

Agreement Number: _____
(NRCS Use)

AGREEMENT FOR THE PURCHASE OF CONSERVATION EASEMENT

THIS AGREEMENT is made by and between _____ (“Landowner”), and the UNITED STATES OF AMERICA, by and through the Secretary of Agriculture (“United States”), on behalf of the Commodity Credit Corporation (“CCC”). Landowner and the United States are collectively referred to as “the Parties.” The Natural Resources Conservation Service (“NRCS”) and the Farm Service Agency (FSA) jointly administer this program on behalf of the United States Department of Agriculture (USDA).

For and in consideration of _____ Dollars (\$_____) payable by the United States to the Landowner, Landowner agrees to sell to the United States a conservation easement on lands and interests, (“Property”) in accordance with the following terms and conditions:

I. Purpose.

Landowner agrees that by signing this Agreement, the Landowner is enrolling the Property in the Grassland Reserve Program (“GRP”), 16 USC 3838N-3838Q, and agrees to the restoration, if applicable, and maintenance of the Property for the duration of the GRP easement in accordance with the Conservation Easement Deed, appended hereto as Exhibit 1. NRCS will assist landowners in the implementation of a GRP Management Plan, developed by NRCS.

II. Property Description.

The Property is comprised of _____ acres, more or less, and is more fully described with the legal description of the Property in Exhibit 2, appended hereto.

TOGETHER, with an associated right-of-way, water uses, water rights, minerals, oil, gas, and geothermal resources depicted on Exhibit 3, appended hereto.

III. Easement Compensation.

Easement Compensation is based on the value of the Property per acre multiplied by the number of acres. The Parties agree to adjust easement compensation to conform to the final acreage as determined by a survey procured by NRCS, unless otherwise mutually agreed to by the Parties. Any adjustment of easement compensation or acreage will be incorporated in the Conservation Easement Deed, and by its execution, at closing, shall constitute the Parties’ agreement to the adjustment.

USDA will make a single payment unless Landowner requests _____ annual installment payments (not to exceed 10). After the first installment payment, subsequent installment payments will be made annually by FSA. Payment will be made by the United States using Electronic Fund Transfers (EFT).

IV. Terms of Easement.

Landowner agrees to convey the conservation easement using the Conservation Easement Deed provided by NRCS. The period of the GRP conservation easement is in perpetuity or the maximum duration allowed by State Law.

V. Risk of Loss & Liabilities.

A. The risk of loss or damage to the Property occurring prior to the vesting of satisfactory title in the United States shall be borne by the Landowner. In the event of such loss or damage, NRCS may, at its discretion and without liability, withdraw from the transaction and terminate the Agreement.

B. In the event of loss or damage to the Property, the Parties may mutually agree to adjust the purchase price and proceed with the transaction based upon an acceptable GRP valuation methodology.

VI. Title.

A. The United States shall, at its cost, secure evidence of title satisfactory to the Attorney General of the United States, 40 USC 3111.

B. Prior to closing, the title to the Property shall be approved by the Department of Agriculture, Office of the General Counsel, in conformity with the title standards and regulations of the Attorney General of the United States.

C. Prior to closing, any encumbrance, exception or other cloud on title including encroachments shall be eliminated and quieted, unless deemed administratively acceptable by NRCS pursuant to instructions given by the Office of the General Counsel.

D. Landowner represents and warrants that Landowner has: full right, power, and authority to convey; that there is no condemnation or similar proceedings affecting any part of the Property and no proceedings shall be pending on the Closing Date; and that Landowner is not subject to any commitment, obligation, or agreement, including but not limited to, any rights of first refusal or option to purchase, granted to a third party, which would or could prevent Landowner from completing the sale of the Property as contemplated by this Contract.

E. Landowner agrees to pay at closing any taxes that are due or delinquent, owing against the Property.

VII. Closing.

A. USDA has 12 months from the date the designated NRCS official executes this Agreement to close on the conservation easement unless the Parties mutually agree to extend this Agreement prior to its expiration.

B. USDA will select a closing company or closing agent and pay all normal costs of closing.

VIII. Conveyance Instruments.

A. Landowner shall execute and deliver at closing a Conservation Easement Deed conveying a conservation easement on the Property to the United States of America.

B. Landowner shall deliver, without cost to the United States, any other documents that may be required to convey good and merchantable title, including trust instruments, powers of attorney, corporate resolutions, and similar instruments.

C. The deed or deeds of conveyance shall be prepared by NRCS, in consultation with the Office of the General Counsel.

IX. General Provisions.

A. Landowner agrees that officers and authorized agents of the United States shall have at all reasonable times the right to enter upon the Property for any purpose related to purchasing the conservation easement, including inspection of the Property and the resources upon them, restoration planning, survey, and other due diligence work related to real property acquisition.

B. Landowner agrees not to do or authorize others to do any act by which the value or title to the Property may be diminished or encumbered, or the Property devalued, including the extraction of resources or materials (for example, oil, gas, minerals, timber), the manipulation of topography, or the release of hazardous materials or substances.

C. Except for reasons beyond the control of the Landowner, as determined by NRCS, if the Landowner fails to convey the easement, the Landowner will be in default and shall pay the United States the amount of costs incurred by the United States for survey and all other actions taken after the date, and in furtherance, of this Agreement.

D. USDA may, at its discretion and without liability, terminate this Agreement at any time due to the lack of availability of funds, inability to clear title, sale of the land, risk of hazardous substance contamination, or other reason.

E. The Parties agree that this Agreement shall not be assigned in whole or in part, except that Landowner may without the consent in writing of the United States, assign this Agreement to Purchase Conservation Easement to a qualified intermediary if he/she elects to conduct a like-

kind exchange in accordance with Internal Revenue Code Section 1031. As part of the like-kind exchange, the subject property will be conveyed to the United States and the United States will make payment in accordance with the purchase agreement and assignment. The United States makes no assurances that this transaction will qualify as a like-kind exchange in accordance with Internal Revenue Code Section 1031. Further, the Parties agree that no Member of Delegate to Congress or Resident Commissioner shall be a party to any share or part of this Agreement.

F. All covenants, warranties and representations made by Landowner shall survive this Agreement.

G. Irrespective of any violations by the Landowner of the terms of the conservation easement, the conservation easement survives and runs with the land for its duration.

H. If USDA requires a closing or escrow agent to perfect this transaction, the Landowner hereby agrees that the payment may be disbursed into an escrow account administered by the closing company, escrow agent or authorized person selected by USDA for completion of the transaction between USDA and the Landowner.

Landowner has hereunto signed on this ____ Day of _____, 2____.

Landowner(s) _____

The Secretary of the Department of Agriculture, acting and through his/her authorized representative has executed this Contract on behalf of the United States of America on this ____ Day of _____, 20__.

THE UNITED STATES OF AMERICA

BY: _____

Funds are authorized by Budget and Finance.	
_____	_____
State Budget Officer	Date

NONDISCRIMINATION STATEMENT

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (1202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 705-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

PRIVACY ACT STATEMENT

The above statements are made in accordance with the Privacy Act of 1974 (U.S.C. 522a). Furnishing this information is voluntary; however, failure to furnish correct, complete information will result in the withholding or withdrawal of such technical or financial assistance. The information may be furnished to other USDA agencies, the Internal Revenue Service, the Department of Justice, or other State or Federal Law enforcement agencies, or in response to orders of a court, magistrate, or administrative tribunal.

This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title II, Subtitle J – Miscellaneous Conservation Provisions).