

Prepared by Grantor's Counsel:
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MOYES & ASSOCIATES, PLLC
21 N. King Street
Leesburg, Virginia 20176

397 002

3311

Tax Map No.	Acreage
19-A-39C	10
30-A-110	222.003
Total	232.003



Consideration: \$0.00

DEED OF GIFT OF EASEMENT

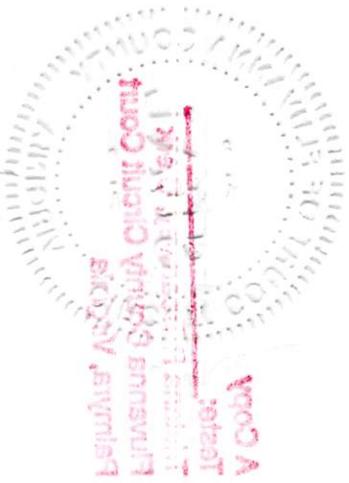
Exempted from recordation tax

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

THIS DEED OF GIFT OF EASEMENT (the "Easement"), made this 11th day of September, 2017, by and among the HOTEL STREET CAPITAL, LLC, its successors and assigns (herein called, "Grantor"); and THE BOARD OF SUPERVISORS OF FLUVANNA COUNTY of the Commonwealth of Virginia, its successors and assigns, grantee (the "Grantee") whose address is 132 Main Street, Palmyra, Virginia, 22963; THE FAUQUIER BANK, a Virginia banking corporation (the "Lender"), and EDNA T. BRANNAN and GLORIA J. BOWMAN, TRUSTEE, either of whom may act (the "Trustees").

RECITALS:

- A. **Whereas**, Grantor is the owner in fee simple of two parcels of real property known as "Poplar Ridge" situated on the Rivanna River in the Palmyra Magisterial District on James Madison Highway (State Route 15) in Fluvanna County, Virginia, containing in the aggregate, 232.003 acres, more or less, and more thoroughly described in Exhibit "A" attached hereto and incorporated herein, and hereinafter referred to as "the Property," and desires to convey to Grantee, for the public purpose identified herein, a perpetual open-space easement over the Property as herein set forth; and
- B. **Whereas**, Grantee is the governing body of a political subdivision of the Commonwealth of Virginia and a "qualified organization" and "eligible donee" under Section 170(h)(3) of the Internal Revenue Code and Treasury Regulation §1.170A-14(c)(1), is a public body under Section 10.1-1700 of the Code of Virginia, 1950, as amended, and is willing to accept an open-space easement over the Property as herein set forth; and



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- C. **Whereas**, Chapter 461 of the Acts of 1966, codified in Chapter 17, Title 10.1, 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
- D. **Whereas**, the Open-Space Land Act declares it to be the public policy of the Commonwealth to encourage preservation of open-space land and authorizes the Grantee 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.
- E. **Whereas**, the Property consists of forested floodplain, steep slopes, and forested and open fields;
- F. **Whereas**, the Property is situated in an environmentally sensitive area along the Rivanna River, which is designated as a Virginia Scenic River under Va. Code § 10.1-416, with approximately 2,200 linear feet of frontage thereon, a public water supply source and publicly accessible waterway;
- G. **Whereas**, the Property contains a freshwater lake known as "**Fishing Lake**" which has a perennial outflow into the Rivanna River;
- H. **Whereas**, the Property has approximately 1,650 linear feet of frontage on James Madison Highway (State Route 15) and 2,295 feet of frontage on Friendship Way (State Route 644);
- I. **Whereas**, the Property is directly across the Rivanna River from Pleasant Grove Park, a public park, and the Fluvanna Natural Heritage Trail;
- J. **Whereas**, 26 U.S.C.A. §170(h)(1) of the Internal Revenue Code, the "**Revenue Code**", defines a qualified conservation contribution as a contribution (A) of a "qualified real property interest", (B) to a "qualified organization", (C) exclusively for "conservation purposes"; and
- K. **Whereas**, §170(h)(2)(C) defines the term "qualified real property interest" as "a restriction (granted in perpetuity) on the use which may be made of the real property." An easement granted in perpetuity qualifies as a qualified real property interest under this section, Treasury Regulations §1.170A-14(b)(2); and
- L. **Whereas**, §170(h)(4) of the Revenue Code defines a conservation purpose as "(i) the preservation of land areas for outdoor recreation by, or the education of, the general public, (ii) the protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem, (iii) the preservation of open space (including farmland and forest land) where such preservation is (I) for the scenic enjoyment of the general public, or (II) pursuant to a clearly delineated Federal, State, or local governmental conservation policy, and will yield a

significant public benefit, or (iv) the preservation of an historically important land area or certified historic structure;” and

M. **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) The 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 Virginia Conservation Easement Act (Code of Virginia, §§10.1-1009 et seq.), which provides for the conveyance of conservation easements in perpetuity for the purposes noted above;
 - c. The Virginia Open Space Land Act (Code of Virginia, §§10.1-1700 et seq.), which provides for the conveyance of conservation easements in perpetuity for the purposes noted above
 - c. 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;
 - d. 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;
 - e. The Virginia State Scenic Rivers Act, Chapter 4 of Title 10.1 of the Code of Virginia, § 10.1-416 designates the Rivanna River as a state scenic river from the base of the South Fork Rivanna River Reservoir past the property to its confluence with the James River;
- (ii) Land use policies of the County of Fluvanna as delineated in the Fluvanna County Comprehensive Plan (September 2015) (the “**Comprehensive Plan**”) to which plan the restrictions set forth in this deed conform as follows:
 - a. To “encourage wider use of conservation easements . . . as a means of protecting natural resources and open space” (Chapter 1: Natural Resources).
 - b. County policy to “protect surface water and groundwater resources” and which designate the Rivanna River as being “critical to the history and ecology of the county” and which encourages citizens to record easements as a means of “preserving river and stream corridors” (Chapter 1: Natural Resources).

- c. The County's policy which designates the Rivanna River basin as offering "indispensable services in the form of water supply" (Chapter 1: Natural Resources).
 - d. The County's policy which designates the "Rivanna River Water Trail as part of the Chesapeake Bay Gateways and National Park Service network of canoe and kayak trails" (Chapter 1: Natural Resources).
- N. **Whereas**, as required by § 10.1-1701 of the Virginia Open Space Land Act, the limitations or obligations created by this Easement conform in all respects to the Comprehensive Plan;
- O. **Whereas**, preservation of the Property will promote the public policies of Fluvanna County and further a public purpose of the Grantee by protecting open-space, productive agricultural lands, scenic views, historic, and natural resources; and
- P. **Whereas**, the Grantor and the Grantee desire to protect in perpetuity the open-space values identified in the previous paragraphs, including, but not limited to, conserving and protecting agricultural and forestal lands as natural resources by prohibiting further subdivisions, protecting water quality, protecting scenic views of the Property from the public parks, watercourses, and public roads, the "**Open-Space Values**," and intend to accomplish such protection by restricting the use of the Property as hereinafter set forth; and
- Q. **Whereas**, the conservation purpose of this Easement is to preserve and protect in perpetuity the Open-Space Values of the Property (the "**Conservation Purposes**"); and
- R. **Whereas**, the retention, preservation and protection of the Open-Space Values will be a significant and substantial benefit to the public; and
- S. **Whereas**, the Grantee has determined that the restrictions hereinafter set forth in this Easement (the "**Restrictions**") will preserve and protect in perpetuity the Open-Space Values of the Property, which advance the public purposes established in its Comprehensive Plan, which values are reflected in the preceding paragraphs, the Grantee's evaluation of the Property, and as further documented in an inventory of relevant features of the Property in the "**Poplar Ridge Baseline Documentation Report**," incorporated herein by reference, acknowledged as an accurate description of the Property as of the date of donation and signed by the Grantor and the Grantee, to be maintained on file in the offices of the Grantee, and intended to serve as an accurate and objective, though nonexclusive, information baseline for monitoring compliance with the terms of this Easement;
- T. **Whereas**, the Grantee has determined that the Restrictions will limit the uses of the Property to those uses consistent with, and not adversely affecting the Open-Space Values of the Property, the scenic values enjoyed by the general public, or the governmental conservation policies furthered by this Easement; and
- U. **Whereas**, the Grantor intends to convey to the Grantee by this Easement the right to preserve and protect the Open-Space Values of the Property in perpetuity and to further the public purposes established in the Fluvanna County Comprehensive Plan, and to qualify the grant of

such restrictions and associated rights as a qualified conservation contribution under Section 170(h)(2)(c) of the Internal Revenue Code of 1986.

NOW, THEREFORE, pursuant to Chapter 17, Title 10.1 of the Code of Virginia (1950), as amended, in recognition of the foregoing and of the mutual covenants herein and the acceptance hereof by Grantee, Grantor does hereby give, grant and convey to Grantee an open-space Easement in gross over, and the right in perpetuity to restrict the use of, the Property, which is described in EXHIBIT "A" attached hereto and made a part hereof, and consists of approximately 232.003 acres, located in the Palmyra Magisterial District, Fluvanna County, Virginia, hereinafter referred to as the "Property."

The Property is identified as Tax Map No. 19-A-39C and 30-A-110 among the tax records of Fluvanna County, Virginia. Even if the Property should consist of more than one subdivided or tax parcel, it shall be considered one parcel for the purposes of this Easement, and the Restrictions and covenants of this Easement shall apply to the Property as a whole rather than to such individual parcels.

ARTICLE I – EASEMENT

1. PURPOSE.

The purpose of this Easement is to preserve and protect the Open Space Values described in the Recitals to this Easement in perpetuity by enforcing the restrictions imposed on the use of the Property by Article II, while allowing the Property to be used for all other uses by the owner as long as such uses do not interfere with the conservation value of the Property. By so doing, the Grantor and Grantee have the common purpose of preventing, through the enforcement powers granted to the Grantee, any use or development of the property that will adversely affect, or is inconsistent with or will conflict with, diminish, impair or interfere with the Open-Space Values.

2. DURATION.

This Easement shall be perpetual. It is an easement in gross which 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 Grantor and the Grantee, and their respective successors, and assigns, and shall continue as a servitude running in perpetuity with the Property.

3. NO PUBLIC ACCESS.

Although this Easement in gross will benefit the public as described above and the Property is visible from a public right-of-way, 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. Provided, however, that at reasonable times, upon request of Grantee made with reasonable notice to Grantor, persons affiliated with educational organizations shall be admitted to study the property, provided such visits shall be at no cost to Grantor or visitors, and Grantor may place reasonable restrictions on the number of persons entering the property at any one time

and may limit the access to three (3) days per year. In addition, Grantee may take exterior photographs, drawings, or other representations documenting the significant historical, cultural, and architectural character and features of the Property and may use or publish the same (or authorize others to do so) to fulfill its charitable or educational purposes or to raise public awareness of the heritage sites in the County, provided the photographs shall not be commercially sold without Grantor's consent. The access granted hereunder or any permission to enter the Property by Grantors or Grantee shall not be constructed as an invitation or license, and the Grantor and Grantee do not assume any liability to the general public for accidents, injuries, acts, or omissions beyond that defined by the standard of care owed by landowners under Virginia Recreational Use Statutes § 29.1-509 and any other applicable law.

ARTICLE II – RESTRICTIONS

Restrictions are hereby imposed on the use of the Property to protect the Open-Space Values of the Property pursuant to the public policies set forth above. The acts that the 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.

A. No Subdivision

Further subdivision of the Property into more than the existing two parcels is prohibited. The Property shall not be sold or conveyed as more than two parcels.

B. Boundary Line Adjustments

Boundary line adjustments among the existing parcels and with adjoining parcels of land are permitted and shall not be considered a prohibited division or separate conveyances 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 conveyed to Grantee, or other public body as defined in Section 10.1-1700 of the Code of Virginia or to another qualified organization under section 170(h) of the Revenue Code (or any successor provision then applicable); and
- (ii) The proposed boundary line adjustment shall have been reviewed and approved in advance by the Board of Grantee or the governing body of any successor in interest to the Grantee.
- (iii) The dedication to, or acquisition by, a governmental entity of a portion of the Property adjacent to Friendship Road (State Route 644) and James Madison Highway (State Route 15) for minor road improvements shall not be considered a division or subdivision of the Property. Such improvements could include, but are not limited to, expansions of travelway, the addition or renovation of ditches, box culverts, drainage swales, side slopes, curbing, re-grading, or

The Commission on the Status of Women, in its report to the General Assembly, has stressed the need for a comprehensive approach to the development of women, taking into account their economic, social, cultural and political status, and the need to eliminate all forms of discrimination against women.



ANNEX I - THE STATUS OF WOMEN IN THE WORLD

The Commission on the Status of Women, in its report to the General Assembly, has stressed the need for a comprehensive approach to the development of women, taking into account their economic, social, cultural and political status, and the need to eliminate all forms of discrimination against women.

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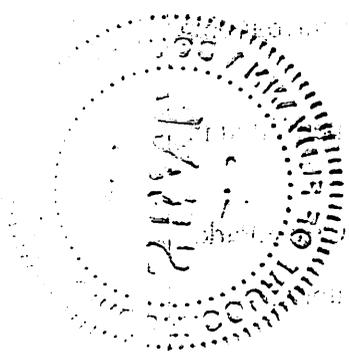
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repaired, and replaced but not expanded except in conformity with the restrictions herein set forth for new non-residential outbuildings. New non-residential outbuildings and structures commonly and appropriately incidental to the dwellings permitted in Article II § 2.A, paragraphs (i) and (ii), provided such structures are sized appropriately to serve as amenities to single-family residential use, provided that the aggregate footprint of such non-residential outbuildings and structures for the permitted dwelling shall not exceed: (a) 2,000 square feet in Ground Area for each permitted primary dwelling, or (b) 1,000 square feet in Ground Area for each accessory dwelling.

