

**Exhibit 4:  
Vermont Land Trust (VLT) and the Vermont Housing and  
Conservation Board (VHCB) Development Rights and  
Conservation Restrictions**

GRANT OF DEVELOPMENT RIGHTS AND CONSERVATION RESTRICTIONS  
Public Parcel

THIS GRANT of Development Rights and Conservation Restrictions (the "Grant") is given on this 23 day of JUNE, 1998, by THE DEMETER FUND, a non-profit charitable and educational foundation with its principal office located in Middlebury, Addison County, Vermont, and its successors or assigns (the "Grantor"), to the VERMONT LAND TRUST, INC. (VLT), a non-profit corporation with its principal offices in Montpelier, Vermont, and the VERMONT HOUSING AND CONSERVATION BOARD (VHCB), an independent board of the State of Vermont, and their respective successors and assigns (hereinafter, collectively, "Grantees").

WHEREAS, VHCB is a public instrumentality of the State of Vermont existing by virtue of the Vermont Housing and Conservation Trust Fund Act, 10 V.S.A. §311 (the "Act") which provides grants and loans to eligible entities for projects which fulfill the goals of creating affordable housing for Vermonters and/or conserving and protecting Vermont's agricultural land, historic properties, important natural areas and recreational lands;

WHEREAS, the Act provides that in the best interests of all of its citizens and in order to improve the quality of life for all Vermonters and to maintain for the benefit of future generations the essential characteristics of the Vermont countryside, Vermont should assist in creating affordable housing and in preserving the state's agricultural land, historic properties, important natural areas and recreational lands;

WHEREAS, eligible activities under the Act include, but are not limited to, the protection of agricultural land, important wildlife habitat and important natural areas, the preservation of historic properties or resources and the protection of areas suited for outdoor public recreational activity;

WHEREAS, the Town of Charlotte has been awarded a transportation system enhancement grant by the Vermont Agency of Transportation through the Agency's administration of the federal Intermodal Surface Transportation Efficiency Act of 1991 ("ISTEA"); and

WHEREAS, ISTEA established an innovative program to engage in a variety of activities, including the acquisition of scenic easements, as a means to creatively and sensitively integrate surface transportation facilities into their surrounding communities, and to create the opportunity to protect the environment and provide a more aesthetic, pleasant and improved interaction with Vermont's surface transportation system for its users, and for those living next to transportation systems; and

WHEREAS, the acquisition of a scenic easement on 250 acres of land adjacent to and westerly of U.S. Route 7 in Charlotte, Vermont owned by The Demeter Fund ("Protected Property") would implement the objectives of the ISTEA Transportation Enhancement program;

WHEREAS, the value of the rights conveyed herein with respect to the 81.85 acre so-called Varney Tract (a part of the Protected Property) have been appraised for \$474,000, but Grantor has agreed to sell those rights for \$151,200, and Grantor has waived its right for an appraisal on the balance of the Protected Property, wishing instead to donate the value of the rights on the remainder.

WHEREAS, VLT has secured other private grant funds to assist in the conservation of the Demeter Fund lands for purposes consistent with the objectives of the ISTEA Transportation Enhancement Program;

WHEREAS, Grantor will hold the Protected Property for public outdoor recreation, open space, natural resource conservation and education purposes, subject to this Grant.

NOW, THEREFORE,

KNOW ALL PERSONS BY THESE PRESENTS that THE DEMETER FUND, a non-profit charitable and educational foundation with its principal office located in Middlebury, Addison County, Vermont, on behalf of itself and its successors and assigns (hereinafter "Grantor"), pursuant to Title 10 V.S.A. Chapters 34 and 155 and in consideration of the payment of Ten Dollars and other valuable consideration paid to its full satisfaction, does freely give, grant, sell, convey and confirm unto the VERMONT LAND TRUST, INC., a non-profit corporation with its principal offices in Montpelier, Vermont, and the VERMONT HOUSING AND CONSERVATION BOARD, an independent board of the State of Vermont, and their respective successors and assigns (hereinafter "Grantees") as tenants in common, forever, the development rights, right of first refusal, and a

- 4) Otherwise be consistent with the terms and conditions of this Grant.

