

REQUEST FOR PROPOSAL



June 14, 2024

181 & 305 Halsey Lane, Bridgehampton, NY

The Peconic Land Trust is offering for sale 27.2 acres of protected agricultural land with affirmative and affordable farming covenants and resale restrictions (a.k.a. enhanced easement) held by the Town of Southampton.

REQUEST FOR PROPOSAL

BACKGROUND

181 & 305 Halsey Lane, Bridgehampton, NY

The Peconic Land Trust (“Trust”) is offering for sale 27.217 acres of protected agricultural land, further identified as Suffolk County Tax Map Parcel Numbers 900-87-2-1.1, 11.1 and 16. The protected farmland is subject to a Town of Southampton Conservation Easement with Affirmative and Affordable Farming Covenants and Resale Restrictions that was recorded at the Suffolk County Clerk’s Office on May 8, 2024 (Liber D00013247, Page 810).

This easement extinguishes residential building rights and restricts the use of the property to agricultural activities, however, further limits agricultural activities to exclude riding academies, equestrian use, vineyards and wineries, nurseries, tree farming, and sod farming, and requires that at least eighty percent (80%) of the property is used for food production. It further prevents subdivision of the farmland acreage without express approval from the Planning Board of the Town of Southampton or its successor and requires that the resultant lots remain feasible for commercial agricultural activities.

The property is not improved with any irrigation, agricultural structures or agricultural fencing. It will be sold as is.

Please review the following enclosed information about the property:

- Location Map
- Survey
- Soil Map
- Grant of Conservation Easement with Affirmative and Affordable Farming Covenants and Resale Restrictions

Summary of Town Development Rights Easement:

All 27.2 acres of this property are perpetually protected by Southampton Town’s Enhanced Development Rights Easement: This easement extinguishes residential building rights and restricts the use of the property to Agricultural Activities. The easement further limits agricultural activities to require:

- 80% of the farmland must be used for the production of food;
- riding academies, equestrian use, vineyards and wineries, nurseries, tree farming, and sod farming, and horticultural specialties that result in the removal of soil from the property are prohibited;

- if commercial agricultural activities cease for one year, the holder of the easement (Grantee) shall have the right to maintain the farmland based on a NRCS agricultural conservation plan so that it is available for agriculture;
- if commercial agricultural activities cease for 2 years, the Grantee has the right to lease the farmland to another farmer to ensure that it remains in agricultural production.
- future sales of the protected farmland are limited to a maximum resale value based upon its restricted value at the time the enhanced restrictions are acquired plus appreciation based on the lower of either the Area Median Income (AMI) or the Consumer Price Index (CPI) not to exceed 3.5% annually and the value of any agricultural improvements on the property;
- the Grantee reviews and approves all future sales to ensure that the restricted farmland is purchased by a qualified farmer

PRICE OF THE PROPERTY

The offer that will be considered for this parcel is **\$722,296**, not including taxes and other associated closing costs.

APPLICATION AND SELECTION

Proposal Requirements:

Parties interested in making an offer on the two properties must submit a Proposal, including the information described below, by 5:00 pm on July 8, 2024.

All of the information submitted will remain strictly confidential.

1. **An offer letter of \$722,296.**
2. **Intended closing date.**
3. **Letters of recommendation from ag-related organizations.**
4. **Completed application. (Attached).**

Send Letter of Offer and Application to:

Peconic Land Trust
Attn: Daniel Heston
296 Hampton Road
Southampton, NY 11968

Or email DHeston@PeconicLandTrust.org

Buyer Selection

The Peconic Land Trust will acknowledge receipt of all proposals received by 5:00 pm July 8, 2024, and convene a meeting of the Farms for the Future Selection Team. The Trust will announce the selected buyer approximately 3 weeks thereafter. The expectation is to execute a contract within 1 month of selection with a closing date of “on or about 60 days” or “on or before 60 days.”

Enclosures:

- Application (attached)
- Location map
- Survey of Property
- Soils Map
- Grant of Conservation Easement with Affirmative and Affordable Farming Covenants and Resale Restrictions

ABOUT PECONIC LAND TRUST

The Peconic Land Trust, a 501(c) (3) nonprofit organization, was established in 1983 by John v.H. Halsey and a small group of local residents to ensure the protection of Long Island’s working farms, natural lands, and heritage. Since its inception, the Trust has protected more than 14,000 acres of land in concert with landowners, communities, government, and partner organizations. In its 41-year history, the Trust has conserved more working farms on Long Island than any other private conservation organization, and secured millions of dollars from the public and private sectors for land protection.

APPLICATION

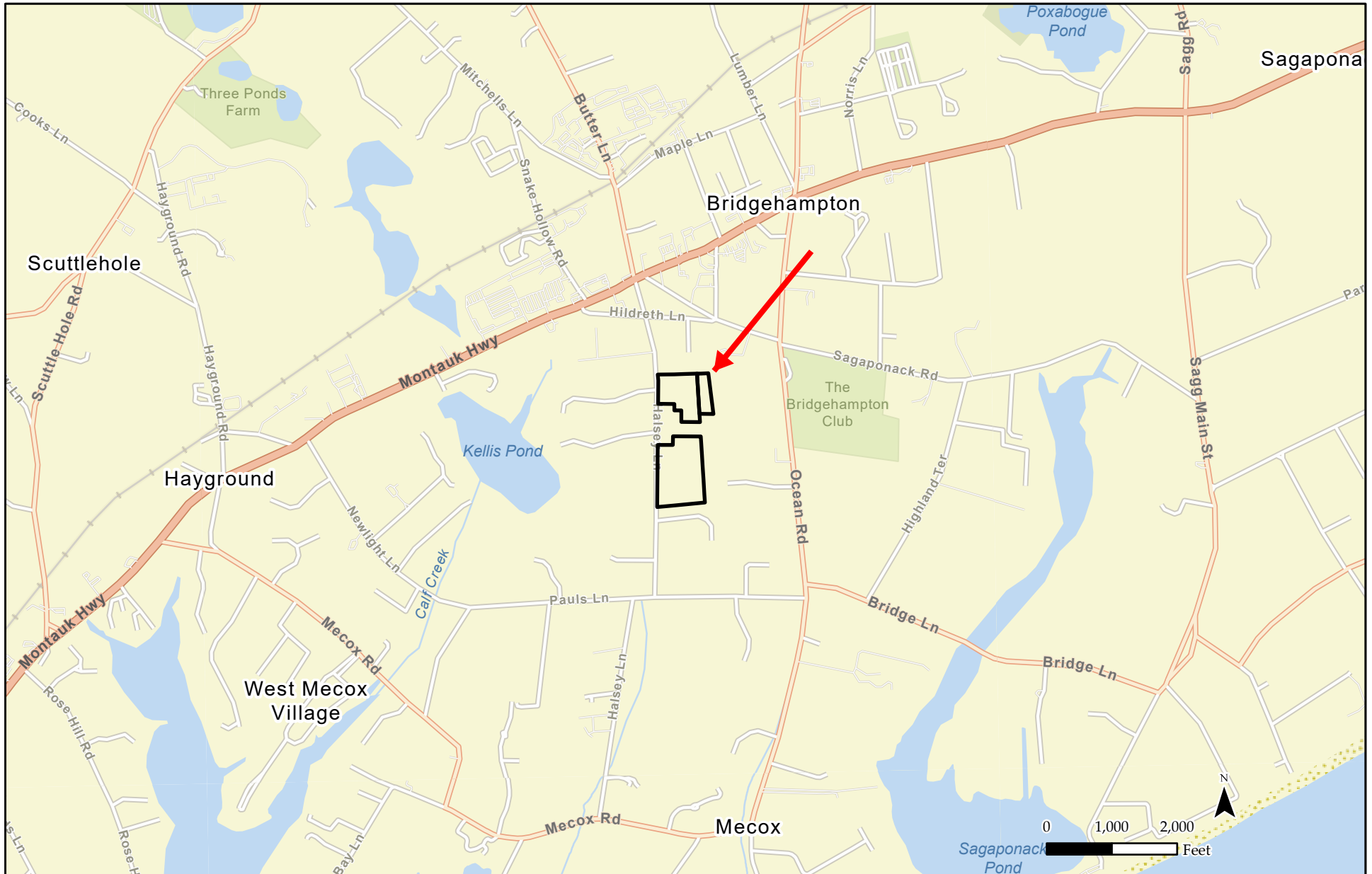
FOR 27.2 ACRE FARMLAND PROPERTY ON HALSEY LANE

1. Describe your existing commercial farm operation and include the following information: location(s); acreage; years in business; use of existing farmland (i.e. crops; practices; NRCS Plan if applicable); enrollment in the NYS Agricultural District; farmland acres leased vs. owned (ratio)
2. Document your track record of Sustainable Agricultural Practices (attach letters of recommendation from NRCS/CCE/LIFB/NOFA, etc.)
3. Explain your intended agricultural use of the property (i.e. crops, practices, etc.)
4. Have you farmed the subject parcel or other nearby properties in the past? Yes/No
5. Are you a *Qualified Farmer*? Yes/No Attach relevant documentation.
6. Have you lost access to farmland in the past 5 years? Yes/No
If yes, how many acres lost? _____
How many acres do you need? _____

DEFINITION OF TERMS

Qualified Farmer: A person or legal entity that meets all of the following criteria: (i) whose aggregate agricultural operations meet the qualifications necessary to keep the Property enrolled in the NYS Agricultural District and the NYS Agricultural Assessment Program based on those qualification criteria existing at the time that eligibility as a Qualified Farmer is determined; (ii) may reasonably be expected to earn two-thirds of his, her, or its annual adjusted gross income from the “business of farming,” as farming is defined in Treasury Regulation Section 1.175-3 (or any successor regulation); and (iii) expects to devote substantially full-time to farming operations including the Property (in the case of an entity operator, substantially full-time for each of its principal employees).

Sustainable Agricultural Practices: Integrated system of plant and animal production practices having a site-specific application that will, over the long term: satisfy human food and fiber needs; enhance environmental quality and the natural resource base upon which the agricultural economy depends; make the most efficient use of nonrenewable resources and on-farm resources and integrate, where appropriate, natural biological cycles and controls; sustain the economic viability of farm operations; and enhance the quality of life for farmers and society as a whole (USDA, 2007: <http://www.nal.usda.gov/afsic/pubs/terms/srb9902.shtml>).



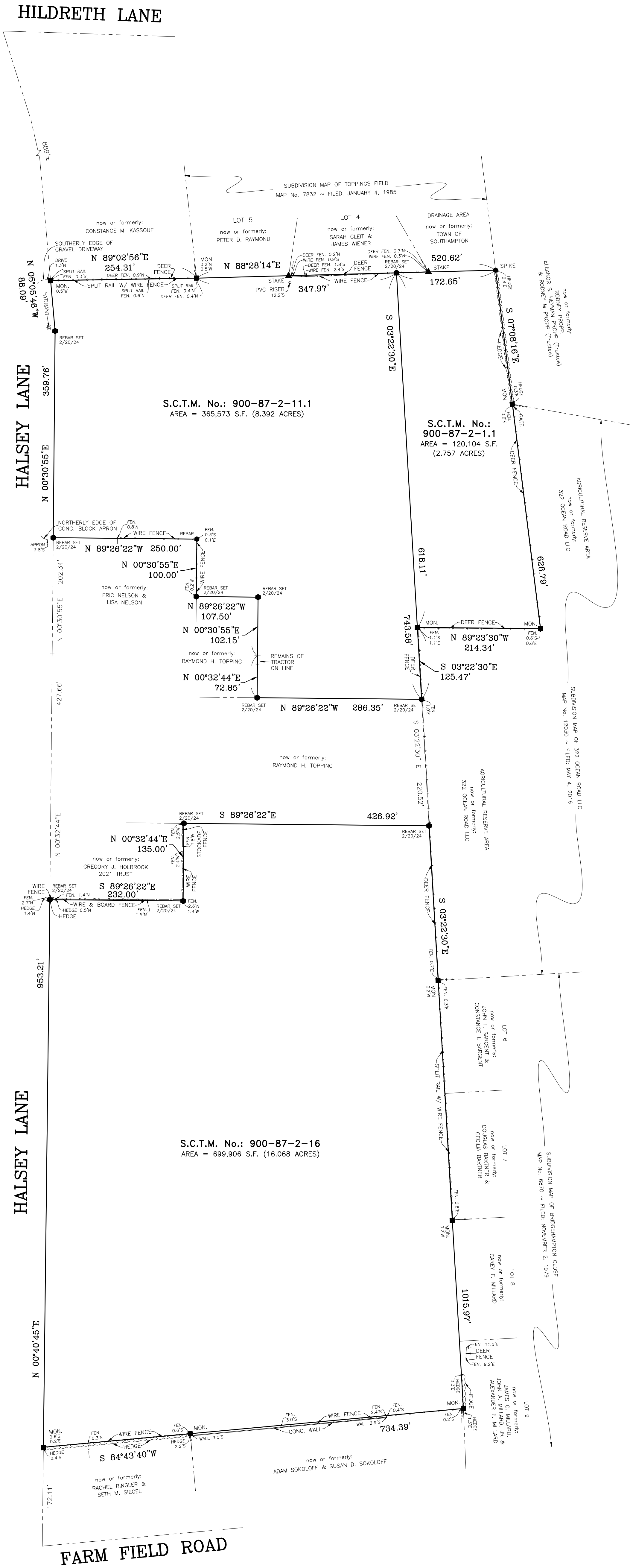
Peconic Land Trust
 296 Hampton Road / PO Box 1776
 631- 283 - 3195
 Prepared by: Thomas Corcoran
 Prepared On: 12/11/2023
www.PeconicLandTrust.org

Topping
Town of Southampton, NY

Location Map

SCTM#: 900-87-2-1.1, 11.1, 16
 Acreage: 27.2 Acres

| | |
|----------|----------------------------------|
| DISTRICT | 0900 |
| SECTION | 087.00 |
| BLOCK | 02.00 |
| PARCELS | 001.001, 011.001 & 016.000 |



S.C.T.M. No.: 900-87-2-11.1
AREA = 365,573 S.F. (8.392 ACRES)

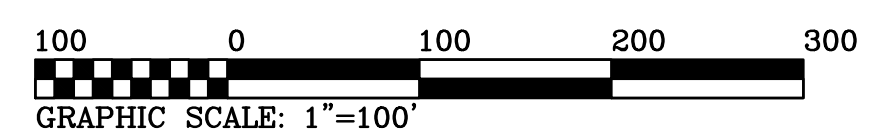
S.C.T.M. No.: 900-87-2-11.1
AREA = 120,104 S.F. (2.757 ACRES)

S.C.T.M. No.: 900-87-2-16
AREA = 699,906 S.F. (16.068 ACRES)



MAP OF PROPERTY
FOR
PECONIC LAND TRUST INCORPORATED
SITUATE
BRIDGEHAMPTON
TOWN OF SOUTHAMPTON
SUFFOLK COUNTY, NEW YORK

SCALE: 1" = 100'

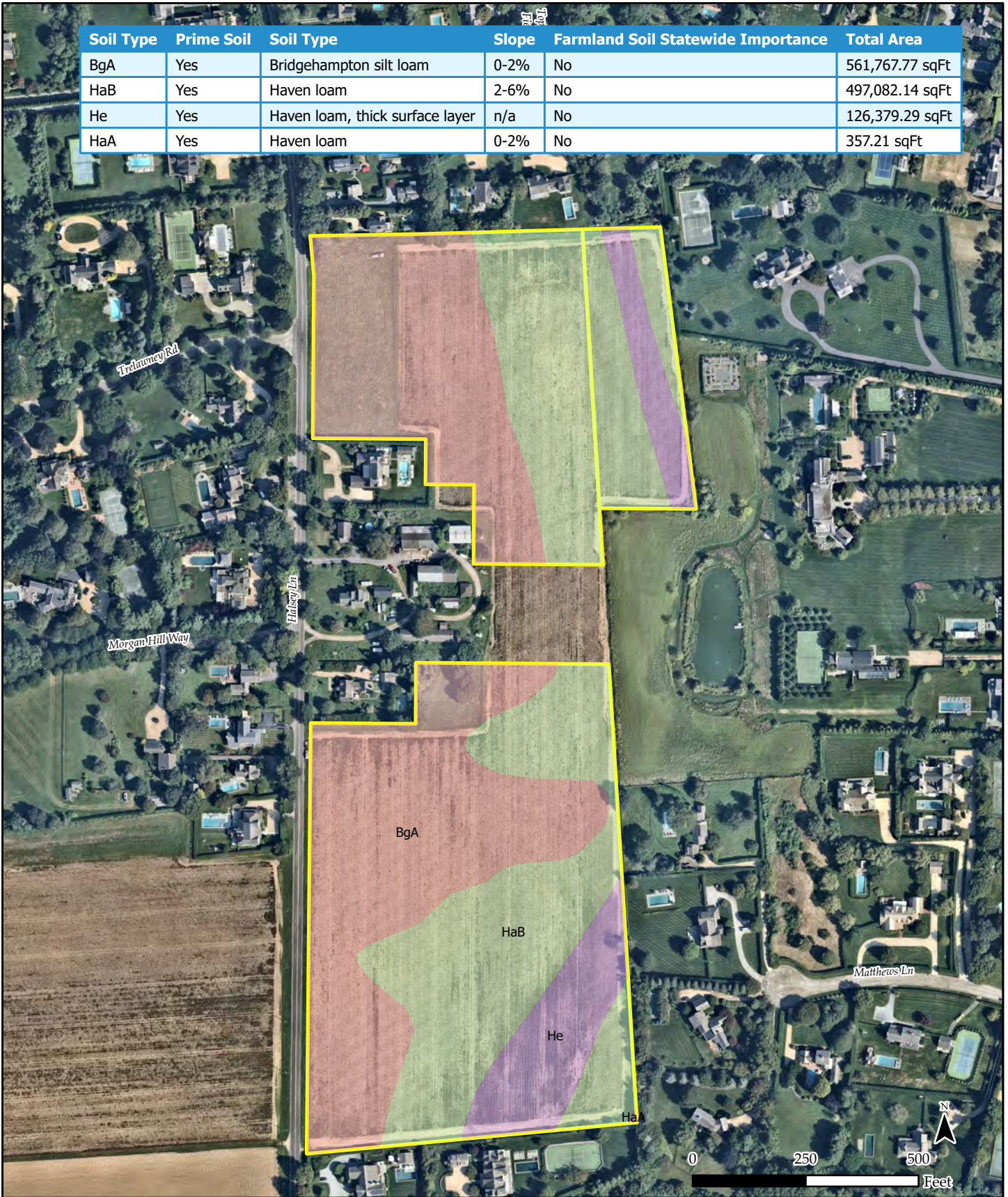


CERTIFIED TO:
PECONIC LAND TRUST, INCORPORATED
TOWN OF SOUTHAMPTON
AMTRUST TITLE INSURANCE COMPANY

REVISED: MARCH 13, 2024 (UPDATE - CONTAINER REMOVED)
REVISED: FEBRUARY 20, 2024 (SET REBAR)
SURVEYED: FEBRUARY 2, 2024

LESTER HOLDEN, L.S. 49548
S. H. W. and S., LAND SURVEYORS, P.C.
SQUIRES, HOLDEN, WEISENBACHER & SMITH
LAND SURVEYING ~ LAND PLANNING ~ ENGINEERING
SOUTHAMPTON ~ NEW YORK

| Soil Type | Prime Soil | Soil Type | Slope | Farmland Soil Statewide Importance | Total Area |
|-----------|------------|---------------------------------|-------|------------------------------------|-----------------|
| BgA | Yes | Bridgehampton silt loam | 0-2% | No | 561,767.77 sqFt |
| HaB | Yes | Haven loam | 2-6% | No | 497,082.14 sqFt |
| He | Yes | Haven loam, thick surface layer | n/a | No | 126,379.29 sqFt |
| HaA | Yes | Haven loam | 0-2% | No | 357.21 sqFt |



Peconic Land Trust
 296 Hampton Road / PO Box 1776
 631- 283 - 3195
 Prepared by: Thomas Corcoran
 Prepared on: 12/11/2023
www.PeconicLandTrust.org

Topping - Soils Town of Southampton, NY

SCTM#: 900-87-2-1.1, 11.1, 16
 Acreage: 27.2 Acres
 Aerial Year: 2023



**SUFFOLK COUNTY CLERK
RECORDS OFFICE
RECORDING PAGE**

Type of Instrument: EASEMENT
 Number of Pages: 62
 Receipt Number : 24-0059651
TRANSFER TAX NUMBER: 23-29528

Recorded: 05/08/2024
 At: 04:31:33 PM
 LIBER: D00013247
 PAGE: 811

| | | | |
|-----------|----------|--------|---------|
| District: | Section: | Block: | Lot: |
| 0900 | 087.00 | 02.00 | 001.001 |

EXAMINED AND CHARGED AS FOLLOWS

Deed Amount: \$0.00

Received the Following Fees For Above Instrument

| | | Exempt | | | Exempt |
|----------------|----------|--------|-------------------|----------|--------|
| Page/Filing | \$310.00 | NO | Handling | \$20.00 | NO |
| COE | \$5.00 | NO | NYS SRCHG | \$15.00 | NO |
| TP-584 | \$5.00 | NO | Notation | \$0.00 | NO |
| Cert.Copies | \$0.00 | NO | RPT | \$600.00 | NO |
| Transfer tax | \$0.00 | NO | Comm.Pres | \$0.00 | NO |
| Comm.Pres Fund | \$0.00 | NO | Comm.Housing Fund | \$0.00 | NO |
| | | | Fees Paid | \$955.00 | |

TRANSFER TAX NUMBER: 23-29528

**THIS PAGE IS A PART OF THE INSTRUMENT
THIS IS NOT A BILL**

VINCENT PULEO
County Clerk, Suffolk County

1 2

Number of pages 62

RECORDED
2024 May 08 04:31:33 PM
VINCENT PULEO
CLERK OF
SUFFOLK COUNTY
L D00013247
P 811
DT# 23-29528

This document will be public record. Please remove all Social Security Numbers prior to recording.

