

Grantee's Address: Virginia Outdoors Foundation
203 Governor Street, Suite 317
Richmond, Virginia 23219

TAX ID. No. 6973-82-9239
Consideration: - \$0 -

Examined and Returned to: **CARDINAL**
Return to: Georgia H. Herbert, P.C.
P. O. Box 21
The Plains, Va. 20198

OCT 31 2001

Document Prepared By:
Georgia H. Herbert, P.C.
The Plains, VA 20198

BK 0922 PG 1376

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Exempted from recordation taxes
under the Code of Virginia (1950), as amended,
Sections 58.1-811 (A)(3), 58.1-811(C)(4), and 10.1-1803

DEED OF GIFT OF EASEMENT

THIS DEED OF GIFT OF EASEMENT made this 17th day of September, 2001, by and between NORTH WALES, L.L.C., a Delaware limited liability company, which with its successors in title to all or any portion of the Property is herein called the Grantor, and the VIRGINIA OUTDOORS FOUNDATION, an Agency of the Commonwealth of Virginia, whose address is 203 Governor Street, Suite 317, Richmond, Virginia 23219-2010, herein called the Grantee,

WITNESSETH:

WHEREAS, the Virginia Open Space Land Act of 1966 (Chapter 17, Title 10.1, §§ 10.1-1700 to 10.1-1705 of the Code of Virginia) declares that the preservation of open-space land serves a public purpose by promoting the health and welfare of the citizens of the Commonwealth by curbing urban sprawl and encouraging more desirable and economical development of natural resources, and authorizes the use of easements in gross to maintain the character of open-space land;

WHEREAS, Chapter 18, Title 10.1 of the Code of Virginia (§§ 10.1-1800 to 10.1-1804) declares it to be the public policy of the Commonwealth to encourage preservation of open-space land and authorizes the Virginia Outdoors Foundation (an agency of the Commonwealth of Virginia) to hold real property or any estate or interest therein for the purpose of preserving the natural, scenic, historical, scientific, open-space and recreational lands of the Commonwealth;

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WHEREAS, the Grantor is the owner of the fee of the approximately 100.00 acre property hereinafter described ("the Property") which it desires preserved as open-space land in the public interest;

WHEREAS, preservation of the present character of the Property will further the first three (3) goals of the Fauquier County Comprehensive Plan (1992-2010) adopted by the Board of Supervisors:

1. To sustain and enhance the quality of life of the County's citizens.
2. To recognize the County's traditionally agricultural and rural character and the need for preservation of its open spaces and scenic beauty.
3. To protect critical environmental resources and to maintain renewable natural resources so that they are not degraded but remain viable for future generations;

WHEREAS, Fauquier County has recognized the importance of the continued preservation of the Property as open-space and agricultural land by providing Use Value Assessment of the Property for real property tax purposes;

WHEREAS, the Grantor's Property is adjacent to other property under open-space easement to the Grantee and contributes to the open space values of such lands;

WHEREAS, the Property lies within the Fauquier Springs Area identified in the Virginia Critical Environmental Areas Study (1972), conducted by the Virginia Division of State Planning and Community Affairs, as a critical environmental area meeting two (2) of the five (5) surveyed criteria, said area being of unusual natural or manmade features worthy of protection by State or local governments, and a natural, scenic or historic area presently endangered by the activities of man;

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WHEREAS, the Property is located within the Upper Rappahannock Watershed, an area planned for special environmental protection in the Fauquier County Comprehensive Plan and in the Critical Environmental Areas Study (1972) conducted by the Division of State Planning and Community Affairs for the General Assembly of the Commonwealth of Virginia, the Rappahannock River being a public water supply source and having been designated a Scenic River by Chapter 124 of the Acts of the General Assembly of the Commonwealth of Virginia;

WHEREAS, the specific conservation values of the Property are documented in a report to be kept on file at the offices of the Grantee and incorporated herein by this reference, which documentation ("Baseline Documentation") the parties agree provides an accurate representation of the Property as of the effective date of this grant and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this grant;

WHEREAS, the Grantor believes that open-space conservation easements serve to protect scenic, natural, agricultural, and open-space values of properties in a manner that permits continued private ownership of land while fulfilling public conservation purposes;

