

Prepared by:

16-48.00 clgt

Michael Osterman
MICHAEL OSTERMAN, ESQ.

CONSERVATION EASEMENT

This Conservation Easement dated 15th December 9, 1993, by and between MARJORIE S.G. GRAFF, having an address at P.O. Box 217, Far Hills, New Jersey 07931 (hereinafter referred to as the "Grantor"), and the UPPER RARITAN WATERSHED ASSOCIATION, a New Jersey not-for-profit corporation, having an address at P.O. Box 273, Gladstone, New Jersey 07934 (hereinafter referred to as the "Grantee").

WITNESSES:

WHEREAS, the Grantor is the owner of certain lands located in the Township of Bedminster, County of Somerset, State of New Jersey, being designated as Block 39, Lot 12, on the Tax Maps of the Township of Bedminster (hereinafter referred to as the "Property");

WHEREAS, the Property possesses natural, open space and water resource values worthy of protection;

WHEREAS, the Property includes a significant natural habitat and ecosystem in which native plants and wildlife - including threatened and endangered species - exist in a natural state; and includes ecologically significant and sensitive areas adjacent to Hoopstick Brook, a tributary of the North Branch of the Raritan River;

WHEREAS, clearly delineated State, County and Municipal conservation policies call for preservation of the significant open space, the exceptional value wetlands, the forested areas, the stream corridor, and the wildlife habitats found on the Property.

WHEREAS, preservation of the open space, the exceptional value wetlands, the forested areas, the stream corridor and the wildlife habitats found on the Property will yield significant public benefits.

WHEREAS, the specific conservation values of the Property are documented in an inventory of relevant features of the Property dated November 15, 1993, on file at the offices of the Grantee, which present an accurate portrayal and objective informational baseline for monitoring compliance with the terms of this grant;

RECORDED IN DEED

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WHEREAS, the Grantee is a publicly supported tax exempt nonprofit entity qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code and the regulations thereunder, whose primary purpose is the protection of the Lamington/North Branch of the Raritan River systems and the ecosystem of which the River systems is part;

WHEREAS, various (1) flood plains, (2) freshwater wetlands and (3) stream headwater systems which constitute a significant component of the Lamington/Raritan river system watershed which are worthy of protection and preservation exist on the Property;

WHEREAS, among the principal purposes for which the Grantee exists are preserving natural resources and open spaces; and

WHEREAS, the Grantor and the Grantee agree that an area of the Property to be known as the Easement Property should be protected from improper land use, and for such purpose the Grantor desires to give and grant to the Grantee and the Grantee desires to accept the conservation easement described in this Conservation Easement.

NOW, THEREFORE, in consideration of the mutual benefits provided hereunder (receipt of which is hereby acknowledged by the Grantor and the Grantee), the Grantor does hereby grant, transfer, demise and convey unto the Grantee, its successors and/or assigns, an easement (hereinafter the "Easement") and interest in perpetuity for the purpose of protecting the Easement Property in its natural, open and existing state. The Easement Property is more particularly described on Schedule A attached.

The Easement is subject to the following terms and conditions, with which the Grantor and the Grantee in their respective capacities, for themselves and their respective heirs, administrators, executors, personal representatives, successors and assigns, agree to comply, and which the Grantee by its acceptance of the Easement undertakes to maintain.

1. **Purpose.** The purposes and intention of the Grantor in granting the Easement are to protect the Easement Property in its natural, open and existing state in perpetuity; to protect in perpetuity the water resources of the Lamington/Raritan River system watershed; to protect in perpetuity the natural ecosystem on the Easement Property, which includes a natural habitat of fish, wildlife and plants; to protect in perpetuity any threatened or endangered species that may be found on the Easement Property; to preserve in perpetuity the natural habitat on the Easement Property for scientific study and educational purposes; and to preserve in perpetuity certain open space, which includes forest land.