Deed / Mortgage Instrument Deed / Mortgage Tax Stamp Recording / Filing Stamps

| | | | |
|----------------------|-------------------------|--------------------------|--|
| 3 | | FEES | |
| Page / Filing Fee | <u>310-</u> | 3 | Mortgage Amt. |
| Handling | <u>20.00</u> | | 1. Basic Tax |
| TP-584 | <u>5</u> | | 2. Additional Tax |
| Notation | | | Sub Total |
| EA-52 17 (County) | | | Spec./Assit. |
| EA-5217 (State) | | | or |
| R.P.T.S.A. <u>X2</u> | <u>600</u> | | Spec./Add. |
| Comm. of Ed. | <u>5.00</u> | | TOT. MTG. TAX |
| Affidavit | | | Dual Town <u> </u> Dual County <u> </u> |
| Certified Copy | | | Held for Appointment <u> </u> |
| NYS Surcharge | <u>15.00</u> | Transfer Tax <u> </u> | |
| Other | | Mansion Tax <u> </u> | |
| | Sub Total <u>335-</u> | | The property covered by this mortgage is or will be improved by a one or two family dwelling only. |
| | | | YES <u> </u> or NO <u> </u> |
| | | | If NO, see appropriate tax clause on page # <u>4-19-24</u> of this instrument. |
| | Sub Total <u>620-</u> | | |
| | Grand Total <u>955-</u> | | |



4 Dist. 0E 5305573
 Real Property Tax Service Agency Verification
 P T S R C V A A 30-APR-24
 See Attached
 001. 5 Community Preservation Fund
 Consideration Amount \$
 CPF Tax Due \$

6 Satisfaction/Discharges/Releases List Property Owners Mailing Address RECORD & RETURN TO:
 Daniel McCormick, Esq.
 Town of Southampton, Dept. of Community Preservation
 24 West Montauk Highway
 Hampton Bays, NY 11946
 Improved
 Vacant Land
 TD
 TD
 TD

Mail to: Vincent Puleo, Suffolk County Clerk
 310 Center Drive, Riverhead, NY 11901
 www.suffolkcountyny.gov/clerk
 7 Title Company Information
 Co. Name Advantage Title Group Agency, LLC
 Title # 23-AS-60577B

8 Suffolk County Recording & Endorsement Page

This page forms part of the attached Grant of Conservation Easement made by: Peconic Land Trust, Incorporated
 (SPECIFY TYPE OF INSTRUMENT)
 The premises herein is situated in SUFFOLK COUNTY, NEW YORK.
 TO Town of Southampton
 In the TOWN of Southampton
 In the VILLAGE
 or HAMLET of

BOXES 6 THRU 8 MUST BE TYPED OR PRINTED IN BLACK INK ONLY PRIOR TO RECORDING OR FILING.

(over)

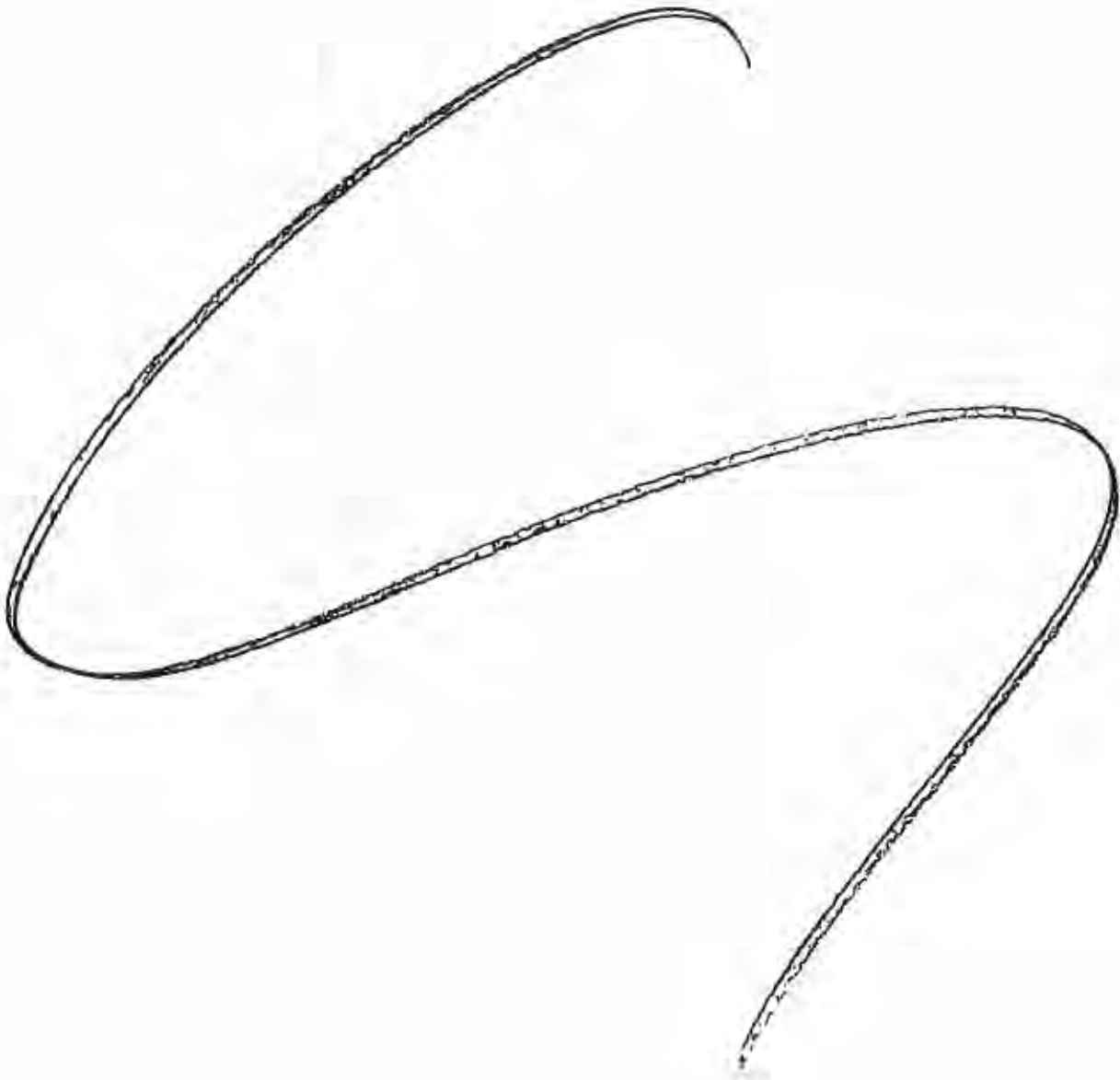
Stat ID:

5305573



Tax Maps

| District | Secton | Block | Lot | School District |
|----------|--------|-------|--------|-----------------|
| 0900 | 08700 | 0200 | 001001 | BRIDGEHAMPTON |
| 0900 | 08700 | 0200 | 011001 | BRIDGEHAMPTON |
| 0900 | 08700 | 0200 | 016000 | BRIDGEHAMPTON |



**GRANT OF CONSERVATION EASEMENT
WITH AFFIRMATIVE AND AFFORDABLE FARMING COVENANTS
AND RESALE RESTRICTIONS**

PECONIC LAND TRUST, INCORPORATED

to

TOWN OF SOUTHAMPTON

THIS GRANT OF CONSERVATION EASEMENT WITH AFFIRMATIVE AND AFFORDABLE FARMING COVENANTS AND RESALE RESTRICTIONS (“Conservation Easement” or “Easement”) made on the 19th day of April, 2024 (“Effective Date”), by and between **PECONIC LAND TRUST, INCORPORATED**, a not-for-profit New York Corporation, having a principal office at 296 Hampton Road, P.O. Box 1776, Southampton, New York 11969 (hereinafter referred to as the “Grantor”), and **TOWN OF SOUTHAMPTON**, a municipal corporation having offices at 116 Hampton Road, Southampton, New York 11968 (hereinafter referred to as the “Grantee”).

WITNESSETH:

WHEREAS, Grantor is the sole owner in fee simple of certain real property consisting of approximately 27.3 acres, located in the Hamlet of Bridgehampton, Town of Southampton, County of Suffolk, State of New York, and designated as SCTM #s 0900-087.000-02.00-001.001; 0900-087.00-02.00-011.001 and 0900-087.00-02.00-016.000, more fully described in SCHEDULE A, annexed hereto and shown on the Survey marked EXHIBIT A, both attached hereto and incorporated by reference (hereinafter referred to as the “Property”); and

WHEREAS, the Property is free of any mortgages or liens and Grantor possesses the right to grant this Easement; and

WHEREAS, said property being and intended to be same premises conveyed to Grantor, by deed dated April 19, 2024, and recorded in the Office of the Suffolk County Clerk on

May 8, 2024, in Liber *13247* Page *809*; and
May 8, 2024 in Liber 13247 page 810.

WHEREAS, Grantor wishes to grant and transfer to Grantee development rights on the Property so the Property shall continue to remain in its open, undeveloped, agricultural and scenic state and shall be further restricted with “Affirmative and Affordable Farming Covenants and Resale Restrictions” to ensure that the Property shall remain in active agricultural production and only be used for active agricultural production purposes as set forth herein and to ensure the protection of the scenic farm views of and across the Property; and

WHEREAS, it is the policy of the Town of Southampton, as articulated in the Town’s Comprehensive Plan, including the 1970 Master Plan, as updated and revised in 1983, 1984 and 1986, to preserve prime agricultural soils, to protect the scenic, open space and rural character of the Town, and to protect the Town’s resort and agricultural economy; and

WHEREAS, §330-50 of the Town Code of the Town of Southampton (hereinafter referred to as the "Town Code") and Article 49 of the New York State Environmental Conservation Law authorize the Town of Southampton to purchase the development rights of lands within the Agricultural Overlay District pursuant to the conditions, limitations, terms and provisions set forth in said statutes; and

WHEREAS, the Property possesses substantial and significant agricultural, open space, and scenic values (collectively, the "Conservation Values") and serves as an aesthetic and agricultural resource by reason of the fact that it has not been subject to any extensive development and in fact has been in active farm production; and

WHEREAS, Grantor and Grantee recognize the value and special character of the region in which the Property is located, and Grantor and Grantee have, in common, the purpose and objective of protecting and conserving the present state and inherent, tangible and intangible values of the Property as an aesthetic and agricultural resource; and

WHEREAS, protection of the Conservation Values by the terms of this Easement serves the following Conservation Purpose(s):

- A. Preservation of open space (including farmland) for the scenic enjoyment of the general public, which yields significant public benefit. Protection of the Property's open space as a working landscape through this Easement will be for the scenic enjoyment of the general public and will yield significant public benefit, and is therefore consistent with the requirements of Section 170(h)(4)(A)(iii)(I) of the Internal Revenue Code (the "Code") for the following reasons:
 - (1) the Property is unique to the area in its current agricultural, open space and scenic condition and has substantial and significant value as an aesthetic and agricultural resource because of the fact that it has not been subject to any extensive development and has been in active agricultural production while surrounded by increasing development in a sprawl pattern with limited conservation, such that the Property's scenic open space values as a working landscape are increasingly unique to the area; and
 - (2) The Property has frontage on the publicly accessible/publicly passable Halsey Lane, Bridgehampton, which currently offers the public scenic vistas of a working agricultural landscape from a public highway; and
- B. Protection of the Property through this Easement will achieve the preservation of open space (including farmland) pursuant to clearly delineated governmental conservation policy, which will yield significant public benefit, and is therefore consistent with the requirements of Section 170(h)(4)(A)(iii)(II) of the Code for the following reasons:

WHEREAS, §330-50 of the Town Code of the Town of Southampton (hereinafter referred to as the "Town Code") and Article 49 of the New York State Environmental Conservation Law authorize the Town of Southampton to purchase the development rights of lands within the Agricultural Overlay District pursuant to the conditions, limitations, terms and provisions set forth in said statutes; and

WHEREAS, the Property possesses substantial and significant agricultural, open space, and scenic values (collectively, the "Conservation Values") and serves as an aesthetic and agricultural resource by reason of the fact that it has not been subject to any extensive development and in fact has been in active farm production; and

WHEREAS, Grantor and Grantee recognize the value and special character of the region in which the Property is located, and Grantor and Grantee have, in common, the purpose and objective of protecting and conserving the present state and inherent, tangible and intangible values of the Property as an aesthetic and agricultural resource; and

WHEREAS, protection of the Conservation Values by the terms of this Easement serves the following Conservation Purpose(s):

- A. Preservation of open space (including farmland) for the scenic enjoyment of the general public, which yields significant public benefit. Protection of the Property's open space as a working landscape through this Easement will be for the scenic enjoyment of the general public and will yield significant public benefit, and is therefore consistent with the requirements of Section 170(h)(4)(A)(iii)(I) of the Internal Revenue Code (the "Code") for the following reasons:
 - (1) the Property is unique to the area in its current agricultural, open space and scenic condition and has substantial and significant value as an aesthetic and agricultural resource because of the fact that it has not been subject to any extensive development and has been in active agricultural production while surrounded by increasing development in a sprawl pattern with limited conservation, such that the Property's scenic open space values as a working landscape are increasingly unique to the area; and
 - (2) The Property has frontage on the publicly accessible/publicly passable Halsey Lane, Bridgehampton, which currently offers the public scenic vistas of a working agricultural landscape from a public highway; and
- B. Protection of the Property through this Easement will achieve the preservation of open space (including farmland) pursuant to clearly delineated governmental conservation policy, which will yield significant public benefit, and is therefore consistent with the requirements of Section 170(h)(4)(A)(iii)(II) of the Code for the following reasons:

Agricultural Conservation Policies:

- (1) The Property contains soils classified as Class I and Class II worthy of conservation as identified by the United States Department of Agriculture Soil Conservation Service's Soil Survey of Suffolk County, New York; and
- (2) The Property is located in the Agricultural Overlay District as designated under the 1970 Master Plan and the Town Code, which, according to Town Code §330-47, designates land areas the Town would like to see protected for agricultural purposes. Further, Town Code §330-50 authorizes the Town of Southampton to purchase development rights of lands within the Agricultural Overlay District pursuant to the conditions, limitations, terms and provisions set forth in said statutes; and
- (3) The Property is part of the New York State Agricultural District #5, and Grantor wishes to continue using the Property in an agricultural capacity and as scenic open space; and
- (4) The Property is part of the New York State Agricultural Individual Commitment Program, and Grantor wishes to continue using the Property in an agricultural capacity and as scenic open space; and
- (5) The Property qualifies for protection via the acquisition of interests or rights in real property by the Town of Southampton's Community Preservation Fund as it is designated in the Community Preservation Project Plan ranked in the farmland target preservation area, and is a parcel representative of the Town's community character, and the acquisition of this Easement shall be governed by Town Law Section 64-e and Chapter 140 of the Southampton Town Code; and
- (6) Section 247-26 of the Town Code, which establishes the Agricultural Advisory Committee, recognizes the importance of agriculture as both a vital local economic base and as a land form that provides the Town of Southampton with much of its rural, rustic character and charm, and provides for and acknowledges several mechanisms for enhancing the vitality of the local agricultural industry, including agricultural easements, agricultural use agreements and the purchase of development rights over agricultural lands.

NYS Legislation:

- (1) Article 14, Section 4 of the New York State Constitution states that "the policy of this state shall be to conserve and protect its natural resources and scenic beauty and encourage the development and improvement of its agricultural lands for the production of food and other agricultural products;" and.

- (2) Article 57 of the New York State Environmental Conservation Law, Section 57-0101 et seq., entitled "Long Island Pine Barrens Maritime Reserve Act," declared it to be in the public interest to protect and manage the Pine Barrens/Peconic Bay maritime system, including the Property; and
- (3) Article 4 of the New York State Town Law, Section 64-e et seq., entitled "Peconic Bay region community preservation funds" declared that any town in the Peconic Bay region area may establish a community preservation fund which purpose, among others, shall be the preservation of open space, including agricultural lands, and the required project plan shall include "the preservation of farmland as its highest priority."

