserve and the holder(s) of the conservation easement in the interpretation and interpretation of the conservation easement. It is not a legal document, and it does not constitute a warranty, representation, or agreement, and it is not to be used for any other purpose. The map is prepared by the owner(s) of the conserve, and it is not to be used for any other purpose. The map is prepared by the owner(s) of the conserve, and it is not to be used for any other purpose.

THIS MAP IS NOT A SURVEY

Reviewed and Accepted by:

David J. Cadreact

Katherine D. Cadreact

ACREAGE INFORMATION

Tillable	117.5 acres
Open Land/Pasture	35.0 acres
Woods	87.0 acres
Wetland	2.5 acres
Building Envelope	13.0 acres

Vermont Land Trust

Cadreact Farm
Town of Milton
Chittenden Co., VT

March 2015

VLT Project #131046 VHC# #2015-082-001

The Cadreact Farm Conservation Plan is based on the following State of Vermont Base Map 1:5000 orthophoto(s): West Milton, #96236, 2013

1:5,000

1 inch = 416.7 feet

Feet

250 125 0 250 500

Meters

50 25 0 50 100 150 200

Reference(s):

Portions of the boundaries of the Protected Property are based on a survey entitled:

"Property Map, Harold H. Littlefield, Jr." by William A. Robenstein, dated 6/14/1999

Protected Property

Building Envelope

Surface Water Protection
Zone (SWPZ)

Archaeology Zone

Excluded Land

Building
Envelope
18.0 acres

Cadreact Rd. (1117-1)

Archaeology
Zone

SWPZ

Excluded
118.6 acres

Excluded
120.0 acres

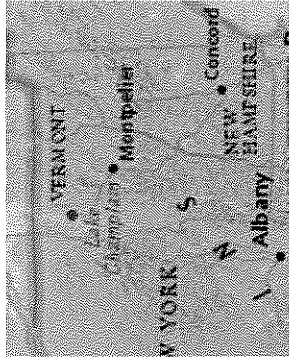
Building
Envelope
15.0 acres



Natural Resources Atlas

Vermont Agency of Natural Resources

vermont.gov



1: 11,908
January 4, 2016

605.0 0 302.00 605.0 Meters
WGS_1984_Web_Mercator_Auxiliary_Sphere
© Vermont Agency of Natural Resources
1" = 992 Ft. 1cm = 119 Meters
THIS MAP IS NOT TO BE USED FOR NAVIGATION

DISCLAIMER: This map is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. ANP and the State of Vermont make no representations of any kind, including but not limited to, the warranties of merchantability, or fitness for a particular use, nor are any such warranties to be implied with respect to the data on this map.

LEGEND

- Landfills
 - OPERATING
 - CLOSED
- Land Use Restrictions
 - Class IV GW Reclaim
 - Deed Restriction
 - Easement
 - Land Record Notice
 - Other
- Hazardous Waste Site
- Hazardous Waste Generators
- Brownfields
- Salvage Yard
- Underground Storage Tank (UST)
- Town Boundary

NOTES

Map created using ANP's Natural Resources Atlas

Jensen, Sylvia

From: Hakey, Kathryn - NRCS, Colchester, VT <Kathryn.Hakey@vt.usda.gov>
Sent: Tuesday, February 23, 2016 1:36 PM
To: Jensen, Sylvia
Subject: Cadreact Conservation Easement, Hazmat Review

Sylvia,

The Cadreact hazmat review is Completed. No hazmat concerns have been found.

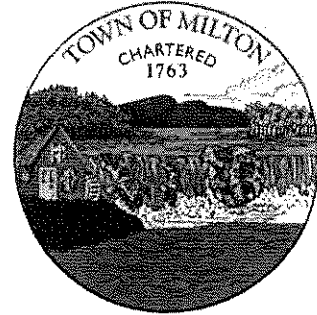
Sincerely,

Kathy

Kathryn Hakey, Affiliate
Easement Specialist
NRCS VT State Office, Colchester
(802) 951-6796, X-227

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TOWN of MILTON
Planning and Economic Development Department
43 Bombardier Road
Milton, VT 05468-3205
jhemmerick@town.milton.vt.us
www.miltonvt.org
(802) 893-1186



April 11, 2015

Vermont Land Trust
Bob Heiser, Champlain Valley Regional Director
PO Box 850
Richmond, VT 05477

Dear Mr. Heiser

[CADREACT CONSERVATION EASEMENT]

In response to your letter to the Chairs of Milton's Conservation and Planning Commissions, I'm writing on their behalf to acknowledge the proposal to submit an application to the Vermont Housing and Conservation Board for public funds to purchase the development rights on the existing farm and sugarbush, as presented in the map attached to this letter.

On Tuesday, March 24, 2015, the Conservation Commission met and unanimously approved a motion in support of the proposed easement, encouraging reasonable public access. A record of this action is recorded in the meeting's draft Minutes and filed in the Town Clerk's Office.

On Tuesday, April 7, 2015, the Planning Commission met and unanimously approved a motion in support of the proposed easement, encouraging the dedication of a recreational pathway easement prioritized on Map 11 of the Town's *Comprehensive Plan* (if feasible) that the Town would no longer be able to pursue through the development review process as result of this easement. A record of this action is recorded in the meeting's draft Minutes and filed in the Town Clerk's Office.

The Commissions and Planning Department finds that the proposal is consistent with the Town's adopted purposes and goals for the zoning district and planning areas in which the property is located, as specified in the *Zoning Regulations* (last amended January 5, 2015) and the *Comprehensive Plan* (adopted February 18, 2013).

In closing, the Conservation and Planning Commissions support the application to the Vermont Housing Conservation Board to permanently protect this land from development and permanently protect the continued use of this property for agriculture and/or forestry.

The Town thanks the Land Trust for giving the host community an opportunity to provide feedback and welcomes any further questions stakeholders may have.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read 'Hemmerick', written in dark ink.

Jacob Hemmerick, Town Planner

Enclosures: (1)

cc: Town Manager
Planning Commission
Conservation Commission
Town Clerk
Karen Freeman, VHCB
Chris Boget, LCLT



April 9, 2014

Britt Haselton, Conservation Project Manager
Vermont Land Trust
PO Box 850
Richmond, VT 05477

Dear Mr. Haselton;

On behalf of the Chittenden County Regional Planning Commission, I am writing this letter in support of VLT's application to the Vermont Housing and Conservation Board (VHCB) for the conservation of the following farm properties:

- Patricia Bidinger – Charlotte
- Michael Bruce – Williston
- David and Katherine Cadreact – Milton
- Clark Hinsdale – Charlotte
- LaFreniere Family Trust "North" (Garvey purchase) – Hinesburg
- LaFreniere Family Trust "South" - Hinesburg

This letter also serves to note that the application is consistent with the *2013 Chittenden County ECOS Plan* which combines the Regional Plan, the Metropolitan Transportation Plan (MTP), and the Comprehensive Economic Development Strategy (CEDS) into one integrated plan. All of these properties are in the Rural Planning Area, categorized as areas where regional and town plans promote the preservation of Vermont's traditional working landscape and natural area features. In addition, conservation of these properties will directly implement Strategy 4 - Increase investment in and decrease subdivision of working lands and significant habitats; and therefore indirectly implement Strategy 2 – Strive for 80% of new development in areas planned for growth (NOT including the Rural Planning Area), which amounts to 15% of our land area.

The Chittenden County Regional Planning Commission endorses this application as a significant effort to preserve agriculture and forestry in Chittenden County. We wish you the best of luck with your application!

Best regards,

Charlie Baker
Executive Director

EXHIBIT B

GRANT OF DEVELOPMENT RIGHTS, CONSERVATION RESTRICTIONS,
OPTION TO PURCHASE, and RIGHT OF ENFORCEMENT OF THE UNITED STATES

KNOW ALL PERSONS BY THESE PRESENTS that **DAVID J. CADREACT** and **KATHERINE D. CADREACT**, of Milton, County of Chittenden, State of Vermont, on behalf of themselves and their heirs, executors, administrators, successors, and assigns (hereinafter collectively "Grantor"), pursuant to Title 10 V.S.A. Chapters 34 and 155 and in consideration of the payment of Ten Dollars and other valuable consideration paid to Grantor's full satisfaction, do freely give, grant, sell, convey, and confirm unto the **VERMONT LAND TRUST, INC.**, a non-profit corporation organized under the laws of the State of Vermont, with its principal offices in Montpelier, Vermont, and qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code ("VLT"), the **VERMONT AGENCY OF AGRICULTURE, FOOD AND MARKETS**, an agency of the State of Vermont with its principal offices in Montpelier, Vermont ("VAAF"), and the **VERMONT HOUSING AND CONSERVATION BOARD**, an independent board of the State of Vermont with its offices in Montpelier, Vermont ("VHCB"), and their respective successors and assigns (hereinafter collectively "Grantees") as tenants in common, forever, the development rights, option to purchase at agricultural value and a perpetual conservation easement and restrictions (hereinafter known as the "Grant") in certain lands consisting of 255 acres, more or less, with the buildings and improvements now or hereafter situated thereon (hereinafter "Protected Property") located in the Town of Milton, County of Chittenden, State of Vermont, said Protected Property being more particularly described in Schedule A attached hereto and incorporated herein. Grantor also gives, grants, sells, conveys and confirms unto the UNITED STATES OF AMERICA, by and through the United States Department of Agriculture ("USDA") Natural Resources Conservation Service ("NRCS" or "UNITED STATES") acting on behalf of the Commodity Credit Corporation, as its interest appears herein, a right of enforcement for the purpose of forever conserving the agricultural productivity of the Protected Property and its value for resource preservation and as farmland.

The Agricultural Conservation Easement Program ("ACEP") facilitated and provided funding through a Cooperative Agreement for the purchase of this Grant, an agricultural land easement under ACEP, on the Protected Property for the purpose of protecting the agricultural use and future viability, and related conservation values, of the Protected Property by limiting nonagricultural uses of the Protected Property. A copy of the Cooperative Agreement is kept on file at the offices of NRCS at 356 Mountain View Drive, Suite 105, Colchester, VT 05446 and at the offices of VHCB.