2. Grantee Access and Management.

(A) The Grantee, its officers, employees and agents shall have access to the Easement Property upon reasonable notice to the Grantor for the purpose of inspecting the Easement Property to assure compliance with the Easement. The Grantee shall have a right of access to the Easement Property by way of a farm road running in a westerly direction from Larger Cross Road across certain property identified as Block 39, Lots 23 and 12 on the Tax Maps of the Township of Bedminster (hereinafter referred to as the "Farm Road Access"). The Grantor hereby grants the Grantee a right of access to the Easement Property over the portion of the Farm Road Access located on the Property (Block 39, Lot 12). The Grantee shall be granted a right of access to the Easement Property over the portion of the Farm Road Access located on Block 39, Lot 23 by separate instrument executed and delivered by the owner of said Block 39, Lot 23. The Farm Road Access shall be the sole means of access by the Grantee to the Easement Property. The Grantor shall have the right, upon written notice to the Grantee, to terminate the Grantee's rights in the portion of the Farm Road Access located on the Property, provided the Grantor grants the Grantee an alternative means of access to the Easement Property.

(B) If the Grantor and the Grantee agree that it is to their mutual advantage to have a management plan with respect to the Easement Property, then the Grantor and the Grantee agree to use good faith efforts to develop a management plan which shall be reduced to writing and executed by both parties.

3. Scientific Study, Educational Visits, and Conservation Projects. Grantee, its officers, employees and agents shall be permitted to have access to the Easement Property for the purpose of conducting supervised educational visits, scientific studies of flora and fauna, organized bird watching and instructional tours, and wildlife conservation projects. All such visits, studies, tours and projects shall require reasonable notice given to the Grantor prior to entering onto the Easement Property, and shall require supervision by the Grantee. All such studies and projects shall be conducted by professionally qualified individuals or groups associated with recognized educational, scientific or conservation organizations or institutions. This Paragraph 3 shall in no way be construed as permitting general access to the Easement Property for passive recreation.

4. Reserved Rights. The Grantor retains personally and for her personal representatives, successors and/or assigns, all rights inherent in the ownership of the Easement Property which are not expressly prohibited in this Conservation Easement and not otherwise inconsistent with the purposes of this Conservation Easement, including, without limitation, the rights specifically reserved on Schedule B attached. The Grantee hereby acknowledges that the rights specifically reserved by the Grantor on Schedule B

will not destroy or impair any conservation interests associated with the Easement Property.

5. Prohibited Uses. Any activity on, or use of, the Easement Property subject to the Easement inconsistent with this Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

- a. construction or placing of buildings, signs, roads, billboards or other advertising, or other structures or landscaping on or above the ground, except for those expressly permitted pursuant to Schedule B attached.
- b. dumping or placing of soil or other substance or material as landfill, or dumping or placing of trash, waste or other unsightly or offensive material, except natural substances resulting from woodlot management practices;
- c. removal or destruction of trees, shrubs or other vegetation, except in connection with recognized agricultural, forestry and silviculture practices;
- d. excavation, dredging or removal of soil, loam, peat, gravel, sand, rock or other mineral material;
- e. surface use, except for (i) recognized agricultural, forestry and silviculture practices, (ii) such other uses that permit the land or water to remain predominantly in its natural condition, and (iii) those uses specifically permitted pursuant to Schedule B attached;
- f. activities that are detrimental to drainage, flood control, water conservation, erosion control or soil conservation, or to fish and wildlife habitat preservation;
- g. any activities that affect or alter the water courses of the Lamington/North Branch of the Raritan River systems;
- h. access by motorized vehicles, including but not limited to off-road vehicles, skidobiles and motorcycles, with the exception of agricultural machinery and vehicles used on a temporary basis by the Grantee to keep trails open or for other purposes associated with a natural habitat program supervised by the Grantee; and
- i. other acts and uses detrimental to the retention of the land or water areas according to the purposes of this Conservation Easement or the New Jersey Conservation Restriction and Historic Preservation Act, N.J.S.A. 13:8B-1, et seq.

6. Costs of Enforcement. Any reasonable costs incurred by the Grantee in enforcing the terms of this Conservation Easement, including but not limited to attorneys' fees, costs of suit and other similar fees, and cost of restoration of the Easement Property occasioned by the Grantor's breach of the terms of this Conservation Easement shall be paid by the Grantor. The Grantee shall likewise be responsible for paying the reasonable costs incurred by the Grantor in enforcing the terms of this Conservation Easement, including but not limited to attorneys' fees, costs of suit and other fees occasioned by the Grantee's breach.

