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BK 0925 PG 00706

Prepared by: James W. Shortt & Associates, P.C.
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070006375

TAX MAP NUMBERS:

Henry County: PIN 075870005, 6.5(000)000/029, 33, and 35
Franklin County: Tax Map Numbers 119.-64, 119.-64.1 and 119.-65

Exempted from recordation tax
under the Code of Virginia (1950), as amended,
Sections 58.1-811 (A) (3), 58.1-811 (D) and 10.1-1803
and from Circuit Court Clerk's fee under Section 17.1-266

THIS DEED OF GIFT OF EASEMENT (this "Easement"), made this 29th day of August, 2007, among **DANNY L. THOMPSON** and **MARTHA H. THOMPSON** (together "Grantor"); the **VIRGINIA OUTDOORS FOUNDATION**, an agency of the **COMMONWEALTH OF VIRGINIA**, ("Grantee") (the designations "Grantor" and "Grantee" refer to the Grantor and Grantee and their respective successors and assigns); **MICHAUX RAINE, III** and **T. C. BEASLEY**, Trustees, either or both of whom may act, for Roanoke Farm Credit (the "Bank"); and **DALE PROFITT**, Trustee for Southwest Virginia Farm Credit, ACA, (the "Second Bank") (the "Trustees").

WITNESSETH:

WHEREAS, Grantor is the owner in fee simple of real property situated on State Routes 608 and 657 in Franklin and Henry Counties, Virginia, containing in the aggregate 358.867 acres, as further described below (the "Property"), and desires to give and convey to Grantee a perpetual conservation and open-space easement over the Property as herein set forth; and

WHEREAS, Grantee is a governmental agency of the Commonwealth of Virginia and a "qualified organization" and "eligible donee" under Section 170(h)(3) of the Internal Revenue Code of 1986, as amended (and corresponding provisions of any subsequent tax laws)(IRC) and Treasury Regulation §1.170A-14(c)(1), and is willing to accept a perpetual conservation and open-space easement over the Property as herein set forth; and

WHEREAS, Chapter 461 of the Acts of 1966, codified in Chapter 17, Title 10.1, §§10.1-1700 through 10.1-1705 of the Code of Virginia, as amended (the "Open-Space Land Act"), declares that the preservation of open-space land serves a public purpose by curbing urban sprawl, preventing the spread of urban blight and deterioration and encouraging more economic and desirable urban development, helping provide or preserve necessary park, recreational, historic and scenic areas, and conserving land and other natural resources, and authorizes the acquisition of interests in real property, including easements in gross, as a means of preserving open-space land; and

WHEREAS, pursuant to Sections 10.1-1700 and 10.1-1703 of the Open-Space Land Act, the purposes of this Easement include retaining and protecting open-space and natural resource values of the Property, and the limitation on division, residential construction and commercial and industrial uses contained in Section II ensures that the Property will remain perpetually available for agriculture, livestock production, forest or open-space use, all as more particularly set forth below; and

WHEREAS, Chapter 525 of the Acts of 1966, Chapter 18, Title 10.1, §§10.1-1800 through 10.1-1804 of the Code of Virginia, declares it to be the public policy of the Commonwealth to encourage preservation of open-space land and authorizes the Virginia Outdoors Foundation to hold real property or any estate or interest therein for the purpose of preserving the natural, scenic, historic, scientific, open-space and recreational lands of the Commonwealth; and

WHEREAS, this Easement is granted "exclusively for conservation purposes" under IRC §170(h)(1)(C) because it effects "the preservation of open space (including farmland and forest land)" under IRC 170(h)(4)(A)(iii). Specifically, the preservation of open-space on the Property is pursuant to clearly delineated state and local governmental conservation policies and will yield a significant public benefit; and

WHEREAS, this open-space easement in gross constitutes a restriction granted in perpetuity on the use which may be made of the Property, and is in furtherance of and pursuant to the clearly delineated governmental policies set forth below:

- (i) Land conservation policies of the Commonwealth of Virginia as set forth in:
 - a. Section 1 of Article XI of the Constitution of Virginia, which states that it is the Commonwealth's policy to protect its atmosphere, lands and waters from pollution, impairment, or destruction, for the benefit, enjoyment, and general welfare of the people of the Commonwealth;
 - b. The Open-Space Land Act cited above;
 - c. Chapter 18, of Title 10.1, §§10.1-1800 through 10.1-1804 of the Code of Virginia cited above;
 - d. The Virginia Land Conservation Incentives Act, Chapter 3 of Title 58.1, §§58.1-510 through 58.1-513 of the Code of Virginia, which supplements existing land conservation programs to further encourage the preservation and sustainability of the Commonwealth's unique natural resources, wildlife habitats, open spaces and forest resources;
 - e. Chapter 32, of Title 58.1, §§58.1-3230 through 58.1-3244 of the Code of Virginia, which authorizes special use-value tax assessments for real estate devoted to agricultural, forestal, horticultural and open-space use;