- (iv) **Farm Buildings.** The existing sheds, pond outbuilding, and garage as documented in the Baseline Documentation Report shall be considered farm buildings under this Easement and may be maintained, repaired, and replaced, subject to the limitations set forth herein. Farm buildings or structures, except that a farm building or farm structure not in existence on the date of this Easement exceeding 4,500 square feet in Ground Area may not be constructed on the Property unless prior written approval for the building or structure exceeding either limitation 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 Open-Space Values of the Property. Subject to Grantee's approval of the location, Grantor reserves the right to construct one (1) twenty thousand square foot indoor riding arena. 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 Article II §3.B(i), (iii) and (iv).
- (v) **Miscellaneous.** Small-scale miscellaneous structures, the existence of which are consistent with the conservation purposes of this Easement and which will not impair the Open-Space Values protected herein, such as hunting stands, wildlife observation structures, run-in sheds, fences including deer fences to protect crops (provided any fence over five feet in height shall be constructed with materials that will not block the public view of the Property from a state maintained road), boardwalks, or structures for crossing of streams or wetlands. Any such structure shall not exceed 260 square feet in Ground Area unless prior written approval shall have been obtained from the Grantee.
- (vi) **Modification.** Any building may be expanded, demolished and replaced subject to the restrictions of this Easement. Subject to the collective footprint limitation in Article II §2.D, the restrictions in this § 2.A may be modified or adjusted only with the prior written approval of the Grantee and only upon a finding that the adjustment will not negatively impact or impair the Open-Space Values and Conservation Purposes of this Easement and that scale of



the purpose of this report is to provide information on the progress of the project and to recommend a course of action for the future. The following information is based on the data collected during the project and is intended to provide a basis for discussion and decision-making.

The project was conducted in accordance with the plan set forth in the proposal and the results are as follows:

The first objective of the project was to determine the extent of the problem. This was accomplished by conducting a survey of the population. The results of the survey are as follows:

The second objective of the project was to determine the causes of the problem. This was accomplished by conducting a series of interviews with the population. The results of the interviews are as follows:

The third objective of the project was to determine the most effective means of solving the problem. This was accomplished by conducting a series of experiments. The results of the experiments are as follows:

Conclusion

The results of the project indicate that the problem is widespread and that it is caused by a number of factors. The most effective means of solving the problem is to address these factors. It is recommended that the following actions be taken:

1. To determine the extent of the problem, a survey should be conducted of the population.

2. To determine the causes of the problem, a series of interviews should be conducted with the population.

3. To determine the most effective means of solving the problem, a series of experiments should be conducted.

It is hoped that these recommendations will be helpful in solving the problem.

References

1. Smith, J. (1954). The causes of the problem. *Journal of Education*, 10(1), 1-10.
2. Jones, M. (1955). The effects of the problem. *Journal of Education*, 11(2), 1-10.
3. Brown, K. (1956). The solutions to the problem. *Journal of Education*, 12(3), 1-10.
4. White, L. (1957). The future of the problem. *Journal of Education*, 13(4), 1-10.
5. Black, N. (1958). The present state of the problem. *Journal of Education*, 14(5), 1-10.
6. Green, O. (1959). The progress of the problem. *Journal of Education*, 15(6), 1-10.
7. Hall, P. (1960). The status of the problem. *Journal of Education*, 16(7), 1-10.
8. King, Q. (1961). The prospects for the problem. *Journal of Education*, 17(8), 1-10.
9. Lee, R. (1962). The challenges of the problem. *Journal of Education*, 18(9), 1-10.
10. Scott, S. (1963). The opportunities of the problem. *Journal of Education*, 19(10), 1-10.

D. Collective Footprint Limitation.

The total collective footprint of all existing buildings and structures, as documented in the Baseline Documentation Report, and those permitted on the Property shall not exceed 0.85 percent (0.85%) of the total Ground Area of the Property, excluding existing roads; provided, however, that if Grantor can demonstrate that an increase in the collective footprint would result in increased protection of the Conservation Purposes and Open-Space Values protected in this Easement, Grantee may approve such increase. The collective footprint shall be the Ground Area measured in square feet of all dwellings, buildings and structures on the Property and shall be compared to the total square footage of the Property.

E. Grantee Approval Required.

To ensure that the Open-Space Values of the Property will not be adversely affected, Grantor must obtain Grantee's written approval of the location of any new buildings, utilities, and structures permitted under this Article II § 2 prior to applying for a building permit or commencing construction. The location of new roads or access ways, shall require review and written approval of Grantee prior to construction. Grantee's approval shall be based on a consideration of the impact on the Open-Space Values, including the minimization of the impact on the scenic views of the Property from the adjoining roads, the Rivanna River, Pleasant Grove Park, and the Fluvanna Natural Heritage Trail.

F. Reservation Of Rights.

Except as expressly limited hereby, Grantor reserves the right to continue all manner of existing residential and agricultural use and enjoyment of the Property as documented in the Baseline Documentation Report including but not limited to the maintenance, repair, and restoration of existing fences and structures; the right to maintain existing driveways, roads, and paths with the use of same or similar surface materials (or improved materials if prior written approval of Grantee is obtained); the right to maintain existing utility lines, gardening and building walkways, steps, and garden fences; the right to cut, remove, and clear grass or other vegetation and to perform routine maintenance, landscaping, horticultural activities, and upkeep, consistent with the Conservation Purpose and Open-Space Values and as limited in this conservation easement.

3. INDUSTRIAL OR COMMERCIAL ACTIVITIES.**A. Definitions.**

Unless otherwise defined herein, the terms set forth in this Section 3 shall have the same meaning as set forth in the Fluvanna County Zoning Ordinance, as amended through July 6, 2016 (the "**Zoning Ordinance**"). Subsequent amendment of the ordinance, including any expansion of allowed uses thereunder, shall not increase the Permitted Uses in Section 3.B below if any such amendment would permit uses more



in the event of a change of control of the corporation, the assets of the corporation shall be distributed to the shareholders in proportion to their ownership of the corporation at the time of such change of control.

(b) The corporation shall not be liable for the debts or obligations of any other person, firm, or corporation, and shall not be bound by any contract, agreement, or obligation entered into by any other person, firm, or corporation.

(c) The corporation shall not be liable for the debts or obligations of any other person, firm, or corporation, and shall not be bound by any contract, agreement, or obligation entered into by any other person, firm, or corporation.

(d) The corporation shall not be liable for the debts or obligations of any other person, firm, or corporation, and shall not be bound by any contract, agreement, or obligation entered into by any other person, firm, or corporation.

(e) The corporation shall not be liable for the debts or obligations of any other person, firm, or corporation, and shall not be bound by any contract, agreement, or obligation entered into by any other person, firm, or corporation.

(f) The corporation shall not be liable for the debts or obligations of any other person, firm, or corporation, and shall not be bound by any contract, agreement, or obligation entered into by any other person, firm, or corporation.

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(h) The corporation shall not be liable for the debts or obligations of any other person, firm, or corporation, and shall not be bound by any contract, agreement, or obligation entered into by any other person, firm, or corporation.

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not limited to nutrient offset trading bank, stream bank restoration, wetland and stream mitigation, biological carbon sequestration and biodiversity mitigation; provided that (a) such activities are not in conflict with the Open Space Values being protected herein and that written approval for the same shall have been obtained from Grantee, and (b) Grantee is not responsible for monitoring any such activities and has no obligation to enforce the provisions of any permit, restriction or easement therefor. Subject to Grantee's approval, Grantor is free to participate in same in Grantor's discretion and to retain any remuneration derived therefrom.

- (ix) Necessary Subordinate Uses related to the permitted uses under Section II.3(i) through (viii) this Easement are permitted subject to the other restrictions set forth in this Easement and which will not impair the Conservation Purposes of this Easement.
- (x) The parties acknowledge and agree that the above-referenced restrictions are intended to limit the commercial recreational use of the property to a *de minimis* level as defined from time to time under the I.R.C. and Treasury Regulations. Notwithstanding any other provision of this Deed of Easement, should the I.R.C. or Treasury regulations impose more stringent restrictions on *de minimis* commercial recreational uses than those set forth above, those more stringent restrictions shall apply.

C. Approval

Approval of any activity for which approval is required under this Section 3 shall be within the sole, but reasonable discretion of Grantee, and may be subject to such conditions as Grantee may reasonably impose in order to preserve the Open-Space Values protected herein. Grantee shall respond to requests for approval within thirty (30) days of receipt of the request and all necessary information to respond. Grantor and Grantee understand and agree that activities permissible under current or then existing zoning regulations applicable to the Property are not necessarily intended to be the standard for approval hereunder, it being acknowledged that the purpose and intent of this Deed of Easement is to restrict the use of the Property beyond the applicable zoning regulations in order to protect the Open-Space Values expressed and protected herein.

4. MANAGEMENT OF FOREST.

A. Plan Required

A forest stewardship plan prepared by a professional forester shall be provided to Grantee prior to any commercial timber harvesting or significant forest management activities. The primary purposes of the forest management plan shall be to maintain a working forest, improve wildlife habitat, maintain the health of the forest, protect water quality, and conserve soil and water. At least thirty (30) days before beginning any commercial timber harvesting, a timber sales contract, pre-harvest plan or other documentation of the

intended harvest shall be submitted to Grantee. Best Management Practices, as defined by the Virginia Department of Forestry, shall be used to control erosion and protect water quality when any commercial forestry or land clearing activity is undertaken.

Notwithstanding the foregoing, the following shall be permissible on the Property and shall not constitute commercial timber harvesting:

B. Exception.

Notwithstanding the foregoing, the following shall be permissible on the Property and shall not constitute commercial or industrial timber harvesting, but shall require the use of Best Management Practices as needed to protect water quality:

(i) The cutting and minimal removal of trees for Grantor's domestic consumption;

(ii) The cutting and removal of trees or brush in connection with the construction of permitted structures, roads, trails and fences and to accommodate other permitted activities under Article II §§ 2 and 3 (except forestry uses); and

(iii) The cutting and removal of diseased or dead trees, or trees, which, were they not removed, would present a hazard to human health or safety.

5. GRADING, BLASTING, AND MINING.

Grading, blasting or earth removal shall not materially alter the topography of the Property except for dam construction to create private ponds, stream bank restoration and erosion control pursuant to a government permit, or as required in the construction of permitted buildings, structures, private roads, and utilities as permitted in Article II § (ii). 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. Generally accepted agricultural activities shall not constitute a material alteration. Surface mining, subsurface mining or drilling for oil or gas on the Property is prohibited. Notwithstanding the foregoing, the removal of surface rocks or boulders for agricultural purposes is permitted. In addition, any permitted conversion of forested property shall be governed by the following practices:

(i) Clearing shall be done when the soil moisture content is such that soil structural damage or compaction is minimized.

(ii) A 50-foot wide undisturbed area will be left between the area being cleared and all wetlands, water bodies and perennial streams except where greater riparian buffers are required herein.

(iii) Temporary cover will be established as necessary to control sheet and rill and/or wind erosion on the cleared area until the planned land use is in place.

(iv) The cleared area shall be left in a neat and sightly condition that will facilitate the planned use and treatment of the land.

(v) Clearing debris shall not be pushed into standing or green timber. Debris piles shall not be closer than 100 feet from adjacent woodland, buildings or roads.

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.

7. SIGNS.

Display of billboards, signs, or other advertisements that are visible from outside the Property is not permitted on or over the Property except signs not exceeding nine square feet in size to:

- (i) state the name and/or address of the owners of the Property and the name of the farm;
- (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 or an event being held thereon;
- (iv) provide notice necessary for the protection of the Property;
- (v) give directions to visitors;
- (vi) recognize historic status or participation in a conservation program;
- (vii) advertise political candidates or parties, and
- (viii) to comply with the law or any regulatory requirements.

8. RIPARIAN BUFFER

To protect water quality of the Rivanna River (the "Protected Stream"), Grantee covenants and agrees that a one hundred foot (100') vegetated buffer strip shall be established and maintained along the Rivanna River and each edge of the Fishing Lake, ponds, and any wetlands or perennial streams as identified in the Baseline Documentation Report (the "buffer area") as measured from the top of the river bank, stream bank or lake water line. There shall be no roads, impervious surfaces, buildings or other structures constructed, no grazing of livestock, no dumping, no storage of compost, manure, fertilizers, chemicals, machinery or equipment, and no cultivation or other earth disturbing activity conducted except as may be reasonably necessary for:

- (i) stream bank restoration and erosion control pursuant to a government permit;
- (ii) fencing along or within the buffer area;

- (iii) Provided the water-quality protection function of the buffer area is not impaired, removal of trees presenting a danger to persons or property and removal of diseased, dead or non-native invasive trees, shrubs or plants;
- (iv) creation and maintenance of foot or horse trails with unpaved surfaces;
- (v) limited mowing up to three times per year to control non-native invasive species or protect trees and other plants planted in the buffer area.
- (vi) clearing, grading for dam maintenance on the Fishing Lake.
- (vii) One small dock or access point for unmotorized boat access to Fishing Lake.
- (viii) one private or public small-craft boat launch site for recreational non-commercial public access to the Rivanna River may be constructed according to the requirements of the U.S. Army Corps of Engineers, Virginia Department of Environmental Quality, and the Virginia Marine Resource Commission with the approval of the size, location, and plans by the Grantee shall be obtained prior to commencement of construction to ensure the size, plans and location of the site do not adversely impact the Open Space Values of the Property.

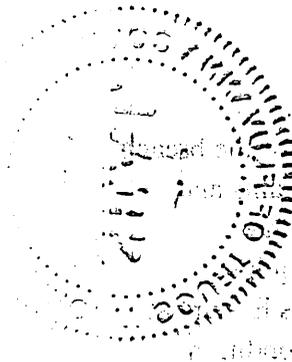
9. FARM CONSERVATION PLAN.

As long as at least five acres of the Property are in agricultural production, the Property shall be managed in accordance with a written Farm Conservation Plan for this Property prepared by the Thomas Jefferson Soil and Water Conservation District, within six (6) months of the date hereof, which terms and conditions are incorporated herein by reference. The Farm Management Plan shall incorporate Best Management Practices for water quality protection, be approved by the Grantee, and shall, from time to time, be modified or amended by mutual agreement of the Grantor and Grantee, provided that said Farm Conservation Plan (or any modification or amendment thereof) shall not be inconsistent with or conflict, diminish, impair, or interfere with the Open-Space Values protected by this Deed of Easement.

