

GRANT of CONSERVATION COVENANTS

WHEREAS, the TOWN OF WAITSFIELD (hereafter "Grantor"), is the owner of certain land consisting of 6.9 acres, more or less, located adjacent to and westerly of Vermont Route 100, and lying adjacent to and easterly of the Mad River in the Town of Waitsfield, and being more particularly described in Schedule A, attached hereto and incorporated herein (hereafter "Land"); and

WHEREAS, the VERMONT LAND TRUST, INC. (hereafter "Grantee") has provided funding and other assistance to the Town in acquiring the Land for ecological riparian protection and enhancement, scenic protection, and low impact public recreational use; and

WHEREAS, the Grantor and the Grantee want to encumber title to the Land with perpetual covenants to assure that the Land remains in public or non-profit ownership and to assure the Land is used for public purposes;

NOW, THEREFORE, KNOW EVERYONE BY THESE PRESENTS that the **TOWN of WAITSFIELD**, a Vermont municipality located in Washington County, on behalf of itself and its successors and assigns ("Grantor"), in consideration of Ten Dollars and other valuable consideration paid to its full satisfaction by **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 its successors and assigns ("Grantee") hereby gives, grants and conveys, forever, certain covenants and conservation restrictions (all as more particularly set forth below) in the Land more particularly described in Schedule A attached hereto and incorporated herein. Grantor and Grantee acknowledge that these covenants and conservation restrictions constitute a servitude upon the land and run with the land, and they further acknowledge that this instrument conveys rights and interests in real property within the meaning of 10 V.S.A. §6303.

A. Purposes of this Grant

Grantor and Grantee share the common goal of assuring, in perpetuity, that the Land is owned and managed in a manner which ensures its continued use primarily as open lands for agriculture, ecological riparian protection and enhancement, scenic protection, and low impact public recreational use (hereafter "Purposes of this Grant").

B. The Covenants and Conservation Restrictions

Grantor covenants and agrees as follows (collectively "the Covenants"):

1. Except as otherwise provided in this Section B, Grantor may use and maintain the Land as a site only for the following: agriculture, low impact recreation, outdoor education, stream bank stabilization, riparian habitat improvement, scenic enjoyment, and erosion control.
2. Grantor shall have the right to limit, control or otherwise manage public access to the Land as necessary to accomplish the Purposes of this Grant and to ensure the public health or safety.
3. There shall be no signs, billboards, or outdoor advertising of any kind erected or displayed on the Land; provided, however, that Grantor may erect and maintain reasonable signs including but not limited to signs indicating the name of the Land and its ownership by Grantor, boundary markers, directional signs, memorial plaques, informational and interpretive signs, and signs limiting access or use. Grantee may erect and maintain a sign designating the Land as land under the protection of Grantee.
4. Grantor may construct, erect, install, maintain, repair and replace a gravel access drive and parking area with a parking capacity no greater than eight (8) passenger automobiles, provided that such improvements are not located within one hundred feet (100') of the bank of the Mad River ("River Buffer"). Grantor may allow additional temporary parking, outside the River Buffer, for four (4) public events annually.

Grantor may also install, maintain, repair and replace municipal sewer and/or water lines on the Land, adjacent and parallel to Vermont Route 100, together with a pumping station. Finally, Grantor may maintain and use one (1) temporary privy on the Land, outside the River Buffer.

5. There shall be no dumping or storage of waste or refuse on the Land. There shall be no disturbance of the surface of the Land (i.e. filling, excavation, removal of topsoil, sand, gravel, rocks or minerals) or change of the topography of the land in any manner, except that Grantor may restore the Land to its original, natural contours. No residential, commercial, industrial, or mining activities shall be permitted, and no building, structure or appurtenant facility or improvement shall be constructed, created, installed, erected, or moved onto the Land, except as specifically permitted under this Grant
6. As owner and manager of the Land, Grantor will periodically inspect the Land to assure implementation of the Purposes and compliance with the Covenants. Grantor shall take all reasonable steps to assure compliance with the Covenants and the Purposes of this Grant.
7. Grantor shall not give, grant, sell, convey, transfer, mortgage, subdivide, lease, pledge or otherwise encumber the Land without the prior written approval of Grantee. Grantee shall approve a transfer of the Land, provided the transferee is a public or non-profit entity qualified to undertake ownership and management of the Land for the Purposes of this Grant and the transferee undertakes in writing to fulfill the requirements of this Grant.

