

Instrument Control Number

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017136

Commonwealth of Virginia
Land Record Instruments
Cover Sheet - Form A

[ILS VLR Cover Sheet Agent 1.0.66]



Doc ID: 005245220008 Type: DEE
Recorded: 12/30/2009 at 04:29:15 PM
Fee Amt: \$9,800.00 Page 1 of 8
Albemarle County, VA
Debra M. Shipp Clerk
File# 2009-00017136

BK 3835 PG 706-713

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Date of Instrument: [12/28/2009]

Instrument Type: [DBS]

Number of Parcels [9]

Number of Pages [7]

City [] County [X] [Albemarle County] (Box for Deed Stamp Only)

First and Second Grantors

Table with 4 columns: Last Name, First Name, Middle Name or Initial, Suffix. Row 1: [Forest Lodge, LLC] [] [] []

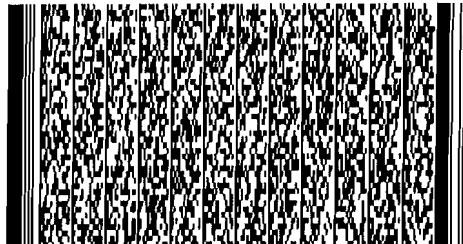
First and Second Grantees

Table with 4 columns: Last Name, First Name, Middle Name or Initial, Suffix. Row 1: [Commonwealth of Virgin] [] [] []

Grantee Address (Name) [Commonwealth of Virginia, Department of Conservati]
(Address 1) [203 Governor Street]
(Address 2) []
(City, State, Zip) [Richmond] [VA] [23219-2049]
Consideration [9,800,000.00] Existing Debt [0.00] Assumption Balance [0.00]

Prior Instr. Recorded at: City [] County [] [] Percent. in this Juris. [100]
Book [] Page [] Instr. No []
Parcel Identification No (PIN) [90-5, 90-6D, 90-15A, 90-17D, 90A-1A, 90A-1B, 90A-3,]
Tax Map Num. (if different than PIN) [90A1-1, 90A1-1E]
Short Property Description [All certain tracts/parcels fronting on State Route 631]
[and State Route 20]
Current Property Address (Address 1) [Albemarle County]
(Address 2) []
(City, State, Zip) [] [VA] []

Instrument Prepared by [LeClairRyan]
Recording Paid for by [LeClairRyan]
Return Recording to (Name) [LeClairRyan]
(Address 1) [123 East Main Street, Eighth Floor]
(Address 2) []
(City, State, Zip) [Charlottesville] [VA] [22902]
Customer Case ID [17136.0010] [] []



Prepared by and return to:
 Zobrist Law Group
 3 Boars Head Lane, Suite B
 Charlottesville, Virginia 22903

Parcel Identification Numbers: 09000-00-00-00500, 09000-00-00-006D0, 09000-00-00-015A0, 09000-00-00-017D0, 090A0-00-00-001A0, 090A0-00-00-001B0, 090A0-00-00-00300, 090A1-00-00-00100 and 090A1-00-00-001E0

This Deed is exempt (i) from recordation taxes pursuant to Sections 58.1-811.A.3. of the Code of Virginia (1950), as amended, and (ii) from the payment of Clerk's fees pursuant to Section 17.1-266 of the Code of Virginia (1950), as amended.

DEED OF BARGAIN AND SALE

This DEED OF BARGAIN AND SALE (the "Deed") is dated as of this 28th day of December 2009 by and between FOREST LODGE, LLC, a Virginia limited liability company, having an address at P.O. Box 5590, Charlottesville, Virginia 22905 ("Grantor") and the COMMONWEALTH OF VIRGINIA, DEPARTMENT OF CONSERVATION AND RECREATION ("Grantee").

