

**PUBLIC TRAIL EASEMENT APPRAISAL**



**196-acre Fairmont Farm**  
Lylehaven Lane  
Town of East Montpelier  
Washington County, Vermont

**OWNERS OF RECORD**  
Fairmont Dairy, LLC

**VALUATION DATE**  
April 25, 2019

**SUBMITTED**  
Ethan Parke  
Vermont Housing & Conservation Board  
58 East State Street  
Montpelier, Vermont 05602

**PREPARED BY**  
Richard R. Larson  
Larson Appraisal Company  
661 South Street  
Wells, Vermont 05774  
Phone/FAX 802-645-0865

**Letter of Transmittal**

Larson Appraisal Company  
661 South Street  
Wells, Vermont 05774  
Phone/FAX 802-645-0865

May 3, 2019

Ethan Parke  
Vermont Housing & Conservation Board  
58 East State Street  
Montpelier, Vermont 05602

**RE: Public Trail Easement on 196-acre Fairmont Farm**  
Lylehaven Lane  
Town of East Montpelier  
Washington County, Vermont

Dear Mr. Parke,

I am pleased to submit the attached appraisal of the above-captioned farm in East Montpelier, Vermont. The appraisal is prepared to provide an opinion of the change in market value of the real estate due to extinguishment of a permanent deeded public trail easement to the Cross Vermont Trail Association, Inc. and the Vermont Housing and Conservation Board. The public trail easement is deeded and in perpetuity. The easement encumbers 3.74 acres of land and is 4,560+/- feet in length, extending along a former rail road bed and abandoned town road. The opinion of value is rendered as of the date of final physical inspection, April 25, 2019. On January 29, 2019 I met with Clara Hall, a family member, who accompanied me on the inspection of the houses and provided information regarding the subject property.

The purpose of the appraisal is to provide an opinion of the change in market value of the subject farm due to establishment of the public trail. The report is completed to USPAP standards and NRCS standards contained in NRCS *Appraisal Specifications and Scope* for the ACEP-ALE (Agricultural Conservation Easement Program-Agricultural Land Easement Component) Program (formerly FRPP). The client and intended user is the Vermont Housing and Conservation Board. Additional intended users include the Vermont Land Trust, Inc. (easement holder), the landowners, and Yankee Farm Credit. The after value is made on the hypothetical condition that the proposed conservation easement is in place. The appraisal is made under the hypothetical condition that the 196-acre farm has been encumbered by a conservation easement that includes an Option to Purchase at Agricultural Value.

The proposed easement will permit public, non-motorized use of the trail, and will allow non-motorized mechanical transportation, such as ski, bicycle, etc. The easement holders have the right to maintain the trail, cut vegetation, and establish structures such as stream crossings, and alter the surface to improve pedestrian traction. (See draft easement included in the addendum of this report).

I have made a personal inspection of the appraised property that is the subject of this report and all comparable sales used in developing the opinion of value. The date of inspection was April 25, 2019, and the method of inspection was physical inspection.

In my opinion, as of April 25, 2019, that the change in market value of the subject property as a result of establishment of the deeded **Public Trail Easement** is as follows:

Market value After Conservation Easement, Before Trail Easement:	\$ 660,000
Market value After Conservation Easement, After Trail Easement:	<u>\$ 640,000</u>
Loss in market value due to Public Trail Easement:	\$ 20,000

The loss in market value to the 196-acre subject property due to the Public Trail Easement, as of April 25, 2019, is estimated to be:

**Twenty Thousand Dollars**  
**(\$20,000)**  
**(\$102/acre)**

Thank you for the opportunity to provide my professional services. If I can be of further assistance in this matter, please do not hesitate to contact me.

Respectfully,



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Richard R. Larson

Vermont Certified General Real Estate Appraiser, License #80-0000177

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### **Appraiser's Certification**

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have provided no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report. The landowner accompanied me on the inspection.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The fee for this appraisal is \$500.
- I recognize that appraisal reports submitted to the NRCS for review may be used by NRCS for any legal and proper purpose.

### Opinions of Market Value:

Market value After Conservation Easement, Before Trail Easement:	\$ 660,000
Market value After Conservation Easement, After Trail Easement:	<u>\$ 640,000</u>
Loss in market value due to Public Trail Easement:	\$ 20,000

Dated: May 3, 2019

Respectfully,



---

Richard R. Larson

Vermont Certified General Real Estate Appraiser, License #80-0000177

## **Summary of Important Facts and Conclusions**

Following is a summary of salient factual data and of valuation conclusions. Value opinions presented herein are based upon the material in the report and the appraiser's background, knowledge, training and experience. The opinions are developed and reached through the use of recognized appraisal theory and represent the appraiser's opinion with respect to the subject property.

**Property Identification:** Part of East Montpelier parcel 09-037.000

**Owner(s) of Record:** Fairmont Dairy, LLC

**Effective Date:** April 25, 2019

**Interests Appraised:** Appraised is the market value of subject property, assuming it is encumbered by a conservation easement with an option to purchase at agricultural value, both Before Establishment of the Public Trail, and After Establishment of the Public Trail.

**Type of Property:** Dwellings, dairy barn, outbuildings, Cropland and woods

**Land Area:** 196 acres

**Zoning Districts:** "Residential Commercial" and "Industrial"

### **Highest and Best Use:**

**Highest and Best Use After Easement As if Vacant:** The highest and best use of the subject, after easement, is agricultural use, either as dairy support or alternative.

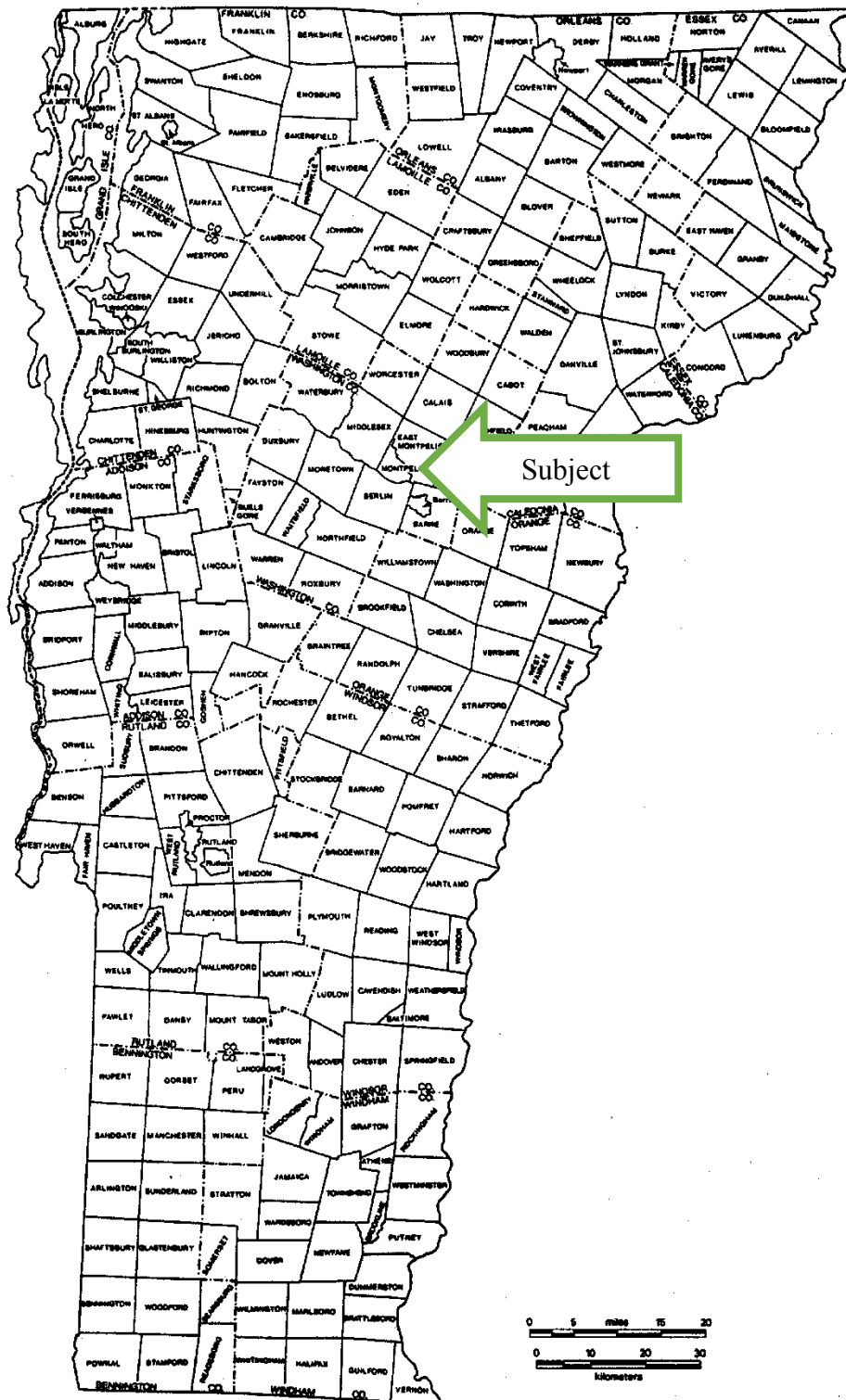
**Highest and Best Use After Easement As Improved:** The highest and best use of the subject, after easement, is agricultural use, either as dairy support or alternative.

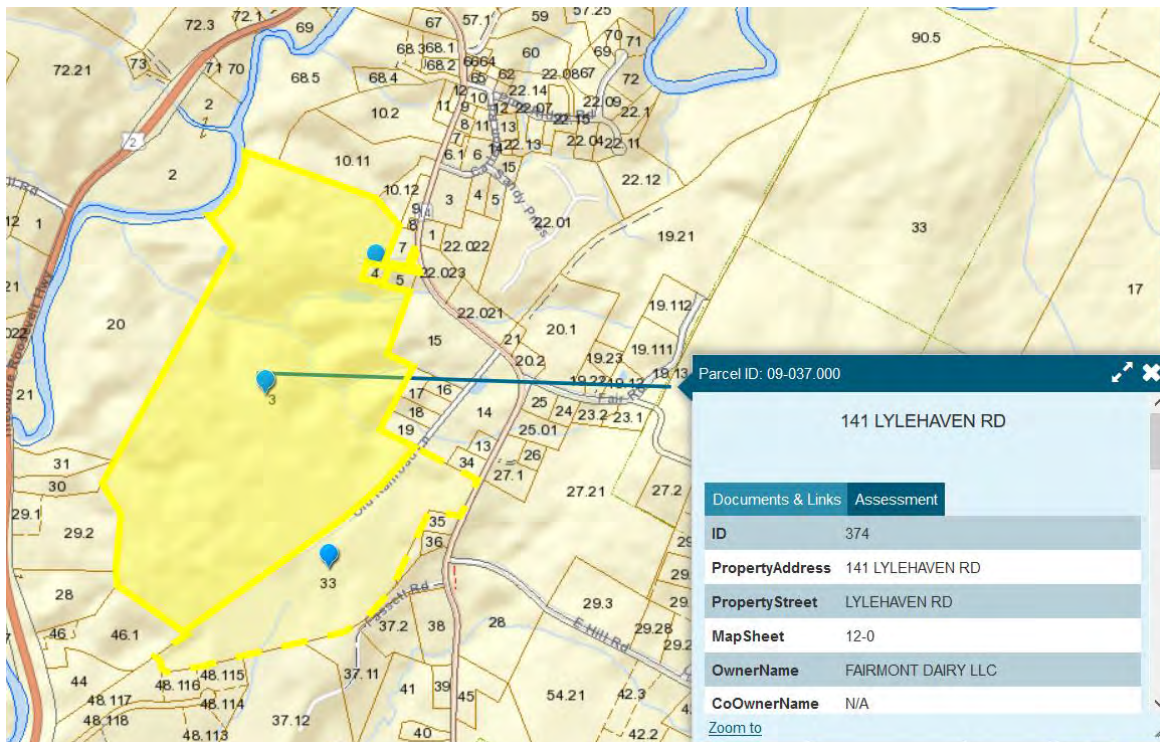
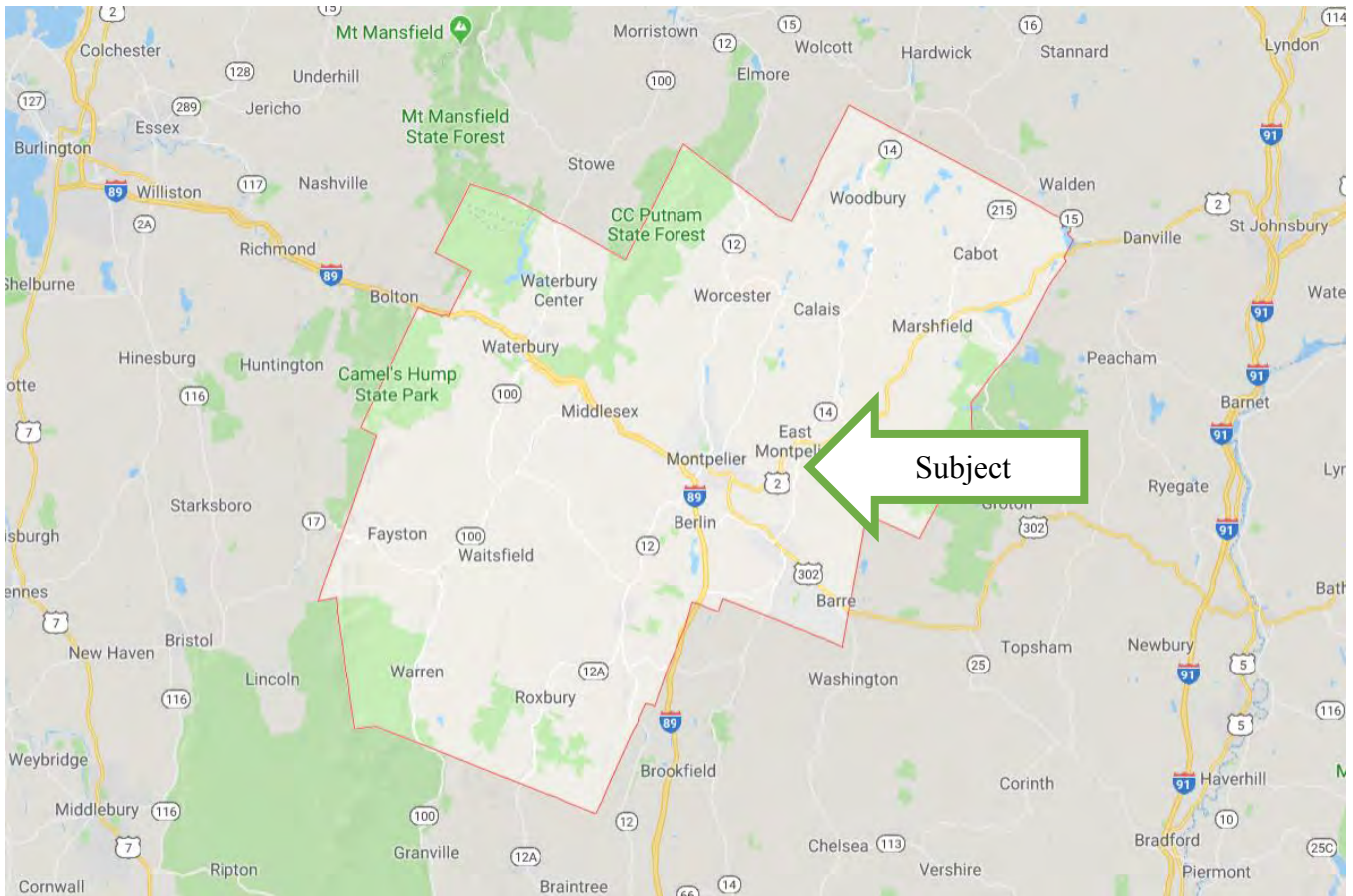
**Highest and Best Use After Easement As Improved, with Public Trail Easement:** The highest and best use of the subject, after easement, is agricultural use, either as dairy support or alternative.

### **Conclusions of Market Value:**

Market value After Conservation Easement, Before Trail Easement:	\$ 660,000
Market value After Conservation Easement, After Trail Easement:	<u>\$ 640,000</u>
Loss in market value due to Public Trail Easement:	\$ 20,000

**Maps and Photos of Subject Property**

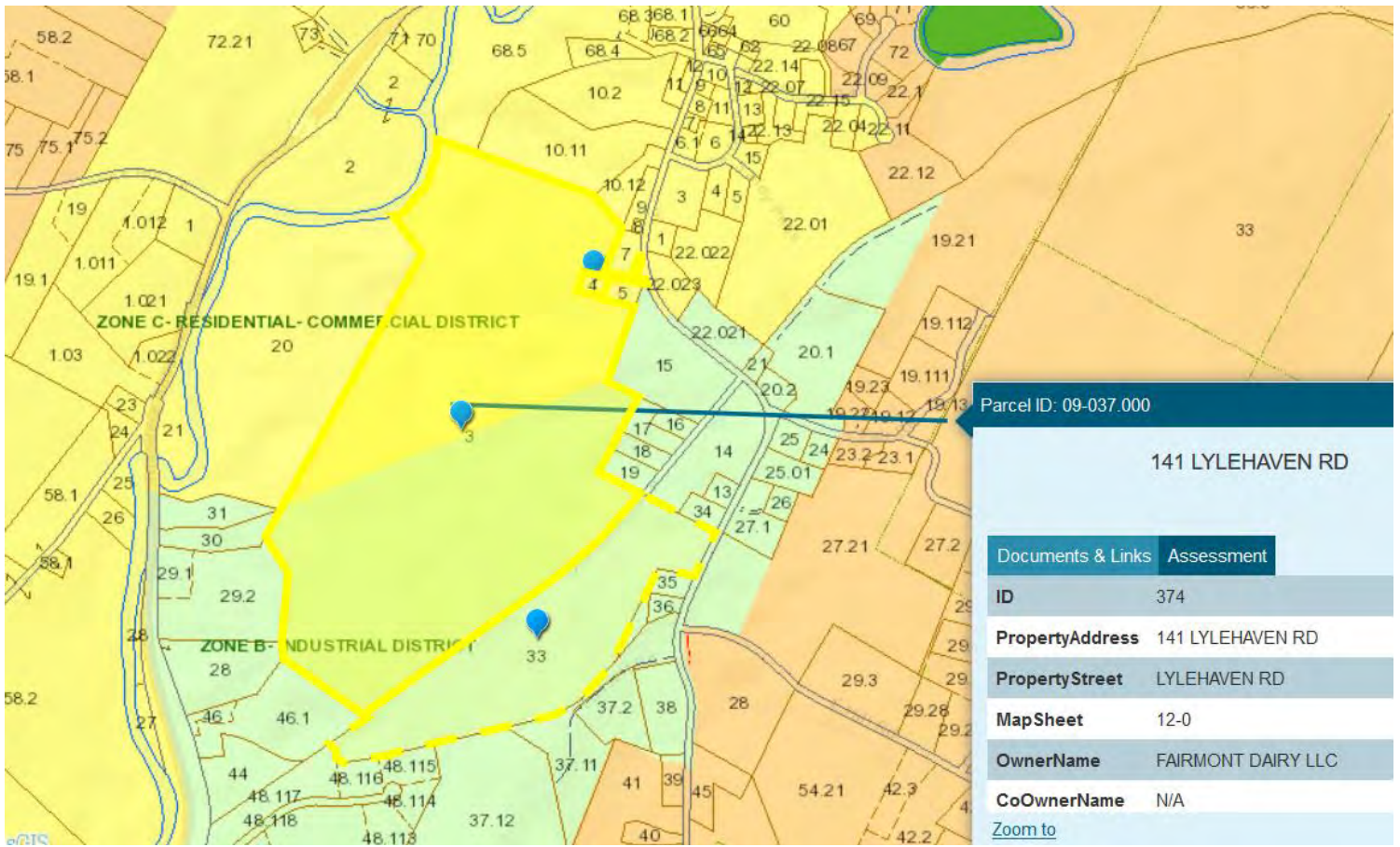




Portion of the East Montpelier tax map

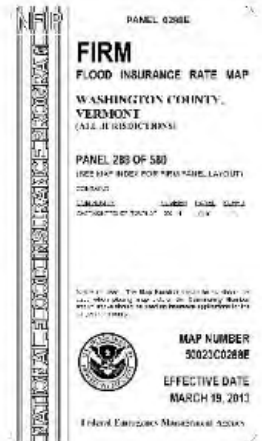
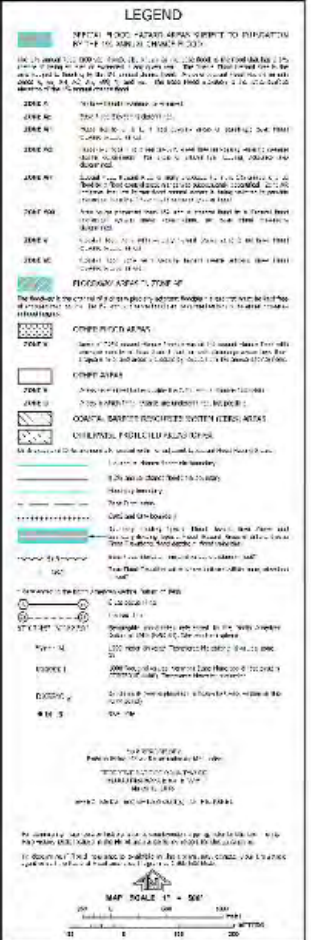




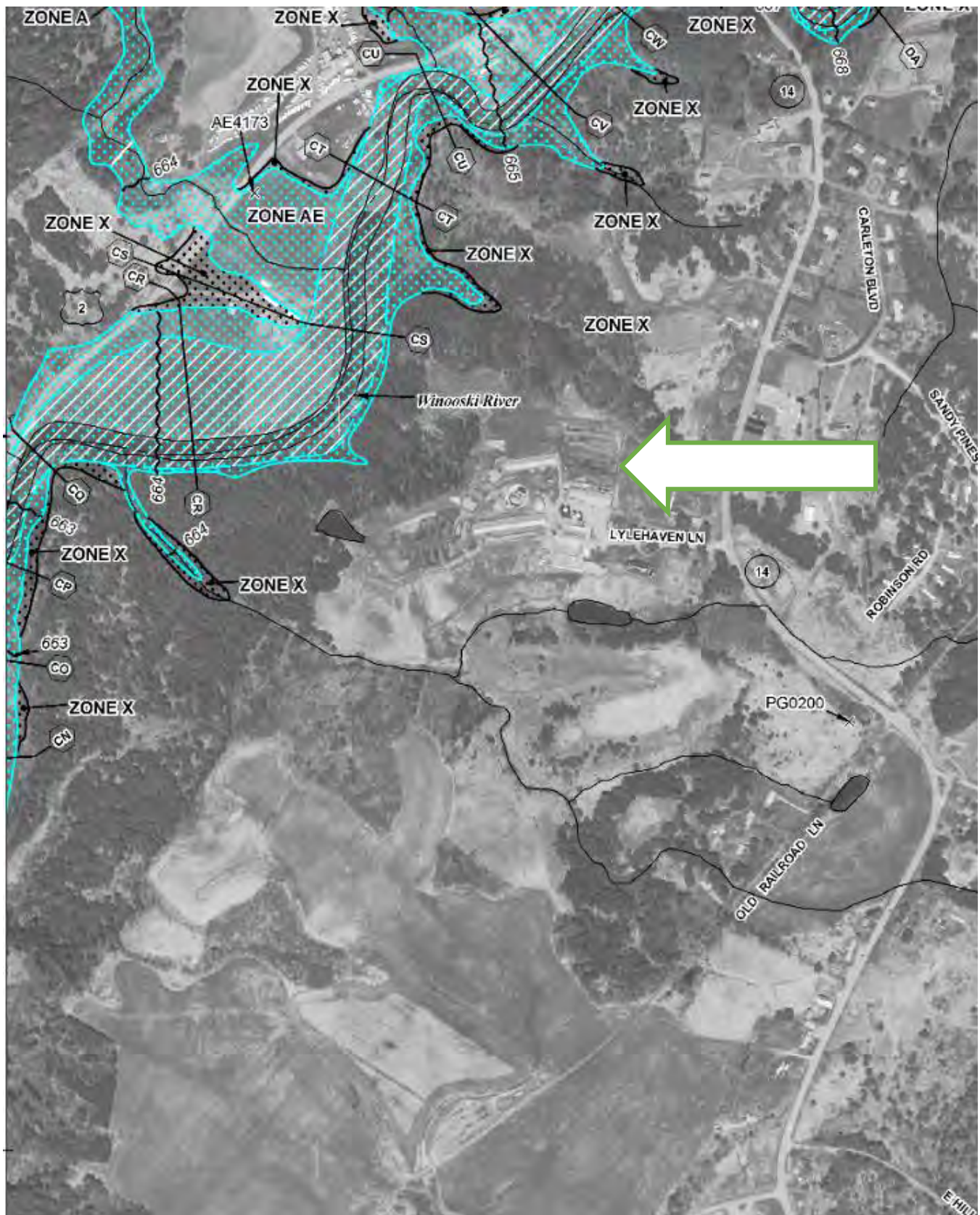


Parcel map with zoning overlay



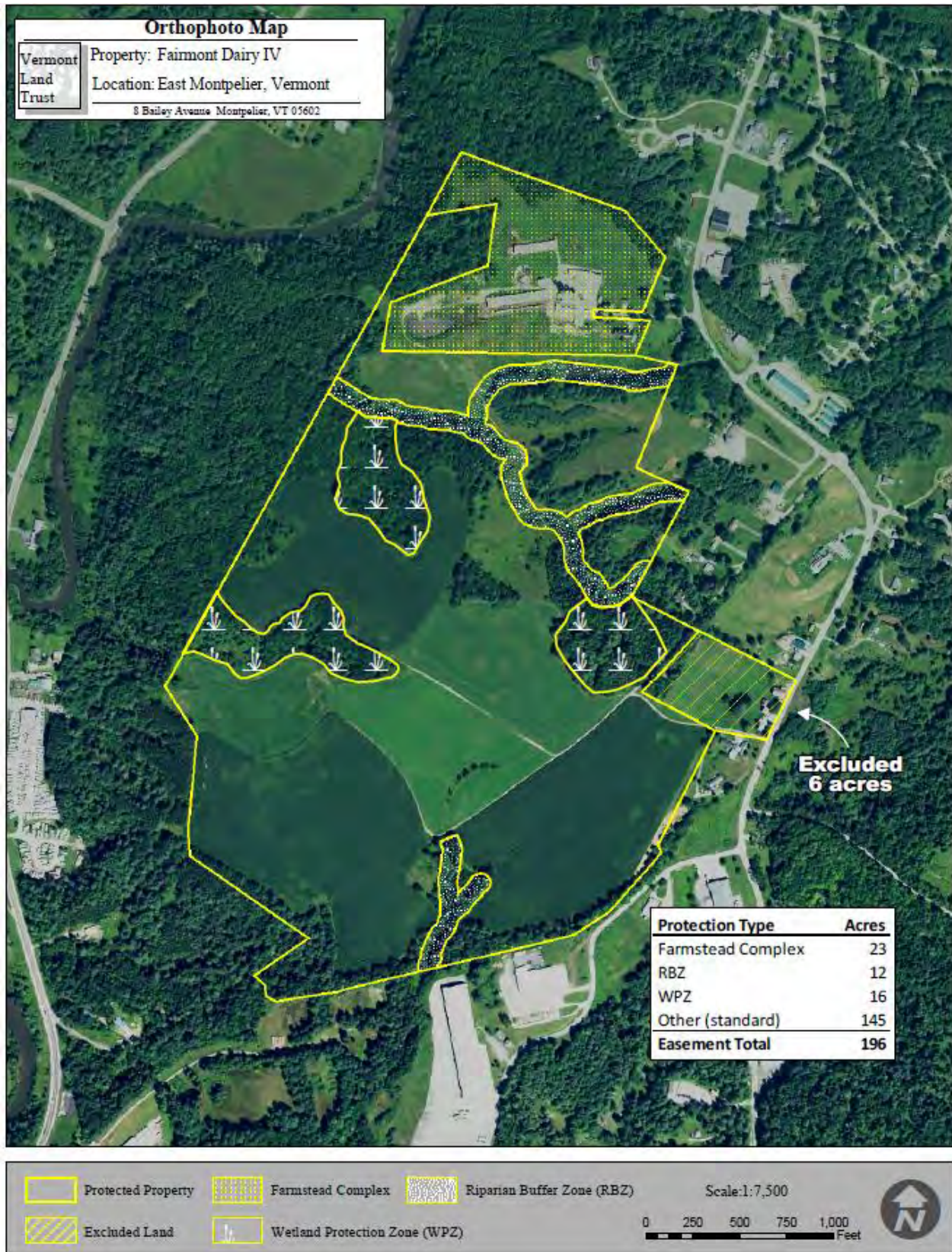






Closeup of FEMA floodmap





VLT map showing proposed easement configuration

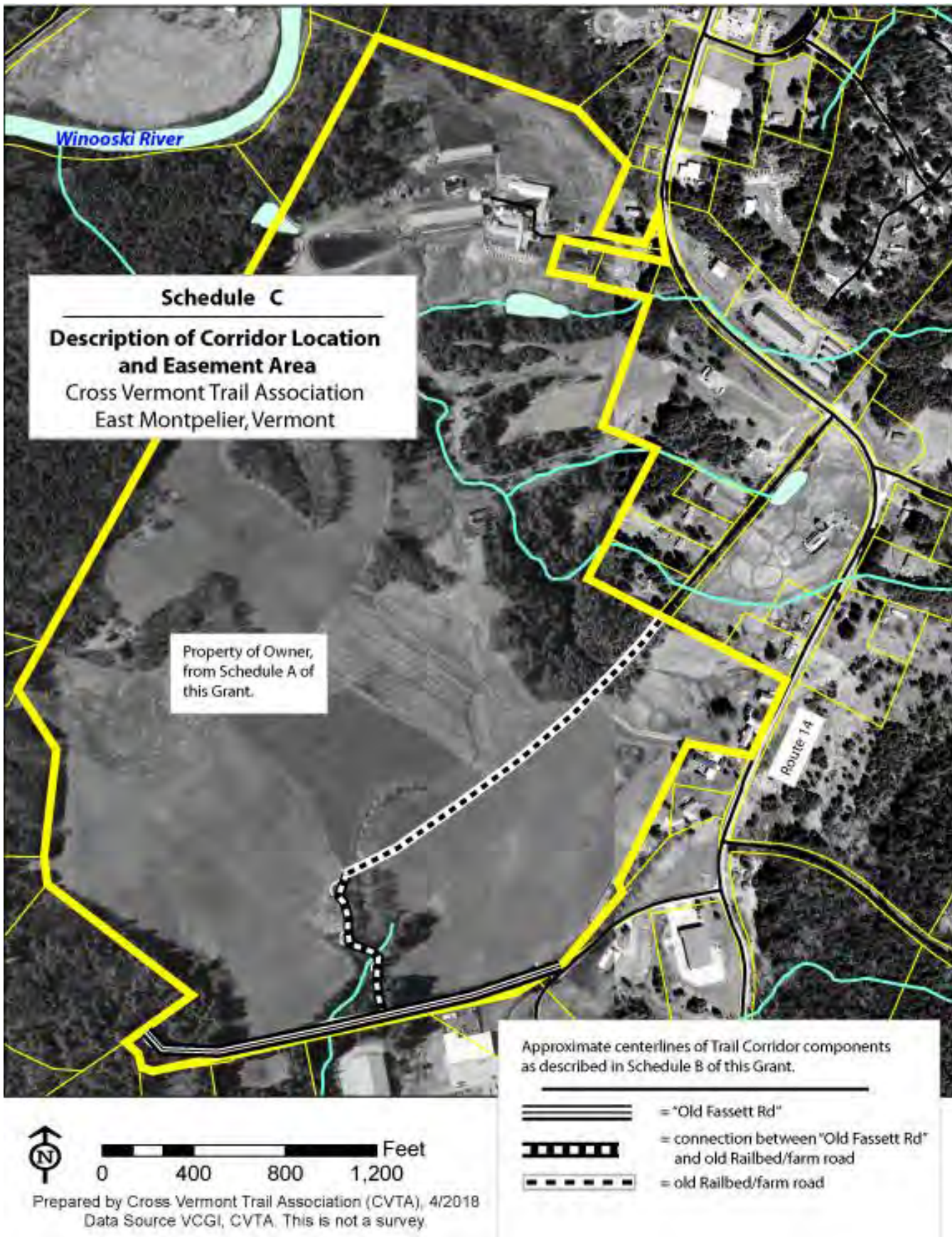




## Map Unit Legend

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
26A	Adams loamy sand, 0 to 3 percent slopes	47.8	24.5%
26B	Adams loamy sand, 3 to 8 percent slopes	52.0	26.6%
41E	Buxton silt loam, 25 to 45 percent slopes	64.5	33.1%
43B	Salmon very fine sandy loam, 3 to 8 percent slopes	10.8	5.6%
43C	Salmon very fine sandy loam, 8 to 15 percent slopes	1.0	0.5%
43D	Salmon very fine sandy loam, 15 to 25 percent slopes	1.8	0.9%
43E	Salmon very fine sandy loam, 25 to 50 percent slopes	4.3	2.2%
44B	Lamoine silt loam, 3 to 8 percent slopes	12.9	6.6%
<b>Totals for Area of Interest</b>		<b>195.0</b>	<b>100.0%</b>









June 2018 Google Earth aerial photo, showing that the old railroad bed, where the trail will be located, is actively used by the farm owners as a farm road, providing access to the cropland.