WHEREAS, the Town of Southampton has adopted a voluntary program and additional policies to ensure that a reasonable amount of agricultural properties remain in active agricultural production and be used primarily for the production of foods and food products, and have determined that certain customarily permitted agricultural uses, including horseback riding academies, equestrian uses of any kind, vineyards; and production of horticultural specialties that result in the removal of soil from the Property, including, but not limited to ball and burlap nurseries, tree-farming, and sod farming, should be restricted or prohibited to promote such policies; and

WHEREAS, in furtherance of the above policies and programs, and in accordance with the provisions of §330-50 of the Town Code and Article 49 of the New York State Environmental Conservation Law, Grantee has determined it to be desirable and beneficial to acquire, and Grantor has agreed, for itself, and its successors and assigns, to grant the development rights of the Property to Grantee in order to restrict the development of the Property, while requiring consistent valuable agricultural production; and

WHEREAS, based upon the foregoing, the further protection of the Property is pursuant to clearly delineated governmental conservation policies and will yield a significant public benefit, and therefore the Easement is consistent with the requirements of Section 170(h)(4)(A)(iii)(II) of the Code; and

WHEREAS, this conservation easement is being acquired with monies from the Town of Southampton Community Preservation Fund, and it shall henceforth be used, managed, operated or disposed of in accordance with the New York State Town Law Section 64-e and Chapter 140 of the Code of the Town of Southampton.

NOW, THEREFORE, in consideration of **Thirty Million (\$30,000,000.00) Dollars** and other good and valuable consideration paid to Grantor, Grantor does hereby grant, transfer, bargain, sell and convey to Grantee, and Grantee hereby accepts, a conservation easement, in gross, with Affirmative and Affordable Farming Covenants and Resale Restrictions, which shall be binding upon and shall restrict the premises shown and designated as the Property herein in perpetuity.

Grantor and Grantee, for themselves, and for and on behalf of their respective legal representatives, successors and assigns, hereby covenant and agree as follows:

- (2) Article 57 of the New York State Environmental Conservation Law, Section 57-0101 et seq., entitled "Long Island Pine Barrens Maritime Reserve Act," declared it to be in the public interest to protect and manage the Pine Barrens/Peconic Bay maritime system, including the Property; and
- (3) Article 4 of the New York State Town Law, Section 64-e et seq., entitled "Peconic Bay region community preservation funds" declared that any town in the Peconic Bay region area may establish a community preservation fund which purpose, among others, shall be the preservation of open space, including agricultural lands, and the required project plan shall include "the preservation of farmland as its highest priority."

WHEREAS, the Town of Southampton has adopted a voluntary program and additional policies to ensure that a reasonable amount of agricultural properties remain in active agricultural production and be used primarily for the production of foods and food products, and have determined that certain customarily permitted agricultural uses, including horseback riding academies, equestrian uses of any kind, vineyards; and production of horticultural specialties that result in the removal of soil from the Property, including, but not limited to ball and burlap nurseries, tree-farming, and sod farming, should be restricted or prohibited to promote such policies; and

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WHEREAS, based upon the foregoing, the further protection of the Property is pursuant to clearly delineated governmental conservation policies and will yield a significant public benefit, and therefore the Easement is consistent with the requirements of Section 170(h)(4)(A)(iii)(II) of the Code; and

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Grantor and Grantee, for themselves, and for and on behalf of their respective legal representatives, successors and assigns, hereby covenant and agree as follows:

0.1 Purpose: The parties recognize the Conservation Values of the Property and have the common purpose of preserving these Conservation Values in perpetuity. The primary purpose of this Easement is to protect the Property's high-quality agricultural soils and productive agricultural capacity and to ensure that the Property will continue to be used for active agricultural production and other agricultural uses in perpetuity (the "Primary Conservation Purpose"). To the extent that protection of the Property's other Conservation Values (including but not limited to its scenic views and open space values) is consistent with the Primary Conservation Purpose, it is also the purpose of this Easement to protect those Conservation Values and ensure that the Property will be maintained in such scenic and open-space condition (the "Secondary Conservation Purpose"). The Primary Conservation Purpose, and Secondary Conservation Purpose shall collectively be referred to herein as the "Conservation Purpose" of this Easement.

Such Conservation Purpose shall be upheld and fulfilled by the inclusion of provisions that require the active agricultural management of the Property in perpetuity, including the Affirmative Farming Covenant and Resale Restriction, and by the prevention of any use or development of the Property for any purpose or in any manner contrary to the intent and provisions hereof. Any use or activity that is inconsistent with the Conservation Purpose or deleterious to the Conservation Values is prohibited.

The parties agree that Grantor's retention of certain rights specified in this Easement, including expressly permitted agricultural, residential (specifically housing for agricultural labor), and commercial uses, is consistent with the Conservation Purpose, provided those rights are exercised in accordance with the terms of this Easement.

0.2 Documentation: Grantor has made available to Grantee sufficient documentation to establish the condition of the Property as of the Effective Date of this Easement. In order to aid in identifying and documenting the condition of the Property's scenic, agricultural, and open space resources and otherwise to aid in identifying and documenting the Property's Conservation Values as of the Effective Date, and to assist Grantor and Grantee with monitoring the uses and activities on the Property and ensuring compliance with the terms hereof, Grantee has prepared, with Grantor's cooperation, an inventory of the Property's relevant features and conditions (the "Baseline Documentation") as of the Effective Date. This Baseline Documentation includes the Survey prepared by Squires, Holden, Weisenbacher & Smith, dated February 2, 2024, and updated March 13, 2024, filed in the Office of the Town Community Preservation Department, an aerial photograph, photographs of the Property, a topographical map, a description of land uses, features, structures, and soil conditions, a survey and an Agricultural Conservation Plan (as defined and further described in Sections 2.2 and 5.1 below, if applicable, and an acknowledgment page signed by Grantor and Grantee which verifies that the Baseline Documentation report accurately represents the condition of the Property as of the Effective Date, a copy of which is attached hereto as Exhibit C and incorporated herein by this reference. Copies of the Baseline Documentation shall be retained safely by Grantor and Grantee. Grantor and Grantee acknowledge and agree that in the event a disagreement arises with respect to the nature and extent of Grantor's uses of the Property or the Property's physical condition as of the Effective Date, the parties shall not be precluded from utilizing any other relevant or material document, survey, report, photograph, or other evidence to assist in the resolution of the disagreement.

ARTICLE ONE THE EASEMENT

1.1 Type: This indenture conveys pursuant to Environmental Conservation Law of the State of New York, §49-0301 et seq., a conservation easement, which shall consist of the limitations, conditions, covenants, agreements, provisions and use restrictions recited herein. Reference to this "Easement" or its "provisions" in this indenture shall include any and all of those limitations, conditions, covenants, agreements, provisions and use restrictions.

1.2 Duration: Grantee hereby accepts the foregoing grant of Easement and the parties hereto each agree that the limitations, conditions, covenants, agreements, provisions and use restrictions herein set forth shall, in all respects upon the recording of this instrument by the parties hereto, be immediately binding upon Grantor, and its successors and assigns, and same shall benefit Grantee and its successors and assigns, and that the burdens of said Easement are perpetual and shall run with the land.

1.3 Effect: The covenants, limitations, conditions, covenants, agreements, provisions and use restrictions of this Easement shall run with the Property as an incorporeal interest in the Property and shall bind the successors and assigns of each of the parties respectively. This Easement shall extend to and be binding upon Grantors, and Grantors' heirs, agents, tenants, representatives, successors, and assigns. Any rights, obligations, and interests herein granted to Grantee shall also be deemed granted to each of its agents, successors, and assigns and each such following successor and assign, and the word "Grantee" when used herein shall include all of those persons or entities.

ARTICLE TWO DEFINITIONS

2.1 Agricultural Activities: Agricultural Activities shall be given the meaning set forth in Section 4.4 below.

2.2 Agricultural Conservation Plan: Agricultural Conservation Plan shall be given the meaning set forth in Section 5.1 below.

2.3 Commercial Agricultural Activities: Any Agricultural Activity that results in a substantial portion of those crops, livestock and livestock products cultivated, grown, raised, and/or produced on the Property being sold, traded, or otherwise exchanged, and/or consumed as food by livestock that is used for either direct or indirect food consumption as set forth in Section 4.4 below.

2.4 Crops, livestock, and livestock products: Those agricultural products as such terms are defined in §301 of the New York State Agriculture and Markets Law (as amended) except those expressly excluded pursuant to Section 4.4 herein.

2.5 Development rights: The permanent legal interest and right to prohibit or restrict the use of the Property for anything other than those uses that are permitted under the terms of this Easement, including but not limited to permitted Agricultural Activities.

2.6 Equestrian use: To use land, and erect structures thereon, for the purpose of boarding, breeding, raising and training horses or other equines, including, but not limited to, riding academies or

0.1 Purpose: The parties recognize the Conservation Values of the Property and have the common purpose of preserving these Conservation Values in perpetuity. The primary purpose of this Easement is to protect the Property's high-quality agricultural soils and productive agricultural capacity and to ensure that the Property will continue to be used for active agricultural production and other agricultural uses in perpetuity (the "Primary Conservation Purpose"). To the extent that protection of the Property's other Conservation Values (including but not limited to its scenic views and open space values) is consistent with the Primary Conservation Purpose, it is also the purpose of this Easement to protect those Conservation Values and ensure that the Property will be maintained in such scenic and open-space condition (the "Secondary Conservation Purpose"). The Primary Conservation Purpose, and Secondary Conservation Purpose shall collectively be referred to herein as the "Conservation Purpose" of this Easement.

Such Conservation Purpose shall be upheld and fulfilled by the inclusion of provisions that require the active agricultural management of the Property in perpetuity, including the Affirmative Farming Covenant and Resale Restriction, and by the prevention of any use or development of the Property for any purpose or in any manner contrary to the intent and provisions hereof. Any use or activity that is inconsistent with the Conservation Purpose or deleterious to the Conservation Values is prohibited.

The parties agree that Grantor's retention of certain rights specified in this Easement, including expressly permitted agricultural, residential (specifically housing for agricultural labor), and commercial uses, is consistent with the Conservation Purpose, provided those rights are exercised in accordance with the terms of this Easement.

0.2 Documentation: Grantor has made available to Grantee sufficient documentation to establish the condition of the Property as of the Effective Date of this Easement. In order to aid in identifying and documenting the condition of the Property's scenic, agricultural, and open space resources and otherwise to aid in identifying and documenting the Property's Conservation Values as of the Effective Date, and to assist Grantor and Grantee with monitoring the uses and activities on the Property and ensuring compliance with the terms hereof, Grantee has prepared, with Grantor's cooperation, an inventory of the Property's relevant features and conditions (the "Baseline Documentation") as of the Effective Date. This Baseline Documentation includes the Survey prepared by Squires, Holden, Weisenbacher & Smith, dated February 2, 2024, and updated March 13, 2024, filed in the Office of the Town Community Preservation Department, an aerial photograph, photographs of the Property, a topographical map, a description of land uses, features, structures, and soil conditions, a survey and an Agricultural Conservation Plan (as defined and further described in Sections 2.2 and 5.1 below, if applicable, and an acknowledgment page signed by Grantor and Grantee which verifies that the Baseline Documentation report accurately represents the condition of the Property as of the Effective Date, a copy of which is attached hereto as Exhibit C and incorporated herein by this reference. Copies of the Baseline Documentation shall be retained safely by Grantor and Grantee. Grantor and Grantee acknowledge and agree that in the event a disagreement arises with respect to the nature and extent of Grantor's uses of the Property or the Property's physical condition as of the Effective Date, the parties shall not be precluded from utilizing any other relevant or material document, survey, report, photograph, or other evidence to assist in the resolution of the disagreement.

equine events such as rodeos, horse shows or polo matches where spectators are expected to attend.

2.7 Fallow: Land that is plowed and harrowed but left unsown for a temporary period not exceeding two (2) consecutive years in order to restore its fertility as part of a crop rotation or to avoid surplus production in consideration of an Agricultural Conservation Plan. Fallow shall also include any period in which the Property or any portion thereof is quarantined by New York State, Suffolk County, or similar governmental agency.

2.8 Family: (1) The spouse; children, grandchildren, sibling, together with any spouses and children thereof, of Grantor or any member of Grantor, and the lineal descendants or issue of the persons described above; (2) a corporation, partnership, or other legal entity which is wholly owned and controlled by the persons described in item (1) above; and (3) a trust or other estate-planning entity, of which the persons described in item (1) above are the sole beneficiaries.

2.9 Food and Food Products: All articles of food, drink, confectionary or condiment, whether simple, mixed or compound, used or intended for use by humans or animals, and shall also include all substances and ingredients to be added to food for any purpose as the term is defined by §2 of the New York State Agriculture and Markets Law as of the Effective Date of this Easement.

2.10 Housing for Agricultural Labor: The dwellings and group quarters used to provide housing for regular and essential employees who are primarily employed in connection with the subject farm operation and their immediate families. Regular employees are those who are usually and customarily employed to assist in producing farm products and essential employees are those, without whose help, a necessary production function of the farm operation could not take place. The farm owner or his immediate family members cannot use the buildings or structures used for housing for agricultural labor as a primary residence, except that a farm owner's immediate family members may qualify as farm workers only if they are regular and essential employees of the farm and do not maintain an ownership interest in the farm operation. Housing for Agricultural Labor shall be subject to and must comply with all applicable state, county and local regulations and laws.

2.11 Production of Foods: Production of Foods (or "Food Production") means the cultivation, growing, raising, and/or production of Food and Food Products, including but not limited to row crops for consumption as food by livestock for either direct consumption, such as beef cattle, or indirect consumption, such as dairy cows for the production of milk and milk products or chickens for the production of eggs. The cultivation, growing, raising, or production of row crops for consumption as food by livestock that is not used for either direct or indirect food consumption, such as horses, is not within the meaning of Food Production.

2.12 Qualified Farmer: A person or legal entity that meets all of the following criteria: (i) whose aggregate agricultural operations meet the qualifications necessary to keep the Property enrolled in the NYS Agricultural District and the NYS Agricultural Assessment Program based on those qualification criteria existing at the time that eligibility as a Qualified Farmer is determined; (ii) may reasonably be expected to earn more than one-half of his, her, or its annual adjusted gross income from the "business of farming," as farming is defined in 26 C.F.R. section 1.175-3 (or any successor regulation); and (iii) expects to devote substantially full-time to farming operations including on the Property (in the case of an entity operator, substantially full-time for each of its principal employees). Notwithstanding the foregoing, Grantee shall make the final determination of the qualification of a

proposed operator, lessee or purchaser as a Qualified Farmer based on its reasonable interpretation and analysis of the above-stated requirements or additional requirements that Grantee may from time to time reasonably determine in the best interests of maintaining the Property in agricultural production, including, but not limited to, the submission to Grantee of a business plan and the submission of demonstrated farming experience and/or training.

2.13 Riding Academy: A business use of a lot for any of the following purposes: the letting of horses for hire to individuals or groups, whether supervised or unsupervised, horseback riding instruction, the holding of horse shows or other equine events.

2.14 Structure: Anything constructed or erected on or under the ground or upon another structure or building, including berms, driveways or walkways.

ARTICLE THREE PROHIBITED ACTS

From and after the Effective Date of this Easement, the following acts, uses and practices shall be prohibited upon or within the Property in perpetuity:

3.1 Buildings and Structures: The construction or placement of buildings, structures, or improvements of any kind or nature (including, but not limited to, mobile homes), permanent or temporary, on, over or under the Property shall be prohibited, except as otherwise provided under Section 4.5 herein. Any building, structure, or improvement that is permitted under Section 4.5 shall not be erected on, over, or under the Property without the prior written approval of Grantee, which may only be granted if the building, structure, or improvement does not defeat or derogate from the Conservation Purpose of this Easement or other applicable law.

3.2. Excavation and Removal of Materials: The dredging, excavating, mining or filling of the Property is prohibited. The removal of topsoil, sand, or other materials shall not take place on the Property nor shall the soil horizon or topography of the Property be changed. Nothing herein shall preclude Grantor from performing those activities that are necessary and customary to standard agricultural practices, including modification and enhancement of the soil quality, soil drainage characteristics and soil horizon pursuant to an Agricultural Conservation Plan as set forth in Section 5.1 below, or for purposes of erosion control and soil conservation, or any excavation or filling necessary for the erection of permitted structures pursuant to Section 4.5.

3.3 Subdivision/Partial Lease: No subdivision or partitioning of the Property shall be permitted unless approved by the Planning Board of the Town of Southampton or its successor. The Planning Board may approve such subdivision provided that the resultant lots remain feasible for Commercial Agricultural Activities as defined in Section 2.3. Nothing herein shall preclude the Planning Board from imposing, in addition to the conditions and restrictions set forth herein, such other reasonable conditions and restrictions as are directly related to and incidental to the subdivision of the land. The partial lease of the Property for any purpose other than to maintain the use of the Property in agricultural production shall not be permitted without the prior written approval of Grantee, which shall not be unreasonably withheld.

3.4 Dumping: The dumping or accumulation of unsightly or offensive materials including, but not

proposed operator, lessee or purchaser as a Qualified Farmer based on its reasonable interpretation and analysis of the above-stated requirements or additional requirements that Grantee may from time to time reasonably determine in the best interests of maintaining the Property in agricultural production, including, but not limited to, the submission to Grantee of a business plan and the submission of demonstrated farming experience and/or training.

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3.1 Buildings and Structures: The construction or placement of buildings, structures, or improvements of any kind or nature (including, but not limited to, mobile homes), permanent or temporary, on, over or under the Property shall be prohibited, except as otherwise provided under Section 4.5 herein. Any building, structure, or improvement that is permitted under Section 4.5 shall not be erected on, over, or under the Property without the prior written approval of Grantee, which may only be granted if the building, structure, or improvement does not defeat or derogate from the Conservation Purpose of this Easement or other applicable law.

3.2. Excavation and Removal of Materials: The dredging, excavating, mining or filling of the Property is prohibited. The removal of topsoil, sand, or other materials shall not take place on the Property nor shall the soil horizon or topography of the Property be changed. Nothing herein shall preclude Grantor from performing those activities that are necessary and customary to standard agricultural practices, including modification and enhancement of the soil quality, soil drainage characteristics and soil horizon pursuant to an Agricultural Conservation Plan as set forth in Section 5.1 below, or for purposes of erosion control and soil conservation, or any excavation or filling necessary for the erection of permitted structures pursuant to Section 4.5.

3.3 Subdivision/Partial Lease: No subdivision or partitioning of the Property shall be permitted unless approved by the Planning Board of the Town of Southampton or its successor. The Planning Board may approve such subdivision provided that the resultant lots remain feasible for Commercial Agricultural Activities as defined in Section 2.3. Nothing herein shall preclude the Planning Board from imposing, in addition to the conditions and restrictions set forth herein, such other reasonable conditions and restrictions as are directly related to and incidental to the subdivision of the land. The partial lease of the Property for any purpose other than to maintain the use of the Property in agricultural production shall not be permitted without the prior written approval of Grantee, which shall not be unreasonably withheld.

3.4 Dumping: The dumping or accumulation of unsightly or offensive materials including, but not

limited to trash, garbage, ashes or chemical waste on the Property is prohibited. Nothing herein shall preclude the disposal, processing, mixing or handling of organic matter and agricultural wastes in connection with compost, mulch or other organic biomass crops as defined in §301 of the New York State Agricultural and Markets Law.

3.5 Signs: The display of signs, billboards, or advertisements on the Property is prohibited, except signs whose placement, number, and design do not significantly diminish the Conservation Values, and in particular, the aesthetic and scenic character of the Property and only for the following purposes: (a) to state the name of the Property and the names and addresses of the occupants; (b) to advertise the permitted use of the Property; (c) to temporarily advertise the Property or any portion thereof for sale or rent (subject to and in accordance with applicable provisions of the Town Code and Articles Five and Six herein); (d) to post the Property to control unauthorized entry or use; and (e) to announce this Easement. Any permitted sign shall not be more than six (6) square feet in size, shall be non-illuminated, and shall be subject to applicable governmental regulatory requirements.