7. Enforcement. Each party to this Conservation Easement may demand compliance with the terms of this Conservation Easement and, if necessary, seek whichever judicial order it may determine is advisable, including, but not limited to, an order requiring the restoration of the Easement Property to its condition at the time of the grant of the Easement. Any forbearance or delay by either the Grantor or the Grantee in demanding compliance with the terms of this Conservation Easement shall not be, nor shall it be construed to be, a waiver of any rights that either party may have under this Conservation Easement, by statute, at law or in equity.

8. Limitation on Actions Against Grantor. Nothing contained in this Conservation Easement shall give the Grantee the right to bring an action against the Grantor for a violation of this Conservation Easement where such violation is caused by fire, flood, act of God or other event or events beyond the Grantor's control.

9. Limitation of Access. The Easement shall not be nor shall it be construed to be a right granted to the public of access to or use of the Easement Property. The Grantor shall have the authority to commence whatever actions at law or in equity that it shall deem necessary to restrain entry to the Easement Property by the public.

10. Expenses and Liabilities. The Grantor shall retain the responsibility to maintain the Easement Property in accordance with applicable law, to pay all taxes when due and to bear the costs of procuring liability insurance for the Easement Property. The Grantor agrees to provide evidence of insurance upon written request to the Grantee.

11. Assignment.

(A) With the consent of the Grantor, the Grantee may assign, in part or in whole, its rights under this Conservation Easement to any one or more of the following: (a) the New Jersey Natural Lands Trust created by N.J.S.A. 13:1B-15.119, et seq.; (b) any trust or other entity created by the State of New Jersey or Somerset County for substantially the same purposes as the New Jersey Natural Lands Trust (said purposes being set forth in N.J.S.A. 13:1B-15.119); or

(c) another corporation or entity selected by the Grantee which is exempt from federal income taxation and authorized by its charter or applicable law to hold the Easement; provided that any entity to which the Easement is transferred must be a qualified organization within the meaning of Regulation §1.170A-14(c)(1) of the Internal Revenue Code as it may be amended from time to time (the "Code").

(B) If at any time the Grantee shall cease to act as a not-for-profit corporation with one of its primary purposes being the preservation of natural resources and open spaces, or shall be liquidated or dissolved, the Easement and the interests granted to the Grantee under this Conservation Easement shall be transferred to an entity which is a qualified organization within the meaning of Regulation §1.170A-14(c)(1) of the Code and which is selected by the Grantor with the consent of the Grantee, which consent shall not be unreasonably withheld.

(C) Notwithstanding the foregoing, the Grantee shall not transfer its rights in the Easement to any entity unless that entity agrees in writing as a condition of the transfer to carry out the conservation purposes set forth in this Conservation Easement and to comply with the terms of this Conservation Easement; such agreement by the Grantee and any assignee shall include a provision allowing the Grantor, her personal representatives, successors and/or assigns to enforce the provisions of this Conservation Easement.

12. Change in Economic Condition. The fact that any use of the Easement Property that is expressly prohibited by the terms of this Conservation Easement may become greatly more economically valuable than uses permitted by the terms of this Conservation Easement, or that neighboring properties may, in the future, be put entirely to uses that are not permitted by this Conservation Easement, has been considered by the Grantor in granting the Easement. The Grantor believes that any such changes in the use of neighboring properties will increase the benefit to the public of the continuation of this Conservation Easement, and the Grantor and the Grantee intend that any such changes shall not be deemed to be circumstances justifying the termination or extinguishment of the Easement pursuant to Paragraphs 13 and 14. In addition, the inability of the Grantor, her personal representatives, successors and/or assigns to conduct or implement any or all of the uses permitted under the terms of this Conservation Easement, or the unprofitability of doing so, shall not impair the validity of this Conservation Easement or be considered grounds for its termination or extinguishment pursuant to Paragraphs 13 and 14.