**Subject Photos**



View into Lylehaven Lane, subject has yellow buildings



View into farmstead, taken April 25, 2019



130 Lylehaven Lane, on the north side of the road



West gable end





Garage behind 130 Lylehaven



Small storage shed next to the house





Interior photo, showing eat-in kitchen



Living room



Two-family ranch home



Front entrance to the tie-stall show barn





Hall to offices, utility room, and beyond, into the tie stall barn



Herd manager room, lab room, with window into the tie stall area



Interior showing tie stall milking area



Tee off the back of the tie stall area, with large box stalls for high-value cows





View of the north side of the dairy barn, showing silos, and feed wing



Rear, or west end of the dairy barn with feed wing and gutter cleaner shed



Hay storage addition at the rear of the show barn



Feed mixing shed attached to the show barn





Sawdust shed



Freestall dairy barn behind the original show barn



View westerly showing feed bunks in the freestall barn



Interior of the freestall barn





Interior of freestall barn



Recently expanded manure pit behind the barns



Graduated heifer freestall barn



Interior of freestall heifer barn





Farm office (on left), equipment storage barn and machinery repair shop



Farm business office in east end of the shop/machinery storage barn



Meeting room on second floor above farm office





Interior of farm equipment storage barn



Smaller machinery storage area at west end of the machinery storage barn



Another view of machinery storage facility



View westerly down the rail trail that provides access to the fields





View northeasterly down Fassett Road, the industrial park road, subject on left but without road frontage.



View from industrial park road used by snowmobilers to access subject fields



View of fields at the south end of the farm



**Client(s) and Intended User(s)**

The client is the Vermont Housing and Conservation Board. Additional intended users include the Vermont Land Trust, Inc. (VLT), the landowners, and their bank lenders. Potential lenders include the Vermont Agricultural Credit Corporation of the VT Economic Development Authority (VEDA-VACC), Yankee Farm Credit, ACA and the USDA Farm Service Agency (FSA). The report is sent to the following recipients:

Ethan Parke  
Vermont Housing and Conservation Board  
58 East State Street  
Montpelier, Vermont 05602

Richard Hall  
Fairmont Dairy, LLC  
95 Lyle Young Road,  
East Montpelier, W 05651

Brit Haselton  
Vermont Land Trust  
P.O. Box 850  
Richmond, Vermont 05477

The intended use is for the landowners, the Cross Vermont Trail Association Inc, and the Vermont Housing and Conservation Board to negotiate a possible sale of a public trail easement.

**Purpose and Date of Appraisal**

The purpose of the appraisal is to provide an opinion of the market value of the subject property Before and After establishment of the proposed public access trail. The opinions of market value are rendered as of the date of physical inspection, April 25, 2019. The report was completed on May 3, 2019.

**Property Identification**

The subject of this appraisal is the Fairmont Dairy, LLC farm that is located on Lyle Haven Road in the Town of East Montpelier, Washington County, Vermont. It is identified as a portion of East Montpelier parcel 09-037.000. Total land area to be appraised is 196 acres.

**Scope of the Assignment**

Larson Appraisal Company has been retained to provide an opinion of the market value of a portion of the real property pertaining to Fairmont Dairy, LLC that is located on Lyle Haven Road in the Town of East Montpelier, Washington County, Vermont. The property is under consideration for a Conservation Easement to be held by the Vermont Land Trust and others. The easement will encumber a 196-acre portion of the farm. This appraisal will address the physical, economic, governmental and marketing considerations affecting the value of the subject real property, and will include both the before

restriction and after restriction values. The difference between these values is the loss in value to the subject property due to this easement.

Regional, county, town and neighborhood data is based on information provided by the Town Clerk's offices of East Montpelier, on a physical inspection of the area, and the appraiser's experience in this region. Brit Haselton of the Vermont Land Trust provided maps and other subject property data. Richard Larson completed a full interior/exterior inspection of the subject property on April 25, 2019, the effective date of the report.

The highest and best use of the subject property is determined by an analysis of the subject property, local and state land use regulations as they affect the subject property, and the market for properties similar to the subject. A diligent study was made of farm and farmland sales in Vermont. The appraiser inspected the comparable sales utilized in this report and verified the sale data. The final opinion of value is based on the Sales Comparison Approach. The purpose of the appraisal is to provide an opinion of the unrestricted and restricted market values of the subject.

### **Definition of Market Value**

The following **definition of market value** is taken from the NRCS appraisal standards:

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure to the open market
4. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal considerations for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

In rendering an opinion of market value, the appraiser has considered various marketplace factors affecting the value of real property. Among several criteria, I have considered typical financing patterns, zoning, development capacity, neighborhood characteristics and influences, availability and sufficiency of municipal utilities and services, and condition and functional utility of improvements. I have also considered the overall marketability of the property. Each of these criteria has been carefully considered and, when viewed as a whole, provide for the formulation of intelligent, considered, and informed value conclusions, within the context of the definition of market value presented above.

### **Property Rights and/or Interest Appraised**

The **Before Value** is made with the understanding that the present ownership of the subject property does not include all of the rights that may be lawfully owned and is, therefore, not title in “fee simple,” due to utility easements and the proposed conservation easement that includes an Option to Purchase at Agricultural Value. “Fee Simple Estate” is defined by The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago, Appraisal Institute, 2010) as “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” The property is not appraised under fee simple ownership in any scenario.

The **After Value** is made under the hypothetical condition that the proposed Public Access Trail has been established.

### **Statement of Assumptions, Hypothetical Conditions and Limiting Conditions**

The opinions of market value reported herein are made on the assumption that the property is encumbered with a conservation easement and option to purchase at agricultural market value any time it is offered for sale to a non-farmer or non-family member.

The After Trail Easement Market Value is made under the hypothetical condition that the public trail easement has been established and recorded in the public records, substantially similar to the draft copy supplied to the appraiser by the client.

I also appraise based on the extraordinary assumption that the VLT acreage is accurate.

The reader is referred to the Statement of Limiting Conditions at the end of this report.

### **General Market Conditions, Trends, Marketing and Exposure Time**

Marketing time is the amount of time it might take to sell a real or personal property interest at the concluded market value during the time immediately after the effective date of the appraisal. Exposure time is the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal.

A typical or reasonable exposure time for residential properties in Vermont is six to nine months, sometimes longer for large properties. A typical or reasonable exposure time for farms is over twelve months. I estimate an exposure time for the subject of 12 months.

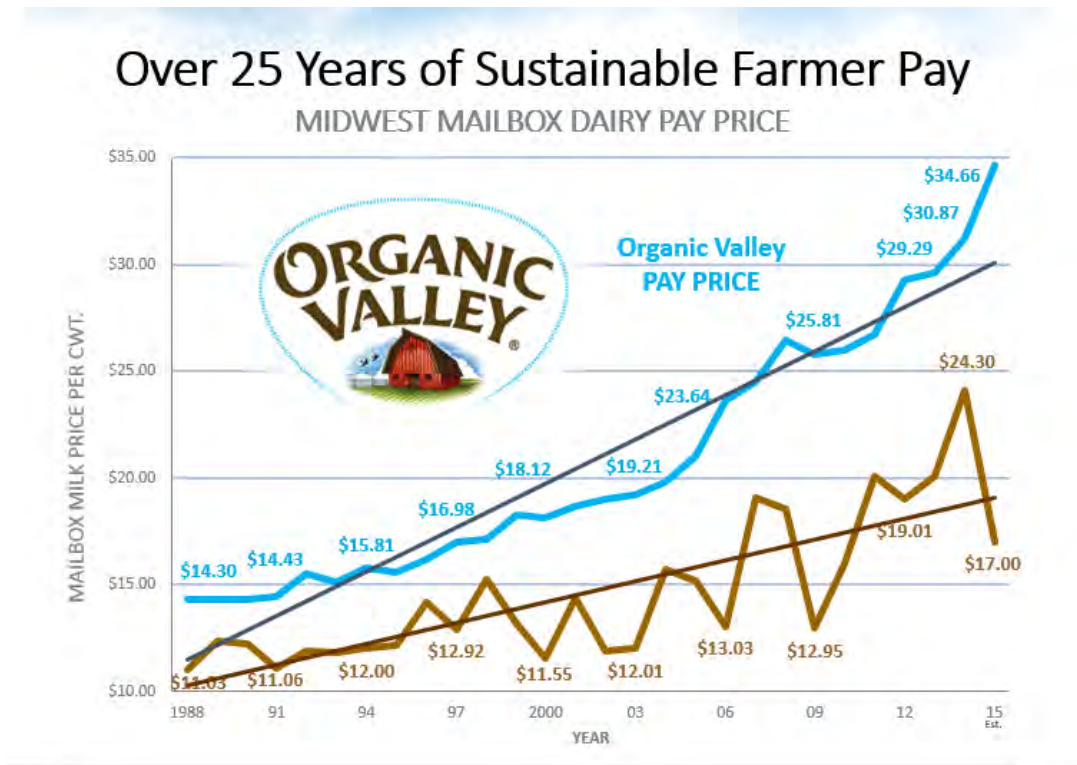
The market for smaller farms with traditional farm buildings has shifted from dairy farmers to second home buyers, alternative agriculture enterprises such as vegetables, beef, llama, sheep, etc., or to lifestyle buyers who have outside income but desire to raise livestock or food for family use and recreation. Often, the landowner will lease the farmland to an active farmer.



The demand for operating farms has fluctuated with variable milk prices. The sale price of small farms, however, has risen in response to increased demand for residential properties. Milk prices in Vermont, after being stagnant for fifteen years, have been erratic in the past several years, as demonstrated in the following tables:



The following chart, provided by Organic Valley Coop, shows a more consistent milk price for organic milk:



Year:	Vermont Price Received for Milk Sold/CWT
2017	\$18.70
2016	\$17.30
2015	\$18.60
2014	\$25.45
2013	\$21.30
2012	\$19.65
2011	\$21.60
2010	\$17.70
2009	\$13.80
2008	\$19.50
2007	\$20.60
2006	\$13.70
2005	\$16.00
2004	\$16.90
2003	\$13.00
2002	\$12.70
2001	\$15.80
2000	\$13.80
1999	\$15.40
1998	\$16.00

The following information is provided by the USDA/NASS quickstats service:

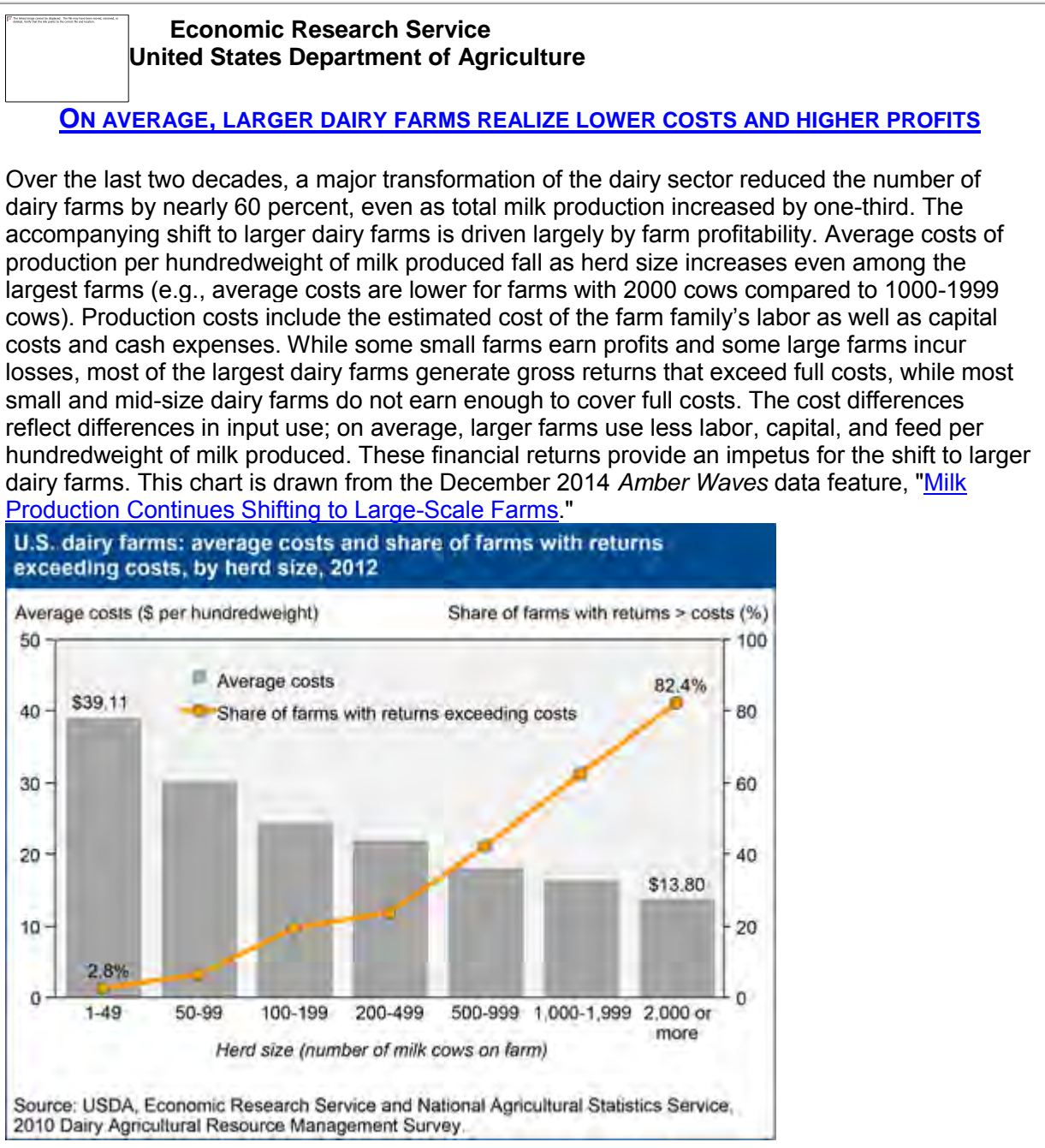
Program	Year	Period	Geo Level	Data Item	Value
SURVEY	2018	JAN	STATE	MILK - PRICE RECEIVED, MEASURED IN \$ / CWT	16.9
SURVEY	2018	FEB	STATE	MILK - PRICE RECEIVED, MEASURED IN \$ / CWT	15.9
SURVEY	2018	MAR	STATE	MILK - PRICE RECEIVED, MEASURED IN \$ / CWT	16.2
SURVEY	2018	APR	STATE	MILK - PRICE RECEIVED, MEASURED IN \$ / CWT	16.7
SURVEY	2018	MAY	STATE	MILK - PRICE RECEIVED, MEASURED IN \$ / CWT	17
SURVEY	2018	JUN	STATE	MILK - PRICE RECEIVED, MEASURED IN \$ / CWT	17.4

Milk production in **Vermont** during September 2017 totaled 219 million pounds, down 0.5 percent from September 2016. The average milk price received by Vermont farmers in August 2017, at \$19.10 per hundredweight, is up \$0.50 from July 2017, and up \$1.40 from August a year ago.

Sharp upward spikes in milk prices in early 1999, late 2001 and in 2004 all collapsed. In 2007, prices spiked again. In 2009, milk prices plummeted again before recovering somewhat in 2010 and remaining fairly steady for 2011 and 2012, then rising in 2013 and 2014, though data from 2015 indicates a sharp decline, which continued for 2016. Feed prices have been increasing, however. While these temporary increases sparked some reinvestment in the industry, it was mostly in existing farm expansion. In 2014-2015, there was strong demand for cropland in response to high grain prices. In northern and northwestern Vermont, the demand for farms is stronger than in other areas of Vermont. One factor driving the demand is the expansion of herd size as farmers attempt to increase farm income in response to declining farm profit margins. Large farms are competing for cropland, both to increase forage production and to dispose of manure in compliance with Large Farm Operation permits.



In the summer of 2017, a glut of organic dairy products nation-wide resulted in a very significant decline in the farm gate price of organic milk. Depending on their market, farmers saw a 20% to 30% decline in the bulk milk price and in many situations, limits on further herd expansion. A simultaneous glut in the conventional milk market, coupled with declining dairy exports, resulted in an oversupply. Farm gate prices remain in the \$16/cwt range, and many of the bulk milk buyers and producer co-ops have placed limits on herd expansion and are not taking on new dairy producers. The St. Albans Co-op instituted a \$6/cwt charge on all milk purchased from new producers for the next year, reducing the effective milk price to \$10/cwt, well below the cost of production.





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As of January 2019, the real estate market in Vermont has shown evidence of continued stabilization and slight appreciation after the downturn of 2007-2009.

The following data is supplied by the Vermont Tax Department:

<u>Property category</u>	<u>Median Sale Price (change '07 to '08)</u>	<u>Mean Sale Price (change '07 to '08)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	-5% (\$199,000)	-1.3% (\$227,564.52)	-23%	4,455
Residential, 6 or more acres	+5.6% (\$264,000)	+10.7% (\$359,853.39)	-27%	942
Vacation, under 6 acres	-2.8% (\$170,000)	+1.4% (\$255,479.92)	-22%	450
Vacation, 6 or more acres	+13.7% (\$165,000)	-11% (\$249,959.35)	-13%	167
Open land	+4.3% (60,000)	+1% (\$122,918.3)	-31%	1,112

<u>Property category</u>	<u>Median Sale Price (change '08 to '09)</u>	<u>Mean Sale Price (change '08 to '09)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	-7% (\$185,000)	-8.2% (\$208,949.97)	-13%	3,873
Residential, 6 or more acres	-22.3% (\$205,000)	-28% (\$256,746.42)	-8%	866
Vacation, under 6 acres	-8.8% (\$155,000)	-21.6% (\$200,664.38)	-14%	385
Vacation, 6 or more acres	-24.2% (\$125,000)	+13.9% (\$284,713.70)	-12%	147
Open land	-25% (45,000.00)	-13.4% (\$106,478.35)	-35%	726

<u>Property category</u>	<u>Median Sale Price (change '09 to '10)</u>	<u>Mean Sale Price (change '09 to '10)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	+1% (\$187,000)	+3% (\$209,507)	+14.9%	4,449
Residential, 6 or more acres	+4.9% (\$215,000)	+6% (\$272,082)	+22.4%	1,060
Vacation, under 6 acres	+10% (\$170,500)	+6.8% (\$214,359)	+29%	497
Vacation, 6 or more acres	+8% (\$126,500)	-26.9% (\$208,232)	+36%	200
Open Land	+5.6% (\$47,500)	+5.5% (\$112,336)	+15.6%	839

<u>Property category</u>	<u>Median Sale Price (change '10 to '11)</u>	<u>Mean Sale Price (change '10 to '11)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	-1% (\$185,000)	-0.5% (\$208,347)	+6%	4,727
Residential, 6 or more acres	+1% (\$217,670)	+6% (\$288,056)	+12%	1,188
Vacation, under 6 acres	-6% (\$160,000)	+7% (\$229,056)	-2%	487
Vacation, 6 or more acres	-17% (\$105,000)	+6% (\$221,168)	+3.5%	207
Open Land	+15% (\$55,000)	+6% (\$119,290)	+2%	856

<u>Property category</u>	<u>Median Sale Price (change '11 to '12)</u>	<u>Mean Sale Price (change '11 to '12)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	-3% (\$180,000)	+0.5% (\$209,386)	+22%	5,776
Residential, 6 or more acres	-4% (\$210,000)	-8% (\$266,014)	+24%	1,470
Vacation, under 6 acres	-6% (\$150,000)	-21% (\$181,813)	+26%	616
Vacation, 6 or more acres	+4% (\$109,500)	-21% (\$175,763)	+1%	210
Open Land	-18% (\$45,000)	-5% (\$112,755)	+14%	972

<u>Median Sale Price</u>	<u>Mean Sale Price</u>	<u>Sales</u>	<u># of</u>
Fairmont Conservation Easement Appraisal, East Montpelier, VT			



<u>Property category</u>	<u>(change '12 to '13)</u>	<u>(change '12 to '13)</u>	<u>Volume</u>	<u>Sales</u>
Residential, under 6 acres	+5% (\$189,000)	+5% (\$219,202)	+14%	6,585
Residential, 6 or more acres	0% (\$210,000)	-3% (\$257,391)	+ 16%	1,712
Vacation, under 6 acres	+3% (\$150,500)	+12% (\$204,776)	-6 %	578
Vacation, 6 or more acres	+28% (\$140,000)	+35% (\$237,067)	+4 %	219
Open Land	+11% (\$50,000)	+1% (\$113,901)	+13%	1,096

<u>Property category</u>	<u>Median Sale Price (change '13 to '14)</u>	<u>Mean Sale Price (change '13 to '14)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	-2% (\$185,000)	-3% (\$213,290)	-2%	6,431
Residential, 6 or more acres	+3% (\$216,000)	+5% (\$271,029)	-3%	1,662
Vacation, under 6 acres	-7% (\$140,000)	-6% (\$192,668)	-3 %	563
Vacation, 6 or more acres	-14% (\$120,000)	-21% (\$187,314)	-8 %	202
Open Land	0% (\$46,000)	-3% (\$114,327)	-5%	1,070

<u>Property category</u>	<u>Median Sale Price (change '14 to '15)</u>	<u>Mean Sale Price (change '14 to '15)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	0% (\$185,819)	+1% (\$215,651)	+7%	6,892
Residential, 6 or more acres	+2% (\$220,000)	+3% (\$279,516)	+4%	1,728
Vacation, under 6 acres	0% (\$139,750)	-9% (\$175,417)	-9 %	510
Vacation, 6 or more acres	+8% (\$130,000)	+35% (\$252,293)	-1 %	199
Open Land	+9% (\$50,000)	-3% (\$110,872)	-2%	1,045

<u>Property category</u>	<u>Median Sale Price (change '15 to '16)</u>	<u>Mean Sale Price (change '15 to '16)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	2% (\$189,900)	+2% (\$219,377)	-9%	6,248
Residential, 6 or more acres	0% (\$220,000)	+1% (\$282,572)	-9%	1,579
Vacation, under 6 acres	4% (\$135,000)	-10% (\$158,264)	-24 %	389
Vacation, 6 or more acres	-27% (\$95,000)	-30% (\$177,722)	-8 %	183
Open Land	+0% (\$50,000)	+19% (\$131,729)	-10%	941

<u>Property category</u>	<u>Median Sale Price (change '16 to '17)</u>	<u>Mean Sale Price (change '16 to '17)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	0 (\$190,000)	+1% (\$221,802)	27%	7,942
Residential, 6 or more acres	7% (\$235,000)	+8% (\$304,257)	28%	2,024
Vacation, under 6 acres	7% (\$145,000)	16% (\$183,620)	42 %	553
Vacation, 6 or more acres	-5% (\$90,000)	-9% (\$161,212)	43 %	261
Miscellaneous/Open Land	+0% (\$50,000)	-8% (\$120,713)	25%	1,179

<u>Property category</u>	<u>Median Sale Price (change '17 to '18)</u>	<u>Mean Sale Price (change '17 to '18)</u>	<u>Sales Volume</u>	<u># of Sales</u>
Residential, under 6 acres	0 (\$190,000)	+1% (\$224,229)	5%	8,378
Residential, 6 or more acres	2% (\$239,450)	-1% (\$300,518)	16%	2,348
Vacation, under 6 acres	-7% (\$135,000)	-11% (\$163,105)	-12 %	489
Vacation, 6 or more acres	19% (\$107,000)	15% (\$185,637)	5%	275
Miscellaneous/Open Land	+0% (\$50,000)	-3% (\$117,484)	12%	1,320

**Washington County Market Conditions**

Data for Washington County indicates a moderate decline in the regional real estate prices after a small increase following the fall in 2009.

In 2006, the median sales price of 594 valid sales of primary single-family residences on less than 6 acres in Washington County rose 10% to \$175,000.

In 2007, the median sales price of 611 valid sales of primary single-family residences on less than 6 acres in Washington County rose 1.4% to \$177,500.

For 2008, data indicates that the median sales price for 423 valid sales of single-family residences on less than six acres rose 1.4% to \$180,000.

For 2009, there were 384 valid sales of single-family residences on less than 6 acres, with a median sale price of \$160,900 (a 13.6% decline) and an average sale price of \$ 179,419.

For 2010, data for sales shows that there were 404 valid sales of single-family residences on less than 6 acres, with a median sale price of \$168,000, a 4.4% increase. The average sale price was \$176,476.

In 2011 there were 452 valid sales of single-family residences on less than 6 acres, with a median sales price of \$174,500, a 4% increase. The average sales price was \$205,000.

In 2012, there were 536 valid sales of single-family residences on less than 6 acres, with a median sale price of \$170,000, a 2.5% decrease, and an average sale price of \$188,832.

In 2013, there were 606 valid sales of single-family residences on less than 6 acres, with a median sale price of \$172,700, a 1.6% increase, and an average sale price of \$189,031.

In 2014 there were 559 valid residential sales on less than 6 acres with a median sale price of \$165,000 and an average sale price of \$180,642.

For 2015, the state reported 593 valid sales on less than 6 acres with a median sale price of \$173,500 and an average sale price of \$190,477.

For 2016, the state reported 518 valid residential sales on less than 6 acres, with a median sale price of \$169,950 and an average sale price of the \$188,121.

In 2017, the state reported 667 valid residential sales on less than 6 acres, with a median sale price of \$184,000 and an average sale price of \$196,543.

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number PTR valid sales	384	404	452	536	606	559	593	518	667	680
Median sale price	\$160,900	\$168,000	\$174,500	\$170,000	\$172,700	\$165,000	\$173,500	\$169,950	\$184,000	\$175,200
% change/year	-10.6%	+4.4%	+4%	-2.6%	+1.6%	-4.5%	+5%	-2%	8%	-5%



The Northern New England Real Estate Information Network, Inc., the regional multiple listing service that is most active in Washington County, reports the following data:

	2006	2007	2008	2009	2010
Number of MLS residential sales	447	405	352	337	314
Average sale price	\$223,353	\$236,708	\$245,658	\$205,831	\$210,657
% change/year		+2%	+3.7%	-16%	+2%
Avg. days on market	101	111	140	132	163

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of MLS residential sales	352	337	314	325	369	434	467	660	631	579	532
Average sale price	\$245,658	\$205,831	\$210,657	\$227,030	\$220,642	\$233,096	\$218,057	\$232,367	\$224,695	\$243,950	\$249,960
% change/year	+3.7%	-16%	+2%	+7.8%	-2.8 %	+5.6%	-6.5%	+6.9%	+3%	+8.6%	+%
Avg. days on market	140	132	163	172	178	154	159	151	156	132	109

The strongest showing in real estate sales in Washington County is driven primarily by demand for real estate in the western portion of the county near the mountain resort areas, especially in the towns of Warren and Waitsfield, although there is also demand from commuters to Montpelier and Barre.

### **Washington County**

Washington County is located in the north-central portion of the state of Vermont, and supports an estimated population of 59,534 (2010 census). The county is bordered by Addison and Orange Counties to the south, Chittenden County to the west, Lamoille County to the north and Caledonia County to the east. Almost half of the population resides in Barre and Montpelier.

Washington County has experienced slow population growth in the past decade, increasing 2.6%, which is in line with the state as a whole. There are estimated to be 25,027 occupied housing units in the county as of the 2010 census.

The major sources of employment are found in the towns along the Interstate-89 corridor. In addition, the vacation areas near Sugarbush and Mad River ski resorts provide additional employment in the service industries. The unemployment rate for Washington County was 2.1% as of December 2019, slightly below the statewide average of 2.3% for the same period.

Major transportation route in Washington County is Interstate-89 that connects the region with Burlington to the northwest and White River Junction to the south. In addition, several state highways transverse the county. Most significant is Vermont Route 100, a well-known tourist route that transverses the state north to south through the center of the state along the Green Mountains.

Overall Washington County is a stable county, typical to the other counties of Vermont, with the added economic strength of the tourist trade. There are no projected economic problems within the county that will affect the subject property.

### **Neighborhood Description**

The subject property is located in the southeastern portion of East Montpelier, very near the intersection of US Route 2 and VT Route 14. It is about 5 miles from downtown Montpelier, the state capital, and has good access to Interstate 89. The subject neighborhood is generally a mixed use neighborhood, with a mix of single-family residential parcels and commercial parcels. Homes in the area are older farmhouse colonials with newer ranch, cape and contemporary residences. The condition of homes is generally good. The commercial uses include warehouse, bank branches, professional offices.

Overall the neighborhood is an attractive rural residential and farming community.

### **Subject Property Description**

The subject is a 196-acre operating dairy farm. It includes two residences, one of which is a 2-family, and an extensive high quality dairy complex built 30 or so years ago by an investor to breed high quality Holstein dairy cattle. It includes a high quality tiestall dairy barn with a number of large box stalls, upright Harvestore silos, feed room, a sawdust shed, and a large machinery storage shed with farm office and meeting room. Newer barns include a large freestall barn behind the original tie barn, a newer freestall young heifer barn, and a large manure pit.

The farmstead is located at the end of Lylehaven Lane, a short dead end town road. The amount of road frontage is unclear, but estimated to be 600+/- feet. Electrical and phone service extends to the two residences, the dairy barn and the farm office. The farm has a private on-site well water system that feeds the barns and residences. The barn restrooms and residences use private on-site septic systems that are reportedly operable.