ARTICLE III – ENFORCEMENT

1. ENTRY/RIGHT OF INSPECTION.

Grantor covenants and agrees that representatives or agents of Grantee may enter the Property from time to time for purposes of inspection 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 the Grantor or Grantor's representative being given at the earliest practicable time. Reasonable notice for non-emergencies shall be considered as not less than fifteen (15) days.



100-111-1000

The following information was obtained from a confidential source who has provided reliable information in the past and is being furnished to you for your information. It is the policy of the FBI to disseminate information to all offices which have a need to know. This information is being furnished to you for your information and is not to be disseminated outside your office. It is the policy of the FBI to disseminate information to all offices which have a need to know. This information is being furnished to you for your information and is not to be disseminated outside your office.

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ADMINISTRATIVE - INTERNAL

100-111-1000

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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 and the provisions of Section 170 of the Internal Revenue Code and the applicable Treasury Regulations. 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 the perpetual conservation restriction computed as set forth in Article IV § 1 above, but not to be less than the proportionate value that the perpetual conservation restriction at the time of the extinguishment bears to the then value of the Property as a whole. Grantee covenants and agrees to 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.

3. AMENDMENT.

Grantor and Grantee, or Grantee and the then owner of the Property, may amend or modify the Easement to strengthen its terms, increase protection of the Property's conservation value and natural resources, add to the restricted property, provided that no amendment shall be allowed which affects the Easement's perpetual duration or results in any financial benefit to the Grantor or the then property owner. No amendment or modification shall be effective unless documented in a notarized writing executed by Grantee and the then owner of the Property and recorded among the land records of the Fluvanna County, Virginia.

ARTICLE V - DOCUMENTATION

1. DOCUMENTATION.

Documentation retained in the office of Grantee including, but not limited to the Baseline Documentation Report, describes the condition and character of the Property at the time of the gift. The Documentation may be used to determine compliance with and enforcement of the terms of the 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 the donation, documentation sufficient to establish the condition of the Property at the time of the gift. The parties hereby acknowledge that the documentation supplied and contained in the files of Grantee is an accurate representation of the Property.

ARTICLE VI - GENERAL PROVISIONS

1. 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 (except utility and access easements of record), including, but not limited to, any mortgages, judgments or other liens not subordinated to this Easement. The holders of all liens or other encumbrances arising from borrowing have subordinated their interests in the Property to the operation and effect of this Easement, by their execution hereof. Nothing herein shall prevent Grantor from obtaining, without

Grantee approval, future financing secured by all or part of the Property or improvements thereon at any time. Any such financing shall be subordinated to this Easement.

2. ACCEPTANCE.

Acceptance of this conveyance by Grantee is authorized by Virginia Code Section 10.1-1701.

3. ASSIGNMENT BY GRANTEE.

Grantee may transfer or convey this Easement only if Grantee conditions such transfer or conveyance on the requirements that;

(i) All restrictions and conservation purposes set forth in this Easement are to be continued in perpetuity; and

(ii) The transferee agrees not to convert or divert the Property from open-space land uses except as permissible under Section 170 of the Internal Revenue Code, as amended, and under Section 10.1-1704 of the Open-Space Land Act; and

(iii) The transferee then qualifies as an eligible donee as defined in Section 170(h)(3) of the Internal Revenue Code, as amended, and the applicable Treasury Regulations; and

(iv) The transferee records among the land records where the Easement is recorded an assignment of the Easement and provides written notice of such assignment to the Grantor or the then current owner of the Property.

4. NOTICES TO GRANTEE.

Grantor shall notify Grantee in writing at, or prior to, closing on any inter vivos transfer or sale of the Property. Any notices, requests for approval or other communications to Grantee or any notices, responses to requests for approval or other communications to Grantor under any section of this Easement shall be in writing and sent to the following addresses or to such addresses as may hereafter be specified in writing:

Grantee:
Board of Supervisors of Fluvanna County
132 Main Street
Palmyra, Virginia, 22963

Grantor:
Attention: Thomas James Ross, II, Esq.
Hotel Street Capital, LLC
31 Garrett Street
Warrenton, Virginia 20186

5. INCLUSION OF TERMS 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.

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 purposes of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid. Notwithstanding the forgoing, 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. 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 or counted towards development of any other property pursuant to a transferable development rights scheme, cluster development arrangement or otherwise.

8. ZONING ORDINANCE.

Notwithstanding any other provision of this Easement, Grantee's Zoning Ordinance shall apply to the Property and shall take precedence over this Easement to the extent that the Zoning Ordinance regulations are more restrictive than the terms of this Easement.

9. 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.

10. 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, audit and challenge by all appropriate tax authorities. The 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.

11. WARRANTIES.

THE COUNTY OF FLUVANNA AND ANY CO-HOLDER MAKE NO EXPRESS OR IMPLIED WARRANTIES REGARDING WHETHER ANY TAX BENEFITS WILL BE AVAILABLE TO GRANTOR FROM THE DONATION OR ANY PARTIAL DONATION OF THIS EASEMENT, NOR WHETHER ANY SUCH TAX BENEFITS MIGHT BE TRANSFERABLE, NOR WHETHER THERE WILL BE ANY MARKET FOR ANY TAX BENEFITS WHICH MIGHT BE TRANSFERABLE, NOR WHETHER THIS DEED OR ANY OTHER FORM OR DOCUMENTATION PREPARED BY THE COUNTY WILL SATISFY ANY STATE OR FEDERAL REQUIREMENT, LAW OR REGULATION RELATED TO TAX CREDITS OR DEDUCTIONS FOR THE DONATION OR PARTIAL DONATION OF THIS EASEMENT.

12. RIGHT TO DESIGNATE EASEMENT CO-HOLDER.

Grantee shall have the right, in its sole discretion, now and at any time in the future, to transfer part or all interest it has under this Easement to a public body as the same is defined in Section 10.1-1700 of the Open-Space Land Act. Such transfer shall not require the consent of the Grantor or any trustee under a deed of trust which has been subordinated to this Easement, but shall be subject to the conditions and requirements of subsection 3 of this section (Assignment by Grantee).

13. SEVERABILITY.

If any provision of this deed 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.

14. ENTIRE AGREEMENT.

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.

15. CONTROLLING LAW.

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

16. RECORDING AND EFFECTIVE DATE.

This Easement shall be effective when recorded in the land records office of the Circuit Court of Fluvanna County, Virginia, and Grantee may re-record it any time as may be required to preserve its rights under this Easement.

17. SUCCESSORS IN INTEREST.

This Easement, its grant, and its Terms and Conditions, shall be binding upon, and inure to the benefit of, the parties hereto and their respective agents, personal representatives, heirs, successors, and assigns (herein "Successors in Interest") and shall continue as a servitude running in perpetuity with the Property.

18. VESTING OF CONSERVATION EASEMENT.

Should the Grantee, including any of its Successors in Interest, cease to exist, or not qualify as a "qualified organization" under section 170(h) of the Revenue Code (or any successor provision then applicable) or otherwise cease to be eligible to hold this Conservation Easement directly under the laws of the Commonwealth of Virginia, unless the Conservation Easement has been assigned prior to cessation to another holder qualified according to the provisions of the laws of the Commonwealth of Virginia and the provisions of Section Article VI § 3 above, this Easement and all rights of enforcement shall vest in the Virginia Outdoors Foundation. If the qualifying holding entity or the successors or assigns thereof, or the Virginia Outdoors Foundation, should cease to exist, or should not qualify as a "qualified organization" under section 170(h) of the Revenue Code (or any successor provision then applicable) or should otherwise cease to be eligible to receive this Easement directly under the laws of the Commonwealth of Virginia, a court of competent jurisdiction shall transfer this Easement to another qualified organization having similar purposes that agrees to assume the responsibilities imposed by this Easement.

19. APPLICABLE LAW.

This Conservation Easement shall be interpreted under the laws of the Commonwealth of Virginia.

20. COUNTERPARTS.

This Easement may be executed in one or more counterpart copies, each of which, when executed and delivered shall be an original, but all of which shall constitute one and the same Easement. Execution of this Easement at different times and in different places by the parties hereto shall not affect the validity of the Easement.

21. SUBORDINATION OF DEED OF TRUST.

Lender is the secured party under a certain Deed of Trust to Gloria J. Bowman and Jeffrey A. Sisson, the Original Trustees, dated March 20, 2012 and recorded in the Clerk's Office of the Circuit Court of the County of Fluvanna, Virginia in Deed Book 859 at Page 631 (the "Deed of Trust"), which subjects the Property to the Lender's lien. The Original Trustees were substituted with Gloria J. Bowman and Edna T. Brannan, Trustees, either of whom may act, by a certain Deed of Appointment of Substitute Trustee recorded immediately prior hereto. The Lender hereby consents to the terms, conditions, restrictions and intent of this Easement, and agrees that the lien represented by said Deed of Trust shall be held subject to said terms, conditions, restrictions and intent of this Easement and joins in this Deed to reflect its direction to the Trustees to execute this Easement to give effect to the subordination of such Deed of Trust to this Easement.

WITNESS the following signatures and seals.

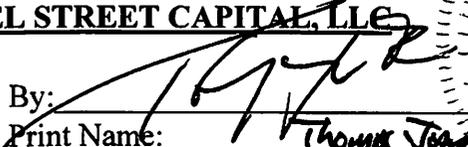
[COUNTERPART SIGNATURE PAGES ATTACHED]



THE UNIVERSITY OF TORONTO
LIBRARY
1950

[Counterpart signature page 1 of 4]

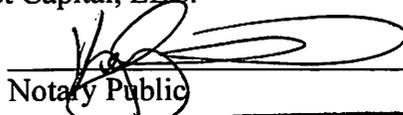
HOTEL STREET CAPITAL, LLC

By:  (SEAL)
Print Name: Thomas James Ross
Title: MANAGER of Executive Corp. LLC
manager

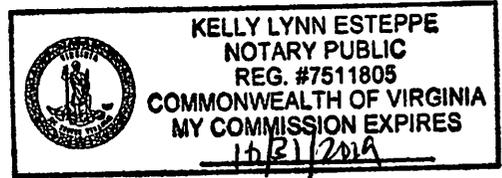
COMMONWEALTH OF VIRGINIA,

CITY/COUNTY OF Fauquier, TO WIT:

The foregoing instrument was acknowledged before me this 11th day of September, 2017, by THOMAS JAMES ROSS as Manager of Hotel Street Capital, LLC.

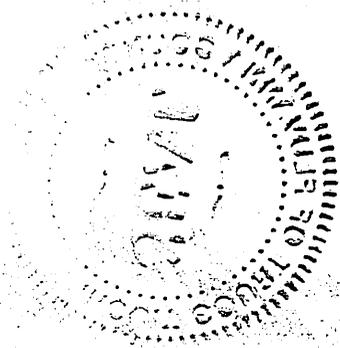
 (SEAL)
Notary Public

My commission expires: 10/31/2019
Registration #: 7511805



1955

10 to 10, 10 to 10, 10 to 10



CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL



CONFIDENTIAL

[Counterpart signature page 2 of 4]

Accepted:

BOARD OF SUPERVISORS OF FLUVANNA COUNTY, VIRGINIA
A body corporate and politic

By: [Signature]

Print Name: Steven M. Nichols
Title: County Administrator
Fluvanna County

*Approved as to form
Edward T. Day
County attorney*

COMMONWEALTH OF VIRGINIA,
COUNTY OF FLUVANNA, TO WIT:

I, Kelly Belanger Harris, a Notary Public for the Commonwealth aforesaid, hereby certify that Steven M. Nichols, as County Administrator, personally appeared before me this day and acknowledged the foregoing instrument on behalf of the Board of Supervisors of Fluvanna County, Virginia.

WITNESS my hand and official seal this 12 day of October, 2017.

[Signature]
Notary Public

My commission expires: 8/31/2018 (SEAL)



[Counterpart signature page 3 of 4]

397 026

THE FAUQUIER BANK

By: Stephanie J Paladeau (SEAL)
Name: STEPHANIE J PALADEAU
Its: VICE PRESIDENT

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

I, Nanette Smith, a Notary Public for the Commonwealth
aforesaid, hereby certify that Stephanie Paladeau VP of THE
FAUQUIER BANK personally appeared before me this day and acknowledged the
foregoing instrument.

WITNESS my hand and official seal this 12th day of September, 2017.

Nanette Smith [SEAL]
Notary Public

My Commission Expires: 03-31-2021



[Counterpart signature page 4 of 4]

EITHER:

EDNA T. BRANNAN, Trustee (SEAL)

OR:


GLORIA J. BOWMAN, Trustee (SEAL)

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

I, Nanette Smith, a Notary Public for the Commonwealth
aforesaid, hereby certify that Gloria Bowman, as Trustee, for The Fauquier
Bank personally appeared before me this day and acknowledged the foregoing
instrument.

WITNESS my hand and official seal this 12th day of September, 2017.


Notary Public [SEAL]

My Commission Expires: 03/31/2021



EXHIBIT A**Legal Description****TAX MAP: 19-A-39C:**

ALL THAT CERTAIN tract or parcel of land, lying and being situate in the Palmyra Magisterial District of Fluvanna County, Virginia, consisting of 10.000 acres, more or less, by survey, and identified as Lot B and shown by metes and bounds on plat of survey by Lum's Land Surveys, Inc., dated December 15, 2006, revised February 1, 2007, revised March 6, 2007, revised October 9, 2007, and revised November 29, 2007, and recorded in the Clerk's Office of the Circuit Court of said county in Deed Book 764, page 784, together with a perpetual non-exclusive easement of right of way, fifty feet in width providing ingress and egress for Grantor, its licensees, permittees and invitees, to and from the above identified 10.00 acres, from and to Virginia Route 644 (Friendship Road), centered on the centerline of the private road, known as Friendship Way, as shown on the above-identified plat of survey.