The development rights hereby conveyed to Grantees shall include all development rights except those specifically reserved by Grantor herein and those reasonably required to carry out the permitted uses of the Protected Property as herein described. The development rights and option hereby conveyed are rights and interests in real property pursuant to Title 10 V.S.A. §§ 823 and 6303. The conservation restrictions hereby conveyed to Grantees consist of covenants on the part of Grantor to do or refrain from doing, severally and collectively, the various acts set forth below, to the extent those acts relate to Grantor and not exclusively to Grantees. Grantor and Grantees acknowledge that the conservation restrictions constitute a servitude upon the land and run with the land. The Grantor and Grantees and their respective heirs, successors, agents, assigns, lessees, and any other person claiming under them shall comply with all terms, conditions and restrictions of this Grant.

I. Purposes of the Grant.

1. Consistent with the goals set forth in 10 V.S.A. §§ 821 and 6301, the Grantor, Grantees and the United States acknowledge that this Grant is acquired with its primary purpose

being to protect the agricultural use and future viability, and related conservation values, of the Protected Property, thereby preserving and protecting in perpetuity the multiple, interrelated land features which are critical to agricultural lands, archaeological resources, open space, and wildlife habitats. Grantor and Grantees further acknowledge that the Property will be managed for long-term agricultural viability. This primary purpose includes the purpose of protecting and sustaining the productive capacity of agricultural soils and their viability for long-term agricultural use.

2. As secondary purposes, the Grantor, Grantees and the United States acknowledge the following secondary purposes: to conserve scenic and natural resources associated with the Protected Property; to improve the quality of life for Vermonters; and, to maintain for the benefit of future generations the essential characteristics of the Vermont countryside. Natural resource conservation includes, but is not limited to, landform and vegetation changes that may accommodate riparian, floodplain and wetland functions, and therefore protects natural flowages and stream equilibrium conditions.

3. The purpose of ensuring that working and productive agricultural lands remain available for production agriculture, affordable and owned by individuals actively engaged in farming will be further advanced by the Option to Purchase at Agricultural Value, as incorporated below.

4. These purposes will be advanced by conserving the Protected Property because it possesses the following attributes:

- a) 11 acres of agricultural soils of prime significance which is 4.3% of the Protected Property;
- b) 119 acres of agricultural soils of statewide significance which is 46.6% of the Protected Property;
- c) 87 acres of managed forest
- d) 6,930 feet of frontage on Cadreact Road, a public highway with scenic vistas;
- e) in the vicinity of four (4) other properties previously protected by Grantees;
- f) traversed by 4,840 feet of an un-named tributary of Trout Brook, containing a lakeside natural community, including Brook Stickleback, a rare and exemplary species of fish;
- g) wetlands and wildlife habitat;
- h) four (4) state-identified cultural heritage sites, and in the vicinity of six (6) other state-identified cultural heritage sites; and
- i) abuts the Sandbar Wildlife Management Area.

Grantor and Grantees recognize these agricultural, silvicultural, scenic, ecological and natural resource values of the Protected Property, and share the common purpose of conserving these values by the conveyance of conservation restrictions, development rights, and option to purchase, to prevent the use, fragmentation, or development of the Protected Property for any purpose or in any manner which would conflict with the maintenance of these values. Grantor and Grantees also recognize that the objectives of ensuring that working and productive agricultural lands remain available for production agriculture, affordable and owned by persons actively engaged in farming will be further advanced by the Option to Purchase at Agricultural Value, as incorporated below. Grantees accept such conservation restrictions, development rights and

option to purchase in order to conserve these values for present and future generations and to ensure resale of the Protected Property at its agricultural value.

The purposes set forth above in this Section I are hereinafter collectively referred to as "Purposes of this Grant."

II. Agricultural Land Easement Plan.

As required by section 16 U.S.C. 3865 agricultural production and related uses of the Protected Property are subject to an Agricultural Land Easement Plan, as approved by the NRCS State Conservationist or his or her designee, to promote the long-term viability of the land. Grantor agrees to implement the Agricultural Land Easement Plan on the Protected Property.

If the Protected Property contains Highly Erodible Land or forestland then component plans are required as part of the Agricultural Land Easement Plan. Component plans to the Agricultural Land Easement Plan are required as follows: 1) parcels with Highly Erodible Land must have a Conservation Plan and where appropriate, the plan will include conversion of highly erodible cropland to less intensive uses; and 2) parcels with contiguous forest that exceeds the greater of 40 acres or 20 percent of the Protected Property must have a Forest Management Plan. The Agricultural Land Easement Plan shall not include any provisions inconsistent with the Purposes of this Grant.

This Agricultural Land Easement Plan including any applicable component plans, (collectively referred to herein as the "Agricultural Land Easement Plan"), is herein incorporated by reference. The Grantees and Grantor agree to update the Agricultural Land Easement Plan in the event the agricultural uses of the Protected Property change. A copy of the current Agricultural Land Easement Plan must be kept on file with the Grantees and will be provided to NRCS upon request after reasonable notice.

NRCS shall have the right to enter upon the Protected Property, with advance notice to the Grantees and Grantor, in order to monitor compliance with the Agricultural Land Easement Plan and as provided for in Section VI of this Grant. In the event of substantial ongoing noncompliance with the Agricultural Land Easement Plan, NRCS shall notify the Grantees. NRCS will give the Grantees and Grantor a reasonable amount of time, not to exceed twelve months, to take corrective action, during which time the Grantees will explore methods of compliance with Grantor. The Grantees shall take all reasonable steps (including efforts at securing voluntary compliance and, if necessary, appropriate legal action) to secure compliance with the Agricultural Land Easement Plan following written notification from NRCS that there is a substantial, ongoing event or circumstance of non-compliance with the Agricultural Land Easement Plan. If Grantees fail to enforce the terms of the Grant, including, but not limited to compliance with the Agricultural Land Easement Plan, the United States may exercise its right of enforcement.

The provisions of this section apply to the Agricultural Conservation Easement Program and are not intended to affect any other natural resources conservation requirements to which the Grantor may be or become subject.

III. Restricted Uses of Protected Property.

Any activities inconsistent with the Purposes of this Grant are prohibited. The following activities are specifically prohibited, subject to the qualifications stated below:

1. *Residential Uses and Structures* - No residential activities shall be permitted, and no building, structure or appurtenant facility or improvement shall be constructed, created, installed, erected or moved onto the Protected Property, except as specifically permitted under this Grant.

2. *Industrial or Commercial Uses* - Industrial or commercial activities on the Protected Property are prohibited except for the following:

(i) agricultural production and related uses conducted in accordance with the Agricultural Land Easement Plan required by Section II of this Grant;

(ii) processing or sale of farm or forest products produced or partially produced on the Protected Property in approved buildings;

(iii) small-scale incidental commercial or industrial operations compatible with activities set forth in Section III(2)(i) of this Grant that Grantees approve in writing as being consistent with the Purposes of this Grant;

(iv) activities that can be and in fact are conducted within approved buildings without material alteration to their external appearance or harming the agricultural use and future viability, and related conservation values of the Protected Property;

(v) the sale of excess power generated in the operation of alternative energy structures and associated equipment or other energy structures that Grantees approve in writing as being consistent with the Purposes of this Grant;

(vi) temporary or seasonal outdoor activities or events that do not harm the agricultural use and future viability, and related conservation values of the Protected Property; and,

(vii) customary rural enterprises related to agriculture or forestry or small-scale commercial enterprises compatible with agriculture or forestry such as, but not limited to, farm machinery repair, agri-tourism, processing, packaging, and marketing of farm or forest products, and small-scale farm wineries, cafés, shops, and studios for arts or crafts.

3. *Construction on the Protected Property* - All new structures and improvements must be located within either of the two (2) Building Envelopes, containing approximately 5 acres and 8 acres, more or less, respectively, and described in Schedule [B] which is appended to and made a part of this Grant, both of which are depicted on the Cadreact Farm Plan described in Schedule A attached hereto and incorporated herein.

The boundaries and location of the Building Envelopes may be adjusted if Grantees and the Chief of NRCS provide prior written approval of the adjusted boundaries and location. The Building Envelopes may not increase in size and the adjusted Building Envelope must provide equal or greater protection of the agricultural use and future viability, and related conservation

values of the Protected Property.

Utilities to serve approved buildings or structures, including on-farm energy structures allowed under Section IV(6) and agricultural structures that neither individually nor collectively have an adverse impact on the agricultural use and future viability and related conservation values of the Protected Property may be built outside of the Building Envelope with prior written approval of the Grantees provided that the utilities or agricultural structures follow applicable NRCS-approved conservation practices consistent with the Agricultural Land Easement Plan described in Section II. Without limiting the foregoing, and with the prior written approval of Grantees, the Grantor may construct, maintain, repair, replace, relocate, improve and use systems for disposal of human waste and for supply of water for human consumption (collectively "Systems") on the Protected Property outside of the Building Envelopes for the benefit of buildings or structures permitted in the Building Envelopes, provided that such Systems comply with Vermont Department of Environmental Conservation Wastewater System and Potable Water Supply Rules or the then applicable law or regulations governing Systems. Grantor shall notify Grantees in writing prior to commencing construction on any new structure or improvement within the Building Envelope.

4. Each time that the agricultural land on the Protected Property lies fallow for more than two successive years (the "fallow land"), Grantor shall cooperate with Grantees, at Grantees' request, to maintain the fallow land in an open condition (meaning without trees and brush) and in active agricultural use. For example, Grantor shall permit access to the fallow land by Grantees and Grantees' contractors to crop, mow, or brush-hog. No obligation is hereby imposed upon Grantor or Grantees to maintain the fallow land in an open condition or in active agricultural use.

5. *Granting of easements for utilities and roads* – The granting or modification of easements for utilities and roads is prohibited when the utility or road will harm the agricultural use and future viability and related conservation values of the Protected Property as determined by the Grantees in consultation with the Chief of NRCS.

6. There shall be no signs, billboards, or outdoor advertising of any kind erected or displayed on the Protected Property. Grantor, however, may erect and maintain reasonable: (a) signs indicating the name of the Protected Property, (b) boundary markers, (c) directional signs, (d) signs regarding hunting, fishing, trapping, trespassing on the Protected Property or signs otherwise regarding public access to the Protected Property, (e) memorial plaques; (f) temporary signs indicating that the Protected Property is for sale or lease, (g) signs informing the public that any agricultural or timber products are for sale or are being grown on the Protected Property, (h) political or religious signs, or (i) signs informing the public of any rural enterprise approved pursuant to Section III(2) above. Grantees, with the permission of Grantor, may erect and maintain signs designating the Protected Property as land under the protection of Grantees.