C. Collaborative Problem Solving

Grantee shall be available to Grantor to consult, from time-to-time, about the management of the Land. Grantor and Grantee shall work collaboratively to solve problems that may arise concerning management of the Land consistent with the Covenants and the Purposes of this Grant. Grantor shall act promptly to take any remedial action that may from time-to-time be required to implement the Purposes and requirements of this Grant.

D. Remedial Action and Binding Arbitration of Disputes

In the event either Grantor or Grantee identifies a material violation of this Grant or circumstances that might result in a material violation of this Grant, the identifying party shall provide prompt verbal and written notice of the violation or circumstances to the other party, including a request for a consultation to collectively arrive at specific remedial action and a reasonable schedule for implementation. Grantor and Grantee shall both act in good faith to reach agreement on such remedial action and implementation schedule. Grantor shall implement any agreed upon remedial action within the agreed upon implementation schedule.

Any dispute between Grantee and Grantor with respect to whether a breach of the Covenants has occurred, or whether Grantor has, upon notice from Grantee, cured any breach, shall be subject to mediation as a condition precedent to submitting such matter to binding arbitration as described below. A request for mediation shall be filed in writing with the other party. If the parties do not agree on a mediator within ten days of the filing of the request, the parties shall forward the request to the American Arbitration Association (or successor organization), which shall administer the mediation in accordance with its rules. The parties shall equally share the fee of the mediator and any administration fees. The mediation shall be completed within sixty days of the filing of the initial request for mediation.

Any dispute between Grantee and Grantor which is not resolved through mediation shall be submitted to binding arbitration. The arbitrator's authority shall include the right

to interpret this instrument, the right to determine whether a violation of the Covenants has occurred and, if so, the right to determine whether Grantor has cured the breach. The arbitrator shall be selected by the parties or by the American Arbitration Association if the parties cannot agree on an arbitrator. The costs of arbitration shall be shared equally by the parties, unless otherwise determined by the arbitrator due to one party being unreasonable or dilatory. The decision of the arbitrator shall be binding on the parties. The parties shall select an arbitrator within two weeks of the submission of an issue to arbitration, and every reasonable effort shall be made to complete arbitration of any dispute within thirty (30) days of the selection of an arbitrator.

Notwithstanding the foregoing, Grantor and Grantee reserve the right to bring an action in a court of competent jurisdiction to:

- 1) Secure a temporary restraining order or preliminary injunction to maintain the status quo pending the mediation and/or arbitration of a dispute;
- 2) Enforce a directive issued by an arbitrator to maintain the status quo pending disposition of the arbitration proceeding; or
- 3) Enforce a final agreement reached through mediation or an order issued by the arbitrator.

F. 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 Waitsfield and the State of Vermont.
2. Grantee shall transfer the covenants and conservation 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.
3. Grantee shall be entitled to rerecord this Grant, or to record a notice making reference to the existence of this Grant, in the Town of Waitsfield 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.
4. The development rights on the Land are hereby conveyed to Grantee except those specifically reserved by Grantor herein and those reasonably required to carry out the permitted uses of the Land as herein described. The development rights hereby conveyed are rights and interests in real property pursuant to Title 10 V.S.A. Chapter 155, Section 6303.

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

TO HAVE AND TO HOLD said granted covenants and conservation restrictions, with all the privileges and appurtenances thereof, to the said Grantee, **VERMONT LAND TRUST, INC.** and its successors and assigns, to its own use and behoof forever, and the said Grantor, the **TOWN OF WAITSFIELD**, for itself and its successors and assigns, does covenant with the said Grantee and its successors and assigns, that until the ensembling of these presents, it is the sole owner of the premises, and has good right and title to convey the same in the manner aforesaid, that the premises are free from every encumbrance, except easements and use restrictions of record as set forth in Schedule B attached hereto and incorporated herein, and it hereby engages to warrant and defend the same against all lawful claims whatever.

IN WITNESS WHEREOF, J. LeRoy Hadden, DVM, duly authorized agent of the TOWN OF WAITSFIELD sets his hand and seal this 5th day of June, 2003.

Signed, sealed and delivered
In The Presence Of:

GRANTOR
Town of Waitsfield

J. P. Green
Witness

By: J. LeRoy Hadden
Its Duly Authorized Agent

STATE OF VERMONT
WASHINGTON COUNTY, ss.