AND BEING the same property acquired by Grantor and Warrenton Investments, Inc. as tenants in common by deed in lieu of foreclosure dated December 22, 2011 recorded in Deed Book 859 at Page 631, and by Grantor as its sole property in Deed dated June 21, 2017 from Warrenton Investments, Inc. recorded in Deed Book 989 at Page 563 among the aforesaid land records.

Tax Map Ref: 30-A-110:

ALL THAT CERTAIN tract or parcel of land, lying and being situate in the Palmyra Magisterial District of Fluvanna county, Virginia, consisting of 220.56 acres, more or less, and identified as Area X, Area Y, Area Z and TMP 30-A-110 and shown by metes and bounds on plat of survey by Dominion Development Resources, dated June 24, 2008, last revised August 7, 2008, entitled "PLAT SHOWING BOUNDARY ADJUSTMENT FOR TAX MAP 19, SECTION A, PARCELS 38 & 39 AND TAX MAP 30, SECTION A, PARCEL 110 RIVANNA WOODS GOLF CLUB, LP", a copy of which is recorded in Plat Book 2, Page 351, and to which plat reference is hereby made.

AREA X BEING a portion of the property conveyed to Friendship Camp, Incorporated, by Deed from William C. Pettit, III, single, and Virginia Davis Pettit, widow, dated June 19, 1991, and recorded in the Clerk's Office of the Circuit Court of Fluvanna County, Virginia in Deed Book 223, Page 217.

ALSO BEING the same property conveyed to Friendship Camp, Incorporated by Deed from Barbara Witcher, dated June 6, 2008, and recorded June 18, 2008, in the aforesaid Clerk's Office, in Deed Book 768, Page 951.

AND BEING the same properties acquired by Grantor herein by deed in lieu of foreclosure dated December 22, 2011 recorded in Deed Book 859 at Page 634.

1977
1978



The following information was obtained from the records of the Department of the Interior, Bureau of Land Management, regarding the acquisition of land for the proposed project. The land was acquired by the Department of the Interior, Bureau of Land Management, in 1977. The acquisition was made pursuant to the authority vested in the Secretary of the Interior by the Act of October 3, 1917, (40 Stat. 1629), and the Act of August 10, 1956, (70 Stat. 1075), and the Act of August 10, 1956, (70 Stat. 1075), and the Act of August 10, 1956, (70 Stat. 1075).

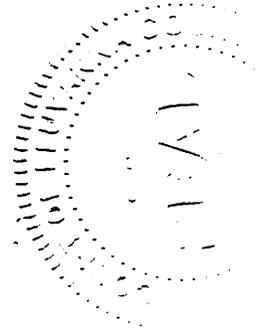
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397 029



INSTRUMENT 170
RECORDED IN THE CLERK'S OFFICE OF
FLUVANNA COUNTY CIRCUIT COURT ON
October 13, 2017 AT 01:12 PM
TRISTANA P. TREADWAY , CLERK
RECORDED BY: ALF



AMERICAN
1900

FINAL
Conservation Easement
Baseline Documentation Report – Narrative

Poplar Ridge Property

45 Friendship Way (off Route 644& Route 15), Palmyra, VA 22963
Fluvanna County



Prepared by:
Kurt A. Johnson, Ph.D.

For:
Hotel Street Capital, LLC & Warrenton Investments, Inc.

October 2016

Table of Contents

Parcel Information	2
Summary of Property Features and Current Use	3
Statement of Public Benefit / Conservation Value	7
Location and General Description of the Property	8
Natural Features of the Property	9
Improvements (Existing Principal Buildings, Structures...)	16
Land Use and Management	17
Cultural Resources	18
Scenic and Open Space Resources	18
Conservation of Open Space Lands	18
Conformance with Zoning / Comprehensive Plan	19
Documentation Information	20

Parcel Information

Property Address: 45 Friendship Way (off Route 644& Route 15), Palmyra, VA 22963

County: Fluvanna County

Contact: Thomas Ross, Hotel Street Capital LLC

Mailing Address: Morrison Ross & Whelan, 31 Garrett Street, Warrenton, VA 20186

E-mail: TJRoss@mrwlawfirm.com

Parcel Numbers (Acreage): Tax Map 30, Section A, Parcel 110 (222 acres)

Tax Map 19, Section A, Parcel 39C (10 acres)

File Number: tbd

CE Holder: Fluvanna County

Summary of Property Features and Current Use

The Poplar Ridge Property (Property) consists of two contiguous parcels totaling approximately 232 acres at 45 Friendship Way (off Route 644), Palmyra, VA 22963 (Fluvanna County). The Property is immediately west of Route 15, and approximately 1.5 miles north of Palmyra. The Property is a former golf course development (The Rivanna Resort and Golf Club) that was unsuccessful, and now consists of abandoned fairways being taken over by weeds with wooded areas separating the holes. Aerial images of the Property are in Figures 2a and 2b; a general plat map of the Property is in Figure 3.

The Property has several structural features that are in various states of deterioration and disrepair. Buildings include: a clubhouse and associated storage shed; three “support” buildings for the golf course (a vehicle storage shed, a garage facility, and a building that appears to be a caretaker house) in the northern part of the Property; a fourth building of undetermined use adjacent to the southernmost dam; and a fifth structure of undetermined nature in the smaller parcel (appears to have a white roof in Google Earth). Paved areas include: a deteriorating asphalt parking lot adjacent to the clubhouse; two roadways (Friendship Way which crosses Property to the entrance of Camp Friendship and an unnamed roadway heading north to the garage and caretaker house); an entrance driveway to the clubhouse; a small parking area north of Friendship Way near the entrance to Camp Friendship, and various golfcart paths on most every hole of the abandoned course. There is also a gravel roadway (an existing railroad bed) which heads north and south from Friendship Way in the vicinity of the clubhouse; the southern portion continues beyond the gate at the southern Property boundary while the northern portion continues beyond the northeastern boundary of the Property. The Property has approximately 1,650 linear feet of frontage on James Madison Highway (State Route 15), and 2,295 feet of frontage on Route 644.

The property is gently to heavily rolling, essentially consisting of a three, east-west ridgelines cut by stream courses flowing toward the Rivanna River plus relatively flat river floodplain bordering the Rivanna River. Some of the slopes are relatively steep; Figure 3 shows slopes over 20%. The smaller parcel appears to have been levelled in anticipation of construction activities.

Land cover/land use is mostly abandoned golf course fairways, with wooded areas in between the holes and in stream courses. The abandoned golf course consists of 18 golf holes (fairways, greens, traps, and one wooden bridge across northern-most reservoir) and a driving range adjacent to the clubhouse. Fairway areas are largely covered by golf course grasses and abundant, invasive herbaceous and shrubby plants. The upland forest is very diverse, with multiple species of pine and oak as well as American beech, sweet gum, sycamore, tulip poplar

and hickory. Riparian areas in the floodplain next to the river include forest and shrub areas, with box elder, tulip poplar and sycamore predominating.

A variety of soil types occur on the property (see map derived from NRCS online database). The Property contains approximately 6.7 acres of prime farmland and 83.7 acres of farmland of statewide importance.

Shimp Engineering commissioned NCS Wastewater Solutions of Puyallup, WA to conduct a "Preliminary Feasibility Assessment of Drainfield Site Capacity" on the Property in 2013, when the "Walker's Ridge" development was being proposed for the Property. NCS's report summary states: "Preliminary feasibility assessments of the soil and site conditions show that there are at least 40 acres available on the property that are noted by our soil scientist at Soil Feasibility Group 1, "Fair" for locating potential drainfields. About 110 acres out of total 232 acres of this project area are classified as "Open Space," where drain field sites can be located after detailed field evaluation. Areas noted as Soil Feasibility Group 2, "Marginal to Poor" may also be used if necessary, for drain field sites."

The Property has four reservoirs (artificial impoundments) of .09, 0.75, 1.2, and 8.5 acres in size. The largest reservoir (on the south side of the Property) is divided down the middle by the east-west running Property boundary. The other three reservoirs are wholly within the Property's boundaries. The Property is cut by three small stream courses (intermittent). In addition, the Subject has approximately 2,120 feet of frontage on the Rivanna River, with flood risk depicted on the FRIS map ([FRIS Map](#)). The Rivanna River is a Virginia Scenic River in the area bordering the Property.

The Property is zoned Fluvanna County: R-3 Planned Unit Development (PUD) (conditional). The Property may legally be subdivided into 317 residential lots plus 74,000 square feet of commercial developments.

This BDR narrative is accompanied by a photo appendix that documents baseline conditions on the Property as of October 1, 2016.



Figure 2a (above). Aerial imagery of Property (downloaded from Fluvanna County On-line GIS on October 2, 2016). Imagery shows both parcels comprising the Property.

Figure 2b (right). Google Earth image of Property (without boundary lines) in relation to Palmyra, VA (downloaded from Google Earth on October 10, 2016).





Figure 3. General plat map of Property showing boundaries, topography, open ground and forest, slopes over 20%, roads and structures (Shimp Engineering Preliminary Master Plan Amendment for Poplar Ridge).

Statement of Public Benefit / Conservation Value

The Revenue Code defines a conservation purpose as “(i) the preservation of land areas for outdoor recreation by, or the education of, the general public, (ii) the protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem, (iii) the preservation of open space (including farmland and forest land) where such preservation is (I) for the scenic enjoyment of the general public, or (II) pursuant to a clearly delineated Federal, State, or local governmental conservation policy, and will yield a significant public benefit, or (iv) the preservation of an historically important land area or certified historic structure”

The Property has outstanding resource values as follows:

- The Property consists of forested floodplain and riparian zone, steep slopes, and forested and open fields.
- The Property contains approximately 6.7 acres of prime farmland and 83.7 acres of farmland of statewide importance.
- The Property is situated in an environmentally sensitive area along the Rivanna River with approximately 2,120 linear feet of frontage thereon, a public water supply source and publicly accessible waterway. The Rivanna River is a Virginia Scenic River in the area bordering the Property.
- The Property contains a freshwater reservoir known as “Fishing Lake” which has a perennial outflow into the Rivanna River.
- The Property is directly across the Rivanna River from Pleasant Grove Park, a public park, and the Fluvanna Natural Heritage Trail.
- The Property has approximately 1,650 linear feet of frontage on James Madison Highway (State Route 15), and 2,295 feet of frontage on Route 644.
- The Property has approximately 230 acres of open space in a largely natural condition that would be suitable for both conservation and recreational activities.

Location and General Description of the Property

Location, Size and General Description

The Property is located at 45 Friendship Way (off Route 644), Palmyra, VA 22963 (Figure 4). The Property is immediately west of Route 15, approximately 1.5 miles north of Palmyra, VA.

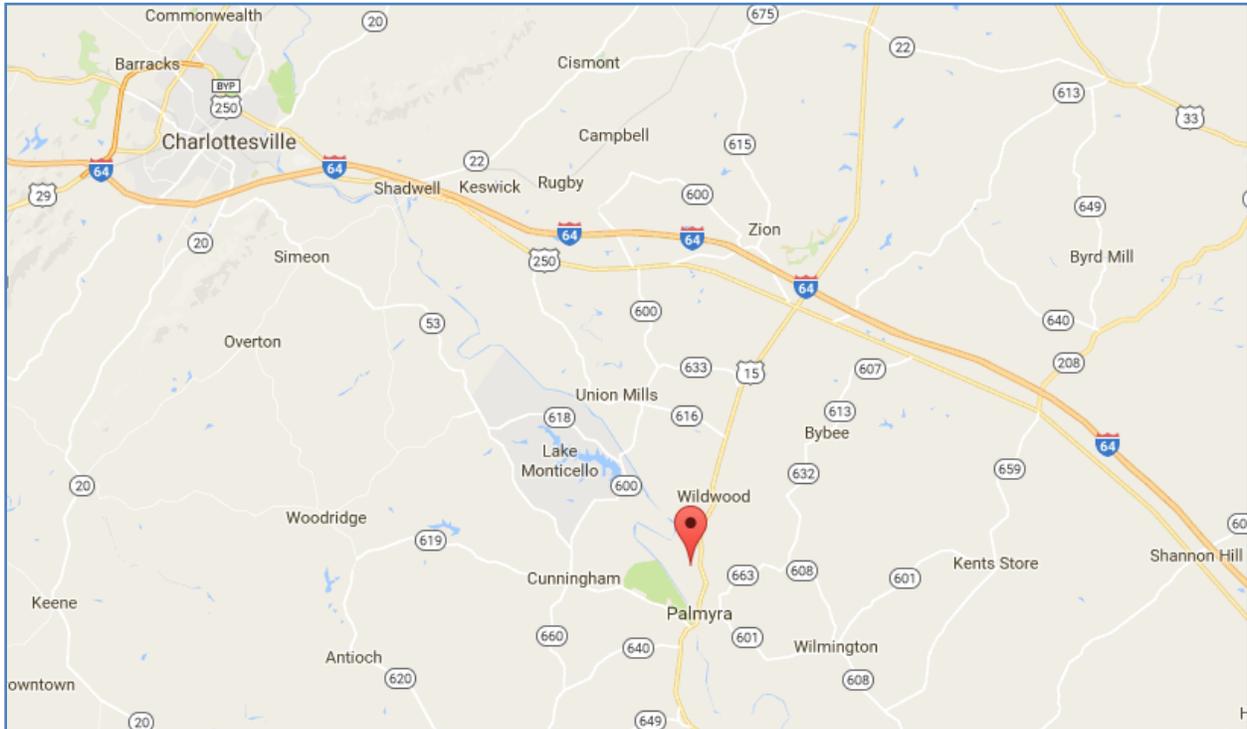


Figure 4. Location of Property just north of Palmyra and just west of Route 15.

