

Town of Norwich Board of Civil Authority
Tax Assessment Appeals

Tuesday, October 14, 2025

4:00pm

Norah Lake and Chris Polashenski

Lister Packet

Contents:

1. Lister Memo
2. Superior Court Stipulation for Settlement
3. Grant of Development Rights, Conservation Restrictions and Option to Purchase at Agricultural Value

Town of Norwich, Vermont



CHARTERED 1761

TO: Board of Civil Authority – Town Clerk Trajman

FROM: Board of Listers – Lindberg, Smith and Ciccotelli

RE: Lake/Polashenski appeal – Parcel ID # 05-095.300 (3 cards)

DATE: October 14, 2025

Property Description: The parcel is located at 742 VT Route 132. This is also known as Sweetland Farm. There are two cards with buildings and one card with land only. **Card 1:** 2-story Colonial-style building with 2,070 finished square feet built in 2014 with 2 units with a total of 2 bedrooms and 2 full baths. The building has an overall grade of C, the kitchens and baths are rated “average” and the depreciation is 57.48%. **Card 2:** Small Store with office upstairs with 2,254 finished square feet and a cooler. There is one ¾ bath. The overall grade of the building is C. **Card 3:** This is 32.0 acres of land only. The buildings and yard items are valued at \$484,200 and the 157.94 acres are valued at \$1,054,800.

The total assessed value for Cards 1, 2 and 3 in the 2025 Grand List is \$1,539,000.

2025 Assessment History:

Proposed Reappraisal Assessment: \$1,876,300

After Informal Hearing/Abstract: 1,876,300

After Grievance Hearing/Grand List: 1,539,000

Reduction before BCA Appeal: \$ 373,300

Basis for the Appeal: Appellant feels that the allocation of value between house, land and barns is not reflective of true valuation and that the valuation increases have been placed upon the house, rather than allocated equitably among the components of the property.

Lister Response: The appellant’s property at 742 VT Route 132 has been voluntarily enrolled in the Option to Purchase at Agricultural Value (OPAV). This is a legal tool that allows landowners to sell their farmland at its agricultural value rather than market value. OPAV funding comes from the Vermont Housing and Conservation Board to the Vermont Land Trust. In 2012 the appellant purchased the property and subsequently granted the development rights, conservation restrictions and Option to Purchase at Agricultural Value to the Vermont Land Trust, Inc (VLT). Whether the appellant received compensation for this Grant of development rights, conservation restrictions and OPAV to the Vermont Land Trust is not stated in the document recorded with the Norwich Town Clerk.

In the 2013 town-wide reappraisal, the appellant grieved their assessment of the OPAV land and buildings and after an appeal to the State of Vermont Superior Court, a settlement was reached for 2013, 2014 and 2015. That settlement valuation expired in 2015. In the 2016 town-wide reappraisal, the appellant grieved and was reduced. During the subsequent years, additional acres have been purchased, not all of which fall under the OPAV – Card #2: 69.5 acres. The farm store is also on Card 2. The workforce housing is on Card 1.

All property owners are subject to the 2025 town-wide reappraisal and the updated land and building cost tables. For the past nine years, since the 2016 reappraisal, Sweetland Farm has enjoyed the lower assessment tables of their property, like all other property owners. It is important to get the assessment correct on each property and with OPAV being a unique feature for this property in Norwich, the Listers have no basis for comparison. We were unable to locate a Vermont list of farms with the OPAV applied to them. We do understand that the sale of this farm would need to be to a **"qualified farmer"** as defined in Regulation 1.175-3 issued under the IRS Code of 1986 OR to a **FAMILY MEMBER**. The VLT must be notified of any potential sale and review it to determine if VLT wants to exercise its option under the OPAV.

If the sale is to a family member, it does not trigger the VLT option. As defined in the recorded document, the terms "family", "Grantors family", "family member" or "member of Grantors' family" include: (a) any owner of a Grantor corporation, limited liability company, partnership, trust or other entity ("Owner"); (b) any spouse or domestic partner of a Grantor or Owner and any person related to a Grantor or Owner by blood to the fourth degree of kinship or by adoption, together with spouses and domestic partners of family members; (c) a corporation, limited liability company, partnership, trust or other entity which is wholly owned by a Grantor or Grantor's family; (d) any estate of a Grantor or Grantor's family.

In reviewing the property at grievance, the Listers applied a similar restriction reduction to the land on Card 3 as was noted on Card 1, accounting for the \$373,300 reduction from the Abstract value of \$1,876,300. When the Listers asked for KRT's assistance at grievance, we were told that KRT does not have any experience with OPAV property. Quoted from an email exchange:

"KRT is not versed in OPAV. This is an issue for the Listers. You can consult other Listers, speak with PVR, Spenser Potter, or read through the taxpayer's previous appeals, documentation & make a decision. In Putney, the Listers addressed these issues at the Grievance level, not KRT & subsequently at the BCA level, where the BCA is the sole arbiter. Again, during my previous BCA proceedings experience, the resolution lies with the Listers & the BCA, not the vendor."

Kevin T. Leen

KRT Appraisal

Based upon the work done by the Listers to read and understand the OPAV documents and the reduction that the Listers provided at grievance, the Listers consider the 2025 Grand List assessment of \$1,539,000 to be the correct value for this property.

STATE OF VERMONT
SUPERIOR COURT CIVIL DIVISION

Windsor Unit

Docket No. 579-9-13 Wrcv

CHRISTOPHER POLASHENSKI)
and NORAH LAKE,)
Appellants)
)
v.)
)
)
TOWN OF NORWICH,)
Appellee)

STIPULATION FOR SETTLEMENT

NOW COME Christopher Polashenski and Norah Lake, by and through their attorneys, Hershenson, Carter, Scott and McGee, and the Town of Norwich, by and through its attorneys, Hayes & Windish, and stipulate as follows:

1. The assessed value for the Tax Map Parcel 05-095.400 (Upper Parcel containing the two acre house site plus 19.19 additional acres) for Tax Year 2013 shall be as set forth below:

Homesite (2 acres)	14,100.00
Buildings (house and attached garage)	132,000.00
Site improvements and outbuildings	90,800.00
Land (19.19 acres)	<u>26,800.00</u>
	263,700.00

2. The assessed value for Tax Map Parcel 05-095.300 (lower parcel along Rt 132) for Tax Year 2013 shall be as set forth below:

Site improvements and outbuildings	68,000.00
Land (14 acres)	21,400.00
Land (42.44 acres)	<u>51,700.00</u>
	141,100.00

3. The values determined shall remain set for Tax Years 2013, 2014 and 2015, unless the owners make changes requiring reassessment or the Town undertakes a general reassessment. The owners' new house being constructed on parcel 05-095.300 will trigger a reassessment only of the value of that parcel absent changes to other parcels included in owner's holdings .