WHEREAS, the Grantor intends, as owner of the Property, to convey to the Grantee the right to preserve and protect the conservation values of the Property in perpetuity;

WHEREAS, the Grantee represents that the Grantee is a "qualified conservation organization," as that term is defined in Section 170(h) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code"); and

WHEREAS, the Grantor and the Grantee recognize the scenic, natural, agricultural, and open space character of the Property, and have the common purpose of the conservation and

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protection in perpetuity of the Property through the use of restrictions on the Property and with the transfer from the Grantor to the Grantee of the right to enforce the restrictions and protect the Property, intending the grant of such restrictions and rights to qualify as a "qualified conservation contribution" as that term is defined under Section 170(h)(2)(C) of the Code;

NOW, THEREFORE, in recognition of the foregoing and in consideration of the mutual covenants herein and the acceptance hereof by the Grantee, and pursuant to Section 170(h) of the Code and the laws of the Commonwealth of Virginia, in particular the Virginia Open Space Land Act of 1966, the Grantor does hereby grant and convey to the Grantee an open-space easement in gross of the nature and character and to the extent hereinafter set forth (the "Easement") over, and the right in perpetuity to restrict the use of, the following described real estate consisting of 100.00 acres, more or less, fronting on State Route 744 in the Marshall Magisterial District of Fauquier County, Virginia ("the Property"):

ALL THAT certain tract or parcel of land located in Marshall Magisterial District, Fauquier County, Virginia, containing 100.00 acres, more or less, designated as "100.0000 acres (Not Incl. in V.O.F. ESMT.)" on the Sketch Plat attached to and recorded with that Deed of Gift of Easement dated December 7, 1998, from North Wales, L.L.C. recorded in Deed Book 824 at page 872 among the land records of Fauquier County, Virginia.

AND BEING a portion of the property conveyed to North Wales, L.L.C., by deed dated December 18, 1997 and recorded in Deed Book 793 at page 417 among the aforesaid land records.

AND SUBJECT, HOWEVER, to the restriction that the Grantee or its successors and assigns may not transfer or convey the open-space Easement herein conveyed to the Grantee unless the Grantee conditions such transfer or conveyance on the requirement that (1) all restrictions and conservation purposes set forth in the conveyance accomplished by this deed are to be continued in perpetuity, and (2) the transferee is an organization then qualifying as an eligible donee as defined by section 170(h)(3) of the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations promulgated thereunder.

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This conveyance is further made subject to all easements of record which may affect the Property.

The Grantor declares that the Property shall be held, transferred, sold, conveyed, used, and occupied subject to the covenants, conditions, restrictions, and easements hereinafter set forth, which covenants, conditions, restrictions, and easements shall be deemed to run with the land in perpetuity and to burden the Property in perpetuity. Restrictions are hereby imposed on uses of the Property pursuant to the public policies set forth above. It is the purpose of this Easement to ensure that the Property will be retained forever predominantly in its scenic and open-space condition for conservation purposes in the public interest and to prevent any use of the Property that will significantly impair or interfere with the conservation values of the Property and the Property's natural resources and associated ecosystems. The acts which the Grantor, its successors and assigns, covenant to do and not to do upon the Property, and the restrictions which the Grantee is hereby entitled to enforce are and shall be as follows:

1. Accumulation or dumping of trash, refuse, or junk is not permitted on the Property.

This restriction shall not prevent generally accepted agricultural or wildlife management practices, such as creation of brush piles, composting, or the storage of farm machinery, organic matter, agricultural products or agricultural byproducts on the Property, as long as such practices are conducted in accordance with applicable governmental laws and regulations.

2. Display of billboards, signs or other advertisements is not permitted on or over the Property except to state the name and/or address of the owner, to advertise the sale or lease of the Property, to advertise the sale of goods or services produced incidentally to a permitted use of the Property, to provide any notice required by any governmental authority, to protect the

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Property and to give direction to visitors. Temporary signs for other purposes may be maintained on the Property for no longer than eight (8) consecutive weeks and for no more than sixteen (16) weeks in any calendar year. No such sign shall exceed nine (9) square feet in size.