Behind the barns is a newly expanded 3-million gallon liquid manure pit. Manure from the freestall barn and barn yard is scraped into the pit.

The subject farm has very little road frontage. Access to the farmstead is via Lylehaven Lane. Best access to the cropland is via Old Railroad Lane or over the 6-acre exclusion along VT Route 14 that has 358.35 feet of frontage that is at grade. Old Railroad Lane, a former railroad line serves 5 or 6 small single-family residential lots and then turns into a non-maintained gravel road that is used by the subject farm for equipment and truck access. Old Railroad Lane is a private road, and according to the Town Administrator, Bruce Johnson, a lawsuit was brought by one of the lot owners along the road to limit use of the road. Mr. Johnson reported that the current use by the existing residences and by the subject farm is probably fine, but raised a question about if the road could be upgraded to provide access to the subject farmland for commercial or residential development. It is simply an unknown, he reported.

The farmstead encompasses about 14 acres, is generally level to gently sloping, and consists mostly of Adams loamy sand with 3-8% slope. This soil type is rated as generally well suited for on-site septic systems. Behind the farmstead, and including the area where the manure pit is located, consists of Lamoine silt loam, 3-8% slope. It is rated as marginally suited for on-site septic with possible seasonally high water table.

A branching small stream with small tributaries separates the northern farmstead complex from the bulk of the tillage. This area consists of Buxton silt loam with slopes of 25-45%.



The 196-acre subject parcel includes 99 acres of tillable cropland, most of it in one large irregular shaped parcel south of the farmstead, separated from the farmstead by the stream. The large cropland area consists mostly of Adam loamy sand with 0-8% slopes, rated as well suited for on-site septic. Other cropland soils include Lamoine silt loam, 3-8% slopes and Salmon very fine sandy loam, 3-8% slopes that is rated as well suited for on-site septic. The weighted relative agricultural value of the cropland is 67%.

Finally, the farm includes 55 acres of woods and another 28 acres of scrubby former pasture.

**Irrigation, Crop Base and/or Allotments:** Crop base, allotments and irrigation water rights are generally not part of agriculture in the northeast and generally do not apply. The farm operator does not irrigate. Water rights and water permitting are not generally a scarce resource in this part of the country. They are not specifically addressed in the appraisal.

**Timber:** FRPP regulations state that *the value of any marketable standing timber that could be economically harvested will be considered by a timber cruise and included in any valuations.* There is not a significant amount of marketable saw timber on the subject parcel.

### **Improvements**

**#105 Lylehaven Road:** The first house is on the south side of Lylehaven Road. It is a ranch style dwelling with about 80% finished basement. The house has wood siding, composite shingles, and oil fired hot water baseboard heat. There is an attached 672sf 2-car garage. The house is 43 years old and provides a total of 1,792sf of gross living area. The house includes a small apartment occupied by a farm employee. Rooms in the primary larger unit include a large living room with narrow hardwood flooring and a small coal stove. The eat-in kitchen is 'modern', dated but very nice with electric stove, built in dishwasher, built in oven, and adequate wood cabinets. There are two carpeted bedrooms and one large carpeted master bedroom with a private bath, and a full bathroom. In the finished basement there are two bedrooms, a family rec room, and a full bathroom. Overall, this primary unit is of good quality and in good condition. I was not able to inspect the interior of the small apartment. According to the landowner, the apartment was recently renovated. It is reported to include a small eat-in kitchen, a living area, one bedroom and a full bathroom.

**#130 Lylehaven Road:** The second home is on the north side of Lylehaven Road, closer to the dairy barns. It is a 100+ year old two story home that has been extensively upgraded and remodeled and is in very good condition. The residence has a concrete foundation with full dry basement with cement floor. Heat is from an oil fired hot air furnace. The exterior siding is painted wood clapboards. The roofing is pre-formed metal. There is a formal front door with small covered stoop, and a side door into an enclosed year round porch. Rooms on the first floor include an open kitchen/dining/living area, a full bathroom, a large laundry room, and a small family room. The kitchen has good cabinets, double stainless steel sink, electric range, built in dish washer and a breakfast island. Upstairs there are four carpeted bedrooms and a full bath. The home provides 1,750s of gross living area.

Behind 130 Lylehaven is a detached 2-car garage in average condition. Just west of the house is a small older 1-car garage/shed in fair to average condition.

The dairy complex is extensive. The first building is the dairy show barn with feed wing that provides 20,396sf of gross building area, including the box stall wing and the feed shed wing. The front 936sf section includes an office, the milk room, utility area, half bathroom, and a herdsman office/lab. Behind it is the tie stall area with 54 large tie stalls with pipeline milking system and gutter cleaner and gutter grates, and painted metal ceiling. In the wing behind the tie stalls is a series of 16 large box stalls, also on pipeline, with painted metal ceiling. The interior is in good condition. Attached on the north is a large feed handling wing with cement floor and arched trussed roof used to store hay. Along the north side of this wing is the feed area with belt conveyor that moves feed from the upright silos to a stationary mixer. There are three Harvestore silos and one cement stave silo. The Harvestores are reportedly in use to store high moisture shell corn.

Behind the show barn is a 42'x320' pole barn with trussed roof with metal roofing that is used as a freestall dairy barn. It has a typical 3-row freestall floor plan with galvanized pipe stall dividers. Manure is scraped by tractor to the large manure pit behind the barn. There is also a large open concrete barnyard with covered feed bunk. At one time, feed was distributed by overhead conveyor from the feed room, but now is moved by mixer wagon. The barnyard also drains into the pit. The barn is in average quality and to above average condition.

Just north of the freestall barn is a 30'x36' one-bay sawdust storage shed that is in average condition with painted metal siding and roofing. Farm fuel tanks sit under a small shed room along the south side.

Heifers are housed in a newer 6,264sf old graduated bedded pack pole barn with typical headlock feed alley along the southern open side. The front half of the heifer housing area is a concrete feed and scrape alley, and behind it is a bedded pack area. Manure is pushed out one end and hauled to spread.

The final farm building is the very large 4,928sf gross building area machinery storage pole barn that also includes the farm repair shop, the farm business office, and upstairs, a large meeting room. The storage barn is of pole construction with trussed roof. The east end of the building includes the 16'x44' business office with rest room on the first floor and the meeting room upstairs. At the west end of the building is a 1,400sf shorter equipment storage addition with 5 bays used to store smaller equipment and supplies.

Overall, the farm buildings are in above average condition. The farmstead lacks a large bunker silo or other large forage storage, but I note that Fairmont Farm owns other nearby farms that provide adequate forage storage. Several of the upright silos are used for grain storage.

### **Ownership History/Legal Description**

The subject was acquired by the following deed, which is copied in the addendum of this report:

Warranty Deed of Jerome Lyle Rappaport to Fairmont Dairy, LLC, deed dated November 20, 2014 and recorded in Book 129 page 192 of the East Montpelier Land Records.

**Assessment and Taxes**

Town	Parcel ID	Grand List Acres	Land	Buildings	Total Assessment	Current Use Exemption	Grand List	2018 Total Taxes
East Montpelier	09-037.000	208.67*	\$563,100	\$774,300	\$1,337,400	\$645,900	\$6,915	\$15,627.20

\*The above assessment includes land and buildings excluded from this report.



## **Zoning**

The farmstead and northern third of the subject property is located in the “Residential Commercial” zone. The bulk of the open farmland on the southern two thirds of the subject property is in the “Industrial” zone. The following are excerpts from the town zoning regulations:

**TABLE 2.2**  
**INDUSTRIAL DISTRICT [ZONE B]**

**(A) Purpose.** The purpose of the Industrial District is to encourage a variety of industrial, manufacturing and appropriate commercial uses at moderate densities and in a compact settlement pattern in locations that historically have been used as such, and which are served by good highway access.

**(B) Permitted Uses**

1. Accessory Dwelling [see Section 4.2]
  2. Accessory Structure/Use (to a permitted use)
  3. Agriculture
  4. Forestry
  5. Home Child Care [see Section 4.10]\*
  6. Home Occupation [see Section 4.10]\*
  7. Home Industry [see Section 4.10]
  8. Light Industry
  9. Manufacturing
  10. Professional/Business Office
  11. Retail Sales
  12. Self Storage Facility
  13. Warehouse Storage
  14. Wholesale Business
  15. Motor Vehicles Sales & Service
- \* Within an existing single-family dwelling

**(C) Conditional Uses**

1. Accessory Structure/Use (to a conditional use)
2. Contractor's Yard
3. Day Care Center
4. Dwelling, Single-Family
5. Adaptive Re-use [see Section 4.3]
6. Extraction of Resources [see Sections 4.6 and 4.7]
7. Group Home [see Section 4.9]
8. Mixed Use [see Section 4.11]
9. Public Facility [see Section 4.13]
10. Recreation Facility (Indoor)
11. Recreation Facility (Outdoor)
12. Sanitary Landfill
13. Transfer Station
14. Telecommunications Facility [see Section 4.14]
15. Transit Shelter
16. Any other use the Development Review Board determines to be similar in scale, intensity and potential impact as other uses allowed as permitted or conditional uses in this district.

**(D) Dimensional Standards**

<i>Dimensional Standards (unless otherwise specified for a particular use)</i>	
Minimum Lot Size	1 acre
Minimum Frontage	150 feet
Minimum Setback/Front [see also Section 2.3 (E)]	50 feet
Minimum Setback/Side	25 feet
Minimum Setback/Rear	25 feet
Maximum Height	35 feet

**(E) Supplemental District Standards**

- (1) A single family dwelling in existence as of the effective date of these regulations may be altered or enlarged in accordance with the dimensional standards set forth in Subsection (D) with the approval of the Zoning Administrator under Section 7.1. Such alteration or enlargement shall not require conditional use approval under Section 5.5.
- (2) All permitted uses, excluding single-family and two-family dwellings, accessory uses/structures to single family dwellings (e.g., home occupations, accessory dwellings, home child care), forestry, and agriculture, must receive site plan approval by the Development Review Board in accordance with Section 5.4.
- (3) All uses must comply with the requirements of Article 3: General Regulations and Article 4: Specific Use Standards, as applicable.
- (4) Planned Unit Developments are allowed in the Industrial District in accordance with Section 5.6.
- (5) No land or structure in any zoning district shall be used or occupied in any manner that creates dangerous, injurious, noxious or otherwise objectionable conditions which adversely affect the reasonable use of adjoining or nearby properties. In accordance with the Act [§§4414(5), 4413(d)], the following performance standards, as measured at the property line, must be met and maintained for uses in the Industrial District except for agriculture and forestry. In determining ongoing compliance, the burden of proof shall fall on the applicant, property owner, and/or all successors and assigns. No use, under normal conditions, shall cause, create or result in:
  - (a) **Noise** in excess of eighty (80) decibels that is not the result of occasional, customary activities associated with an allowed use (e.g., lawn mowing); or noise that otherwise represents a significant increase in noise levels in the vicinity of the use so as to be incompatible with the surrounding area;
  - (b) **Clearly apparent vibration** which, when transmitted through the ground, is discernable at property lines without the aid of instruments;
  - (c) **Smoke, dust, noxious gases, or other forms of air pollution** which constitute a nuisance or threat to neighboring landowners, businesses or residents; which endanger or adversely affect public health, safety or welfare; which cause damage to property or vegetation; or which are offensive and uncharacteristic of the affected area;
  - (d) **Releases of heat, cold, moisture, mist, fog or condensation** which are detrimental to neighboring properties and uses, or the public health, safety, and welfare;
  - (e) **Electromagnetic disturbances or electronic transmissions or signals** which will repeatedly and substantially interfere with the reception of radio, television, or other electronic signals, or which are otherwise detrimental to public health, safety and welfare (except from facilities which are specifically licensed and regulated through the Federal Communications Commission);
  - (f) **Glare, lumen, light or reflection** which constitutes a nuisance to other property owners or tenants, which impairs the vision of motor vehicle operators, or which is otherwise detrimental to public health safety and welfare;
  - (g) **Liquid or solid waste or refuse** which cannot be disposed of by available methods without undue burden to municipal or public disposal facilities, which pollutes surface or groundwaters, or which is otherwise detrimental to public health, safety and welfare; or
  - (h) **Undue fire, safety, explosive, radioactive emission or other hazard** which endangers the public, public facilities, or neighboring properties, or which results in a significantly increased burden on municipal facilities and services.

**TABLE 2.3**  
**RESIDENTIAL-COMMERCIAL DISTRICT [ZONE C]**

**(A) Purpose.** The purpose of the Residential-Commercial District is to promote compact residential development, and commercial uses compatible with the scale and character of residential neighborhoods, within and surrounding traditional village centers.

**(B) Permitted Uses**

1. Accessory Dwelling [see Section 4.2]
2. Accessory Structure/Use (to a permitted use)
3. Agriculture
4. Bank/Financial Institution
5. Bed & Breakfast
6. Boarding House
7. Community Center
8. Dwelling, Single-family
9. Dwelling, Two-family
10. Forestry
11. Funeral Home
12. Group Home [see Section 4.9]
13. Home Child Care [see Section 4.10]
14. Home Occupation [see Section 4.10]
15. Home Industry [see Section 4.10]
16. Medical Clinic
17. Motor Vehicles Sales & Service
18. Personal Service
19. Place of Worship
20. Professional/Business Office
21. Recreation Facility (Indoor)
22. Recreation Facility (Outdoor)
23. Restaurant (without drive-through)
24. Retail Sales
25. Veterinary Clinic

**(C) Conditional Uses**

1. Accessory Structure/Use (to a conditional use)
2. Cultural Facility
3. Day Care Center
4. Dwelling, Multi-family [see Subsection (E)]
5. Adaptive Re-use [see Section 4.3]
6. Extraction of Resources [see Sections 4.6 and 4.7]
7. Gas Station [see Section 4.8]
8. Home Industry [see Section 4.10]
9. Public Facility [see Section 4.13]
10. Mixed Use [see Section 4.11]
11. Residential Care Facility
12. Restaurant (with drive-through)
13. School
14. Telecommunications Facility [see Section 4.14]
15. Transit Shelter
16. Any other use the Development Review Board determines to be similar in scale, intensity and potential impact as other uses allowed as permitted or conditional uses in this district.

**(D) Dimensional Standards**

<i>Dimensional Standards (unless otherwise specified for a particular use)</i>	
Minimum Lot Size	1 acre
Minimum Frontage	150 feet
Minimum Setback/Front [see also Section 2.3 (E)]	50 feet
Minimum Setback/Side	25 feet
Minimum Setback/Rear	25 feet
Maximum Height	35 feet

**(E) Supplemental District Standards**

- (1) All permitted uses, excluding single-family and two-family dwellings, accessory uses/structures to single family dwellings (e.g., home occupations, accessory dwellings, home child care), forestry and agriculture, must receive site plan approval by the Development Review Board in accordance with Section 5.4.
- (2) All uses must comply with the requirements of Article 3: General Regulations and Article 4: Specific Use Standards, as applicable.
- (3) Planned Residential Developments (PRDs) and Planned Unit Developments (PUDs) are allowed in the Residential - Commercial District in accordance with Section 5.6.

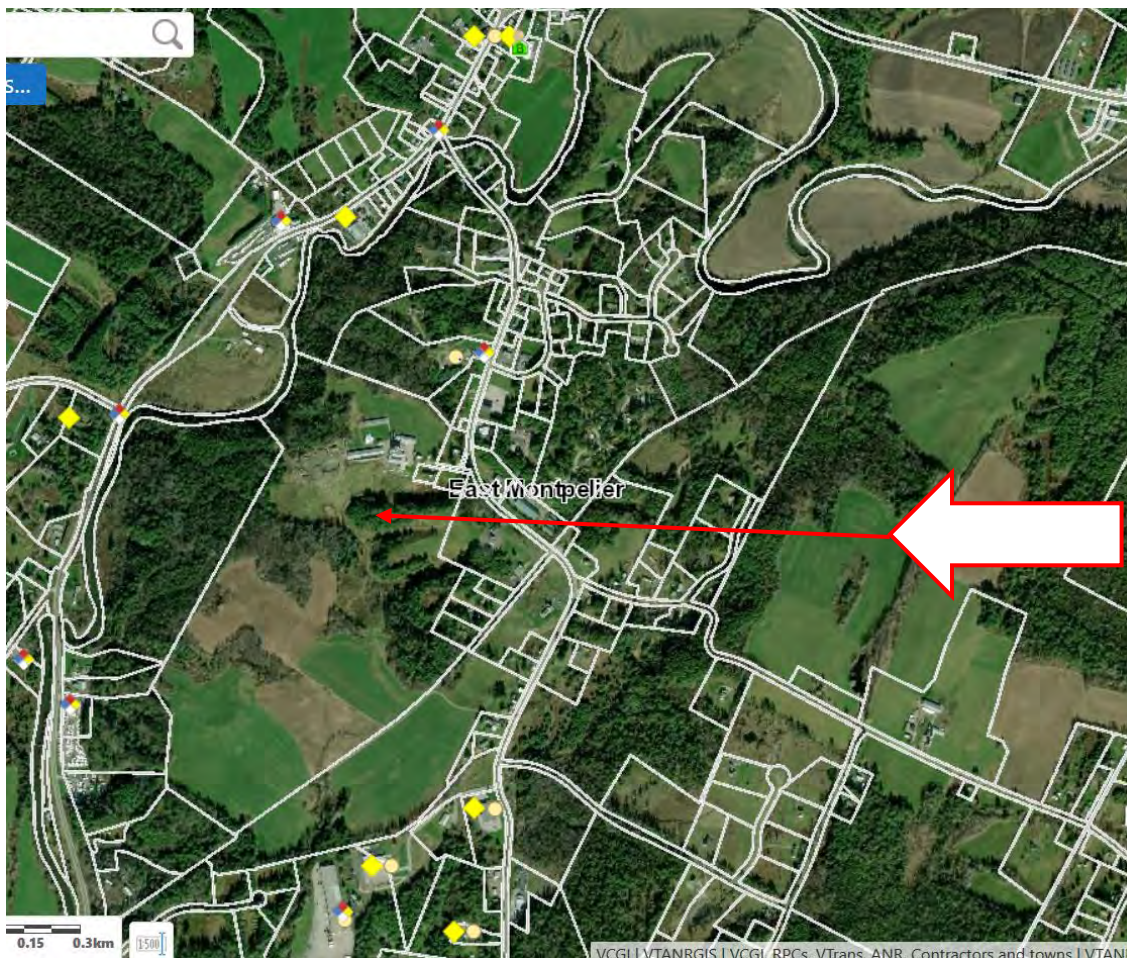
The subject is a legal, conforming use.



## **Hazardous Waste**

No known environmental study has been conducted to determine the presence or extent, if any, of hazardous waste, hazardous material, or environmental contamination on the subject property. The property has been used for agricultural purposes for several years. While there were no obvious visual indications of hazardous waste, chemical spills, or residue on the subject property at the time of inspection, no representation is made of a technical nature pertaining to the presence or absence of hazardous materials. This appraisal report and the value opinions contained herein assume no potential liability resulting from any soil contamination due to the storage of hazardous waste material and/or chemical spills, and/or any residues and/or spills of agricultural chemicals that may have occurred on the subject property over the years. The appraiser is not qualified to detect such materials and urges the client to retain an expert in that field if a determination is desired.

The appraiser checked the Vermont Active Hazardous Sites List, updated to January 2019, published by the Vermont Department of Environmental Conservation. The subject is not listed. An abutting parcel, Alco Energy Products, is listed as having an underground storage tank, and is a hazardous waste generator, but is not listed as a hazardous site. There are several listed in the surrounding area, but none about the subject or would appear to influence it, as evidenced by the following map provided by the site:



## **Summary of the Conservation Easement**

The conservation easement limits uses of the subject property to agriculture, silviculture, education, and non-commercial recreation. Residential uses will be limited to the existing duplex and existing farm labor housing unit, which may be converted to a duplex. The easement holders may, at their sole discretion, permit additional farm labor housing if it is determined to be necessary for the economic viability of the farm. One size-restricted primitive camp is permitted. There will be a Riparian Buffer Zone along several small streams, and a Wetland Protection Zone, in which activities are further restricted. A trail easement to the Cross Vermont Trail Association (CVTA) may be granted. The sale of earth products is prohibited. Any timber sales require a forest management plan. USDA/NRCS soil conservation standards will apply to the farm after easement. An Option to Purchase at Agricultural Value (OPAV) will be included which will grant the easement holders a permanent deeded option to purchase the subject property at its agricultural value any time that it is offered for sale to a non-family member or a non-farmer.

The easement document also requires an Agricultural Land Easement Plan, to be approved by the NRCS State Conservationist or his or her designee, to promote the long-term viability of the land. If the Protected Property contains grasslands, 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; 2) parcels with contiguous forest that exceeds the greater of 40 acres or 20 percent must have a Forest Management Plan. The NRCS shall have the right to enter upon the Protected Property, with advance notice to the Grantees and Grantor, in order to monitor and enforce compliance with the Agricultural Land Easement Plan.

## **Highest and Best Use**

The Appraisal of Real Estate, 12th Edition, defines highest and best use as:

*The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.*

Generally accepted professional appraisal practice requires that the subject property must be valued under this premise. If the property being appraised is improved with constructed improvements, two highest and best use analyses are required; the highest and best use of the land as though vacant, and the highest and best use of the total property as improved.

The highest and best use analysis is developed by applying the following four tests:

Possible Use - What uses are physically possible considering the site's size, configuration, topography, availability of utilities, etc.

Legal (Permissible) Use - What uses are legally permitted by zoning regulations and not prohibited by deed restrictions or covenants.

Financially Feasible Use - Which uses, being both possible and legally permitted, will produce any net return to the site.

Maximally Productive Highest and Best Use - Among the feasible uses, which use will produce the highest net return.

Both the site and the improved property have a highest and best use; highest and best use of the improved property may differ from that of the site.

The site is valued as though vacant and available to be put to its highest and best use. The value of the improved property is also estimated in terms of its highest and best use taking into consideration what contribution, if any, the improvements are making to the value of the total property. If the value of the site should exceed the value of the improved property, the existing improvements are worthless.

In estimating the highest and best use of the subject property, we have considered the following:

**-Highest and Best Use, After Conservation Easement As if Vacant:**

Physically possible As if Vacant: The parcel has 99 acres of good quality agricultural land, with the 14-acre farmstead and woodland.

Legally permissible As Vacant: The easement will limit residential or non-agricultural development of the 196-acres to be conserved to the farmhouse, one size restricted farm labor housing unit and sole discretion farm labor housing. The latter is a very limited right. One size-limited camp is allowed. An Agricultural Land Easement Plan will be required. The easement will establish buffer areas on either side of larger channeled streams and a small wetland area. Additional restrictions will be placed on 47.4 acres of woodland in the form of an Ecological Protection Zone (EPZ). The easement holders retain an option to purchase at agricultural market value.

Financially feasible As Vacant: The OPAV provision in the conservation easement will restrict the potential buyers to farmers or those who plan to farm. The parcel will be financially feasible to a farmer at a price to justify their purchase for the production of agricultural products. There remains demand for small diversified or alternative agriculture for local marketing, etc., but the pool of buyers is significantly restricted. The most active buyers in this market are generally expanding dairy farmers, though more recent farm sales have been for beef or alternative farm enterprise expansion in the current low dairy margin environment.

**Maximally productive Conclusion of Highest and Best Use, After Easement As Vacant:** The highest and best use of the subject, after easement, is agricultural use, either as dairy support or alternative use such as hemp or vegetable production.

**-Highest and Best Use, After Conservation Easement as Improved:**

Physically possible As Improved: The subject property includes a 2-family residence and a single-family residence, both in good condition, and a large dairy complex that includes a large machinery storage structure, bedded pack graduated graduated heifer barn, a large newer freestall barn, and a very high quality 54-stall tiestall show barn with gutter cleaner and pipeline milking system, feed mixing shed and a sawdust shed, all in generally above average condition.



**Legally permissible As Improved:** The easement will limit residential or non-agricultural development of the 196-acres to be conserved to the farmhouse, one size restricted farm labor housing unit and sole discretion farm labor housing. The latter is a very limited right. One size-limited camp is allowed. An Agricultural Land Easement Plan will be required. The easement will establish buffer areas on either side of larger channeled streams and a small wetland area. Additional restrictions will be placed on 47.4 acres of woodland in the form of an Ecological Protection Zone (EPZ). The easement holders retain an option to purchase at agricultural market value.

**Financially feasible As Improved:** The dwellings are of good quality and in good condition. The dairy facility is in good condition, but has an inefficient tie-stall milking facility.

**Maximally productive Conclusion of Highest and Best Use, After Easement As Improved:** The highest and best use of the subject, after easement, is the current agricultural use as a dairy support facility for heifer raising.

**-Highest and Best Use, After Conservation Easement as Improved, With Public Trail Easement:**

**Physically possible As Improved:** The subject property includes a 2-family residence and a single-family residence, both in good condition, and a large dairy complex that includes a large machinery storage structure, bedded pack graduated graduated heifer barn, a large newer freestall barn, and a very high quality 54-stall tiestall show barn with gutter cleaner and pipeline milking system, feed mixing shed and a sawdust shed, all in generally above average condition.

**Legally permissible As Improved:** The easement will limit residential or non-agricultural development of the 196-acres to be conserved to the farmhouse, one size restricted farm labor housing unit and sole discretion farm labor housing. The latter is a very limited right. One size-limited camp is allowed. An Agricultural Land Easement Plan will be required. The easement will establish buffer areas on either side of larger channeled streams and a small wetland area. Additional restrictions will be placed on 47.4 acres of woodland in the form of an Ecological Protection Zone (EPZ). The easement holders retain an option to purchase at agricultural market value. The subject property is further encumbered by a deeded permanent public access trail that runs through the farmland at the southern end of the farm.

**Financially feasible As Improved:** The dwellings are of good quality and in good condition. The dairy facility is in good condition, but has an inefficient tie-stall milking facility.

**Maximally productive Conclusion of Highest and Best Use, After Easement As Improved:** The highest and best use of the subject, after easement, is the current agricultural use as a dairy support facility for heifer raising.

## **Appraisal Methodology**

The problem of this appraisal is to provide an opinion of the market value of the subject property, as of the date of inspection, April 25, 2019, before and after a restrictive development easement is placed upon the property.

Generally, there are three accepted and commonly utilized approaches to estimating value: the Sales Comparison Approach, Income Approach and Replacement or Cost Approach.

The Sales Comparison Approach is a process of comparing market data, essentially prices paid for comparable or similar properties, which have sold recent to the date of the appraisal. Comparable data is then compared to the subject property, with appropriate adjustments applied, to account for any differences between the comparable sales and the subject property. Differences considered may include adjustments for location, land size and quality, improvement size, age, condition, and quality, zoning, etc.

The Income Approach is based upon reasoning which supposes that one measure of the value of a property is the present worth of the net income it will generate throughout the remainder of its productive life. The Income Approach opinion of value is based on a Gross Rent Multiplier derived from the local market. Due to the lack of financial data on the subject and comparable sales, the income approach is not utilized.

The Cost Approach, premised upon the principal of substitution, presumes that a reasonable purchaser would not pay more than the cost to produce a substitute property offering the same utility as the subject property. Therefore, the Replacement or Cost Approach assumes that the costs to construct the improvements, less depreciation from all factors, when added to the land value, usually indicate maximum property value. The Cost Approach is not utilized in the appraisal of vacant land, and is less reliable when the improvements are older.