7. *Waste and Dumping* – Accumulation or dumping of trash, refuse, sewage, junk or toxic materials is not allowed on the Protected Property. This restriction will not prevent generally accepted agricultural or wildlife management practices, such as creation of brush piles, composting, or the storage of farm machinery, organic matter, agricultural products, or agricultural byproducts on the Protected Property.

8. *Surface Alteration* – Grading, blasting, filling, sod farming, earth removal or any

other activity that will disturb the soil surface or materially alter the topography, surface or subsurface water systems, or wetlands of the Protected Property is prohibited, except as follows:

(i) dam construction to create ponds for agricultural use, fire protection, or wildlife enhancement, or wetland restoration, enhancement or creation, in accordance with an Agricultural Land Easement Plan and NRCS standards and specifications;

(ii) erosion and sediment control pursuant to an erosion and sediment control plan approved by the Grantees;

(iii) as required in the construction of approved buildings, structures, roads, and utilities provided that they are compatible with the required alteration and have been approved in writing by Grantees as being consistent with the Purposes of this Grant; or

(iv) agricultural activities conducted in accordance with the Agricultural Land Easement Plan.

9. *Oil, Gas, or Mineral Exploration and Extraction* – Mining or extraction of soil, sand, gravel, oil, natural gas, fuel, coal, or any other mineral substance owned by Grantor as of the date of this Grant or later acquired by Grantor, using any surface mining, subsurface mining, or dredging method, from the Protected Property is prohibited.

10. *Subdivision* – Separate conveyance of a portion of the Protected Property or division or subdivision of the Protected Property is prohibited, except where state or local regulations explicitly require subdivision to construct residences for employees working on the Protected Property, or as may otherwise be permitted in Section III(11) below. Grantor shall provide written notice and evidence of such requirements to Grantees and the Chief of NRCS or his or her authorized designee (Chief of NRCS) prior to division of the Protected Property.

11. Except as provided in Section(s) III(10) above and subject to Grantees' option rights under Section IX below, the Protected Property shall not be partitioned, divided or subdivided into, or separately conveyed as, more than 2 farm parcels (1 division allowed), nor shall ownership of the buildings on the Protected Property be separated from the ownership of the Protected Property, without the prior written approval of Grantees, which approval may be granted, conditioned or denied in Grantees' sole discretion. To ensure the future agricultural viability of the Protected Property, the boundaries of such division(s) must be approved in writing by Grantees and the Chief of NRCS or his or her authorized designee (Chief of NRCS) before any such division, subdivision or separate conveyance occurs. The Chief of NRCS may only approve the division, subdivision or separate conveyance of the Protected Property into separately conveyable farm parcels when:

a. The Grantees request the Chief of NRCS's approval to subdivide the Protected Property into separate farm parcels, after receiving a request from the Grantor;

b. The Grantor certifies to the Chief of NRCS that the requested subdivision is required to keep all farm parcels in production and viable for agriculture use and that separate conveyance of the Protected Property farm parcels will move the land from one agricultural operation to another; and,

- c. The Chief of NRCS determines that the:
- i. Parcels resulting from the subdivision of the Protected Property will meet ACEP land eligibility requirements of 16 U.S.C. § 3865 et seq. as enacted on the date the Protected Property was enrolled in ACEP;
 - ii. Subdivision will not decrease the Grant's protection for the agricultural use and future viability, and related conservation values, of the Protected Property; and,
 - iii. The resulting parcel will not be below the median size of farms in the county as determined by most recent United States Department of Agriculture's National Agricultural Statistical Survey (NASS).

After Grantor receives written approval from Grantees and the Chief of NRCS, the Grantor shall give Grantees and the Chief of NRCS written notice prior to making a division of the Protected Property. Grantor shall pay Grantees an additional stewardship endowment in an amount consistent with Grantees' policies at the time that Grantor exercises its subdivision right pursuant to this Section III(11) as a consequence of creating separately owned farm units. The resulting parcels of land shall remain subject to this Grant.

12. *Limitation on Impervious Surfaces* -- Impervious surfaces will not exceed 2% of the Protected Property, excluding NRCS-approved conservation practices developed under the Agricultural Land Easement Plan described in Section II of this Grant. Impervious surfaces are defined as material that does not allow water to percolate into the soil on the Protected Property; this includes, but is not limited to, residential buildings, agricultural buildings with or without flooring, paved areas, and any other surfaces that are covered by asphalt, concrete, or roofs. This limitation does not include public roads or other roads owned and controlled by parties with superior rights to those rights conveyed to Grantees by this Grant.

In the event the Protected Property is subdivided as provided for in Section III(11) the total cumulative impervious surface of the subdivided parcels shall not exceed the impervious limitation referenced above. The Grantor, with Grantees' approval, shall allocate the impervious surface limit among the subdivided parcels and ensure said impervious surface limitation is clearly defined in each subdivided parcel's recorded instrument.

IV. Permitted Uses of the Protected Property.

The provisions of this Grant and associated schedules will not be interpreted to restrict the types of agricultural operations that can function on the Protected Property, so long as the agricultural operations are consistent with the Agricultural Land Easement Plan required by Section II of this Grant. Permitted uses of the Protected Property include the specific uses permitted in Section III(2) (i)-(vii) and the following activities, subject to the qualifications stated below:

1. *Agricultural Production* - The production, processing, and marketing of agricultural crops and livestock is permitted provided it is conducted in a manner consistent with the terms of the Agricultural Land Easement Plan described in Section II.

2. *Forest Management and Timber Harvest* - Forest management and timber harvesting is permitted, provided all forest management and timber harvesting is carried out in accordance with all applicable local, State, Federal, and other governmental laws and regulations and to the extent reasonably practicable, in accordance with current, generally accepted best management practices for the sites, soils, and terrain of the Protected Property. In addition, if the Protected Property contains 40 contiguous acres of forest or 20 percent of the Protected Property is forestland, then forest management and timber harvesting must be performed in accordance with a written forest management plan. The forest management plan must be prepared by a professional resource manager, in consultation with the Grantees and approved by the NRCS State Conservationist or his or her designee (State Conservationist). Forest management plans may include a forest stewardship plan, as specified in section 5 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103a); another practice plan approved by the State Forester; or, another plan determined appropriate by the State Conservationist. Grantor shall obtain Grantees' prior written approval to clearcut forest land to establish fields, orchards or pastures. Grantees' approval shall not be unreasonably withheld if such clearcutting is consistent with the Purposes of this Grant.

A forest management plan shall not be required for the following permitted non-commercial activities: (i) cutting of trees for the construction of permitted roads, utilities, buildings and structures on the Protected Property, (ii) cutting of trees for trail clearing, (iii) cutting of trees for domestic use as firewood, or for other domestic uses by Grantor, (iv) removal of trees posing an imminent hazard to the health or safety of persons or livestock, or (v) removal of invasive species.

3. *Non-Developed and Non-Consumptive Recreation and Educational Activities* - Recreational and educational activities that are both non-developed, non-motorized and non-consumptive are permitted if they do not negatively affect the soils and the agricultural operations, and are consistent with the Purpose of this Grant. Non-commercial snowmobiling may be permitted at the discretion of Grantor.

4. *Construction and Maintenance of Roads* - New roads may be constructed if they are within impervious surface limits, approved in advance by Grantees, and necessary to carry out the agricultural operations or other permitted uses on the Protected Property. Maintenance of existing roads documented in the Baseline Documentation Report is permitted; however, existing roads may not be widened or improved unless widening and improving is within impervious surface limits, approved in advance by Grantees, and necessary to carry out the agricultural operations or other permitted uses on the Protected Property.

5. *Fences* - Existing fences may be maintained and replaced. New fences may be installed if they are necessary for agricultural operations on the Protected Property or to mark boundaries of the Protected Property.

6. *On-Farm Energy Production* - Renewable energy production is allowed for the purpose of generating energy for the agricultural and residential needs of the Protected Property. Renewable energy sources on the Protected Property must be built and maintained in accordance with any local zoning ordinance and applicable State and Federal laws. Renewable energy sources must be approved by Grantees', in their sole discretion, and at a minimum shall be built and maintained within impervious surface limits, with minimal impact on the conservation values of the Protected Property and consistent with the Purposes of this Grant, as determined by Grantees'.

7. For the purpose of providing housing exclusively for Grantor or a member of Grantor's family who is engaged in farming operations on the Protected Property or for persons employed by the Grantor in farming operations on the Protected Property, and for the employee's family or household members, as a nonmonetary benefit of farm employment, the right to construct, use, maintain, repair, renovate, replace, enlarge and rebuild farm labor housing which may be within an existing building or a new building ("the FLH") together with appurtenant non-residential structures and improvements, including drives, utilities, and water and wastewater systems normally associated with a residence; provided, however, that prior to construction, renovation, replacement, enlargement or rebuilding Grantor shall obtain Grantees' written approval which, in Grantees' sole discretion, may be withheld or given subject to such conditions as the Grantees deem appropriate, if Grantor demonstrates to Grantees' satisfaction that the FLH or alteration thereto is:

- a) necessary to the current and reasonably foreseeable farm business on the Protected Property in order to facilitate the active and long-term economically viable agricultural use of the Protected Property; and
- b) located within a Building Envelope as described in Section III(3) or, if not located within a Building Envelope, that there are specific reasons why the proposed location is necessary to the current and reasonably foreseeable farm business on the Protected Property and otherwise consistent with the Purposes of the Grant; and
- c) designed and sized to be no larger than is necessary to meet the needs of the current and reasonably foreseeable farm business on the Protected Property and to ensure that the Protected Property remains available for production agriculture, affordable and owned by persons actively engaged in farming; and
- d) otherwise consistent with the Purposes of the Grant.

If the FLH is not needed for farm labor housing in the future, temporary alternative uses of the structure deemed by the Grantees in their sole discretion to be consistent with the Purposes of this Grant may be permitted with the prior written approval of the Grantees.