3. Division or subdivision of the Property in any manner is prohibited. Boundary line adjustments with adjoining parcels of land shall not be considered divisions or subdivisions of the Property, provided that the Grantee is notified in writing prior to the completion of any boundary line adjustment and one of the following conditions is met:

- (i) The entire adjacent parcel is subject to an open-space easement to the Grantee; or
- (ii) The proposed boundary line adjustment is reviewed and approved by the Board of Trustees of the Grantee.

4. Management of forest resources shall be in accord with a forest stewardship plan approved by the Grantee. All forest management activities shall be carried out so as to preserve the environmental and scenic quality of the area. Forestry Best Management Practices as defined by the Virginia Department of Forestry shall be used to control erosion and protect water quality. The Grantor, or its successors or assigns shall notify the Grantee no later than thirty (30) days prior to the start of any forest management activity as well as within seven (7) days of its completion.

5. Grading, blasting or earth removal shall not materially alter the topography of the Property except for dam construction to create private ponds or lakes, or as required in the construction of permitted buildings, connecting private roads, and utilities as described in Paragraph 6.A. Generally accepted agricultural activities shall not be considered material

alteration. Best Management Practices, in accordance with the Virginia Erosion and Sediment Control Law, shall be used to control erosion and protect water quality in the construction of permitted private roads. Notwithstanding the foregoing, no grading, blasting, or earth removal shall be permitted on the Property if it will materially diminish or impair the conservation values protected by this Easement. Mining on the Property is prohibited.

6.A. No permanent or temporary building or structure shall be built or maintained on the Property other than the existing hunting lodge standing on the Property on the date of this Easement (the "Lodge"), private roads and utilities serving it, and customary fencing. The Lodge may be repaired, restored, renovated, reasonably enlarged and replaced if damaged beyond repair, but it may not be converted to a residence or guest house.

B. Any additional electric, telephone and other utility lines installed on the Property after the date of this Easement shall be installed underground if they would otherwise be visible from State Route 744.

7. Industrial or commercial activities other than the following are prohibited: (i) agriculture, silviculture, viticulture, horticulture, and equine activities, (ii) temporary or seasonal outdoor activities which do not permanently alter the physical appearance of the Property, and which are consistent with the conservation values herein protected, (iii) activities which can be and in fact are conducted within permitted buildings without material alteration to the external appearance thereof. Temporary activities involving one hundred (100) people or more shall not exceed seven (7) days in duration without prior approval of the Virginia Outdoors Foundation. Notwithstanding any other provision of this Easement, no commercial recreational use (except for de minimis commercial recreational uses) shall be allowed on the Property.

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8. The Grantor hereby grants the following rights to the Grantee, which rights shall be in addition to, and not in limitation of, any other rights and remedies available to the Grantee:

- (i) to prevent the Grantor or third persons (whether or not claiming by, through, or under the Grantor) from conducting any activity on or use of the Property that is inconsistent with the purpose of this Easement, and to require of the Grantor or third persons the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or use;
- (ii) to enter upon the Property (but not building interiors) at reasonable times and in a reasonable manner in order to monitor the Grantor's compliance with and otherwise enforce the terms of this Easement, provided that such entry shall be upon prior reasonable notice to the Grantor, shall occur during no more than one twenty-four (24) hour period per calendar year and shall not unreasonably interfere with the Grantor's use and quiet enjoyment of the Property as restricted by this Easement;
- (iii) to obtain injunctive and other equitable relief against any violations, including without limitation relief requiring removal of offending structures and restoration of the Property to the condition that existed prior to any such violation (it being agreed that the Grantee will have no adequate remedy at law); and
- (iv) to enforce this Easement in the case of breaches by the Grantor or by third persons (whether or not claiming by, through, or under the Grantor) by appropriate legal proceedings after providing the Grantor with reasonable written notice and a reasonable opportunity to cure.

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9. This Easement shall not entitle the Grantee to bring any action against the Grantor for any injury to or change in the Property resulting from causes beyond the Grantor's control. In connection with any action to enforce the terms of this Easement, the Grantor and the Grantee shall each be responsible for their own respective costs of suit, including reasonable attorneys' fees.