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(ii) Land use policies of the County of Henry as delineated in its Comprehensive Plan adopted on June 26, 1995 to which plan the restrictions set forth in this deed conform and which contains the following goals, objectives, strategies: the Property is designated "Rural Area" in the Comprehensive Plan and an open-space easement supports its Objective: "Preserve important scenic resources and open space to help maintain rural character and improve the quality of life" including the related Strategy: "promote preservation of these areas through non-regulatory approaches such as conservation easements . . ."; and

(iii) Land use policies of the County of Franklin as delineated in its Comprehensive Plan adopted on April 5, 1997 to "continue and improve the effectiveness of public policy incentives for preservation and conservation" and "support the efforts of effective federal and state programs that help conserve farm and forest lands"; and

WHEREAS, the Property was historically a farm and is comprised almost entirely of open pasture land used for beef cattle production and its conservation assures its future availability for farming or forestry; and

WHEREAS, the Property is visible from State Route 608 and State Route 657 and its protection under conservation easement contributes to the scenic enjoyment of the rural countryside for the public; and

WHEREAS, this Easement will yield significant public benefit to the citizens of the Commonwealth as set forth in Section I; and

WHEREAS, Grantor and Grantee desire to protect in perpetuity the conservation values of the Property as specified in Section I by restricting the use of the Property as set forth in Section II; and

WHEREAS, Grantee has determined that the restrictions set forth in Section II (the Restrictions) will preserve and protect in perpetuity the conservation values of the Property, which values are reflected in Section I; and

WHEREAS, Grantee has determined that the Restrictions will limit use of the Property to those uses consistent with, and not adversely affecting, the conservation values of the Property and the governmental conservation policies furthered by the Easement; and

WHEREAS, Grantee, by acceptance of this Easement, designates the Property as property to be retained and used in perpetuity for the preservation and provision of open-space land pursuant to the Open-Space Land Act.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein and their acceptance by Grantee, Grantor does hereby give, grant and convey to Grantee a conservation and open-space easement in gross (Easement) over, and the right in perpetuity to restrict the use of, the Property, which is described below, and consists of

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BK 0925 PG 00709

358.867 acres located in Snow Creek Magisterial District, Franklin County, and Reed Creek Magisterial District, Henry County, Virginia, near Oak Level, fronting on State Routes 608 and 657 to-wit:

437.052 ACRES, LYING AND BEING IN THE SNOW CREEK MAGISTERIAL DISTRICT OF FRANKLIN COUNTY, VIRGINIA, AND IN THE REED CREEK MAGISTERIAL DISTRICT OF HENRY COUNTY, VIRGINIA, AS SHOWN ON SURVEY IN DEED BOOK 631, PAGE 1662, CLERK'S OFFICE OF FRANKLIN COUNTY, VIRGINIA, AND ON SURVEY IN MAP BOOK 89, PAGE 820 , CLERK'S OFFICE, CIRCUIT COURT OF HENRY COUNTY, VIRGINIA.

The Property is shown as Parcel ID 075870005 among the land records of the County of Henry, Virginia and Tax Map Number 119-64, 119-64.1, and 119-65 among the land records of Franklin County. Even if the Property consists of more than one parcel for real estate tax or any other purpose, it shall be considered one parcel for purposes of this Easement, and the restrictions and covenants of this Easement shall apply to the Property as a whole.

SECTION I -PURPOSE

The purpose of this Easement is to preserve and protect the conservation values of the Property in perpetuity by imposing the restrictions on the use of the Property set forth in Section II and providing for their enforcement in Section III. The conservation values of the Property are its open-space and scenic values and its values as land preserved for rural uses including agriculture, livestock production and forestry. Grantor covenants that no acts or uses that are inconsistent with the purpose of this Easement or the conservation values herein protected shall be conducted on the Property.

SECTION II – RESTRICTIONS

Restrictions are hereby imposed on the use of the Property pursuant to the public policies set forth above. The acts that Grantor covenants to do and not to do upon the Property, and the restrictions that Grantee is hereby entitled to enforce, are and shall be as follows:

- 1. DIVISION.** The Property shall not be divided into, or separately conveyed as, more than three parcels. Grantor shall give Grantee written notice prior to making any division of the Property. In the event of a division of the Property as provided in this Paragraph 1, the Grantor making the conveyance retains the right to make any further permitted divisions of the Property unless permitted divisions are allocated by that grantor in the instrument creating the division or other recorded instrument.

Boundary line adjustments with adjoining parcels of land are permitted and shall not be considered a division of the Property, provided that Grantee is made party to the deed creating the boundary line adjustment and at least one of the following conditions is met:

(i) The entire adjacent parcel is subject to a recorded open-space easement owned by Grantee; or

(ii) The proposed boundary line adjustment shall have been reviewed and approved in advance by the Board of Trustees of Grantee.