8. In connection with any activities permitted pursuant to Section III(2)(vii) of this Grant, the right to maintain, repair, enlarge, replace and use permitted structures with associated utility services, drives and appurtenant improvements within a Building Envelope. Grantees may approve a new, non-residential, structure for such activities only if an existing structure is not suitable and the new structure is:

- a) fewer than 1500 square feet as an exterior measure of the footprint and no more than 25 feet from the lowest undisturbed ground level to the roof peak;
- b) inclusive of all storage space so that no part of the business is conducted outside of the structure;
- c) of a nature, intensity, scope, size, appearance, type and quantity compatible with the existing agricultural structures;
- d) located in a way that minimizes negative impact on future operations and expansion of agricultural uses; does not interfere with current agricultural operations; and, does not displace farm or forestry storage, use or functions;
- e) non-residential; and,

- f) not inconsistent with the Purposes of this Grant.

No use or structure contemplated under this Section IV(8) shall be commenced, constructed or located without first securing the prior written approval of Grantees, which approval Grantees may deny or condition in their sole discretion. All structures and uses shall conform with all applicable local, state and federal ordinances, statutes and regulations. Grantees' approval may be conditioned upon, without limitation, receipt of copies of any necessary governmental permits and approvals that Grantor obtains for such use or construction. Grantee VHCB shall not approve a new structure for a non-agricultural approved rural enterprise unless the proposed structure meets factors (a) through (f), above. However, VHCB may waive factors (a), (b) or (c) if the Grantees determine that the unique circumstances of the situation warrant waiver and approval.

9. Notwithstanding anything to the contrary contained in Section III(5) of this Grant, the right to construct, maintain, repair, replace, relocate, improve and use systems for disposal of human waste and for supply of water for human consumption (collectively "Systems") on the Protected Property for existing single-family residence located on the 20 acre parcel of land owned by the original Grantor herein at the date of this Grant but excluded from the Protected Property under Schedule A hereto ("Exclusion"). Any such Systems may be constructed, maintained, operated, repaired, replaced, relocated or improved on the Protected Property only if there does not exist within the Exclusion any suitable location for such Systems, under the Vermont Department of Environmental Conservation Wastewater System and Potable Water Supply Rules or the then applicable law or regulations governing Systems (collectively "the Rules"), as determined by a person authorized to make such determination under the Rules retained at Grantor's sole cost and expense. Grantor shall first obtain the written approval of Grantees for the location, relocation, replacement or improvement of such Systems on the Protected Property, which approval shall not be unreasonably withheld nor conditioned, provided that:

- a) All reasonable attempts to locate, relocate, replace or improve the Systems within the Exclusion in a manner that complies with the then current Rules are exhausted; and
- b) Such Systems are located in a manner consistent with the Purposes of this Grant and especially minimize the loss of agricultural soils; and,
- c) Such Systems are designed by a person authorized to do so under the Rules retained at Grantor's sole cost and expense, certified by such person as complying with the Rules, installed in compliance with the Rules, certified by person authorized to do so under the Rules as being installed in accordance with the certified design and approved in accordance with all the then applicable Rules.

After Grantor has obtained Grantees' approval for a System serving the Exclusion, Grantor shall have the right to convey legal access to the successor owners of the Exclusion for construction, operation and maintenance of the System as an appurtenance only to the Exclusion.

10. Notwithstanding anything to the contrary contained herein, the right to construct, use, maintain, repair and replace one (1) camp being no more than fifteen (15) feet high as measured from the average undisturbed ground level to the roof peak and no more than 600 square feet in total useable floor area, or, in the alternative, one (1) tent platform, lean-to or Adirondack shelter not to exceed 300 square feet in area provided, however, that any such

structure shall be used exclusively for non-commercial, periodic camping, hunting and recreational purposes, and not for permanent occupancy; shall not have commercial utility services or an access road improved beyond what is minimally required to afford reasonable vehicular access; and shall be located on non-agricultural land but not within the Archaeology Zones or the Surface Water Protection Zone respectively described in Sections V and VI, below. Grantor shall notify Grantees in writing prior to commencing the placement, construction or relocation of such permitted structure or access so that Grantees may review and approve the proposed location and dimensions of the camp and access, in order to ensure that the dimensions of the structure are in compliance with this section and the camp and access are located in a manner consistent with the Purposes of this Grant. In addition, Grantor may place a limited number of small hunting blinds on the Property in order to carry-out permitted hunting activities, provided that the location of such blinds must be consistent with the Purposes of this Grant.

11. *Other Allowed Uses* – Other uses may be allowed if they do not harm the agricultural use and future viability, and related conservation values of the Protected Property, are consistent with the Purposes of this Grant, and approved in advance by Grantees, in their sole discretion.

12. *Historic or Archaeological Resources.* Existing archaeologically, culturally or historically significant features on the Protected Property including, but not limited to, such features as documented in the Baseline Documentation Report shall be maintained consistent with the guidelines provided in The Secretary of Department of the Interior's Standards for the Treatment of Historic Properties pursuant to 36 CFR 68, as amended. The up-to-date version of such guidelines shall be maintained by Grantees in the Baseline Documentation Report and made available to Grantor upon request. The archaeologically, culturally, or historically significant features may not be altered or removed without Grantees' prior written approval, which approval shall not be given except where the proposed activity is accomplished in accordance with the guidelines provided in The Secretary of The Department of the Interior's Standards for the Treatment of Historic Properties.

V. Archaeology Zones

Four archaeology zones, referred to in this Section V as "Archaeology Zone," are hereby designated which shall consist of an aggregate 5 acre area, more or less, as depicted on the Cadreact Farm Plan and identified by the State of Vermont as sites VT-CH-336; VH-CH-167; VT-CH-345; and VT-CH-337. In furtherance of the Purposes of this Grant, Grantors undertake to do (and to refrain from doing as the case may be) each of the following actions. It is understood that the goals, prescriptions and restrictions of this Section V are in addition to the provisions of Sections III and IV. Where inconsistent, the provisions of this Section V shall supersede the provisions of Sections III and IV, provided however, that the restrictions contained in section IV(12) shall control:

1. Within the Archaeology Zone, Grantees shall consider the impact of certain proposed structures or activities on the archaeological resources before giving Grantors their prior written approval pursuant to Sections III and IV of this Grant. Grantees may consult with a qualified archaeologist before making their final determination.

In addition to the standard of review required for Grantees' approval under Sections III or IV, Grantees' approval shall not be unreasonably withheld if the structure or improvement can be

constructed, completed and used or activity conducted in a manner which protects the archaeological and historical significance of archaeological resources of the Archaeology Zone. Activities that do not require Grantees' approval under Sections III or IV, above, may be conducted within the Archaeology Zone without the need for approval under this Section V. Fencing for agricultural purposes shall not be treated as a structure and may be constructed and maintained in the Archaeology Zone without the prior written approval of Grantees.

2. Grantors shall permit Grantees, or Grantees' designee, access to the Archaeology Zone for the purpose of documenting and conducting research related to the archaeological and historical significance of the archaeological resources of the Archaeology Zone; provided that Grantees shall secure the prior consent of Grantors, which consent shall not be unreasonably withheld or conditioned, provided the nature, duration and timing of Grantees' access does not significantly interfere with Grantors' exercise of rights reserved under this Grant, especially the conduct of agricultural activities. Any such permission may be conditioned upon Grantees, or Grantees' designee, returning the surface of the land to as near its original condition as reasonably possible.

3. Grantors shall neither collect nor give permission to any person or entity to collect historical or cultural artifacts on or from any portion of the Archaeology Zone, provided that Grantors may permit the State of Vermont, Division for Historic Preservation to collect historical or cultural artifacts on or from any portion of the Archaeology Zone. All artifacts and objects of antiquity recovered from the Protected Property after the date of this Grant shall be the property of the Grantors unless otherwise agreed by Grantors.

4. This Section V shall not be construed to convey any right to the general public to have access to or otherwise use the Archaeology Zone. The rights and interests under this Section V shall be separately assignable by Grantees.

VI. Surface Water Protection Zones.

Those areas on the Protected Property lying within fifty feet (50') of the high water mark of an unnamed tributary of Trout Brook as those waters may move from time to time, and shall be designated as Surface Water Protection Zones (hereinafter "SWPZ"). The location of each SWPZ as it now exists is generally represented as "SWPZ" on the Cadreact Farm Plan.

Within the SWPZ, the goals, prescriptions and restrictions of this Section VI are in addition to the provisions of Sections III and IV, and where inconsistent, the provisions of this Section VI shall supersede the provisions of Sections III and IV.

1. The principal goal of this Grant within the SWPZ is the protection of surface waters, in part through the establishment and maintenance of a high quality naturally vegetated buffer. The SWPZ provides an array of ecological benefits including but not limited to:

- a) protecting aquatic plants and animals from disturbance;
- b) preventing water-quality degradation;
- c) providing important terrestrial and aquatic plant and animal habitat; and

- d) providing organic matter, nutrients, shade, and large diameter coarse woody debris for the benefit of riparian and aquatic systems.
- 2. Within the SWPZ the following management standards shall apply:
 - a) Maintenance of roads and trails shall employ all applicable management practices and erosion control devices for roads and stream crossings as detailed in the Vermont Department of Forests, Parks and Recreation's Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont or its successor standards, unless otherwise approved by Grantee.
 - b) At Grantor's request, Grantee may approve, in its sole discretion, new roads and recreational trails that are not in substantial conflict with the management practices necessary to maintain a high quality buffer.
 - c) Any management or use of the SWPZ shall be conducted in a manner designed to protect soil integrity and minimize erosion, shall incorporate up-to-date ecological knowledge and management practices, and shall be consistent with the principal goal and the four ecological benefits detailed above.
 - d) Within the SWPZ, there shall be no agricultural activities (including without limitation the grazing or pasturing of animals), except as may be approved in Grantees' sole discretion. Without limiting the foregoing, all activities within the SWPZ shall be consistent with the goals set forth in Section VI(1) above.