3.6 Utilities: The creation or placement of overhead or underground utility transmission lines, utility poles, wires, pipes, wells or drainage and septic systems on the Property is prohibited, except as provided under Section 4.5 herein.

3.7 Prohibited Uses: The use of the Property for any permanent or temporary residential, commercial, or industrial use, including but not limited to any of the following: any commercial recreational use; Riding Academy; Equestrian Use of any kind; vineyards and wineries; the production of horticultural specialties that result in the removal of soil from the Property including, but not limited to, ball and burlap nursery, tree farming and sod farming; wireless communication towers and special events (as the term is defined in Chapter 283 of the Town Code, as amended from time to time). Commercial Agricultural Activities permitted under Section 4.4 and not expressly prohibited herein, and Housing for Agricultural Labor as defined in Section 2.10 above shall not be considered a prohibited commercial use.

3.8 Landscape Screening: The placement of landscape screening, hedgerows, or any other vegetative screening (the "landscape screening") along or near areas visible to the public shall be prohibited, except screening that is demonstrated to be necessary, incidental and accessory to the agricultural activity and provided Grantor has received prior written approval of Grantee, which may only be granted if it is determined that the landscape screening is necessary, incidental and accessory to the agricultural activity and does not defeat or derogate from the Conservation Purpose of this Easement or other applicable law. If Grantee receives approval to install landscape screening, such screening shall be removed promptly upon the termination of the agricultural activity that necessitated said screening.

ARTICLE FOUR GRANTOR'S RIGHTS

4.1 Ownership: Subject this Easement, Grantor shall retain all other customary rights of ownership in the Property, some of which are more particularly described in this Article Four.

4.2 Possession: Grantor shall continue to have the right to exclusive possession of the Property.

4.3 Use: Grantor shall have the right to use the Property in any manner and for any purpose that is consistent with and not prohibited by this Easement and applicable local, state and federal laws, and which would not defeat or derogate from the Conservation Purpose of this Easement.

4.4 Agricultural Activities: Grantor shall have the right to engage in any type of agricultural activity that meets the following terms and conditions: (i) the agricultural activity is described under §301 of the New York State Agriculture and Markets Law, except those agricultural activities prohibited under Section 3.7, including but not limited to Riding Academy, Equestrian Use of any kind, vineyards and wineries, and the production of horticultural specialties that result in the removal of soil from the Property including, but not limited to, ball and burlap nursery, tree-farming and sod farming; (ii) the agricultural activity does not have a material adverse effect on the Conservation Values; (iii) the agricultural activity is a permitted Commercial Agricultural Activity as defined in Section 2.3, and is conducted in accordance with the Conservation Purpose and other terms and conditions of this Easement, and in consideration of an Agricultural Conservation Plan as defined and described in Sections 2.2 and 5.1; and (iv) at least eighty percent (80%) of the Property is, at all times (except when the Property is fallow pursuant to the terms of this Easement), used for the Production of Food as defined in Section 2.11. For purposes of calculating compliance with this percentage requirement under subsection (iv), the following areas and improvements shall be excluded from the Property acreage calculation: headlands, sensitive natural areas, and land allowed to lay fallow as defined in Section 2.7 in consideration of an Agricultural Conservation Plan as provided in Section 5.1 herein.

Should §301 of the New York State Agricultural and Markets Law be amended after the Effective Date to include agricultural activities and uses not currently included in the present law, Grantor may engage in such additional agricultural activities only with the prior written consent of Grantee. Structures and improvements, as permitted by Section 4.5 and as may be reasonably necessary in connection with any permitted Agricultural Activities, may be constructed by Grantor with the prior written approval of Grantee. Such structures once constructed, and any structures and improvements in existence at the time of this Easement, may be maintained or replaced as provided in Section 4.5(C) below.

4.5 Structures and Improvements

A. **Allowable Improvements:** Grantor shall have the right to erect and maintain buildings, structures, and improvements on the Property that are reasonably necessary, incidental and accessory to the Agricultural Activity permitted in Section 4.4 hereof and subject to the provisions of Section 3.1 herein, provided that Grantor has received the prior written approval of Grantee, which may be granted only if the building, structure, or improvement does not defeat or derogate from the Conservation Purpose of this Easement or other applicable laws. Said structures and improvements include:

- (i) Agricultural buildings or structures, permanent or temporary, that are necessary, incidental and/or accessory to the agricultural activity of the Property, including, but not limited to, high tunnels and greenhouses within which crops consistent with the permitted Commercial Agricultural Activities are grown, and Housing for

4.3 Use: Grantor shall have the right to use the Property in any manner and for any purpose that is consistent with and not prohibited by this Easement and applicable local, state and federal laws, and which would not defeat or derogate from the Conservation Purpose of this Easement.

4.4 Agricultural Activities: Grantor shall have the right to engage in any type of agricultural activity that meets the following terms and conditions: (i) the agricultural activity is described under §301 of the New York State Agriculture and Markets Law, except those agricultural activities prohibited under Section 3.7, including but not limited to Riding Academy, Equestrian Use of any kind, vineyards and wineries, and the production of horticultural specialties that result in the removal of soil from the Property including, but not limited to, ball and burlap nursery, tree-farming and sod farming; (ii) the agricultural activity does not have a material adverse effect on the Conservation Values; (iii) the agricultural activity is a permitted Commercial Agricultural Activity as defined in Section 2.3, and is conducted in accordance with the Conservation Purpose and other terms and conditions of this Easement, and in consideration of an Agricultural Conservation Plan as defined and described in Sections 2.2 and 5.1; and (iv) at least eighty percent (80%) of the Property is, at all times (except when the Property is fallow pursuant to the terms of this Easement), used for the Production of Food as defined in Section 2.11. For purposes of calculating compliance with this percentage requirement under subsection (iv), the following areas and improvements shall be excluded from the Property acreage calculation: headlands, sensitive natural areas, and land allowed to lay fallow as defined in Section 2.7 in consideration of an Agricultural Conservation Plan as provided in Section 5.1 herein.

Should §301 of the New York State Agricultural and Markets Law be amended after the Effective Date to include agricultural activities and uses not currently included in the present law, Grantor may engage in such additional agricultural activities only with the prior written consent of Grantee. Structures and improvements, as permitted by Section 4.5 and as may be reasonably necessary in connection with any permitted Agricultural Activities, may be constructed by Grantor with the prior written approval of Grantee. Such structures once constructed, and any structures and improvements in existence at the time of this Easement, may be maintained or replaced as provided in Section 4.5(C) below.

4.5 Structures and Improvements

A. **Allowable Improvements:** Grantor shall have the right to erect and maintain buildings, structures, and improvements on the Property that are reasonably necessary, incidental and accessory to the Agricultural Activity permitted in Section 4.4 hereof and subject to the provisions of Section 3.1 herein, provided that Grantor has received the prior written approval of Grantee, which may be granted only if the building, structure, or improvement does not defeat or derogate from the Conservation Purpose of this Easement or other applicable laws. Said structures and improvements include:

- (i) Agricultural buildings or structures, permanent or temporary, that are necessary, incidental and/or accessory to the agricultural activity of the Property, including, but not limited to, high tunnels and greenhouses within which crops consistent with the permitted Commercial Agricultural Activities are grown, and Housing for

- Agricultural Labor; total lot coverage shall be limited to twenty percent (20%); and
- (ii) Access drives to provide access to the improvements permitted herein and a foot trail for pedestrian and non-motorized vehicles for the sole use of the owners, tenants, occupants, assigns and possessors of Property and their respective invitees; and
 - (iii) Composting piles and facilities; and
 - (iv) Fences, irrigation pumps, and underground facilities normally used in connection with supplying utilities, removing sanitary sewage effluent, and controlling storm water runoff from the improvements permitted hereunder. Grantor shall have the right to maintain the existing agricultural deer fencing on the premises.
- C. Replacement of Structures or Improvements: In the event of obsolescence, destruction, or irreparable damage to any permitted building, structure, or improvement, the erection of a building, structure, or improvement of comparable size, bulk, use, and general design to the damaged structure shall be permitted in kind and within the same location subject to the review and written approval of Grantee.
- D. Calculation of Permitted Commercial Agricultural Activities: For purposes of calculating and monitoring the permitted Commercial Agricultural Activities, including the requirement that at least eighty percent (80%) of the Property (subject to certain exclusions as provided in Section 4.4 above) shall at all times be used for the Production of Foods, all allowable improvements shall be excluded from such calculations with the exception of high tunnels, greenhouses, and any other structure or improvement within which crops consistent with the permitted Commercial Agricultural Activities are grown. For purposes of calculating the requirement that at least eighty percent (80%) of the Property (subject to certain exclusions as provided in Section 4.4 above) shall at all times be used for the Production of Foods, the area of the Property covered by high tunnels, greenhouses, and any other structure or improvement within which crops consistent with the permitted Commercial Agricultural Activities are grown shall be included to the extent the area within such improvement is being used for Food Production. In addition, headlands, sensitive natural areas, and land allowed to lay fallow (as defined in Section 2.7 above) in consideration of an Agricultural Conservation Plan shall be excluded from such calculations as provided in Section 4.4 above.

ARTICLE FIVE AFFIRMATIVE FARMING COVENANT

5.1 Agricultural Conservation Plan: All Agricultural Activities on the Property shall be conducted in consideration of an agricultural conservation plan (“Agricultural Conservation Plan”) prepared by or in consultation with the Natural Resources Conservation Service (“NRCS”) utilizing the standards and specifications of the NRCS localized Field Office Technical Guide and approved by Grantee and the Suffolk County Soil and Water Conservation District. Within ninety (90) days after the execution of this Easement, Grantor shall initiate and promptly submit an Agricultural Conservation Plan prepared by or in consultation with the NRCS as outlined above for the Property for Grantee’s confirmation and approval that such Agricultural Conservation Plan is consistent with the terms of

this Easement. Upon Grantee's approval, such Agricultural Conservation Plan will be incorporated herein by this reference, and a copy of such Agricultural Conservation Plan will be appended to the Baseline Documentation. Grantor shall update the Agricultural Conservation Plan at least every ten (10) years or sooner in the event of any proposed significant change to the existing Agricultural Conservation Plan or any transfer of any interest in the Property (including a leasehold interest). Any subsequent update and/or amendment shall be prepared by or in consultation with the NRCS as outlined above and shall be submitted to Grantee within ten (10) days of issuance for Grantee's review and approval.

5.2 Abandonment of Agricultural Uses: Grantor and Grantee intend that the Property shall be actively used for Commercial Agricultural Activities in perpetuity; however, Grantor and Grantee recognize that unforeseen events may necessitate that the Property be taken out of such use temporarily or that Grantor may, for whatever reason, wish to cease conducting Commercial Agricultural Activities on the Property. Land allowed to lay fallow as defined in Section 2.7 in consideration of the Agricultural Conservation Plan shall be deemed to be used for Commercial Agricultural Activities.

If Grantor decides to cease, or ceases, to conduct Commercial Agricultural Activities on the Property for a period longer than six (6) months, Grantor shall notify Grantee of such decision or of the cessation of Commercial Agricultural Activities on the earlier to occur of the following dates: (i) within twenty (20) days of any decision by Grantor to cease to conduct Commercial Agricultural Activities on the Property for a period longer than six (6) months; or (ii) within twenty (20) days following the end of any six (6) month period during which the Property is not being used for Commercial Agricultural Activities (collectively, a "Grantor Cessation Notice"). Additionally, if Grantor has ceased Commercial Agricultural Activities on the Property for a period longer than six (6) months, Grantee shall have the option to notify Grantor of such fact (a "Grantee Cessation Notice"). A Grantor Cessation Notice or Grantee Cessation Notice, alternatively, shall be referred to herein as a "Cessation Notice."

During any period of cessation of Commercial Agricultural Activities, Grantor agrees to keep the Property open and available for Commercial Agricultural Activities consistent with the Agricultural Conservation Plan. If Grantor fails to resume active Commercial Agricultural Activities within one year after the Date of Cessation, Grantee shall have the right, but not the obligation, to enter on the Property and restore, prepare and/or maintain the Property for future Commercial Agricultural Activities. Grantee's activities on the Property shall be consistent with the Agricultural Conservation Plan and the Conservation Purpose and other terms and conditions of this Easement. Grantee shall have the right to obtain reimbursement from Grantor for the costs associated with the implementation of such restoration, preparation, and maintenance of the Property.

If Grantor (i) fails to resume Commercial Agricultural Activities on the Property (A) within six (6) months from the date upon which a Cessation Notice is delivered or (B) if no timely Cessation Notice is delivered, within six (6) months from the date upon which Grantee determines that the Property has not been used for Commercial Agricultural Activities for a period of six (6) months or more or (ii) notifies Grantee that it has decided that it no longer intends to conduct Commercial Agricultural Activities on the Property (each of the foregoing a "Triggering Event"), Grantor shall immediately upon the occurrence of such Triggering Event use its best efforts to enter into an agricultural lease with a Qualified Farmer of at least the portion of the Property used for Commercial Agricultural

this Easement. Upon Grantee's approval, such Agricultural Conservation Plan will be incorporated herein by this reference, and a copy of such Agricultural Conservation Plan will be appended to the Baseline Documentation. Grantor shall update the Agricultural Conservation Plan at least every ten (10) years or sooner in the event of any proposed significant change to the existing Agricultural Conservation Plan or any transfer of any interest in the Property (including a leasehold interest). Any subsequent update and/or amendment shall be prepared by or in consultation with the NRCS as outlined above and shall be submitted to Grantee within ten (10) days of issuance for Grantee's review and approval.

5.2 Abandonment of Agricultural Uses: Grantor and Grantee intend that the Property shall be actively used for Commercial Agricultural Activities in perpetuity; however, Grantor and Grantee recognize that unforeseen events may necessitate that the Property be taken out of such use temporarily or that Grantor may, for whatever reason, wish to cease conducting Commercial Agricultural Activities on the Property. Land allowed to lay fallow as defined in Section 2.7 in consideration of the Agricultural Conservation Plan shall be deemed to be used for Commercial Agricultural Activities.

If Grantor decides to cease, or ceases, to conduct Commercial Agricultural Activities on the Property for a period longer than six (6) months, Grantor shall notify Grantee of such decision or of the cessation of Commercial Agricultural Activities on the earlier to occur of the following dates: (i) within twenty (20) days of any decision by Grantor to cease to conduct Commercial Agricultural Activities on the Property for a period longer than six (6) months; or (ii) within twenty (20) days following the end of any six (6) month period during which the Property is not being used for Commercial Agricultural Activities (collectively, a "Grantor Cessation Notice"). Additionally, if Grantor has ceased Commercial Agricultural Activities on the Property for a period longer than six (6) months, Grantee shall have the option to notify Grantor of such fact (a "Grantee Cessation Notice"). A Grantor Cessation Notice or Grantee Cessation Notice, alternatively, shall be referred to herein as a "Cessation Notice."

During any period of cessation of Commercial Agricultural Activities, Grantor agrees to keep the Property open and available for Commercial Agricultural Activities consistent with the Agricultural Conservation Plan. If Grantor fails to resume active Commercial Agricultural Activities within one year after the Date of Cessation, Grantee shall have the right, but not the obligation, to enter on the Property and restore, prepare and/or maintain the Property for future Commercial Agricultural Activities. Grantee's activities on the Property shall be consistent with the Agricultural Conservation Plan and the Conservation Purpose and other terms and conditions of this Easement. Grantee shall have the right to obtain reimbursement from Grantor for the costs associated with the implementation of such restoration, preparation, and maintenance of the Property.

If Grantor (i) fails to resume Commercial Agricultural Activities on the Property (A) within six (6) months from the date upon which a Cessation Notice is delivered or (B) if no timely Cessation Notice is delivered, within six (6) months from the date upon which Grantee determines that the Property has not been used for Commercial Agricultural Activities for a period of six (6) months or more or (ii) notifies Grantee that it has decided that it no longer intends to conduct Commercial Agricultural Activities on the Property (each of the foregoing a "Triggering Event"), Grantor shall immediately upon the occurrence of such Triggering Event use its best efforts to enter into an agricultural lease with a Qualified Farmer of at least the portion of the Property used for Commercial Agricultural

Activities in compliance with all terms and conditions of this Easement, for a period of not less than five (5) years for the conduct of commercial Agricultural Activities on the Property in accordance with the terms of the Agricultural Conservation Plan and the Conservation Purpose and other terms and conditions of this Easement; provided that the Agricultural Conservation Plan may be amended to accommodate the lessee's proposed Commercial Agricultural Activities so long as such amendment is made pursuant to the terms of Section 5.1 above. Grantor shall incorporate by reference the Agricultural Conservation Plan (as amended as provided above) and this Easement in any such lease, shall promptly notify Grantee in writing of the execution of any such lease, and shall provide a copy of such lease to Grantee for its review to confirm consistency with the terms of the Agricultural Conservation Plan (as may be amended) and the Conservation Purpose and other terms and conditions of this Easement.

If Grantor is unable to secure an agricultural lease of the Property with a Qualified Farmer within six (6) months of the date Grantor is obligated to begin seeking a Qualified Farmer lessee as provided above, Grantee shall have the right, but not the obligation and at its discretion, to unilaterally invoke, by written notice to Grantor, the lease attached hereto as Exhibit B and incorporated herein by this reference ("Lease") for a term of not less than five (5) years to restore, prepare and/or maintain the Property for future Commercial Agricultural Activities, to conduct Commercial Agricultural Activities itself, and/or to assign the Lease or sublease the Property to a Qualified Farmer pursuant to the terms of the Lease. Grantee's activities on the Property shall be consistent with the Lease, the Agricultural Conservation Plan, and the Conservation Purpose and other terms and conditions of this Easement; provided that the Agricultural Conservation Plan may be amended to accommodate Grantee's and/or the Qualified Farmer's proposed Commercial Agricultural Activities so long as such amendment is made pursuant to the terms of Section 5.1 above. Grantee shall have the right to deduct from the rent owed under the Lease any costs associated with the implementation of any restoration, preparation, and maintenance of the Property for future Commercial Agricultural Activities and/or any costs incurred by Lessee related to any assignment or sublease of the Lease to a Qualified Farmer. Grantee shall provide written documentation of all such costs to Grantor at the time of deduction.

The parties agree that Grantee's remedies at law for any violation of Grantor's commitment to conduct Commercial Agricultural Activities on the Property as required by this Easement are inadequate, and Grantee shall be entitled to specific performance of the commitment to conduct such use as required by this Easement without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. This right is in addition to the right to injunctive relief, both prohibitive and mandatory, and such other relief to which Grantee may be entitled. Grantee's remedies described in this section shall be cumulative and shall be in addition to any other remedies provided in this Easement as well as in addition to all remedies now or hereafter existing at law or in equity.

ARTICLE SIX AFFORDABLE FARMING COVENANT AND RESALE RESTRICTIONS

Grantor may sell, lease, give, devise, pledge, transfer or otherwise convey the Property, or any interest therein, including any controlling interest in any entity such as a corporation or

partnership owning the Property (any such transaction, a "Conveyance"), but only subject to the following restrictions:

6.1 Notice of Intent to Market the Property for Sale. Grantor shall notify Grantee in writing no less than forty-five (45) days prior to any marketing of the Property for sale, including advertising the Property for sale or entering into an agreement with a real estate broker for the purpose of listing the Property for sale.