4. The Town will pay Christopher Polashenski and Norah Lake the full amount by which they overpaid their real estate taxes on their Norwich land and premises once the reduced tax burden is calculated using the agreed assessed value as detailed in paragraphs 2 and 3 above, and the

KNOW ALL PERSONS BY THESE PRESENTS that NORAH S. LAKE and CHRISTOPHER M. POLASHENSKI, both of Norwich, in the County of Windsor and State of Vermont, on behalf of themselves and their heirs, successors and assigns (hereinafter "Grantors"), 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 their full satisfaction, do freely give, grant, sell, convey, and confirm unto the VERMONT LAND TRUST, INC., a non-profit corporation organized under the laws of the State of Vermont with its principal offices in Montpelier, Vermont, qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code, and its successors and assigns (hereinafter "Grantee"), forever, the development rights, option to purchase at agricultural value as set forth in Section VII herein, and a perpetual conservation easement and restrictions (all as more particularly set forth below) in certain lands consisting of 60.71 acres, more or less, with the buildings and improvements situated thereon located in the Town of Norwich, Windsor County, State of Vermont (hereinafter "Protected Property"), and as to the option to purchase at agricultural value, also on certain lands consisting of 26.39 acres located in the Town of Norwich, Windsor County, Vermont and in the Town of Thetford, Orange County, State of Vermont (hereinafter "UFLT Protected Property") said Protected Property and UFLT Protected Property together being referred to herein as "the OPAV Property" and being more particularly described in Schedule A attached hereto and incorporated herein.

A portion of the Protected Property consisting of approximately 46.94 acres is a portion of the land conserved under a Grant of Development Rights and Conservation Restrictions conveyed to Vermont Land Trust, Inc. by Charlotte S. Metcalf and Richard J. Ramsden, Trustees Under the Charlotte S. Metcalf Trust – 1987, dated December 27, 2007 and recorded in Book 184 at page 679 of the Town of Norwich Land Records ("Original Grant"). Said 46.94 acres are a portion of "Farm Parcel 3" (33.39 acres) and all of "Farm Parcel 4" (13.55 acres) which are depicted on a survey entitled "Subdivision Plat for Charlotte S. Metcalf Trust – 1987, 79 and 97 Kerwin Hill Road, Norwich, Vermont" prepared by Rockwood Land Services, LLC, dated November 28, 2011 and recorded as three sheets in Map Slide Nos. 387B, 388A and 388B of the Town of Norwich Land Records ("the Survey") and are hereinafter referred to as Parcels 3 and 4. Parcels 3 and 4 are a portion of the land and premises conveyed in fee to Vermont Land Trust, Inc. by Charlotte S. Metcalf, subject to a retained life estate, by Warranty Deed dated December 28, 2011 and recorded in Book 204 at page 356 of the Town of Norwich Land Records and in Book 142 at page 404 of the Town of Thetford Land Records. Charlotte S. Metcalf relinquished her life estate by Quit Claim Deed to Vermont Land Trust, Inc., dated March 28, 2012 and recorded herewith in the Land Records of the Towns of Norwich and Thetford, thereby effecting a merger of the fee title to Parcels 3 and 4 in Vermont Land Trust, Inc. and thereby extinguishing the Original Grant from Metcalf to Vermont Land Trust as to Parcels 3 and 4 only.

By Warranty Deed of even date herewith and to be recorded in the Norwich and Thetford Land Records, Vermont Land Trust, Inc. conveyed the land and premises comprising the OPAV Property under this Grant, and which includes Parcels 1, 2, 3 and 4, to Norah S. Lake and Christopher M. Polashenski, Grantors herein, conditioned upon their conveyance of this Grant for the purpose of perpetuating the purposes of the Original Grant as to Parcels 3 and 4 and to conserve an additional 13.5 acres of land – specifically Farm Parcel 2 of 4.27 acres and 9.5 acres included in Farm Parcel 3 located at the junction of Kerwin Hill Road and Vermont Route 132 as depicted on the Survey.

This Grant includes a perpetual option to purchase the Protected Property (and the UFLT Protected Property) at its agricultural value, a Grantee's right not included in the Original Grant. This additional right and interest in the Protected Property is intended to further the purpose of the Original Grant to conserve and perpetuate the use of the Protected Property in a productive agricultural state.

The development rights hereby conveyed to Grantee shall include all development rights except those specifically reserved by Grantors 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 10 V.S.A. §§ 823 and 6303. The conservation restrictions hereby conveyed to Grantee consist of covenants on the part of Grantors to do or refrain from doing, severally and collectively, the various acts set forth below, to the extent those acts relate to Grantors and not exclusively to Grantee. Grantors and Grantee acknowledge that the conservation restrictions constitute a servitude upon the land and run with the land.

I. Purposes of the Grant.

Grantors and Grantee acknowledge that the Purposes of this Grant are as follows:

1. Consistent with the goals set forth in 10 V.S.A. §§ 821 and 6301, the primary

purpose of this Grant is to conserve productive agricultural and forestry lands, in order to facilitate active and economically viable farm use of the Protected Property now and in the future and to contribute to the implementation of the policies of the State of Vermont designed to foster the conservation of the State's agricultural, forest, and other natural resources through planning, regulation, land acquisition, and tax incentive programs;

2. The secondary purposes are to encourage sustainable management of soil resources, to conserve wildlife habitats, non-commercial recreational opportunities and activities, scenic and other 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.

3. Recognizing that conservation of productive forestry resources is a primary objective of this Grant, and that both the resource values of the Protected Property and responsible forest management standards will evolve over time, the forest management objectives of this Grant are to:

- a) Manage forest stands for long rotations that maximize the opportunity for the production of maple sap and/or for harvesting, sustained over time, of high quality sawlogs while maintaining a healthy and biologically diverse forest. Grantors and Grantee acknowledge that site limitations and biological factors may preclude the production of high quality sawlogs, and further that the production of a variety of forest products can be consistent with the goal of producing high quality sawlogs.
- b) Conduct forest management and harvesting activities (including the establishment, maintenance, and reclamation of log landings and skid roads) using generally accepted management practices in order to prevent soil erosion and to protect water quality.

4. The objective 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.

5. To advance these objectives by conserving the Protected Property because it possesses the following attributes:

- a) 12 acres of prime agricultural soils and 13.5 acres of statewide important soils;
- b) 18.85 acres of managed Forest;
- c) 1,000 feet of frontage on the Ompompanoosuc River;
- d) 4,800 feet of frontage on Vermont Route 132 and Kerwin Hill Road, public highways with scenic vistas;
- e) in the vicinity of two (2) other properties previously protected by Grantee and two (2) properties previously conserved by the Upper Valley Land Trust; and
- f) wildlife habitats, and watercourses.