**Opinion of Market Value, After Establishment of the Conservation Easement:****Cost Approach, After Easement**

The contributory value of the land is derived from analysis of vacant land sales in the market area, and by analysis of the sales prices of farms, allocating the sales price to the land and buildings, and determining the contributory value of the land. The following conserved land sales are used to substantiate the contributory value of the land on the subject:

Town	Road	Seller	Buyer	Date	Price	Acres	Price/acre	% tillable	Dwelling rights	Comments
Thetford	Route 5	Alschuler	Vaughn	12/12	\$145,000	60	\$2,417	58%	0	high quality cropland
New Haven	Plank Rd	Choinniere	Heffernan	3/5/13	\$450,000	221.3	\$2,033		1+15 acre exclusion	Good cropland, exclusion
Addison	Route 17	Devries	Dubois	5/14	\$1,178,815	428.66	\$2,750	88%	0	Clay, 63% RAV
Berkshire	Berkshire CTR Rd	Couture	St. Pierre	10/14	\$125,000	105	\$1,190		0	5-acre exclusion, barn
E. Montpelier	Center Rd	Ormsbee	Fairmont	2/15	\$130,000	171.5	\$758	24%	sole discretion FLH	
Pomfret	Pomfret Road	Chase	Thistle Hill	1/15	\$33,000	21.8	\$1,514	100%	0	Sloping hayland
Swanton	Champlain St	Case	Machia	2/15	\$350,000	115.8	\$3,022	99%	Unbuildable exclusion	Stony loam, RAV 75%
Charlotte	Hinesburg Rd	Bidinger	Twin Oaks	4/15	\$109,500	74.6	\$1,468	60%	sole discretion FLH	
Jericho	Route 117	Lacy	Fasching	5/15	\$150,000	80	\$1,875	59%	0	
Bradford	US Highway 5		Gladstone	5/15	\$350,000	110	\$3,182	100%	0	OPAV farmland on River
Dummerston	Miller Rd	High Meadows	Crowley	6/15	\$200,000	151.69	\$1,318	20%	1 + sole discretion flh	
Benson	Route 22A, Mill Pnd	Tyler	Lucas	8/15	\$345,000	418	\$825	50%	0	Clay loams on busy highway
Bridport and Cornwall	West Street	West St Properties	Cesario	8/16	\$90,000	90.65	\$993	52%	1 sole discretion FLH	Bridport and Cornwall
Swanton	Middle Rd	Pigeon	Fresn	1/17	\$375,000	146	\$2,568	95%	1 FLH right	Silt loam, RAV 83%

Land allocations on improved sales later in the report range from \$935-\$1,751/acre. The following are my opinions of site value:

Farmstead	14 acres	@\$5,000/acre=	\$ 70,000
Cropland	99 acres	@\$1,750/acre=	\$ 173,250
Woodland/Other	83 acres	@\$300=	\$ 24,900
Total Land Value:	196 acres	@\$1,368/acre	\$ 268,150

**Improvements:**

Building	Size	Condition	Dep. Value	\$/sf
Ranch	1,792 sf	Good	\$ 89,600	(\$50/sf)
2-story	1,750sf	Good	\$ 87,500	(\$50/sf)
			<b>\$177,100</b>	
Show barn, 70-cow	20,396sf	Good	\$ 60,000	(\$3/sf)
Freestall barn	13,440sf	Avg+	\$ 80,000	(\$6/sf)
Sawdust shed	1,080sf	Avg	\$ 3,000	(\$3/sf)
Grad Pack barn	6,264sf	Avg+	\$ 38,000	(\$6/sf)
Equip Barn/office	4,928sf	Good	\$ 40,000	(\$8/sf)
Manure Pit		Good	\$ 20,000	
Subtotal, Farm Improvements			<b>\$ 241,000</b>	
Contributory value of land	196 acres	@\$1,368/acre	<b>\$ 268,150</b>	
Total			<b>\$686,250</b>	

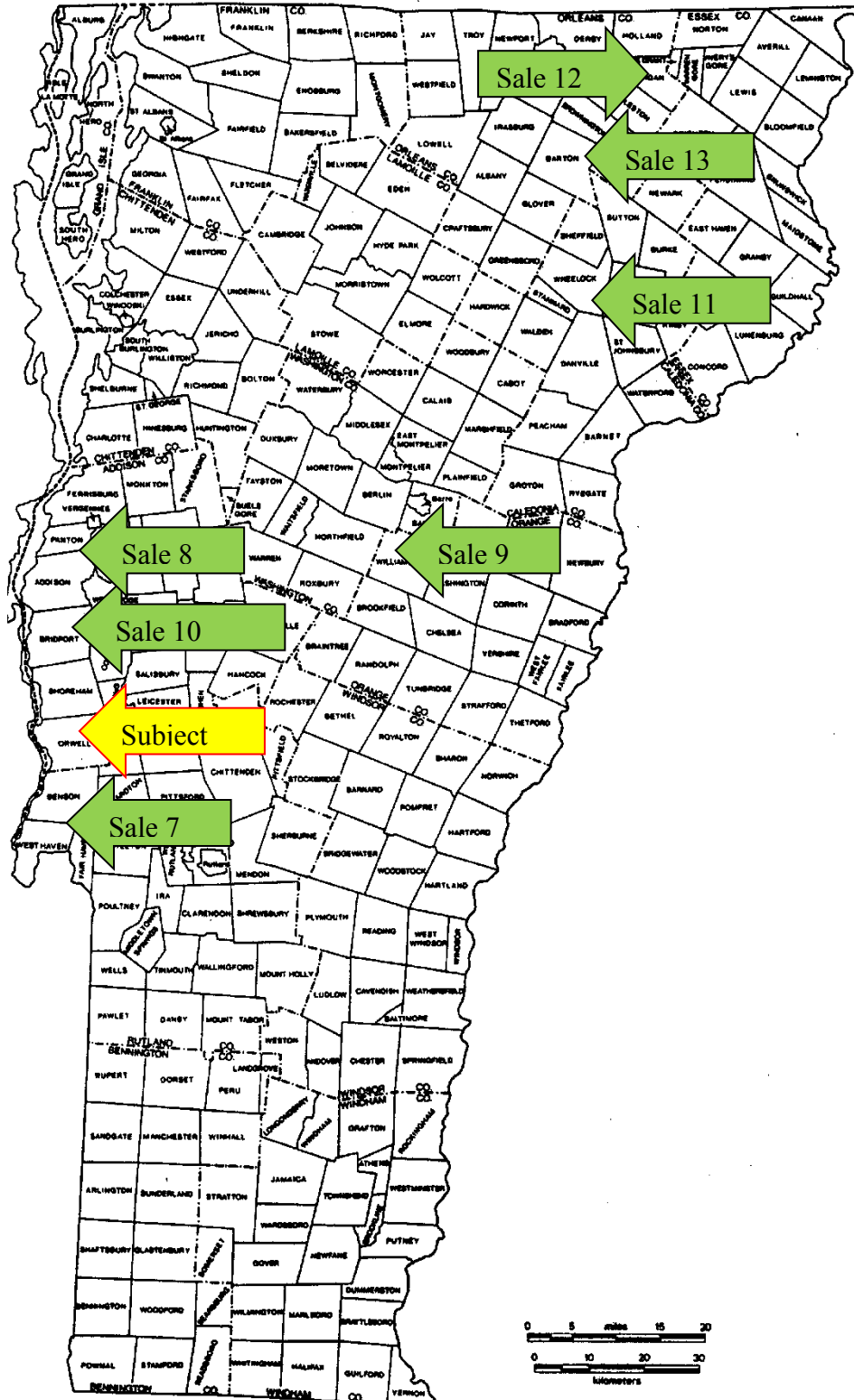


**Opinion of Market Value, After Easement, Cost Approach:**

**Six Hundred Eighty Thousand Dollars**  
**\$680,000**

# Sales Comparison Approach, After Easement with OPAV

The following sales are utilized to provide an opinion of the value of the subject property after the grant of development rights and imposition of a conservation easement:



**Restricted Farm Sales Location Map**

## Restricted Farm Sale #7

**Location:** Route 22A, Benson and West Haven, Rutland County, VT  
**Grantor:** Williams Properties, LLC, Bridgewater, MA  
**Grantee:** Sheldon Farms, Inc  
**Sale Date:** October 15, 2015  
**Sale Price:** \$925,000, less \$100,000 personal property, \$825,000 Real (arm's length transaction)  
**Lot Size:** 398 acres  
**Sale Price/Acre:** \$2,073 /acre  
**Legal Description:** 33/103 in Benson  
**Financing:** Conventional financing  
**Conditions of sale:** Conventional marketing  
**Verification:** Public records, assessor files, broker, buyer, appraiser, inspection  
**Zoning:** None in West Haven  
**Tax Map:** No tax maps in West Haven

**Land Description:** The property includes 231 acres in West Haven and 167 acres in Benson with an estimated combined 13,175 feet of frontage on 2 roads. The sale included a total of 300 acres of cropland. There is a 2-acre farmstead encompassing the main house and the mobile home and a 1-acre farm labor area around the cape dwelling. The balance, 98+/- acres, is upland woods, wetland/wasteland and pasture. Soils on the main farm include about 62% Kingsbury silty clay loam, 0-3% slopes, and 10% is the same soil of steeper slopes. An additional 13% is Vergennes clay and the balance is similar soils of varying slopes. On the Benson parcel, 61% is Vergennes clay, 31% is Kingsbury silty clay loam, and the balance is similar soils. Relative agricultural value is 63%. Utilities to the farmstead include electric and telephone. There are good views from the farmstead, but the farm has little privacy due to busy Route 22A.

**Improvements:** The subject property is improved with a farmhouse dwelling, cape dwelling, mobile home, and freestall barn, misc. barns and various sheds. **Main Farmhouse:** The old farmhouse is located on the east side of the road. The colonial dwelling is a dated dwelling in average condition near the Route 22A frontage. It offers a total of 1,397 square feet, according to the broker, though the listers card reports a smaller number. Room count is 6-3-1.5. It has an older shed converted to an attached garage. Heat is from oil forced hot air. Roof is slate and asphalt. Proximity to Route 30 reduces privacy. **Cape Farmhouse:** The cape farmhouse offers 1,656 sf and was built in 1981. It has a room count of 7-3-2 in average condition. It has an asphalt roof, textured wood siding, concrete basement and attached 1 car garage. **Mobile Home:** There is an older 14'x66' mobile home in poor condition, with no contributory value. **Freestall Barn:** The main barn is a drive-through with side curtains built in built in 1978 with 122 large freestalls. Attached is a milkhouse, utility room and pump room to the manure storage unit. Parlor is a 2x8 clay herringbone parlor with weigh jars and auto takeoffs, and milkroom with 4k gallon bulk, freeheater and variable speed vac. The original freestall measures 88'x160'. The new addition to the north measures 97'x121', for a total stall gross building area on 26,609sf. There are reportedly 250 freestalls. The newer section is well built and in good condition. The original barn is in average to above average condition for its age. Attached to the older freestall section is a 22'x27' addition that is under repair and was probably for sick cows or a shipping pen. **Dry Cow Barn:** Next to the road there is a 44'x144' dry cow/heifer pole barn with cement floor, side curtains and sloping grooved floor. It has 54 freestalls and at one end there are three small group pens. The barn is in average condition. **Bunks etc:** Between the dairy barn and the road there is a series of bunker silos that I was unable to measure due to feed. It is reported to be adequate for the farm and to hold 2,000 tons. Next to the bunkers is a 13'x30' single-bay commodity shed with concrete knee walls that is in average condition. There are three large hopper style grain bins and one smaller one of various ages and conditions. **Machinery Barn:** 36'x75' steel-clad machinery repair building. This barn was recently completely renovated. It has a concrete floor, is insulated and sheathed and has high clearance with large entrance doors. The building is in very good condition. The barn is located very close to the road. **Heifer Barn:** Up behind the farmhouse is a 5,376sf pole barn used as loose housing for heifers. It appears to have a gravel floor and was likely used as a bedded pack. The barn is in fair to average condition. Next to it is a cement pad with fence line feed area.

**Restrictions:** The easement permits the 231-acre West Haven parcel and the 167-acre Benson parcel to be sold separately, but neither parcel may be subdivided. Uses of both parcels are limited to agriculture, forestry and non-commercial recreation. No residential use of the Benson parcel is permitted, but there may be a small primitive camp in the wooded section. On the West Haven parcel, three residences are permitted. The easement identifies a 13.5-acre farmstead in which farm buildings may be constructed.



Larson Appraisal Company

1,397 sf farmhouse dwelling/average			\$32/sf		\$ 45,000
1,656 sf cape dwelling/avg			\$30/sf		\$ 50,000
Old mh, no value			\$ 0		
Freestall	250 freestalls, 27,605 sf			\$ 166,000	\$6/sf
Milking center	1,304 sf, 2x8 parlor			\$ 25,000	
54 stall heifer barn/avg	\$500/stall			\$ 27,000	
Farm Shop	2,700 sf			\$ 16,000	\$6/sf
Heifer Shed/F-Avg	5,376 sf			\$ 5,000	
Bunk silos, upright silos	pre-cast tilt-up concrete sides and concrete floor			\$ 25,000	
Total	\$1,056/ mature milker stall			\$264,000	\$264,000
	Tillable land	300 acres	\$1,325/ac	\$397,500	
	Wetland/wasteland	81 acres	\$166/acre	\$13,500	
	Farmstead complex	15 acres	\$3,000/acre	\$45,000	
	Site, flh	2 acres	\$5,000	\$10,000	
		398+/- acres	\$1,171/acre	\$466,000	
					\$825,000



Dairy facility



Dwellings







VLT maps of the southern main farm parcel



# **Restricted Farm Sale #8**

**Location:** Otter Creek Road, East Road, Addison and Panton, Addison County, Vermont  
**Grantor:** James and Lynn Choiniere  
**Grantee:** Barnes Family Farms, LLP  
**Sale Date:** May 25, 2018  
**Sale Price:** \$549,900. The actual price was agreed at \$580k but lease payments at market were subtracted. While this is not uncommon, the agreed upon sale price of \$580k could not be consummated.  
**Lot Size:** 257 acres  
**Financing:** Conventional mortgage with YFC  
**Verification:** Data verified by seller, appraiser, VLT, and inspection  
**Zoning:** LDRA with Floodplain overlay in Addison, RA-5, RA-10 in Panton  
**Tax Map:** Portion of parcel ID #OC1434 in Addison, parcel ID #077111000 in Panton  
**H&B Use:** Operating farm

**Land:** The 257-acre northern portion of the Choiniere farm straddles the Panton/Addison town line. It has frontage on the west side of East Road in Panton, which turns into Otter Creek Road in Addison. This parcel has about 2,250 feet on the west side of the roads. These are town-maintained gravel roads.

**Topography:** The land is at or slightly below grade along Otter Creek Road before sloping up to the highpoint of the property near the wooded area in the center. There is a small amount of floodplain behind the farmstead, but the area is negligible.

**Access:** A farm road provides access from the farmstead to the back meadows.

**Cover:** The northern unit has about 185 acres of agricultural land. There is a small wooded hill where pine grows. The balance is swale areas and miscellaneous wasteland.

**Utilities:** Electrical and phone service extends along Otter Creek Road and East Road. The subject has public water.

**Views/amenities:** Though there are no sweeping vistas, there are good mountain views from most of the subject of Snake Mountain to the south and Buck Mountain to the east.

**Soils:** The USDA soil map indicates that the farmstead is Melrose fine sandy loam, 3-15% slopes. These soils are rated "moderately suited" for septic systems, and are prime agricultural soils. The cropland is Vergennes clay with B-D slopes and Covington clay loams. The Vergennes clay is rated as only marginally suited for on-site septic systems. Covington clay generally will not support septic systems. Both of these soils have a Relative Agricultural Value of 63%, though the weighted RAV is closer to 70%.

**Improvements: Freestall:** The subject is improved with a former freestall dairy barn. It originally had 79 stalls, but the stalls have been ripped out for goat housing. It is a pole barn with curtains, scrape alleys and waterers. The milkroom, utility room and parlor are incorporated into the main barn. The parlor stalls and equipment are gone. The barn is small for contemporary dairy facility but may have application for heifer housing or alternative uses. Mr. Choiniere did some minor repairs prior to the sale. Total footprint is 8,900 sf. It is overall in average condition.

**Older Barn:** The older barn offers a total of 4,717 sf. It is an older post and beam stanchion barn in fair condition. It is structurally dilapidated.

**Equipment Shed:** There is a 37'x62' slant-wall equipment shed in the farmstead offering 2,294 sf. It is a low-quality structure with minimal utility in fair to average condition.

**Other:** There is also a manure pit and several earthen bunker silos in fair condition.

**Restrictions:** Permission was granted by the easement holders to allow the northern portion to be sold separately. The easement prohibits all residential and non-agricultural development of the encumbered land except for one farm labor dwelling in the 12.5-acre barn complex restricted to 2,500 sf of gross living area. A non-residential rural enterprise building is also permitted in the barn complex. A primitive camp not to exceed 600 sf without utilities is allowed. A 24-acre special treatment area was established, restricting forestry practices to limited, conservation-minded harvest. The encumbered parcel is limited to agricultural, silvacultural or non-commercial recreational uses. The sale of earth products is prohibited. Any timber sales require a forest management plan. An option to purchase at agricultural value is included which grants the easement holders a permanent deeded option to purchase the subject property at its agricultural value any time that it is offered for sale to a non-family member or a non-farmer.

8,900 sf former freestall	72 stalls	\$500/stall, \$4/sf	Avg	\$36,000
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Larson Appraisal Company

Old barn			Dilapidated	NV
Slant Wall Equip Barn	2,294 sf	\$2/sf	Fair	\$4,000
Bunk Silos, Manure Pit.				\$60,000
Total Barns				\$100,000
Tillable land	185 acres	\$2,000/ac	\$370,000	
Swampy woods	59.5 acres	\$469/ac	\$27,900	
Camp Right			\$2,000	
Farmstead	12.5 acres	\$4,000/acre	\$50,000	
	257 acres	\$1,751/acre	\$449,900	\$449,900
				\$549,900



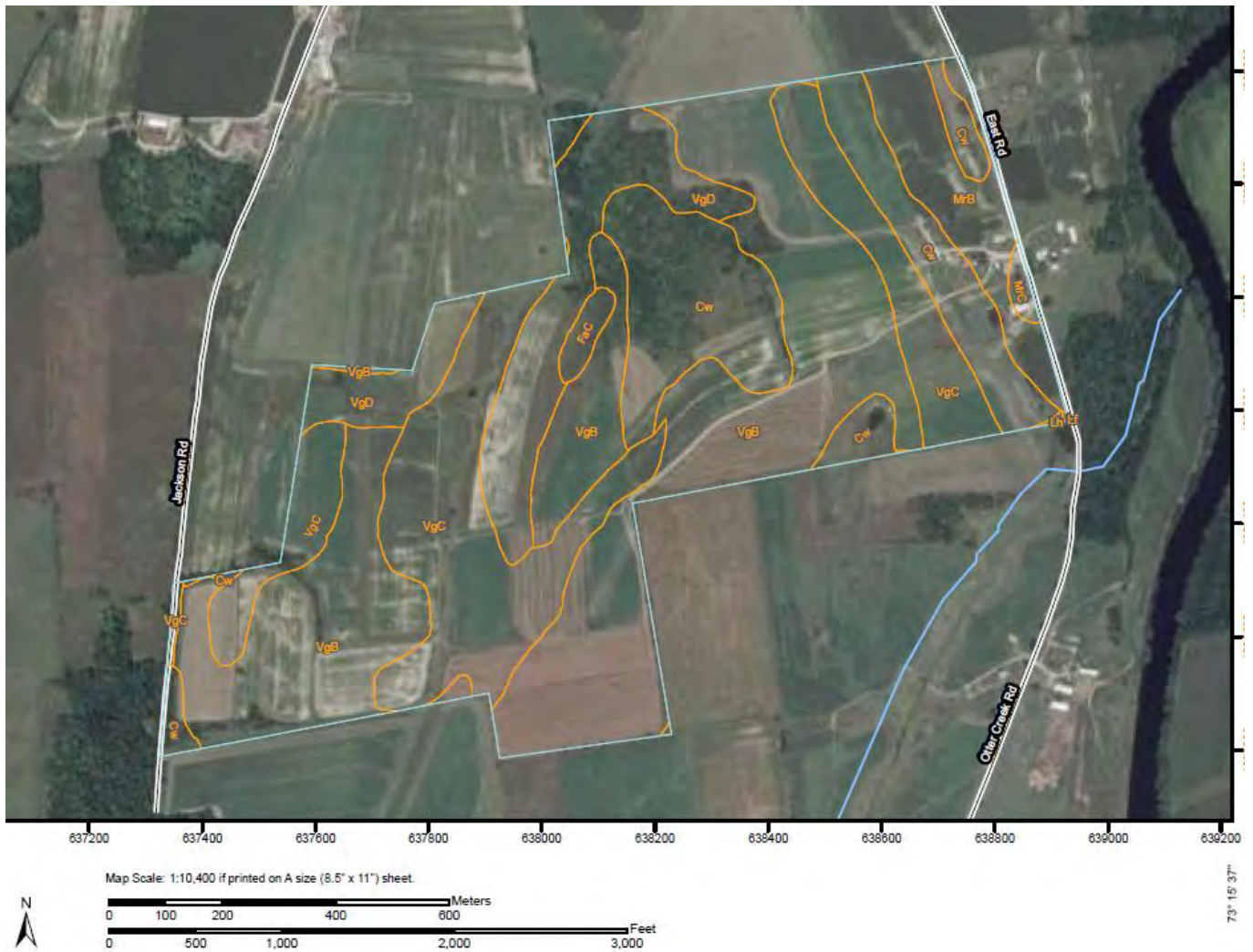
Exterior of freestall barn



Front view, old barns



Equipment shed in farmstead



### Map Unit Legend

Addison County, Vermont (VT001)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
Cw	Covington and Pantou silty clays	42.6	16.9%
FaC	Farmington extremely rocky silt loam, 5 to 20 percent slopes	2.0	0.8%
Lf	Limerick silt loam, very wet	0.0	0.0%
Lh	Livingston clay	0.1	0.0%
MrB	Melrose fine sandy loam, 3 to 8 percent slopes	15.0	5.9%
MrC	Melrose fine sandy loam, 8 to 15 percent slopes	1.1	0.4%
VgB	Vergennes clay, 2 to 6 percent slopes	101.7	40.4%
VgC	Vergennes clay, 6 to 12 percent slopes	59.7	23.7%
VgD	Vergennes clay, 12 to 25 percent slopes	29.4	11.7%
<b>Totals for Area of Interest</b>		<b>251.6</b>	<b>100.0%</b>



**Restricted Farm Sale #9**

**Location:** 1572 South Hill Road, Williamstown, Orange County, Vermont  
**Grantor:** Gary Storrs and Susan Storrs  
**Grantee:** Johnathan H. Wagner-Herbert and Karin M. Bellemare  
**Sale Date:** June 21, 2018  
**Sale Price:** \$395,000  
**Lot Size:** 248 acres  
**Sale Price/Acre:** \$1,593/acre  
**Tax Map:** Assessor's Parcel ID 009-118.00  
**Verification:** Data was verified by town clerk, seller, buyer, appraiser, public records, and inspection

**Conditions of sale:** The subject was listed on April 7, 2005 for \$699,000, expiring on 5-31-2008. It was then relisted in 2008 for \$699,000, expiring in 9-30-2009. The current contract was arranged through the Vermont Land Trust. It was reportedly negotiated at \$520,000 to the seller, of which \$125,000 will be provided by the Vermont Land Trust and others. Total cost to buyer, then is \$395,000, slightly lower than the recent VLT appraisal.

**Land:** The subject property includes land on both sides of South Hill Road in Williamstown. The parcel is a mix of open farmland and woods.

**Frontage:** The sale has an estimated 1,450 feet of frontage on the west side and 2,900 on the east side for a total of 4,350+/- feet. This is a rough estimate, with little implications on market value.

**Topography:** The parcel slopes down to the east to the level lower portion. The road frontage is slightly below grade.

**Utilities:** Power/Communications available at street. There is no public water or sewer.

**Cropland:** There is an estimated 125 acres of open cropland. It is reportedly certified organic.

**Views:** There are good mountain views from the farmstead. According to the owner, Mt. Mansfield is visible on a clear day. There is a small farm pond and minor brooks.

**Soils:** USDA soil maps indicate that the subject farmstead is Buckland Loam, 8-15% slopes, a statewide ag soil. There are an estimated 18 acres of Vershire-Glover rocky loams, 3-8% slopes south of the farmstead and on the east side of the road, considered prime ag soils. There are larger areas throughout of Vershire-Glover rocky loams, considered statewide ag soils. There are scattered pockets of Cabot silt loam, 0-8% slopes and 8-15% slopes, both statewide soils. Woodland is mostly Cabot silt loam, 3-15% slopes, very stony. I estimate a weighted relative ag value of 67%, with 100 being the best prime ag and 0 being non-productive.

**Irrigation, Crop Base and/or Allotments:** Crop base, allotments and irrigation water rights are generally not part of agriculture in the northeast and generally do not apply. The owner does not irrigate, and water rights and water permitting are not generally a scarce resource in this part of the country. They are not specifically addressed in the appraisal.

**Timber:** The woodland has been lightly managed for wildlife and ecology, according to the owner. They own a small portable sawmill, and were cutting some mature pine in the northeast corner. It is described in the forest management plan as mixed softwood and large poles/small saw timber of about 54 acres. A 25+/- acre stand in the lower northwest corner is a sugarbush, with an adjacent Mixed Softwoods Large Poles. The owner indicated that the parcel offers about 2,200 taps.

**Site Improvements:** The dwelling is served by 2 drilled wells, one of which was drilled recently. There is also reportedly a spring on the opposite side of the road, piped to the basement. There is typical modest landscaping. A private wastewater disposal field is reportedly functional.

**Main Dwelling:** The dwelling is a 1.5-story saltbox style cape built in 1996. Total GLA is estimated at 2,155 sf. Room count is 6-3-2. It is reportedly a modular 2x6 stick frame structure. It has been significantly renovated in recent years, with new asphalt shingle roof and wood siding in 2015. Also

added at that time is a back sunroom addition which is served by radiant heat. Heat in the main dwelling is baseboard hot water from an oil furnace, though a hydronic solar collector provides supplemental heat and domestic hot water. It was installed around 2015. Rooms on the first floor include a kitchen, dining area, living room, sun room, full bath and first office area. Floors are carpet in the bedroom, solid wood in the living and dining areas and tile in the bath and sunroom. The kitchen was reportedly redone around 2015, though it is small with few traditional cabinets but a very large multi-level island with granite countertop. It houses an older electric range. The bathroom was renovated in 2017 with average quality materials including antique vanity conversion and eclectic tile floor. Rooms on the second floor include a large master bedroom, two smaller bedrooms and a full bath. The bathroom was renovated in 2017 with average quality materials including antique vanity conversion and eclectic tile floor. The bedrooms each have closets. The front two have gable dormers. There is an open front porch. There is a 2-car garage offering 672 sf. It is uninsulated, but has overhead storage. Overall the dwelling appears to be in average condition, well maintained but with some dated cosmetic features.

**Outbuildings: Pole Equipment Barn:** There is a 34'x60' 2,040 sf open front equipment barn below the farmhouse. It is a pole structure with three sides and light truss roof. A portion has a cement floor. It is in average condition. **Former Freestall:** The remaining portion of the dairy barn measures 47'x65' for 3,055 sf. It houses an old milking parlor. There is center bearing wall. The back wall was recently rebuilt. The barn is in fair condition, currently used for storage.

**Easement Description:** In 1995, the owners conveyed a Grant of Development Rights, Conservation Restrictions, Right of First Refusal and Public Access Easement to the Vermont Land Trust, Inc., The Vermont Department of Agriculture, Food and Markets and the Vermont Housing and Conservation Board. The easement limits uses of the subject property to agriculture, forestry, education, non-commercial recreation, and open space purposes. The easement establishes an 8-acre farmstead complex, in which the existing dwelling is permitted along with one additional farm labor housing unit. A year round public trail extends along the eastern boundary, though the owner said that the trail has become overgrown and unusable. A separate winter access easement expands the trail easement area seasonally for non-motorized pedestrian recreational use. The easement holders have the restrictive Option to Purchase at Agricultural Value (OPAV). The OPAV, held by the Land Trust, grants the trust a perpetual option to purchase the subject property at its agricultural value whenever it is offered for sale to a non-farmer or non-family member. The easement also includes a Wetland Protection Zone. In this area, agriculture is essentially prohibited, new roads must be approved by the easement holder and forestry must primarily promote various ecological goals

2,155 sf dwelling/average			\$55/sf	\$118,000
2,040 sf Equipment Barn			\$2/sf	\$4,000
3,055 sf former freestall			\$2/sf	\$6,000
Primary Site	5 acres	\$5k/acre	\$25,000	
FLH	2 acres	\$5k/acre	\$10,000	
Cropland	125 acre	\$1,500/acre	\$187,500	
Sugarbush	25 acres	\$1,000/acre	\$25,000	
Other woods	91 acres	\$214/acre	\$19,500	
Total	248 acres	\$1,077/acre	\$267,000	\$267,000
				\$395,000

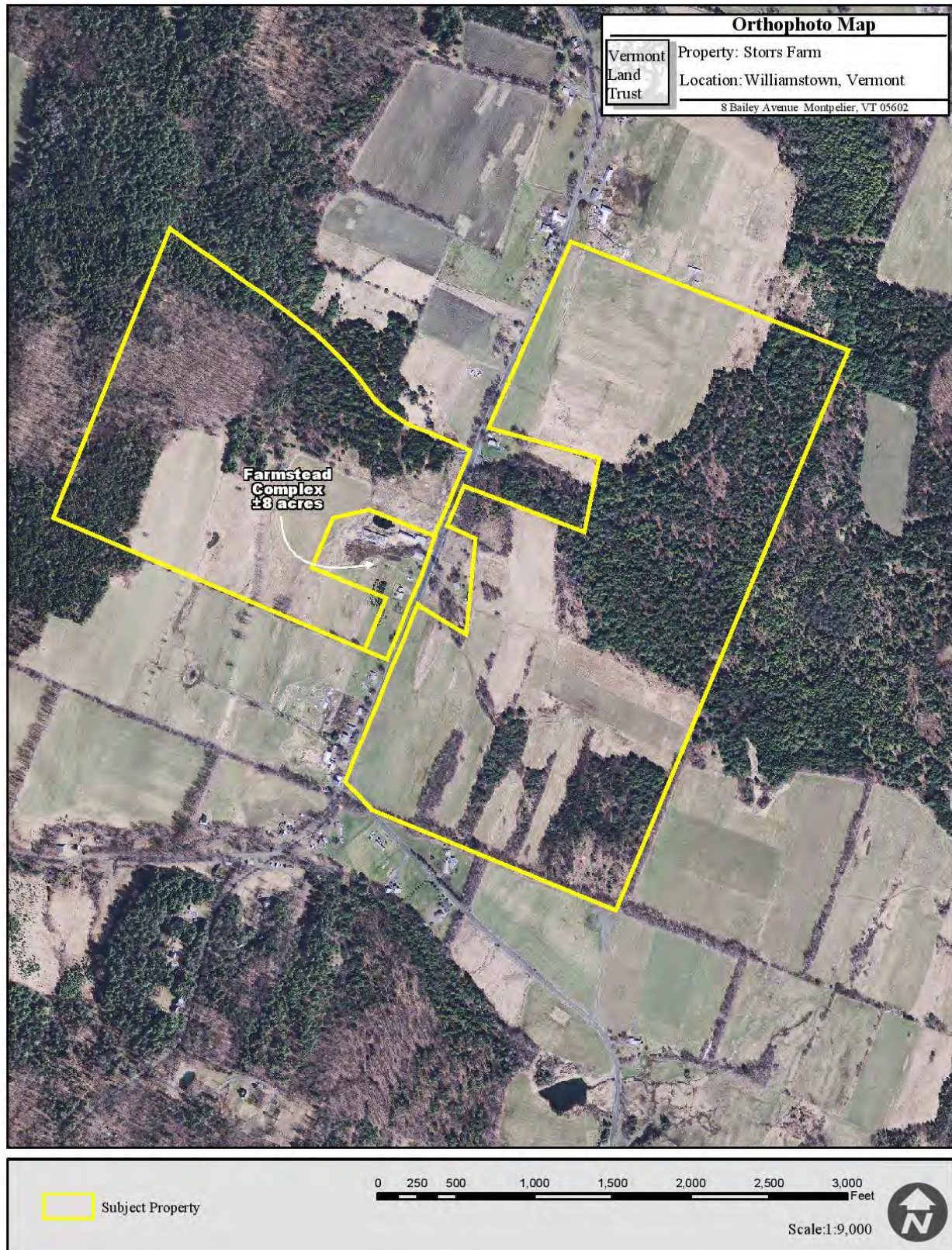


Dwelling



Former dairy barn





Conserved Land Map



**Restricted Sale #10**

**Location:** 1066 VT Route 22A, Bridport, Addison County, Vermont  
**Grantor:** Charlotte and Henry Barnes  
**Grantee:** Triple E Farms LLC, Bridport VT  
**Sale Date:** September 30, 2015 and recorded in Book, Page in Bridport  
**Sale Price:** \$310,000  
**Lot Size:** 162 acres  
**Sale Price/Acre:** \$1,914/acre  
**Parcel ID:** Parcel 03-045  
**Verification:** Data was verified by seller's representative Terry Ryan, appraiser, inspection  
**Zoning:** The road frontage is in the zone designated "**Residential District (R-2).**" The bulk of the farm is zone designated "**Residential Agricultural District (RA-5).**"

**Land Description:** The sale is a large parcel of land on the west side of Route 22A. Views are good mountain views of the Adirondacks to the west and Snake Mountain to the east. Topography is rolling and level, with a few large upland fields in the front of the property encompassing about 50 acres. From this area are very good views. West of this agricultural land is about 38 acres of woodlot that will be a special treatment area. West of the woodland is 64+/- acres of low-lying land along the East Branch of the Dead Creek. About 28 acres is low-lying tillable cropland, with difficult access. We observed weathered hay windrows in the aerial photo, evidence that the ground was too wet to pick up the hay that particular season. Road frontage is 615 feet on Route 22A and about 50 feet on Rattlin Bridge Road for a total of 665 feet. Soils are mostly Vergennes clay, with some Covington clay. Utilities include power, telephone and tri-town public water.