10. The Grantor, its successors and assigns, shall notify the Grantee in writing within sixty (60) days of any transfer or sale of the Property. This Easement shall be referenced by deed book and page number in any deed conveying any interest in the Property. The failure of the Grantor to perform any act required by this paragraph shall not impair the validity of this Easement or limit its enforceability in any way.

The interpretation and performance of this Easement shall be governed by the laws of the Commonwealth of Virginia.

Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the grant to effect the purpose of this Easement and the policy and purposes of the Grantee.

If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purposes of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

If any provision of this Easement or the application thereof to any person or circumstance is found to be invalid, the remaining provisions of this Easement shall not be affected thereby.

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This instrument sets forth the entire agreement of the parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement, all of which are merged herein.

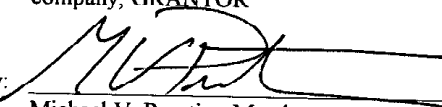
The covenants, terms, conditions, and restrictions of this Easement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and shall continue as a servitude running in perpetuity with the Property.

Although this Easement will benefit the public as described above, nothing herein shall be construed to convey to the public a right of access to or use of the Property. The Grantor, for itself and its successors and assigns, hereby retains exclusive right to such access and use, subject to the terms hereof, and any lawful acts or uses not expressly prohibited by or inconsistent with the purpose of this Deed of Gift of Easement shall be permitted on the Property .

Acceptance of this conveyance by the Virginia Outdoors Foundation is authorized by §10.1-1801 of the Code of Virginia and is evidenced by the signature of its Executive Director, Tamara A. Vance. Assignment of this Easement is governed by §10.1-1801 of the Code of Virginia.

WITNESS the following signatures and seals:

NORTH WALES, L.L.C., a Delaware limited liability company, GRANTOR

By:  (SEAL)
Michael V. Prentiss, Member

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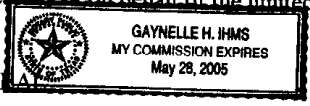
ACCEPTED:

VIRGINIA OUTDOORS FOUNDATION
GRANTEE

By: Tamara A. Vance (SEAL)
TAMARA A. VANCE
EXECUTIVE DIRECTOR

STATE OF TEXAS
CITY/COUNTY OF DALLAS, to-wit:

The foregoing Deed of Gift of Easement was acknowledged before me in the City/County of Dallas, Texas this 17th day of September, 2001, by Michael V. Prentiss, Member of North Wales, L.L.C., a Delaware limited liability company, and who, being sworn by me, testified and affirmed that (i) North Wales, L.L.C. is a member-run limited liability company; (ii) he is the only member of North Wales, L.L.C., and (iii) he has executed this Deed of Gift of Easement on behalf of the limited liability company.



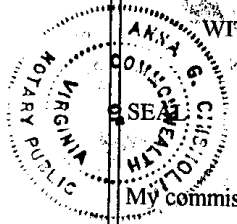
Gaynelle H. Hms
NOTARY PUBLIC

My commission expires May 28, 2005

COMMONWEALTH OF VIRGINIA, AT-LARGE;
CITY/COUNTY OF Montgomery, to-wit:

I, Anna G. Chisholm, a Notary Public in and for the Commonwealth aforesaid, hereby certify that Tamara A. Vance, acting in her capacity as Executive Director of the Virginia Outdoors Foundation, Grantee, personally appeared before me this day and acknowledged the foregoing instrument.

WITNESS my hand and official seal this 2nd day of October, 2001.



Anna G. Chisholm
NOTARY PUBLIC

My commission expires 31 OCT 2002

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VIRGINIA: IN THE CLERK'S OFFICE OF THE CIRCUIT COURT
FOR THE COUNTY OF FAUQUIER, **OCT 31 2001**

This instrument was this day received in said Office and
with certificate admitted to record at 2:15 P. m.
Tax of \$ Exempt imposed by §58.1-802 Paid.
Consideration: \$ 0
Clerk's Fee: \$16 (1-10 pg), ~~\$31~~ (11-30 pg.), \$51 (over 31 pg.)
(includes \$1.50 Library Fee) \$3.00 Tech Fee
TOTAL PAID: \$ 34.22

TESTE: Gail Harb, CLERK