VII. Enforcement of the Covenants and Restrictions.

Grantees shall make reasonable efforts from time to time to assure compliance by Grantor with all of the covenants and restrictions herein. In connection with such efforts, Grantees may make periodic inspection of all or any portion of the Protected Property, and for such inspection and enforcement purposes, Grantees shall have the right of reasonable access to the Protected Property. In the event that a Grantee becomes aware of an event or circumstance of non-compliance with this Grant, Grantee shall give notice to Grantor and the other Grantees of such event or circumstance of non-compliance via certified mail, return receipt requested, and demand corrective action by Grantor sufficient to abate such event or circumstance of non-compliance and restore the Protected Property to its previous condition. If Grantees, in their sole discretion, determine that the event or circumstance of noncompliance requires immediate action to prevent or mitigate significant damage to the conservation values of the Protected Property as provided in the Purposes of this Grant, then Grantees may pursue their rights under this enforcement section without prior notice to Grantor. In the event there has been an event or circumstance of non-compliance which is corrected through negotiation and voluntary compliance, but which has caused Grantees to incur extraordinary costs, including staff time, in investigating the non-compliance and securing its correction, Grantor shall, at Grantees' request, reimburse Grantees for all such costs incurred in investigating the non-compliance and in securing its correction.

Failure by Grantor to cause discontinuance, abatement, or such other corrective action as may be demanded by Grantees within a reasonable time after receipt of notice and reasonable opportunity to take corrective action shall entitle Grantees to bring an action in a court of

competent jurisdiction to enforce the terms of this Grant and to recover any damages arising from such non-compliance. Such damages, when recovered, may be applied by Grantees to corrective action on the Protected Property. If the court determines that Grantor has failed to comply with this Grant, Grantor shall reimburse Grantees for any reasonable costs of enforcement, including court costs and reasonable attorneys' fees, in addition to any other payments ordered by such court. In the event that a Grantee initiates litigation and the court determines that Grantor has not failed to comply with this Grant and that one or more of Grantees have initiated litigation without reasonable cause or in bad faith, then the Grantee(s) who commenced the court proceedings shall reimburse Grantor for any reasonable costs of defending such action, including court costs and reasonable attorneys' fees; provided, however, that this clause shall not apply to the VAAFM and the United States.

Grantor is responsible for the acts and omissions of persons acting on their behalf, at their direction or with their permission, and Grantees shall have the right to enforce against Grantor for events or circumstances of non-compliance with this Grant resulting from such acts or omissions. However, as to the acts or omissions of third parties other than the aforesaid persons, Grantees shall not have a right to enforce this Grant against Grantor unless Grantor: (i) is complicit in said acts or omissions, (ii) fails to cooperate with Grantees in all respects to halt or abate the event or circumstance of non-compliance resulting from such acts or omissions, or (iii) fails to report such acts or omissions to Grantees promptly upon learning of them. Nor shall Grantees institute any enforcement proceeding against Grantor for any change to the Protected Property caused by natural disasters such as fire, flood, storm or earthquake.

Grantees shall have the right, but not the obligation, to pursue all legal and equitable remedies against any third party responsible for an event or circumstance of non-compliance with this Grant and Grantor shall, at Grantees' direction, assign their right of action against such third party to Grantees, join Grantees in any suit or action against such third party, or appoint a Grantee their attorney in fact for the purpose of pursuing an enforcement suit or action against such third party.

The parties to this Grant specifically acknowledge that events and circumstances of non-compliance constitute immediate and irreparable injury, loss, and damage to the Protected Property and accordingly entitle Grantees to such equitable relief, including but not limited to, injunctive relief, as the court deems just and appropriate. The remedies described herein are in addition to, and not in limitation of, any other remedies available to Grantees at law, in equity, or through administrative proceedings.

No delay or omission by Grantees in the exercise of any right or remedy upon any breach by Grantor shall impair Grantees' rights or remedies or be construed as a waiver. Nothing in this enforcement section shall be construed as imposing a liability upon a prior owner of the Protected Property, when the event or circumstance of non-compliance occurred after termination of said prior owner's ownership of the Protected Property.

VIII. Protection of the United States of America's Interests.

1. *United States Right of Enforcement.* Under this Grant, the United States is granted the right of enforcement in order to protect the public investment. The Secretary of the United

States Department of Agriculture (the Secretary) or his or her assigns, on behalf of the United States, may exercise this right of enforcement under any authority available under State or Federal law if the Grantees, or their successors or assigns, fail to enforce any of the terms of this Grant, as determined in the sole discretion of the Secretary. The United States is entitled to recover any and all administrative and legal costs from the Grantees and/or the Grantor, including attorney's fees or expenses, associated with any enforcement or remedial action related to the enforcement of this Grant.

2. *United States Right of Inspection.* The United States will have reasonable access to the Protected Property and may enter the Protected Property from time to time for purposes of inspection (including photographic documentation of the condition of the Protected Property), monitoring compliance with the Agricultural Land Easement Plan and enforcement of the terms of this Grant and the United States Cooperative Agreement with the Grantee VHCB after advance notice to Grantees and Grantor or Grantor's representative, provided, however, in the event of an emergency, the United States may enter the Protected Property to prevent, terminate, or mitigate a potential violation of these restrictions. In the event of an emergency, notice to Grantees and Grantor or Grantor's representative will be given at the earliest practicable time.

IX. Option to Purchase at Agricultural Value.

Grantees shall have an option to purchase the Protected Property at its agricultural value in accordance with the terms and provisions of this Section IX ("this Option"). This Option is an integral part of this Grant and constitutes a restriction and a right and interest in real property that runs with the land. This Option shall be perpetual in duration and is given on the following terms and conditions.

1. **Option Trigger.** Grantor shall not sell, transfer or convey the Protected Property, in whole or in part, without first offering the Protected Property for sale to Grantees pursuant to this Section VII; provided, however, that the following described transactions shall not trigger Grantees' rights under this Option:

- a) Any mortgage, pledge, or other assignment of the Protected Property to a lender as security for indebtedness, provided the Grantees' interest under this Option is treated as an interest in real estate such that in the event of foreclosure Grantees are deemed necessary parties defendant in such foreclosure case and have the right to redeem the Protected Property from the foreclosure action; and
- b) Any conveyance by the Grantor to Grantor's family, as the latter term is defined in Section X(9) below, by gift, inheritance, sale or other transfer; and
- c) Any conveyance of the Protected Property to a person who presently earns at least one-half of his or her annual gross income from the "business of farming," as that term is defined in Regulation 1.175-3 issued under the Internal Revenue Code of 1986 and who, in connection with the farming operations on the Protected Property, will continue to earn at least one-half of his or her annual gross income from the "business of farming" ("a Qualified Farmer"); and

- d) Any lease to a Qualified Farmer or a lease having a term of 15 years or less, including renewal rights; provided, however, that any such lease shall expressly provide that, unless otherwise agreed by Grantees, the lease shall terminate and possession shall be delivered free and clear of any rights of the tenant upon a closing of the sale of the Protected Property following exercise of this Option.

This Option shall apply to all other sales and conveyances of the Protected Property, including any sale or conveyance of any interest in the Protected Property including any conveyance by, or conveyance of any interest in a corporation, limited liability company, partnership or other holding entity.

2. **Notice of Intent to Sell.** Whenever Grantor receives an offer from a person or persons ("Buyer") to purchase or lease for a term in excess of fifteen (15) years, including renewal rights, all or any part of the Protected Property including an offer involving property other than the Protected Property ("the Offer"), and Grantor accepts the Offer subject to this Option, Grantor shall deliver to Grantees at their principal places of business by certified mail, return receipt requested, a Notice of Intent to Sell, which notice shall include:

- a) A complete duplicate of the Offer, together with such other instruments as may be required to show the bona fides of the Offer; and
- b) A written description of the Buyer's training and experience as an agricultural producer and an agricultural business plan for the Protected Property, including a description of the agricultural activities to be conducted or facilitated by Buyer, proposed improvements to the Protected Property, and a statement of anticipated agricultural income and expenses for the three-year period following Buyer's acquisition of the Protected Property or, if Buyer has no such training and experience or intention of operating an agricultural business on the Protected Property, a written statement to that effect; and
- c) If the Buyer is purported to be a Qualified Farmer or family member, the documents necessary to establish the Buyer as such, including the Buyer's most recent federal income tax filing, if applicable; and
- d) The Grantor's current mailing address.

Information delivered to Grantees pursuant to this clause shall remain confidential and shall not be released to any person or entity not a party to this Grant, without the prior consent of Grantor.

3. **Exercise of Option.** This Option may be exercised by Grantees as follows:

- a) A Grantee shall give written Notice of Intent to Exercise not more than thirty (30) days following receipt of the Notice of Intent to Sell described in Section IX(2); failure by a Grantee to provide such notice shall constitute a waiver of its rights under this Option; and

- b) Thereafter, Grantor and Grantee shall fix the purchase price for the Protected Property by establishing a Price Agreement in the manner described in Section IX(4), below.
- c) A Grantee shall exercise this Option by giving written Notice of Intent to Purchase not more than thirty (30) days following Grantor's and Grantee's establishment of the Price Agreement.

Notices required by this Section VII(3) shall be delivered to Grantor either personally or by certified mail, return receipt requested to the address provided by Grantor in the Notice of Intent to Sell described in Section VII(2), above. In the event that more than one Grantee exercises this Option, the Vermont Land Trust, Inc. shall have first priority, the Vermont Housing and Conservation Board second priority, and the Vermont Agency of Agriculture, Food and Markets third priority. The Grantee with highest priority which exercises this Option is hereafter referred to in Sections IX(4), (5) and (6) as "Grantee."

4. **Purchase Price.** The Purchase Price shall be determined by mutual agreement of Grantor and Grantee; provided that if no such agreement can be reached, the purchase price of the land only shall be the greater of:

- a-1) \$190,000 plus an inflation adjustment determined by multiplying the foregoing value by 1 (one) plus the fractional increase calculated from the date hereof in the Consumer Price Index for all Urban Consumers, Northeast, All Items published by the Bureau of Labor Statistics, U.S. Department of Labor, or a successor index published by the United States government to the date of the Offer; or
- a-2) The full fair market value of all Protected Property land subject to the Offer (including the site of any structures) assuming its highest and best use is commercial agricultural production commonly occurring within the market area where the Protected Property is located on the date of the Offer, as determined by a mutually approved disinterested appraiser selected by Grantor and Grantee, with the expense of such appraisal divided equally between Grantor and Grantee. Permanently installed land improvements, such as in-ground irrigation systems, farm roads, and drainage tiling shall be considered part of the land. This appraisal shall take into consideration the permitted and restricted uses set forth in, and the impact on value caused by the Grant.