**Dwelling:** The dwelling was built in the 1850's. It is a federal style 2-story dwelling with an attached "el" and a 1-story addition off the back. It is set back slightly on a busy state highway. The dwelling has a partial basement with 899 sf stone foundation. There is a crawl space under the remainder. The basement has an outdoor entrance and appeared moderately dry. It has a sump pump. The dwelling has wood clapboard siding and a composition shingle roof. The shingle roof appears old but serviceable. Some water staining was observed on the plaster on the second floor, but the leaks have reportedly been repaired. Heat is provided by oil-fired baseboard hot water heat. There is a 275-gallon fuel tank in the basement. The house offers 2,586 square feet. The room count is 11-5-1. Portions of the dwelling were recently renovated, including the eat-in kitchen, living room, first floor bath, and first floor bedroom. The rest of the house appears sound but has been unused for many years, in need of full cosmetic painting and some plaster repair. Rooms on the main floor include a kitchen, dining room, full bath, and two small rooms, one of which has been refinished into a bedroom. Upstairs are 2 large bedrooms with closets, a midsize bedroom, a small bedroom, and one pass-through room. Finish is very minimal in the upstairs as well. There is no heat upstairs other than passive heat from the first floor. There is a very attractive wrap-around front porch offering 290 sf. There is also a 350 sf unheated woodshed/1-car garage off the back of the dwelling. The dwelling is served by tri-town water, and there was a new "Presby" septic system installed in 2006. Overall the dwelling is in fair condition, appearing sound but in need of some repairs to the second floor. **Main Barn:** The main tiebarn is made up of an older gambrel barn with overhead hay storage and a newer 1-story clear span addition. The older section with a gambrel roof was built in 1969, while the newer section was built in 1998. It has 46 tiestalls on pipeline in the main section, and a west wing with room for 50 calves and heifers in a freestall area. There is an intact barn cleaner for the main section, but it does not clean the heifer wing. The barn has tunnel venting. There is a spreader shed on the north side of the barn. The total size is 5,968 sf, including the attached spreader shed and the calf wing. There is 1,872 sf overhead hay storage area over the older section. There is an attached milkhous area on the front, with the necessary milking equipment intact including vacuum pump, 1,000-gallon bulk tank, and automatic wash system. **Manure/Feed storage:** There is no manure pit. Feed is stored dry hay overhead, and there are two cement block silos. The 35' silo reportedly cracked after a minor earthquake, has no unloader, and is unusable. The 60' silo has an unloader and is functional, although obsolete. There is a grain bin. **Pole Barn:** There is a 40'x61' pole barn for equipment storage. It has four sliding doors, 14' ceiling, gravel floor, steel roof, and wood siding. Total square footage is 2,440. It is in average condition. Attached to the south side of the barn is a 39'x18' freestall area for heifers, with a feed bunk under an 8' overhang on the south side of the shed. There are 10 heavy duty freestalls in this barn. **Misc. sheds:** There is an old post and beam barn near the dwelling. It currently has several calf stalls. There is a gambrel roof with hay storage overhead. There is a very minimal lean-to addition for equipment storage. Overall this barn is in fair condition,

offering a total footprint of 1,251 sf. There is also a 432-sf old-style storage building/farm shop and a 285-sf storage shed, both in fair condition. They have wood siding and metal roofs.

**Easement Description:** The 162-acre farm is restricted by a conservation easement. The easement prohibits further residential or non-agricultural development of land. The easement includes a 4.5-acre farmstead complex with the right to replace the existing dwelling, described as a 2-family dwelling in the conservation easement. The easement also designates a 38.5-acre special treatment area. In this area, current Acceptable Management Practices (AMP's) must be utilized with habitat in mind. No subdivision will be permitted. One rural enterprise building is allowed limited to 1,500 sf, as well as a primitive camp of no more than 600 sf. Any timber sales require a forest management plan. The easement includes an Option to Purchase at Agricultural Value (OPAV) which grants the Vermont Land Trust a permanent deeded option to purchase the subject property at its agricultural value any time that it is offered for sale to a non-family member or a non-farmer. The easement provides for normal agricultural, silvacultural, and non-commercial recreational uses of the property.

2,586 dwelling/Fair			(\$ 35/sf)	\$ 90,500
46-stall tiebarn, milkhhouse				\$20,000 (\$435/stall)
Pole barn				\$5,000
Tillable land	78 acres	\$2,000/ac	\$156,000	
Pasture/Woods/wasteland including 38.5 acre STA	79.5 acres	\$145/ac	\$11,500	
Site	4.5 acres	\$6,000/ac	\$27,000	
	162 acres	\$1,201/acre	\$194,500	\$194,500
				\$310,000





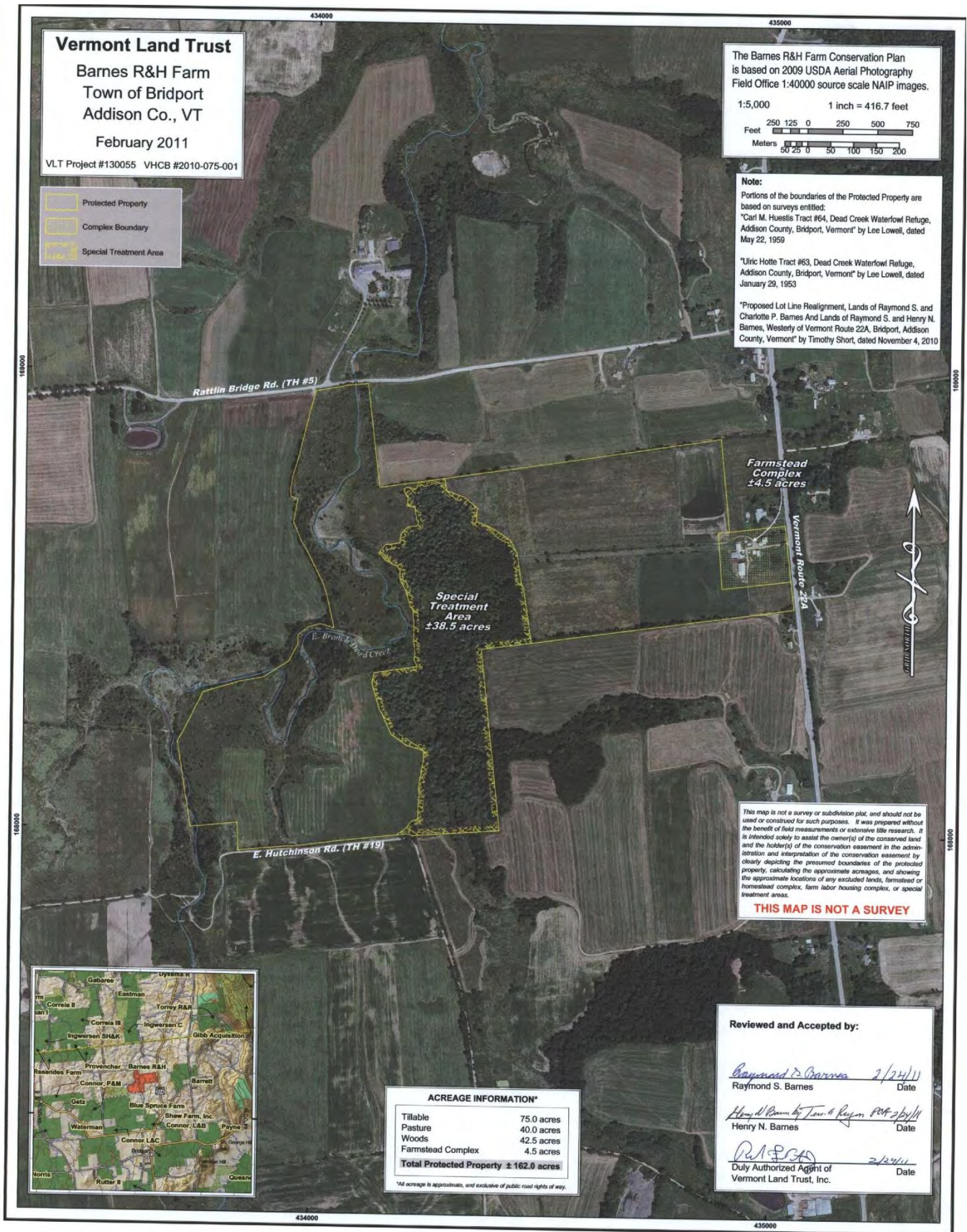


Rear view of barns



Post and Beam barn with attached shed





**Restricted Farm Sale #11**

**Location:** 528 Burroughs Rd and Chandler Pond Rd, Wheelock, Caledonia County, Vermont  
**Grantor:** Martha A. Davies, Stowe VT  
**Grantee:** Chandler Farm Holding, LLC (Mark, Dahlia, Chuck and Lisa Dill)  
**Sale Date:** March 16, 2018  
**Sale Price:** \$520,000, arms length  
**Lot Size:** 256 acres  
**Sale Price/Acre:** \$2,031/acre  
**Verification:** Data was verified by buyer, appraiser, public records and inspection.  
**Conditions of sale:** The owner conserved the farm in 2005 with the OPAV provision. VLT farmland access program was utilized to market the farm. The buyers were chosen in 2015, though it took a few years for the sale to finalize.  
**Tax Map:** 043-036002-

**Land Description:** The sale is a dairy farm in a rural neighborhood in the town of Wheelock. The property has frontage on Burroughs Rd, Chandler Pond Rd, South Wheelock Road and Jill's Road, all public highways. Total frontage is estimated at 12,100 feet according to the pre-ap. The farm has an estimated 130 acres of cropland, with an additional 38 acres of pasture. About 60 acres is mapped Vershire-Lombard complex, 3 to 8 percent slopes, rocky, a prime ag soil. Another 20 are similar soils with steeper slopes, considered agricultural soils of statewide importance. About 38 acres are Cabot silt loam, 3 to 15 percent slopes, a statewide ag soil. Another 14+/- is Dummerston very fine sandy loam, 15 to 25 percent slopes. I estimate a relative ag value of 72%. There are very good mountain views. The abutting Chandler Pond offers attractive recreational benefits, though the frontage was not part of the sale.

**Improvement Description:** The dwelling is a 100+/- year old cape dwelling. It has standing seam metal roof, wood clapboard siding, full unfinished basement and wood/oil fired forced air heat. The house provides 1,632 square feet of gross living area. The room count is 8-4-1.5. There is an attached 1-car garage. The dwelling was maintained, though somewhat dated. Two full-length dormers make the second floor a full second floor. It is served by an artesian well and septic system.

**Secondary dwelling:** The second dwelling was constructed in recent years. It is on a concrete slab with radiant heat. Construction is Post and Beam with wood and slate flooring. Room count is 4-2-1.5. It has a cathedral ceiling living area and loft-type bedroom above. It is a well-constructed, highly efficient dwelling.

**Barns:** The main barn is a 2-story wood frame barn built in the early 1900's. Footprint is about 9,048 sf. The roof is a gambrel-style with cupola. Floors are concrete, with wood siding and metal roofing. Shed additions house a milkroom, parlor, heifer and storage areas. It was historically used as a freestall dairy barn with 62 wooden freestalls and an additional 20 heifer stalls. The parlor was an older 4-unit. Upper levels were utilized for small square hay bales with a capacity for +/-25k. **Equipment Shed:** The equipment shed was constructed in 1989, measuring 37'x90' for 3,330 sf. The 3-sided structure has wood sides, metal roofing and dirt floor. An enclosed shop on one end is insulated and heated with a woodstove. It is in average to good condition.

Misc: There is a 312 sf farmstead building in good condition, a 754 sf older shed in fair condition and 5 greenhouses. Three are low-cost, while two are heated.

**Easement Description:** The entire farm is conserved. The easement prohibits any further subdivision of the parcel and prohibits any further residential development. One camp is allowed not to exceed 800 sf. The easement includes a permanent option to purchase at agricultural value (OPAV). Any time the property is under contract to be transferred to a non-farmer or non-family member, the Vermont Land Trust has the right to purchase the property at its agricultural value as determined by a qualified



appraiser or the original appraisal plus a cost of living adjustment.

Cape dwelling	1,632 sf	Avg	(\$55/sf)	\$90,000
Contemp, c 2014-16	1,161 sf	V Gd	(80/sf)	\$93,000
Extensive dairy complex	9,048 sf	Avg	\$4/sf	\$36,000
Equipment Shed	3,330 sf	Avg	\$4/sf	\$13,000
Farmstand	312 sf	Good	\$20/sf	\$6,000
Barn				\$2,000
Tillable land	130 acres	\$1,500/ac	\$195,000	
Pasture	38 acres	\$400/acre	\$15,000	
Woods/wasteland	79 acres	\$291/ac	\$23,000	
Camp right			\$2,000	
Site	9 acres	\$5,000 /ac	\$45,000	
	256 acres	\$1,094/acre	\$280,000	\$280,000
				\$520,000



Dwellings



Barns





## **Restricted Farm Sale #12**

**Location:** 3604 Route 111, Morgan, Orleans County, Vermont

**Grantor:** James Jordan and Sharlyn Jordan

**Grantee:** Peter Decker and Tina Durrance

**Sale Date:** September 21, 2017

**Sale Price:** \$1,088,000

**Lot Size:** 600.25 acres

**Sale Price/Acre:** \$1,813/acre

**Zoning:** Rural Lands 2 and Rural Lands 3

**Verification:** Data was verified by VLT, Seller, appraiser, buyer, public records and inspection.

**Conditions of sale:** This is an arm's length transaction. The Fee Simple farm had been listed with a real estate agent since April 23, 2015 at a listed price of \$1,790,000 with 367 acres, and \$2,300,000 with 597 acres. Sellers then sold development rights to VLT and sold farm to an organic dairy farmer. Conventional financing. The sale happened in three transactions, the main farm parcel in September 2017, and the northern and southern farm parcels on January 23, 2018. They were negotiated as one transaction and considered one sale.

**Tax Map:** Tax Parcel ID number 900-4604.06

**Land Description:** The sale is an operating dairy farm with extensive frontage on the state highway and a low traffic 2-lane town side road. Electrical and phone service extends along the frontage. Route 111 has moderately high traffic volume. The land to the west is at grade, and slopes gently down to the west toward Seymour Lake. On the east side of the road, the land slopes up moderately steeply to the east. There is a good farm road that leads from the highway up to the upper meadows and pasture. The 205 acres of cropland consists of a mix of sandy loams and silt loams. These include Peru fine sandy loam with 3-15% slopes, Cabot silt loam with 308% slopes, Monadnock fine sandy loam, 3-8% slope, and Colonel-Cabot complex with 3-8% slopes. The weighted relative agricultural value of the cropland is 75%. There are good pastoral views from the lower elevations along the road, and very good long range westerly views of Lake Seymour and distant mountains from the upper meadow east of the farmstead. About 15 acres are pasture.

**Improvement Description:** The farmhouse is a 54-year old cape style residence with attached 2-car garage set on a knoll above grade about 90 feet from the road. It has an attractive gable extension on the north end and a dormer. The residence has a full concrete basement, wood clapboard siding, asphalt roofing and baseboard hot water heat with a combination wood/oil furnace. It provides 2,854sf of gross living area with a room count of 8-4-2. Overall, the house is attractive and in good condition with paved driveway. Just south of the house is an older 1,457sf storage shed in average condition.

There are two additional residences on the farm, located on either side of the farm road leading up to the upper meadows and about 350 feet north of the main farmhouse. These include a 60+year old ranch dwelling and an older single-wide mobile home. The ranch is on a cement foundation with wood siding and asphalt shingle roofing that provides 1,152sf of gross living area. The tenant had many dogs and cats, and the condition of the house is very poor. It has an existing septic system and spring water system. The single-wide just north of the green ranch house is an older 924sf manufactured home that had been fully renovated and in average condition.

South of the storage shed, and about 100 feet from the house is the original 38'x160' gambrel-roofed former tie barn built in 1962 that has been converted to freestalls in the basement with a shed addition at the rear. Attached to the original barn is a 46'x160' single-story freestall barn with alley scraper. There is a feed alley along the western side of the interior of the barn with fenceline feeder. The freestall area has an alley scraper and manure pump to pump manure to the pit across the road. The barn is reported to include 140 freestalls. Attached at the rear is the 14-year old milking parlor wing that measures 73'x68' and includes the milk room, utility room, calf/sick cow pens, and the double-8 rapid exit milking parlor with 16 units with take-offs. The milking system appears to be in good condition. An enclosed fairly steep ramp leads up to the 10-year old 68'x300' freestall pole barn with 180 freestalls and inside feed alley, good ventilation, metal ceiling, alley scraper and good lighting. The barn is in very good condition and has a 1,008sf attached sawdust shed.

Across the road is the large earthen liquid manure pit. A short distance down Jordan Road is bunker silo and 236'x36' commodity shed in fair condition.



About one mile north on Route 111 is the second farmstead. It includes a dilapidated old garage, an old 12'x47' single-wide mobile home in very poor condition. Just behind the mobile home is an old former dairy barn with overhead hay storage. In the basement there are some tie stalls and freestalls used for heifers. The barn has low utility and is in fair condition.

**Easement Description:** The easement permits the three farm parcels to be sold separately and permits the subdivision of a 50-acre section of sugarbush at the southeastern end of the farm and a 2-acre fee simple residential lot at the southern highway frontage of the main farm parcel, but prohibits any further subdivision of the parcel. The easement permits conversion of the main farmhouse and the farmhouse on the northern farm parcel to a duplex, and allows for one "Sole Discretion" farm labor house on each of the farmsteads. One farm labor house is permitted on the 51-acre eastern parcel. Uses of the land are limited to agriculture, forestry and non-commercial recreation. There is a Riparian Buffer Zone in the woods along the river that limits forestry activities. The easement includes a permanent option to purchase at agricultural value (OPAV) any time the property is under contract to be transferred to a non-farmer or non-family member. One rustic cabin of limited size is permitted on the main farm parcel. USDA/NRCS crop management restrictions on highly erodible land will be included. The parcel is also be encumbered by the terms of a USDA-NRCS Agricultural Conservation Easement Program (ACEP) with standards are found in NRCS Policy 440-V-CPM, Part 519.62

2,854sf cape, 2-car garage/Good		\$35/sf		\$100,000
1,152sf cape/Poor				5,000
924sf single-wide/Avg				10,000
564sf single-wide/Poor				5,000
320-stall freestall barn, 2x8RX parlor/Avg+ Commodity shed/Fair, Pit, Bunkers/Avg		\$1,250/stall		\$400,000
Tillable land	205.00 acres	\$1,795/ac	\$368,000	
Farmstead complex (3)	22.00 acres	\$4,000/ac	\$88,000	
Other land, waste land, etc.	373.25 acres	\$300/acre	\$112,000	
	600.25 acres	\$947/acre	\$568,000	\$568,000
				\$1,088,000



Front view of farmhouse



Subject farmstead





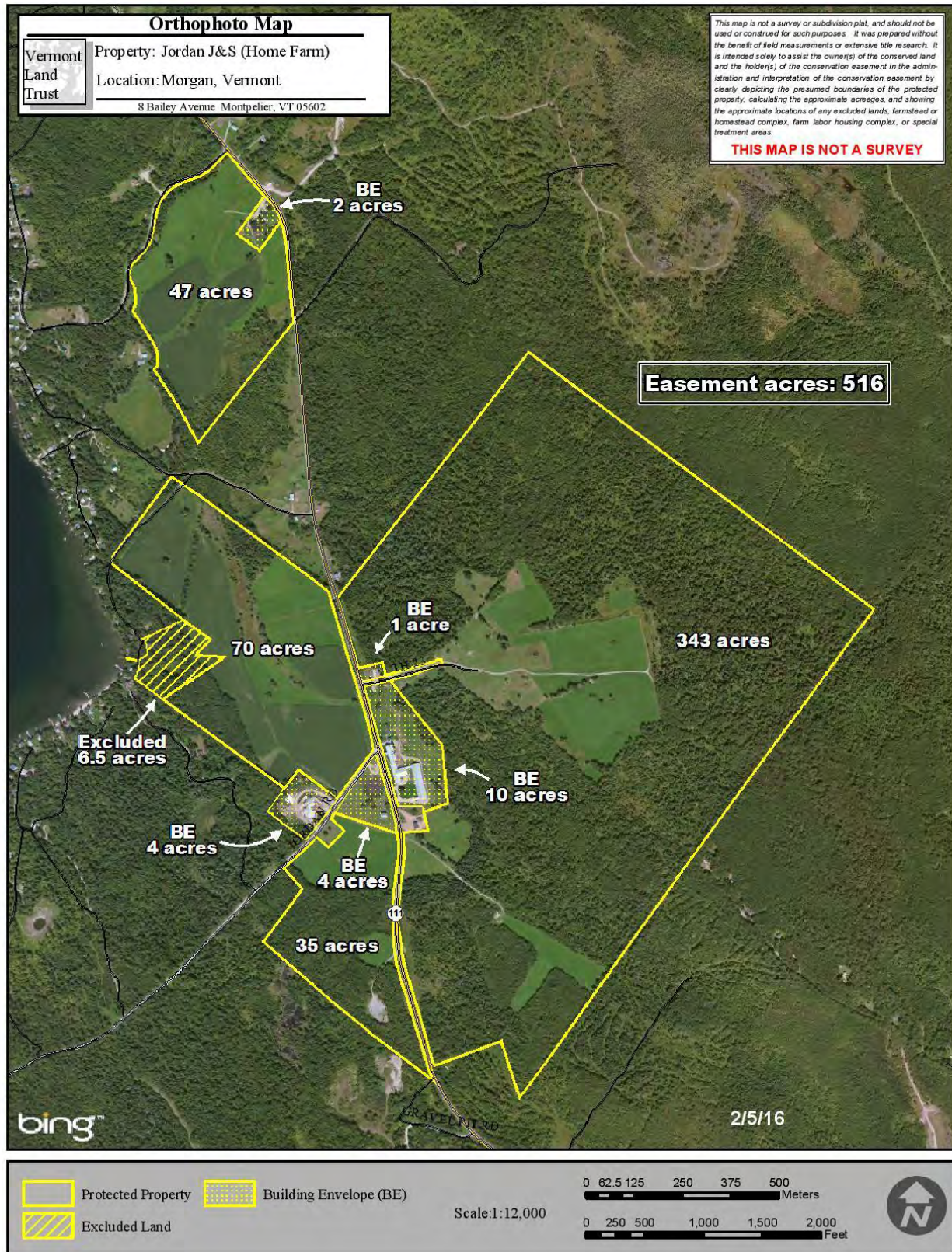


Interior of new freestall barn on the hill



Milking parlor





**Main farm parcel plus northern farm parcel**





Southern "Whitehill" parcel

**Restricted Sale #13**

**Location:** 701 Cook Road, Barton, Orleans County, Vermont

**Grantor:** Peter Decker

**Grantee:** Eli Shetler

**Tax Map:** Barton tax parcel 050240701

**Sale Date:** July 27, 2018

**Sales Price:** \$220,000

**Acreage:** 130 acres

**SP/acre:** \$1,692/acre

**Recorded:** 80/624

**Financing:** conventional bank financing

**Verification:** Public record, inspection, appraiser, easement holder

**Conditions of Sale:** Arms length farmer to farmer sale. The buyer is an Amish farmer who uninstalled power and is reverting the farm back to primitive farming methods.

**Highest and Best Use:** Small farm

**Land Description:** The farm is located on the north side of Cook Road, a low-traffic gravel town road. The Wastewater Permit map indicates 1,900 feet of road frontage. There is an additional 847+/- feet on the northwest side of TH 25, an unnamed class IV road. Total road frontage, then is estimated at 2,747, or about ½ mile.

**Topography:** The farm is generally northwesterly sloping. The highest point is at the end of TH 25, where the western 2 lots are located.

**Cropland:** There is an estimated 60 acres of cropland and 30 acres of wet pasture. The farm is certified organic.

**Views/Amenities:** There are good views from the farmstead of mountain vistas to the north and south. Many farmed hillsides are visible, as well as distant peaks. Lords Brook, a minor brook, flows through the wetland woods in the northern portion of the farm.

**Soils:** USDA Soils maps show the farmstead and much of the cropland is Cabot silt loam, 3 to 8 percent slopes. This soil is rated "Not Suited" by the USDA NRCS for wastewater disposal systems. It is a statewide ag soil. The upper areas near the farmstead appear well drained due to adequate slope, though the back pastures near the wooded wetlands were wet on inspection. The lower wet pastures are mapped Moosilauke very fine sandy loam, 0 to 3 percent slopes, not suited for septic but a prime ag soil. Similarly, there is a mapped area of prime but wet soils in the northeast corner, identified as Nasmith loamy fine sand, 0 to 3 percent slopes. The soil map shows two pockets of Peru fine sandy loam, 8-15% slopes, one at the end of TH 25 and the other in the southwest corner of the farm. These are the areas where the three permitted building lots are located. The estimated relative agricultural value is around 70%, with 0 being non-productive and 100 being the best prime agricultural soils.

**Timber:** Timber was reportedly heavily cut around 2015. Species are generally softwoods.

**Site Improvements:** The farm is served by a shallow spring and private onsite wastewater disposal system. Age of the septic is unknown but it is reportedly functional.

**Dwelling:** The dwelling is a cape style dwelling. The owner believed that it was built in the 1980's, though the lists report c.1965. The dwelling has been substantially renovated in recent years by the seller since his 2005 purchase. It has a full concrete foundation, metal channel roofing, and oil fired furnace with an additional pellet fired outdoor boiler. A space heater distributes the heat to the open-concept dwelling. Windows are new "Anderson" brand. Electrical and plumbing systems were replaced in the recent renovation. The dwelling lacks siding on the back and on one dormer. The dwelling offers 1,650 sf of gross living area with a room count of 3-1-2. Rooms on the first floor include a greatroom with kitchen and dining area, living area and full bath. The kitchen was replaced about 10 years ago, though the countertops are plywood. The kitchen and first floor bath have cement board floors in preparation for tiling, while the rest of the first floor has plywood subfloor with area rugs only. The second floor has been converted from several small bedrooms to just one bedroom, with a partitioned full bath. The bedroom has carpet flooring. The stairway and balcony lack railings. There is a 189 sf back covered porch off the first floor. An attached 2-car garage has two overhead doors and is fully insulated, offering 686 sf.

**Freestall Dairy barn:** The main structure measures 40'x160' for 6,400 sf, built in the 1970's. It has about 50 sand bedded freestalls, scrape alleys and center feed bunk. Partitioned from the freestall area is an oversized milkhouse and 4-stall flat parlor, replaced around 6 years ago. The barn is in average condition, with some stalls broken and typical deterioration for the age.



**Old-style Dairy barn:** Attached to the freestall is an old-style post and beam barn measuring 46'x116' for 5,336 sf. It is an old-style barn on stone and cement foundation. Stalls on the ground floor have been removed and a row of freestalls added. The upper level is a very large frame with gambrel roof. A section of the floor has been removed, open to the lower level. A sliding door has fallen.

**Horse Barn/Equipment Barn:** A horse barn and attached equipment shed was constructed in the back of the farmstead. Combined, the two sections measure 22'x82' for 2,460 sf. The equipment barn is a simple 1-story framed barn area, and the horse barn is 2-story structure with a partially finished area overhead. The intent was to create an apartment on the second floor some years ago, though the partially complete partitions offer no contributory value. It is wood frame constructed structure over a cement pad. It is in fair condition.

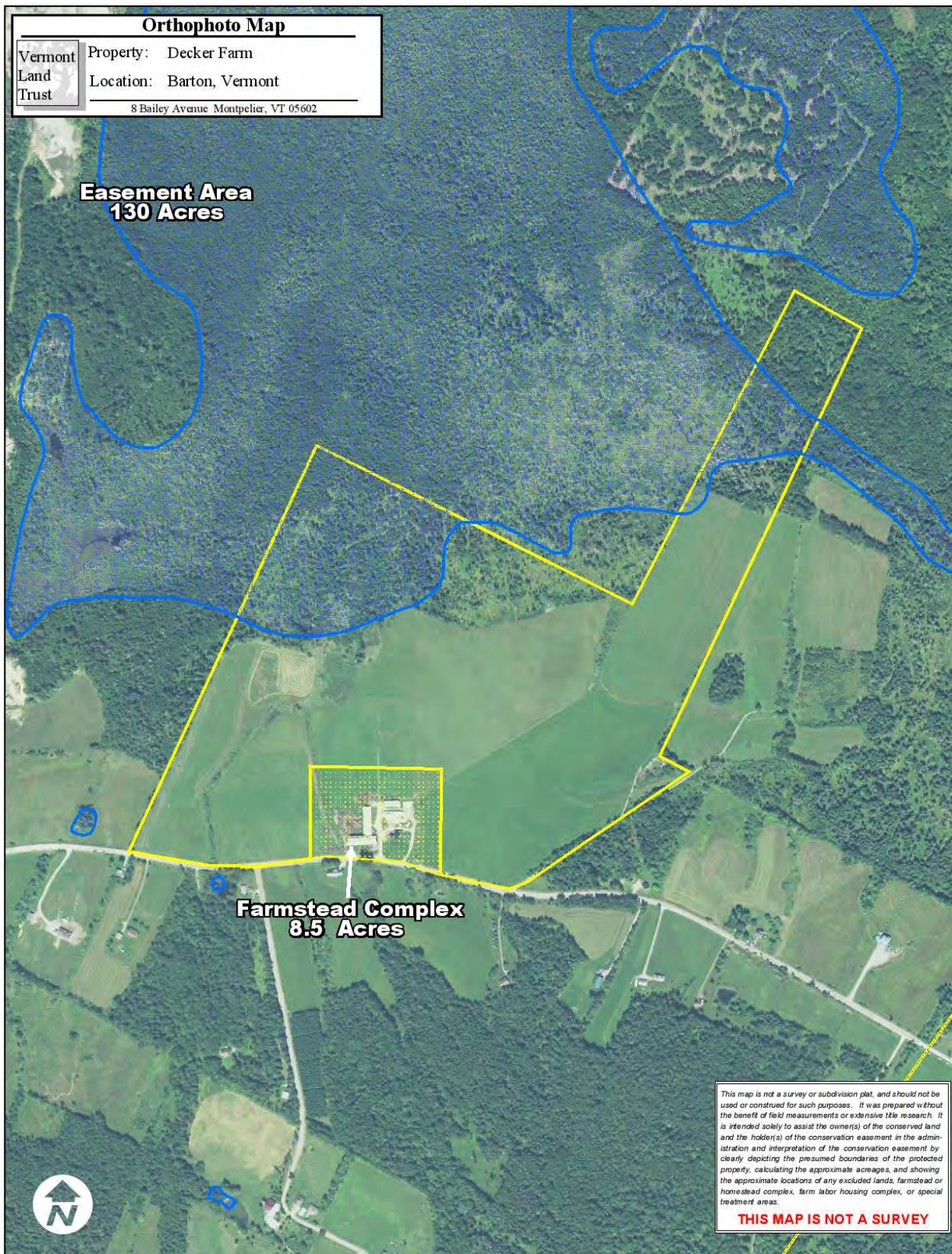
**Feed/Manure Storage:** There is a flat cement pit behind the barn, with a barn cleaner between the barn and the pit.

**Easement Description:** The conservation easement encumbers the entire 130-acre farm. A non-subdividable farmstead complex of 8.5 acres was delineated around the existing improvements. Within this Complex, new agricultural structures can be built without prior approval from the easement holders. One additional farm labor housing right will be allowed, not to exceed 2,000 sf. The standard sole discretion house right is included. Certain criteria must be met before a landowner is allowed to exercise this right. A Wetland Protection Zone (WPZ) totaling +/-25 acres is included in the easement. An option to purchase at agricultural value will be included which will grant the easement holders a permanent deeded option to purchase the subject property at its agricultural value any time that it is offered for sale to a non-family member or a non-farmer.