2. BUILDINGS AND STRUCTURES. No buildings or structures other than the following are permitted on the Property:

A. Numbers of Buildings and Structures:

(i) Subject to the siting provisions described in B.(iii) below, three single family dwellings, of which none exist on the date of this Easement. One of the three permitted dwellings may be up to 5500 square feet of above grade living area, and the other two dwellings shall not individually exceed 4,500 square feet of above-ground enclosed living area without Grantee's prior review and written approval. Such approval shall include consideration of visibility from state routes 608 and 657.

(ii) Subject to the siting provisions described in B.(iii) below, three secondary dwellings, or dwelling units such as barns or garage apartments, of which one exists on the date of this Easement. Such dwellings shall not individually exceed 2,000 square feet of above-ground enclosed living area.

(iii) Non-residential outbuildings and structures commonly and appropriately incidental to the dwellings permitted in subsections (i) and (ii) of this paragraph, and sized appropriately to serve as an amenity to single-family residential use, provided that the aggregate footprint of such non-residential outbuildings and structures for each permitted dwelling shall not exceed 2,500 square feet in ground area unless prior written approval shall have been obtained from Grantee that a larger footprint is permitted considering the purpose of this Easement and the scale of the proposed outbuilding or structure in relation to the surrounding area.

(iv) Farm buildings or structures, except that a farm building or farm structure exceeding 4,500 square feet in ground area may not be constructed on the Property unless prior written approval for the building or structure shall have been obtained from Grantee, which approval shall be limited to consideration of the impact of the size, height and siting of the proposed structure on the conservation values of the Property. The parties to this deed recognize a farm building of approximately 11,000 square feet exists on the Property which shall be considered approved by the Grantee. For purposes of this subparagraph, a farm building or structure shall mean a building or structure originally constructed and used for the activities specified in paragraph 3(i).

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B. Siting and other Provision Related to Buildings and Structures:

(i) In the event of division of the Property as provided in paragraph 1, permitted dwellings shall be allocated among the parcels in the instrument creating the division or other recorded instrument.

(ii) Grantor shall give Grantee 30 days' written notice before beginning of construction or enlargement of any dwelling on the Property.

(iii) To protect the scenic values of the Property, in Building Area A as depicted on Exhibit A attached (and included in the Baseline Documentation Report described in Section IV below), one single family dwelling maybe be constructed of up to 5500 square feet of above grade living area, and one secondary dwelling as described in A.(ii) above, provided such secondary dwelling shall not be visible to the driving public on SR 608 or 657. Other dwellings listing in A.(i) and A(ii) above shall be constructed in Building Area B which is within 800 feet of the state roads as depicted on Exhibit A attached, or at alternate locations only with prior written approval of the Grantee. Such approval shall be based on minimizing visibility of the dwellings from public roads.

(iv) Private roads and utilities to serve permitted buildings or structures, and to parcels created by permitted divisions of the Property, and roads with permeable surfaces for other permitted uses, such as farming or forestry, may be constructed and maintained. Underground public and private utilities to serve adjacent properties and whose construction and maintenance will not significantly impair the Property's conservation values may be constructed and maintained if Grantee, in its sole and absolute discretion, should give its prior written approval. The Grantee and Grantor hereby acknowledge the existence of one electric transmission tower and associated lines crossing the Property.

(v) The collective footprint of all buildings and structures on the Property, excluding roads, shall not exceed 1% of the total area of the Property, provided that if Grantor can demonstrate that an increase in the collective footprint would result in increased protection of the conservation values protected herein, Grantee may approve such increase. For the purpose of this paragraph the collective footprint is the ground area measured in square feet of the structures set forth in subsections (i) through (iv) above and all other impervious surfaces, excluding roads. In the event of division of the Property, the collective footprint of all structures and all other impervious surfaces on each parcel, excluding roads, shall not exceed 1% of the total area of such parcel unless otherwise allocated in the instrument of transfer or other recorded instrument.

3. INDUSTRIAL OR COMMERCIAL ACTIVITIES. Industrial or commercial activities other than the following are prohibited: (i) agriculture, livestock production (animal husbandry), equine activities and forestry, and related small-scale incidental commercial or industrial operations that Grantee approves in writing as being consistent with the conservation values of this Easement; (ii) processing and sale of products produced on the Property as long as no additional buildings are required; (iii) temporary or seasonal outdoor activities that do not permanently alter the physical appearance of the

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Property and that do not diminish the conservation values herein protected; and (iv) activities that can be and in fact are conducted within permitted buildings without material alteration to their external appearance. Temporary outdoor activities involving 100 or more people shall not exceed 7 consecutive days in any 90-day period without prior written approval of the Grantee. Notwithstanding any other provision of this easement, no commercial recreational use (except for *de minimus* commercial recreational uses) shall be allowed on the Property.