RECITALS

- A. Grantee is a governmental unit under section 170(c)(1) of the United States Internal Revenue Code of 1986, as amended ("IRC");
- B. Grantee is a public conservation agency under section 58.1-511 of the Code of Virginia;
- C. Grantee has had a goal for more than 40 years to establish a state park near Charlottesville, Virginia.
- D. The property is a land area of great importance to Grantor, Grantee, the citizens of Albemarle County, Virginia, which surrounds the City of Charlottesville, Virginia, and the citizens of the Commonwealth of Virginia, and is a significant area to be conserved as referred to in P.L. 96 541, IRC §170(h)(4)(A)(i) and (iii) and in regulations promulgated thereunder.
- E. Grantor desires to grant and convey Grantor's entire interest, less a qualified mineral interest under IRC §170(h)(6), in the property to Grantee exclusively for conservation purposes;
- F. The conservation purposes, for which the conveyance is made, are the preservation of land areas for outdoor recreation by, or the education of, the general public

through a state park, for the enjoyment of the public and for incidental uses including agricultural, forest and watershed preservation (the "Conservation Purposes"); and

G. Grantor intends that this conveyance qualify for Land Preservation Tax Credits pursuant to section 58.1-512 of the Code of Virginia and for the federal charitable deduction under IRC § 170 and as a qualified conservation contribution under IRC §170(h).

NOW THEREFORE WITNESSETH

Subject to the following, Grantor does hereby grant, bargain, and convey, with Special Warranty of Title, unto Grantee, all that certain property situate in Albemarle County, Virginia, and being more particularly described in Exhibit A attached hereto and made a part hereof, together with all buildings, rights, privileges and appurtenances of every kind belonging to the property (the "Property"); provided however that Grantor expressly does not warrant title and Quitclaims to Grantee Grantor's right title and interest in and to that area of overlap described on Plat Showing A Boundary Survey of Tax Map 90, Parcels 5, 6D, 15A, and 17D, Tax Map 90A, Parcels 1A, 1B, 1C and 3, Tax Map 90A1, Parcels 1 and 1E prepared by Thomas B. Lincoln Land Surveyor, Inc. dated October 9, 2004, revised October 13, 2005 ("Survey"), which was recorded in the clerk's office of the Circuit Court of Albemarle County, Virginia, in Deed Book 3092, pages 316-325, as consisting of .016 acre, more or less, (depicted as an overlap in Detail A on the Survey).

RESERVING AND EXCEPTING THEREFROM, for Grantor and Grantor's successors and assigns, the subsurface minerals, other than oil and gas, and the right to access such minerals; provided, however, at no time shall there be extraction or removal of such minerals by any surface mining method and at all times shall the Conservation Purposes be protected by Grantor and Grantee; provided, further, Grantor shall (i) take all efforts necessary, including landscaping and other measures, to obscure from the view of visitors to the Property the point on the Property, if any, at which such minerals are accessed, (ii) restore any disturbed ground to its original contours upon completion of the ground disturbing activities, (iii) provide a written plan, which generally identifies the areas on the Property where subsurface minerals may be accessed and which details the types of activities that will occur in accessing such subsurface minerals, to Grantee not less than one year in advance of any planned activities permitted under this paragraph, and Grantee, its successors or assigns, shall approve or disapprove, in its sole discretion, in writing such plan and activities as consistent with the Conservation Purposes of this Deed. Provided, further, unless sooner terminated by agreement of Grantor and Grantee, the rights of Grantor retained pursuant to this paragraph shall remain in force for a term of seven (7) years from the date of this Deed and shall then expire. Upon expiration or termination of its rights pursuant to the previous sentence, Grantor shall have the obligation, which shall survive such expiration or termination, to remove all machinery and fixtures placed on the Property in connection with Grantor's exercise of its retained mineral rights pursuant to this paragraph and to restore the condition of the Property to its original condition immediately prior to Grantor's exercise of its retained mineral rights. Nothing herein shall

be construed as authorizing or permitting mining, extracting or removing such minerals except in compliance with all applicable laws, regulations and licensing.