Prior to their final adoption, Grantor shall provide Grantees with a copy of each such Management Plan.

**II. Restricted Uses of Protected Property.**

1. The Protected Property shall be used for public outdoor recreation, open space, forestry, agricultural, wildlife habitat and educational purposes in perpetuity. No residential, commercial, industrial or mining activities shall be permitted. No building or structures shall be constructed, created, erected or moved onto the Protected Property, except as permitted by Section III(12) and (14) and the Management Plan.
2. Each time that the agricultural land on the Protected Property lies fallow for more than two successive years (the "fallow land"), Grantor shall cooperate with Grantees, at Grantees' request, to maintain the fallow land in an open condition (meaning without trees and brush) and in active agricultural use. For example, Grantor shall permit access to the fallow land by Grantees and Grantees' contractors to crop, mow or brush-hog. No obligation is hereby imposed upon Grantor or Grantees to maintain the fallow land in an open condition or in active agricultural use.
3. Except as permitted by Section III(11) and (12) of this Grant, no rights-of-way, easements of ingress or egress, driveways, roads, or utility lines or easements shall be constructed, developed or maintained into, on, over, under, or across the Protected Property, without the prior written permission of Grantee. Grantee may grant such permission if it determines, in its sole discretion, that any such improvement would be consistent with the Purposes of this Grant.
4. There shall be no signs, billboards, or outdoor advertising of any kind erected or displayed; provided, however, that the Grantor may erect and maintain reasonable signs indicating the name of the Protected Property, organizations providing funding or sponsorship, boundary markers, directional signs, signs informing the public about reasonable use, interpretive signs, memorial plaques and historical markers.
5. The placement, collection or storage of trash, 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. The temporary storage of trash in receptacles for periodic off-site disposal, shall be permitted without such prior written approval.
6. Except as permitted by this Grant or as may be reasonably necessary to carry out the uses permitted by this Grant, there shall be no disturbance of the surface of the Protected Property 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. In no case shall surface mining of subsurface oil, gas or other minerals be permitted.
7. There shall be no manipulation of natural watercourses, marshes, or other water bodies, nor shall there be activities conducted on the Protected Property which would be detrimental to water purity, or which could alter natural water level or flow, except as reasonably necessary to carry out the uses permitted on the Protected Property under this Grant.
8. No use shall be made of the Protected Property, and no activity thereon shall be permitted which, in the reasonable opinion of the Grantees, is or may possess the potential to become inconsistent with the purposes of this Grant as stated in Section I, above. However, activities on or uses of the Protected Property which are not expressly referenced in this Grant and which are consistent with said Purposes may be permitted, in the discretion of the Grantor, and with the prior written approval of Grantees, provided such activities are also consistent with the Management Plan.

**III. Permitted Uses of the Protected Property.**

Notwithstanding the foregoing, Grantor shall have the right to make the following uses of the Protected Property:

9. The right to use the Protected Property for all types of non-motorized recreational purposes (including, but not limited to, hunting, trapping, fishing, bird-watching, walking, snowshoeing, horseback riding, cross-country skiing, and swimming) not inconsistent with the Purposes of this Grant as set forth in Section I.

inconsistent with the Purposes of this Grant as set forth in Section I. Notwithstanding the foregoing, Grantor may limit or restrict public access to the Protected Property to assure compliance with the requirements of this Grant, to protect natural habitats, or to protect the public health or safety (including the right to permit, regulate or prohibit hunting and trapping).

In the event Grantor proposes to transfer the Protected Property into the ownership of an individual or entity which does not undertake in writing at the time of transfer to provide recreational and educational opportunities to the general public on the Protected Property, Grantor shall convey to Grantees or their designee, a public access easement. Said easement shall provide reasonable public access to recreational opportunities, shall be consistent with the Purposes of the Grant as set forth in Section I, above, and shall be in a form approved by Grantees.