1,650 sf farmhouse dwelling/avg	Size		(\$40/sf)	\$ 66,000
50-stall Freestall Dairy Barn/poor	50 stalls		\$500/stall	\$25,000
Old-style Barn	5,336sf		\$10/sf	\$5,000
Horse Barn/Equip Shed	\$2,460 sf		\$10/sf	\$2,500
Tillable land	60 acres	\$1,200/ac	\$72,000	
Pasture	30 acres	\$400/ac	\$12,000	
Woods	32 acres	\$203/acre	\$6,500	
Primary Site	4 acres	\$4,500/acre	\$18,000	
Secondary Housing Right	4 acres	\$2,000/acre	\$8,000	
Sole Discretion FLH Right			\$5,000	
	130 acres	\$935/acre	\$121,500	\$220,000







Orthophoto

**Restricted Farm Sales Summary Grid**

Sale #	Sale #7	Sale #8	Sale #9	Sale #10	Subject
Date of sale	10/15	5/18	6/18	9/15	4/19 (Effective)
Location	Route 22A, West Haven/Avg	Otter Creek Rd, Addison & Panton	1572 South Hill Rd, Williamstown	Highway 22A, Bridport	Lylehaven Lane, East Montpelier
Sale price	\$825,000	\$549,900	\$395,000	\$310,000	-----
Size/acres	398 acres	257 acres	248 acres	162 acres	196 acres Adjusted at 180 acres due to WPZ
Sale price/Acre	\$2,073	\$2,140/acre	\$1,593/acre	\$1,914/acre	-----
Tillable acres	300 acres	185 acres72%	125 acres50%	78 acres (48%)	99 acres cropland
Pasture	Minimal	Minimal	Minimal	Minimal	Limited
Topography	Level to sloping	Level to sloping	Sloping	Rolling	Level to sloping
Soils	Clay loams RAV is 63%	Clay loams RAV 70%	Organic certified stony fn sndy loam, 67% RAV	clay loam 63%	Loamy fine sand, FSL, 67% RAV
Views	Good	Good	Good	Good views	Pastoral
Amenities	None	None	stream, pond	Dead Creek	Small stream
Dwelling Age Size Condition	Older 2-story 1,397sf Average	None	Cape  2,155 sf Avg	2 Story historic 2,586 sf average	1,792sf ranch style 2-unit/Good
Contribution	\$45,000 \$32/sf	\$0	\$118,000 \$55/sf	\$90,500 \$35/sf	-----
Secondary Dwell	Cape 1,656sf/Avg	None	None	None	1,750sf two-story/ Good
Contribution	\$50,000 (\$30/sf)	\$0	\$0	\$0	-----
Farm improvements	250-stall FS barn, 2x8 parlor, heifer barn, hay shed, bunkers, pit, Slurrystore/Avg	Old freestall barn/Avg, old dilapidated barn, equipment shed, bunker silo, manure pit	Former freestall, equipment barn	46-stall tiebarn with calf area, milkhouse equip, bulk tank, pole barn, misc. old sheds	Freestall barn, 54-stall tie barn milking facility, heifer barn, Machinery shed/Good
Contribution	\$264,000 \$1,056/stall	\$100,000	\$10,000	\$25,000	-----
Restrictions	One subdivision Three residences permitted OPAV, camp	No subdivision, no residences, Ag, forestry, 1 Res, Camp, OPAV	No subdivision, 1 additional FLH, OPAV, WPZ, Trail Easement	No subdivision, no additional residences, Sfr can be duplex, 600 sf camp, 38.5 acre STA OPAV	No subdivision, two houses, both may be duplexes, Sole discretion flh, Ag, forestry, buffer, WPZ, Riparian buffer, camp,, OPAV
Total SFRs permitted	3 plus camp	1 plus camp	2	Duplex	Two duplexes
Timber	Minimal	Minimal	25 acre sgrbsh	Minimal	Minimal
<b>Breakdown:</b>					
FS Land	None	\$0			----
Cropland	\$397,500	\$370,000	\$187,500	\$156,000	----
Woods/Pasture	\$13,500	\$27,900	\$44,500	\$ 11,500	----
Sites	\$55,000	\$52,000	\$35,000	\$ 27,000	----
Total Land	\$466,000	\$449,900	\$267,000	\$194,500	----
\$/Ac, land only	\$1,171/acre	\$1,751/acre	\$1,077/acre	\$1,201/acre	----
Cropland	\$1,325/acre	\$2,000/acre	\$1,500/acre	\$2,000/acre	----
Other	\$166/acre	\$469/acre	\$214/acre	\$145/acre	----
Farmstead	\$45,000/15 acres	\$50,000/12.5 acres	\$35,000/7 acres	\$27,000/4.5 acres	----



Sale #	Sale #11	Sale #12	Sale #13	Subject
Date of sale	3/18	9/17	7/18	4/19 (Effective)
Location	528 Burroughs Rd, Wheelock	Route 111, Morgan	701 Cook Road, Barton	Lylehaven Lane, East Montpelier
Sale price	\$520,000	\$1,088,000	\$220,000	-----
Size/acres	256 acres	600.25 acres	130 acres	196 acres Adjusted at 180 acres due to WPZ
Sale price/Acre	\$2,031/acre	\$1,813/acre	\$1,692/acre	-----
Tillable acres	130	205 acres 34%)	60 acres	99 acres cropland
Pasture	38+/-acres	15 acres	30+/-acres	Limited
Topography	Level to sloping	Level to sloping	Sloping to steep	Level to sloping
Soils	Cabot silt loam & Vershire/Lombard, 72% RAV	Silt loams 75% RAV	Cabot silt loam, 70% RAV	Loamy fine sand, FSL, 67% RAV
Views	Very Good	Good	Very Good	Pastoral
Amenities	Brk, near Pond	Minimal	Small stream	Small stream
Dwelling	2-story	2,854sf Cape, attached 2- car garage/Good	Historic cape 1,650 sf Avg	1,792sf ranch style 2- unit/Good
Age	1,632			
Size	Avg			
Condition				
Contribution	\$90,000 \$55/sf	\$100,000 \$35/sf	\$66,000 \$40/sf	-----
Secondary Dwell	1,161 sf contemp/V. Gd	1,152sf 60-year-old cape/Poor 924sf single-wide/Avg 564sf single-wide/P	None	1,750sf two-story/ Good
Contribution	\$93,000(80/sf)	\$20,000	\$0	-----
Farm improvements	62-stall tiestall dairy barn/good	320-stall freestall facility, 2x8RX milking parlor/Avg+ Commodity shed/Fair Bunker silos, manure pit	50-stall freestall, old barn, equipment barn/horse barn, fair to average	Freestall barn, 54-stall tie barn milking facility, heifer barn, Machinery shed/Good
Contribution	\$57,000 \$1,088/acre	\$400,000 \$1,250/acre	\$32,500	-----
Restrictions	No subdivision, 2 residences, Ag, forestry, OPAV, Camp	Two subdivisions, Conversion of 2 farmhouses to duplex Ag, forestry, OPAV Camp	No subdivision, one additional FLH, Sole discretion FLH right, 25- acre WPZ, OPAV	No subdivision, two houses, both may be duplexes, Sole discretion flh, Ag, forestry, buffer, WPZ, Riparian buffer, camp,, OPAV
Total SFRs permitted	2	6 residential units conserved plus sole discretion' FLH	2 plus sole discretion	Two duplexes
Timber	Minimal	Minimal	Minimal	Minimal
<b>Breakdown:</b>				
FS Land		2 acre exclusion		----
Cropland	\$195,000	\$368,000	\$ 72,000	----
Woods/Pasture	\$38,000	\$112,000	\$ 18,500	----
Sites	\$47,000	\$88,000	\$ 31,000	----
Total Land	\$ 280,000	\$568,000	\$121,500	----
\$/Ac, land only	\$1,094/acre	\$944/acre	\$935/acre	----
Cropland	\$1,500/acre	\$1,795/acre	\$1,200/acre	----
Other	\$325/acre	\$300/acre	\$203/acre	----
Farmstead	\$45,000/9 acres	\$88,000/22 acres	\$31,000/8 acres	

### **Analysis of Sales, After Conservation Easement**

In applying the Comparable Sales Approach to the subject property, a diligent study was made of farm real estate sales in Vermont. The search revealed that there have been a number of sales of farms with conservation easements that are further encumbered by the Option to Purchase at Agricultural Market Value. Several farmland sales were chosen because they have similar deed restrictions, and are located in similar market areas with the same highest and best use as the subject. These sales are sufficiently comparable to the subject property to enable the appraiser to accurately provide an opinion of the market value of the subject.

**Sale #7** is a 2015 sale of a larger OPAV-conserved farm in Benson, Addison County. Like the subject, it is on a state highway. This sale included two dwellings and a mobile home. The dairy facility on this sale is generally similar, though in slightly inferior condition, but this sale had a more modern milking facility than the tie barn on the subject.

**Sale #8** is a 2018 OPAV farmland sale in Addison and Panton. There is a large freestall dairy barn as well as a bunker silo and manure pit, comparable to the subject freestall, but the farm lacks the quality and high quality equipment shed/office found on the subject.

**Sale #9** is a 2018 sale of an OPAV conserved farm in Williamstown, two towns south of the subject. The dwelling is inferior to the subject dwelling, and the sale lacked a second residence. The barn is small and old, vastly inferior to the subject farm complex. The easement has generally similar terms. The trail easement is along a remote boundary and is unimproved, not impacting privacy and not needing an adjustment.

**Sale #10** is a 2015 sale of a smaller farm in Bridport on the state highway. The dwelling is in inferior condition, as are the barns. The clay farmland has slightly lower relative agricultural value. It was bought by an area farm for tillage.

**Sale #11** is a recent OPAV farm in Wheelock. It was sold through a competitive bidding process of applicants with viable farm plans. Acreage is larger with slightly more tillable acres. Soils are superior. The dwelling is similar in style, but in inferior condition. The farm complex is much less extensive and inferior.

**Sale #12** is a 2017 sale of a much larger farm in Morgan, with much more tillage and slightly superior soils. The main dwelling was larger cape in similar good condition. This sale had 3 additional dwellings that are of generally low quality and in fair condition. The dairy facility was much larger than that on the subject and more modern, having a milking parlor. The easement allowed for two subdivisions. The easement allowed for 6 total residential rights and an exclusion, plus restrictive "sole discretion" housing units.

**Sale #13** is a very recent sale of a dairy farm in Barton. It is smaller in total lot size, and has fewer tillable acres. The soils are slightly superior. It has an older cape farmhouse of inferior quality and condition, and lacks a second residence. The dairy facility is of similar style, but in much inferior condition, and lacks the extensive outbuildings, such as the large freestall, new heifer barn, and extensive machinery storage buildings found on the subject.

## **Explanation of Adjustments:**

**Property Rights: Housing Rights:** The subject is fully conserved with no exclusions. Housing rights include the two existing residence, both of which may be duplexes, and a sole discretion farm labor housing right. Based on breakdowns of sales, I adjust farm labor housing rights at **\$10,000**, sole discretion flh and duplex rights at **\$5,000**, and camp rights at **\$2,000**.

**Market Conditions:** All sales occurred in the current market. Agricultural land prices have remained steady. No adjustment needed.

**Acreage/Tillage:** Cropland allocations range from \$1,200/acre on sale #12 for remote somewhat wet cropland to \$2,000/acre for smaller blocks of cropland. Based on the contributory value of cropland, I adjust tillable land at \$1,250/acre and overall acreage at \$250/acre. The result is that 1 additional acre of tillable land is adjusted at \$1,500/acre on larger parcels.

**Amenities:** No adjustments are needed because the highest and best use is farming.

**Soils:** There is a direct correlation between relative agricultural value and crop productivity. The driver for OPAV properties is crop productivity and drainage. An adjustment is made, based on the differences in relative agricultural value of the cropland, applied to the contributory value of the cropland.

**Riparian Buffer Zone (RBZ) and Wetland Protection Zone (WPZ):** A 50' wide Riparian Buffer Zone (RBZ) will extend from either side of several small streams and channels. Within this zone, agricultural use is prohibited, and any forestry must be approved by the easement holder. Impacted area is estimated at 12 acres. There are three wetland protection zones (WPZ) that restrict logging and agricultural activity. Total impacted acreage from these restrictive uses is 16 acres. Because essentially benefits of ownership are eliminated in the WPZ, I adjust total subject acreage at a total of 16 fewer overall acres, or 180 acres.

**Improvements:** Adjustments are made based on the difference between the depreciated value of the improvements on the subject as indicated earlier in the Cost Approach and the contributory value of the improvements on the sales. The depreciated value of the subject improvements is based on the allocated sale price values of comparable improvements on recent sales.

**Separate conveyance:** The easement on Sales #7 and #12 allows for a portion to be conveyed separately. However, the trend in agriculture right now is consolidation into larger farms. In reality, the larger parcels have more utility, not less, to expanding farms. I make no adjustment for this right due to the current market economics.



**Sales Adjustment Grid, After Conservation Easement**

	Sale #7	Sale #8	Sale #9	Sale #10	Sale #11	Sale #12	Sale #13
	Route 22A, W. Haven	Otter Creek Rd, Addison	1572 South Hill Rd, Williamstown	Highway 22A, Bridport	528 Burroughs Rd, Wheelock	Route 111, Morgan	701 Cook Rd, Barton
<b>Sales Price</b>	\$825,000	\$549,900	\$395,000	\$310,000	\$520,000	\$1,088,000	\$220,000
Housing Rights	\$0	\$30,000	\$10,000	\$25,000	\$10,000	-\$35,000	\$5,000
Public access	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Camp	\$0	\$0	\$2,000	\$0	\$0	\$0	\$2,000
Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Conditions of sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted sale price	\$825,000	\$579,900	\$407,000	\$335,000	\$530,000	\$1,053,000	\$227,000
Time	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Time adjusted sales price</b>	<b>\$825,000</b>	<b>\$579,900</b>	<b>\$407,000</b>	<b>\$335,000</b>	<b>\$530,000</b>	<b>\$1,053,000</b>	<b>\$227,000</b>
Location	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fee Simple Acreage	\$0	\$0	\$0	\$0	\$0	-\$25,000	\$0
Conserved Acreage	-\$54,500	-\$19,250	-\$17,000	\$4,500	-\$19,000	-\$105,000	\$12,500
Tillage	-\$251,250	-\$107,500	-\$32,500	\$26,250	-\$38,750	-\$132,500	\$48,750
Views	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amenities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Soils	\$15,900	-\$11,100	\$0	\$6,240	-\$9,750	-\$29,440	-\$2,160
Permenant Plantings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sugar Bush	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dwellings	\$44,000	\$89,000	-\$29,000	-\$1,500	-\$1,000	-\$11,000	\$23,000
Second Dwelling	\$37,000	\$87,000	\$87,000	\$87,000	-\$6,000	\$67,000	\$87,000
Barns/outbuildings	-\$23,000	\$141,000	\$231,000	\$216,000	\$184,000	-\$159,000	\$208,500
<b>Net Adjustments</b>	<b>-\$231,850</b>	<b>\$179,150</b>	<b>\$239,500</b>	<b>\$338,490</b>	<b>\$109,500</b>	<b>-\$394,940</b>	<b>\$377,590</b>
<b>Indicated Market Value</b>	<b>\$593,150</b>	<b>\$759,050</b>	<b>\$646,500</b>	<b>\$673,490</b>	<b>\$639,500</b>	<b>\$658,060</b>	<b>\$604,590</b>
Average	Indicated	Value					\$653,477

**Conclusion of Market Value – Sales Comparison Approach, After Conservation Easement**

The mean of the indicated market values derived in the Sales Comparison Approach is \$653,477. Greatest weight is placed on Sale #12, a recent sale with significant dairy infrastructure. Based on the foregoing analysis, it is my opinion that the market value of the 196-acre subject property, as restricted by a conservation easement and Option to Purchase at Agricultural Market Value, as of April 25, 2019, is as follows:

**Six Hundred Fifty-Five Thousand Dollars**  
**(\$655,000)**

**Reconciliation and Conclusion of Market Value, 196-acre Farm After Conservation Easement:**

Site Value plus Improvements:	\$680,000
Sales Comparison Approach:	\$655,000

Both are good approaches. Based upon the foregoing analysis, it is my opinion that the market value of the 196-acre subject property as encumbered by the proposed conservation easement and option to purchase at agricultural value, as of April 25, 2019, is as follows:

**Six Hundred Sixty Thousand Dollars**  
**(\$660,000)**

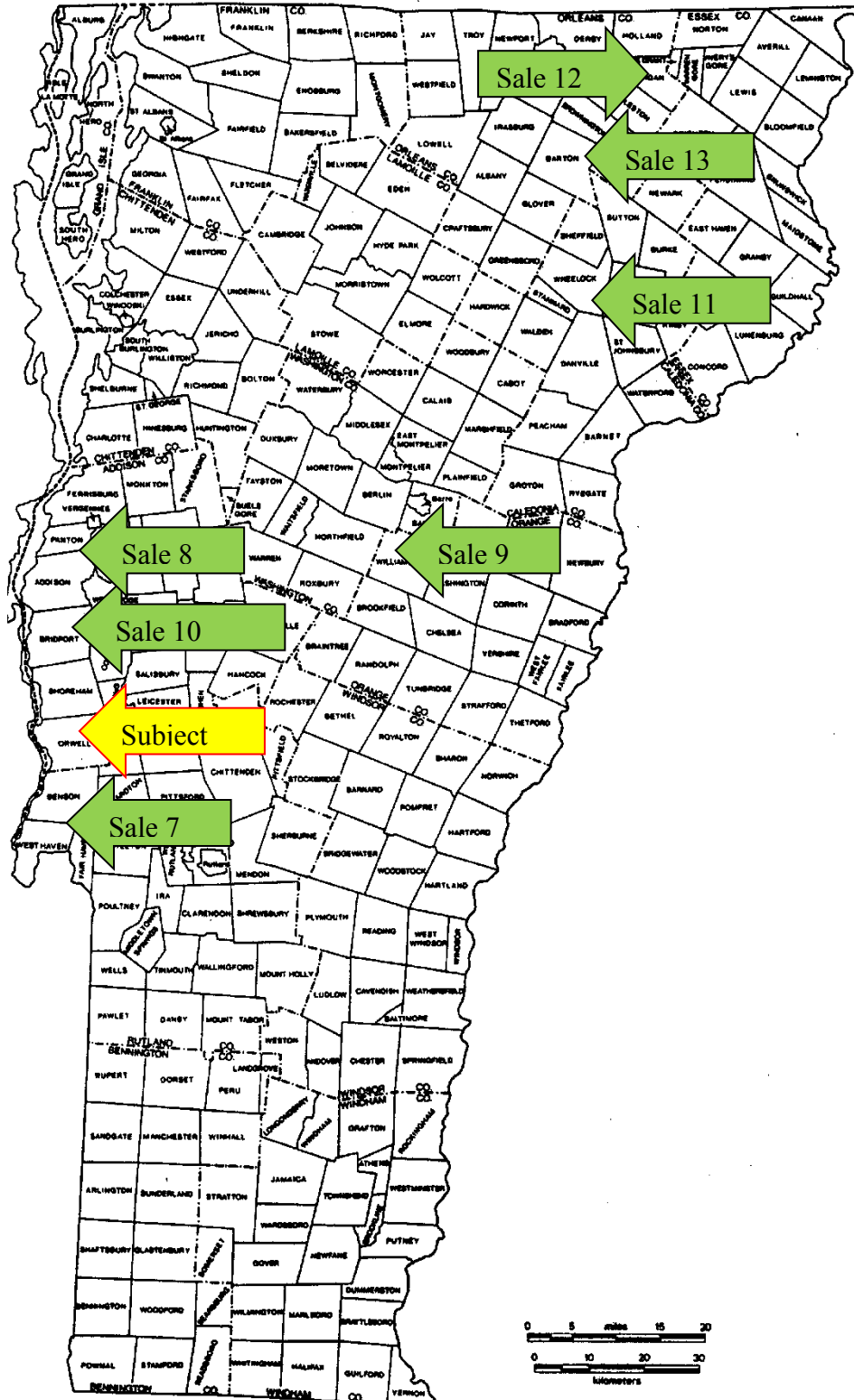
**Opinion of Market Value, After Establishment of the *Public Trail Easement*:**





# **Sales Comparison Approach, After Easement with OPAV and Public Trail Easement**

The following sales are utilized to provide an opinion of the value of the subject property after the grant of development rights and imposition of a conservation easement:



**Restricted Farm Sales Location Map**

**Restricted Farm Sales Summary Grid, After Easement with OPAV and Public Trail Easement**

Sale #	Sale #67	Sale #8	Sale #9	Sale #10	Subject
Date of sale	10/15	5/18	6/18	9/15	4/19 (Effective)
Location	Route 22A, West Haven/Avg	Otter Creek Rd, Addison & Pantan	1572 South Hill Rd, Williamstown	Highway 22A, Bridport	Lylehaven Lane, East Montpelier
Sale price	\$825,000	\$549,900	\$395,000	\$310,000	-----
Size/acres	398 acres	257 acres	248 acres	162 acres	196 acres Adjusted at 180 acres due to WPZ
Sale price/Acre	\$2,073	\$2,140/acre	\$1,593/acre	\$1,914/acre	-----
Tillable acres	300 acres	185 acres72%	125 acres50%	78 acres (48%)	99 acres cropland
Pasture	Minimal	Minimal	Minimal	Minimal	Limited
Topography	Level to sloping	Level to sloping	Sloping	Rolling	Level to sloping
Soils	Clay loams RAV is 63%	Clay loams RAV 70%	Organic certified stony fn sndy loam, 67% RAV	clay loam 63%	Loamy fine sand, FSL, 67% RAV
Views	Good	Good	Good	Good views	Pastoral
Amenities	None	None	stream, pond	Dead Creek	Small stream
Dwelling	Older 2-story	None	Cape	2 Story historic	1,792sf ranch style 2-unit/Good
Age	1,397sf		2,155 sf	2,586 sf	
Size	Average		Avg	average	
Condition					
Contribution	\$45,000 \$32/sf	\$0	\$118,000 \$55/sf	\$90,500 \$35/sf	-----
Secondary Dwell	Cape 1,656sf/Avg	None	None	None	1,750sf two-story/ Good
Contribution	\$50,000 (\$30/sf)	\$0	\$0	\$0	-----
Farm improvements	250-stall FS barn, 2x8 parlor, heifer barn, hay shed, bunkers, pit, Slurrystore/Avg	Old freestall barn/Avg, old dilapidated barn, equipment shed, bunker silo, manure pit	Former freestall, equipment barn	46-stall tiebarn with calf area, milkhouse equip, bulk tank, pole barn, misc. old sheds	Freestall barn, 54-stall tie barn milking facility, heifer barn, Machinery shed/Good
Contribution	\$264,000 \$1,056/stall	\$100,000	\$10,000	\$25,000	-----
Restrictions	One subdivision Three residences permitted OPAV, camp	No subdivision, no residences, Ag, forestry, 1 Res, Camp, OPAV	No subdivision, 1 additional FLH, OPAV, WPZ, Trail Easement	No subdivision, no additional residences, Sfr can be duplex, 600 sf camp, 38.5 acre STA OPAV	No subdivision, two houses, both may be duplexes, Sole discretion flh, Ag, forestry, buffer, WPZ, Riparian buffer, camp,, OPAV, Public Trail
Total SFRs permitted	3 plus camp	1 plus camp	2	Duplex	Two duplexes
Timber	Minimal	Minimal	25 acre sgrbsh	Minimal	Minimal
<b>Breakdown:</b>					
FS Land	None	\$0			----
Cropland	\$397,500	\$370,000	\$187,500	\$156,000	----
Woods/Pasture	\$13,500	\$27,900	\$44,500	\$ 11,500	----
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Other	\$166/acre	\$469/acre	\$214/acre	\$145/acre	----
Farmstead	\$45,000/15 acres	\$50,000/12.5 acres	\$35,000/7 acres	\$27,000/4.5 acres	----



Sale #	Sale #11	Sale #12	Sale #13	Subject
Date of sale	3/18	9/17	7/18	4/19 (Effective)
Location	528 Burroughs Rd, Wheelock	Route 111, Morgan	701 Cook Road, Barton	Lylehaven Lane, East Montpelier
Sale price	\$520,000	\$1,088,000	\$220,000	-----
Size/acres	256 acres	600.25 acres	130 acres	196 acres Adjusted at 180 acres due to WPZ
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Topography	Level to sloping	Level to sloping	Sloping to steep	Level to sloping
Soils	Cabot silt loam & Vershire/Lombard, 72% RAV	Silt loams 75% RAV	Cabot silt loam, 70% RAV	Loamy fine sand, FSL, 67% RAV
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Age	1,632			
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Contribution	\$90,000 \$55/sf	\$100,000 \$35/sf	\$66,000 \$40/sf	-----
Secondary Dwell	1,161 sf contemp/V. Gd	1,152sf 60-year-old cape/Poor 924sf single-wide/Avg 564sf single-wide/P	None	1,750sf two-story/ Good
Contribution	\$93,000(80/sf)	\$20,000	\$0	-----
Farm improvements	62-stall tiestall dairy barn/good	320-stall freestall facility, 2x8RX milking parlor/Avg+ Commodity shed/Fair Bunker silos, manure pit	50-stall freestall, old barn, equipment barn/horse barn, fair to average	Freestall barn, 54-stall tie barn milking facility, heifer barn, Machinery shed/Good
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### **Analysis of Sales, After Conservation Easement and Public Trail Easement**

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**Public Trail Easement:** The Public Trail Easement establishes deeded public non-mechanized access over and across the current farm road, through a wooded section, and then along an abandoned road bed along the southern property line. As an OPAV-restricted parcel, the public access has minimal impact because the parcel already has a limited market appeal for a private estate. Nevertheless, there is a loss of privacy. Furthermore, public pedestrian uses on farms are generally poorly received due to the hassle of fences and the potential for complaints regarding farming practices, especially about the spreading of manure, potential soil erosion, and the use of farm chemicals. Clearly there is a diminution in market value due to the public trail.

An adjustment is made based on the following matched pair of vacant conserved farmland sales:

Town	Seller/Buyer	Sale date	Sale Price	Acres	Price/acre	Comments
Addison	Jackson to Briggs	2/06	\$200,000	220 acres	\$909/acre	Vacant farmland, mostly open, with public access easement to river
Addison	Barrett to Veldman	5/06	\$97,500	100 acres	\$975/acre	Vacant farmland, mostly open, no public access.

The public access easement on the first sale runs along the northern property line along an existing large corn field, similar in effect and possible public complaints as may occur on the subject. These two sales indicate a 7% adjustment for the presence of the public pedestrian trail, rounded to 10%. A 10% adjustment is made for the public access that is established by this easement, applied to the contributory value of the cropland on the subject, as calculated in the Cost Approach of the Before-Trail Easement section, or 99 acres @\$1,750/acre = \$173,250. The adjustment applied is \$17,325, rounded to \$20,000.

**Market Conditions:** All sales occurred in the current market. Agricultural land prices have remained steady. No adjustment needed.

**Acreage/Tillage:** Cropland allocations range from \$1,200/acre on sale #12 for remote somewhat wet cropland to \$2,000/acre for smaller blocks of cropland. Based on the contributory value of cropland, I adjust tillable land at \$1,250/acre and overall acreage at \$250/acre. The result is that 1 additional acre of tillable land is adjusted at \$1,500/acre on larger parcels.

**Amenities:** No adjustments are needed because the highest and best use is farming.

**Soils:** There is a direct correlation between relative agricultural value and crop productivity. The driver for OPAV properties is crop productivity and drainage. An adjustment is made, based on the differences in relative agricultural value of the cropland, applied to the contributory value of the cropland.

**Riparian Buffer Zone (RBZ) and Wetland Protection Zone (WPZ):** A 50' wide Riparian Buffer Zone (RBZ) will extend from either side of several small streams and channels. Within this zone, agricultural use is prohibited, and any forestry must be approved by the easement holder. Impacted area



is estimated at 12 acres. There are three wetland protection zones (WPZ) that restrict logging and agricultural activity. Total impacted acreage from these restrictive uses is 16 acres. Because essentially benefits of ownership are eliminated in the WPZ, I adjust total subject acreage at a total of 16 fewer overall acres, or 180 acres.

**Improvements:** Adjustments are made based on the difference between the depreciated value of the improvements on the subject as indicated earlier in the Cost Approach and the contributory value of the improvements on the sales. The depreciated value of the subject improvements is based on the allocated sale price values of comparable improvements on recent sales.

**Separate conveyance:** The easement on Sales #7 and #12 allows for a portion to be conveyed separately. However, the trend in agriculture right now is consolidation into larger farms. In reality, the larger parcels have more utility, not less, to expanding farms. I make no adjustment for this right due to the current market economics.

**Sales Adjustment Grid, After Easement**

	Sale #7	Sale #8	Sale #9	Sale #10	Sale #11	Sale #12	Sale #13
	Route 22A, W. Haven	Otter Creek Rd, Addison	1572 South Hill Rd, Williamstown	Highway 22A, Bridport	528 Burroughs Rd, Wheelock	Route 111, Morgan	701 Cook Rd, Barton
<b>Sales Price</b>	\$825,000	\$549,900	\$395,000	\$310,000	\$520,000	\$1,088,000	\$220,000
Housing Rights	\$0	\$30,000	\$10,000	\$25,000	\$10,000	-\$35,000	\$5,000
Public access	-\$20,000	-\$20,000	-\$20,000	-\$20,000	-\$20,000	-\$20,000	-\$20,000
Camp	\$0	\$0	\$2,000	\$0	\$0	\$0	\$2,000
Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Conditions of sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted sale price	\$805,000	\$559,900	\$387,000	\$315,000	\$510,000	\$1,033,000	\$207,000
Time	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Time adjusted sales price</b>	<b>\$805,000</b>	<b>\$559,900</b>	<b>\$387,000</b>	<b>\$315,000</b>	<b>\$510,000</b>	<b>\$1,033,000</b>	<b>\$207,000</b>
Location	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fee Simple Acreage	\$0	\$0	\$0	\$0	\$0	-\$25,000	\$0
Conserved Acreage	-\$54,500	-\$19,250	-\$17,000	\$4,500	-\$19,000	-\$105,000	\$12,500
Tillage	-\$251,250	-\$107,500	-\$32,500	\$26,250	-\$38,750	-\$132,500	\$48,750
Views	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amenities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Soils	\$15,900	-\$11,100	\$0	\$6,240	-\$9,750	-\$29,440	-\$2,160
Permenant Plantings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sugar Bush	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dwellings	\$44,000	\$89,000	-\$29,000	-\$1,500	-\$1,000	-\$11,000	\$23,000
Second Dwelling	\$37,000	\$87,000	\$87,000	\$87,000	-\$6,000	\$67,000	\$87,000
Barns/outbuildings	-\$23,000	\$141,000	\$231,000	\$216,000	\$184,000	-\$159,000	\$208,500
<b>Net Adjustments</b>	<b>-\$231,850</b>	<b>\$179,150</b>	<b>\$239,500</b>	<b>\$338,490</b>	<b>\$109,500</b>	<b>-\$394,940</b>	<b>\$377,590</b>
<b>Indicated Market Value</b>	<b>\$573,150</b>	<b>\$739,050</b>	<b>\$626,500</b>	<b>\$653,490</b>	<b>\$619,500</b>	<b>\$638,060</b>	<b>\$584,590</b>
Average	Indicated	Value					\$633,477

**Conclusion of Market Value – Sales Comparison Approach, After Easement**

The mean of the indicated market values derived in the Sales Comparison Approach is \$633,477. Greatest weight is placed on Sale #12, a recent sale with significant dairy infrastructure. Based on the foregoing analysis, it is my opinion that the market value of the 196-acre subject property, as restricted by a conservation easement and Option to Purchase at Agricultural Market Value, as of April 25, 2019, is as follows:

**Six Hundred Thirty-Five Thousand Dollars**  
**(\$635,000)**

**Reconciliation and Conclusion of Market Value, 287-acre Farm After Trail Easement:**

Site Value plus Improvements:	\$660,000
Sales Comparison Approach:	\$635,000

Both are good approaches. Based upon the foregoing analysis, it is my opinion that the market value of the 196-acre subject property, as of April 25, 2019, **as if further encumbered by a deeded public trail easement** is as follows:

**Six Hundred Forty Thousand Dollars**  
**(\$640,000)**

**Change in Market Value Due to Trail Easement**

The change in market value of the subject property as a result of establishment of the deeded **Public Trail Easement** is as follows:

Market value After Conservation Easement, Before Trail Easement:	\$ 660,000
Market value After Conservation Easement, After Trail Easement:	<u>\$ 640,000</u>
Loss in market value due to Public Trail Easement:	\$ 20,000

The loss in market value to the 196-acre subject property due to the Public Trail Easement, as of April 25, 2019, is estimated to be:

**Twenty Thousand Dollars**  
**(\$20,000)**  
**(\$102/acre)**



### **Underlying Assumptions and Contingent Conditions**

In this appraisal, made as of April 25, 2019, no responsibility is assumed for matters of a legal nature, nor has an opinion been rendered on title, good and clear title being assumed, free of any encumbrances and/or defects or liens other than those indicated.