Natural Features of the Property

Physiographic Setting

The Property lies within the Outer Piedmont Physiographic Region as defined by the Virginia Natural Heritage Program (VaNHP), and as mapped by Woodward and Hoffman in 1991 (Figure 5) ([Physiography](#)). The Piedmont is a rolling to locally hilly landscape that lies between the Blue Ridge on the west and the Coastal Plain on the east. The VaNHP defines the **Outer Piedmont** as the region that “comprises the eastern two-thirds of the province, including several low, nearly level Mesozoic basins (e.g., Culpeper, Richmond, and Danville basins). The latter are remnants of Triassic to Jurassic rift valleys that were intruded by magma (now diabase and basalts) and filled with sediments (now siltstones and sandstones) eroded off the Appalachians.”

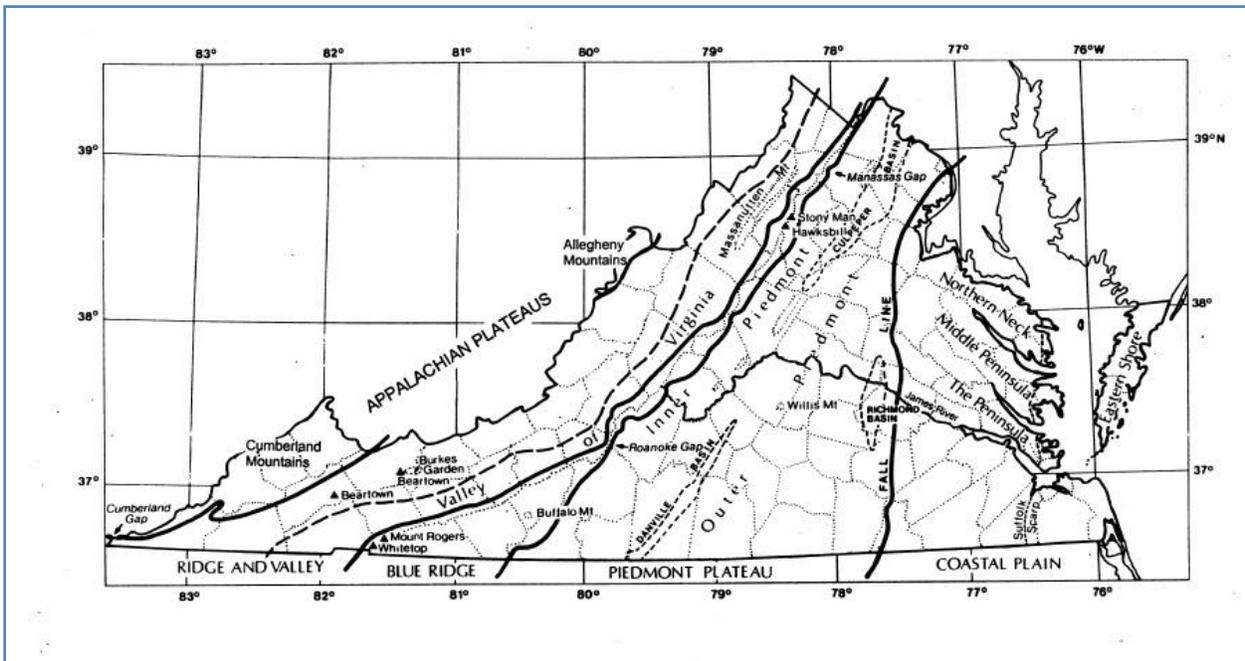


Figure 5. Physiography of Virginia ([Physiography Overview](#)).

Geology

This portion of Fluvanna County is largely underlain by Mine Run complex - melange zone III (gray area in Figure 6), with metagraywacke, quartzose schist, and mélangé to the northwest (green area of Figure 6). Mine Run complex is described as: “Phyllite and schist matrix contains abundant euhedral magnetite; many matrix rocks are highly deformed on a mesoscopic and microscopic scale. Mafic exotic blocks (mf) include amphibolite, ultra mafic rocks, serpentinite, and talc; many mafic and ultra mafic blocks are composite. Biotite gneiss blocks (gn) are also present. Metavolcanic olistoliths (vo) are rare.”

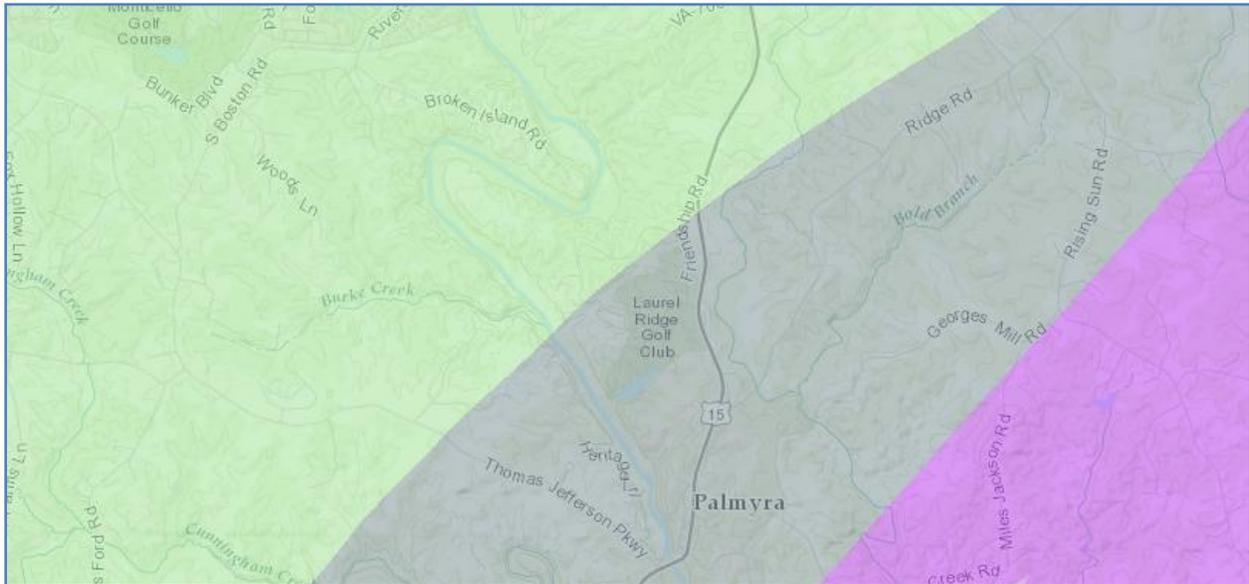


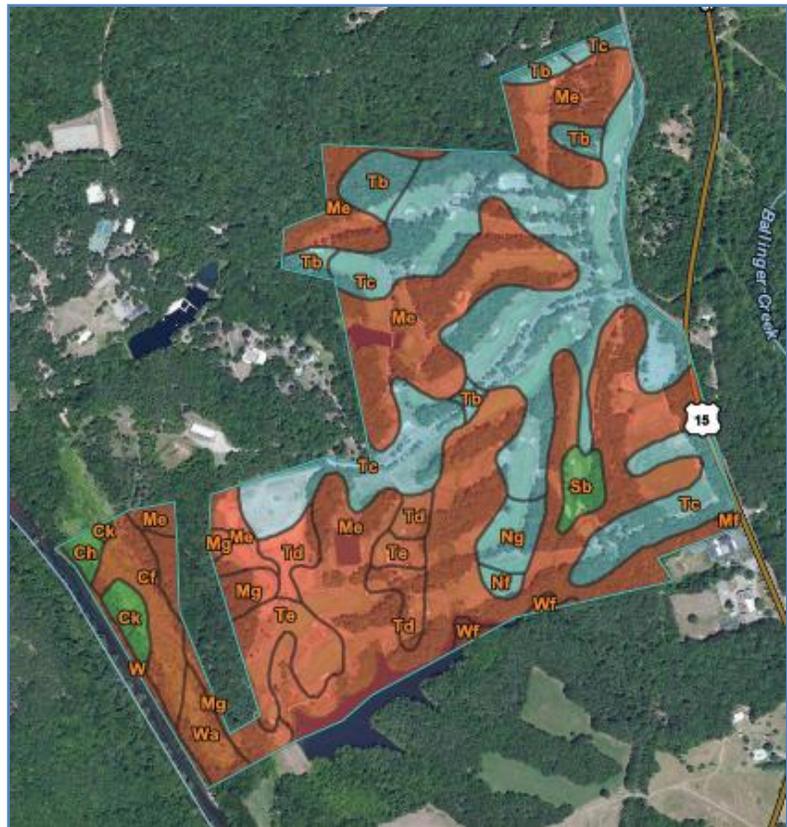
Figure 6. Geology of Poplar Ridge area (Poplar Ridge is the area labeled “Laurel Ridge Golf Club” in the center of the map).

Soils

A variety of soil types occur on the property (see map derived from NRCS Soil Web Survey On-line mapper (Figures 7a and 7b)).

Figures 7a and 7b. Soils on Property. Downloaded from NRCS Web Soil Survey, October 14, 2016. Please note that the boundary depicted in Figures 7 is hand-drawn and therefore only an approximation. The area in the polygon in Figures 7a and 7b is only 228 acres whereas the Property itself is 232 acres. Figure 7a (above right) depicts soil types on Property; Figure 7b (below right) depicts prime farmland (green) and farmland of statewide importance (blue). Map legend on following page.

The Property contains approximately 6.7 acres of prime farmland and 83.7 acres of farmland of statewide importance.



Soils Map legend.

Table—Farmland Classification (Poplar Ridge)

Farmland Classification— Summary by Map Unit — Fluvanna County, Virginia (VA065)				
Map unit symbol	Map unit name	Rating	Acres in AOI	Percent of AOI
Cf	Chewacla silt loam	Not prime farmland	7.2	3.2%
Ch	Congaree fine sandy loam	All areas are prime farmland	1.3	0.5%
Ck	Congaree silt loam	All areas are prime farmland	2.6	1.1%
Me	Manteo silt loam, hilly phase	Not prime farmland	101.1	44.2%
Mf	Manteo silt loam, rolling phase	Not prime farmland	0.3	0.1%
Mg	Manteo silt loam, steep phase	Not prime farmland	6.9	3.0%
Nf	Nason silt loam, rolling phase	Farmland of statewide importance	1.0	0.4%
Ng	Nason silt loam, undulating phase	Farmland of statewide importance	3.8	1.7%
Sb	Seneca silt loam	All areas are prime farmland	2.8	1.2%
Tb	Tatum silt loam, rolling phase	Farmland of statewide importance	8.2	3.6%
Tc	Tatum silt loam, undulating phase	Farmland of statewide importance	70.7	30.9%
Td	Tatum silty clay loam, eroded rolling phase	Not prime farmland	7.0	3.1%
Te	Tatum silty clay loam, eroded undulating phase	Not prime farmland	9.1	4.0%
W	Water	Not prime farmland	1.5	0.7%
Wa	Wehadkee silt loam	Not prime farmland	3.9	1.7%
Wf	Worsham silt loam	Not prime farmland	1.2	0.5%
Totals for Area of Interest			228.7	100.0%

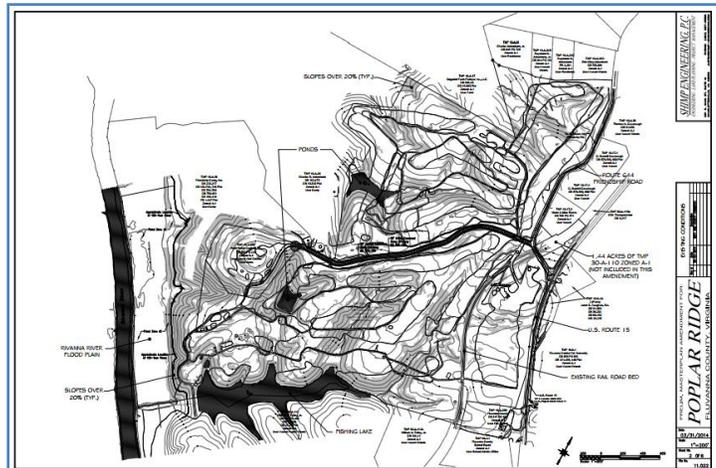
Shimp Engineering commissioned NCS Wastewater Solutions of Puyallup, WA to conduct a “Preliminary Feasibility Assessment of Drainfield Site Capacity” on the Property in 2013, when the “Walker’s Ridge” development was being proposed for the Property. NCS’s report summary states: “Preliminary feasibility assessments of the soil and site conditions show that there are at least 40 acres available on the property that is noted by our soil scientist at Soil Feasibility Group 1, “Fair” for locating potential drainfields. About 110 acres out of total 232 acres of this project area are classified as “Open Space,” where drain field sites can be located after detailed field evaluation. Areas noted as Soil Feasibility Group 2, “Marginal to Poor” may also be used if necessary, for drain field sites.”

Topography

The Property is gently to heavily rolling, essentially consisting of three ridgelines cut by stream courses flowing toward the Rivanna River plus relatively flat river floodplain bordering the Rivanna River (Figure 8). Some of the slopes are relatively steep; Figure 3 shows slopes over 20% (reproduced here). The smaller parcel appears to have been levelled to some degree in the recent past in anticipation of construction activities.



Figure 8. Topography of Property, taken from USGS Topographic Map. Below right shows slopes over 20% (Figure 3 reproduced here).



Hydrology

The Property has four reservoirs (artificial impoundments) of .09, 0.75, 1.2, and 8.5 acres in size. The largest reservoir (southernmost) is divided down the middle by the east-west running Property boundary; the other three reservoirs are wholly within the Property's boundaries (See Figure 2 and Figure 8). The smallest reservoir is immediately adjacent to the Largest reservoir, near the dam.

The Property is cut by eight small stream drainages (intermittent) (See topographic map in Figure 8). Two drainages run from east to west in the northern part of the Property; two drainages feed the northern-most reservoir; and four drainages flow north to south into the largest reservoir at the southern boundary of the Property.

In addition, the Subject has approximately 2,120 feet of frontage on the Rivanna River, with flood risk depicted on the FRIS map in Appendix 2 ([FRIS Map](#))(Figure 9). The Rivanna River is a Virginia Scenic River in the area bordering the Property.

Figure 9. Flood risk on Property as depicted on FRIS map (weblink in text above). Map legend as follows: blue and white hatching and blue = AE, FLOODWAY (1.0 PCT ANNUAL CHANCE FLOOD HAZARD); yellow = 0.2 PCT ANNUAL CHANCE FLOOD HAZARD.