6.2 Maximum Sale Price. Grantor may offer the Property for sale at no more than the "Maximum Sale Price," which is limited to annual appreciation of the Property as determined by Grantee by multiplying (i) the per-acre value of the Property encumbered by this Easement as of the Effective Date, which the parties have determined is TWENTY SIX THOUSAND FIVE HUNDRED FIFTY-FIVE DOLLARS (\$26,555.00) per acre by the lesser of (A) the change in Area Median Income (AMI) or (B) the Consumer Price Index (CPI) (for all Urban Consumers NY), and, in any event, no more than three and one-half percent (3.5%) per year. As with any property sold, the condition of the Property and closing terms may result in a selling price below the Maximum Sale Price set by Grantee.

6.3 Capital Improvement Credit. Credit for the present value (calculated at the time of the transfer or sale of the Property to a Qualified Farmer) of capital improvements made by Grantor and the purchase price of any easements and covenants affecting the Property acquired by Grantor will be added to the Maximum Sale Price.

6.4 Qualified Farmer. Except as otherwise provided in this Section 6.4 or Section 6.6 below, Grantor shall sell the Property only to a Qualified Farmer. Grantee shall make the final determination of the qualification of a proposed purchaser as a Qualified Farmer based on, but not limited to, the requirements contained in Article Two herein and the submission to Grantee of a business plan and proof of demonstrated farming experience and/or training together with Grantor's Notice of Intent to Convey (as defined below).

A. **Exempt Transactions.** If the Property is conveyed without consideration to a member of Grantor's Family (as defined in Article Two herein), the Conveyance shall be exempt from the requirements hereunder with respect to the sale to a Qualified Farmer and the price limitations of Section 6.2 only.

B. Any mortgage, pledge, or other assignment of the Property to a lender as security for an indebtedness of Grantor shall be exempt from the requirements hereunder with respect to the sale to a Qualified Farmer and the price limitations of Section 6.2 only: provided, however, that any Conveyance of the Property as result of a default of Grantor in the payment of such indebtedness shall be subject to the terms of this Easement, including but not limited to this Article, in the same manner as Grantor hereunder, and the terms of this Easement will survive and continue in full force and effect after any such conveyance resulting from a default of Grantor. All other terms and conditions of this Easement shall remain in full force and effect and the exempt transaction shall be subject to the terms of this Article with respect to a future resale.

partnership owning the Property (any such transaction, a "Conveyance"), but only subject to the following restrictions:

6.1 Notice of Intent to Market the Property for Sale. Grantor shall notify Grantee in writing no less than forty-five (45) days prior to any marketing of the Property for sale, including advertising the Property for sale or entering into an agreement with a real estate broker for the purpose of listing the Property for sale.

6.2 Maximum Sale Price. Grantor may offer the Property for sale at no more than the "Maximum Sale Price," which is limited to annual appreciation of the Property as determined by Grantee by multiplying (i) the per-acre value of the Property encumbered by this Easement as of the Effective Date, which the parties have determined is TWENTY SIX THOUSAND FIVE HUNDRED FIFTY-FIVE DOLLARS (\$26,555.00) per acre by the lesser of (A) the change in Area Median Income (AMI) or (B) the Consumer Price Index (CPI) (for all Urban Consumers NY), and, in any event, no more than three and one-half percent (3.5%) per year. As with any property sold, the condition of the Property and closing terms may result in a selling price below the Maximum Sale Price set by Grantee.

6.3 Capital Improvement Credit. Credit for the present value (calculated at the time of the transfer or sale of the Property to a Qualified Farmer) of capital improvements made by Grantor and the purchase price of any easements and covenants affecting the Property acquired by Grantor will be added to the Maximum Sale Price.

6.4 Qualified Farmer. Except as otherwise provided in this Section 6.4 or Section 6.6 below, Grantor shall sell the Property only to a Qualified Farmer. Grantee shall make the final determination of the qualification of a proposed purchaser as a Qualified Farmer based on, but not limited to, the requirements contained in Article Two herein and the submission to Grantee of a business plan and proof of demonstrated farming experience and/or training together with Grantor's Notice of Intent to Convey (as defined below).

A. Exempt Transactions. If the Property is conveyed without consideration to a member of Grantor's Family (as defined in Article Two herein), the Conveyance shall be exempt from the requirements hereunder with respect to the sale to a Qualified Farmer and the price limitations of Section 6.2 only.

B. Any mortgage, pledge, or other assignment of the Property to a lender as security for an indebtedness of Grantor shall be exempt from the requirements hereunder with respect to the sale to a Qualified Farmer and the price limitations of Section 6.2 only: provided, however, that any Conveyance of the Property as result of a default of Grantor in the payment of such indebtedness shall be subject to the terms of this Easement, including but not limited to this Article, in the same manner as Grantor hereunder, and the terms of this Easement will survive and continue in full force and effect after any such conveyance resulting from a default of Grantor. All other terms and conditions of this Easement shall remain in full force and effect and the exempt transaction shall be subject to the terms of this Article with respect to a future resale.

6.5 Notice of Intent to Convey. Should Grantor be prepared to enter into a transaction constituting a conveyance of the Property, including a conveyance which may be exempt pursuant to Section 6.4 or Section 6.6, Grantor shall so notify Grantee in writing. Such notice shall be referred to herein as "Notice of Intent to Convey" and shall include:

- (i) a counterpart original copy of any written agreement between Grantor and the proposed transferee relating to the proposed Conveyance, including verification that the proposed purchase price agreed upon was arrived at using the "Maximum Sale Price" formula described in Section 6.2 above, as appended, together with such other instruments as may be required to show that proposed transaction has been entered into in good faith and in accordance with this Article;
- (ii) a written description of the proposed transferee's training and experience as an agricultural producer, together with an agricultural business plan for the Property, including a description of the Commercial Agricultural Activities to be conducted or facilitated by the proposed transferee, proposed improvements to the Property, and a statement of anticipated agricultural income and expenses for the three-year period following the conveyance of the Property; or, if the proposed transferee has no such training and experience or intention of operating an agricultural business on the Property, a written statement to that effect; and
- (iii) if the proposed Conveyance is to a member of Grantor's Family or a Qualified Farmer, documentation sufficient to establish the proposed transferee as such, including the most recent federal income tax filing(s) for any Qualified Farmer.

Grantor shall deliver to Grantee a Notice of Intent to Convey along with the required supporting documentation at least sixty (60) days prior to such Conveyance. Grantee shall respond to Grantor as to whether or not Grantee approves of the proposed Conveyance within forty-five (45) days of receipt of said Notice of Intent to Convey and supporting documentation from Grantor.

6.6 Buyer of Last Resort. If Grantor can demonstrate that the Property has been marketed for sale for a period of not less than twelve (12) months and that no Qualified Farmer has entered into a contract with Grantor to purchase the Property, then Grantor shall offer the Property to (i) a local, not-for-profit land preservation organization with demonstrated experience with managing, operating and conveying agricultural land in Suffolk County, New York; or (ii) a government entity to purchase the Property at a price not to exceed the Maximum Sale Price plus credit for Capital Improvements pursuant to Section 6.3 above. For purposes of this Section 6.6, Grantor shall use its best efforts to first identify an appropriate not-for-profit entity and then, if none can be found within a reasonable period of time, a government entity that is not prohibited from reselling the Property to a Qualified Farmer subject to applicable law. Grantor shall include in any accompanying contract that the selected not-for-profit organization or government entity shall use its best efforts to close on the Property not more than six (6) months from the date of entering into the contract with Grantor and that such organization may also assign its right to purchase the Property while in contract or at the closing to a Qualified Farmer, another qualified local, not-for-profit entity, or government entity that is not prohibited from reselling the Property to a Qualified Farmer subject to applicable law.

6.7 Continuing Effect. This Easement created hereunder shall remain in full force and effect after any conveyance of the Property.

6.8 Confidentiality. All information delivered to Grantee pursuant to this Easement shall remain confidential and shall not be disclosed to any person or entity not a party to this instrument without the prior consent of Grantor, except as required by law.

6.9 Partial Release of Grantee's Rights. If Grantee fails to deliver a response to Grantor's Notice of Intent to Convey as required under Section 6.6, then at the request of Grantor, Grantee shall promptly execute and deliver to Grantor a document, in suitable form for recording in the office of the Suffolk County Clerk, releasing Grantee's rights under this Article only in connection with the proposed Conveyance, and Grantor may proceed with the proposed Conveyance; provided, however, that the proposed Conveyance by Grantor must be completed within a twelve (12)-month period following delivery to Grantor of the document releasing Grantee's rights under this Article Six in connection with the proposed Conveyance. Any such partial release of this Affordable Farming Covenant and Resale Restrictions shall state that it only releases this Affordable Farming Covenant and Resale Restrictions for purposes of the specific Conveyance in question and that this Affordable Farming Covenant and Resale Restrictions shall continue to be in effect for all other future Conveyances of the Property.

ARTICLE SEVEN GRANTOR'S OBLIGATIONS

7.1 Grantor's Warranty: Grantor warrants and represents to Grantee that Grantor is the owner of the Property described in SCHEDULE A, free of any mortgages or liens and possesses the right to grant to Grantee this Easement and the development rights pursuant thereto.

7.2 Taxes and Assessments: Grantor shall continue to pay before delinquency all taxes, levies, and assessments and other governmental or municipal charges which may become a lien on the Property. The failure of Grantor to pay all such taxes, levies and assessments and other governmental or municipal charges shall not cause an alienation of any rights or interests acquired herein by Grantee. Nothing herein shall prohibit Grantor from challenging any taxes, levies or assessments against the Property.

7.3 Annual Mowing Requirement: In the event Grantor seeks to leave the Property, and any other tilled area, open and fallow (as defined in Section 2.7 above) in consideration of the Agricultural Conservation Plan, then Grantor hereby agrees to mow such fallow portion of the Property at least once during the growing season so as to prevent successional field growth to predominate, unless otherwise expressly provided in the Agricultural Conservation Plan. In the event Grantor fails to comply with the provisions of this section after reasonable notice is given to Grantor by Grantee, then, in addition to all other remedies set forth herein, Grantee or its agents is hereby authorized to enter upon the Property, or any other tilled area, to perform such mowing. Notwithstanding the foregoing, in no way does this mowing requirement permit Grantor to mow regularly for the purpose

6.7 Continuing Effect. This Easement created hereunder shall remain in full force and effect after any conveyance of the Property.

6.8 Confidentiality. All information delivered to Grantee pursuant to this Easement shall remain confidential and shall not be disclosed to any person or entity not a party to this instrument without the prior consent of Grantor, except as required by law.

6.9 Partial Release of Grantee's Rights. If Grantee fails to deliver a response to Grantor's Notice of Intent to Convey as required under Section 6.6, then at the request of Grantor, Grantee shall promptly execute and deliver to Grantor a document, in suitable form for recording in the office of the Suffolk County Clerk, releasing Grantee's rights under this Article only in connection with the proposed Conveyance, and Grantor may proceed with the proposed Conveyance; provided, however, that the proposed Conveyance by Grantor must be completed within a twelve (12)-month period following delivery to Grantor of the document releasing Grantee's rights under this Article Six in connection with the proposed Conveyance. Any such partial release of this Affordable Farming Covenant and Resale Restrictions shall state that it only releases this Affordable Farming Covenant and Resale Restrictions for purposes of the specific Conveyance in question and that this Affordable Farming Covenant and Resale Restrictions shall continue to be in effect for all other future Conveyances of the Property.

ARTICLE SEVEN GRANTOR'S OBLIGATIONS

7.1 Grantor's Warranty: Grantor warrants and represents to Grantee that Grantor is the owner of the Property described in SCHEDULE A, free of any mortgages or liens and possesses the right to grant to Grantee this Easement and the development rights pursuant thereto.

7.2 Taxes and Assessments: Grantor shall continue to pay before delinquency all taxes, levies, and assessments and other governmental or municipal charges which may become a lien on the Property. The failure of Grantor to pay all such taxes, levies and assessments and other governmental or municipal charges shall not cause an alienation of any rights or interests acquired herein by Grantee. Nothing herein shall prohibit Grantor from challenging any taxes, levies or assessments against the Property.

7.3 Annual Mowing Requirement: In the event Grantor seeks to leave the Property, and any other tilled area, open and fallow (as defined in Section 2.7 above) in consideration of the Agricultural Conservation Plan, then Grantor hereby agrees to mow such fallow portion of the Property at least once during the growing season so as to prevent successional field growth to predominate, unless otherwise expressly provided in the Agricultural Conservation Plan. In the event Grantor fails to comply with the provisions of this section after reasonable notice is given to Grantor by Grantee, then, in addition to all other remedies set forth herein, Grantee or its agents is hereby authorized to enter upon the Property, or any other tilled area, to perform such mowing. Notwithstanding the foregoing, in no way does this mowing requirement permit Grantor to mow regularly for the purpose

of a secondary residential use such as a lawn.

7.4 Environmental Responsibilities:

- A. **Grantor Responsible for the Property.** Grantor is solely responsible, and Grantee has no responsibility, for the operation of the Property or the monitoring of hazardous or other conditions thereon. Nothing in this Easement shall be construed as giving any right or ability to Grantee to exercise physical or managerial control of the day-to-day operations of the Property or of Grantor's activities on the Property. Neither Grantee nor its agents shall be liable to the Grantor or other person or entity in connection with approvals given or withheld, or in connection with any entry upon the Property, pursuant to this Easement.
- B. **Grantor's Environmental Warranty and Indemnity.** Grantor represents and warrants that it has no actual knowledge of a release or threatened release of any Hazardous Materials, as defined below, on the Property and hereby promises to hold harmless, defend and indemnify the Indemnified Parties from and against all liabilities, penalties, fines, charges, costs, losses, damages, expenses, causes of action, claims, demands, orders, judgments, or administrative actions, including, without limitation, reasonable attorneys' fees, arising from or connected with the presence and/or any release of Hazardous Materials or violation of federal, state or local Environmental Laws, as defined below, on, under, or from the Property.
- C. This Easement is not intended to and shall not create environmental liability in Grantee. Notwithstanding any other provision herein to the contrary, the parties do not intend this Easement be construed such that it imposes on, creates in or gives Grantee:
- (1) the obligations or liability of an "owner" or "operator" as those words are defined and used in Environmental Laws, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq., and hereinafter "CERCLA");
 - (2) the obligations or liability of a person described in 42 U.S.C. Section 9607(a)(3) or (4);
 - (3) the obligations of a responsible person under any applicable Environmental Laws;
 - (4) the right to investigate and remediate any Hazardous Materials, associated with the Property; or
 - (5) any control over Grantor's ability to investigate, remove, remediate, or otherwise clean up any Hazardous Materials associated with the Property.
- D. The term "Hazardous Materials" includes, but is not limited to, (i) material that is flammable, explosive, or radioactive; (ii) petroleum products; and (iii) hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials, including but not limited to those defined in CERCLA, the Hazardous Materials Transportation Act (49 U.S.C. Section 5101 et seq.), the New York Environmental Conservation Law (NY ECL 27-0901), or any other Environmental Law, and in the regulations adopted and publications promulgated pursuant to them, or any other applicable federal, state, or local laws, ordinances, rules, or regulations now

in effect or enacted after the Effective Date of this Easement.

- E. The term “Environmental Laws” includes, but is not limited to, any federal, state or local or administrative agency statute, regulation, rule, ordinance, order or requirement now in effect or enacted after the Effective Date of this Easement relating to pollution, protection of human health, the environment, or Hazardous Materials.

ARTICLE EIGHT INDEMNIFICATION

8.1 Grantor’s Obligations: Grantor acknowledges that Grantee has neither possessory rights in the Property nor any responsibility nor right to control, maintain, or keep up the Property. Grantor has and shall retain all responsibilities and shall bear all costs and liabilities of any nature related to the ownership, operation, upkeep, improvement, and maintenance of the Property. Grantor shall indemnify, defend, and hold Grantee harmless from and against any and all charges or liens imposed upon Grantee arising from (a) the physical maintenance and upkeep of the Property or from any taxes, levies or assessments upon it or resulting from this Easement, all of which shall be considered Grantor’s obligations; and (b) violation or alleged violation of, or other failure to comply with, any state, federal, or local law, regulation, or requirement by any person, other than Grantee, in any way affecting, involving, or relating to the Property.

8.2 Third-Party Claims: Grantor shall indemnify, defend, and hold Grantee harmless from and against any liability, costs, attorney’s fees, judgments or expenses incurred by Grantee or any of its officers, employees, agents or independent contractors resulting from: (a) injury or death to any person or damage to personal property or the Property arising from any activity on the Property, except those due solely to the acts of Grantee, its officers, employees, agents, or independent contractors; and (b) actions or claims of any nature by third parties arising out of the exercise of any rights under this Easement, excepting any of those matters arising solely from the acts of Grantee, its officers, employees, agents, or independent contractors.

ARTICLE NINE GRANTEE’S RIGHTS

9.1 Entry and inspection: Grantee shall have the right to enforce the Conservation Purpose and other provisions of this Easement by injunctive relief and to that end shall have the right to enter upon the Property at reasonable times, upon reasonable prior notice to Grantor, except in any case which, in Grantee’s reasonable judgment, requires immediate entry to evaluate any threatened or actual violation and/or to preserve and protect any of the Conservation Values, including its scenic, agricultural, and open-space values or otherwise to further the Conservation Purpose of this Easement, and in a manner that will not unreasonably interfere with Grantor’s quiet use and enjoyment of the Property, for the purpose of inspection to determine whether the Easement and its purposes and provisions are being upheld. Grantee shall not have the right to enter upon the Property for any other purposes, except as provided in Sections 5.3 and 7.3, nor to permit access upon the Property by the public.

9.2 Restoration: Grantee shall have the right to require Grantor to restore the Property to the condition required by this Easement and to enforce this right by any action or proceeding that Grantee may

in effect or enacted after the Effective Date of this Easement.

- E. The term “Environmental Laws” includes, but is not limited to, any federal, state or local or administrative agency statute, regulation, rule, ordinance, order or requirement now in effect or enacted after the Effective Date of this Easement relating to pollution, protection of human health, the environment, or Hazardous Materials.

ARTICLE EIGHT INDEMNIFICATION

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8.2 Third-Party Claims: Grantor shall indemnify, defend, and hold Grantee harmless from and against any liability, costs, attorney’s fees, judgments or expenses incurred by Grantee or any of its officers, employees, agents or independent contractors resulting from: (a) injury or death to any person or damage to personal property or the Property arising from any activity on the Property, except those due solely to the acts of Grantee, its officers, employees, agents, or independent contractors; and (b) actions or claims of any nature by third parties arising out of the exercise of any rights under this Easement, excepting any of those matters arising solely from the acts of Grantee, its officers, employees, agents, or independent contractors.