At Waitsfield, this 5th day of June, 2003, J. LeRoy Hadden DVM, duly authorized agent of the Town of Waitsfield, personally appeared and he acknowledged this instrument, by him sealed and subscribed, to be his free act and deed and the free act and deed of the Town of Waitsfield, before me.

J. P. Green
Notary Public
My commission expires: 2/10/07

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ACKNOWLEDGEMENT OF ARBITRATION

We understand that Section D of this instrument contains an agreement to arbitrate. After signing this document we understand that we will not be able to bring a lawsuit concerning any dispute that may arise which is covered by the arbitration agreement set forth in Section D, unless it involves a question of constitutional or civil rights. Instead, we agree to submit any such dispute to an impartial arbitrator.

Vermont Land Trust, Inc.

By: W. S. P. T.
Its Duly Authorized Agent

Dated: 6/5/03

Town of Waitsfield

By: [Signature]
Its Duly Authorized Agent

Dated: 6-5-03

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**SCHEDULE A
PROPERTY DESCRIPTION**

Being all and the same lands and premises conveyed to Grantor by Warranty Deed of Astrid Tardy, of even date and recorded herewith in the Town of Waitsfield Land Records.

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**SCHEDULE B
EASEMENTS AND USE RESTRICTIONS**

1. Rights of the public and others entitled thereto to use that portion of the Land lying within the boundaries of roads maintained by one or more of the town, state or federal jurisdictions for all purposes commonly used for roads in the State of Vermont.
2. Rights of the public to use waterways and bodies of water as implied by the Public Trust Doctrine.

WAITSFIELD TOWN CLERKS OFFICE
 RECEIVED FOR RECORD
 DATE 6-5-03 TIME 2:13pm
 RECORDED IN BOOK 104 PAGE 76-80
 ATTEST [Signature] TOWN CLERK
Asst,

Vermont Property Transfer Tax 32 V.S.A. Chap. 231
- ACKNOWLEDGMENT -
 Return Rec'd. Tax Paid-Board of Health Cert. Rec'd.
 Vt. Land Use & Development Plans Act Cert. Rec'd.
 Return No. 18-03 Asst.
 Signed [Signature], Clerk
 Date 6-5-03

VERMONT PROPERTY TRANSFER TAX RETURN

VERMONT DEPARTMENT OF TAXES
MONTPELIER, VERMONT 05609-1401

(PLEASE TYPE OR PRINT CLEARLY)