Grantors and Grantee recognize these agricultural, silvicultural, scenic, and natural values of the Protected Property, and share the common purpose of conserving these values by the conveyance of the conservation easement and restrictions, development rights, and option to purchase to prevent the use, fragmentation or development of the property for any purpose or in any manner which would materially conflict with the maintenance of these agricultural, silvicultural, scenic, and natural resource values. Grantee accepts such conservation easement and 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 the "Purposes of this Grant."

II. Restricted Uses of Protected Property.

The restrictions hereby imposed upon the Protected Property, and the acts which Grantors shall do or refrain from doing, are as follows:

1. 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 Protected Property, except as specifically permitted under this Grant. The Protected Property shall be used for agricultural, forestry, educational, non-commercial

recreation, and open space purposes only, except as specifically permitted under this Grant.

2. Each time that the level tillage portion of the agricultural land on the Protected Property lies fallow for more than two successive years (the "fallow land"), Grantors shall cooperate with Grantee, at Grantee's request, to maintain the fallow land in an open condition (meaning without trees and brush) and in active agricultural use. For example, Grantors shall permit access to the fallow land by Grantee and Grantee's contractors to mow or brush-hog, provided that Grantee first gives Grantors thirty (30) days prior written notice of its intentions and an opportunity for discussion to determine whether mowing or brush-hogging would be appropriate. No obligation is hereby imposed upon Grantors or Grantee to maintain the fallow land in an open condition or in active agricultural use.

3. No rights-of-way, easements of ingress or egress, driveways, roads, utility lines, other easements, or other use restrictions shall be constructed, developed, granted, or maintained into, on, over, under, or across the Protected Property, without the prior written permission of Grantee, except as otherwise specifically permitted under this Grant, and as appear of record prior to the date of this Grant. Grantee may grant permission for any rights-of-way, easements of ingress or egress, driveways, roads, utility lines, other easements, or other use restrictions, if it determines, in its sole discretion, that any such rights-of-way, easements of ingress or egress, driveways, roads, utility lines, other easements or other use restrictions are consistent with the Purposes of this Grant.

4. There shall be no signs, billboards, or outdoor advertising of any kind erected or displayed on the Protected Property. Grantors, 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 a rural enterprise approved pursuant to Section III below. Grantee, with the permission of Grantors, may erect and maintain signs designating the Protected Property as land under the protection of Grantee.

5. The placement, collection, or storage of trash, refuse, human waste, or any other unsightly or offensive material on the Protected Property shall not be permitted except at such locations, if any, and in such a manner as shall be approved in advance in writing by Grantee in its sole discretion. The on-site storage and spreading of agricultural inputs including, but not limited to, lime, fertilizer, pesticides, compost or manure for agricultural practices and purposes, the storage of feed, and the temporary storage of trash generated on the Protected Property in receptacles for periodic off-site disposal, shall be permitted without such prior written approval.

6. There shall be no disturbance of the surface including, but not limited to, filling, excavation, removal of topsoil, sand, gravel, rocks or minerals, or change of the topography of the land in any manner, except as may be reasonably necessary to carry out the uses permitted on the Protected Property under this Grant. In no case shall surface mining of subsurface oil, gas, or other minerals be permitted.

7. The Protected Property together with the 26.39 acre property located in both Norwich and Thetford subject to the Upper Valley Land Trust Grant described in Schedule A ("UULT Protected Property") shall not be subdivided, partitioned or conveyed in separate parcels, nor shall ownership of the buildings on the Protected Property be separated from the ownership of the Protected Property without the prior written approval of Grantee, which approval may be granted, conditioned or denied in Grantee's sole discretion, except as otherwise specifically permitted in this Grant.

8. No use shall be made of the Protected Property, and no activity thereon shall be permitted which is or is likely to become inconsistent with the Purposes of this Grant. Grantors and Grantee acknowledge that, in view of the perpetual nature of this Grant, they are unable to foresee all potential future land uses, future technologies, and future evolution of the land and other natural resources, and other future occurrences affecting the Purposes of this Grant. Grantee, therefore, in its sole discretion, may determine whether (a) proposed uses or proposed improvements not contemplated by or addressed in this Grant, or (b) alterations in existing uses or structures, are consistent with the Purposes of this Grant.

III. Permitted Uses of the Protected Property.

Notwithstanding the foregoing, Grantors shall have the right to make the following uses of

the Protected Property:

1. The right to establish, re-establish, maintain, and use cultivated fields, orchards, and pastures in accordance with generally accepted agricultural practices and sound husbandry principles, together with the right to construct, maintain and repair gravel or other permeable surfaced access roads and parking areas for these purposes; provided, however, that Grantors shall secure the written approval of Grantee prior to any clearing of forest land to establish fields, orchards, pastures, or prior to the construction of any parking areas. Grantee's approval shall not be unreasonably withheld or conditioned, provided that such clearing or construction is consistent with (a) the Purposes of this Grant, (b) the Forest Management Plan as described in Section IV, below, and provided further that any such operation is conducted in accordance with the publication "Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont" ("AMPs"), a Vermont Department of Forests, Parks and Recreation publication dated August 15, 1987 (or such similar successor standard approved by Grantee).
2. The right to conduct maple sugaring operations on the Protected Property and the right to harvest firewood for use on the Protected Property.
3. The right to perform other forest management activities, and to harvest timber and other wood products in accordance with a Forestry Plan as defined in Section IV below. Prior to commencing timber harvesting activity in accordance with the Forestry Plan, Grantors shall provide Grantee with not fewer than fifteen (15) days' prior written notice, except that no such notice shall be required for: (a) thinning of forest stands performed without the commercial sale of the harvested products; and (b) any timber harvesting involving fewer than ten (10) acres, or yielding fewer than 8,000 board feet of sawlogs or 25 cords of pulp or firewood. Nothing in this clause shall be interpreted to require Grantors to harvest a treatment unit (as defined in Section IV, below), but only to require that any such harvest be conducted in accordance with the Forestry Plan or the Amended Forestry Plan should Grantors elect to harvest. Any harvesting of wood products shall be conducted in accordance with the AMPs (or such similar successor standard approved by Grantee).
4. The right to construct, maintain, repair, renovate, replace, enlarge, rebuild, and use new and existing barns, sugar houses, or similar non-residential structures or facilities, together with necessary access drives and utilities for agricultural and forestry uses, on the Protected Property; provided, however, that (a) the structures are used exclusively for agricultural or forestry purposes, and (b) any new construction, other than normal maintenance and repair, has been approved in writing in advance by Grantee. Grantee's approval may include designation of a complex surrounding the structures and shall not otherwise be unreasonably withheld or conditioned, provided that the structure or facility is located outside of the area consisting of approximately five (5) acres in and along the Ompompanoosuc River and designated as "Meander Belt" on the "Metcalf (Lake) Farm Plan" more particularly described in Schedule A attached hereto, and otherwise is located in a manner which is consistent with the Purposes of this Grant. Structures, drives and utilities proposed to be constructed within said "Meander Belt" may be approved, conditioned or denied by Grantee in its sole discretion. Grantors shall not deem unreasonable a condition by Grantee that certain structures must be located within an existing complex or a complex which may be designated in the future as provided in this Section III.
5. The right to use, maintain, establish, construct, and improve water sources, courses, and bodies within the Protected Property for uses permitted hereunder; provided, however, that Grantors do not unnecessarily disturb the natural course of the surface water drainage and runoff flowing over the Protected Property. Grantors may disturb the natural water flow over the Protected Property in order to improve drainage of agricultural soils, reduce soil erosion or improve the agricultural potential of areas used for agricultural purposes, but shall do so in a manner that has minimum impact on the natural water flow and is otherwise consistent with the Purposes of this Grant and complies with all applicable laws and regulations. Prior to undertaking a streambank stabilization project or placing any structure within rivers or streams or on the banks thereof, Grantors shall provide written notice to Grantee of Grantors intent to do so. The right to dig wells and install piping to provide water and the construction of ponds or reservoirs shall be permitted only upon the prior written approval of Grantee, which approval shall not be unreasonably withheld or conditioned; provided, however, that any such wells, piping, pond or reservoir is located in a manner which is consistent with the Purposes of this Grant.
6. The right to clear, construct, and maintain trails for non-commercial walking, horseback riding, skiing, and other non-commercial, non-motorized recreational activities within and across the Protected Property, all in a manner consistent with the Purposes of this Grant. Non-commercial snowmobiling may be permitted at the discretion of Grantors. All-terrain vehicles may be permitted by Grantors only in those circumstances as expressly provided in Section III(11)