The distribution of values estimated herein for land and/or improvements where separately scheduled are values applicable to each such respective element of the subject property under the program of utilization defined herein by virtue of the definition and description of highest and best use. Such individual values may not be applicable under other alternative use programs, and are invalid in conjunction with any other appraisal.

If this appraisal report contains a valuation relating to an estate that is less than the whole fee simple estate, then the value reported for such estate relates to a fractional interest only in the real estate involved, and the value of this fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole.

If this appraisal report contains a valuation relating to a geographical portion of a larger parcel or tract of real estate, then the value reported for such geographical portion relates to such portion only and should not be construed as applying with equal validity to other portions of the larger parcel or tract, and the value reported for such geographical portion plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract as considered as an entity.

The subject property has been considered to have been held under responsible ownership and competent management, unless otherwise specifically stated. It is assumed that such quality ownership and management will continue for the remaining economic and useful life estimated thereof.

Any representation, indication, and/or description herein as to the physical condition and/or content of the unseen, underlying land or of the indiscernible improvements included in this report is intended solely as an expression of the general visual impression gained by the appraiser upon inspection of the property. No representation is made of a technical nature pertaining to the presence or absence of hazardous materials. The appraiser is not qualified to detect such materials and urges the client to retain an expert in that field if desired. Any sketches, maps, drawings, and/or diagrams prepared by the appraiser and included in this report have been offered only for the purpose of providing visual assistance. The appraiser has made no engineering survey or analysis of the property, and no responsibility is assumed in connection therewith.

To the extent, if any, that information, estimates, and/or opinions have been obtained by others, and to the extent, if any, that such information, estimates, and/or opinions have been utilized and/or included herein, the sources of such information, estimates, and/or opinions may be deemed to have been sound, responsible, and reliable. However, the appraiser assumes no responsibility or liability for such data.

## **Professional Qualifications**

### **Richard R. Larson**

Certified General Appraiser, Licensed in Vermont  
Formerly licensed in New Hampshire, New York and Massachusetts

### **EDUCATION**

Vermont Certified General Real Estate Appraiser, License #80-0000177, exp. 5/31/2020  
Vermont Real Estate Appraiser Trainee #085-0000004 - 1994-1995  
Vermont Transitional Licensed Real Estate Appraiser - 1992-1993  
Complex Properties: The Odd Side of Appraisal – McKissock – 2018  
Solving Land Valuation Puzzles, Appraisal Institute - 2018  
Environmental Hazards Impact on Value, Calypso - 2018  
Uniform Standards of Professional Appraisal Practice 2018-19, Calypso - 2017  
Appraising Green Buildings – McKissock – 2017  
Appraisal Refresher – Covering the Bases, Vermont Realtors – 2016  
Strange but True: Appraising Complex Residential Properties, McKissock, 2016  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute - 2016  
Conservation Easement Valuation Workshop – 2014  
Income Capitalization Overview, Career Web School - 2014  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute - 2014  
Valuation of Conservation Easements and Taxes, Appraisal Institute Webinar - 2013  
Land and Site Valuation, McKissock - 2013  
Uniform Standards of Professional Appraisal Practice, McKissock – 2013  
Fundamentals of Separating Real, Personal Property, and Intangible Business Assets - 2012  
Business Practices and Ethics, Appraisal Institute – 2011  
Environmental Pollution and Mold, McKissock – 2011  
Land and Site Valuation, McKissock - 2011  
Using Spread Sheet Programs in Real Estate Appraisals, Appraisal Institute – 2010  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute – 2010  
Market Analysis and Highest and Best Use, VAR - 2009  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute - 2008  
Uniform Appraisal Standards for Federal Land Acquisition, Appraisal Institute - 2006  
Uniform Appraisal Standards for Federal Land Acquisition, ASFMRA - 2006  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute - 2006  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute - 2005  
Appraisal Review, Appraisal Institute, 2005  
Uniform Appraisal Standards for Federal Land Acquisition, Appraisal Institute - 2004  
Current Issues, Attacking and Defending an Appraisal in Litigation, Appraisal Institute – 2003  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute - 2003  
Appraising Land Encumbered by Conservation Easements, Lincoln Institute of Land Policy - 2002  
Theory and Practice of Land Valuation; a Case Study, Lincoln Institute of Land Policy - 2002  
Twenty Common Appraisal Errors, MBREA – 2001  
Wetlands, The Elusive Value, American Society of Appraisers - 2001  
Partial Interest Valuation, Divided, Appraisal Institute - 2001  
Uniform Standards of Professional Appraisal Practice, Appraisal Institute - 2001  
Eminent Domain and Condemnation, Appraisal Institute – 2001  
Valuation of Detrimental Conditions in Real Estate, Appraisal Institute - 2001  
Unique and Unusual Residential Properties, MBREA – 2001  
Major Land Use Laws in Vermont, NBI - 2000  
Uniform Standards of Professional Appraisal Practice, 15 hours - 1998  
Attacking and Defending an Appraisal in Litigation, MBREA - 1997  
Residential Appraisal Trends, MBREA - 1996  
Land Development Seminar, MBREA - 1996  
Real Estate Law and Registry of Deeds, MBREA - 1996  
Commercial Appraisal Problem Solving Seminar, MBREA - 1995  
Member, Massachusetts Board of Real Estate Appraisers, 1995, 1996  
Techniques of Income Property Appraisal 2.2 - 1995  
Introduction to Income Property Appraisal 2.1 - 1995  
Fairmont Conservation Easement Appraisal, East Montpelier, VT

Larson Appraisal Company

Appraisal Report Writing, New URAR - 1993  
Standards of Professional Practice - 1991  
Appraising the Single Family Residence - 1991  
Foundations of Real Estate Appraisal - 1991  
University of Connecticut, Storrs, Connecticut, B.S. Agricultural Sciences – 1973

**Experience**

**1995 to Present:**

Owner of Larson Appraisal Company, and active in Vermont, Massachusetts and New York in the appraisal of farms, vacant land, forestland, partial interest valuation, condemnation, and in project development for conservation purposes. The appraisals were prepared for mortgage security, estate tax, purchase and sale values, project feasibility, litigation, probate and conservation easements.

**1993 to 1995:**

Employed with Rutken Appraisal Company, Inc. in Manchester, Vermont. Engaged in the appraisal of residential and multi-family properties, farms, woodlots, vacant land and conservation easements.

**1976 to 1993:**

Owned and operated Parable Hill Dairy, a financially successful agricultural business, recipient of production and conservation awards.

**Representative Client List**

**Financial Institutions:**

Charter One Bank  
Community National Bank  
Factory Point National Bank  
First National Bank of Brandon  
First National Bank of Orwell  
Peoples Trust Company of St. Albans  
Peoples United Bank  
Lyndonville Savings Bank and Trust Company  
USDA Farm Service Agency of Massachusetts  
USDA Farm Service Agency of Vermont  
Vermont Agricultural Credit Corporation  
Vermont Economic Development Authority  
Yankee Farm Credit

**Conservation Easements, Farms and Land:**

Agricultural Stewardship Association, NY  
Dartmouth Natural Resources Trust  
The Nature Conservancy  
The New England Small Farm Institute  
The 300 Committee of Falmouth  
Upper Valley Land Trust  
U.S. Forest Service, USDA  
U.S. Fish and Wildlife Service  
Ag Ventures Financial Services  
Vermont Agency of Natural Resources  
Vermont Agency of Transportation  
Vermont Housing and Conservation Board  
Vermont Land Trust  
Vermont Rivers Conservancy



**Addenda, Deed, Draft Easement**



DOC: 00010757 VOL: 129 PG: 192

VERMONT WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, that I, **JEROME LYLE RAPPAPORT** of 9 Rivercrest Court, Stuart, Florida, **Grantor**, in the consideration of Ten and more Dollars paid to his full satisfaction by **FAIRMONT DAIRY, LLC**, a Vermont limited liability company with a principal place of business in East Montpelier in the County of Washington and State of Vermont, **Grantee**, by these presents, do freely GIVE, GRANT, SELL, CONVEY AND CONFIRM unto the said Grantee Fairmont Dairy, LLC. and its heirs and assigns forever, certain land in East Montpelier in the County of Washington and State of Vermont, described as follows, viz:

1. Being all and the same land and premises conveyed to Jerome Lyle Rappaport by Warranty Deed of Alfred W. Knowles and Pearl M. Knowles dated March 23, 1970 and of record in Book 25 at Page 59 of the Town of East Montpelier Land Records, but excepting therefrom that portion of the said land and premises shown as Lot 1 on that certain plan dated August 26, 2014 prepared by Chase & Chase entitled "Subdivision Survey Steve's Carve-out" recorded in Map Hanger 85, Page 351 of Town of East Montpelier Land Records.
2. Being all and the same land and premises conveyed to Jerome Lyle Rappaport by Warranty Deed of Edward C. Banfield and Laura F. Banfield dated October 31, 1970 and of record in Book 25 at Page 214 of the Town of East Montpelier Land Records.
3. Being all and the same land and premises conveyed to Jerome L. Rappaport by Warranty Deed of Pearl M. Knowles (widow) dated July 9, 1979 and of record in Book 29 at Page 449 of the Town of East Montpelier Land Records.
4. Being all and the same land and premises conveyed to Jerome Rappaport by Warranty Deed of T.N.T. Realty Inc. dated December 22, 1979 and of record in Book 29 at Page 291 of the Town of East Montpelier Land Records, but excepting therefrom that portion of said lot and premises shown as Lot 1 on that certain plan dated August 28, 2014 entitled "Subdivision Survey Wooded Carve-out" prepared by Chase & Chase and recorded in Map Hanger 84, Page 350 of the Town of East Montpelier Land Records.
5. Being all and the same land and premises conveyed to Jerome Lyle Rappaport of Warranty Deed of Edward C. Banfield and Laura F. Banfield dated March 17, 1981 and of record in Book 29 at Page 408 of the Town of East Montpelier Land Records.
6. Being all and the same land and premises conveyed to Jerome L. Rappaport by Warranty Deed of Harold MacLeod and Lorraine MacLeod dated June 16, 1981 and of record in Book 29 at Page 433 of the Town of East Montpelier Land Records.

*Deed*

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DOC: 00010757 VOL: 129 PG: 193

7. Being all and the same land and premises conveyed to Jerome L. Rappaport by Warranty Deed of Mac-Noble Farms, Inc. dated June 16, 1981 and of record in Book 29 at Page 434 of the Town of East Montpelier Land Records.

8. Being all and the same land and premises conveyed to Jerome L. Rappaport by Warranty Deed of Roger LaPerle and Theresa LaPerle dated June 15, 1983 and of record in Book 32 at Page 128 of the Town of East Montpelier Land Records.

9. Being all and the same land and premises conveyed to Jerome L. Rappaport by Warranty Deed of Lawrence LaPerle and Barbara LaPerle dated February 12, 1985 and of record in Book 35 at Page 229 of the Town of East Montpelier Land Records, but excepting therefrom that portion of said land and premises shown as Lot 1 on a plan dated August 22, 2014, entitled Subdivision Survey "Route 14 Carve-Out" prepared by Chase & Chase and recorded in Map Hanger 84, Page 349 of the Town of East Montpelier Land Records.

10. Being all and the same land and premises conveyed to Jerome Lyle Rappaport by Warranty Deed of Laura Banfield dated May 21, 2003 and of record in Book 79 at Page 19 of the Town of East Montpelier Land Records.

And also that certain land in Plainfield, in the County of Washington and the State of Vermont, described as follows:

Being all and the same premises conveyed to Jerome Lyle Rappaport by Warranty Deed of Alfred W. Knowles and Pearl M. Knowles dated March 23, 1970 and of record in Book 23, Page 240 of the Town of Plainfield Land Records.

Jerome Lyle Rappaport, Jerome L. Rappaport and Jerome Rappaport are one and the same person.

TO HAVE AND TO HOLD said granted premises, with all the privileges and appurtenances thereof, to the said Grantee, its heirs, successor or assigns, to its own use and behoof forever; and I, the said Grantor, for myself, my heirs, executors and administrators, do covenant with the said Grantee, and its heirs, successors or assigns, that until the ensealing of these presents, I am the sole owner of the premises, and have good right and title to convey the same in manner aforesaid, that they are FREE FROM EVERY ENCUMBRANCE, except as aforesaid.

And I do hereby engage to WARRANT AND DEFEND the same against all lawful claims, whatever, except as aforesaid.

IN WITNESS WHEREOF, I set my hands this 30<sup>th</sup> day of November, 2014.

In The Presence of:

  
Witness

  
Jerome Lyle Rappaport

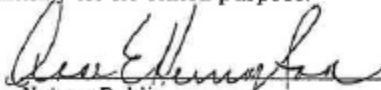
Deed

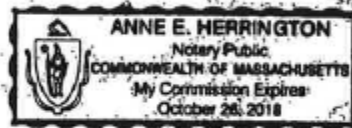
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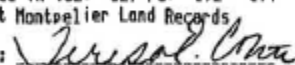
DOC: 00010757 VOL: 129 PG: 194

COMMONWEALTH OF MASSACHUSETTS )  
 ) ss  
COUNTY OF SUFFOLK )

On this 20 day of November, 2014, before me, the undersigned notary public, personally appeared JEROME LYLE RAPPAPORT, proved to me through satisfactory evidence of identification, which was [person being personally known to me][a copy of his/her driver's license], to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

  
Notary Public  
My Commission Expires:



VERMONT PROPERTY TRANSFER TAX  
TOWN CLERK'S OFFICE  
Received Dec 10, 2014 12:45P  
Return No. 42014068  
Recorded in VOL: 129 PG: 192- 194  
Of East Montpelier Land Records  
ATTEST:   
Teresa E. Conti, Town Clerk

g:\lylehaven\sale\closing docs\deed2.docx

Deed





## Vermont Housing & Conservation Board

58 East State Street, Montpelier, VT 05602

October 25, 2018

Richard Larson  
Larson Appraisal Company  
661 South Street  
Wells, Vermont 05774

Dear Rich:

This letter is a confirmation of our appraisal agreement for a portion of Fairmont Dairy, LLC's Lylehaven property located on Lylehaven Lane in East Montpelier. The Vermont Housing & Conservation Board (VHCB) requests three reports: a primary Appraisal Report (self-contained) to federal standards and two supplemental Restricted Reports described later in this letter. *VHCB is the sole client for these reports.*

The subject property is a 202-acre parcel purchased by Fairmont Dairy, LLC in 2014. Six acres are excluded from the conservation project, leaving **196 acres** to conserve. See enclosed map for details and include the map in the report. All acreage is verified with GIS software and digital maps. The standard VLT/VHCB conservation easement and the Option to Purchase at Agricultural Value (OPAV) apply. Please note these other easement provisions:

- A farmstead complex is included, within which the existing farm infrastructure is situated. Within this complex, new agricultural structures will be permitted without prior approval.
- There are two existing houses within the proposed easement area. One is a duplex situated to the south of Lylehaven Lane. One unit of the duplex is occupied by the family of Tucker Purchase (a member of Fairmont Dairy, LLC); the other unit is occupied by a farm worker. There will be no occupancy restrictions or designated farm labor housing (FLH) status for this house. In other words, it will be treated as the main farmhouse under the easement. The second house, situated to the north of Lylehaven Lane, is a single-family home occupied by the family of Ricky Hall (Richard and Bonnie Hall's son who works on the farm). This house will be a designated FLH in the easement, and the landowner will retain the right to convert it to a duplex.
- The standard sole discretion house right is also included. Certain criteria must be met before a landowner is allowed to exercise this right.
- The standard camp right is included.
- Several streams will be subject to a "riparian buffer zone" easement clause. Please see attached draft language.
- Several wetland areas will be subject to a "wetland protection zone" easement clause. Please see attached draft language.
- The easement will include the right to convey a trail easement to the Cross Vermont Trail Association (CVTA). See Supplemental Report #1 below for more information.
- The property will be subject to a USDA-NRCS Agricultural Land Easement (ALE) Plan.

**Primary appraisal:** The purpose is to provide an opinion of market value of the subject before and after acquisition of the conservation easement. The appraisal will be used as the basis of an easement purchase price. The intended users are VHCB, VLT, Fairmont Dairy, Yankee Farm Credit, and the USDA-Natural Resources Conservation Service (NRCS).

The primary appraisal must conform to the USDA's appraisal standards for the NRCS Agricultural Conservation Easement Program Agricultural Land Element Component (ACEP-ALE). These standards are published by NRCS under the title "Specifications and Scope of Work for Appraisals of Real Property for ACEP-ALE". The appraisal must comply with ACEP's USPAP (not Yellow Book) standards and shall consider only the 196 acres to be encumbered by the easement, without consideration of enhancement on the exclusion.

The primary report shall include the following:

- The effective date. *Please note that the effective date must be within one month from the letter of transmittal date. In other words, the final delivery of the report must not exceed one month from the effective/valuation date.*
- The fair market unrestricted "before" value of 196 acres and the "after" value with the Option to Purchase at Agricultural Value (OPAV) on 196 acres.
- The contributory value of the land only (buildings excluded) as if encumbered by an easement that has the OPAV. This value will be used as the base value for the OPAV in the easement.

**Supplemental Report #1:** The purpose is to provide an opinion of market value of a trail easement across the subject property. Please see the attached draft easement and a accompanying map depicting the location of the proposed trail corridors. The intended users of this supplemental report are VHCB, VLT, Fairmont Dairy, Yankee Farm Credit, and the Cross Vermont Trail Association (CVTA). USDA/NRCS will not be a party to this supplemental report.

**Supplemental Report #2:** This report must estimate enhancement to the 6-acre exclusion as a result of the conservation easement. The intended user is VHCB, which requests that you grant permission to share the report with VLT, Fairmont Dairy, and Yankee Farm Credit. USDA/NRCS will not be a party to this supplemental report.

This report must comply with VHCB Standards for Supplemental Appraisal Reports for Farm Conservation Projects, dated October 29, 2009. These standards are posted at [vhcb.org](http://vhcb.org) as "Policies/Appraisal Standards." Please refer to the VHCB Standards for Supplemental Appraisal Reports for more specific information.

The following opinion of value is requested:

- Value of enhancement, if any, to the excluded land, as if the rest of the farm was conserved.

Please refer to the VHCB Standards for Supplemental Appraisal Reports for more specific information.

By **January 4, 2019**, please provide electronic copies of each report to VLT, VHCB, CVTA, and Fairmont Dairy, and one paper copy of each report to Fairmont Dairy using the contact information below.

In accordance with your quotation, your total fee shall not exceed **\$4,000** (\$3,500 for the conservation easement report and \$500 for the trail easement report). Please bill as follows:

VHCB:	\$2,000
Fairmont Dairy, LLC:	<u>\$2,000</u>
Total:	\$4,000

Should the primary appraisal be subject to a NRCS technical review, your fee may be increased at the rate of \$100/hour to answer technical review questions, with a cap not to exceed \$1,500, to be invoiced to VHCB when the answers are submitted. Any review charges above the cap must be approved by VHCB.

Landowner contact information:

Richard Hall  
Fairmont Dairy, LLC  
95 Lyle Young Road,  
East Montpelier, VT 05651  
Office: 223-3868  
Cell: 272-8553  
[richard@fairmontfarminc.com](mailto:richard@fairmontfarminc.com)

CVTA contact information:

Greg Western, Executive Director  
Office: 498-0079  
Cell: 655-6051  
[greg@crossvermont.org](mailto:greg@crossvermont.org)

If you agree to accept this appraisal assignment as described herein, please sign and return this letter.  
Thank you for doing this work.

Sincerely,



Lawrence W. Mires  
VHCB Chief Administrative Officer  
VHCB Staff

I accept this appraisal assignment as described in this letter:

\_\_\_\_\_  
Richard Larson

\_\_\_\_\_  
Date

Enclosures: Ortho map, deed, draft trail easement and map, draft buffer language, draft wetland language

cc: Britt Haselton, VLT  
Greg Western, CVTA



**Form Last Revised: 10/14/2014**

**Draft Date:**

**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 \_\_\_\_\_, a single person, of \_\_\_\_\_, County of \_\_\_\_\_, State of Vermont, on behalf of himself/herself/themselves/itself and his/her/their/its 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, does/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 \_\_\_ acres, more or less, with the buildings and improvements now or hereafter situated thereon (hereinafter "Protected Property") located in the Town of \_\_\_\_\_, County of \_\_\_\_\_, 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, historic structures, 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 *[numbers may change, based on more detailed mapping by VLT staff, prior to signing of the easement]*:

- a) \_\_\_\_acres of agricultural soils of prime significance which is \_\_\_\_% of the Protected Property;
- b) \_\_\_\_acres of agricultural soils of statewide significance which is \_\_\_\_% of the Protected Property;
- c) \_\_\_\_acres of managed sugarbush;
- d) \_\_\_\_ acres of managed forest;
- e) \_\_\_\_ feet of frontage on \_\_\_\_\_ Road, \_\_\_\_\_ Road, and \_\_\_\_\_ Road, public highways with scenic vistas;
- f) in the vicinity of \_\_\_\_ (\_\_\_\_) other properties previously protected by Grantees;
- g) traversed by \_\_\_\_ feet of \_\_\_\_\_ River/Brook/Creek or adjacent to \_\_\_\_\_ feet of shoreline of \_\_\_\_\_ Pond/Lake;
- h) wetlands and wildlife habitat; and,
- i) \_\_\_\_ uncommon natural communities \_\_\_\_\_.

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 the Building Envelope(s), containing approximately \_\_\_\_ acres and described in Schedule [B] which is appended to and made a part of this Grant, and is depicted on the \_\_\_\_\_ Farm Plan described in Schedule A attached hereto and incorporated herein.

The boundaries and location of the Building Envelope(s) may be adjusted if Grantees and the Chief of NRCS provide prior written approval of the adjusted boundaries and location. The Building Envelope(s) may not increase in size and the adjusted Building Envelope(s) 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 Envelope(s) for the benefit of buildings or structures permitted in the Building Envelope(s), 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, except for limited mining activities to the extent that the materials mined (e.g. sand, gravel, or shale) are used for agricultural operations on the Protected Property. In the case of this limited mining for materials used for agricultural operations, extraction must be limited to a small, defined area or acreage identified in Schedule [C] and may not harm the conservation values or the agricultural uses of the Protected Property. In no case shall surface mining of subsurface oil, gas, or other minerals be permitted.

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(s) III[(11)/(12)] 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. [ALE Option-2 – Use Option 2 to allow for pre-approved subdivision]  
Notwithstanding anything to the contrary contained in Section III(10) above, the Protected Property shall not be divided or subdivided into, or separately conveyed as, more than \_\_\_\_ farm parcels (\_\_\_\_ division(s) allowed), the boundaries of which have been identified in Schedule [D], which is appended to and made a part of this Grant. To ensure the future agricultural viability of the Protected Property, the boundaries of such division(s) have been pre-approved in writing by Grantees and the Chief of NRCS or his or her authorized designee (Chief of NRCS). Deviations from the identified boundaries will not be allowed. Grantor shall give Grantees and the Chief of NRCS written notice prior to subdividing, dividing or separately conveying a parcel(s) of the Protected Property. The division, subdivision or separate



conveyance of a parcel(s) of the Protected Property as provided in this Section, will not affect the right of the Grantor, or Grantor's heirs, successors, or assigns to make additional approved division(s) of the Protected Property identified in Schedule [D]. 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. [ALE Option-3 – Use Option 3 to allow for future subdivision right(s)] Except as provided in Section(s) III(10) [&(11)] above, the Protected Property shall not be divided or subdivided into, or separately conveyed as, more than \_\_\_\_\_ [additional] farm parcels (\_\_\_\_ division(s) [in the aggregate] allowed) [Drafter note – modify this sentence to account for any pre-**approved subdivisions allowed pursuant to “ALE Option 2”**]. 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(12) as a consequence of creating separately owned farm units. The resulting parcels of land shall remain subject to this Grant. The division, subdivision or separate conveyance of a parcel(s) of the Protected Property as provided in this Section **III(12), will not affect the right of the Grantor, or Grantor's heirs, successors, or assigns to make any additional division(s) of the Protected Property.** The Grantor making the conveyance retains the right to make further approved division(s) of the Protected Property unless the permitted division(s) is/are allocated by that Grantor in the instrument creating the division or

other recorded instrument. [Drafter note – Delete this language when there is only one subdivision allowed.]

13. *Limitation on Impervious Surfaces* -- Impervious surfaces will not exceed [Insert approved impervious surface percentage] [Note: if greater than two percent (2%) a waiver by the Chief of NRCS or his or her authorized designee (Chief of NRCS) must have been granted in writing prior to submitting the Grant to NRCS for review and approval.], 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.

[Include the following if limited subdivision is permitted above: In the event the Protected Property is subdivided as provided for in Section III(10) 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.

[Notwithstanding anything to the contrary contained herein, Grantees' approval to clearcut forest land for conversion to agricultural use in the \_\_\_\_ (\_\_\_) acre, more or less, forested area more particularly described as \_\_\_\_\_ and is generally depicted as "Forest Zone" on the \_\_\_\_\_ Farm Plan (the "Forest Zone") may be denied, conditioned or granted by Grantees in their sole discretion. The boundaries of the Forest Zone may be changed from time to time by mutual agreement of Grantor and Grantees, as established by written agreement recorded in the \_\_\_\_\_ Land Records and depicted on a new Farm Plan signed by Grantor and Grantees.] Drafter Notes: (1) check in with Stewardship before using the Forest Zone language, and (2) include the Forest Zone and its specific conservation values (e.g. wildlife habitat, scenic qualities, and natural community values) in the attributes.

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 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.

7. The right to [construct], maintain, repair, renovate, replace, enlarge, rebuild, and use [the existing/one] (single-family/two-family) dwelling for residential purposes together with appurtenant non-residential structures and improvements, including drives and utilities, normally associated with a residence, all within the designated Farmstead Building Envelope without the prior written approval of Grantees. The Farmstead Building Envelope is an area consisting of \_\_\_\_ acres, more or less, and is more particularly described in Schedule [B.1]



attached hereto and incorporated herein, and is depicted on the \_\_\_\_\_ Farm Plan described in Schedule A attached hereto and incorporated herein. Grantor shall notify Grantees in writing prior to commencing construction on any new structure or improvement within the Farmstead Building Envelope.

**Assignment of "Farm Labor Housing" status to an existing home:**

8. The right to maintain, repair, renovate, enlarge or rebuild the existing (single-family/two-family) dwelling identified as "FLH" on the \_\_\_\_\_ Farm Plan as a farm labor housing unit, together with appurtenant non-residential structures and improvements, including drives and utilities, normally associated with a residence; provided, however, that the farm labor housing unit shall be (a) occupied by Grantor or at least one person who is a member of Grantor's family or who is employed on the farm, and (b) located in the area depicted as "FLH Building Envelope" on the \_\_\_\_\_ Farm Plan, and described in Schedule [B.2] attached hereto and incorporated herein. In the event the farm labor housing unit is not required for housing a farm employee, Grantor, or a member of Grantor's family, Grantor may rent the unit to other persons for successive lease terms not to exceed one year each, but shall not otherwise transfer ownership or possession of the farm labor housing unit. The farm labor housing unit shall not be conveyed separately from the Protected Property, but may be subdivided with the prior written approval of Grantees if such subdivision is required by state or local regulation. Grantees, in their sole discretion, may permit, in a written letter of approval, an alternative FLH site; provided, however, such an alternative FLH site is (i) located in a manner consistent with the Purposes of this Grant as stated in Section I, above, (ii) found by Grantees to have no greater negative impact on the conservation values underlying the Purposes of this Grant than the original FLH site, and (iii) located in a Building Envelope.

Farm Labor Housing to be added in the future:

9. The right to construct, maintain, repair, renovate, replace, enlarge, rebuild, and use one (1) farm labor housing unit ("FLH"), together with appurtenant non-residential structures and improvements, including drives and utilities, normally associated with a residence; provided, however, that the FLH shall be (a) occupied by Grantor or at least one person who is a member of Grantor's family or who is employed on the farm, and (b) located in a Building Envelope as described in Section III(3). The FLH shall consist of no more than \_\_\_\_\_ [acceptable range is 2,000 to 2,500] square feet of total floor area measured from the exterior walls, excluding the attic crawl space, attached garage, and any floor completely below grade level. Grantees in their sole discretion may permit an increase over the \_\_\_\_\_ square foot limit, provided, however, such larger structure is deemed necessary and found by Grantees to have no greater negative impact on the conservation values and affordability goals underlying the Purposes of this Grant than the original size. In the event the FLH is not required for housing a farm employee, Grantor, or a member of Grantor's family, Grantor may rent the FLH to other persons for successive lease terms not to exceed one year each, but shall not otherwise transfer ownership or possession of the FLH. The FLH shall not be conveyed separately from the Protected Property, but may be subdivided with the prior written approval of Grantees if such subdivision is required by state or local regulation.

10. For the purpose of providing housing exclusively for Grantor 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.

11. 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(10) 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.

**See wastewater guidance for when to add this clause for exclusions:**

12. 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 the **existing single-family residence** located on the \_\_\_\_\_ 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.

13. 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 Special Treatment Area described in Section [V], 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.

14. Alternative clause for minor structures only: The right to construct, use, maintain, repair and replace 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 not be located within the Special Treatment Area described in Section [V], 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 structure and access, in order to ensure that the dimensions of the structure are in compliance with this section and the structure 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.

15. *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.

*[If Land Eligibility is based on the presence of historical or archaeological resources or the project received ranking points for the multifunctional benefits of agricultural land protection for historical and archaeological resources]*

16. *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.

Add STA, SWPZ, Public Access or Archeological Zones here, if applicable, and change section references.

#### V. 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 cFairmontective 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 cFairmontected 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 cFairmontection, Grantor shall, at Grantees' request, reimburse Grantees for all such costs incurred in investigating the non-compliance and in securing its cFairmontection.