PROVIDED, FURTHER, Grantee covenants and agrees for itself, its successors and assigns that the Property is subject to the following covenants and restrictions, which covenants and restrictions may be enforced by the Attorney General of Virginia, and which may be extinguished only with judicial approval:

1. RECREATIONAL AND CONSERVATION ACTIVITIES IN PERPETUITY. The use of the Property shall be limited in perpetuity exclusively (i) for the substantial and regular use for outdoor recreation or education by the general public and (ii) for conservation of scenic open space land areas, all within the meaning of IRC §170(h)(4)(A)(i) and (iii) and, with respect to the term “open space”, section 512(A) of the Code of Virginia. All access to the Property shall be on such terms as determined by Grantee, which shall ensure that the public has substantial and regular access to the Property and that no uses of the Property inconsistent with the Conservation Purposes are permitted. This restriction shall not merge into the fee interest (less a qualified mineral interest), but shall survive the deed and continue to encumber the Property. This donation gives rise to a property right, immediately vested in the Grantee, with a fair market value that is at least equal to the proportionate value that this restriction, on the date of this deed, bears to the value of the property as a whole. This proportionate value of the Grantee’s property rights shall remain constant, so if there is a change in conditions that gives rise to the extinguishment of the restriction as described in paragraph 2 below, the Grantee, on a subsequent sale, exchange or involuntary conversion of the Property, shall be entitled to a portion of the proceeds at least equal to that proportionate value.

2. ASSIGNMENT. Grantee on behalf of itself, its successors and assigns, covenants that any subsequent conveyances of an interest in the Property will be (i) subject to a perpetual conservation easement to be placed on any out-conveyed interest or parcel as that term is defined in section 10.1-1009 of the Code of Virginia, or subject to an open-space easement in perpetuity, as that term is defined in section 10.1-1700, or (ii) conveyed to the Commonwealth of Virginia or to a federal conservation agency; provided, further, any subsequent conveyances shall be to an organization described in Treasury Regulation 1.170A-14(c)(1). Grantee shall, as a condition of any conveyance, whether or not for consideration, require that the Conservation Purposes will continue to be carried out. If a subsequent unexpected change in the conditions surrounding the Property makes impossible or impractical the continued use of the Property for the Conservation Purposes, as determined by judicial proceeding, then Grantee shall use all its share of the proceeds from any subsequent sale or exchange of the Property in a manner consistent with the Conservation Purposes of this Deed.

3. TAX MATTERS. By its execution hereof, Grantee acknowledges and confirms receipt of the Property and further acknowledges that Grantee has not provided any goods and services to Grantor in consideration of the grant of this Deed in excess of the cash consideration paid.

4. CONSTRUCTION. Any general rule of construction to the contrary notwithstanding, this Deed shall be liberally construed in favor of the grant to effect the Conservation Purposes of the Deed and the public policy and purposes of Grantee. If any provision of this Deed is found to be ambiguous, an interpretation consistent with the purpose of this Deed that would render the provision valid shall be favored over any interpretation that would render it invalid. Notwithstanding the foregoing, lawful acts or uses consistent with the purposes of and not expressly prohibited by this Deed are permitted on the Property. Grantor and Grantee intend that the granting of this Deed qualifies as a "qualified conservation contribution" as that term is defined in IRC §170(h)(1) 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 Deed from being a qualified conservation contribution. Only Grantor, Grantee and the Attorney General of the Commonwealth of Virginia may bring an action to enforce the terms of this deed. Nothing in this deed shall be construed to grant any other individual or entity standing to bring an action under this deed, nor any rights in the Property.

5. CHARITABLE INTENT. Grantee acknowledges and agrees that Grantor intends to treat part of this transaction as a charitable contribution pursuant to Section 170 of the IRS Code. Grantor has informed Grantee that the Property has a Fair Market Value in excess of the purchase price and that a material inducement for Grantor to enter into the sale of the Property is that Grantee qualifies as a tax exempt public body eligible to receive charitable contributions. Grantee makes no representations or warranties concerning the fair market value of the Property and has no opinion concerning the same. Grantor shall obtain a qualified appraisal of the Property for purposes of establishing the difference between the fair market value of the Property and the purchase price. Grantee agrees to execute IRS Form 8283 or its equivalent to acknowledge its purchase and receipt of the Property such that Grantor may apply for a charitable contribution pursuant to the Internal Revenue Code.

This conveyance is made subject to all recorded covenants, restrictions, conditions, easements, reservations, agreements, and rights-of-way, including those described in this Deed, to the extent, but only to the extent, that the same are valid and subsisting and apply to the Property. The foregoing notwithstanding, the Grantee herein does not and will not be construed in any way to have assumed the obligations contained in the Mutual Proffer Indemnity Agreement dated September 10, 2007 and recorded September 26, 2007 in Deed Book 3495, page 315 in the Clerk's Office, Circuit Court, Albemarle County, Virginia. Further, nothing herein or in the Grantee's acceptance of this Deed or the Property described herein shall be construed as a waiver of its sovereign immunity.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Deed of Bargain and Sale to be executed as of the date first above written.