4. MANAGEMENT OF FOREST. The Grantor and the Grantee acknowledge that the Property is almost entirely open pasture land. If in the future, the Property becomes forested, the following provisions shall apply. Best Management Practices, as defined by the Virginia Department of Forestry, shall be used to control erosion and protect water quality when any timber harvest or land-clearing activity is undertaken. All material timber harvest activities on the Property shall be guided by a Forest Stewardship Management Plan approved by Grantee. A pre-harvest plan consistent with the Forest Stewardship Management Plan shall be submitted to Grantee for approval 30 days before beginning any material timber harvest. Grantee shall be notified 30 days prior to the clearing of over 10 acres of forestland for grassland, crop land, or in association with the construction of permitted buildings.

Non-commercial *de minimus* harvest of trees for trail clearing, firewood or Grantor's domestic use, trees that pose an imminent hazard to human health or safety, or removal of invasive species shall not require a Forest Stewardship Management Plan.

5. GRADING, BLASTING, MINING. Grading, blasting or earth removal shall not materially alter the topography of the Property except for (i) dam construction to create ponds, (ii) wetlands or stream bank restoration pursuant to a government permit, (iii) erosion and sediment control pursuant to a government-required erosion and sediment control plan, or (iv) as required in the construction of permitted buildings, structures, roads, and utilities. Best Management Practices, in accordance with the Virginia Erosion and Sediment Control Law, shall be used to control erosion and protect water quality in such construction. Grading, blasting or earth removal in excess of one acre for the purposes set forth in subparagraphs (i) through (iv) above require 30 days' prior notice to Grantee. Generally accepted agricultural activities shall not constitute a material alteration. Surface mining, subsurface mining, dredging on or from the Property, or drilling for oil or gas on the Property are prohibited.

6. ACCUMULATION OF TRASH. Accumulation or dumping of trash, refuse, junk or toxic materials 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. The Grantor and the Grantee hereby acknowledge the presence of several small tire piles on the property related to previous agricultural activities which are documented in the Baseline Documentation Report described below.

7. **SIGNS.** Display of billboards, signs, or other advertisements is not permitted on or over the Property except to: (i) state the name and/or address of the owners of the Property, (ii) advertise the sale or lease of the Property, (iii) advertise the sale of goods or services produced incidentally to a permitted use of the Property, (iv) provide notice necessary for the protection of the Property, (v) give directions to visitors, or (vi) recognize historic status or participation in a conservation program. Temporary political signs are allowed. No signs visible from outside the Property shall exceed nine square feet in size.

8. **RIPARIAN BUFFER.** To protect water quality, there shall be no plowing, cultivation or other earth-disturbing activity in a 100-foot buffer strip along the edge of the perennial tributary to Reed Creek as measured from the top of the bank, except as may be reasonably necessary for (i) wetland or stream bank restoration, or erosion control, pursuant to a government permit, (ii) fencing along or within the buffer area, (iii) construction and maintenance of stream crossings that do not obstruct water flow, and (iv) creation and maintenance of foot or horse trails with unimproved surfaces. Except for the farm building existing on the date of this easement and replacements thereof within this buffer strip, there shall be no buildings or other substantial structures constructed. Within 50 feet of the perennial tributary to Reed Creek, there shall be no storage of compost, manure, fertilizers, chemicals, machinery, or equipment. Mowing within the buffer area is permitted.

SECTION III – ENFORCEMENT

1. **RIGHT OF INSPECTION.** Representatives of Grantee may enter the Property from time to time for purposes of inspection (including photographic documentation of the condition of the Property) and enforcement of the terms of this Easement after permission from or reasonable notice to the Grantor or the Grantor's representative, provided, however, that in the event of an emergency, entrance may be made to prevent, terminate or mitigate a potential violation of these restrictions with notice to Grantor or Grantor's representative being given at the earliest practicable time.

2. **ENFORCEMENT.** Grantee has the right to bring an action at law or in equity to enforce the Restrictions contained herein. This right specifically includes the right to require restoration of the Property to a condition of compliance with the terms of this Easement as existed on the date of the gift of the Easement, except to the extent such condition thereafter changed in a manner consistent with the Restrictions; to recover any damages arising from non-compliance; and to enjoin non-compliance by *ex parte* temporary or permanent injunction. If the court determines that Grantor failed to comply with this Easement, Grantor shall reimburse Grantee for any reasonable costs of enforcement, including costs of restoration, court costs and attorney's fees, in addition to any other payments ordered by the court. Grantee's delay shall not waive or forfeit its right to take such action as may be necessary to insure compliance with this Easement, and Grantor hereby waives any defenses of waiver, estoppel or laches with respect to any failure to act by Grantee. Notwithstanding any other provision of this Easement, Grantor shall not be responsible or liable for any damage or change to the condition of the Property caused by fire, flood, storm, Act of God, governmental act or other cause

outside of Grantor's control or any prudent action taken by Grantor to avoid, abate, prevent or mitigate damage or changes to the Property from such causes.

