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December 2, 2011

Via E-mail (execsec@chilmarkma.gov)

Board of Selectmen
Town of Chilmark
P.O. Box 119
Chilmark, MA 02535

Re: T-Lane Farm

Dear Selectmen:

Enclosed please find a draft lease in connection with the T-Lane Farm for your review. It is proposed for discussion, as one method of leasing the property. I highlight below several points and issues for consideration:

1. The farm owner will rent Lot 2 on the plan attached to the lease as Exhibit "G-1" from the Town of Chilmark, and will farm some of the land owned by the Land Bank (being Lot 1 on the plan). The Land Bank, therefore, needs to be a Landlord along with the Town. As you will note, I have included the Land Bank in the enclosed lease. If you would prefer, however, the Land Bank and the Town could execute separate leases. We would need to make sure we included cross-default provisions; and both leases would be recorded with the Dukes County Registry of Deeds.

2. I have included a blank for a ground lease fee. I do not know if either an initial ground lease fee or an annual fee will be required.

3. The enclosed lease contemplates all of the renovations being performed by the Tenant; and a long term lease of 99 years.

4. The enclosed lease contemplates the Tenant buying the improvements for a certain purchase price.

5. If the enclosed lease form is used there needs to be a method of calculating Added Value (i.e. if the Tenant improves the property there should be a method for determining the market value of that improvement and he or she should, at the time of resale, be reimbursed for that amount, up to a cap in order to maintain the affordability of the property for future farmers). I have drafted the lease to address that point generally (see Section 7.3 and Section 10.10).

6. Once a lease form is finalized it should be reviewed by the local banks which might be financing the Tenant.

As stated above, this is one proposed form of leasing the property. There are other methods that could be used (shorter term; rental of improvements rather than purchase, etc.).

Thank you for your attention to this matter.

Very truly yours,

Cynthia G. Wansiewicz

CGW/np
Enclosure

4701-001\Selectmen farm lease ltr.doc