below.

7. The right to maintain, repair, renovate, replace, enlarge, rebuild, and use (a) the existing single-family dwelling for residential purposes, (b) the existing farm buildings for non-residential, agricultural uses, (c) the existing non-residential appurtenant structures and improvements, including drives and utilities, normally associated with a dwelling or farm, and (d) construct, maintain, repair, renovate, replace, enlarge, rebuild, use and occupy new farm buildings for non-residential, agricultural uses and appurtenant structures and improvements, including drives and utilities, normally associated with a dwelling or farm, all within the designated Farmstead Complex without the prior written approval of Grantee. The Farmstead Complex is an area consisting of four and twenty-seven hundredths (4.27) acres, more or less, and is more particularly described in Schedule B attached hereto and incorporated herein, and is depicted on the Metcalf (Lake) Farm Plan described in Schedule A attached hereto and incorporated herein. Grantors shall notify Grantee in writing prior to commencing construction on any new structure or improvement within the Farmstead Complex.

8. The right to maintain, repair, renovate, replace, enlarge, rebuild, and use (a) the existing farm buildings for non-residential, agricultural uses and (b) the existing non-residential appurtenant structures and improvements, including drives and utilities, normally associated with a farm, and the right to construct, maintain, repair, renovate, replace, enlarge, rebuild, use, and occupy new farm buildings for non-residential, agricultural uses and appurtenant non-residential structures and improvements, including drives and utilities, normally associated with a dwelling or farm, all within the designated Barn Complex without the prior written approval of Grantee. The Barn Complex is an area consisting of three (3) acres, more or less, and is more particularly described in Schedule C attached hereto and incorporated herein. Grantors shall notify Grantee in writing prior to commencing construction on any new structure or improvement within the Barn Complex.

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 Grantors or by at least one person who is a member of Grantors' family or who is employed on the farm, and (b) located in the Barn Complex area depicted on the Metcalf (Lake) Farm Plan. The FLH shall consist of no more than 2,000 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. Grantee in its sole discretion may permit an increase over the 2,000 square foot limit, provided, however, such larger structure is deemed necessary and found by Grantee 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 farm labor housing unit is not required for housing a farm employee, Grantors or a member of Grantors' family, Grantors 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 Grantee if such subdivision is required by state or local regulation. Grantee, in its 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, and (ii) found by Grantee to have no greater negative impact on the conservation values underlying the Purposes of this Grant than the original FLH site.

10. The right to conduct rural enterprises consistent with the Purposes of this Grant, especially the economically viable use of the Protected Property for agriculture, forestry and open space and the conservation of agriculturally and silviculturally productive land. In connection with such rural enterprises, the right to construct, maintain, repair, enlarge, replace and use permitted structures with associated utility services, drives and appurtenant improvements within a designated complex permitted by this Section III. These structures shall be non-residential and not inconsistent in number, nature, size and intensity of use of each such structure or improvement with the Purposes of this Grant. No use or structure contemplated under this Section III(10) shall be commenced, constructed or located without first securing the prior written approval of Grantee, which approval Grantee may deny or condition in its sole discretion. All structures and uses shall conform with all applicable local, state and federal ordinances, statutes and regulations. Grantee's approval may be conditioned upon, without limitation, receipt of copies of any necessary governmental permits and approvals that Grantors obtain for such use or construction. In no event

shall the Protected Property be used for more than de minimis commercial recreational activities pursuant to I.R.C. Section 2031(c)(8)(B) or any successor statute or regulation.

11. The right to use all-terrain vehicles on the Protected Property for the limited purposes of agriculture and forestry. Grantors also may permit the use of all-terrain vehicles on the Protected Property only for non-commercial recreational purposes but only by Grantors, Grantors' family (as hereinafter defined), and Grantors' employees.

12. 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 benefit of buildings or structures permitted under this Section III(8) within the Barn Complex and the Farmstead Complex. 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 Barn Complex or the Farmstead Complex any suitable and reasonably-priced 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 Grantors' sole cost and expense. Grantors shall first obtain the written approval of Grantee 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) Reasonable attempts to locate, relocate, replace or improve the Systems within the Barn Complex or the Farmstead Complex 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 Grantors' 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.

13. The right to construct, repair, maintain, and use a minimal number of minor structures (for example: deer stands, gazebos, hunting blinds, lean-tos, Adirondack shelters, tent platforms, tree houses, children's play houses, privies, kiosks, outdoor fireplaces) on the Protected Property provided that such structures shall not have any access roads or drives, utility services or facilities, waste disposal systems, or plumbing, and shall not be used for year-round, continuous residential occupancy or for any commercial activity of any nature (except as Grantee may permit in its sole discretion pursuant to the rural enterprises clause in Section III) and shall not exceed 300 square feet of floor space and fifteen feet in height. Grantors shall secure the written approval of Grantee prior to the construction of any such minor structure, which approval shall not be unreasonably withheld or conditioned, provided that the structure complies with the requirements of this Section III(13) and the number and location of such structures are consistent with the Purposes of this Grant.