SECTION IV – DOCUMENTATION

Documentation retained in the office of Grantee including, but not limited to, the Baseline Documentation Report ("Documentation Report"), describes the condition and character of the Property at the time of the gift. The Documentation Report may be used to determine compliance with and enforcement of the terms of this Easement; however, the parties are not precluded from using other relevant evidence or information to assist in that determination. Grantor has made available to Grantee, prior to donating this Easement, documentation sufficient to establish the condition of the Property at the time of the gift. The parties hereby acknowledge that the Documentation Report contained in the files of Grantee is an accurate representation of the Property.

SECTION V – GENERAL PROVISIONS

1. DURATION. This Easement shall be perpetual. It is an easement in gross that runs with the land as an incorporeal interest in the Property. The covenants, terms, conditions and restrictions contained in this Easement are binding upon, and inure to the benefit of, the parties hereto and their successors and assigns, and shall continue as a servitude running in perpetuity with the Property. Landowner's rights and obligations under this Easement terminate upon proper transfer of Landowner's interest in the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

2. NO PUBLIC ACCESS. 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. Grantor retains the exclusive right to such access and use, subject to the terms hereof.

3. TITLE. Grantor covenants and warrants that Grantor has good title to the Property, that Grantor has all right and authority to grant and convey this Easement and that the Property is free and clear of all encumbrances (other than utility and access easements) including, but not limited to, any mortgages not subordinated to this Easement.

4. ACCEPTANCE. Acceptance of this conveyance by Grantee is authorized by Virginia Code Section 10.1-1801 and is evidenced by the signature of a Deputy Director, by authority granted by Grantee's Board of Trustees.

5. INTERACTION WITH OTHER LAWS. This Easement does not permit any use of the Property which is otherwise prohibited by federal, state, or local law or regulation. Neither the Property, nor any portion of it, shall be included as part of the gross area of other property not subject to this Easement for the purposes of determining density, lot coverage or open-space requirements under otherwise applicable laws, regulations or ordinances controlling land use and building density. No development rights that have been encumbered or extinguished by this Easement shall be transferred to any other

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property pursuant to a transferable development rights scheme, cluster development arrangement or otherwise.

6. CONSTRUCTION. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the grant to effect the purposes of the Easement and the policy and purposes of Grantee. If any provision of this Easement is found to be ambiguous, an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid. Notwithstanding the foregoing, lawful acts or uses not expressly prohibited by this Easement are permitted on the Property. Grantor and Grantee intend that the grant of this Easement qualify as a "qualified conservation contribution" as that term is defined in Section 170(h)(1) of the Internal Revenue Code and Treasury Regulations §1.170A-14, and the restrictions and other provisions of this instrument shall be construed and applied in a manner that will not prevent this Easement from being a qualified conservation contribution.

7. REFERENCE TO EASEMENT IN SUBSEQUENT DEEDS. This Easement shall be referenced by deed book and page number, instrument number or other appropriate reference in any deed or other instrument conveying any interest in the Property.

8. NOTICE TO GRANTEE. Grantor agrees to notify Grantee in writing (i) before exercising any reserved right that Grantor believes may have an adverse effect on the conservation or open-space values or interests associated with the Property; and (ii) at or prior to closing on any *inter vivos* transfer, other than a deed of trust or mortgage, of all or any part of the Property.

9. TAX MATTERS. The parties hereto agree and understand that any value of this Easement claimed for tax purposes as a charitable gift must be fully and accurately substantiated by an appraisal from a qualified appraiser as defined in IRS regulations (see Section 1.170A-13(c)(5)), and that the appraisal is subject to review and audit by all appropriate tax authorities. Grantee makes no express or implied warranties that any tax benefits will be available to Grantor from donation of this Easement, or that any such tax benefits might be transferable, or that there will be any market for any tax benefits that might be transferable. By its execution hereof, Grantee acknowledges and confirms receipt of the Easement and further acknowledges that Grantee has not provided any goods or services to Grantor in consideration of the grant of the Easement.

10. MERGER. Grantor and Grantee agree that in the event that Grantee acquires a fee interest in the Property, this Easement shall not merge into the fee interest, but shall survive the deed and continue to encumber the Property.

11. ASSIGNMENT BY GRANTEE. Grantee may not transfer or convey this Easement unless Grantee conditions such transfer or conveyance on the requirement that (1) all restrictions and conservation purposes set forth in this Easement are to be continued in perpetuity and (2) the transferee then qualifies as an eligible donee as

defined in Section 170(h)(3) of the IRC as amended and the applicable Treasury Regulations.