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9.1 Entry and inspection: Grantee shall have the right to enforce the Conservation Purpose and other provisions of this Easement by injunctive relief and to that end shall have the right to enter upon the Property at reasonable times, upon reasonable prior notice to Grantor, except in any case which, in Grantee’s reasonable judgment, requires immediate entry to evaluate any threatened or actual violation and/or to preserve and protect any of the Conservation Values, including its scenic, agricultural, and open-space values or otherwise to further the Conservation Purpose of this Easement, and in a manner that will not unreasonably interfere with Grantor’s quiet use and enjoyment of the Property, for the purpose of inspection to determine whether the Easement and its purposes and provisions are being upheld. Grantee shall not have the right to enter upon the Property for any other purposes, except as provided in Sections 5.3 and 7.3, nor to permit access upon the Property by the public.

9.2 Restoration: Grantee shall have the right to require Grantor to restore the Property to the condition required by this Easement and to enforce this right by any action or proceeding that Grantee may

reasonably deem necessary. However, it is understood and agreed by the parties hereto that Grantor shall not be liable for any changes to the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

9.3 Enforcement Rights of Grantee: Grantor acknowledges and agrees that Grantee's remedies at law for any violation of this Easement may be inadequate. Therefore, in addition to, and not in limitation of, any other rights of Grantee hereunder at law or in equity, in the event any breach, default or violation of any term, provision, covenant or obligation on Grantor's part to be observed or performed pursuant to this Easement is not cured by Grantor within thirty (30) days' notice thereof by Grantee (which notice requirement is expressly waived by Grantor with respect to any such breach, default or violation which, in Grantee's reasonable judgment, requires immediate action to preserve and protect any of the Conservation Values, including its esthetic, agricultural, and open-space values, or otherwise to further the Conservation Purpose of this Easement), Grantee shall have the right at Grantee's election, (i) to institute a suit to enjoin or cure such breach, default or violation by temporary and/or permanent injunction; (ii) to enter upon the Property and exercise reasonable efforts to terminate or cure such breach, default or violation and/or to cause the restoration of that portion of the Property affected by such breach, default or violation to the condition that existed prior thereto or on the date hereof, or to such condition as is expressly permitted hereby or as may be pursuant to the terms hereof, as Grantee deems appropriate under the circumstances; or (iii) to seek or enforce such other legal and/or equitable relief or remedies as Grantee deems necessary or desirable to ensure compliance with the terms, conditions, covenants, obligations and purpose of this Easement. Grantee's remedies described in this section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

9.4 No Waiver: Grantee's exercise of any remedy or relief under this Article Seven shall not have the effect of waiving or limiting any other remedy or relief, and the failure to exercise or delay in exercising any remedy shall not have the effect of waiving or limiting the use of any other remedy or relief or the use of such other remedy or relief at any other time.

9.5 Assessed Valuation/Effect of Condemnation: Grantee acknowledges that the assessed value of the Property, for the purpose of real estate taxation must, to the extent of the actual reduction of the fair market value of said Property by reason of this Easement, take into account and be limited by the restrictions and limitations imposed on the future use of the Property by this Easement, as required under §247(3) of General Municipal Law, and generally in accordance with valuation principles legally applicable to such assessments of real property. Nevertheless, if at any time said Property or any portion thereof is taken or condemned by eminent domain by any governmental body or other entity with the power to invoke eminent domain proceedings, then the Easement hereby granted shall come to an end and shall terminate with respect to said Property, or portions thereof, so taken or condemned and all rights and interest in said Property, or portions thereof, so taken or condemned, as hereby granted, shall revert to Grantor, its successors or assigns, to the effect that as of the time of such taking or condemnation, the Property, or portion thereof, so taken or condemned, shall not be subject to the restrictions and limitations of said Easement. In such event, neither Grantor nor its successors or assigns shall be required to pay any penalties, but the division between Grantor and Grantee of any proceeds attributable to the taking of the Property (including for purposes of computation of severance damages, if any, of those parts thereof not taken or condemned) shall reflect

the limitations of this Easement, such that the condemnation awards payable to Grantor shall be in proportion to the value attributable to the residual agricultural value of the Property and the remaining portion of the condemnation award shall be payable to Grantee in proportion to the value attributable to the development rights transferred hereby. Any portion of the condemnation award payable to Grantee shall be deposited in a Trust and Agency Account of Grantee, pursuant to §36 of the General Municipal Law, to be used exclusively for the purpose of acquiring land or interests or rights in land for conservation and open-space purposes, including agricultural and recreational uses and in conformance with New York State Town Law section 64-e as well as Chapter 140 of the Code of the Town of Southampton.

9.6 Alienation: No property rights acquired by Grantee hereunder shall be alienated except upon the adoption of a local law authorizing the alienation of said rights and interest, by a majority plus one vote of the Town Board of the Town of Southampton, following a public hearing and, thereafter, ratified by a mandatory referendum by the electors of the Town of Southampton, with an affirmative two-thirds vote, as provided by Section 247-14 of the Code of the Town of Southampton, and as otherwise required by applicable law. No subsequent amendment of the provisions of said Code shall alter the limitations placed upon the alienation of those property rights or interests which were acquired by the Town prior to any such amendment.

ARTICLE TEN THIRD-PARTY ENFORCEMENT

10.1 Peconic Land Trust: In the event that Grantor is ever any person(s) and/or legal entity other than Peconic Land Trust, Incorporated, a not-for-profit New York corporation (hereinafter, "PLT"), PLT shall have third-party enforcement rights as provided in Sections 49-0303 (4) and 49- 0305 (5) of the Environmental Conservation Law. The provisions and procedures of this Article Ten shall apply to any such enforcement. If PLT determines that enforcement of this Easement is necessary, it shall notify Grantee, in writing, of its determination and the nature of the violation. Within ten (10) days of the receipt of such notice, Grantee shall inform PLT, in writing, whether or not it will proceed to enforce the Easement.

10.2 Enforcement: If Grantee does not notify PLT of its election to proceed with enforcement, or if Grantee declines to enforce the Easement (but does not expressly find that there is no breach or violation), then PLT has the option to initiate enforcement proceedings. If PLT elects to enforce the Easement, Grantee may, at its option, be named as Party plaintiff in the enforcement action or proceeding initiated by PLT. If Grantee is not so named, Grantee may nevertheless move at any time to intervene in such action or proceeding, and PLT agrees to support such a motion. In no event, however, shall PLT have the right to bring an enforcement proceeding if Grantee expressly finds that there is no breach or violation. In the event of any enforcement action or proceeding brought by either Grantee or PLT, both parties shall cooperate with each other and promptly provide the other party with copies of all documents submitted to the Court or Grantor related to such action or proceeding. Either Grantee or PLT, or both, may appeal any adverse decision and shall cooperate to defend any appeal which may be brought by Grantor.

ARTICLE ELEVEN NOTIFICATION OF INTENT TO DISPOSE OF OR ENCUMBER THE PROPERTY

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**ARTICLE ELEVEN
NOTIFICATION OF INTENT TO DISPOSE OF
OR ENCUMBER THE PROPERTY**

11.1 Restrictions on Transfers: Except as otherwise provided in this Easement, Grantor shall not sell, assign, transfer, pledge, hypothecate or otherwise encumber or dispose of in any way, all or any interest in the Property without first notifying Grantee. Any sale, assignment, transfer, pledge, hypothecates or other encumbrance or disposition or any interest of the Property not made in conformance with this Article shall be null and void.

11.2 Notice Requirement: Grantor's notice must clearly state an intent to sell, assign, transfer, pledge or dispose of the Property, along with all the substantive terms that Grantor intends to include in a *bona fide* listing of the Property for sale and a request for a timely determination as to whether or not Grantee will make an offer to purchase the Property. Grantee shall respond to Grantor's notice in writing within thirty (30) days of its receipt of Grantor's notice indicating whether Grantee wishes to purchase the Property on the terms provided in Grantor's notice or on other terms consistent with this Easement specified by Grantee. Grantor shall be obligated to accept an offer by Grantee to purchase the Property on the terms provided in Grantor's notice or, if other terms are presented by Grantee, shall be obligated to consider and respond to such counteroffer in good faith and within thirty (30) of Grantor's receipt of Grantee's response.

All notices pursuant to this section shall be given either by manual delivery or by mailing in a mail receptacle maintained by the United States Postal Service or by nationally recognized overnight courier service. Mailed notice must be contained in an accurately addressed, sealed envelope, marked for delivery by first class registered or certified mail with sufficient prepaid postage affixed and with return receipt requested. Mailed notice to Grantor shall be addressed to Grantor's address as recited herein, or to such other address as Grantor may designate by notice in accordance with Section 10.4 of this Easement. Mailed notice to Grantee shall be addressed to its principal office, recited herein, marked for the attention of the Town Supervisor and the Community Preservation Manager, or to such other address as Grantee may designate by notice in accordance with Section 10.4 of this Agreement. Notice shall be deemed given and received as of the date of its manual delivery or three (3) business days from the date of its mailing or one (1) business day from the date of deposit with a nationally recognized overnight courier service provided deposit is made prior to the last scheduled daily pick up.

11.3 Limitations on Notice Requirement: Notwithstanding the provisions of this Easement, Grantor may sell or otherwise assign, with or without consideration, a part or interest of the Property to any spouse or member of Grantor's immediate family, or to a custodian, trustee, executor, or other fiduciary for the account of Grantor's spouse or member of the Grantor's immediate family, or the trust for Grantor's self or a charitable remainder trust, without first providing notice to Grantee provided that each such transferee or assignee, prior to completion of the sale, transfer, or assignment shall have executed documents assuming the obligations of Grantor under this Easement with respect to the Notice of Intent to Dispose of or Encumber the Property. Any sale, assignment, transfer, pledge, hypothecates or other encumbrance or disposition or any interest of the Property shall remain bound by and subject to the limitations, conditions, covenants, agreements, provisions and use restrictions of this Easement.

11.4 Other Required Notices: With respect to any use or activity under this Easement that requires the prior notice to, and/or approval of, Grantee, or in the event Grantor proposes to undertake a use or activity that is not explicitly prohibited hereby but which might have a deleterious effect on the Conservation Values, in particular, the Property's scenic, agricultural, and open-space values,

Grantor shall provide notice to and/or request Grantee's approval and shall include therewith information identifying the proposed activity and the reasons for and other details of the proposed activity with reasonable specificity. The notice shall describe the nature, scope, location, timetable, and any other material aspect of the proposed activity (including, if appropriate, sketch plans or scaled drawings of the site(s) of the proposed activity) in sufficient detail to permit Grantee to evaluate such activity. The notice shall also include information evidencing the conformity of such activity with the requirements of the applicable section hereunder. Grantor shall not commence the proposed use or activity until notice has been delivered to Grantee pursuant to the terms of this section, or, where Grantee's prior written approval is required pursuant to the terms of this Easement, until such approval is received by Grantor in writing. Except where Grantee's approval is expressly stated herein to be in its sole and absolute discretion, such approval by Grantee shall not be unreasonably withheld, unreasonably conditioned, or unreasonably delayed.

ARTICLE TWELVE MISCELLANEOUS

12.1 Entire Understanding: This Easement contains the entire understanding between the parties hereto concerning its subject matter. Any prior agreement between the parties concerning its subject matter shall be merged into this Easement and superseded by it.

12.2 Amendment: Except as provided herein, this Easement can be terminated or modified only in accordance with the common and statutory law of the State of New York applicable to the termination and modification of easements and covenants running with the land. Grantor and Grantee recognize that circumstances could arise which would justify the modification of certain of the restrictions contained in this Easement. Where such modifications do not alienate any property rights acquired by Grantee herein, the parties may seek to modify and amend this Easement following a public hearing with due notice and an affirmative resolution of the Town Board, by a majority plus one vote.

12.3 Severability: Any provision of this Easement restricting Grantor's activities, which is determined to be invalid or unenforceable by a court of competent jurisdiction, shall not be invalidated. Instead, that provision shall be reduced or limited to whatever extent that the court determines will make it enforceable and effective. Any other provision of this Easement, which is determined to be invalid or unenforceable by a court of competent jurisdiction, shall be severed from the other provisions, which shall remain enforceable and effective.

12.4 Notice: All notices required by this Easement must be written. Notices shall be given either by manual delivery or by mailing in a mail receptacle maintained by the United States Postal Service or by nationally recognized courier service. Mailed notice to Grantee shall be addressed to its principal office, recited herein, marked for the attention of the Town Supervisor and the Community Preservation Fund Director, or to such other address as Grantee may designate by notice in accordance with this Section, and to Grantee's attorney as stated below Grantee's signature herein (or to such other legal representative as Grantee may designate by notice in accordance with this Section). Notice shall be deemed given and received as of the date of its manual delivery or three (3) business days from the date of its mailing or one (1) business day from the date of deposit with a nationally recognized overnight courier service

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provided deposit is made prior to the last scheduled daily pick up.

12.5 Governing Law: New York State law applicable to deeds and conservation easements pertaining to land located within New York shall govern this Easement in all respects, including validity, construction, interpretation, breach, violation, and performance.

12.6 Interpretation: Regardless of any contrary rule of construction, no provision of this Easement shall be construed in favor of one of the parties because it was drafted by the other party's attorney. No alleged ambiguity in this Easement shall be construed against the party whose attorney drafted it. If any provision of this Easement is ambiguous or shall be subject to two or more interpretations, one of which would render the provision invalid, then that provision shall be given such interpretation as would render it valid and be consistent with the purposes of this Easement as intended by Grantor. Any rule of strict construction designed to limit the breach of the restrictions on use of the Property shall not apply in the construction or interpretation of this Easement, and this Easement shall be interpreted broadly to affect the Conservation Purpose and other terms of this Easement. The parties intend that this Easement, which is by nature and character primarily negative in that Grantor has restricted and limited its right to use the Property, except as otherwise recited herein, be construed at all times and by all parties to effectuate its purposes.

12.7 Public Access: Nothing contained in this Easement grants, nor shall be interpreted to grant, to the public any right to enter upon the Property.

12.8 Warranties: The warranties and representation made by the parties in this Easement shall survive its execution.

12.9 Recording: Grantee shall record this Easement in the land records of the Office of the Clerk of the County of Suffolk, State of New York.

12.10 Headings: The headings, title and subtitles herein have been inserted solely for convenient reference and shall be ignored in its construction.

12.11 Counterparts. This Easement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

[SIGNATURES & ACKNOWLEDGEMENTS TO FOLLOW ON THE NEXT PAGES]

IN WITNESS WHEREOF, Grantor has executed and delivered and Grantee has accepted and received this Grant of Conservation and Development Rights Easement with Affirmative Farming Covenant and Resale Restriction on the day and year set forth above.

GRANTOR: PECONIC LAND TRUST, INCORPORATED


By: **JOHN v.H. HALSEY, President**

Attorney for Grantor: Wright & Gibbons, PLLC
Heather A. Wright, Esq.
48H Main Street
Westhampton Beach, NY 11978
Tel: (631) 283-1602
Fax: (631) 204-6665

GRANTEE: TOWN OF SOUTHAMPTON


By: **MARIA Z. MOORE, Town Supervisor**

Attorney for Grantor: James M. Burke, Esq. Town
Attorney
Daniel P. McCormick, Esq.
Assistant Town Attorney
116 Hampton Road
Southampton, New York 11968
Tel: (631) 283-6000
Fax:

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Heather A. Wright, Esq.
48H Main Street
Westhampton Beach, NY 11978
Tel: (631) 283-1602
Fax: (631) 204-6665

GRANTEE: TOWN OF SOUTHAMPTON


By: **MARIA Z. MOORE, Town Supervisor**

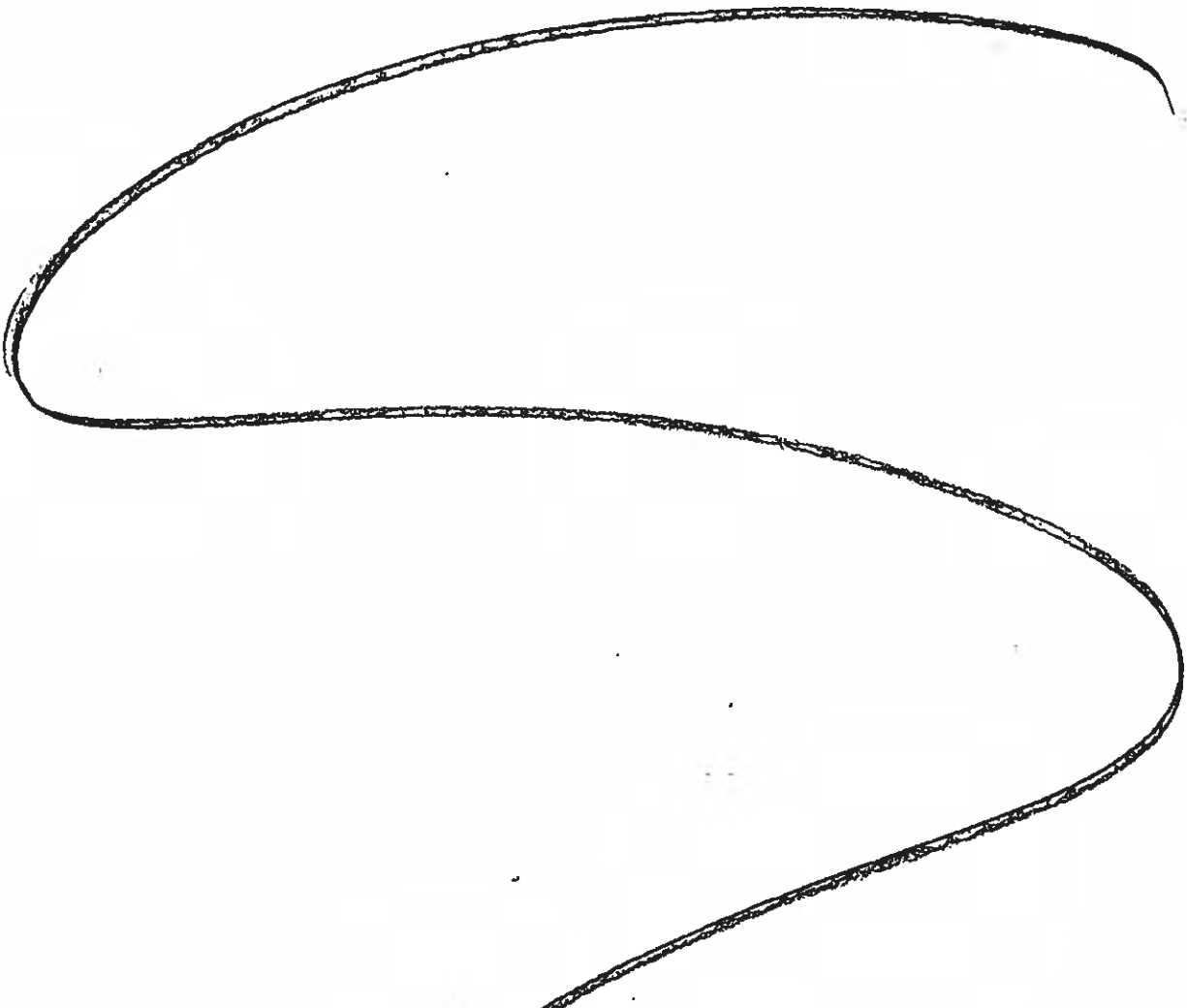
Attorney for Grantor: James M. Burke, Esq. Town
Attorney
Daniel P. McCormick, Esq.
Assistant Town Attorney
116 Hampton Road
Southampton, New York 11968
Tel: (631) 283-6000
Fax:

SCHEDULE A: Metes and Bounds Description of the Property

EXHIBIT A: Survey of the Property

EXHIBIT B: Form Agricultural Lease Between Grantor and Grantee

EXHIBIT C: Baseline Documentation Report Acknowledgement



RECORDED
COUNTY PUBLIC OFFICE NEW YORK
1999
10/15/99

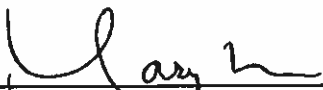
ACKNOWLEDGEMENTS

State of New York)

ss:

County of Suffolk)

On the 19 day of April, 2024, before me, the undersigned, personally appeared **JOHN v.H. HALSEY**, personally known to me or approved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

MARY KOLAKOWSKI
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01KD4870006
Qualified in Suffolk County
Commission Expires September 2, 2026

Notary Public

State of New York)

ss:

County of Suffolk)

On 18th day of April, 2024, before me, the undersigned, personally appeared **MARIA Z. MOORE** personally known to me or approved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity as Supervisor of the Town of Southampton and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

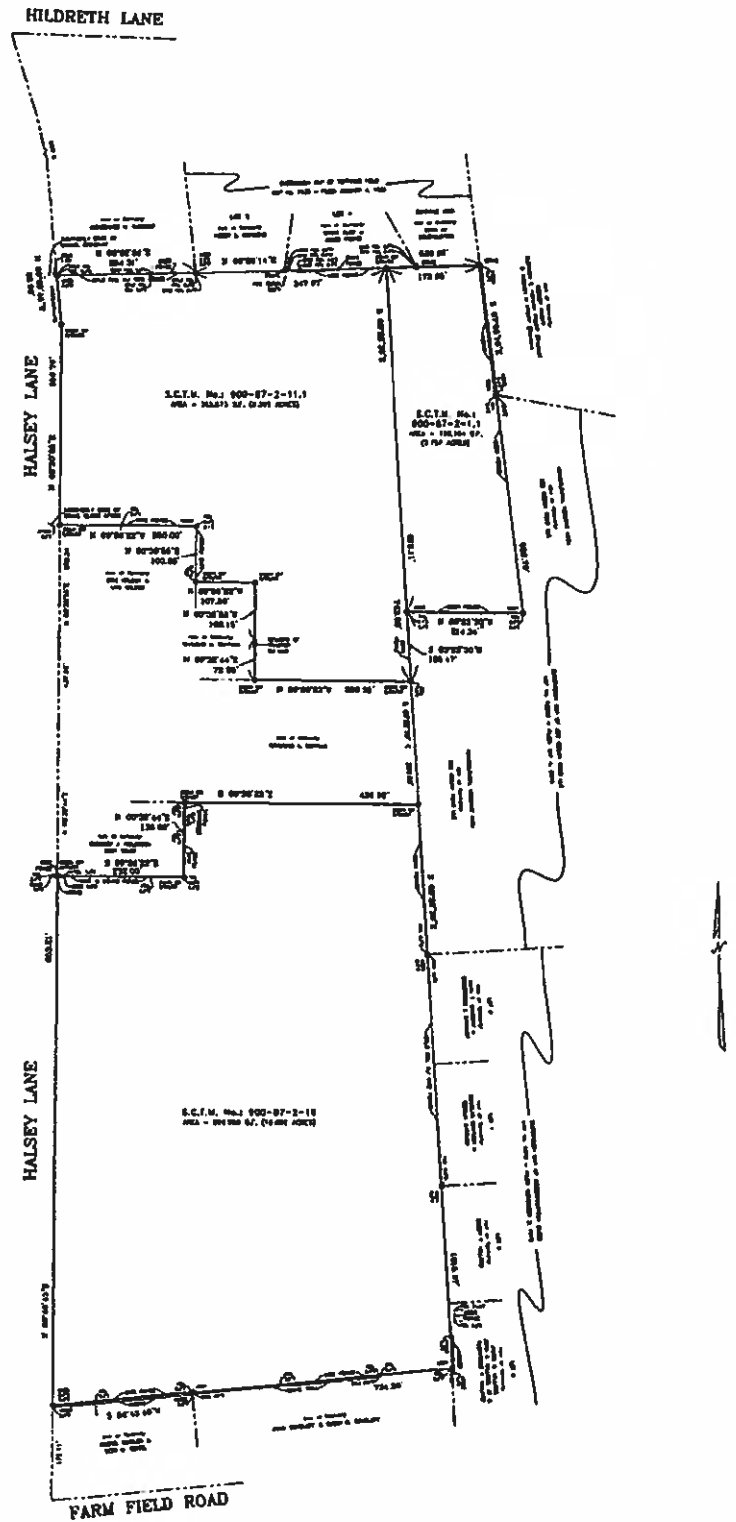
NICOLE GENTZEL
Notary Public, State of New York
No. 4877106
Qualified in Suffolk County
Commission Expires Nov. 24, 2026

Exhibit "A"

JOB NO. 15885 - 43473

SUFFOLK COUNTY TAX MAP

| | |
|---------|--------------------------|
| SECTION | 0000 |
| BLOCK | 00700 |
| PARCELS | 001001, 011001, A 010000 |

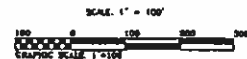


CERTIFIED TO:
 PECONIC LAND TRUST, INCORPORATED
 TOWN OF SOUTHAMPTON
 TRUSTEE TITLE INSURANCE COMPANY

REVISED MARCH 11, 2014 (SHP/PC - ORIGINAL REVISED)
 REVISED FEBRUARY 26, 2014 (SHP/PC)
 DATED FEBRUARY 5, 2014

LESTER HOLDEN, L.S. #1248
 S. H. W. SHIP E. LAND SURVEYORS, P.C.
 SQUIRES, HOLDEN, WEISENBACHER & SMITH
 LAND SURVEYING - LAND PLANNING - ENGINEERING
 SOUTHAMPTON - NEW YORK

MAP OF PROPERTY
 FOR
 PECONIC LAND TRUST INCORPORATED
 SITUATE
 BRIDGEHAMPTON
 TOWN OF SOUTHAMPTON
 SUFFOLK COUNTY, NEW YORK

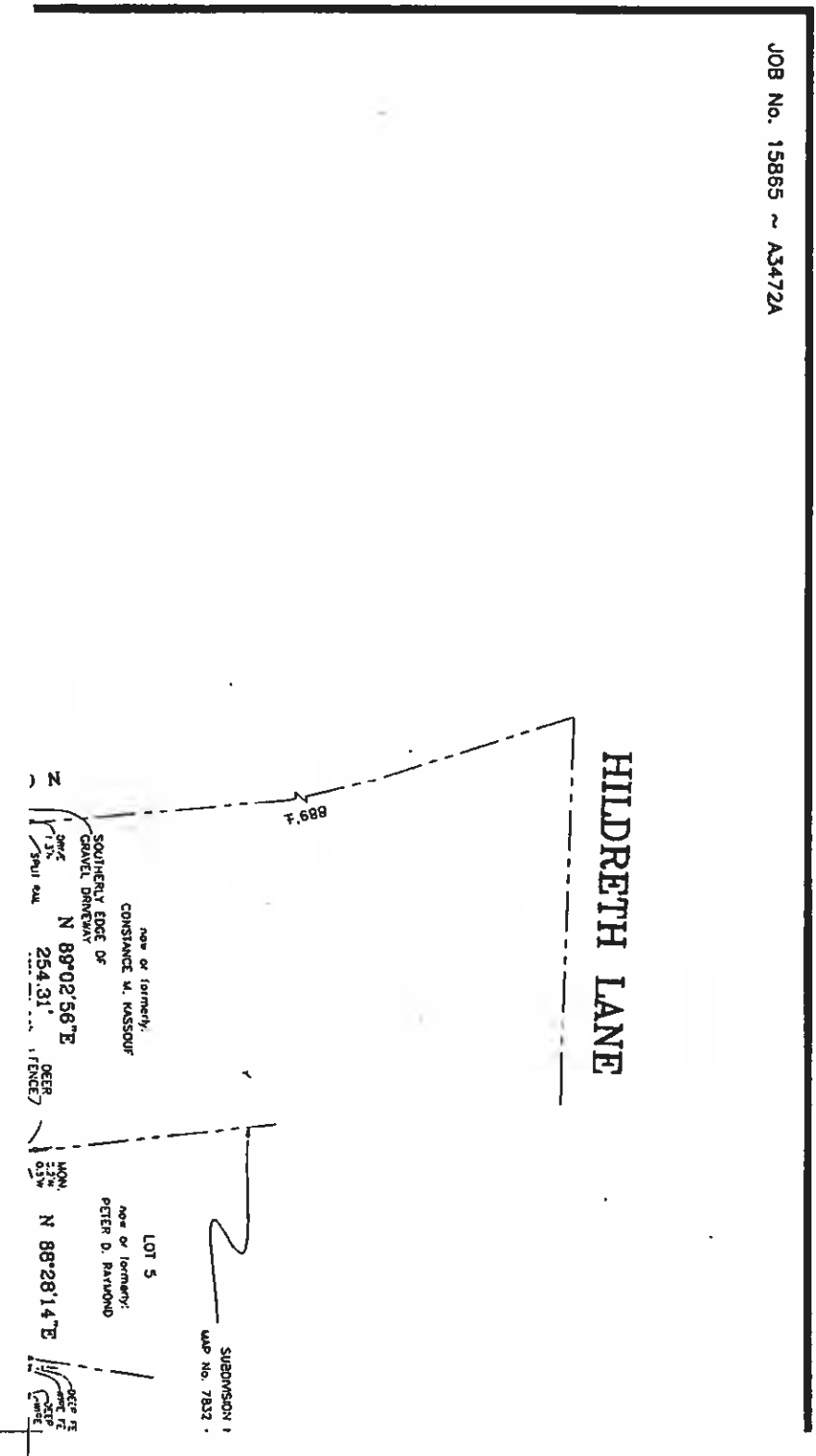


SEE ATTACHED FOR LEGIBILITY

JOB No. 15865 ~ A3472A

HILDRETH LANE

For legibility

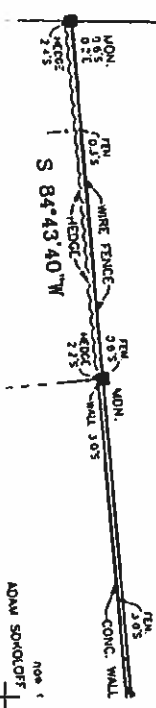
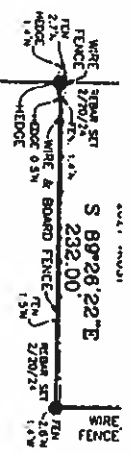


For legibility

HALSEY LANE

N 00°40'45"E

953.21'



S.C.T.M. No.: 900-87-2-16
 AREA = 699,906 S.F. (16.068 ACRES)

172.11'

now or formerly
RACHEL RINGLER &
SETH M. SICOLA

FARM FIELD ROAD

CERTIFIED TO:
PECONIC LAND TRUST, INCORPORATED
TOWN OF SOUTHAMPTON
AMTRUST TITLE INSURANCE COMPANY

REVISED: MARCH 13, 2024 (UPDATE - CONTAINER REMOVED)
REVISED: FEBRUARY 20, 2024 (SET REBAR)
SURVEYED: FEBRUARY 2, 2024

LESTER HOLDEN, L.S. 49548
S. H. W. and S. LAND SURVEYORS, P.C.
SQUIRES, HOLDEN, WEISENBACHER & SMITH
LAND SURVEYING ~ LAND PLANNING ~ ENGINEERING
SOUTHAMPTON ~ NEW YORK

13065000P.dwg BR 930 PC 148-148

For
legibility

MAP OF PROPERTY
FOR
PECONIC LAND TRUST INCORPORATED
SITUATE
BRIDGEHAMPTON
TOWN OF SOUTHAMPTON
SUFFOLK COUNTY, NEW YORK

SCALE: 1" = 100'



GRAPHIC SCALE: 1"=100'

Far
legibility

Amended 2-13-2024

PARCEL 1

All that certain plot, piece or parcel of land situate, lying and being in the Town of Southampton, County of Suffolk, and State of New York, bounded and described as follows:

BEGINNING at a point on the Easterly side of Halsey Lane where the Southerly line of land now or formerly of Constance M. Kassouf intersects the said Easterly side of Halsey Lane, said point being distant 889 feet, more or less, Southerly along the Easterly side of Halsey Lane from the corner formed by the intersection of the Easterly side of Halsey Lane with the Southerly side of Hildreth Lane;

RUNNING THENCE along said land now or formerly of Constance M. Kassouf, North 89 degrees 02 minutes 56 seconds East, 254.31 feet to land now or formerly of Peter D. Raymond;

THENCE along said land and continuing along land now or formerly of Sarah Gleit and James Wiener and land now or formerly of Town of Southampton, North 88 degrees 28 minutes 14 seconds East, 520.62 feet to land now or formerly of Rodney Propp, Eleanor S. Heyman Propp (Trustee) and Rodney M. Propp (Trustee);

THENCE along said land and continuing along land now or formerly of 322 Ocean Road LLC, South 07 degrees 08 minutes 16 seconds East, 628.79 feet to a monument;

THENCE continuing along said land now or formerly of 322 Ocean Road LLC, the following two (2) courses and distances:

1. North 89 degrees 23 minutes 30 seconds West, 214.34 feet to a monument;
2. South 03 degrees 22 minutes 30 seconds East, 125.47 feet to land now or formerly of Raymond H. Topping;

THENCE along said land, North 89 degrees 26 minutes 22 seconds West, 286.35 feet to other land now or formerly of Raymond H. Topping;

THENCE along said land, the following three (3) courses and distances:

1. North 00 degrees 32 minutes 44 seconds East, 72.85 feet;
2. North 00 degrees 30 minutes 55 seconds East, 102.15 feet;
3. North 89 degrees 26 minutes 22 seconds West, 107.50 feet to land now or formerly of Eric Nelson and Lisa Nelson;

THENCE along said land, the following two (2) courses and distances:

1. North 00 degrees 30 minutes 55 seconds East, 100.00 feet;
2. North 89 degrees 26 minutes 22 seconds West, 250.00 feet to the Easterly side of Halsey Lane;

FOR
CONVEYANCING
ONLY

The policy to be issued under this report will insure the title to such buildings and improvements erected on the premises which by law constitute real property.

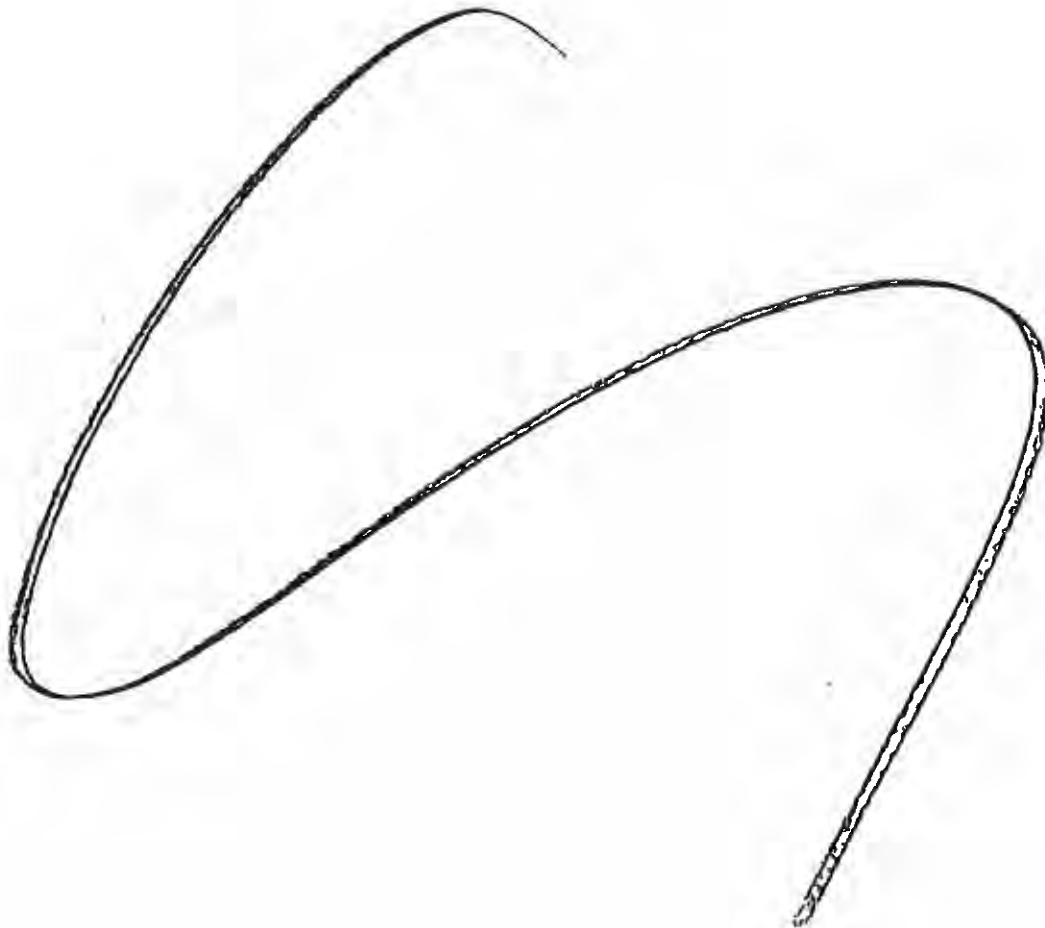
TOGETHER with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of and adjoining said premises.

TITLE # 23-AS-60577

THENCE along the Easterly side of Halsey Lane, the following two (2) courses and distances:

1. North 00 degrees 30 minutes 55 seconds East, 359.76 feet;
2. North 05 degrees 05 minutes 46 seconds West, 88.09 feet to the point or place of BEGINNING.

FOR INFORMATION ONLY: District 0900 Section 087.00 Block 02.00 Lot 001.001 and 011.001.



**FOR
CONVEYANCING
ONLY**

The policy to be issued under this report will insure the title to such buildings and improvements erected on the premises which by law constitute real property.

TOGETHER with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of and adjoining said premises.

TITLE # 23-AS-60577

PARCEL 2

All that certain plot, piece or parcel of land situate, lying and being in the Town of Southampton, County of Suffolk, and State of New York, bounded and described as follows:

BEGINNING at a point on the Easterly side of Halsey Lane, distant 172.11 feet Northerly along the Easterly side of Halsey Lane from the corner formed by the intersection of the Easterly side of Halsey Lane with the Northerly line of Farm Field Road, said point being where the Northerly line of land now or formerly of Rachel Ringler and Seth M. Siegel intersects the said Easterly side of Halsey Lane;

RUNNING THENCE North 00 degrees 40 minutes 45 seconds East along the Easterly side of Halsey Lane, 953.21 feet to land now or formerly of Gregory J. Holbrook 2021 Trust;

THENCE along said land, the following two (2) courses and distances:

1. South 89 degrees 26 minutes 22 seconds East, 232.00 feet;
2. North 00 degrees 32 minutes 44 seconds East, 135.00 feet to land now or formerly of Raymond H. Topping;

THENCE along said land, South 89 degrees 26 minutes 22 seconds East, 426.92 feet to land now or formerly of 322 Ocean Road LLC;

THENCE along said land and continuing along land now or formerly of John L. Sargent and Constance L. Sargent, land now or formerly of Douglas Bartner and Cecilia Bartner, land now or formerly of Carey F. Millard and land now or formerly of James G. Millard, John A. Millard and Alexander F. Millard, South 03 degrees 22 minutes 30 seconds East, 1015.97 feet to a monument and land now or formerly of Adam Sokoloff and Susan D. Sokoloff;

THENCE along said land and continuing along land now or formerly of Rachel Ringler and Seth M. Siegel, South 84 degrees 43 minutes 40 seconds West, 734.39 feet to the Easterly side of Halsey Lane, at the point or place of **BEGINNING**.