IV. Forest Management Plans.

As provided in Section III(3), above, Grantors shall not harvest timber or other wood products (except for maple sugar production and the cutting of firewood for use on the Protected Property) without first developing and submitting to Grantee for its approval, a Forest Management Plan for the Protected Property (hereinafter the "Forestry Plan"). All updates, amendments or other changes to the Forestry Plan shall be submitted to Grantee for its approval prior to any harvesting. The Forestry Plan as updated, amended, or changed from time-to-time is hereinafter referred to as the "Amended Forestry Plan." Grantee's approval of the Forestry Plan and any Amended Forestry Plan shall not be unreasonably withheld or conditioned, if the Forestry Plan or Amended Forestry Plan has been approved by a professional forester and if the Forestry Plan and the Amended Forestry Plan are consistent with the Purposes of this Grant, and in particular, the Primary objective set forth in Section I(3). Grantee may rely upon the advice and recommendations of such foresters, wildlife experts, conservation biologists, or other experts as Grantee may select to determine whether the Forestry Plan or Amended Forestry Plan would be detrimental to the values identified in Section I. The Forestry Plan and any Amended Forestry Plan shall be consistent with the Purposes of this Grant and shall include at least the following elements (except that those elements of the Forestry Plan or Amended Forestry Plan which do not change need not be re-submitted in updates, amendments or changes to the Forestry Plan):

- a) Grantors' forest management objectives;
- b) An appropriately scaled, accurate map indicating such items as forest stands, streams and wetlands, and major access routes (truck roads, landings and major skid trails);
- c) Forest stand ("treatment unit") descriptions (forest types, stocking levels before and after harvesting, soils, topography, stand quality, site class, insect and disease occurrence, previous management history, and prescribed silvicultural treatment);
- d) Plant and wildlife considerations (identification of known significant habitats and management recommendations);
- e) Aesthetic and recreational considerations (impact on viewsheds from public roads, trails, and places);
- f) Management practices to be applied within Surface Water Buffer Zones, established in Section V below, which may include but are not limited to shading, accumulation of coarse woody debris, harvest timing, water crossings and erosion controls; and
- g) Historic and cultural resource considerations (identification of known resources and associated management recommendations).

The Forestry Plan shall be updated at least once every ten (10) years if Grantors intend to harvest timber or other wood products. Amendments to the Forestry Plan shall be required in the event that Grantors propose a treatment not included in the Forestry Plan, but no such amendment shall be required for any change in timing or sequence of treatments if such change does not vary more than five (5) years from the prescription schedule set forth in the Forestry Plan as approved by Grantee. In the event that any treatment unit is substantially damaged by natural causes such as insect infestation, disease, fire or wind, Grantors may elect to conduct an alternative treatment in which event Grantors shall submit an amendment to the Forestry Plan for Grantee's approval prior to conducting any alternative treatment.

Disapproval by Grantee of a Forestry Plan or an Amended Forestry Plan proposing a heavy cut (as defined below) shall not be deemed unreasonable. Grantee, however, may approve a Forestry Plan or an Amended Forestry Plan in its discretion if consistent with the Purposes of this Grant, such as to permit the planting of different species of trees, promote natural regeneration, or establish or re-establish a field, orchard or pasture. "Heavy cut" shall mean the harvesting of wood products below the "C-Line" or minimum stocking level on the Protected Property as determined by applying the protocol set forth in the current U.S. Department of Agriculture, Forest Service Silvicultural Guidelines for the Northeast or by applying a similar, successor standard approved by Grantee.

V. Surface Water Buffer Zones.

Those areas, in forest cover or in other natural vegetation, lying within fifty feet (50') of the west bank of the Ompompanoosuc River on the Protected Property depicted as "SWBZ" on the Metcalf (Lake) Farm Plan, described in Schedule A attached hereto and incorporated herein, or any successor maps approved by Grantors and Grantee depicting the Protected Property, as those waters may move from time to time, shall be designated as Surface Water Buffer Zones (hereinafter "SWBZ").

Within the SWBZ described herein, the goals 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.

The principal goal for management within the SWBZ is the establishment and maintenance of a high quality buffer that provides an array of ecological benefits including but not limited to:

- 1) buffering aquatic and wetland plants and animals from disturbance;
- 2) preventing wetland and water-quality degradation;
- 3) providing important plant and animal habitat;
- 4) providing organic matter, nutrients, and structure to aquatic systems; and
- 5) accumulation of snags and coarse woody debris over time within the SWBZ.

Within the SWBZ the following restrictions shall apply:

- 1) With the exception of existing or subsequently approved roads and landings, where relocation is not feasible or where negative impacts would be increased by relocating, there shall be no machinery operated within the SWBZ as depicted on the Metcalf (Lake) Farm Plan.

- 2) Stream crossings, for the purposes of non-commercial recreation and constructing roads for transporting machinery and harvested timber, are exempt from this restriction, but the number and width of such crossings shall be kept to a minimum and said crossings shall include the installation of all necessary erosion control devices and employ all recommended practices described in the AMPs for such roads and stream crossings.
- 3) Existing recreational trails may be used and maintained in their current condition. New pedestrian, non-commercial, recreational trails may be constructed following written notice to Grantee but no other recreational trail shall be constructed within the SWBZ without the prior written approval of Grantee which approval may be granted, denied or conditioned in Grantee's sole discretion.

VI. Enforcement of the Restrictions.

Grantee shall make reasonable efforts from time to time to assure compliance by Grantors with all of the covenants and restrictions herein. In connection with such efforts, Grantee may make periodic inspection of all or any portion of the Protected Property, and for such inspection and enforcement purposes, Grantee shall have the right of reasonable access to the Protected Property; provided, however, that Grantee must give Grantors at least forty-eight (48) hours prior notice of its intention to enter the Property except in the case of a suspected or known imminent violation of the terms of this Grant. In the event that a Grantee becomes aware of an event or circumstance of non-compliance with this Grant, Grantee shall give notice to Grantors of such event or circumstance of non-compliance via certified mail, return receipt requested, and demand corrective action by Grantors sufficient to abate such event or circumstance of non-compliance and restore the Protected Property 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 Grantee to incur extraordinary costs in investigating the non-compliance and securing its correction, Grantors shall, at Grantee's request, reimburse Grantee for all such reasonable costs incurred in investigating the non-compliance and in securing its correction.

Failure by Grantors to cause discontinuance, abatement, or such other corrective action as may be demanded by Grantee within a reasonable time after receipt of notice and reasonable opportunity to take corrective action shall entitle Grantee 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 Grantee to corrective action on the Protected Property, if necessary. If the court determines that Grantors have failed to materially comply with this Grant, Grantors shall reimburse Grantee 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 Grantee initiates litigation and the court determines that Grantors have not failed to materially comply with this Grant or that Grantee has initiated litigation without reasonable cause or in bad faith, then Grantee shall reimburse Grantors for any reasonable costs of defending such action, including court costs and reasonable attorneys' fees; provided, however, that this clause shall not apply to any Grantee protected by the doctrine of sovereign immunity. 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 Grantee to such equitable relief, including but not limited to injunctive relief, as the court deems just. The remedies described herein are in addition to, and not in limitation of, any other remedies available to Grantee at law, in equity, or through administrative proceedings.