13. Stipulated Value of the Grantee's Interest.

(A) The Grantor acknowledges that this Conservation Easement constitutes a real property interest in the Easement Property immediately vested in the Grantee, and that such interest has a

fair market value. For purposes of allocating net proceeds in the event of an extinguishment of all or part of the Easement pursuant to Paragraph 14, the share of the Grantee's interest shall not be less than the percentage that the fair market value of the Easement on the date hereof bears to the fair market value of the Easement Property on the date hereof unencumbered by the Easement (hereinafter called the "Easement Percentage").

Fair market values for calculating the Easement Percentage shall be based upon a Qualified Appraisal obtained by the Grantor for federal income tax purposes. Upon receipt of such Qualified Appraisal, the Grantor shall provide a copy of the Qualified Appraisal to the Grantee.

(B) The Grantor and the Grantee, and any successors in interests, shall use reasonable efforts to exhaust all appropriate legal remedies in order to preserve and protect the conservation purposes set forth in this Conservation Easement. The Grantor and the Grantee shall cooperate with each other in the performance of their obligations under this Paragraph 13.

(C) In the event that all or part of the Easement Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the conservation purposes set forth in this Conservation Easement, the Grantor and the Grantee shall join in appropriate action at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking. All reasonable expenses incurred by the Grantor and the Grantee in an effort to prevent a taking or in an effort to recover the full value of a taking shall be shared on a prorata basis out of any recovered proceeds (based upon each party's proportionate share of such proceeds as set forth in Paragraph 13(A) hereof).

14. Extinguishment of Easement and Distribution of Net Proceeds.

(A) In the event that all or part of the property interests subject to this Conservation Easement are involuntarily extinguished by (i) eminent domain, (ii) other judicial proceedings, or (iii) a settlement reached between the Grantor, the Grantee, and a condemning authority under threat of eminent domain, and the Grantor joins with the Grantee in accordance with Paragraph 13(B) and 13(C) above, the Grantee's share of any proceeds recovered from any compensation in eminent domain or judicial proceedings or from the first lawful sale of the Easement Property, after the restrictions within this Conservation Easement have been extinguished, shall equal the Easement Percentage, provided that a larger percentage has not been stipulated by agreement between the Grantee and the Grantor.

(B) In the event that all or part of the property interests subject to this Conservation Easement are extinguished by (i) eminent domain, (ii) other judicial proceedings, or (iii) settlement is reached between the Grantor, the Grantee, and a condemning authority under threat of eminent domain, where such action is brought by or on behalf of the Grantor or where the Grantor does not join with the Grantee in accordance with Paragraph 13(B) and 13(C) above, the value of the interests so taken shall be determined by an independent appraisal and the net proceeds recovered from any compensation in eminent domain or judicial proceedings or from the first lawful sale of the Easement Property after the restrictions within this Conservation Easement have been extinguished, shall be distributed between the Grantor and the Grantee in accordance with the findings of an independent appraisal of the interests taken. Provided, however, that in no event shall the Grantee's share of said net proceeds be less than the Easement Percentage.

(C) The Grantee shall use its share of any net proceeds recovered as described in this Paragraph 14 in a manner consistent with the conservation purposes of this Conservation Easement.

15. Subsequent Transfers. The Grantor agrees to incorporate the terms of this Conservation Easement into any instrument (including but not limited to leases) regarding the Easement Property which affects the rights of the Grantee, its successors and/or assigns under this Conservation Easement. The failure of the Grantor to comply with the provisions of this Paragraph 15 shall in no way impair the validity of this Conservation Easement or limit its enforceability in any way.

16. No Forfeiture. No breach of this Conservation Easement by the Grantor shall result in a forfeiture of title.

17. Estoppel Certificates. On written request of the Grantor, the Grantee shall within 14 days provide to the Grantor's lender any document, including an estoppel certificate, which certifies the Grantor's compliance with the Grantor's obligations under this Conservation Easement and otherwise evidences the status of the Easement as may reasonably be requested by the Grantor.

18. General Provisions.

(A) Entire Agreement. This Conservation Easement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth or incorporated herein.