A SELLER'S (TRANSFEROR'S) NAME(S)		COMPLETE MAILING ADDRESS FOLLOWING TRANSFER	SOCIAL SECURITY NO. OR TAXPAYER IDENT. NO.
Town of Waitsfield			
B BUYER'S (TRANSFeree'S) NAME(S)		COMPLETE MAILING ADDRESS FOLLOWING TRANSFER	SOCIAL SECURITY NO. OR TAXPAYER IDENT. NO.
Vermont Land Trust, Inc.		8 Bailey Ave. Montpelier, VT 05602	03-0264836
C PROPERTY LOCATION (Address in full) westerly of VT Rte 100, Waitsfield			D DATE OF CLOSING 6/5/03
E INTEREST IN PROPERTY			
1. <input type="checkbox"/> FEE SIMPLE 3. <input type="checkbox"/> UNDIVIDED 1/2 INTEREST 5. <input type="checkbox"/> TIME-SHARE 7. <input checked="" type="checkbox"/> EASEMENT/ROW 2. <input type="checkbox"/> LIFE ESTATE 4. <input type="checkbox"/> UNDIVIDED ____% INTEREST 6. <input type="checkbox"/> LEASE 8. <input checked="" type="checkbox"/> OTHER Conservation Covenants			
F LAND SIZE (Acres or fraction thereof) 6.9 +/-		G SPECIAL FACTORS: HAVE DEVELOPMENT RIGHTS BEEN CONVEYED _____ NO <input checked="" type="checkbox"/> YES WAS SALE BETWEEN FAMILY MEMBERS _____ NO _____ YES STATE RELATIONSHIP _____ FINANCING: <input type="checkbox"/> CONVENTIONAL/BANK <input type="checkbox"/> OWNER FINANCING <input type="checkbox"/> OTHER _____	
H BUILDINGS ON PROPERTY AT THE TIME OF TRANSFER (CHECK ALL THAT APPLY).			
1. <input checked="" type="checkbox"/> NONE 5. <input type="checkbox"/> FARM BUILDINGS 9. <input type="checkbox"/> STORE 2. <input type="checkbox"/> FACTORY 6. <input type="checkbox"/> MULTI-FAMILY WITH _____ (INSERT NUMBER) DWELLING UNITS TRANSFERRED 10. <input type="checkbox"/> OTHER _____ DESCRIBE 3. <input type="checkbox"/> SINGLE FAMILY DWELLING 7. <input type="checkbox"/> MOBILE HOME YEAR _____ MAKE _____ SER. NO. 4. <input type="checkbox"/> CAMP/VACATION HOME 8. <input type="checkbox"/> CONDOMINIUM WITH _____ (INSERT NUMBER) UNITS TRANSFERRED CHECK WHETHER THE BUILDINGS WERE EVER <input type="checkbox"/> OCCUPIED <input type="checkbox"/> RENTED <input type="checkbox"/> WILL BE RENTED AFTER SALE			
I PRIMARY USE OF PROPERTY BEFORE TRANSFER (CHECK ONE):			
1. <input type="checkbox"/> PRIMARY RESIDENCE 3. <input type="checkbox"/> CAMP/VACATION 5. <input type="checkbox"/> OPERATING FARM 7. <input type="checkbox"/> COMMERCIAL/INDUSTRIAL _____ DESCRIBE 2. <input checked="" type="checkbox"/> OPEN LAND 4. <input type="checkbox"/> TIMBERLAND 6. <input type="checkbox"/> GOVERNMENT USE 8. <input type="checkbox"/> OTHER _____ DESCRIBE			
J PRIMARY USE OF PROPERTY AFTER TRANSFER (CHECK ONE):			
1. <input type="checkbox"/> PRIMARY RESIDENCE 3. <input type="checkbox"/> CAMP/VACATION 5. <input type="checkbox"/> OPERATING FARM 7. <input type="checkbox"/> COMMERCIAL/INDUSTRIAL _____ DESCRIBE 2. <input checked="" type="checkbox"/> OPEN LAND 4. <input type="checkbox"/> TIMBERLAND 6. <input type="checkbox"/> GOVERNMENT USE 8. <input type="checkbox"/> OTHER _____ DESCRIBE			
WAS PROPERTY PURCHASED BY TENANT _____ NO _____ YES DOES BUYER HOLD TITLE TO ANY ADJOINING PROPERTY _____ NO _____ YES			
K CURRENT USE VALUE PROGRAM: IS ANY PORTION OF THE LAND BEING CONVEYED SUBJECT TO A LIEN OR OTHER RESTRICTIONS UNDER THE AGRICULTURAL AND MANAGED FOREST LAND USE VALUE PROGRAM CHAPTER 124 OF 32 V.S.A. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
L IF TRANSFER IS EXEMPT FROM PROPERTY TRANSFER TAX, CITE EXEMPTION FROM INSTRUCTIONS AND COMPLETE SECTIONS M, N and O BELOW. #12; transfer to an IRC 501(c)(3) to protect open space land			
M TOTAL PRICE PAID \$ 0.00		N PRICE PAID FOR PERSONAL PROPERTY \$ _____	
		O PRICE PAID FOR REAL PROPERTY \$ 0.00	
STATE TYPE OF PERSONAL PROPERTY _____ IF PRICE PAID FOR REAL PROPERTY IS LESS THAN FAIR MARKET VALUE, PLEASE DESCRIBE: _____			
PROPERTY TRANSFER TAX		MAKE CHECKS PAYABLE TO: VERMONT DEPARTMENT OF TAXES	
P TAX DUE: Enter amount from rate schedule on reverse side. COMPLETE RATE SCHEDULE FOR ALL TRANSFERS		\$ 0.00	
Q DATE SELLER ACQUIRED 6/5/03			
R IF VERMONT LAND GAINS TAX RETURN IS NOT BEING FILED, CITE EXEMPTION FROM INSTRUCTIONS ON PAGE 4 OF THIS BOOKLET #6			

(CONTINUE ON REVERSE SIDE)

THIS SECTION TO BE COMPLETED BY TOWN OR CITY CLERK		
TOWN/CITY _____	ACKNOWLEDGMENT	TOWN NUMBER
DATE OF RECORD _____	RETURN RECEIVED (INCLUDING CERTIFICATES AND, ACT 250 DISCLOSURE STATEMENT) AND TAX PAID.	
BOOK NUMBER _____ PAGE NO. _____		
LISTED VALUE \$ _____ GRAND LIST YEAR OF _____		
PARCEL ID NO. _____	SIGNED _____ CLERK	
GRAND LIST CATEGORY _____	DATE _____	