No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantors shall impair Grantee's 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 terminated.

VII. Option to Purchase at Agricultural Value.

Grantee shall have an option to purchase the Protected Property and the UVL Protected Property which is not to be separately conveyed from the Protected Property under Section II(7), above, which together total 87.1 acres ("OPAV 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 all of the land. This Option shall be perpetual in duration and is given on the following terms and conditions.

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

- a) Any mortgage, pledge, or other assignment of the OPAV Property to a lender as security for indebtedness, provided the Grantee's interest under this Option is treated as an interest in real estate such that in the event of foreclosure Grantee is deemed a necessary party defendant in such foreclosure case and has the right to redeem the OPAV Property from the foreclosure action; and
- b) After June 1, 2017, any conveyance by the Grantors to Grantors' family or by a member of Grantors' family to another member of Grantors' family, as those terms are defined in Section VIII(7) below, by gift, inheritance, sale or other transfer; and
- c) After June 1, 2017 any conveyance of the OPAV 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) After June 1, 2017 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 Grantee, 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 OPAV Property following exercise of this Option.
- e) Any lease permitted under Section III(9) above or the leasing of space in the residence located in the Farmstead Complex.

This Option shall apply to all other sales and conveyances of the OPAV Property, including any sale or conveyance of any interest in the OPAV Property including any conveyance by, or conveyance of any interest in a corporation, limited liability company, partnership or other holding entity, but excluding any such conveyance between family members.

2. **Notice of Intent to Sell.** Whenever Grantors receive 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 OPAV Property including an offer involving property other than the OPAV Property ("the Offer"), and Grantors accept the Offer subject to this Option, Grantors shall deliver to Grantee at its principal place 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 OPAV Property, including a description of the agricultural activities to be conducted or facilitated by Buyer, proposed improvements to the OPAV 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 OPAV 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 Grantors' current mailing address.

Information delivered to Grantee 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 Grantors.

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

- 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 Grantee to provide such notice shall constitute a waiver of its rights under this Option; and
- b) Thereafter, Grantors and Grantee shall fix the purchase price for the OPAV Property by establishing a Price Agreement in the manner described in Section VII(4), below.
- c) Grantee shall exercise this Option by giving written Notice of Intent to Purchase not more than thirty (30) days following Grantors' and Grantee's establishment of the Price Agreement.

Notices required by this Section VII(3) shall be delivered to Grantors either personally or by certified mail, return receipt requested to the address provided by Grantors in the Notice of Intent to Sell described in Section VII(2), above.

4. **Purchase Price.** The Purchase Price shall be determined by mutual agreement of Grantors 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) \$86,777.00 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 OPAV 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 OPAV Property is located on the date of the Offer, as determined by a mutually approved disinterested appraiser selected by Grantors and Grantee, with the expense of such appraisal divided equally between Grantors 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 this Grant and the UVLG 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 OPAV 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 Grantors and Grantee, with the expense of such appraisal divided equally between Grantors and Grantee.

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

- c) The value of the residence(s) 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(s) 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 Grantors and Grantee, with the expense of such appraisal divided equally between Grantors and Grantee.

Grantors 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")

In the event that either the Grantors or the Grantee objects to any of the values determined by the disinterested appraiser as set forth above, the Grantors and the Grantee shall each select a separate appraiser to conduct two (2) additional appraisals, and the value specified by the middle of the three (3) appraisals shall be controlling in establishing the Purchase Price.

Notwithstanding anything to the contrary set forth above, if Grantors are not satisfied with the Purchase Price as established by the appraiser(s), Grantors may cancel the sale under the Offer and retain ownership of the OPAV Property. In such event, Grantee's right to proceed under this Option shall terminate upon Grantors' written notice to Grantee certifying that the Offer has been terminated and that the Grantors will retain ownership of the OPAV Property. Thereafter, Grantors shall have no further right to transfer the OPAV Property under the Offer, and any subsequent offer must be submitted to Grantee as set forth in Section VII(2) above.

5. **Entry onto the OPAV Property.** After receiving the notice from Grantors described in Section VII(2), above, and upon reasonable notice to the Grantors, the Grantee shall have the right to enter upon the OPAV Property from time to time for the purpose of preparing for the purchase and disposition of the OPAV 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 OPAV Property. Grantee's entry onto or testing of the OPAV Property shall be conducted in a manner that minimizes any disturbance to the land and to the use and enjoyment of the OPAV Property by the Grantors 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) Grantors 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) all rights of way and easements currently of record; (iv) other rights of way and other easements that do not, in the Grantee's opinion, materially impair the beneficial use of the OPAV Property; and (v) the terms and conditions of this Grant and the terms and conditions of the Grant of Development Rights and Conservation Restrictions conveyed to the Upper Valley Land Trust by deed dated December 16, 2005 and January 3, 2006 and recorded at Book 176, Page 74 of the Norwich Land Records and Book 122, Page 154 of the Thetford Land Records. The state of title to the OPAV Property shall be determined by a title examination paid for by the Grantee.
- b) Grantors agree to use reasonable efforts to deliver marketable title as set forth in Section VII(6)(a), above. In the event Grantors are 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 Grantors can deliver and to pay the purchase price without reduction.
- c) Grantors agree to obtain at its sole expense any and all permits and approvals required under law or regulation for the conveyance of the OPAV Property to Grantee under this Option. The parties shall extend the closing date as necessary to enable Grantors to obtain all such final permits and approvals.
- d) Grantors represent to Grantee that Grantors are not aware of any hazardous waste having been dumped or placed upon the OPAV Property. Grantors 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. Grantors agree 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 OPAV Property, the

Grantee may at the Grantee's option declare its exercise of this Option to be null and void.

- e) The Grantors and the Grantee shall prorate property taxes as of the date of closing.
- f) The Grantors shall not physically alter the OPAV Property or the improvements on the OPAV Property or enter into any lease after 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 Grantors 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 OPAV 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 OPAV Property, and all other waste and debris shall be removed from the OPAV Property prior to closing. Grantors and Grantee will jointly inspect the OPAV 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 OPAV Property, except as identified in Section VII(1), above.

7. **Partial Release of Option.** At the request of Grantors, Grantee shall execute a partial release of its rights under this Option Agreement ("the Partial Release"), and upon the first to occur of the following events, the Grantee shall immediately deliver the Partial Release to the Norwich and Thetford Town Clerks for recording in the Norwich and Thetford Land Records:

- a) Grantee's failure to deliver the Notice of Intent to Exercise as described in Section VII(3)(a), above;
- b) Grantee's failure to deliver the Notice of Intent to Purchase as described in Section VII(3)(c), above; or
- c) Grantee's 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)(c), or destruction of structures as provided in Section VII(6)(e).