**V. Right of Entry.**

Grantor The Demeter Fund on behalf of itself and its successors and assigns does freely give, grant, sell, convey and confirm unto the Grantees and their respective successors and assigns as tenants in common, forever, an executory interest in the form of a right of entry (all as more particularly set forth below) in and to the Protected Property more particularly described in Schedule A attached hereto and incorporated herein. Grantor covenants and agrees as follows:

- 1) Grantor shall use and maintain the Protected Property exclusively for uses permitted under this Grant, consistent with the Purposes of this Grant as set forth in Section I, and shall make the Protected Property available for public access as provided in Section IV hereof.
- 2) As owner and manager of the Protected Property, Grantor shall periodically inspect the Protected Property to assure Grantor's compliance with the terms and conditions of this Grant and shall, upon request, report the results of the inspections to Grantees.
- 3) Grantor shall take all reasonable steps to correct any violation of the terms and conditions of this Grant in the event a breach is discovered.
- 4) Grantor shall not give, grant, sell, convey, transfer, mortgage, pledge or otherwise encumber the Protected Property without the prior written approval of Grantees.

In the event Grantor takes or fails to take any action which could result in a breach or could reasonably be interpreted as expressing an intent to breach the obligations set forth in this Section, Grantees reserve the right of entry for conditions broken or an executory interest, which right, if exercised by Grantees upon such breach of, or intention to breach, the above covenants, shall be exercised by mailing a notice of violation ("Notice") by certified mail to Grantor. Said Notice shall declare that the power of termination has been exercised and shall state the breach which caused the action. Grantor shall have a period of sixty (60) days from the date of its receipt of said notice to correct the breach causing the termination. If in the reasonable opinion of Grantees the breach is not cured within said sixty-day period, the termination shall become final and a copy of the Notice shall be recorded in the Town of Charlotte Land Records. Grantees' rights and remedies under this Section V shall be in addition to the rights and remedies set forth in Section VI, below. No delay or omission by Grantees in the exercise of its rights under this Section V shall impair Grantees' rights under this clause or be construed as a waiver of the right of re-entry.

**VI. Enforcement of the Restrictions.**

Grantee shall make reasonable efforts from time to time to assure compliance by Grantor with all of the covenants and restrictions herein. In connection with such efforts, Grantee may make periodic inspection of all or any portion of the Protected Property and for such inspection and enforcement purposes, the Grantees shall have the right of reasonable access to the Protected Property. In the event that Grantee becomes aware of an event or circumstance of non-compliance with the terms and conditions herein set forth, Grantee shall give notice to Grantor of such event or circumstance of non-compliance via certified mail, return receipt requested, and demand corrective action by the Grantor 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, Grantor shall reimburse Grantee all reasonable costs incurred in investigating the non-compliance and in securing its correction.

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

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

TO HAVE AND TO HOLD said granted development rights and conservation easement and restrictions, and executory interest, with all the privileges and appurtenances thereof, to the said Grantees, VERMONT HOUSING AND CONSERVATION BOARD, and VERMONT LAND TRUST, INC., their respective successors and assigns, to their own use and behoof forever, and the said Grantor, THE DEMETER FUND, for itself and its successors and assigns, does covenant with the said Grantees, their successors and assigns, that until the ensembling of these presents, it is the sole owner of the premises and has good right and title to convey the same in the manner aforesaid, that the premises are free from every encumbrance, except easements and use restrictions of record as set forth in Schedule B attached hereto and incorporated herein, and it hereby engages to warrant and defend the same against all lawful claims whatever.

IN WITNESS WHEREOF, Grantor has caused this Grant to be executed by its duly authorized agent on this 23 day of June, 1998.

IN THE PRESENCE OF:

GRANTOR  
The Demeter Fund

[Signature]  
Witness to TDF

By [Signature]  
Its Duly Authorized Agent

[Signature]  
Witness to TDF

STATE OF VIRGINIA  
COUNTY OF Arlington, ss.