Failure by Grantor to cause discontinuance, abatement, or such other cFairmontective action as may be demanded by Grantees within a reasonable time after receipt of notice and reasonable opportunity to take cFairmontective 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 cFairmontective 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 his/her/their/its behalf, at his/her/their/its direction or with his/her/their/its 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 his/her/their/its right of action against such third party to Grantees, join Grantees in any suit or action against such third party, or appoint a Grantee his/her/their/its 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.

## **VI. 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.

## **VII. 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 VII ("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 VIII(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.
- e) Conveyance of the Protected Property by Grantor to \_\_\_\_\_ by \_\_\_\_\_ Deed of even date herewith to be recorded in the \_\_\_\_\_ Land Records.

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 VII(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 VII(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 VII(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) \$ \_\_\_\_\_ 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 VII(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.

**[DRAFTER NOTE: Delete this section if there is no house or house right on the Protected Property.]**

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 VII(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 VII(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 VII(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 VII(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 VII(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 his/her/their/its 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 VII(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 VII(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 \_\_\_\_\_ Town Clerk for recording in the \_\_\_\_\_ Land Records:

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

Should no Grantee exercise this Option as provided in Section VII(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 VII(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 VII(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.

VIII. 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 \_\_\_\_\_ 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 \_\_\_\_\_ Farm Plan or BDR in enforcing this Grant, but are not limited in their use of the \_\_\_\_\_ 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. *[If access easement is included, add: No such assignment limitation shall apply to the access easement which 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 \_\_\_\_\_ percent (\_\_\_\_%), 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 (\$\_\_\_\_\_) by the fair market value of the Property without this Grant (\$\_\_\_\_\_). 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 \_\_\_\_\_ 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, \_\_\_\_\_. 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, cFairmontosive 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 be 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, (Bold and Caps)\_\_\_\_\_, for himself/herself/themselves/itself and his/her/their/its heirs, executors, administrators, successors, and assigns, does covenant with the said Grantees and the UNITED STATES, their successors and assigns, that until the ensembling of these presents,



he/she/they/it is/are the sole owners of the premises, and has/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.

I/We herein set my/our hands at \_\_\_\_\_, Vermont this \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

GRANTOR

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Name)

STATE OF \_\_\_\_\_  
\_\_\_\_\_ COUNTY, ss.

At \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, \_\_\_\_\_ personally appeared and \_\_\_\_ acknowledged this instrument, by \_\_\_\_ sealed and subscribed, to be \_\_\_\_ free act and deed, before me.

\_\_\_\_\_  
Notary Public  
My commission expires: 02/10/2015

STATE OF \_\_\_\_\_  
\_\_\_\_\_ COUNTY, ss.

At \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, 201\_\_, \_\_\_\_\_ personally appeared and \_\_\_\_ acknowledged this instrument, by \_\_\_\_ sealed and subscribed, to be \_\_\_\_ free act and deed, before me.

\_\_\_\_\_  
Notary Public  
My commission expires: 02/10/2015

#### 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.

\_\_\_\_\_  
By: \_\_\_\_\_

Date

Its Duly Authorized Agent

STATE OF VERMONT  
COUNTY OF WASHINGTON, SS.

At Montpelier, Vermont on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, 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: 02/10/2015

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 \_\_\_\_\_, 201\_\_, 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 02/10/2015

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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 by warranty deed of \_\_\_\_\_, dated \_\_\_\_\_, and recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ of the \_\_\_\_\_ Land Records.

Excepted and excluded from this description of the Protected Property are the following \_\_\_\_ parcels of land:

1. A one-acre parcel..., all bearings are referenced to "Grid North:"

*[insert metes and bounds description from Farm Plan]*

2. A one-acre parcel..., all bearings are referenced to "Grid North:"

*[insert metes and bounds description from Farm Plan]*

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 #\_\_ (also known as \_\_\_\_\_), in the Town of \_\_\_\_\_, Vermont, except as excluded above, and generally described as containing \_\_\_\_ 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 - \_\_\_\_\_ Farm, Town of \_\_\_\_\_, \_\_\_\_\_ Co., VT, \_\_\_\_\_ 20\_\_" signed by the Grantor and VLT (referred to throughout this Grant and its Schedules as "\_\_\_\_\_ Farm Plan"). The \_\_\_\_\_ 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 \_\_\_\_\_ 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 \_\_\_\_\_ Farm Plan is kept by VLT in its Stewardship Office. The \_\_\_\_\_ 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 ENVELOPE

The "Building Envelope" referred to in Section III(3) of this Grant contains \_\_\_\_ acres, more or less, and is more particularly described as follows, all bearings are referenced to "Grid North:"

*[Metes and bounds description drawn from "Farm Plan"]*

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SCHEDULE C  
FLH BUILDING ENVELOPE

The "FLH Building Envelope" referred to in Section IV(8) of this Grant contains \_\_\_\_ acres, more or less, and is more particularly described as follows, all bearings are referenced to "Grid North:"

*[Metes and bounds description drawn from "Farm Plan"]*

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SCHEDULE D  
PRE-APPROVED SUBDIVISION

*[Metes and bounds description drawn from "Farm Plan"]*

[V]. Riparian Buffer Zone.

The Protected Property includes certain lands and premises lying on either side of the [streams, creeks, rivers and their tributaries] subject to special protections as set forth herein to protect the water quality of such waterways and the ecological health of the natural systems associated with such waterways. The location of and the restrictions applicable to these areas shall be determined pursuant to Section V(1) below, unless Grantor executes a Buffer Management Plan approved by Grantees pursuant to Section V(2). Notwithstanding anything to the contrary contained in this Section [V], in the event that Grantor conveys a grant of conservation buffer easement, river corridor easement or a similar set of restrictions protecting water quality, riparian habitat and river function ("Buffer Easement") to Grantee VLT, then such Buffer Easement shall control and the terms of this Section [V] shall no longer be in effect so long as such Buffer Easement remains in full force and effect.

1. Default Buffer Restrictions

Those areas on the Protected Property lying within fifty feet (50') of the top of the banks of [perennial streams, creeks and rivers], as those waters may move from time to time, and also including any land located between the said tops of banks and the low



water marks of such waterways, shall be designated as Riparian Buffer Zones (**hereinafter "RBZ"**). The location of the RBZ as of the date of this Grant is generally depicted on the \_\_\_\_\_ Farm Plan, described in Schedule A attached hereto. Within the RBZ, the goals, prescriptions and restrictions of this Section V are in addition to the provisions of Sections II, III and IV, and where inconsistent, the provisions of this Section V shall supersede the provisions of Sections II, III and IV.

Specifically, the principal goal for management within the RBZ is the establishment and maintenance of high quality buffers that provide an array of ecological benefits including, but not limited to:

- (i) buffering aquatic and wetland plants and animals from disturbance;
- (ii) preventing wetland and water-quality degradation;
- (iii) providing important plant and animal habitat; and
- (iv) providing organic matter, nutrients, and structure to aquatic systems.

Any management or use of the RBZ 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 detailed above. Without limiting the foregoing, any forest management activities within the RBZ (including without limitation the installation of new roads and trails) shall require Grantees' prior approval.

There shall be no agricultural activities (including without limitation the grazing or pasturing of animals) within the RBZ, **except as may be approved in Grantees' sole discretion.**

## 2. Buffer Management Plan Option

Notwithstanding the foregoing, Grantor may develop and submit to Grantees for their approval, in Grantees' sole discretion, a Buffer Management Plan for the Protected Property (together with any amendments, updates or changes thereto, the "**Buffer Plan**"). Grantor shall update the Buffer Plan in the event there is a change in the condition of the RBZ that impacts the ability of the RBZ to accomplish the goal stated in Section V(1) above. All updates, amendments or other changes to the Buffer Plan shall be submitted to Grantees for their approval prior to any change in activity within the RBZ. The Buffer Plan shall be consistent with the Purposes of this Grant and goals and restrictions set forth in this Section V.

In the event that there is a conflict between the provisions of an approved Buffer Plan and Section V1 above, the provisions of such Buffer Plan shall control; provided however, that upon the expiration or termination of the Buffer Plan, the requirements of Section V(1) shall control. In the event of Grantor's non-compliance with the approved Buffer Plan, Grantee may require, in its sole discretion, compliance with the approved Buffer Plan, an amendment to the Buffer Plan, reversion to the requirements of Section V(1) and/or any other measure that Grantees deem appropriate under the circumstances.

The Protected Property includes certain lands containing and buffering wetlands hereby made subject to special protections to protect the water quality and the ecological processes associated with such wetlands. Such wetlands are herein designated as the "Wetland Protection Zone" or "WPZ". The WPZ is more particularly described as \_\_\_\_\_ [DRAFTER NOTE: Describe the natural community or wetland type here] and is generally depicted as "WPZ" on the \_\_\_\_\_ [Conservation/Farm] Plan. The boundaries of the WPZ may be changed from time to time by mutual agreement of Grantor and Grantees, as established by and depicted on a new [Conservation/Farm] Plan signed by Grantor and Grantees and maintained on file with Grantee VLT.

Within the WPZ, the goals, prescriptions, and restrictions of this Section IV are in addition to the provisions of Sections II, III and V of this Grant, and where inconsistent, the provisions of this Section IV shall control. **[DRAFTER'S NOTE: Section V is intended to reference a Forest Management Plan. If there isn't one, delete the reference to V]**

Within the WPZ the following shall apply:

1. Protection or restoration of the ecological functions of the wetland natural communities, as well as the natural communities that naturally develop in the future in the WPZ, and the ecological processes that sustain them, shall be Grantor's and Grantees' highest priority.
2. All management activities, including without limitation forest management and ecological management, shall focus on the goals of a) maintaining or restoring soil integrity, natural hydrology, and water quality, and b) maintaining the natural structure and species composition of the natural communities present or communities that may develop naturally over time, informed by the best current ecological science.
3. There shall be no agricultural activities (including without limitation the grazing or pasturing of animals), except as may be approved by Grantees in their sole discretion.
4. All forest management activities shall be conducted pursuant to a forest management plan that is consistent with the Purposes of this Grant and this Section IV. Without limiting the foregoing, the installation of new roads and trails shall require Grantees' prior written approval.

In the context of acting under this Section IV, Grantors and Grantees may confer about what constitutes the best available ecological science; provided that, Grantees' interpretation thereof shall control.

## GRANT OF PUBLIC ACCESS AND TRAIL EASEMENT - DRAFT

KNOW ALL PERSONS BY THESE PRESENTS that **Fairmont Dairy, LLC**, a limited liability company organized under the laws of the State of Vermont, with its principal offices in East Montpelier, Vermont,, (hereinafter "Owner"), pursuant to the authority granted in Title 10 V.S.A. Chapter 20 and Chapter 155, and in consideration of the payment of Ten Dollars and other valuable consideration paid to its full satisfaction, does freely give, grant, sell, convey and confirm unto the **Cross Vermont Trail Association, Inc.**, a non-profit corporation organized under the laws of the State of Vermont and qualified under Section 501(c)(3) of the United States Internal Revenue Service Code, with its principal offices in Montpelier, Vermont, ("CVTA") and the **Vermont Housing and Conservation Board**, a public instrumentality of the State of Vermont existing by virtue of 10 V.S.A. § 311, with its principal offices in Montpelier, Vermont, ("VHCB") and their respective successors and assigns (hereinafter collectively "Holders") forever, a perpetual, non-exclusive and assignable Grant of Public Access and Trail Easement (the "Grant"), all as more particularly set forth below, over a certain parcel of land located in the East Montpelier, Vermont (the "Property"). The Property is more particularly described in **Schedule A** attached hereto and incorporated by reference herein. The physical location of the Grant is more particularly described in **Schedule B** attached hereto and incorporated by reference herein, and is depicted as the "Corridor" and otherwise as indicated on a map attached hereto as **Schedule C** and incorporated by reference herein. Trails permitted by the Grant shall be located within the Corridor and may be improved as provided below (the "Trails"). The Grant also contains covenants on the part of Owner and Holders to do or refrain from doing various acts as set forth below. It is hereby acknowledged that the Grant constitutes a servitude upon the land and runs with the land in perpetuity. Holders accept the Grant in order to provide public access to recreational opportunities and activities and non-motorized transportation throughout the Corridor, to protect the recreational and natural resources values of the Easement area, and for such other Purposes of Grant as may be described below.

NOW THEREFORE, the FairmontDairy, LLC, Cross Vermont Trail Association, Inc. and Vermont Housing and Conservation Board, their successors and assigns forever, do hereby covenant and agree that the conveyance and granting of this Public Access and Trail Easement shall be forever subject to the following agreements, terms and conditions:

### **I. Purposes of Grant**

1. Owner and Holders acknowledge that the purposes of this Grant of Public Access and Trail Easement are as follows (hereafter "Purposes of this Grant"): (i) To provide permanent and perpetual public access for recreation and transportation by four-season, non-motorized use of Trails within the Corridor; (ii) To locate and manage the Corridor so that it provides a public access greenway over and upon the Property in a manner that enhances the outdoor experience for present and future generations; (iii) To allow the practical establishment and operation, without undue expense, of Trails which are generally useable by people of all ability levels and which contribute to the goal of broad interconnected trail networks by connecting to trail segments on lands adjoining the Property and to other logical destinations; and, (iv) To provide Holders the right to construct, maintain and operate Trails within the Corridor and the right to manage the Corridor to implement these purposes. Owner and Holders share the goal of cooperating and coordinating the implementation of the Purposes of this Grant with other reasonably compatible uses of the Property that may exist over time.

2. More particularly, the Purposes of this Grant are to permanently establish a section of the Cross Vermont Trail by allowing passage of the Trail across the Property where needed, and furthermore to

establish a permanent trail right-of-way on the location of the former public road, now abandoned, called Fassett Road wherever it is located on the Property.

3. The Purposes of this Grant will be advanced by granting a Public Access and Trail Easement to the Holders because the Property possesses the following attributes:

- a) 3.74 acres and 4,560 linear feet of anticipated trail Corridor;
- b) will provide a critical link in a local network of trails of various types, as well as contributing to a planned assemblage of trail segments forming the statewide Cross Vermont Trail;
- c) is within 5 miles of and situated between and in line with parcels of VHCBC conserved forest and farmland that are bisected by trail easements co-held by the Holders of this Grant; and,
- d) has scenic amenities that will contribute to the quality of the experience enjoyed by users of the Corridor.

## **II. Management Plan**

**1. Management Plan:** The Holders shall prepare, from time to time, a Management Plan for the Corridor, employing current best practices, in order to provide direction and guidance for managing public access to the Corridor, including the construction, maintenance and operation of the Trails and the stewardship of natural resources as allowed by this Grant. The Management Plan shall also describe a mechanism for carrying out routine coordination of management of the Corridor as may be needed by the Owner and Holders together. The Management Plan shall also describe the need for Owner and Holders to consult, from time to time, about their respective uses and managements of the Property under this Grant to identify issues of concern, if any, and to discuss in good faith reasonable steps that may be needed to address such concerns. The Management Plan shall be consistent with and shall not replace this Grant. Owner and Holders shall review the Management Plan and any revisions thereof in order to ensure consistency with this Grant.

## **III. Public Access**

**1. Public Access:** Holders shall have the right, in their sole discretion, to permit, promote, manage, and regulate public access to the Trails for all kinds of four-season, pedestrian or mechanized, non-motorized recreational activities or non-motorized transportation activities, such as hiking, skiing, bicycling. Personal assistive mobility devices for use by persons with mobility disabilities may be permitted on the Trails if consistent with the Purposes of Grant.

## **IV. Permitted and Restricted Uses**

**1. Corridor location:** While the location of the Corridor is generally described in **Schedule B** attached hereto, the precise location shall be fixed on the ground by Holders with the permission of Owner, which permission shall not be unreasonably denied, conditioned or delayed, and shall be marked by Holders with blazing, signs or otherwise. The Corridor's location and width shall be sufficient to permit the construction of trail structures and other trail management activities as may be reasonably necessary to accomplish the Purposes of Grant. The Corridor location shall be consistent with the Purposes of the Grant of Development Rights, Conservation Restrictions, Option to Purchase and Right of Enforcement of the United States conveyed by Owner to Vermont Land Trust, Inc. and Vermont Housing and Conservation Board, dated \_\_\_\_\_, and recorded in Book \_\_\_, Page \_\_\_ of the East Montpelier Land Records (the "Grant") to which this Grant of Public Access and Trail Easement is subject and



subordinate. The Corridor location may be altered from time to time with the prior written approval of the Vermont Land Trust, Inc. and by mutual consent of Owner and Holders, which consent shall not be unreasonably denied, conditioned or delayed.

**2. Trail construction, maintenance and operation:** Holders shall have the right, but not the obligation, to construct Trails within the Corridor at Holders' expense, and once constructed Holders shall have right and obligation to manage, operate, service and maintain Trails within the Corridor, including the right to construct, maintain, repair and replace permanent or temporary structures, including changing the topography of the land and placing fill material as may be reasonably necessary to build and operate the Trails and achieve the Purposes of Grant. Trail structures permitted by this Grant include but are not limited to: improved treadway to be generally between 3 feet and 8 feet wide; tread surface which is firm and slip resistant; tread running grade which may be predominately 5% or less and, if practicable, also compliant with universal accessibility guidelines; ditching, culverts and the right to discharge water through said ditching and culverts away from the Trails and onto the property of Owner; bridges and abutments as needed to span waterways, drainages, and uneven topography; structures as needed to provide lateral support to the Trails, including, but not limited to, retaining walls and graded slopes and embankments extended at such an angle as will hold the material of said slopes in repose against ordinary erosion in accordance with the standard practice of construction, on both downhill and uphill sides of the Trails. Prior to initial trail installation, Trail relocation within the Corridor, and major maintenance activity, Holders shall give at least two weeks' notice to Owner by certified mail, return receipt requested. Trails may be relocated within the Corridor at the Holders' sole discretion after giving notice to Owner as provided above.

**3. Temporary rights during periods of construction and major maintenance.** Holders shall have the right to install and maintain temporary erosion control structures as needed during periods of construction and major maintenance. Holders shall have the right to temporary storage of construction materials and equipment within the Corridor during periods of Trail construction or major maintenance; and also the right to such temporary storage at staging areas outside of the Corridor that may be practicable, with permission of Owner, such permission shall not be unreasonably denied. Holders shall have the right to temporary access across the property of Owner for delivery of construction materials and other related purposes during periods of construction and major maintenance at locations which are practicable, with permission of the Owner, which permission shall not be unreasonably denied. Holders agree that any adverse impact on the Property resulting from Holders' exercise of these temporary rights during periods of construction or major maintenance shall be restored, in a timely manner and at Holders' cost, as closely as possible to the prior condition.

**4. Vegetation management:** Holders shall not cut or remove any vegetation from the Property until the Corridor has been located on the ground as provided above. Holders may conduct vegetation management related to the Trails, within the Corridor, including, but not limited to: cutting or removing vegetation from Trail treadway and adjacent areas in order to maintain clear passage along the Trails; clearing vegetation around any structure as needed for the integrity of the structure, cutting of vegetation as may be reasonably necessary or prudent for public safety; planting and maintaining vegetation within the Corridor as needed for aesthetics and for screening and buffering of the Trails or other Trail management reasons; and the right to prevent the cutting or removal of vegetation within the Corridor by Owner or any other person. Owner and Holders shall not employ herbicides, pesticides, growth inhibitors or other chemicals within the Corridor for vegetation control or any other purpose except by mutual consent.

**5. Maps, guides and markers.** Holders shall have the right to inform the public of Trail locations and other trail features, by erecting reasonable signs, blazing and other markings within the Corridor and Trailhead Parking Area; and by creating, publishing, and distributing maps, guides, and other materials.

**6. Fencing, barriers and regulatory signs:** Holders, or Owner with Holders' prior written consent, may erect and maintain such fencing barriers and regulatory signs within the Corridor as may be reasonably necessary to manage Trail access for public safety, for aesthetics, for screening and buffering of the Trails, and for any other reasons consistent with the Purposes of Grant. Owner shall not erect fences, barriers or signs that impede any access to or use of the Corridor that is consistent with the Purposes of Grant.

**7. Motor Vehicles:** Owner and Holders may use motorized vehicles and equipment within the Corridor to construct, relocate, maintain, repair and patrol the Trails, and for other reasonable purposes of the Owner, and for medical emergencies. Owner's use of motorized vehicles and equipment within the Corridor shall in no way cause physical damage or other adverse impacts to Trails or Trail structures, but Owner may at its sole expense make repairs and improvements necessary to allow such use, so long as they are consistent with the Purposes of this Grant. Holders agree that snowmobile trails which are part of the Vermont Association of Snow Travelers trail network shall be permitted in the Corridor.

**8. Other Uses:** Owner and Holders shall use the Corridor predominately for trail and open space purposes. No use shall be made of the Corridor and no activity thereon shall be permitted which is or is likely to become inconsistent with the Purposes of Grant. Motor vehicles are not permitted except as expressly provided in Section 9 above. Overnight camping and campfires are not permitted.

**9. Corridor co-aligned on farm road; Corridor area overlap with agricultural land.**

Notwithstanding the above, in those locations where Corridor is co-aligned on an active farm road, Holder's right to construct, maintain and operate a trail shall be in coordination with Owner in order to facilitate shared use of the Corridor/farm road, consistent with the Purposes of this Grant. In those locations where the Corridor area beyond the trail treadway does overlap with land under active management for growing crops, Holder's right to manage vegetation or place trail related structures, such as signage, within the Corridor beyond the trail treadway shall be subordinate to and in coordination with the Owner's right to manage land for crops, consistent with the Purposes of this Grant.

**10. Accommodation of farm activities: temporary closure to public, education of public.** Owner shall have the right to close the Corridor to public use for not more than ten days per year as may be reasonably required in order to accommodate agricultural activities on the Property, including but not limited to application of herbicides and manure and harvesting carried out on the agricultural land within and adjacent to the Corridor. Owner shall provide Holder reasonable advance notice of such closures. Holder shall take reasonable measures, such as installing and maintaining signage, to educate public trail users about the agricultural activities on the Property and within the Corridor, including timely information about temporary closures of trail to public due to agricultural activities provided Holder has received from Owner sufficient advance notice of closure.

**V. Indemnification and Hold Harmless**

**1.** It is the intention of Owner and Holders that this Grant comply in all respects with Vermont laws providing protection to landowners from liability, including but not limited to 10 V.S.A. §448, 12 V.S.A. §5793 and other applicable Vermont statutes and common law. CVTA, its successor and assigns, shall

defend, indemnify and hold harmless Owner, its successors and assigns, from and against any and all liabilities, claims, costs, damages or expenses of any kind that Owner may suffer or incur as a result of or arising from the activities of Holders on the Property, or from any public access to the Property allowed by this Grant, other than those caused by the acts, omissions, negligence or misconduct of Owner or Owner's agents. Owner shall defend, indemnify and hold harmless Holders, their successors, assigns, agents, officers, members, employees, attorneys and contractors, from and against any and all liabilities, claims, costs, damages or expenses of any kind that Holders may suffer or incur as a result of or arising from Owner's ownership, use and possession of the Property, other than those caused by the acts, omissions, negligence or misconduct of Holders or Holders' agents.

## **VI. Enforcement**

1. Holders shall make reasonable efforts from time to time to assure compliance by Owner with all of the covenants and restrictions herein. In connection with such efforts, Holders may make periodic inspection of all or any portion of the Corridor and for such inspection and enforcement purposes, Holders shall have the right of reasonable access to the Property, upon reasonable notice to Owner. In the event that Holders becomes aware of an event or circumstance of non-compliance with the terms and conditions herein set forth, Holders shall give notice to Owner of such event or circumstance of non-compliance by hand or by certified mail, return receipt requested, and demand corrective action sufficient to abate such event or circumstance of non-compliance and restore the Corridor to its previous condition. 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 Holders to incur reasonable, additional costs, including staff time, in investigating the non-compliance and securing its correction, Owner shall at Holders' request and upon Owner's receipt of proper documentation evidencing such costs, reimburse Holders all such reasonable, additional costs incurred in investigating the non-compliance and in securing its correction. Said reimbursement obligation shall be premised on Holders' showing that Owner, or persons acting on its behalf, at its direction or with its permission, is the cause of such event or circumstance of non-compliance.

2. Failure by Owner to cause discontinuance, abatement or such other corrective action as may be demanded by Holders within a reasonable time after Owner's receipt of notice and reasonable opportunity to take corrective action shall entitle Holders to bring an action in a court of competent jurisdiction to enforce this Grant and to recover any damages arising from such non-compliance. Such damages, when recovered, may be applied by Holders to corrective action, if necessary. If the court determines that Owner has failed to comply with this Grant in bad faith or without reasonable cause, Owner shall reimburse Holders 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 one of the Holders initiates litigation and the court determines that Owner has not failed to comply with this Grant and that such Holder has initiated litigation without reasonable cause or in bad faith, then such Holder shall reimburse Owner for any reasonable costs of defending such action, including court costs and reasonable attorneys' fees. 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 Holders to such equitable relief, including but not limited to injunctive relief and ex parte relief, as the Court deems just.

3. The remedies described herein are in addition to, and not in limitation of, any other remedies available to Holders at law, in equity, or through administrative proceedings. No delay or omission by Holders in the exercise of any right or remedy upon any breach of Owner shall impair Holders' 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

said prior owner's ownership or control of the Protected Property has terminated.

## **VII. Miscellaneous Provisions**

1. It is hereby agreed that the construction of any buildings, structures or improvements, or any use of the land otherwise permitted under this Grant, shall be in accordance with all applicable ordinances, statutes, and regulations of the Town of East Montpelier and the State of Vermont.
2. Where Owner is required, as a result of this Grant, to obtain the prior written approval of Holders before commencing an activity or act, and where Holders have designated in writing another organization or entity to have the authority to grant such approval, the approval of said designee shall be deemed to be the approval of the Holders.
3. Only Owner, Holders and their respective successors and assigns may bring an action to enforce this Grant, and nothing herein should be construed to grant standing or otherwise create a right for any other individuals or entities, including any person purporting to act on behalf of the general public, to bring an action hereunder, nor should anything herein be construed to create any property rights in any other individuals or entities, including the general public, by adverse possession or otherwise. However, nothing in this Grant shall affect any existing public or private right in or to the Property that was acquired independently of this Grant, whether such right was acquired by common law, adverse possession, prescription, statute, ordinance or other lawful authority.
4. Holders may transfer their rights and obligations under this Grant only to a governmental agency, municipality or qualified organization, as defined in Title 10 V.S.A. Section 6301a, and in accordance with the laws of the State of Vermont and the regulations established by the Internal Revenue Service governing such transfers.
5. In the event that the rights conveyed to Holders by this Grant are extinguished by eminent domain or other legal proceedings, Holders shall be entitled to any proceeds which pertain to the extinguishment of Holders' rights and interests. Any proceeds from extinguishment shall be allocated between Owner and Holders in accordance with the value of their respective interests as determined by an appraisal commissioned by Holders at the time of extinguishment.
6. In any deed conveying an interest in all or part of the Property, Owner shall make reference to this Grant and shall indicate that the terms, conditions, rights and restrictions described herein are binding upon all successors in interest to the Property, in perpetuity. Owner shall also notify Holders of the name(s) and address(es) of Owner's successor(s) in interest.
7. The term "Owner" shall include the successors and assigns of the original Owner, Fairmont Dairy, LLC. The term "Holders" shall include the respective successors and assigns of the original Holders, Cross Vermont Trail Association, Inc. and Vermont Housing and Conservation Board.
8. Invalidity of any provision hereof shall not affect any other provision of this Grant.
9. Any signs erected in the Corridor which mention funding sources shall include the Vermont Housing and Conservation Board.



TO HAVE AND TO HOLD said granted Public Access and Trail Easement, with all the privileges and appurtenances thereof, to the said Holders **Cross Vermont Trail Association, Inc.**, and the **Vermont Housing and Conservation Board**, and their successors and assigns, to their own use and behoof forever, and the said Owner, **Fairmont Dairy, LLC**, for itself and its successors and assigns, does covenant with the said Holders, their successors and assigns that, until the ensealing of these presents, it is the sole owner of the Property and has good right and title to convey the same in the manner aforesaid, that the Property is free from every encumbrance, except those of record, and that said **Fairmont Dairy, LLC** does hereby engage to warrant and defend the same against all lawful claims whatever.

We set our hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

**FairmontDairy, LLC**

By: \_\_\_\_\_  
Its Duly Authorized Agent

STATE OF VERMONT  
\_\_\_\_\_ COUNTY, ss.

At \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, personally appeared \_\_\_\_\_, duly authorized agent of **FairmontDairy, LLC**, 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 **FairmontDairy, LLC** before me.

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_

Approved by the CROSS VERMONT TRAIL ASSOCIATION, INC.:

\_\_\_\_\_  
Date By: \_\_\_\_\_  
Its Duly Authorized Agent

Approved by the VERMONT HOUSING AND CONSERVATION BOARD:

\_\_\_\_\_  
Date By: \_\_\_\_\_  
Its Duly Authorized Agent

**SCHEDULE A  
DESCRIPTION OF PROPERTY**

Being all and the same lands and premises conveyed to Owner by:

**TO BE PROVIDED PRIOR TO CLOSING**

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.

**SCHEDULE B  
DESCRIPTION OF EASEMENT LOCATION**

Being the easement area located on **FairmontDairy, LLC** property shown on the map labeled **Schedule C** attached and incorporated herein. The easement area located thereon has three components, each a strip of land with the width indicated below centered on the trail as built and in any case sufficient to encompass trail structures as built and trail management activities as allowed in Section IV of this Grant, and more particularly described as follows:

**1. "Old Fassett Road".** A strip of land 50 feet in width and 1,050 feet in length, more or less. Beginning at a point near the southwest corner of the Fairmont Lylehaven Lane property in East Montpelier (as described in Schedule A Description attached hereto and incorporated herein) where it abuts the property belonging to Town of East Montpelier. The Corridor follows the bed of a former public road now abandoned, "Old Fassett Road" so called, from west to east along the southern boundary of the Property until it reaches the eastern edge of the Fairmont Farm Lylehaven Lane property, where it abuts the property belonging to Washington Electric Coop. Intending to establish a permanent public trail right-of-way the length of the old road, which may be used as the Cross Vermont Trail route, and may also be used as a trail separate from the Cross Vermont Trail, and which may also be used as a public snowmobile trail.

**2. Trail Corridor along an unnamed brook between Old Fassett Road, so called, and a farm road located on the former Montpelier & Wells River Railroad bed.** A strip of land, 25 feet in width and 800 feet in length, more or less. Beginning at a point on "Old Fassett Road" 225 feet east of where "Old Fassett Road" crosses an unnamed brook, the Corridor runs generally to the north in open country between the brook and agricultural fields, to point where a crossing of the brook may be made, and then continuing northerly still between the brook and the agricultural fields until it reaches the location of the former Montpelier & Wells River Railroad ROW, now a farm road. Intending to create a connection between the "Old Fassett Road" and the old Railroad ROW in order to facilitate a public trail route that would connect ultimately, together with additional Corridor on neighboring properties, to the existing Cross Vermont Trail on the old Railroad ROW to the east of Route 14.

**3. Shared use of a farm road located on the former Montpelier & Wells River Railroad bed.** A strip of land 25 feet in width and 1,800 feet in length, more or less. Beginning at a point where the former Montpelier & Wells River Railroad ROW is extant on the Property, the Corridor follows the former railroad ROW, now a farm road, west to east across the Property to the eastern edge of the Property. Intending to allow the Cross Vermont Trail route to cross the property by allowing the public to share with Owner use of the existing farm road.

## SCHEDULE C