Should Grantee not exercise this Option as provided in Section VII(3), above, or should Grantee fail to close following its delivery of the Notice of Intent to Purchase, Grantors 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 Grantee. Provided, however, this Option shall remain in full force and effect with respect to all subsequent conveyances of the OPAV Property, except as identified in Section VII(1) above.

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

- a) No such assignment shall be made prior to Grantors 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 OPAV Property, and a copy of the written assignment shall be delivered to Grantors;
- c) The assignee shall be a party which, in the reasonable opinion of the Grantee, will use or will facilitate the use of the OPAV 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 Grantee. While no consent of Grantors shall be required for said single exercise, Grantee shall not otherwise assign all of its rights and interests under this Option without the prior written consent of Grantors.

VIII. Miscellaneous Provisions.

1. Where Grantors are required, as a result of this Grant, to obtain the prior written approval of the Grantee before commencing an activity or act, and where the Grantee has 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 Grantee. Grantors shall reimburse Grantee or Grantee's designee for all extraordinary costs incurred in reviewing the proposed action requiring Grantee's approval; but not to include those costs which are expected and routine in scope. Upon the request of Grantors, Grantee shall deliver to Grantors, in written recordable form, any approval, disapproval, election or waiver given by Grantee pursuant to this Grant.
2. It is hereby agreed 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 of the Town of and the State of Vermont and at Grantors' sole expense.
3. Grantee shall transfer the development rights, option to purchase, and conservation easement and restrictions conveyed by Grantors 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.
4. In the event the development rights or conservation restrictions conveyed to Grantee herein are extinguished by eminent domain or other legal proceedings, Grantee shall be entitled to any proceeds which pertain to the extinguishment of Grantee's rights and interests. Any proceeds from extinguishment shall be allocated between Grantors and Grantee using a ratio based upon the relative value of the development rights and conservation restrictions, and the value of the fee interest in the Protected Property encumbered by this Grant, as determined by any qualified appraisal performed as of on or about December 27, 2007, the date of the Original Grant as to the Protected Property thereunder, and as of the appraisal dated October 11, 2011 with regard to the remainder of the Protected Property hereunder. Grantee shall use any such proceeds to preserve undeveloped and open space land in order to protect the aesthetic, cultural, educational, scientific, and natural resources of the state through non-regulatory means.
5. In any deed or lease conveying an interest in all or part of the Protected Property, Grantors 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. Grantors shall also notify Grantee of the name(s) and address(es) of Grantors' successor(s) in interest.
6. Grantee shall be entitled to re-record this Grant, or to record a notice making reference to the existence of this Grant, in the Towns of Norwich and Thetford 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.
7. The term "Grantors" includes the heirs, administrators, executors, successors and assigns of the original Grantors, Norah S. Lake and Christopher M. Polashenski. The term "Grantee" includes the successors and assigns of the original Grantee, Vermont Land Trust, Inc. The terms "family", "Grantors' family", "family member" or "member of Grantors' family" include: (a) any owner of a Grantor corporation, limited liability company, partnership, trust or other entity ("Owner"); (b) any spouse or domestic partner of a Grantor or Owner and any person related to a Grantor or Owner by blood to the fourth degree of kinship or by adoption, together with spouses and domestic partners of family members; (c) a corporation, limited liability company, partnership, trust or other entity which is wholly owned by a Grantor or Grantor's family; (d) any estate of a Grantor or Grantor's family.
8. Grantors 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.

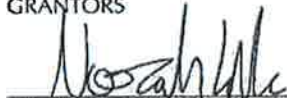
9. Grantors shall hold harmless, indemnify and defend Grantee from and against any liabilities, claims and expenses, including reasonable attorney's fees, to which Grantee may be subjected arising from the negligent or willful actions or inactions of Grantors, or of Grantors' agents, or as a result of events occurring on or after the date of this Grant including, but not limited to, those arising hereafter from any solid or hazardous waste/hazardous substance release or disposal or hazardous waste/ hazardous substance cleanup laws.

10. This Grant shall be governed by and construed in accordance with the laws of the State of Vermont. 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. Invalidity 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 conservation easement and restrictions, with all the privileges and appurtenances thereof, to the said Grantee, VERMONT LAND TRUST, INC., its successors and assigns, to its own use and behoof forever, and the said Grantors, NORAH A. LAKE and CHRISTOPHER M. POLASHENSKI for themselves and their heirs, successors and assigns, do covenant with the said Grantee, its successors and assigns, that until the enrolling of these presents, they are the sole owners of the premises, and have good right and title to convey the same in the manner aforesaid, that the premises are free from every encumbrance, except those of record, not intending hereby to reinstate any interest or right terminated or superseded by this Grant, operation of law, abandonment or 27 V.S.A. Ch. 5, Subch. 7; and they hereby engage to warrant and defend the same against all lawful claims whatever, except as aforesaid.

We set our hands at Hanover, New Hampshire this 16th day of July, 2012.

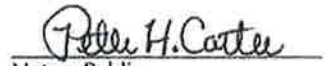
GRANTORS


Norah S. Lake


Christopher M. Polashenski

STATE OF VERMONT
WINDSOR COUNTY, ss.

At Hartford, this 16th day of July, 2012, Norah S. Lake and Christopher M. Polashenski personally appeared and they acknowledged this instrument, by them sealed and subscribed, to be their free act and deed, before me.


Notary Public
My commission expires: 2/10/15

**SCHEDULE A
PROTECTED PROPERTY**

Being a portion of the lands and premises, including any and all buildings thereon, conveyed to Grantors by Warranty Deed of Vermont Land Trust, Inc., dated July 16, 2012, and recorded in Book _____, Page _____ of the Norwich Land Records, and Book _____, Page _____ of the Thetford Land Records; and being depicted as Farm Parcels 2 (4.27 acres), 3 (42.89 acres) and 4 (13.55 acres) on the Survey referenced below.

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 Vermont Route 132 and southerly of Kerwin Hill Road, in the Town of Norwich, Vermont and generally described as containing 60.71 acres, more or less.

UVLT PROTECTED PROPERTY

Section II (7) of this Grant states the Protected Property may not be subdivided or conveyed separately from a 26.39 acre parcel located in the Towns of Norwich and Thetford that was conserved under a Grant of Development Rights and Conservation Restrictions conveyed by Charlotte S. Metcalf and Richard J. Ramsden, Trustees Under the Charlotte S. Metcalf Trust – 1987 to the Upper Valley Land Trust, dated December 16, 2005 and January 3, 2006 and recorded in Book 176, page 74 of the Norwich Land Records and in Book 122, Page 154 of the Thetford Land Records ("the UVLT Protected Property"). That parcel is further described as being all and the same lands depicted as Farm Parcel 1 on the Survey referenced below. The Upper Valley Land Trust has issued an Approval to link the 26.39 acre UVLT Protected Property to the Protected Property as aforesaid under Section II (7) of this Grant dated of on or about even date and to be recorded herewith.