(B) Headings, Interpretation. Paragraph headings are not to be considered part of this Conservation Easement, are included solely for convenience and are not intended to be full or accurate descriptions of the contents thereof. The use of the terms "herein", "hereunder", "hereof", and like terms shall be deemed to refer to this entire Conservation Easement and not merely to the particular provision in which the term is contained, unless the context clearly indicates otherwise.

(C) Amendment. The parties hereto may not amend or modify this Conservation Easement except in such manner as may be agreed upon by a written instrument executed by the Grantor and the Grantee, provided that any such amendment shall be consistent with the conservation purposes of this Conservation Easement.

(D) Exhibits, Schedules and Attachments. Exhibits, Schedules and Attachments to this Conservation Easement are an integral part of this Conservation Easement.

(E) Counterparts. This Conservation Easement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(F) Successors and Assigns. All persons and parties referred to herein shall be deemed to include the personal representatives, successors and assigns thereof. All of the terms and provisions of this Conservation Easement shall be binding upon and shall inure to the benefit of the parties hereto and their respective transferees, personal representatives, heirs, successors and assigns.

(G) Waivers. No waiver of any of the provisions of this Conservation Easement (1) shall be valid unless evidenced by a writing executed by each party to be bound thereby, (2) shall be deemed or shall constitute a waiver of any other provisions of this Conservation Easement or any other provisions hereof, or (3) shall constitute a continuing waiver unless otherwise expressly provided.

(H) Governing Law. This Conservation Easement shall be governed by and construed in accordance with the laws of the State of New Jersey.

(I) Survival of Representations, Warranties and Agreements. All representations, warranties and agreements of the parties hereto made herein shall survive the closing of the conveyance of the Easement and any investigation made by or on behalf of any party. Consummation of the transactions contemplated hereby shall not be deemed or construed to be a waiver of any right or remedy possessed by any party hereto, notwithstanding that such party knew or should have known at the time of closing that such right or remedy existed.

(J) Severability. The terms, covenants and conditions of this Conservation Easement shall be deemed to be severable. If one or more of the provisions, terms, covenants or clauses, paragraphs or subparagraphs of this Conservation Easement are adjudged to be unlawful, unconstitutional, unenforceable or void or of no effect for any reason whatsoever, that adjudication shall in no way affect the other provisions, terms, covenants or clauses, paragraphs or subparagraphs of this Conservation Easement which have not been so adjudged. In the event of an adjudication as described aforesaid, this Conservation Easement shall be construed as though the affected provision, term, covenant or clause, paragraph or subparagraph had not been included herein.

(K) Gender and Number. Words importing a particular gender mean and include every other gender and words importing the singular number mean and include the plural number and vice-versa.

IN WITNESS WHEREOF, the parties have executed or caused to be executed this Conservation Easement as of the date first above written.

WITNESS:

Michael O'Brien
Michael O'Brien

Margorie S.G. Craft
MARGORIE S.G. CRAFT
Grantor

ATTEST:

UPPER MERITAN WATERSHED
ASSOCIATION,
Grantee

By: Elizabeth Merck
Elizabeth Merck, Secretary

By: Charles M. Chapin III [seal]
Charles M. Chapin III,
President

SCHEDULE A

Conservation Easement, Lot 12, Block 39

All that certain land located in the Township of Bedminster, County of Somerset and State of New Jersey, specifically described as follows:

BEGINNING at a concrete monument marking the southwesterly corner of Lot 12, Block 39, lands of Marjorie S. Graff, thence the following two courses running along the northerly line of Lot 12.05;

(1) North 76° 16' 53" East, 439.06 feet to a concrete monument, thence;

(2) North 36° 44' 48" East, 579.96 feet to a point in a 24-inch hickory tree, thence the following fourteen courses running across said Lot 12, lands of Graff and being 15 feet westerly of and parallel to the existing field road;

(3) North 31° 31' 27" West, 35.64 feet to a point, thence;

(4) North 35° 38' 32" West, 301.11 feet to a point, thence;

(5) North 15° 26' 30" West, 48.91 feet to a point, thence;