With respect to any agricultural, forestry or minor incidental structures and improvements in existence as of the date of the Offer, then in addition to the foregoing land value, the Purchase Price shall also include:

- b) The value of all such structures and improvements on the Protected Property as of the date of the Offer excluding all land (which is included in the Section IX(4)(a) valuation, above). The value of the structures and improvements shall be determined using the replacement cost approach to valuation (i.e., the cost to replace the structures and improvements with those of comparable size and utility, less depreciation and functional obsolescence) by a mutually approved disinterested

appraiser selected by Grantor and Grantee, with the expense of such appraisal divided equally between Grantor and Grantee.

With respect to any residence(s) in existence as of the date of the Offer, then in addition to the foregoing land value, the Purchase Price shall also include:

- c) The value of the residence and its appurtenant structures and improvements as of the date of the Offer excluding the value of the land upon which these structures sit (which is included in the Section IX(4)(a) valuation, above). The value of the residence and appurtenant structures and improvements shall be determined using the replacement cost approach to valuation (i.e., the cost to replace the residence, structures and improvements with those of comparable size and utility, less depreciation and functional obsolescence) by a mutually approved disinterested appraiser selected by Grantor and Grantee, with the expense of such appraisal divided equally between Grantor and Grantee.

Grantor and Grantee shall establish the Purchase Price by either entering into a written agreement fixing the Purchase Price as provided in this Section IX(4), within ten working days of reaching mutual agreement or, if no such agreement is reached, the Purchase Price shall be based upon the appraised values which shall be the Purchase Price unless another Purchase Price is mutually agreed upon in writing by the parties within ten working days after the last party's receipt of the appraisals. The passage of said ten working days shall constitute the effective date of establishing the Purchase Price. ("Price Agreement")

5. **Entry onto the Protected Property.** After receiving the notice from Grantor described in Section IX(2), above, and upon reasonable notice to the Grantor, the Grantee shall have the right to enter upon the Protected Property from time to time for the purpose of preparing for the purchase and disposition of the Protected Property, including but not limited, to preparing appraisals, conducting soils tests or engineering studies, advertising, showing prospective buyers or assignees, or obtaining other information about the Protected Property. Grantee's entry onto or testing of the Protected Property shall be conducted in a manner that minimizes any disturbance to the land and to the use and enjoyment of the Protected Property by the Grantor or any tenants in possession.

6. **Closing of the Purchase.** If this Option is exercised, the parties shall close on the sale on or before thirty (30) days from the delivery of the Notice of Intent to Purchase described in Section IX(3)(c), above, unless otherwise agreed. The following conditions shall apply to said closing:

- a) Grantor shall, by Vermont Warranty Deed, deliver good, clear, record and marketable title to the Grantee, free of all liens or other encumbrances (including discharge or release of outstanding mortgages), sufficient for the Grantee to secure title insurance at Grantee's sole expense. Grantee agrees to accept title subject to: (i) customary utility distribution easements, (ii) rights of the public to use roads laid out by municipalities, the state or federal government, (iii) rights of way and other easements that do not, in the Grantee's opinion, materially impair beneficial use of the Protected Property; and, (iv) the terms and conditions of this Grant. The state of

title to the Protected Property shall be determined by a title examination paid for by the Grantee.

- b) Grantor agrees to use reasonable efforts to deliver marketable title as set forth in Section IX(6)(a), above. In the event Grantor is unable to give marketable title, then the Grantee may elect to terminate its exercise of this Option. The Grantee shall have the right to elect to accept such title as Grantor can deliver and to pay the purchase price without reduction.
- c) Grantor agrees to obtain at their sole expense any and all permits and approvals required under law or regulation for the conveyance of the Protected Property to Grantee under this Option. The parties shall extend the closing date as necessary to enable Grantor to obtain all such final permits and approvals.
- d) Grantor represents to Grantee that Grantor is not aware of any hazardous waste having been dumped or placed upon the Protected Property. Grantor will update this representation in writing upon the Grantee's delivery of the Notice of Intent to Exercise described in Section IX(3)(a), above. Grantor agrees that the Grantee may, at the Grantee's expense, perform any and all tests and/or inspections necessary to confirm these representations. In the event that the Grantee discovers that hazardous wastes have been dumped or placed upon the Protected Property, the Grantee may at the Grantee's option declare its exercise of this Option to be null and void.
- e) The Grantor and the Grantee shall prorate property taxes as of the date of closing.
- f) The Grantor shall not physically alter the Protected Property or the improvements on the Protected Property or enter into any lease after a Grantee delivers the Notice of Intent to Exercise provided in Section VII(3)(a), above, and while the Grantee may purchase pursuant thereto, except to perform generally accepted agricultural practices and normal repairs. In the event any structure is substantially destroyed by fire or other casualty, Grantee may elect to (1) proceed to closing and accept the proceeds of any insurance policy Grantor may have with respect to such destruction; or (2) if such insurance proceeds are less than the value of the structure as determined under Section VII(4), above, proceed to closing and accept the proceeds of said insurance policy and reduce the purchase price by the difference between such value and insurance proceeds; or (3) withdraw its election to exercise this Option.
- g) The Protected Property shall be conveyed free of all leases, tenancies, tenants and occupants, unless Grantee otherwise agrees in writing.
- h) All personal property, livestock, machinery and equipment not included in the sale shall be removed from the Protected Property, and all other waste and debris shall be removed from the Protected Property prior to closing. Grantor and Grantee will jointly inspect the Protected Property 24 hours prior to closing.

- i) After closing, this Option shall remain in full force and effect with respect to all subsequent conveyances of the Protected Property, except as identified in Section IX(1), above.

7. **Partial Release of Option.** At the request of Grantor, Grantees shall execute a partial release of their rights under this Option Agreement ("the Partial Release"), and upon the first to occur of the following events, the Grantees shall immediately deliver the Partial Release to the Milton Town Clerk for recording in the Milton Land Records:

- a) Grantees' failure to deliver the Notice of Intent to Exercise as described in Section IX(3)(a), above;
- b) Grantees' failure to deliver the Notice of Intent to Purchase as described in Section IX(3)(c), above; or
- c) Grantees' election to terminate its exercise of this Option based on title defects as provided in Section IX(6)(b), hazardous materials as provided in Section IX(6)(d), or destruction of structures as provided in Section IX(6)(f).

Should no Grantee exercise this Option as provided in Section IX(3), above, or should a Grantee fail to close following its delivery of the Notice of Intent to Purchase, Grantor may proceed to close on the sale to the Buyer on the terms and conditions described in the Notice of Intent to Sell, within twelve (12) months of the delivery of said Notice to Grantees. Provided, however, this Option shall remain in full force and effect with respect to all subsequent conveyances of the Protected Property, except as identified in Section IX(1) above.

8. **Partial Assignment by Grantees.** A Grantee may partially assign its rights under this Option, provided:

- a) No such assignment shall be made prior to Grantor and Grantee establishing the Price Agreement described in Section IX(4), above;
- b) Such assignment shall be in writing, with the assignee undertaking to discharge all obligations of Grantee with respect to purchase of the Protected Property, and a copy of the written assignment shall be delivered to Grantor;
- c) The assignee shall be a party which, in the reasonable opinion of the Grantee, will use or will facilitate the use of the Protected Property for commercial agricultural production; and
- d) The partial assignment shall pertain only to a single exercise of this Option in response to a discrete Notice of Intent to Sell delivered to Grantees. While no consent of Grantor shall be required for said single exercise, no Grantee shall otherwise assign all of its rights and interests under this Option without the prior written consent of Grantor.

X. General Provisions.

1. Where Grantor is required, as a result of this Grant, to obtain the prior written approval of Grantees before commencing an activity or act, and where Grantees have designated in writing another organization or entity which shall have the authority to grant such approval, the approval of said designee shall be deemed to be the approval of Grantees. Grantor shall reimburse Grantees or Grantees' designee for all extraordinary costs, including staff time, incurred in reviewing the proposed action requiring Grantees' approval; but not to include those costs which are expected and routine in scope. Upon the request of Grantor, Grantees shall deliver to Grantor, in written recordable form, any approval, disapproval, election, or waiver given by Grantees pursuant to this Grant.

2. Grantor agrees that the construction of any buildings, structures, or improvements, or any use of the land otherwise permitted under this Grant, or the subdivision and separate conveyance of any land excluded from this Grant in Schedule A attached hereto, shall be in accordance with all applicable ordinances, statutes, and regulations and at Grantor's sole expense.

3. It is further agreed that the Protected Property is accurately depicted and described in both the Cadreact Farm Plan and a Baseline Documentation Report ("BDR") signed by the original Grantor on or about the date of this Grant and held by Grantee VLT, on behalf of all Grantees. Grantees may use the Cadreact Farm Plan or BDR in enforcing this Grant, but are not limited in their use of the Cadreact Farm Plan and BDR to show a change of conditions.

4. Grantees shall transfer the development rights, option to purchase, and conservation easement and restrictions conveyed by Grantor herein only to a State agency, municipality, or qualified organization, as defined in Chapter 34 or Chapter 155 Title 10 V.S.A., in accordance with the laws of the State of Vermont and the regulations established by the Internal Revenue Service governing such transfers. No such assignment limitation shall apply to the rights included in Section V, Archaeological Zone, which rights shall be separately assignable.

5. *Extinguishment and Condemnation.* This Grant vests a right of enforcement in the United States and additional real property interests in the Grantees. These rights may only be extinguished with the necessary approval of the Grantees and the United States, as specified in this Grant. Due to the Federal interest in this Grant, the United States must consent to any condemnation action affecting the Protected Property. If any entity with condemnation authority (condemning agency) proposes to condemn the Protected Property, NRCS must be notified immediately by the condemning agency and Grantees, and the consent of the United States must be received by the condemning agency before any condemnation action may proceed with respect to the Federal interest in this Grant.