12. GRANTEE'S PROPERTY RIGHT. Grantor agrees that the donation of this Easement gives rise to a property right, immediately vested in Grantee, with a fair market value that is equal to the proportionate value that the perpetual conservation restriction at the time of the gift bears to the value of the Property as a whole at that time.

13. EXTINGUISHMENT, CONVERSION, DIVERSION. Grantor and Grantee intend that this Easement be perpetual and acknowledge that no part of the Property may be converted or diverted from its open-space use except in compliance with the provisions of Section 10.1-1704 of the Open-Space Land Act which does not permit extinguishment of open-space easements or loss of open space. Nevertheless, should an attempt be made to extinguish this Easement, such extinguishment can be made only by judicial proceedings and only if in compliance with Section 10.1-1704. In any sale or exchange of the Property subsequent to an extinguishment, Grantee shall be entitled to a portion of the proceeds at least equal to the proportionate value of this Easement computed as set forth in Section 12 above, but not to be less than the proportion that the value of this Easement at the time of extinguishment bears to the then value of the Property as a whole. Grantee shall use all its share of the proceeds from the sale of the Property in a manner consistent with the conservation purpose of this easement and the Open-Space Land Act.

14. AMENDMENT. Grantee and Grantor may amend this Easement to enhance the Property's conservation values or add to the restricted property, provided that no amendment shall affect this Easement's perpetual duration or reduce the Property's conservation values. No amendment shall be effective unless documented in a notarized writing executed by Grantee and Grantor and recorded among the land records of the Counties of Henry and Franklin, Virginia.

15. SEVERABILITY. If any provision of this Easement or its application to any person or circumstance is determined by a court of competent jurisdiction to be invalid, the remaining provisions of this Easement shall not be affected thereby.

16. ENTIRE AGREEMENT. This instrument sets forth the entire agreement of the parties with respect to this Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the easement.

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

18. RECORDING. This Easement shall be recorded in the land records in the Circuit Court Clerks' Offices of the Counties of Henry and Franklin, Virginia, and Grantee may re-record it any time as may be required to preserve its rights under this Easement.

Roanoke Farm Credit, ACA, herein the "Bank", is the Note holder under a certain first position Deed of Trust dated, September 3, 1998, and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia, in Deed Book 631, at Page 1675, and in the Clerk's Office of the Circuit Court of Henry County, Virginia, in Deed Book 800, at Page 585, which subjects the Property to the Bank's lien. The Bank hereby consents to the terms and intent of this Easement, and agrees that the lien represented by said Deed of Trust shall be held subject to this Easement and joins in this Deed to reflect its direction to the Trustee to execute this Easement to give effect to the subordination of such Deed of Trust to this Easement.

Southwest Virginia Farm Credit, ACA, herein the "Second Bank", is the Note holder under a certain second position Deed of Trust dated, June 26, 2000, and recorded in the Clerk's Office of the Circuit Court of Franklin County, Virginia in Deed Book 677, at Page 1218, and in the Clerk's Office of the Circuit Court of Henry County, Virginia, in Deed Book 882, at Page 362, which subjects the Property to the Second Bank's lien. The Second Bank hereby consents to the terms and intent of this Easement, and agrees that the lien represented by said Deed of Trust shall be held subject to this Easement and joins in this Deed to reflect its direction to the Trustee to execute this Easement to give effect to the subordination of such Deed of Trust to this Easement.

WITNESS the following signatures and seals:

[Counterpart signature pages follow]

[Counterpart signature page 1 of 3]

Danny L. Thompson [SEAL]
DANNY L. THOMPSON, Grantor

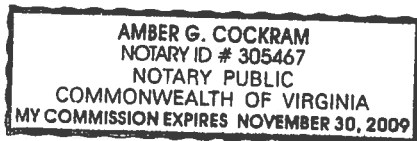
COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF Floyd, TO WIT:

The foregoing instrument was acknowledged before me this 29th day of August, 2007, by Danny L. Thompson, Grantor.

My commission expires:
11-30-2009

Amber G. Cockram
Notary Public

(SEAL)



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Martha H. Thompson [SEAL]
MARTHA H. THOMPSON, Grantor

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF Floyd, TO WIT:

The foregoing instrument was acknowledged before me this 29 day of
August, 2007, by Martha H. Thompson, Grantor.

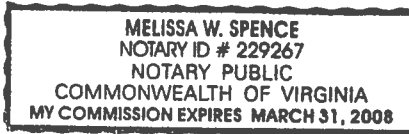
My commission expires: 3

3/31/08
Notary Public

Melissa W. Spence

(SEAL)

Accepted:
VIRGINIA OUTDOORS FOUNDATION,



By: Tamara A. Vance [SEAL]
Tamara A. Vance, Deputy Director

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF Montgomery, TO WIT:

The foregoing instrument was acknowledged before me this 27th day of
September, 2007, by Tamara A. Vance, Deputy Director of the Virginia Outdoors
Foundation.