(6) North 39° 59' 54" East, 33.56 feet to a point, thence;

(7) North 59° 43' 08" East, 50.35 feet to a point, thence;

(8) North 46° 07' 39" East, 34.31 feet to a point, thence;

(9) North 24° 51' 29" East, 38.88 feet to a point, thence;

(10) North 5° 55' 03" East, 125.55 feet to a point, thence;

(11) North 4° 11' 49" West, 32.31 feet to a point, thence;

(12) North 24° 09' 53" West, 42.36 feet to a point, thence;

thence; (13) North 32° 21' 25" West, 163.76 feet to a point,

thence; (14) North 30° 24' 38" West, 166.09 feet to a point,

thence; (15) North 39° 38' 46" West, 71.82 feet to a concrete monument, thence;

(16) South 75° 45' 11" West, 652.16 feet to a point in line of Lot 12.03, lands of Three Bears Associates, said last mentioned course being 100 feet southerly of and parallel to the northerly line of Lot 12, thence the following three courses running along said Lot 12.03;

(17) South 47° 57' 34" West, 538.52 feet to an iron pipe, thence;

(18) South 41° 25' 10" East, 377.70 feet to an iron pipe, thence;

(19) South 24° 35' 51" East, 802.29 feet to the point and place of beginning.

CONTAINING 29.255 acres of land.

ABOVE DESCRIBED conservation easement being shown on "Map Showing High Time Farm, Bedminster Township, Somerset County, N.J., dated April 30, 1991, revised to August 2, 1991", prepared by Appgar Associates.

THIS DESCRIPTION prepared by Appgar Associates Engineers, Land Surveyors, and Planners, Far Hills, New Jersey, August 2, 1991.

SCHEDULE B

Specific Rights Reserved by the Grantor

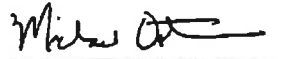
Without limiting the scope of the general provisions of the Reserved Rights Paragraph (Paragraph 4) of this Conservation Easement, the Grantor reserves the following rights:

- A) To engage in and to permit guests to engage in recreational uses of the Easement Property including, without limitation, hunting of non-endangered species, shooting, organized fox hunting, following a pack of basset hounds, fishing, hiking, camping, skiing, horseback riding, painting, drawing and photography, and the posting of any reasonable signs incident thereto that require no surface alteration or development of the land; and
- B) To develop and carry out a woodlot management plan in accordance with recognized forestry practices.

STATE OF NEW JERSEY }
COUNTY OF } SS.:

I certify that on this 29th day of November,
1993, MARJORIE S.G. GRAFT personally came before me and she
acknowledged under oath, to my satisfaction, that she:

- (a) is named in and personally signed the attached
document; and
- (b) signed and delivered this document as her act
and deed.


Michael Osterman
An Attorney at Law
of New Jersey

STATE OF NEW JERSEY)
COUNTY OF Somerset) SS.:

I certify that on this 9th day of December,
1993, Elizabeth Merck personally came before me and this person
acknowledged under oath, to my satisfaction that:

(a) this person is the Officer Secretary of
the Upper Raritan Watershed Association, the corporation named in
the attached document;

(b) this person is the attesting witness to the signing
of this document by the proper corporate officer who is Charles M.
Chapin III, the President of the corporation;

(c) this document was signed and delivered by the
corporation as its voluntary act duly authorized by a proper
resolution of its Board of Directors;

(d) this person knows the proper seal of the corporation
which was affixed to this document; and

(e) this person signed this proof to attest to the truth
of these facts.

Elizabeth M. Merck
Elizabeth Merck

Signed and sworn
to before me on
December 9, 1993.

Margaret A. Vandenbark

MARGARET A. VANDENBARK
NOTARY PUBLIC
My Comm. Expires 12/31/95

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CONSERVATION EASEMENT

between

MARJORIE S.C. GRAFF, Grantor

and

UPPER MARITAN WATERSHED ASSOCIATION, Grantee

Dated: December 9, 1993

RECORD and RETURN TO:

↓
Herald & Haines
25 Independence Blvd
Warren, N.J. 07059

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END OF DOCUMENT