The Grantees and the United States stipulate to have a fair market value of sixty one percent (61%), hereinafter the "Proportionate Share," of the fair market value of the Protected Property unencumbered by this Grant. The Proportionate Share has been determined at the time of conveyance of this Grant by dividing the fair market value of this Grant (\$360,000) by the fair market value of the Property without this Grant (\$590,000). The Proportionate Share will remain constant over time.

If this Grant is extinguished, terminated, or condemned, in whole or in part, then the

Grantor must reimburse Grantees and the United States an amount equal to the Proportionate Share of the fair market value of the Protected Property unencumbered by this Grant. The fair market value of the Grant will be determined at the time this Grant is terminated, extinguished, or condemned by an appraisal that meets the Uniform Standards of Professional Appraisal Practice (USPAP) or Uniform Acquisition Standards or Federal Land Acquisition (UASFLA) that is completed by a certified general appraiser and approved by the Grantee and the United States.

The Proportionate Share paid to the Grantees and the United States must be allocated as follows: (a) to the Grantees or their designee(s), _____ percent (___ %) of the Proportionate Share; and, (b) to the United States _____ percent (___ %) of the Proportionate Share, representing the proportion each party contributed to the purchase price of this Grant. The Proportionate Share of the Grantees also includes _____ percent (___ %) of the appraised value of this Grant, donated by the Grantor to the Grantees, if any. Until such time as the Grantees and the United States receive the Proportionate Share from the Grantor or the Grantor's successor or assign, the Grantees and the United States each have a lien against the Property for the amount of the Proportionate Share due each of them. The Grantees or their designee(s) must use their allocation of the Proportionate Share in a manner consistent with the conservation purposes of the Grant. If proceeds from termination, extinguishment, or condemnation are paid directly to Grantees, the Grantees must reimburse the United States for the amount of the Proportionate Share due to the United States.

6. In any deed or lease conveying an interest in all or part of the Protected Property, Grantor shall make reference to the conservation easement, restrictions, and obligations described herein and shall indicate that said easement and restrictions are binding upon all successors in interest in the Protected Property in perpetuity. Grantor shall also notify Grantees of the name(s) and address(es) of Grantor's successor(s) in interest.

7. Grantees shall be entitled to re-record this Grant, or to record a notice making reference to the existence of this Grant, in the Town of Milton Land Records as may be necessary to satisfy the requirements of the Record Marketable Title Act, 27 V.S.A., Chapter 5, Subchapter 7, including 27 V.S.A. §§603 and 605.

8. While title is herein conveyed to Grantees as tenants in common, the rights and interests described in this Grant, including enforcement of the conservation easement and restrictions, may be exercised by Grantees collectively, or by any single Grantee individually; provided, however, that court enforcement action by a single Grantee shall foreclose action on the same issue(s) by the other Grantees who shall be bound by the final determination.

9. The term "Grantor" includes the heirs, executors, administrators, successors, and assigns of the original Grantor, David J. Cadreact and Katherine D. Cadreact. The term "Grantees" includes the respective successors and assigns of the original Grantees, VLT, VAAFM and VHCB. The term "family" includes: (a) any spouse of Grantor and any persons related to Grantor by blood to the 4th degree of kinship or by adoption, together with spouses of family members, (b) a corporation, partnership or other entity which is wholly owned and controlled by Grantor or Grantor's family (as defined herein), (c) any estate of Grantor or Grantor's family, and (d) all owners of a Grantor corporation, partnership, trust or other entity who are related to each other by blood to the 4th degree of kinship or by adoption, together with spouses of family members.

10. Grantor shall pay all real estate taxes and assessments on the Protected Property and shall pay all other taxes, if any, assessed in lieu of or in substitution for real estate taxes on the Protected Property.

11. *General Indemnification.* Grantor shall indemnify and hold harmless Grantees and the United States, their employees, agents, and assigns for any and all liabilities, claims, demands, losses, expenses, damages, fines, fees, penalties, suits, proceedings, actions, costs of actions, or sanctions asserted by or on behalf of any person or governmental authority, and other liabilities (whether legal or equitable in nature and including, without limitation, court costs, and reasonable attorneys' fees and attorneys' fees on appeal) to which Grantees and/or the United States may be subject or incur relating to the Protected Property, which may arise from, but are not limited to, Grantor's negligent acts or omissions or Grantor's breach of any representation, warranty, covenant, or agreements contained in this Grant, or violations of any Federal, State, or local laws, including all Environmental Laws (as defined below).

12. *Environmental Warranty.* Grantor warrants that it is in compliance with, and shall remain in compliance with, all applicable Environmental Laws. Grantor warrants that there are no notices by any governmental authority of any violation or alleged violation of, non-compliance or alleged non-compliance with or any liability under any Environmental Law relating to the operations or conditions of the Protected Property. Grantor further warrants that it has no actual knowledge of a release or threatened release of Hazardous Materials, as such substances and wastes are defined by applicable Federal and state law.

Moreover, Grantor hereby promises to hold harmless and indemnify Grantees and the United States against all litigation, claims, demands, penalties and damages, including reasonable attorneys' fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Protected Property, or arising from or connected with a violation of any Environmental Laws by Grantor or any other prior owner of the Protected Property. Grantor's indemnification obligation shall not be affected by any authorizations provided by Grantees or the United States to Grantor with respect to the Protected Property or any restoration activities carried out by Grantees at the Protected Property; provided, however, that Grantees shall be responsible for any Hazardous Materials contributed after this date to the Protected Property by Grantees.

"Environmental Law" or "Environmental Laws" means any and all Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, hazardous materials, worker and community right-to-know, hazard communication, noise, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection and similar environmental health, safety, building and land use as may now or at any time hereafter be in effect.

"Hazardous Materials" means any petroleum, petroleum products, fuel oil, waste oils, explosives, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous wastes, hazardous substances, extremely hazardous substances, toxic substances, toxic

chemicals, radioactive materials, infectious materials and any other element, compound, mixture, solution or substance which may pose a present or potential hazard to human health or the environment.

13. If any Grantee takes legal title to Grantor's interest in the Protected Property, the Grantee acquiring title shall commit the monitoring and enforcement of the Grant to another Grantee until the Grantee acquiring title conveys title to a successor Grantor.

14. This Grant is created pursuant to Chapter 34 of Title 10, Conservation and Preservation Rights and Interests (10 V.S.A. 821-823) and Chapter 155 of Title 10, Acquisition of Interests in Land by Public Agencies (10 V.S.A. 6301 – 6309), and this Grant shall be governed by and construed in accordance with the laws of the State of Vermont to effectuate the Purposes of the Grant. In the event that any provision or clause in this Grant conflicts with applicable law, such conflict shall not affect other provisions hereof which can be given effect without the conflicting provision. To this end the provisions of this Grant are declared to be severable.

15. *Amendment.* This Grant may be amended only if, in the sole and exclusive judgment of the Grantees and United States, by and through the Chief of NRCS, such amendment is consistent with the Purposes of this Grant and complies with all applicable laws and regulations. The Grantees must provide timely written notice to the Chief of NRCS of any proposed amendment(s). Prior to the signing and recordation of the amended Grant, such amendment(s) must be mutually agreed upon by the Grantees, Grantor, and United States, by and through the Chief of NRCS. Any purported amendment that is recorded without the prior approval of the United States will considered null and void.

16. *Boundary Line Adjustments.* Boundary line adjustments may be permitted by Grantees either by approval or by amendment. The approval of only the Grantees is required in the case of an amendment or other action related to boundary adjustments: (i) for technical errors made in the survey or legal description of the Protected Property; or (ii) where the acreage of the Protected Property will be increased; or (iii) where the acreage of the Protected Property will not decrease by the greater of 1% of its original acreage or 2 acres. All other boundary line adjustments must also be approved by the United States by and through the Chief of NRCS. If necessary, an amendment to Schedule A of this Grant shall be properly executed and duly recorded.

17. *Subordination.* Any mortgage or lien arising after the date of this Grant shall be subordinate to this Grant.

18. *Merger.* The Grantor and Grantees explicitly agree that it is their express intent, forming a part of the consideration hereunder, that the provisions of this Grant are to last in perpetuity, and that to that end no purchase or transfer of the underlying fee interest in the Protected Property by or to any Grantee, the United States, or any successor or assignee will be deemed to eliminate the terms of this Grant, or any portion thereof, pursuant to the doctrine of "merger" or any other legal doctrine.

INVALIDATION of any provision hereof shall not affect any other provision of this Grant.

TO HAVE AND TO HOLD said granted development rights, option to purchase, and a perpetual conservation easement and restrictions, with all the privileges and appurtenances thereof, to the said Grantees, **VERMONT LAND TRUST, INC., VERMONT AGENCY OF AGRICULTURE, FOOD AND MARKETS, and VERMONT HOUSING AND CONSERVATION BOARD**, their respective successors and assigns, and the UNITED STATES and its assigns to the extent of its enforcement rights, to their own use and behoof forever, and the said Grantor, **DAVID J. CADREACT** and **KATHERINE D. CADREACT**, for themselves and their heirs, executors, administrators, successors, and assigns, does covenant with the said Grantees and the UNITED STATES, their successors and assigns, that until the ensealing of these presents, they are the sole owners of the premises, and have good right and title to convey the same in the manner aforesaid, that the premises are free from every encumbrance, except those of record, not intending hereby to reinstate any interest or right terminated or superseded by this Grant, operation of law, abandonment or 27 V.S.A. Ch. 5, Subch. 7; and he/she/they/it hereby engages to warrant and defend the same against all lawful claims whatever, except as aforesaid.

We herein set our hands at _____, Vermont this ____ day of _____, 2015.

GRANTOR

David J. Cadreact

Katherine D. Cadreact

STATE OF VERMONT
CHITTENDEN COUNTY, ss.

At _____, this ____ day of _____, 2016, David J. Cadreact personally appeared and ____ acknowledged this instrument, by ____ sealed and subscribed, to be ____ free act and deed, before me.

Notary Public
My commission expires: 02/10/2019

STATE OF VERMONT
CHITTENDEN COUNTY, ss.

At _____, this ____ day of _____, 2016, Katherine D. Cadreact personally appeared and ____ acknowledged this instrument, by ____ sealed and subscribed, to be ____ free act and deed, before me.