At 1700 N. Kent, Arlington, Virginia, on this 23<sup>rd</sup> day of June, 1998, personally appeared Douglas Horne, duly authorized agent of The Demeter Fund, and he/she acknowledged this instrument, by him/her sealed and subscribed, to be his/her free act and deed and the free act and deed of The Demeter Fund, before me.

[Signature]  
Notary Public CATRIN O'CONNELL

My Commission Expires: 7/31/01

Approved by the Vermont Housing and Conservation Board:

6/25/98  
Date

By: [Signature]  
Its Duly Authorized Agent

Being all and the same property conveyed to Demeter Fund, Inc. by the following deeds: (i) Warranty Deed of Douglas R. Horne dated December 13, 1994 and recorded in Volume 83 at Page 583 of the Town of Charlotte Land Records; and (ii) Warranty Deed of Daniel J. O'Brien and Leo O'Brien, Jr. d/b/a O'Brien Bros. dated January 5, 1995 and recorded in Volume 84 at Page 141 of the Town of Charlotte Land Records.

Included is the benefit of a right-of-way granted by Warranty Easement Deed of Harry R. Varney, Jr. and Catherine T. Varney to Daniel J. O'Brien and Leo O'Brien, Jr. d/b/a O'Brien Bros. dated January 3, 1986 and recorded in Volume 47 at Page 79 of the Town of Charlotte Land Records and subsequently conveyed by Warranty Deed of Daniel J. O'Brien and Leo O'Brien, Jr. d/b/a O'Brien Bros. to Douglas R. Horne dated August 1, 1985 and recorded in Volume 45 at Page 457 of the Town of Charlotte Land Records.

Meaning and intending to include in this description of the Protected Property all of the land depicted on a plan entitled "Walking Trails, Demeter Fund, Charlotte, Vermont" dated May 1997 prepared by Gail Henderson-King and generally described as containing 250 acres, more or less, lying on the westerly side of U.S. Route 7 in the Town of Charlotte, Vermont.

**EXCEPTING and EXCLUDING** an 11.47 acre parcel westerly of U.S. Route 7 and being further described as:

Beginning at a point marked by iron pins on the westerly sideline of U.S. Route 7 at the northeastern most boundary of the property; thence proceeding South 09° 37'50" East 642.07 feet along the westerly sideline of U.S. Route 7 to a point; thence turning and proceeding South 77° 21'35" West 790.00 feet across the Protected Property to a point; thence turning and proceeding North 07° 45'10" West 643.52 feet across the Protected Property to the northernmost border; thence turning and proceeding North 77° 21'35" East 788.88 feet to the point of beginning.

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

#### SCHEDULE B EASEMENTS AND USE RESTRICTIONS

The Protected Property is subject to the following easements and use restrictions of record:

1. Rights of the public and others entitled thereto to use that portion of the Protected Property lying within the boundaries of roads maintained by one or more of the town, state or federal jurisdictions for all purposes commonly used for roads in the State of Vermont.
2. Rights of the public to use waterways and bodies of water as implied by the Public Trust Doctrine.
3. **PARCEL ONE:**
  - (a) A sixty foot right of way for access and utilities on the terms and conditions set forth in the Warranty Deed of Harry R. and Catherine Varney to Gladys Varney dated October 21, 1986 and recorded in Volume 49 at Page 552 of the Town of Charlotte Land Records.
  - (b) A sixty foot right of way for access and utilities for the benefit of Parcel Two on the terms and conditions set forth in the Warranty Easement Deed of Harry R. and Catherine T. Varney to Daniel J. O'Brien and Leo O'Brien, Jr. d/b/a O'Brien Bros. dated January 3, 1986 and recorded in Volume 47 at Page 79 of the Town of Charlotte Land Records.
  - (c) Terms and conditions of underground utility easements granted to Vermont Telephone Corporation by instruments dated April 22 1971 and recorded in Volume 31 at Page 346 and dated December 14, 1971 and recorded in Volume 31 at and Page 346 of the Town of Charlotte Land Records
  - (d) Terms and conditions of utility easement granted to Green Mountain Power