My commission expires:

31 OCT 2011
Notary Public

[Signature]

Notary ID # _____



James W. Shortt & Associates, P.C.
Attorneys and Counsellors at Law
108 South Locust Street • P.O. Box 900 • Floyd, Virginia 24091
Tel (540) 745-3131 • Fax (540) 745-2999

NOV 14 2007 PG0021

RK 0925 PG 00719

[Counterpart signature page 3 of 3]

FARM CREDIT OF THE VIRGINIAS, ACA, Successor
by Merger with ROANOKE FARM CREDIT, ACA


By: J. C. Beasley [SEAL]
Trustee

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF Batetourt, TO WIT:

The foregoing instrument was acknowledged before me this 10th day of
September, 2007, by T. C. Beasley, Trustee, on behalf of
Farm Credit of the Virginias, ACA, a Virginia corporation.

My commission expires:

6/30/11

Lois L. Huddleston
Notary Public
(SEAL and ID)  **Lois L. Huddleston**
Commonwealth of Virginia
Notary Public
Commission No. 109357
My Commission Expires 6/30/11

FARM CREDIT OF THE VIRGINIAS, ACA, Successor
By Merger with SOUTHWEST VIRGINIA FARM CREDIT, ACA

By: Dale Proffitt [SEAL]
Dale Proffitt, Trustee

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF Floyd, TO WIT:

The foregoing instrument was acknowledged before me this 13th day of
September, 2007, by Dale Proffitt, Trustee on behalf of Farm Credit of the
Virginias, ACA, a Virginia corporation.

My commission expires:

July 31, 2008

Alice H. Hollandsworth
Notary Public

Alice H. HOLLANDSWORTH
Notary Public
Commonwealth of Virginia
137847
My Commission Expires Jul 31, 2008

(SEAL and ID#)

James W. Shortt & Associates, P.C.
Attorneys and Counsellors at Law
108 South Locust Street • P.O. Box 900 • Floyd, Virginia 24091
Tel (540) 745-3131 • Fax (540) 745-2999

00725-PE-00720

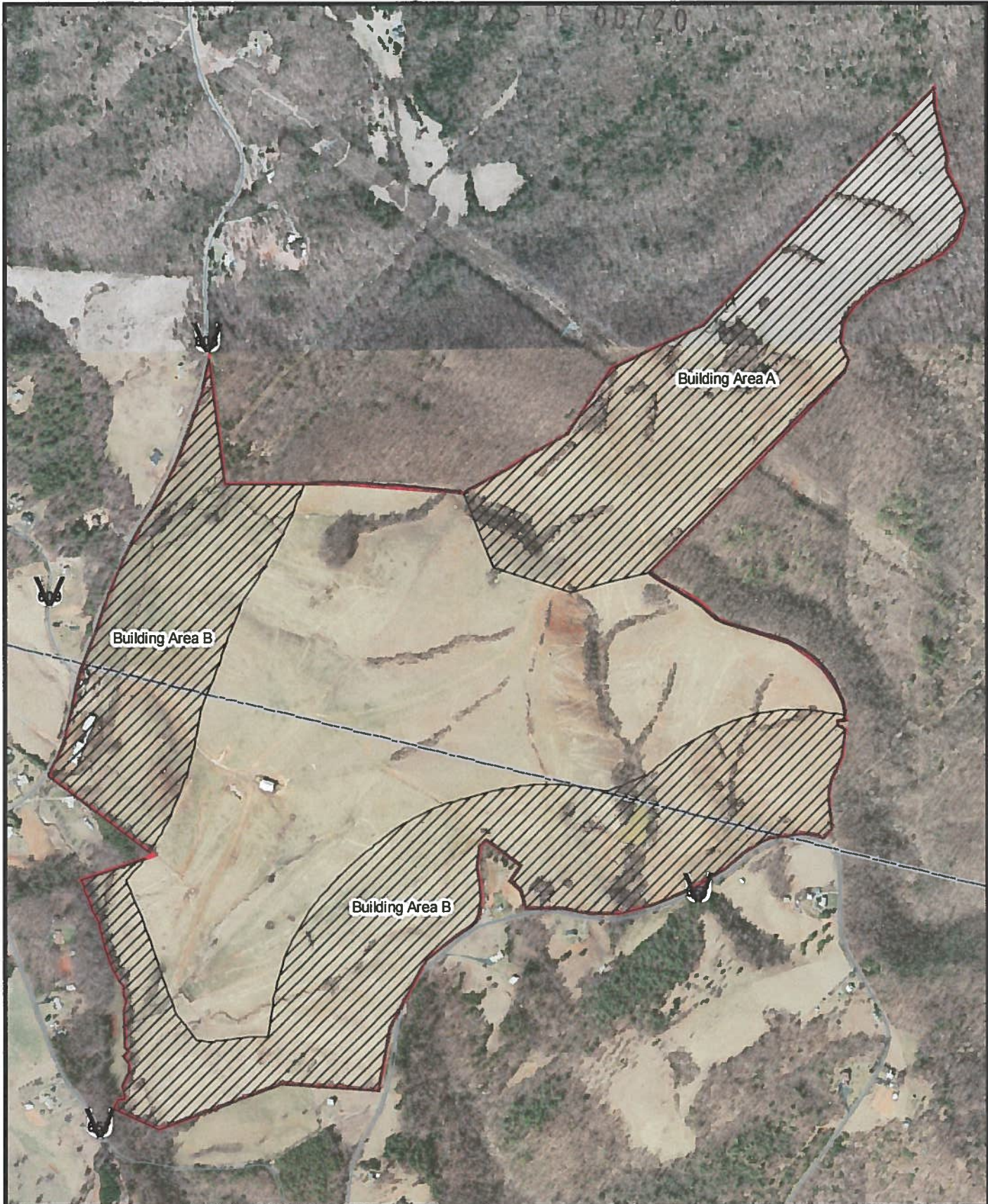
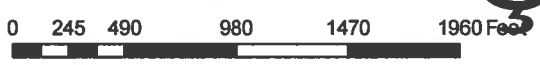