Meaning and intending to include in this description of the UVLT Protected Property all of the land lying northerly of Kerwin Hill Road, in the Town of Norwich and Thetford, Vermont and generally described as containing 26.39 acres, more or less.

OPAV PROPERTY

The "OPAV Property" consists of the Protected Property and the UVLT Protected Property above described comprising 87.1 acres, more or less, with the buildings and improvements thereon, lying on both sides of Vermont Route 132 and Kerwin Hill Road; and depicted as Farm Parcels 1 (26.39 acres), 2 (4.27 acres), 3 (42.89 acres) and 4 (13.55 acres) on a survey consisting of three sheets entitled "Subdivision Plat for Charlotte S. Metcalf Trust – 1987, 79 and 97 Kerwin Hill Road, Norwich, Vermont," dated November 28, 2011 by Rockwood Land Services, LLC and recorded in Map Slide Nos. 387B, 388A and 388B of the Town of Norwich Land Records, and in Map Slide No. 264 of the Town of Thetford Land Records ("the Survey").

60.71 Norwich
26.39 Thetford

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 Grantors and Grantee have used their best efforts to depict the approximate boundaries of the Protected Property, the OPAV Property, and any excluded parcels, complexes or special treatment areas on a plan entitled "Vermont Land Trust – Metcalf (Lake) Farm, Towns of Norwich and Thetford, Windsor and Orange Cos., VT, May 2012" signed by the Grantors and Grantee (referred to throughout this Grant and its Schedules as "Metcalf (Lake) Farm Plan"). The Metcalf (Lake) Farm Plan is based upon Vermont Base Map digital orthophotos and other information available to Grantee 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 Metcalf (Lake) Farm Plan and any metes and bounds descriptions herein are intended solely for the use of the Grantors and Grantee 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 Metcalf (Lake) Farm Plan is kept by Grantee in its Stewardship Office. The Metcalf (Lake) 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.

Grantors and Grantee 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 Grantors or Grantee 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.

**SCHEDULE B
FARMSTEAD COMPLEX**

The "Farmstead Complex" referred to in Section III(7) of this Grant contains four and twenty-seven hundredths (4.27) acres, more or less, and is depicted on the Survey referenced above as Farm Parcel 2.

**SCHEDULE C
BARN COMPLEX**

The "Barn Complex" referred to in Section III(8) of this Grant contains three (3) acres, more or less, located on both sides of Vermont Route 132 exclusive of the road and road right of way, and is more particularly described as follows, all bearings are referenced to "Grid North."

Beginning at a point on the westerly sideline of the Vermont Route 132 right of way (assumed 3 rod width) said point being North 06° 15' West, 380 feet more or less, along the westerly sideline of the Vermont Route 132 right of way from an iron rod marking a northeast corner of lands n/f Erickson; thence proceeding
South 83° 30' West 290 feet more or less, across the Protected Property; thence turning and proceeding
North 06° 30' West 275 feet more or less, across the Protected Property; thence turning and proceeding
North 83° East 290 feet more or less, across the Protected Property to a point on the westerly sideline of the Vermont Route 132 right of way; thence turning and proceeding
South 09° E 40 feet more or less, along the westerly sideline of the Vermont Route 132 right of way; thence turning and proceeding
North 84° East 50 feet more or less, across the Vermont Route 132 right of way to a point on the easterly sideline of the Vermont Route 132 right of way; thence turning and proceeding
South 76° 30' East 160 feet more or less, across the Protected Property; thence turning and proceeding
South 25° 45' East 100 feet more or less, across the Protected Property; thence turning and proceeding
South 11° 45' West 205 feet more or less, across the Protected Property; thence turning and proceeding
South 82° 45' West 125 feet more or less, across the Protected Property to a point on the easterly sideline of the Vermont Route 132 right of way; thence turning and proceeding
North 06° 15' West 110 feet more or less, along the easterly sideline of the Vermont Route 132 right of way; thence turning and proceeding
South 80° 15' West 50 feet more or less, across the Vermont Route 132 right of way to the point of beginning.

RECEIVED
July 19 A.D. 20 *12*
AT *10* O'CLOCK *35* MIN. *A* M
AND RECORDED IN *Land Records*
BOOK *207* PAGE *277-292*
ATTEST
Quincy Russell Priest
TOWN CLERK, NORWICH, VERMONT

Vermont Property Transfer
32V.S.A. Chap. 231
- ACKNOWLEDGMENT -
RETURN RECEIVED
(INCLUDING CERTIFICATES AND, IF REQUIRED ACT
250 DISCLOSURE STATEMENT)
Return No. *2012-62*
Signed *Quincy Russell Priest*
Date *July 19, 2012*

description, should a survey determine that additional land is also encumbered by the Grant. If, in the future, the Grantors or Grantee 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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BARN COMPLEX

The "Barn Complex" referred to in Section III(8) of this Grant contains three (3) acres, more or less, located on both sides of Vermont Route 132 exclusive of the road and road right of way, and is more particularly described as follows, all bearings are referenced to "Grid North."

Beginning at a point on the westerly sideline of the Vermont Route 132 right of way (assumed 3 rod width) said point being North 06° 15' West, 380 feet more or less, along the westerly sideline of the Vermont Route 132 right of way from an iron rod marking a northeast corner of lands n/f Erickson; thence proceeding
South 83° 30' West 290 feet more or less, across the Protected Property; thence turning and proceeding
North 06° 30' West 275 feet more or less, across the Protected Property; thence turning and proceeding
North 83° East 290 feet more or less, across the Protected Property to a point on the westerly sideline of the Vermont Route 132 right of way; thence turning and proceeding
South 09° E 40 feet more or less, along the westerly sideline of the Vermont Route 132 right of way; thence turning and proceeding
North 84° East 50 feet more or less, across the Vermont Route 132 right of way to a point on the easterly sideline of the Vermont Route 132 right of way; thence turning and proceeding
South 76° 30' East 160 feet more or less, across the Protected Property; thence turning and proceeding
South 25° 45' East 100 feet more or less, across the Protected Property; thence turning and proceeding
South 11° 45' West 205 feet more or less, across the Protected Property; thence turning and proceeding
South 82° 45' West 125 feet more or less, across the Protected Property to a point on the easterly sideline of the Vermont Route 132 right of way; thence turning and proceeding
North 06° 15' West 110 feet more or less, along the easterly sideline of the Vermont Route 132 right of way; thence turning and proceeding
South 80° 15' West 50 feet more or less, across the Vermont Route 132 right of way to the point of beginning.

THETFORD TOWN CLERKS OFFICE

REC'D FOR RECORD July 19, 2012
AT 10 O'CLOCK 9 MINUTES A M
RECORDED IN BOOK 144 PAGE 415-430
ATTEST: Larry Bowst TOWN CLERK

-ACKNOWLEDGMENT-

Vermont Property Transfer
RETURNS RECEIVED
Return No. 12-50
Signed Larry Bowst Clerk
Date July 19, 2012