RATE SCHEDULE

1. Tax on Special Rate Property:		
a. Value of purchaser's principal residence (not to exceed \$100,000) (See Instructions)	1. a. \$	_____
b. Value of property enrolled in current use program	b. \$	_____
c. Value of qualified working farm	c. \$	_____
d. Add Lines 1(a), (b) and(c)	d. \$	_____
e. Tax rate	e.	0.005
f. Tax due on Special Rate Property: Multiply Line 1(d) by Line 1(e)	f. \$	_____
2. Tax on General Rate Property:		
a. Enter amount from Line O on front of return	2. a. \$	_____
b. Enter amount from Line 1(d) of Rate Schedule above	b. \$	_____
c. Subtract Line 2(b) from Line 2(a)	c. \$	_____
d. Tax rate	d.	0.0125
e. Tax due on General Rate Property: Multiply Line 2(c) by Line 2(d)	e. \$	_____
3. Total Tax Due:		
Add Lines 1(f) and 2(e) and enter here and on Line P on front of return	3. \$	_____

FLOOD AND SUBDIVISION REGULATIONS AND ACT 250 CERTIFICATES

Buyer(s) and Seller(s) certify as follows:

A. That they have investigated and disclosed to every party to this transaction all of their knowledge relating to flood regulations, if any, affecting the property.

B. That the seller(s) advised the buyer(s) that local and state building regulations, zoning regulations and subdivision regulations pertaining to the property may limit significantly the use of the property.

C. That this transfer is in compliance with or is exempt from the subdivision regulations of the Agency of Natural Resources for the following reasons:

1. This property is the subject of Subdivision Permit No. _____ and is in compliance with said permit, or
2. This property and any retained parcel is exempt from the subdivision regulations because (see instructions for exemptions):
 - a. Parcel to be sold: Exemption Number conservation easement Number of acres _____
 - b. Parcel retained: Exemption Number _____ Number of acres _____

Please contact the district office in your area to determine compliance with Act 250. (See map on page 34.)

Seller(s) further certifies as follows:

D. That this transfer of real property and any development thereon is in compliance with or exempt from 10 V.S.A. Chapter 151, Vermont's Land Use and Development Law (Act 250), for the following reason:

1. This property is the subject of Act 250 Permit No. _____ and is in compliance with said permit, or
2. This property is exempt from Act 250 because: (list exemption number from instructions) conservation easement

E. That this transfer ~~does~~/does not (strike one) result in a partition or division of land. Note: If it does, an Act 250 Disclosure Statement must be attached to this return before filling with the town clerk.

WITHHOLDING CERTIFICATION

- Buyer(s) certifies that Vermont income tax has been withheld from the purchase price and will be remitted to the Commissioner of Taxes with Form RW-171 within 30 days from the transfer, OR that the transfer is exempt from income tax withholding for the following reason (check one):
1. Under penalties of perjury, seller(s) certifies that at that time of transfer, each seller was a resident of Vermont or an estate.
2. Buyer(s) certifies that the parties obtained withholding certificate no. _____ from the Commissioner of Taxes in advance of this sale.
3. Buyer(s) certifies that this is a transfer without consideration. (See instructions for Form RW-171.)
4. Seller(s) is a mortgagor conveying the mortgaged property to a mortgagee in a foreclosure or transfer in lieu of foreclosure, with no additional consideration.

WE HEREBY SWEAR AND AFFIRM THAT THIS RETURN, INCLUDING ALL CERTIFICATES IS TRUE, CORRECT AND COMPLETE TO THE BEST OF OUR KNOWLEDGE.

SELLER(S) SIGNATURE(S)	DATE	BUYER(S) SIGNATURE(S)	DATE
Town of Waitsfield By: <i>[Signature]</i>	6-5-03	Vermont Land Trust, Inc. By: <i>[Signature]</i>	6/5/03
Its Duly Authorized Agent		Its Duly Authorized Agent	
Preparer's Signature <u><i>W. J. [Signature]</i></u>	Prepared by <u>Vermont Land Trust, Inc.</u>		
Preparer's Address <u>8 Bailey Ave. Montpelier, VT 05602</u>	Buyer's Representative _____ Tel. _____ (Print or Type)		

Keep a copy of this return for your records.