Vegetation and Wildlife Habitats

The Property contains a variety of terrestrial and aquatic habitats that likely support a diversity of native wildlife species.

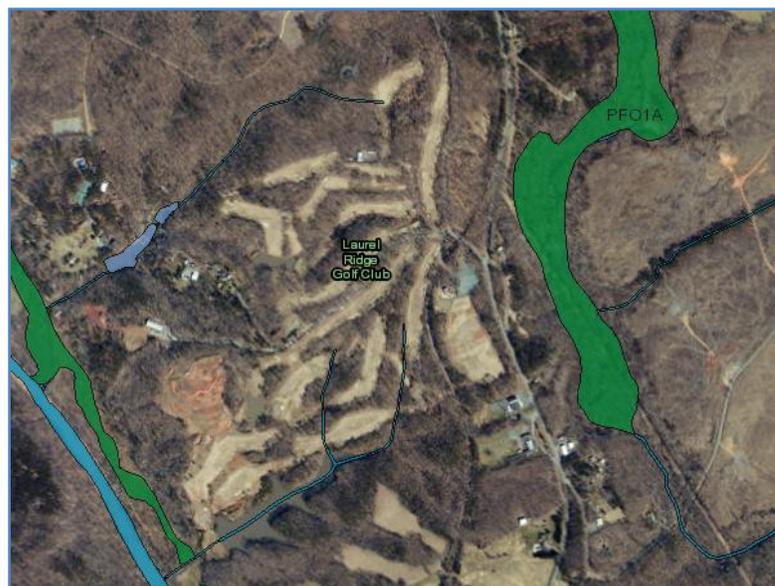
Terrestrial wildlife habitats on the Property include upland and riparian/floodplain forest, grasslands areas (abandoned golf course fairways) and edge habitats (edge between forest and grassland). Because of the interspersed nature of grasslands and forest created by the golf course, there is a good diversity of terrestrial wildlife habitats on the Property.

Fairway areas are largely covered by remaining golf course grasses and abundant invasive herbaceous and shrubby plants. The upland forest is very diverse, with multiple species of pine and oak as well as American beech, sweet gum, sycamore, tulip poplar and hickory. Riparian areas in the floodplain next to the river include forest and shrub areas, with box elder, tulip poplar and sycamore predominating; these are forested wetlands in the National Wetlands Inventory mapper (Figure 10). No formal surveys of rare terrestrial wildlife habitats have been conducted on the Property, but none are believed to occur there. The site visit did not include any formal survey of invasive/exotic plant species.

Aquatic wildlife habitats on the Property include perennial and intermittent streams and four artificial reservoirs. Although no formal aquatic wildlife habitat surveys have been conducted on the Property, no rare or unique aquatic wildlife habitats are believed to occur there.

The site visit did not include any formal wildlife surveys; however, no threatened or endangered terrestrial or aquatic wildlife species are believed to occur on the Property.

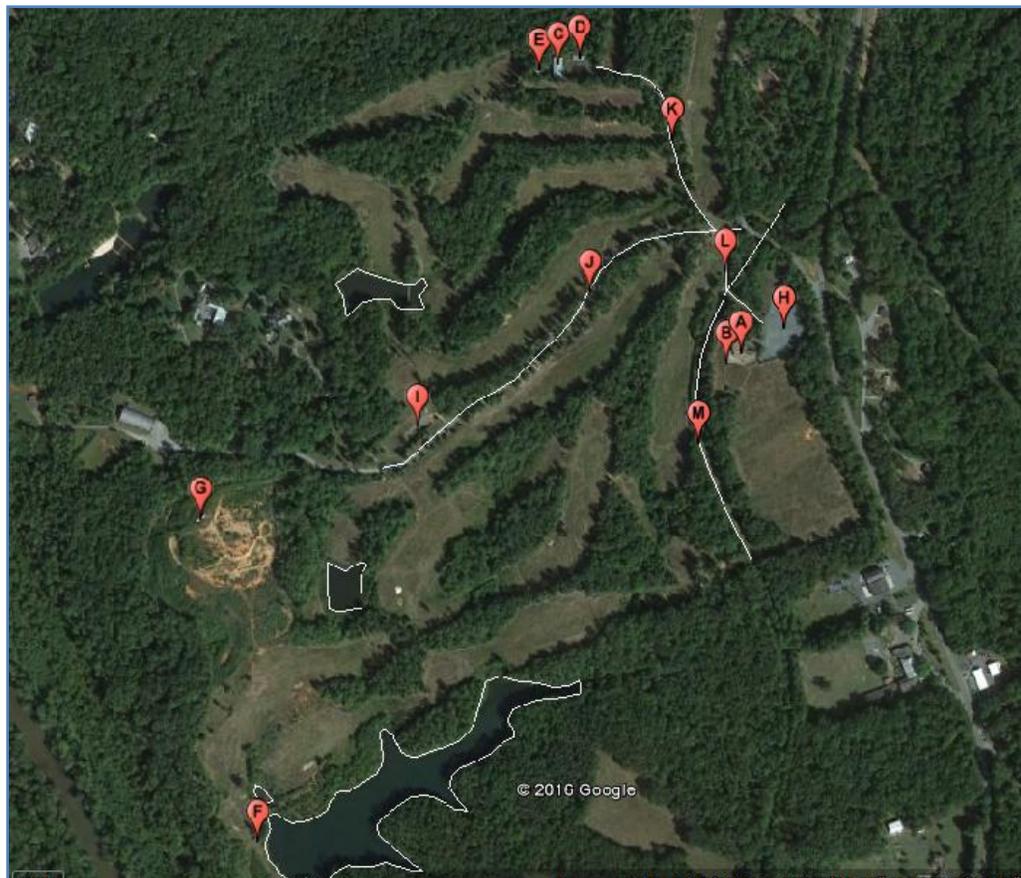
Figure 10. National Wetlands Inventory map of Property showing forested wetlands adjacent to Rivanna River (dark green). Downloaded from NWI Wetlands Mapper on October 10, 2016.



Improvements (Existing Principal Buildings, Structures, and Other Features)

The Property has several structural features that are in various states of deterioration and disrepair. Buildings include: a clubhouse with associated concrete patio (A); storage shed (B); three golf course “support” buildings on north side of Property (a garage facility (C), a vehicle storage shed (D) and a building that appears to be a caretaker house (E) – all surrounded by a wooden fence); a fourth building of undetermined use adjacent to the southernmost dam (F); and a fifth structure of undetermined nature in the smaller parcel (G) (shows with a white roof in Google EARTH, was not visited during site visit) (Figure 11). Paved areas include a deteriorating parking lot adjacent to the clubhouse (H); two roadways (Friendship Way which crosses Property to the entrance of Camp Friendship (2,110 feet in length) (J) and an unnamed roadway heading north to the garage and caretaker house (1,024 feet in length) (K)); an entrance driveway to the clubhouse (507 feet in length) (L); a small parking area north of Friendship Way near the entrance to Camp Friendship (I); and cart paths on most every hole on the abandoned course. There is also a gravel roadway (an existing railroad bed) (M) which heads north and south from Friendship Way in the vicinity of the clubhouse; the southern portion continues beyond the gate at the southern Property boundary while the northern portion continues beyond the northeastern boundary of the Property (total length = about 1,800 feet).

Figure 11. Location of structures, parking areas, and roadways on Property. Reservoirs are outlined in white. Downloaded from Google Earth on October 16, 2016.



Surface areas occupied by structural features are presented in Table 2.

Table 2. Approximate ground area occupied by structural features (areas are approximate because they are measured using Google Earth imagery).	
Feature	Approximate area in square feet
A. Clubhouse and concrete patio	10,950
B. Storage shed near clubhouse	60
C. Garage facility (north side)	4,255
D. Storage shed (north side)	1,975
E. "Caretaker" residence (north side)	1,100
F. Building adjacent to southernmost dam	825
G. Undetermined structure in small parcel	350
H. Parking lot at clubhouse	53,632
I. Small parking lot N. of Friendship Way	6,250

Land Use and Management

The property is gently to heavily rolling, essentially consisting of a three ridgelines cut by stream courses flowing toward the Rivanna River, plus relatively flat river floodplain bordering the Rivanna River. Some of the slopes are relatively steep; Figure 3 shows slopes over 20%. The smaller parcel appears to have been levelled in anticipation of construction activities.

Land cover/land use is mostly abandoned golf course fairways, with wooded areas in-between holes and in stream courses. The abandoned golf course consists of 18 golf holes (fairways, greens, traps, and one wooden bridge across northern-most reservoir) and a driving range adjacent to the clubhouse. Fairway areas are largely covered by remaining golf course grasses and abundant invasive herbaceous and shrubby plants. The upland forest is very diverse, with multiple species of pine and oak as well as American beech, sweet gum, sycamore, tulip poplar and hickory. Riparian areas in the floodplain next to the river include forest and shrub areas, with box elder, tulip poplar and sycamore predominating (forested wetlands in the NWI).

Table 3. Approximate acreage of land use/land cover types on Property (estimated).	
Land use/Land cover Type	Acreage
Open areas (golf course fairways (87 acres) and driving range (8 acres)) ** estimated based on a 7,000 yard length of golf course	95 acres
Regenerating forest in small parcel	10 acres
Forest (between holes and in riparian area) ** estimated as remaining area not in golf course or developed areas	123 acres
Developed areas (clubhouse, garage area in north of Property, roadways)	4 acres
TOTAL	232 acres

Cultural Resources

The Property does not have any structures or other features of historic or cultural significance.

Scenic and Open Space Resources

The Property has approximately 1,650 linear feet of frontage on James Madison Highway (State Route 15), and 2,295 feet of frontage on Route 644. The Property is directly across the Rivanna River from Pleasant Grove Park, a public park, and the Fluvanna Natural Heritage Trail. The Rivanna River is a Virginia Scenic River in the area bordering the Property.

Conservation of Open Space Lands Designated by Local Governments

No lands under conservation or open space easement are adjacent to or near the Property (Figure 12). Properties under easement do occur to the southeast of the Property. Likewise, no Ag/Forestal Districts are adjacent to or near the Property.

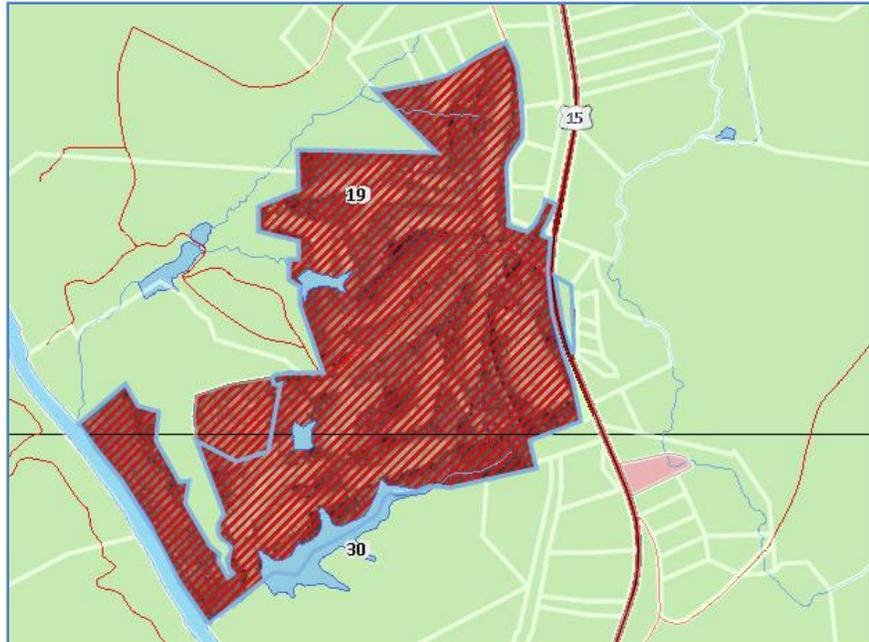
Figure 12. Property showing nearby conservation easements (dotted parcel). Note the lack of Ag/Forestal Districts. Image download from Fluvanna County On-line GIS, October 10, 2016.



Conformance with County Zoning & Comprehensive Plan

Zoning. The Property is zoned Fluvanna County: R-3 Planned Unit Development (PUD) (conditional) (Figure 13). The Property may legally be subdivided into 317 residential lots plus 74,000 square feet of commercial developments. All lands around the Property are zoned A-1 Agricultural.

Figure 13. Zoning of Property and adjacent areas. Red hatching is R-3 PUD; light green is A-1 Agriculture. Image download from Fluvanna County On-line GIS, October 10, 2016.



Fluvanna County Land Use Policies. Land use policies of the County of Fluvanna as delineated in the Fluvanna County Comprehensive Plan (September 2015)(the “**Comprehensive Plan**”) to which plan the restrictions set forth in this deed conform as follows:

- a. To “encourage wider use of conservation easements . . . as a means of protecting natural resources and open space” (Chapter 1: Natural Resources).
- b. County policy to “protect surface water and groundwater resources” and which designate the Rivanna River as being “critical to the history and ecology of the county” and which encourages citizens to record easements as a means of “preserving river and stream corridors” (Chapter 1: Natural Resources).
- c. The County’s policy which designates the Rivanna River basin as offering “indispensable services in the form of water supply” (Chapter 1: Natural Resources).
- d. The County’s policy which designates the “Rivanna River Water Trail as part of the Chesapeake Bay Gateways and National Park Service network of canoe and kayak trails” (Chapter 1: Natural Resources).

Documentation Information

Baseline Documentation Report prepared by:

Kurt A. Johnson, Ph.D.
10017 Whitefield Street
Fairfax, Virginia 22032
(703) 615-5948

Site visit and photo-documentation by Kurt A. Johnson on October 1, 2016.

