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[Template date 06/17/2014 – "full" Notice of Selection – LAEPP]

NOTICE

DATE

LANDOWNER FIRST NAME/LAST NAME LANDOWNER STREET ADDRESS CITY, STATE ZIP

Dear LANDOWNER:

Congratulations on the selection of your 20__ Clean Ohio Local Agricultural Easement Purchase Program ("LAEPP") application in this year's funding round. Your application is now eligible to proceed to Phase 3, in accordance with Ohio Administrative Code 901-2-06.

DRAFTING NOTE: For single-contributor (ODA-only) purchases, use <u>OPTION A</u> for the next paragraph. For multi-contributor purchases, use <u>OPTION B</u> or <u>OPTION C</u> as the next paragraph:

OPTION A (ODA-only):

The purchase price of your agricultural easement is expected to be [TOTAL AG EASEMENT PURCHASE PRICE IN DOLLAR FORMAT ex. \$78,345.00] [(PURCHASE PRICE WRITTEN OUT ex. Seventy-eight thousand three hundred and forty-five 00/100 dollars)]. This price is based on the acreage stated in your 20_ LAEPP application, which the [LOCAL SPONSOR] shows as [NUMBER OF ACRES] acres. This price may be adjusted if the subsequent title search and survey (if necessary) show less acreage than what was submitted on your application.

OPTION B (multi-contributor, NRCS as additional contributor):

The purchase price of your agricultural easement is expected to be [TOTAL AG EASEMENT PURCHASE PRICE IN DOLLAR FORMAT ex. \$78,345.00] [(PURCHASE PRICE WRITTEN OUT ex. Seventy-eight thousand three hundred and forty-five 00/100 dollars)]. Of these funds \$[Insert ODA contribution in dollar format, ex. \$26,115.00] will be awarded from ODA through the LAEPP and the remaining \$[Insert other contribution in dollar format, ex. \$52,230.00] will be awarded by the Natural Resources Conservation Service (NRCS)'s Agricultural Conservation Easement Program (ACEP). This price is based on the acreage stated in your 20__ LAEPP application, which the [LOCAL SPONSOR] shows as [NUMBER OF ACRES] acres. This price may be adjusted if the subsequent title search and survey (if necessary) show less acreage than what was submitted on your application. Additionally, this price may be adjusted based on the Fair Market Value of the Agricultural Easement (FMEV) as determined by the subsequent appraisal required by ACEP.

OPTION C (*multi-contributor*, *non-NRCS*):

The purchase price of your agricultural easement is expected to be [TOTAL AG EASEMENT PURCHASE PRICE IN DOLLAR FORMAT ex. \$78,345.00] [(PURCHASE PRICE WRITTEN OUT ex. Seventy-eight thousand three hundred and forty-five 00/100 dollars)]. Of these funds \$[Insert ODA contribution in dollar format, ex. \$26,115.00] will be awarded from ODA through the LAEPP and the remaining \$[Insert other contribution (other grant, local sponsor contribution, etc.) in dollar format, ex. \$52,230.00] will be awarded by the [ADDITIONAL CONTRIBUTOR]. This price is based on the acreage stated in your 20_LAEPP application, which the [LOCAL SPONSOR] shows as [NUMBER OF ACRES] acres. This price may be adjusted if the subsequent title search and survey (if necessary) show less acreage than what was submitted on your application.

Upon exercise of this NOTICE:

- 1. [LANDOWNER] ("Landowner") acknowledges that the [LOCAL SPONSOR] shall obtain, on the Ohio Department of Agriculture ("ODA")'s behalf, a title guaranty, attorney's certificate or title insurance as evidence of the title to be conveyed.
 - a. Costs incurred by [LOCAL SPONSOR] for the above items will be reimbursed to [LOCAL SPONSOR] through the title insurance company, as escrow agent, at closing by deducting these costs from the Agricultural Easement purchase price.
 - b. *[LOCAL SPONSOR]* will review the previously mentioned documentation for compliance with LAEPP requirements, and if *[LOCAL SPONSOR]* and ODA determines that the documentation is in compliance, Landowner will receive written notice that it has been selected to proceed to Phase 4, which consists of ODA and Landowner signing a Purchase Agreement.
 - c. If, after costs are incurred by [LOCAL SPONSOR] for the above items, Landowner becomes ineligible for any reason or withdraws from receiving funding, Landowner shall be held completely responsible and shall reimburse [LOCAL SPONSOR] for all such costs.
 - d. ODA may require that the property be surveyed by a duly licensed surveyor at Landowner's expense, if ODA determines that the boundaries of the easement property are not sufficiently described to enforce the easement or if a survey is required to record the easement.
- 2. Title to the application property shall not be subordinate to any other legal or equitable interest, the exercise of which would result in a conversion of the land from predominately agricultural use. Landowner shall provide subordination agreement(s) from any party that has a legal or equitable interest in the land identified in the application, or in the title search, that [LOCAL SPONSOR] and/or ODA determines is not conducive to keeping the land in agriculture.

NOTE: Any liens, encumbrances, mortgages and easements allowed to remain must be subordinated in accordance with the policies of ODA before payment of the purchase price is permitted.

- 3. Landowner acknowledges that no additional house(s) may be added to the property if homes already exist. If no housing currently exists, landowner acknowledges that they will be permitted to reserve a home site for one future single-family residence.
- **4.** Landowner acknowledges and consents that *[LOCAL SPONSOR]* may submit Landowner's application to the United States Department of Agriculture's ("USDA") Natural Resource Conservation Service ("NRCS") for partial reimbursement under the Agricultural Conservation Easement Program ("ACEP") for the purchase of the Agricultural Easement.
- **5.** Landowner acknowledges that if *[LOCAL SPONSOR]* submits Landowner's application to USDA/NRCS, compliance with the ACEP requirements will be required by the Landowner and *[LOCAL SPONSOR]*.
- **6.** Landowner acknowledges that any award is public record and such information may be released to the media in accordance with the requirements of Ohio law.
- 7. Landowner acknowledges that any funding is contingent upon the availability of funds from the Clean Ohio Agricultural Easement Fund.

8. Landowner further acknowledges that this Notice does not guarantee the receipt of funding, but is an agreement by Landowner to abide by the terms of this Notice and proceed to Phase 3 of the Local Agricultural Easement Purchase Program.

Sincerely,

[LOCAL SPONSOR]

[LOCAL SPONSOR TITLE]

CC: Ohio Department of Agriculture, Office of Farmland Preservation (via email)

[LANDOWNER NAME] - LAEPP 20_ Notice of Selection

<u>ALL Landowners/Partners/Trustees</u> must return this **SIGNED NOTICE** to *[LOCAL SPONSOR]* within 10 business days after the date of this Notice, if they desire to proceed to Phase 3. If no response is received within 10 business days, the application will not proceed to Phase 3.

If all landowners agree to proceed to Phase 3 of the application process, please sign and date below.

ACKNOWLEDGEMENT AND ACCEPTANCE

MY SIGNATURE INDICATES THAT I HAVE READ, UNDERSTAND, AND AGREE TO ABIDE BY THE PROVISIONS/TERMS AND CONDITIONS ABOVE.

Signature:
Printed Name:
Date:
Signature:
Printed Name:
Date:
Signature:
Printed Name:
Date:
Signature:
Printed Name:
Date:

*If more than four signatures are required, please attach a sheet with remaining signatures.