GRANTOR:

FOREST LODGE, LLC, a Virginia limited liability company

FOREST LODGE MANAGEMENT LLC, Manager

By: [Signature]
Hunter E. Craig, Manager

COMMONWEALTH OF VIRGINIA)
) ss:
CITY/COUNTY OF Charlottesville)

The foregoing Deed of Bargain and Sale was acknowledged before me this 23 day of December 2009, by Hunter E. Craig, Manager, on behalf of Forest Lodge Management, LLC, a Virginia limited liability company, which is the manager of Forest Lodge, LLC, on behalf of Forest Lodge, LLC.

In witness whereof, I hereunto set my hand and official seal.

Notary Registration # 7240292

[Signature]
Notary Public

My Commission Expires: 5/31/2013



EXHIBIT A

ALL those certain tracts or parcels of land situated in Albemarle County, Virginia fronting on State Route 631 and State Route 20, approximately three miles south of the City of Charlottesville, Virginia, being more particularly shown and described on "Plat Showing Boundary Survey of Tax Map 90, Parcels 5, 6D, 15A and 17D, Tax Map 90A, Parcels 1A, 1B, 1C and 3, Tax Map 90A1, Parcels 1 and 1E" prepared by Thomas B. Lincoln Land Surveyor, Inc. dated October 9, 2004, revised October 13, 2005, recorded in the Clerk's Office, Circuit Court, Albemarle County, Virginia in Deed Book 3092, page 316 ("Survey"), as follows:

PARCEL ONE: TM 09000-00-00-00500, consisting of 195.879 acres, more or less, LESS AND EXCEPT 36.005 acres, more or less, more particularly described as Block 11 in Deed of Confirmation, Boundary Agreement and Deeds of Conveyance dated March 12, 2008, recorded in Deed Book 3569, page 551, and shown on plats attached thereto and;

SUBJECT TO the easement for the "New 30' Private Street" and 12' gravel drive for ingress and egress both as more particularly described in the aforesaid Deed of Confirmation, Boundary Agreement and Deeds of Conveyance and shown on said plats attached thereto.

PARCEL TWO: TM 09000-00-00-006D0, consisting of 891.004 acres, more or less; the said parcel shown on the Survey as TM 90-6D;

PARCEL THREE: TM 09000-00-00-015A0, consisting of 0.230 acre, more or less;

PARCEL FOUR: TM 09000-00-00-017D0 consisting of 2.592 acres, more or less; provided however that Grantor does not warrant title to that portion of Parcel Four consisting of 0.016 acre, more or less, (depicted as an overlap in Detail A on the Survey);

PARCEL FIVE: TM 090A0-00-00-001A0, consisting of 0.709 acre, more or less;

PARCEL SIX: TM 090A0-00-00-001B0, consisting of 0.229 acre, more or less;

PARCEL SEVEN: TM 090A0-00-00-00300, consisting of 130.385 acres, more or less;

PARCEL EIGHT: TM 090A1-00-00-00100, consisting of 7.881 acres, more or less;

PARCEL NINE: TM 090A1-00-00-001E0, consisting of 1.399 acres, more or less.

BEING a portion of the same property conveyed to Forest Lodge, LLC a Virginia limited liability company by deed from John M. Atkinson and Sue B. Minor, Trustees of the Forest Lodge Land Trust, under agreement dated December 1, 1971 dated October 21, 2005, recorded October 24, 2005 in the Clerk's Office, Circuit Court, Albemarle County, Virginia in Deed Book 3092, page 310.

RECORDED IN CLERKS OFFICE OF
ALBEMARLE COUNTY ON
December 30, 2009 AT 4:29:15 PM
\$9,800.00 GRANTOR TAX PD
AS REQUIRED BY VA CODE § 58.1-802
STATE: \$4,900.00 LOCAL: \$4,900.00
ALBEMARLE COUNTY, VA

DEBRA M. SHIPP CLERK