Kurt A. Johnson Qualifications:

Kurt A. Johnson has more than 30 years of experience in natural resources research and management, including more than 14 years working on sustainable natural resources management in Virginia. In the mid-Atlantic region, Johnson has prepared BDRs; battlefield restoration plans; wildlife habitat, inventory & monitoring, and research plans; and comprehensive land conservations plans. He has written more than 15 successful grant proposals. He previously worked on international wildlife trade, NEPA compliance, protected area planning, wildlife research, and endangered species conservation for the federal government, conservation NGOs, and the private sector. He currently works on climate change impacts to wildlife, habitats, and landscapes for the federal government. He has B.S., M.S., and Ph.D. degrees in wildlife ecology. Recent projects include:

- More than a dozen Conservation Easement BDRs for natural and watershed protection areas and Civil War battlefields in Fairfax, Arlington, Fauquier and Culpeper Counties, prepared for land trusts and private consulting firms.
- A battlefield restoration plan and implementation for a 160-acre tract of Cedar Mountain Battlefield (Culpeper, Virginia) owned by the Civil War Trust.
- A wildlife management plan (habitat enhancement; inventory and monitoring) for a private landowner in Fauquier County.
- Review of an equestrian park development plan on a CE-covered property for a private landowner in Culpeper County.
- Multiple proposals for national and international wildlife research and conservation work.

FINAL
Conservation Easement
Baseline Documentation Report – Photo Appendix

Poplar Ridge Property

45 Friendship Way (off Route 644 & Route 15), Palmyra, VA 22963
Fluvanna County



Prepared by:
Kurt A. Johnson, Ph.D.

For:
Hotel Street Capital, LLC & Warrenton Investments, Inc.

October 2016

Poplar Ridge Property -- Photo Locator Map.

NOTE: Not all photos in appendix are labeled on map.

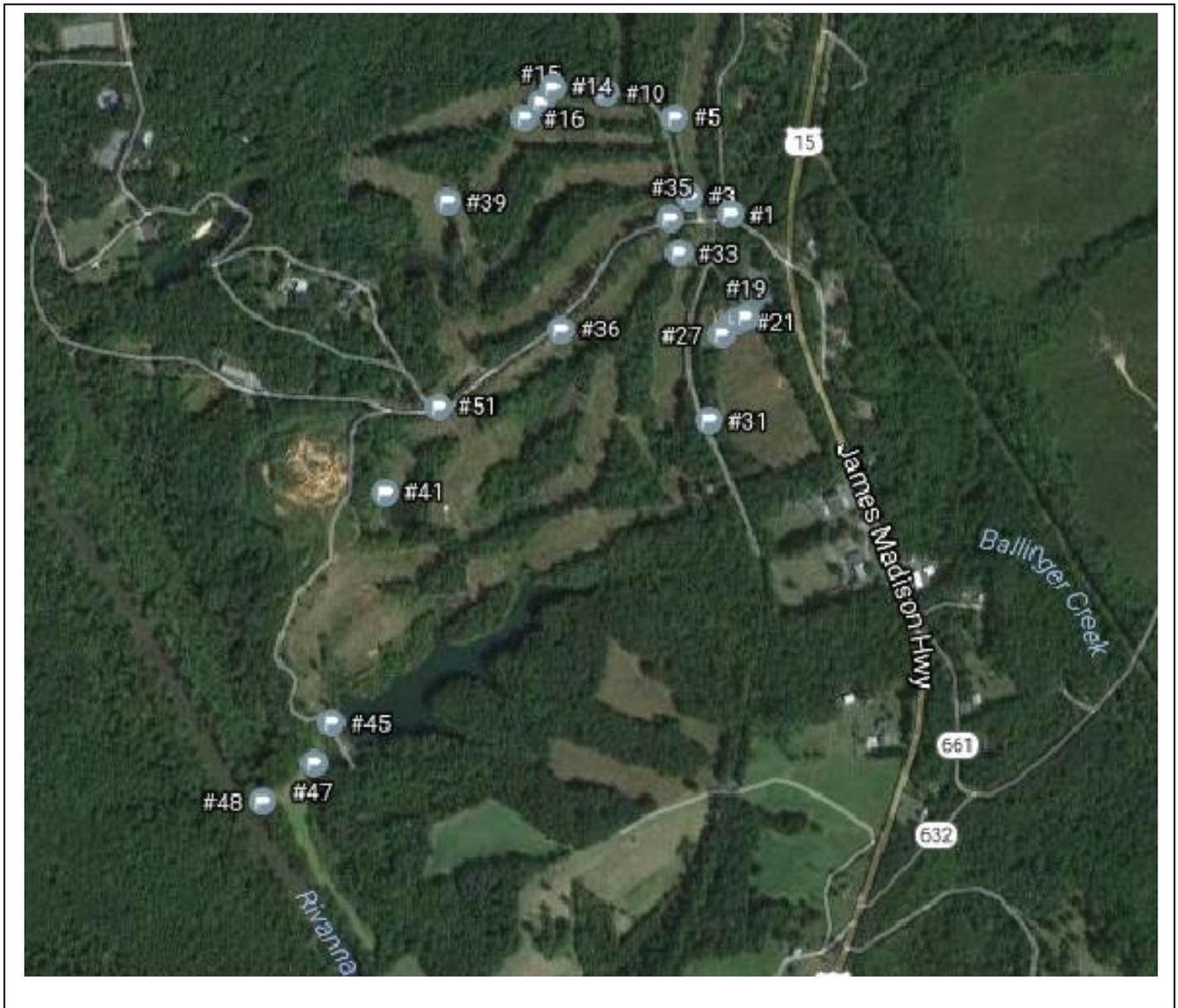




Figure 1. Entrance to the Poplar Ridge Property, off of Route 644. Looking west along Friendship Way (main driveway).



Figure 2. Entrance intersection for Poplar Ridge Property, looking in a northerly direction along Route 644.



Figure 3. Beginning of driveway that heads in a northerly direction off Friendship Way to the garage/caretaker's residence on north side of Property. Photo taken in a southerly direction. Van parked just off Friendship Way.



Figure 4. Driveway that heads in a northerly direction off Friendship Way to the garage/caretaker's residence on north side of Property. Photo taken in a northerly direction, from same location as Figure 3.



Figure 5. Abandoned golf fairway adjacent to driveway that heads in a northerly direction off Friendship Way to the garage/caretaker's residence on north side of Property. Photo taken in a northerly direction.



Figure 6. Abandoned golf fairway adjacent to driveway that heads in a northerly direction off Friendship Way to the garage/caretaker's residence on north side of Property. Photo taken in a southerly direction, from same spot as Figure 5.



Figure 7. Abandoned golf fairway north of driveway that heads in a northerly direction off Friendship Way to the garage/caretaker's residence on north side of Property. Photo taken in a northerly direction.



Figure 8. Abandoned golf fairway adjacent to driveway that heads in a northerly direction off Friendship Way to the garage/caretaker's residence on north side of Property. Photo taken in an easterly direction, looking from driveway toward fairway.



Figure 9. Fenced area on north side of Property with garage, storage shed, and caretaker's residence. Photo taken in a westerly direction showing garage and surrounding fence. Storage shed is to the right of the garage; caretaker's residence behind it.



Figure 10. Closer view of garage, taken from inside the fence looking in a westerly direction.



Figure 11. Close-up of front left side of garage.



Figure 12. Multi-space storage shed to right (north) of garage; probably for storing golf course maintenance equipment (tractor, bush-hog, mower, etc.).



Figure 13. A 2-story structure that I have termed a “caretaker’s residence,” immediately west of the garage within the fence area. This is the north side of the structure.



Figure 14. West side of “caretaker’s residence.”



Figure 15. Abandoned golf fairway immediately south of fenced garage/caretaker’s residence area (see fence in left-center of photo). Photo taken in an easterly direction.



Figure 16. Abandoned golf fairway immediately west of fenced garage/caretaker’s residence area. Photo taken in a westerly direction from green area of hole.



Figure 17. Abandoned golf fairway immediately west of fenced garage/caretaker's residence area. Photo taken in a westerly direction from near halfway-point of hole.



Figure 18. Abandoned golf fairway immediately west of fenced garage/caretaker's residence area. Photo taken in a westerly direction from halfway-point of hole.



Figure 19. Abandoned parking area adjacent to clubhouse. Photo taken from southwest corner of lot looking in a northerly direction.



Figure 20. Abandoned parking area adjacent to clubhouse. Photo taken from southwest corner of lot looking in a northeasterly direction (i.e., to right of area shown in Figure 19).



Figure 21. Abandoned driving range south of parking lot and clubhouse. Photo taken from north side of range in a southerly direction.



Figure 22. Southeast side of abandoned clubhouse, showing wooden deck area in front of building.



Figure 23. Close-up of southeast side of abandoned clubhouse. Photo 1 of 2-shot panorama.



Figure 24. Close-up of southeast side of abandoned clubhouse. Photo 2 of 2-shot panorama.



Figure 25. Close-up of back side (southwest side) of abandoned clubhouse, with wooden deck in foreground.



Figure 26. North side of clubhouse showing basement area (possibly a storage area for equipment or golf carts).



Figure 27. Southeast and southwest side of abandoned clubhouse showing wrap-around deck on second story and concrete patio.



Figure 28. Southwest side of abandoned clubhouse showing wrap-around deck on second story and concrete patio.



Figure 29. Southwest and west sides of abandoned clubhouse showing wrap-around deck on second story, concrete patio, and free-standing storage shed.



Figure 30. Another view of free-standing storage shed, taken in a southwesterly direction.



Figure 31. Abandoned railroad bed running north-side immediately west of clubhouse area. Photo looking in a southerly direction.



Figure 32. Abandoned railroad bed running north-side immediately west of clubhouse area. Photo looking in a southerly direction.



Figure 33. Abandoned golf fairway immediately west of north-south abandoned railroad bed. Photo looking in a southerly direction from tee area.



Figure 34. Abandoned golf fairway along north side of Friendship Way, looking in a westerly direction.



Figure 35. Friendship Way as it curves to the southwest just past the driveway leading to the clubhouse. Looking in a southwesterly direction.



Figure 36. Abandoned golf fairway along north side of Friendship Way, looking in a westerly direction.



Figure 37. Bridge across artificial pond on abandoned golf hole north of Friendship Way. Photo taken on south side of bridge looking in a northerly direction.



Figure 38. Artificial pond on abandoned golf hole north of Friendship Way. Photo taken on bridge looking in a westerly direction.



Figure 39. Abandoned golf fairway just north of the artificial pond in Figures 37 and 38. Photo looking in a generally southerly direction toward the tee.



Figure 40. Abandoned parking area just north of Friendship Way near the entrance to Camp Friendship. Photo looking in a generally southerly direction.



Figure 41. Artificial pond on abandoned golf hole south of Friendship Way. Photo looking in a generally easterly direction.



Figure 42. Artificial pond on abandoned golf hole south of Friendship Way. Photo looking in a generally southerly direction.



Figure 43. Abandoned golf hole south of Friendship Way.



Figure 44. Abandoned golf hole south of Friendship Way.



Figure 45. Abandoned structure on west side of dam that creates Fishing Lake. Photo looking in a generally northerly direction.



Figure 46. West end of dam that creates Fishing Lake. Lake can be seen through the trees.



Figure 47. Outlet for overflow water from Fishing Lake. Pipe emerges from base of south side of dam. Outflows flows directly into Rivanna River.



Figure 48. Rivanna River adjacent to Property.



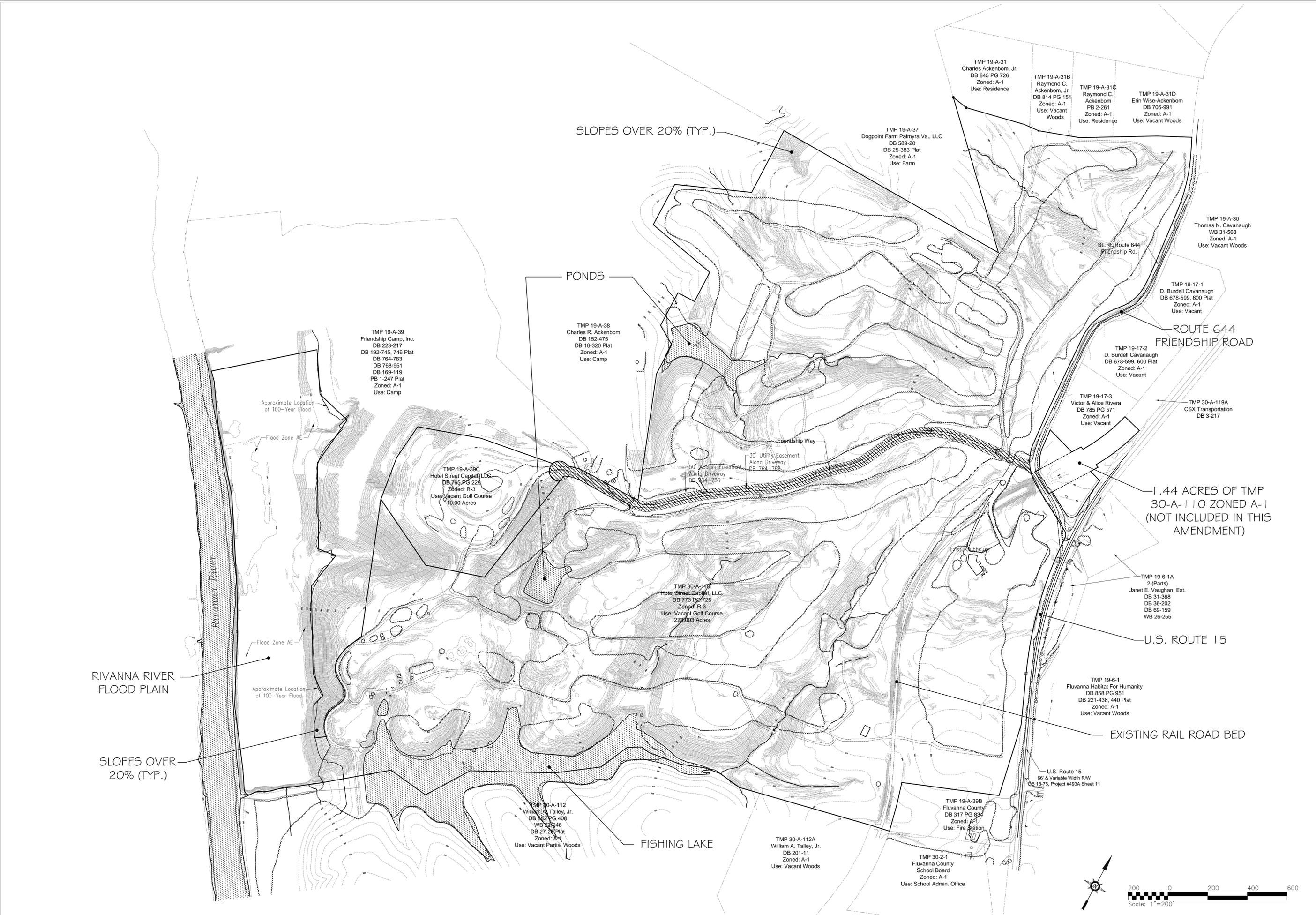
Figure 49. Rivanna River adjacent to Property.