EXHIBIT A
Donor: Thompson
Acres: 358.867
County: Henry/Franklin

Aerial Imagery copyright 2002 Commonwealth of Virginia
 USGS Quadrangle: Bassett
 Prepared by: Ryan Walker Date: 6/26/07



INSTRUMENT # 070011303

RECORDED IN THE CLERK'S OFFICE OF
FRANKLIN COUNTY ON

11-14, 2007 AT 8:48 Am

ALICE S. HALL, CLERK

BY:

Alice S. Hall *Clerk*
(Signature)

INSTRUMENT #070006375
RECORDED IN THE CLERK'S OFFICE OF
COUNTY OF HENRY ON
NOVEMBER 14, 2007 AT 02:05PM
VICKIE S. HELMSTUTLER, CLERK

RECORDED BY: JFG

COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
COUNTY OF HENRY CIRCUIT COURT
DEED RECEIPT

DATE: 11/14/07 TIME: 14:05:10 ACCOUNT: 089CLR070006375 RECEIPT: 07000016382
CASHIER: JFB RES: HT53 TYPE: DE PAYMENT: FULL PAYMENT
INSTRUMENT : 070006375 BOOK: PAGE: RECORDED: 11/14/07 AT 14:05
GRANTOR: THOMPSON, DANNY L EX: N LOC: CD
GRANTEE: VIRGINIA OUTDOORS FOUNDATION EX: N PCT: 100X
AND ADDRESS :
RECEIVED OF : SHORTT, JAMES M DATE OF DEED: 08/29/07
CHECK: \$37.00
DESCRIPTION 1: DEED OF GIFT OF EASEMENT
2:
CONSIDERATION: .00 A/VAL: .00 MAP: PAGES: 16
NAMES: 0

301 DEEDS 28.50 145 VSLF 1.50
106 TECHNOLOGY TRST FND 5.00 035 VDF FEE 1.00
TENDERED : 37.00
AMOUNT PAID: 36.00
CHANGE AMT : 1.00

CLERK OF COURT: VICKIE S. HELNSTUTLER

COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
FRANKLIN COUNTY CIRCUIT
DEED RECEIPT

DATE: 11/14/07 TIME: 08:53:42 ACCOUNT: 067CLR070011303 RECEIPT: 07000022049
CASHIER: ASH RES: KF17 TYPE: DS PAYMENT: FULL PAYMENT
INSTRUMENT : 070011303 BOOK: 925 PAGE: 706 RECORDED: 11/14/07 AT 08:48
GRANTOR: THOMPSON, DANNY L EX: N LOC: CD
GRANTEE: VIRGINIA OUTDOORS FOUNDATION EX: N PCT: 100X
AND ADDRESS :
RECEIVED OF : SHORTT, JAMES M DATE OF DEED: 08/29/07
CHECK: \$37.00 6103
DESCRIPTION 1: DEED GIFT OF EASEMENT
2:
CONSIDERATION: .00 A/VAL: .00 MAP: PAGES: 16
NAMES: 0

301 DEEDS 28.50 145 VSLF 1.50
212 TRANSFER FEE 1.00 106 TECHNOLOGY TRST FND 5.00
035 VDF FEE 1.00
TENDERED : 37.00
AMOUNT PAID: 37.00
CHANGE AMT : .00

CLERK OF COURT: ALICE S. HALL