Notary Public
My commission expires: 02/10/2019

VERMONT HOUSING AND CONSERVATION BOARD ACCEPTANCE

The Vermont Housing and Conservation Board hereby acknowledges, approves, and accepts, the foregoing Grant and the rights and obligations conveyed therein.

Date

By: _____
Its Duly Authorized Agent

**STATE OF VERMONT
COUNTY OF WASHINGTON, SS.**

At Montpelier, Vermont on this ____ day of _____, 2016, personally appeared _____, duly authorized agent of the **Vermont Housing and Conservation Board**, and he/she acknowledged this instrument, by him/her sealed and subscribed, to be his/her free act and deed and the free act and deed of the Vermont Housing and Conservation Board, before me.

Notary Public
My Commission Expires: 02/10/2019

The Natural Resources Conservation Service, United States Department of Agriculture, an agency and Department of the United States Government, hereby accepts and approves the foregoing conservation easement deed and the rights conveyed therein, on behalf of the United States of America.

State Conservationist
Natural Resources Conservation Service
United States Department of Agriculture

STATE OF VERMONT)
COUNTY OF _____)

On this ____ day of _____, 2016, before me, the undersigned, a notary public in and for the State, personally appeared _____ known or proved to me to be the person whose signature appears above, and who being duly sworn by me, did say that he or she is the State Conservationist of the Natural Resources Conservation Service, United States Department of Agriculture, is authorized to sign on behalf of the agency and acknowledged and

accepted the rights conveyed by the deed to be his or her voluntary act and deed.

In witness whereof, I have hereunto set my hand and official seal the day and year first above written.

Notary Public, State of Vermont
My Commission Expires 02/10/2019

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SCHEDULE A
PROTECTED PROPERTY

Being all and the same lands and premises, with any and all structures and improvements that may be situated thereon, conveyed to Grantor:

1. by Quitclaim Deed of Harold S. Cadreact and Eleanor B. Cadreact, dated June 16, 2006, and recorded in Book 332, Page 414 of the Milton Land Records; and
2. By Quitclaim Deed of Harold J. Cadreact Sr. and Rosanna S. Cadreact, dated March 17, 1982, and recorded in Book 76, Page 143 of the Town of Milton land records.

Excepted and excluded from this description of the Protected Property:

1. Land conveyed to Harold S. Cadreact and Eleanor B. Cadreact by Warranty Deed of Grantor, dated June 16, 2006 and recorded in Book 332, Page 791 of the Town of Milton land records; and
2. A twenty (20) acre parcel, located westerly of Cadreact Road (Town Highway #23), and being more particularly described as follows, all bearings are referenced to "Grid North":

Beginning at a point on the westerly sideline of the Cadreact Road right of way (assumed 3 rod width) said point being North 5° 30' West 485 feet more or less, along the westerly sideline of the Cadreact Road right of way from a northeast corner of lands n/f Sears; thence proceeding
South 68° West 300 feet more or less, along the Protected Property; thence turning and proceeding
South 54° West 255 feet more or less, along the Protected Property; thence turning and proceeding
North 2° West 285 feet more or less, along the Protected Property to a southeasterly corner of other
lands of the Grantors; thence turning and proceeding
North 11° 45' East 400 feet more or less, along an easterly boundary of others lands of the
Grantors; thence turning and proceeding
North 14° 30' West 1,345 feet more or less, along an easterly boundary of others lands of the
Grantors; thence turning and proceeding
South 81° 45' East 640 feet more or less, along the Protected Property to a point on the westerly
sideline of the Cadreact Road right of way; thence turning and proceeding
In a generally southerly direction, 2,120 feet more or less, along the westerly sideline of the
Cadreact Road right of way to the point of beginning.

3. A one-hundred eighty-six (186) acre parcel, located westerly of Cadreact Road (Town Highway #23) and being more all of the land owned by the Grantor located westerly and northerly of the following described line, said line more particularly described as follows, all bearing are referenced to "Grid North":

Beginning at a point marking a northwest corner of the Protected Property (said point having
stateplane NAD83 coordinates of N 239,055m, E 444,415m); thence proceeding

South 13° East 1,375 feet more or less, along the Protected Property to a northwest corner of the 20 acre excluded parcel described above; thence turning and proceeding
South 14° 30' East 1,345 feet more or less, along a westerly boundary of the 20 acre excluded parcel described above; thence turning and proceeding
South 11° 45' West 400 feet more or less, along a westerly boundary of the 20 acre excluded parcel described above; thence turning and proceeding
South 51° 30' West 1,240 feet more or less, along the Protected Property; thence turning and proceeding
South 27° 45' West 500 feet more or less, along the Protected Property; thence turning and proceeding
South 76° 15' West 370 feet more or less, along the Protected Property; thence turning and proceeding
North 77° West 380 feet more or less, along the Protected Property; thence turning and proceeding
South 42° West 510 feet more or less, along the Protected Property; thence turning and proceeding
South 22° 45' East 1,000 feet more or less, along the Protected Property to a northerly boundary of lands n/f Sears; thence turning and proceeding
South 36° 30' West 845 feet more or less, along a northerly boundary of lands n/f Sears to an easterly boundary of lands n/f the State of Vermont.

Meaning and intending to include in this description of the Protected Property all of the land with the buildings and improvements thereon lying on both sides of Town Highway #23 (also known as Cadreact Road), in the Town of Milton, Vermont, and generally described as containing 255 acres, more or less. The Grantor acknowledges that the acreage in the above-described deeds by which title was conveyed to them indicates a total of 544 acres, more or less, and hereby agrees that, less the 206 acres, more or less, excluded as above described, the acreage would be 338 acres, more or less, but, due to the mapping that Vermont Land Trust has done of the property being conserved, the acreage conserved is more accurately described as being 255 acres, more or less.

NOTICE: Unless otherwise expressly indicated, the descriptions in this Schedule A and in any subsequent Schedules are not based on a survey or subdivision plat. The Grantor and Grantees have used their best efforts to depict the approximate boundaries of the Protected Property and any excluded parcels, building envelopes or ecological protection zones on a plan entitled "**Vermont Land Trust - Cadreact Farm, Town of Milton, Chittenden Co., VT, March 2016**" signed by the Grantor and VLT (referred to throughout this Grant and its Schedules as "Cadreact Farm Plan"). The Cadreact Farm Plan is based upon Vermont Base Map digital orthophotos and other information available to VLT at the time of the Plan's preparation. Any metes and bounds descriptions included in the Schedules herein are approximate only. They are computer generated and are not the result of field measurements or extensive title research. The Cadreact Farm Plan and any metes and bounds descriptions herein are intended solely for the use of the Grantor and Grantees in establishing the approximate location of the areas described and for administering and interpreting the terms and conditions of this Grant. No monuments have been placed on the ground. The Cadreact Farm Plan is kept by VLT in its Stewardship Office. **The Cadreact Farm Plan is not a survey and must not be used as a survey or for any conveyance or subdivision of the land depicted thereon.**

Grantor and Grantees do not intend to imply any limitation on the area of land included in this description, should a survey determine that additional land is also encumbered by the Grant. If, in the future, the Grantor or Grantees shall prepare a survey of the Protected Property, of any portion thereof, or of any excluded lands, and that survey is accepted by the other party or confirmed by a court, the descriptions in the survey shall control.

Reference may be made to the above described deed and record, and to the deeds and records referred to therein, in further aid of this description.

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SCHEDULE B
BUILDING ENVELOPES

The "Building Envelopes" referred to in Section III(3) of this Grant contain 5 acres, and 8 acres, more or less, respectively, and are more particularly described as follows, all bearings are referenced to "Grid North:"

5-ACRE BUILDING ENVELOPE

Beginning at a point on the easterly sideline of the Cadreact Road right of way (assumed 3 rod width), said point being North 0° 30' East 490 feet across Cadreact Road from a northeast corner of lands n/f Sears; thence proceeding
North 3° West 255 feet more or less, along the easterly sideline of the Cadreact Road right of way; thence turning and proceeding
North 3° 45' East 125 feet more or less, along the easterly sideline of the Cadreact Road right of way; thence turning and proceeding
North 8° 45' East 45 feet more or less, along the easterly sideline of the Cadreact Road right of way; thence turning and proceeding
North 0° 30' East 30 feet more or less, along the easterly sideline of the Cadreact Road right of way; thence turning and proceeding
North 84° 30' East 490 feet more or less, across the Protected Property; thence turning and proceeding
South 6° 45' East 395 feet more or less, across the Protected Property; thence turning and proceeding
South 79° West 545 feet more or less, across the Protected Property to the point of beginning.

8-ACRE BUILDING ENVELOPE

Beginning at a point on the westerly sideline of the Cadreact Road right of way (assumed 3 rod width), said point marking a southeast corner of lands n/f Cadreact Family Trust; thence proceeding
South 18° 15' West 340 feet more or less, along the westerly sideline of the Cadreact Road right of way; thence turning and proceeding
South 16° West 205 feet more or less, along the westerly sideline of the Cadreact Road right of way; thence turning and proceeding
South 16° 45' West 100 feet more or less, along the westerly sideline of the Cadreact Road right of way;

way; thence turning and proceeding
South 24° West 75 feet more or less, along the westerly sideline of the Cadreact Road right of way;
thence turning and proceeding
South 20° 30' West 175 feet more or less, along the westerly sideline of the Cadreact Road right of
way; thence turning and proceeding
South 12° West 200 feet more or less, along the westerly sideline of the Cadreact Road right of way
to the northeast corner of the 20 acre excluded parcel described in Schedule A above;
thence turning and proceeding
North 81° 45' West 350 along the northerly boundary of the 20 acre excluded parcel described in
Schedule A above; thence turning and proceeding
North 25° East 920 feet more or less, across the Protected Property; thence turning and proceeding
North 50° West 250 feet more or less, across the Protected Property; thence turning and
proceeding
North 34° 30' East 220 feet more or less, across the Protected Property to a southerly boundary of
lands n/f Cadreact Family Trust; thence turning and proceeding
South 62° 15' East 275 feet more or less, along a southerly boundary of lands n/f Cadreact Family
Trust; thence turning and proceeding
South 58° 15' East 120 feet more or less, along a southerly boundary of lands n/f Cadreact Family
Trust to the point of beginning.

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