Figure 50. Rivanna River adjacent to Property.



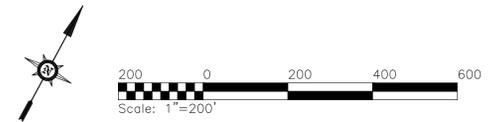
Figure 51. Entrance to camp Friendship on west side of Property, where Friendship Way enters the Camp. Photo looking in a generally northwesterly direction.



EXISTING CONDITIONS

Rev #	Date	Description
1	06-03-2014	VOOT AND COUNTY COMMENTS

PRELIM. MASTERPLAN AMENDMENT FOR:
POPLAR RIDGE
 FLUVANNA COUNTY, VIRGINIA



Accepted:

BOARD OF SUPERVISORS OF FLUVANNA COUNTY, VIRGINIA

A body corporate and politic

By: [Signature]

Name: Steven M. Nichols

Title: County Administrator
Fluvanna County

COMMONWEALTH OF VIRGINIA,
COUNTY OF FLUVANNA, TO WIT:

I, Kelly Belanger Harris, a Notary Public for the Commonwealth aforesaid, hereby certify that Steven M. Nichols, as County Administrator, personally appeared before me this day and acknowledged the foregoing instrument on behalf of the Board of Supervisors of Fluvanna County, Virginia.

WITNESS my hand and official seal this 12 day of October, 2017.

Kelly Belanger Harris
Notary Public

My commission expires: 8/31/2018 (SEAL)



[Counterpart signature page 1 of 2]

HOTEL STREET CAPITAL, LLC

By: _____ (SEAL)

Print Name: Thomas James Ross II

Title: Managing Member of Branson Lake & Co, as Manager

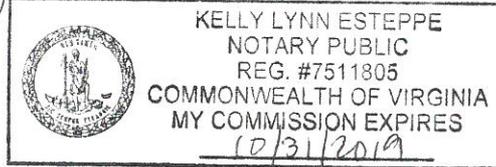
COMMONWEALTH OF VIRGINIA,

CITY/COUNTY OF Fairfax, TO WIT:

The foregoing instrument was acknowledged before me this 14th day of September, 2017, by Thomas James Ross II as Managing Member of Hotel Street Capital, LLC.

[Signature] (SEAL)
Notary Public

My commission expires: 10/31/2019
Registration #: 7511805



Noncash Charitable Contributions

▶ Attach to your tax return if you claimed a total deduction of over \$500 for all contributed property.

▶ Information about Form 8283 and its separate instructions is at www.irs.gov/form8283.

OMB No. 1545-0908

Attachment Sequence No. **155**

Name(s) shown on your income tax return

Identifying number

Hotel Street Capital, LLC

20-0951328

Note. Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of \$5,000 or Less and Publicly Traded Securities—List in this section only items (or groups of similar items) for which you claimed a deduction of \$5,000 or less. Also list publicly traded securities even if the deduction is more than \$5,000 (see instructions).

Part I Information on Donated Property—If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached).	(c) Description of donated property (For a vehicle, enter the year, make, model, and mileage. For securities, enter the company name and the number of shares.)
A		<input type="checkbox"/>	
B		<input type="checkbox"/>	
C		<input type="checkbox"/>	
D		<input type="checkbox"/>	
E		<input type="checkbox"/>	

Note. If the amount you claimed as a deduction for an item is \$500 or less, you do not have to complete columns (e), (f), and (g).

	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Method used to determine the fair market value
A						
B						
C						
D						
E						

Part II Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

2a Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶
If Part II applies to more than one property, attach a separate statement.

b Total amount claimed as a deduction for the property listed in Part I: **(1)** For this tax year ▶ _____
(2) For any prior tax years ▶ _____

c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):
Name of charitable organization (donee) _____

Address (number, street, and room or suite no.) _____

City or town, state, and ZIP code _____

d For tangible property, enter the place where the property is located or kept ▶ _____

e Name of any person, other than the donee organization, having actual possession of the property ▶ _____

	Yes	No
3a Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?		
b Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?		
c Is there a restriction limiting the donated property for a particular use?		

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Section B. Donated Property Over \$5,000 (Except Publicly Traded Securities) - Complete this section for one item (or one group of similar items) for which you claimed a deduction of more than \$5,000 per item or group (except contributions of publicly traded securities reported in Section A). Provide a separate form for each property donated unless it is part of a group of similar items. An appraisal is generally required for property listed in Section B. See instructions.

Part I Information on Donated Property - To be completed by the taxpayer and/or the appraiser.

4 Check the box that describes the type of property donated:

- a [] Art* (contribution of \$20,000 or more) d [] Art* (contribution of less than \$20,000) g [] Collectibles** j [] Other
b [x] Qualified Conservation Contribution e [] Other Real Estate h [] Intellectual Property
c [] Equipment f [] Securities i [] Vehicles

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above.

Note. In certain cases, you must attach a qualified appraisal of the property. See instructions.

Table with 3 columns: (a) Description of donated property, (b) If tangible property was donated, give a brief summary of the overall physical condition of the property at the time of the gift, (c) Appraised fair market value. Row A: Deed of Gift of Conservation Easement (attached), \$3,520,000.00

Table with 7 columns: (d) Date acquired by donor, (e) How acquired by donor, (f) Donor's cost or adjusted basis, (g) For bargain sales, enter amount received, (h) Amount claimed as a deduction, (i) Date of contribution. Row A: February 23, 2012, Deed In Lieu of Foreclosure, \$2,980,000.00

Part II Taxpayer (Donor) Statement - List each item included in Part I above that the appraisal identifies as having a value of \$500 or less. See instructions.

I declare that the following item(s) included in Part I above has to the best of my knowledge and belief an appraised value of not more than \$500 (per item). Enter identifying letter from Part I and describe the specific item. See instructions.

Signature of taxpayer (donor)

Date

Part III Declaration of Appraiser

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.

Also, I declare that I perform appraisals on a regular basis; and that because of my qualifications as described in the appraisal, I am qualified to make appraisals of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal on this Form 8283 may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). In addition, I understand that I may be subject to a penalty under section 6695A if I know, or reasonably should know, that my appraisal is to be used in connection with a return or claim for refund and a substantial or gross valuation misstatement results from my appraisal. I affirm that I have not been barred from presenting evidence or testimony by the Office of Professional Responsibility.

Sign Here

Signature

Title Appraiser/MAI

Date

Business address (including room or suite no.)

Identifying number

Norman Myers, Myers Appraisal Service, Inc., 106 S. King St.

54-1944270

City or town, state, and ZIP code

Leesburg, Virginia 20175

Part IV Donee Acknowledgment - To be completed by the charitable organization.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and that it received the donated property as described in Section B, Part I, above on the following date: October 13, 2017

Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file Form 8282, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? [] Yes [x] No

Name of charitable organization (donee)

Employer identification number

THE BOARD OF SUPERVISORS OF FLUVANNA COUNTY

54-6001282

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

P.O. Box 540

Palmyra VA 22963

Authorized signature

Title

Date

Handwritten signature of County Administrator

County Administrator

10/13/17

SUPPLEMENTAL STATEMENT TO IRS FORM 8283:
DONATION OF CONSERVATION EASEMENT

On October 13, 2017, the taxpayer/donor completed the donation of a conservation easement in Virginia (the "Conservation Easement") under the provisions of Section 170(h) of the internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code"). The Conservation Easement encumbers 232.003 acres of property (the "Property") owned by taxpayers in Fluvanna County, Virginia.

Pursuant to the Treasury Regulations, the value of the conservation restriction was determined by appraisal of all the taxpayers' property owned by the donors before and after the conservation easement. The taxpayers have and had no interest in any other real property not subjected to the Conservation Easement.

There are currently abandoned golf course buildings (including club house and supporting structures) on the encumbered Property. The Conservation Easement prohibits subdivision of the Property into more than 2 lots and prohibits the right to build more than 2 primary dwellings and limits other building rights as well as commercial and industrial uses inconsistent with the conservation purposes.

The donation was made to the Board of Supervisors of Fluvanna County (the "Donee"), the governing body of a political subdivision of the Commonwealth of Virginia and a "qualified organization" and "eligible donee" under Section 170(h)(3) of the Internal Revenue Code and Treasury Regulation §1.170A-14(c)(1), and is a public body under Section 10.1-1700 of the Code of Virginia, 1950

The Property has the following Conservation Values, as further documented in the attached Conservation Easement and Baseline Documentation Report:

- (a) the Property consists of forested floodplain, steep slopes, and forested and open fields;
- (b) the Property is situated in an environmentally sensitive area along the Rivanna River, which is designated as a Virginia Scenic River under Va. Code § 10.1-416, with approximately 2,200 linear feet of frontage thereon, a public water supply source and publicly accessible waterway;
- (c) the Property contains a freshwater lake known as "**Fishing Lake**" which has a perennial outflow into the Rivanna River;
- (d) the Property has approximately 1,650 linear feet of frontage on James Madison Highway (State Route 15) and 2,295 feet of frontage on Friendship Way (State Route 644);

(e) the Property is directly across the Rivanna River from Pleasant Grove Park, a public park, and the Fluvanna Natural Heritage Trail;

The Conservation 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) The 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 Virginia Conservation Easement Act (Code of Virginia, §§10.1-1009 et seq.), which provides for the conveyance of conservation easements in perpetuity for the purposes noted above;
 - c. The Virginia Open Space Land Act (Code of Virginia, §§10.1-1700 et seq.), which provides for the conveyance of conservation easements in perpetuity for the purposes noted above
 - c. 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;
 - d. 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;
 - e. The Virginia State Scenic Rivers Act, Chapter 4 of Title 10.1 of the Code of Virginia, § 10.1-416 designates the Rivanna River as a state scenic river from the base of the South Fork Rivanna River Reservoir past the property to its confluence with the James River;

(ii) Land use policies of the County of Fluvanna as delineated in the Fluvanna County Comprehensive Plan (September 2015) (the "**Comprehensive Plan**") to which plan the restrictions set forth in this deed conform as follows:

- a. To "encourage wider use of conservation easements . . . as a means of protecting natural resources and open space" (Chapter 1: Natural Resources).
- b. County policy to "protect surface water and groundwater resources" and which designate the Rivanna River as being "critical to the history and ecology of the

county” and which encourages citizens to record easements as a means of “preserving river and stream corridors” (Chapter 1: Natural Resources).

- c. The County’s policy which designates the Rivanna River basin as offering “indispensable services in the form of water supply” (Chapter 1: Natural Resources).
- d. The County’s policy which designates the “Rivanna River Water Trail as part of the Chesapeake Bay Gateways and National Park Service network of canoe and kayak trails” (Chapter 1: Natural Resources).

Therefore the conservation purposes under Section 170(h)(4) of the Code furthered by the donation of the conservation restriction include the following: the preservation of open space (including farm & forest land) under Section 170(h)(4)(A)(iii): (i) for the scenic enjoyment of general public, and (ii) for a significant public benefit pursuant to clearly delineated State and Fluvanna County policies protecting property containing prime agricultural soils, steep slopes, landscapes and woodscape, and scenic views from the Rivanna River and Pleasant Grove Park, and watershed and adjacent land to the Rivanna River (a State Designated scenic river).

The taxpayers acquired the Property variously as follows:

Since first acquiring the property, the taxpayers have spent significant amounts of money subdividing the property, on soils engineering and development plans, as well as constructing their home and barns on the Property (the land on which the structures are located are excluded from the eased property).

As set forth on pages 46-67 of the Appraisal (value of Property before the Conservation Easement) and pages 68-79 (value of Property after the Conservation Easement) and page 80 (value of Conservation Easement, the appraiser, applied the Sales Comparison Approach and the Subdivision Analysis Approach and concluded that the market value of the Conservation Easement was derived as follows:

- a. Market value of the Property prior to the donation of the Conservation Easement:
\$4,200,000
- b. Market value of the Property after the donation of the Conservation Easement:
\$680,000
- c. Market value of the Conservation Easement: \$3,520,000

A copy of the qualified appraisal that substantiates these values and verifies the appraisal methodology is filed with this Form 8283 and the donors’ tax return. A copy of the recorded Conservation Easement is also included in the appraisal report.

Neither the donors, members, related family members, nor related persons (as defined by the Treasury Regulations) own any contiguous property or nearby property.

Names as Shown on Income Tax Return:

Hotel Street Capital, LLC

Identifying Number:

20-0951328

Page 4 of 4

The donation of the conservation restriction was not made to obtain a permit or other approval from a local or other governing authority, nor was the donation required by any contractual obligation.

The Conservation Easement contains a subordination of all mortgages encumbering the Property at the time of the donation of the easement.

The condition of the Property was documented and established through extensive baseline documentation acknowledged by the donors and the donee as an accurate representation of the condition of the Property on the effective date of the donation. The Baseline Documentation Report is being filed with this Form 8283 and the donors' tax return, as is a copy of the letter from the donee to the taxpayers sent pursuant to the provisions of Section 170(f)(8) of the Code.

The Conservation Easement was recorded on October 13, 2017, in the land records of the Fluvanna County Circuit Court.