FOR INFORMATION ONLY: District 0900 Section 087.00 Block 02.00 Lot 016.000.

**FOR
CONVEYANCING
ONLY**

The policy to be issued under this report will insure the title to such buildings and improvements erected on the premises which by law constitute real property.

TOGETHER with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of and adjoining said premises.

TITLE # 23-AS-60577

EXHIBIT B

AGRICULTURAL LEASE

THIS LEASE ("Lease"), dated April 19, 2024 (for reference purposes only), is by and between **PECONIC LAND TRUST, INCORPORATED**, with offices located at 296 Hampton Road, PO Box 1776, Southampton, New York, 11969 (hereinafter called "Lessor"), and the **TOWN OF SOUTHAMPTON**, a municipal corporation, with offices located at 116 Hampton Road, Southampton, New York 11968 (hereinafter called "Lessee").

WHEREAS, Lessor is the owner of that certain real Property consisting of approximately 27.3 acres located in the Hamlet of Bridgehampton, Town of Southampton, County of Suffolk, State of New York, and designated as SCTM #s 0900-087.00-02.00-001.001 and 011.001 and 0900-087.00-02.00-016.000, more particularly bounded and described in SCHEDULE A, attached hereto and made a part hereof, and herein referred to as the "Property". The Property is subject to that certain Grant of Development Rights Enhanced Easement with Affirmative and Affordable Farming Covenants and Resale Restrictions, dated April 19, 2024, and recorded in the official records of Suffolk County, New York in Liber 13247 and Page 811 (hereinafter referred to as the "Enhanced Easement") and which Enhanced Easement, including all of its schedules, exhibits, and other attachments, is hereby incorporated herein by this reference; and

WHEREAS, in the Enhanced Easement, Lessor, as owner of the Property, covenanted and agreed in Section 5.2 that, if Lessor fails to keep the Property in active Commercial Agricultural Production and Lessor did not timely enter into an agricultural lease with a Qualified Farmer pursuant to the terms of the Enhanced Easement, Lessee had the right to enter into this Agricultural Lease pursuant to the terms hereof as well as to assign this Lease or sublet all or a portion of the Property, at Lessee's sole discretion, to any Qualified Farmer who (1) agrees to conduct Agricultural Activities (as that term is defined in the Enhanced Easement) on the Property in compliance with all applicable laws and ordinances and the terms and conditions of the Conservation Enhanced Easement, including but not limited to conducting sound farming practices as provided in Section 4.4 of the Enhanced Easement and adhering to an approved Agricultural Conservation Plan as described in Section 5.1 of the Enhanced Easement (as such Agricultural Conservation Plan may be amended pursuant to the terms of such Section 5.1); and, if applicable, (2) meets the qualifications necessary to keep the Property enrolled in the NYS Agricultural District and the NYS Agricultural Assessment Programs; and

WHEREAS, Lessor has ceased active Agricultural Activities on the Property, and Lessee has notified Lessor that the Lessee intends to enter into this Lease pursuant to the terms of the Enhanced Easement.

NOW, THEREFORE, for and in consideration of their mutual covenants, agreements, and undertakings hereinafter set forth, Lessor and Lessee agree as follows:

1. Lease. Lessor and Lessee agree that this Lease will be deemed fully effective and valid on the date that Lessor receives Lessee's written notification that the circumstances upon which Lessee is entitled to enter into this Lease have occurred and that Lessee intends to enter into this Lease ("Lessee's Notice of Intent to Lease"); provided that, during the Term (as defined

below) of this Lease, Lessee shall not use the Property or any part thereof for any purpose other than the purpose(s) stated in this Lease or in violation of the Enhanced Easement or any applicable law or ordinance. In Lessee's Notice of Intent to Lease, Lessee shall provide the Annual Fair Market Value of this Lease (as defined and further described in Section 3 below) and all data and information that Lessee relied upon to calculate same.

2. **Term.** The term of this Lease shall commence on the date of Lessor has executed this Lease ("Effective Date"), and shall run for a period of five (5) consecutive years ("Initial Term"). Said Lease shall renew automatically at the end of each five (5)-year term for an additional five (5) years so long as Lessee is in full compliance with all of the covenants and conditions contained in this Lease, unless (i) Lessee notifies Lessor of Lessee's intent to terminate this Lease, which notice must be given in writing not less than ninety (90) days prior to date of termination of any existing term or (ii) Lessor notifies Lessee of Lessor's intent to terminate this Lease, which notice must be given in writing not less than ninety (90) days prior to date of termination of any existing term and provided that Lessor may only so terminate if Lessor intends to conduct, and within three (3) months of said termination actually commences conducting, Commercial Agricultural Activities on the Property in compliance with all applicable laws and ordinances and the terms and conditions of the Enhanced Easement, including but not limited to conducting sound farming practices as provided in Section 4.4 of the Enhanced Easement and adhering to an approved Agricultural Conservation Plan as described in Section 5.1 of the Enhanced Easement (as such Agricultural Conservation Plan may be amended pursuant to the terms of such section).

The Initial Term and any succeeding five-year term complying with the terms of this section shall be referred to herein as the "Term" of this Lease.

3. **Lease Payment.** Lessee agrees to pay annually as rent the sum equal to the "Annual Fair Market Value" of this Lease as of the Effective Date. The Annual Fair Market Value of this Lease shall be determined according to the following method: (i) Lessee shall compile annual rental rates of three (3) agricultural leases currently in effect from the nearest agricultural operations to the Property; (ii) those rental rates shall be divided by the respective number of acres subject to such other agricultural leases, which will produce a per-acre rate for each lease; (iii) those three per-acre rental rates shall be averaged and rounded to the nearest whole dollar; and (iv) such average shall be multiplied by the number of acres subject to this Lease, thereby producing the Annual Fair Market Value of this Lease. This Annual Fair Market Value may not be disputed by Lessor so long as Lessee has satisfied the terms of this section.

[For illustrative purposes only, if the number of acres subject to this Lease is 100, and Lessee compiles the following annual rental rates for the leases on the three nearest farming operations then in effect, the Annual Fair Market Value of this Lease would be \$12,800/year, calculated as follows:

Farm A: \$4,200 (40 acres): \$105/acre

Farm B: \$5,000 (50 acres): \$100/acre

Farm C: \$3,600 (20 acres): \$180/acre

*Average: \$128/acre * 100 acres = \$12,800/year = Annual Fair Market Value]*

The Annual Fair Market Value shall be paid by Lessee either (I) on an annual basis on or before the

below) of this Lease, Lessee shall not use the Property or any part thereof for any purpose other than the purpose(s) stated in this Lease or in violation of the Enhanced Easement or any applicable law or ordinance. In Lessee's Notice of Intent to Lease, Lessee shall provide the Annual Fair Market Value of this Lease (as defined and further described in Section 3 below) and all data and information that Lessee relied upon to calculate same.

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The Annual Fair Market Value shall be paid by Lessee either (I) on an annual basis on or before the

8. Maintenance; Storage; Dumping. Lessee shall maintain all portions of the Property in a reasonable state of cleanliness and orderly condition, free from trash, waste and debris; provided, however, that the deposition of organic materials used on the Property for, or resulting from, the conduct of Agricultural Activities that are conducted in accordance with this Lease and Sections 3.4 and 4.4 of the Enhanced Easement are permitted. Lessee may store and/or deposit material and equipment about the Property on a temporary basis and in accordance with sound agricultural practices.

9. Hazardous Substances. Lessee shall not install, store, treat, use, transport, or otherwise dispose of any hazardous materials on, under, above, or in the Property unless such use, storage, and transportation is in compliance with all applicable laws. As used in this Lease, the term "hazardous substances" means any substance, material, or waste now or hereafter determined by any federal, state, or local governmental authorities to be capable of posing a risk of injury to health, safety, or Property, including, but not limited to, any substance, material, or waste: (i) containing asbestos, radioactive materials, petroleum, petroleum fractions, or petroleum distillates; (ii) now or hereafter defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," or "restricted hazardous waste" under any provision of New York law; (iii) now or hereafter defined as "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6903; or (iv) now or hereafter defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. § 9601 *et seq.*

10. Indemnification; Insurance. Lessee shall indemnify, defend, and hold harmless Lessor from any and all claims, demands, lawsuits or judgments arising out of the use of the Property during the Term of this Lease. Lessee agrees to carry and maintain at its own cost and expense throughout the entire term of this Lease a policy or policies of insurance, in which Lessor shall be named as an additional insured, insuring against death or injury to persons and damage to Property in an amount not less than \$2,000,000.00 combined single limit for both bodily injury and Property damage liability type claims. Prior to taking possession of the demised Property, Lessee and all assignees or subtenants shall deliver to Lessor a certificate of the insurance company issuing such insurance, evidencing such coverage.

11. Default. In the event Lessee defaults in performing or observing any of the covenants or conditions of this Lease and does not cure such default within thirty (30) days of Lessee's receipt of written notice thereof by Lessor, or under circumstances where the default cannot reasonably be cured within a thirty (30)-day period, fails to begin curing the violation within the thirty (30) day period, or does not continue diligently to cure the failure until finally cured, Lessor may, at Lessor's option, terminate and cancel this Lease, re-enter the Property and dispossess Lessee and remove its effects and take possession of the Property and hold the same as if this Lease had not been made.

12. No Waiver. The failure of Lessor to insist upon the strict performance of any of the terms, conditions, and covenants herein shall not be deemed a waiver of any right or remedy that Lessor may have and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained.

13. Quarantine. Lessee shall not be required to pay rent for any portion of the Property during any such time that such portion of the Property is quarantined by the New York State, Suffolk County, or similar governmental agency. In such event, the annual rent shall be proportioned based upon the area of the Property quarantined and the number of days the quarantine remains in effect.

first day of each year of the Term; or (II) on a monthly basis on or before the first day of each month of the Term (with the first month's rent of the Initial Term and last month's rent of any un-extended Term to be prorated based on a 30-day month). The Annual Fair Market Value shall be adjusted every five (5) years according to the method provided in this section. Any other payment arrangement shall require the prior written approval of Lessee and Lessor. Upon assignment of this Lease or sublease of the Property as provided in Section 4 below, Lessee shall keep records of all expenses related to such assignment or subleasing and may deduct those expenses from the annual rent payment.

4. Assignment/Sublease. Lessee may freely assign this Lease or sublet all or a portion of the Property to a Qualified Farmer at any time during the Term without any prior notice to or consent of Lessor and in Lessee's sole and absolute discretion; provided Lessee shall provide written notice to Lessor of any such assignment or sublease and the identity of the Qualified Farmer sublessee within thirty (30) days of executing such assignment or sublease and the required indemnification and certificate of insurance required under paragraph 10 of this Lease. Lessee shall provide a full copy of the Enhanced Easement to such sublessee upon the execution of any such assignment or sublease of this Lease by Lessee pursuant to this paragraph.

5. Utilities and Taxes. Lessor shall continue to pay all charges for heat, electricity, gas, telephone, water, trash collection, sewer and all other utilities, if any, servicing the Property during the Term of the Lease and shall continue to pay existing real Property taxes and customary increases, except for any increases attributable to Lessee's activities on, or improvements to, the Property. Lessee shall be solely responsible for the payment of any taxes levied on the personal Property owned by Lessee and used on the Property.

6. Permitted Agricultural Activities. Lessee shall use the Property only for the conduct of Agricultural Activities, which include but are not limited to restoration, preparation and/or maintenance of the Property for future Agricultural Activities or the conduct of Agricultural Activities itself. Notwithstanding the foregoing, Lessee may conduct, at its discretion, any Commercial Agricultural Activities on the Property that are in compliance with all applicable laws and ordinances and the terms and conditions of the Enhanced Easement, including but not limited to conducting sound farming practices as provided in Section 4.4 of the Enhanced Easement and adhering to an approved Agricultural Conservation Plan as described in Section 5.1 of the Enhanced Easement (as such Agricultural Conservation Plan may be amended pursuant to the terms of such section). Lessee shall be solely responsible for the cost of all materials, equipment, and labor required to conduct Commercial Agricultural Activities on the Property, including but not limited to sprays, trellises and other infrastructure and inputs, but may deduct from the rent paid to Lessor those customary and reasonable costs incurred by Lessee associated with the implementation of any restoration, preparation, and maintenance of the Property for future Agricultural Activities.

7. Future Improvements. Lessee may make such improvements to the Property as are reasonably necessary for the permitted Commercial Agricultural operations on the Property, provided that any such improvement shall comply with the terms and conditions of the Enhanced Easement as well as any applicable law and regulation, whether municipal, state and/or federal, now in force, or which may hereafter be in force, pertaining to the Property and Lessee's use and occupancy thereof. Any cost and expense incurred as a result of the improvements shall be paid by Lessee. Unless otherwise agreed in writing between the Lessor and Lessee, any buildings, structures or improvements constructed on the Property by Lessee shall become the Property of the Lessor at the end of the term of this Lease.

8. Maintenance; Storage; Dumping. Lessee shall maintain all portions of the Property in a reasonable state of cleanliness and orderly condition, free from trash, waste and debris; provided, however, that the deposition of organic materials used on the Property for, or resulting from, the conduct of Agricultural Activities that are conducted in accordance with this Lease and Sections 3.4 and 4.4 of the Enhanced Easement are permitted. Lessee may store and/or deposit material and equipment about the Property on a temporary basis and in accordance with sound agricultural practices.

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14. Notice. Any bill, statement, or notice that either party desires to give or is required to be given by the terms of this Lease shall be made in writing and delivered or mailed to the intended recipient at the parties' respective addresses shown on the first page of this Lease (or to such other address as such party may designate to the other pursuant to the terms of this section). Said notice will be considered delivered on the day it is mailed, if applicable, or if not mailed, when actually delivered to the recipient at the proper address. Any such notice shall be delivered personally; sent by certified U.S. mail, return receipt requested, with sufficient postage prepaid; or sent by a reputable overnight delivery service.

15. Amendment. This Lease may be amended only by an agreement in writing signed by the parties to this Lease.

16. Termination. In addition to other events of termination provided for in this Lease, this Lease may also be terminated at any time upon mutual consent of Lessor and Lessee.

17. Surrender of Property. Upon the expiration or termination of this Lease, Lessee shall quit and surrender the Property to Lessor. On termination or expiration, Lessee shall have the right to remove personal Property at its expense, and shall have sixty (60) days after the expiration of the Lease in which to remove any or all of said personal Property. If Lessee fails to remove all said personal Property within sixty (60) days after expiration of the Lease, then that personal Property not removed shall be deemed abandoned by Lessee and title to that Property may be retained or disposed of by Lessor.

18. Eminent Domain. If the whole or any part of the Property is acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the terms of this Lease shall terminate from the date of title vesting in such condemning entity, and Lessee shall have no claim against Lessor for the value of any unexpired Term of this Lease.

19. Lien. This instrument shall not be a lien against said Property in respect to any mortgages that hereafter may be placed against said Property and that the recording of such mortgage or mortgages shall have preference and precedence and be superior and prior in lien to this Lease, irrespective of the date of recording, and Lessee agrees to execute any such instrument, without cost, which may be deemed necessary or desirable to further effect the subordination of this Lease to any such mortgage or mortgages.

20. No Broker. Each party represents to the other that no broker brought about the signing of this Lease. In the event any person asserts a claim for a broker's commission or finder's fee, the party on account of whose conduct or actions the claim is asserted will indemnify, defend and hold the other party harmless from said claim.

21. Lease Runs with the Property. This Lease and all its terms shall run with the Property and shall survive a sale of the Property by Lessor only for the term set forth herein.

22. Successors and Assigns. The covenants, conditions, and agreements contained in this Lease shall bind and inure to the benefit of Lessor and Lessee and their respective heirs, successors, and permitted assigns.

23. Entire Agreement. Any prior negotiations, oral representations, or statements made by either Lessor or Lessee are merged into this Lease. All prior claims, counter-claims, defenses, or actions are extinguished upon execution of this Lease. This Lease contains and fully integrates the entire agreement between the parties, and it shall not be modified in any manner except by an instrument in

writing executed by the parties. If any term or provision of this Lease or the application of this Lease to any person or circumstances shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Lease, or the application of such Lease's terms or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each remaining term and provision of this Lease shall be valid and shall be enforced to the fullest extent permitted by law.

24. Construction. This Lease shall be governed by and construed under the laws (statute and common) of the State of New York. Paragraph headings and summaries are for convenience only. In no event shall any such title or caption be deemed to be part of this Lease or interpretive of any of its language or intent. No provision of this Lease is to be interpreted for or against either party because that party or that party's legal representative drafted this Lease or any of its provisions. Words of any gender in this Lease shall be held to include any other gender, and words in the singular number shall be held to include the plural when the sense requires.

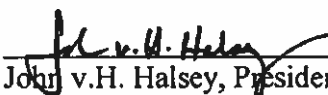
25. Time of Essence. Time is of the essence in this Lease and all the provisions relating to timely performance shall be strictly construed.

26. Governing Law and Venue: New York law applicable to leases and Landlord and tenant matters pertaining to land located within New York shall govern this Lease in all respects, including validity, construction, interpretation, breach, violation and performance. Venue, with respect to any action or proceeding commenced as a result of this Lease, shall be in Suffolk County, New York.


IN WITNESS WHEREOF, the parties have executed this Lease on the date as first above written.

LESSOR

LESSEE



John v.H. Halsey, President
Peconic Land Trust, Incorporated



Maria Z. Moore, Town Supervisor
Town of Southampton

writing executed by the parties. If any term or provision of this Lease or the application of this Lease to any person or circumstances shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Lease, or the application of such Lease's terms or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each remaining term and provision of this Lease shall be valid and shall be enforced to the fullest extent permitted by law.

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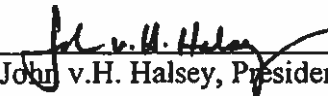
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LESSOR

LESSEE



John v.H. Halsey, President
Peconic Land Trust, Incorporated



Maria Z. Moore, Town Supervisor
Town of Southampton

EXHIBIT C
Baseline Documentation Report Acknowledgement


The undersigned, John v.H. Halsey, on behalf of Grantor, and Maria Z. Moore, representing Grantee, certify as follows:

- a) Each is familiar with the condition of the Property, and
- b) Each does hereby acknowledge and certify that the Baseline Documentation, and all of its inclusions, dated April 19, 2024, is an accurate representation of the condition of the Property as of the Effective Date of the Conservation Easement.

Duplicate originals of the Baseline Report were signed and delivered by each of Grantor and Grantee, and each will receive duplicate originals of the Baseline Documentation as of the conveyance of the Easement.

GRANTOR

PECONIC LAND TRUST, INCORPORATED


By: John v.H. Halsey
Its: President

GRANTEE

TOWN OF SOUTHAMPTON


By: Maria Z. Moore
Its: Town Supervisor