

State of Minnesota

SUSTAINABLE FOREST INCENTIVE ACT 8-YEAR COVENANT

Minnesota Statutes, Chapter 290C

This covenant is made on _____ (date) by the person signing on page 2, who will be referred to as “the claimant” for the purpose of this covenant.

- This covenant is in accordance with Minnesota Statutes, sections 290C.04 and 290C.055 of the Sustainable Forest Incentive Act (SFIA). It must be recorded in the office of the county recorder (or registrar for registered land) in each county where any of the land is located. The recording may be done in person or by mail. Contact your county recorder if you have questions on the recording procedures.
- The SFIA is administered by the Department of Revenue and the Department of Natural Resources on behalf of the state of Minnesota.
- By signing this covenant, the claimant certifies that they have the consent of all owners of the property. All of the owners of the property are responsible for complying with the terms of this covenant, even if they do not sign the covenant. Owners include lienholders and others with an interest in the property.
- If you do not leave a 1-inch margin on this covenant, and on all attachments, you may be assessed an additional recording fee.
- This covenant pertains to all or part of the real property in _____ County, Minnesota, which is legally described on the attached “Exhibit A.” A map of the property is in the attachment marked “Exhibit B.” This property will be referred to as “the property” for the purpose of this covenant.
- The terms and restrictions of previously recorded SFIA covenants on the property that have not been released are revoked and canceled upon the date this covenant is recorded.
- Any person purchasing or acquiring an interest in the property during the time this covenant is in effect must also abide by the terms of the covenant.
- This covenant is not a contract; it is a condition of the SFIA. The conditions of the SFIA and of this covenant are requirements of current law that could change in the future. All references in this covenant to “sections” and “chapter” are to sections and chapters of the Minnesota Statutes as currently in effect and as amended or renumbered in the future.
- Under the SFIA law, this covenant shall run with the property for a period of at least 8-years from the date recorded or for the period that the property is in the SFIA program, whichever is longer, unless the claimant requests termination of the covenant after a reduction in payments due to changes in the

payment formula under section 290C.07 or as a result of executive action, or the claimant qualifies for an earlier termination.

- If the claimant applies to the SFIA program but is not accepted into the program or if the property otherwise becomes no longer subject to the restrictions of the SFIA program, then the commissioner of Revenue shall issue a document releasing the claimant and the property from the terms and restrictions of this covenant.

RESTRICTIONS

As the claimant, on behalf of all the owners and myself, I accept all the following restrictions on the property. These restrictions shall run with the property and bind me, all other owners, our heirs, and any future owners as provided under the SFIA law. The restrictions are a condition for entrance into the SFIA program and are required in order to receive an annual incentive check from the Department of Revenue. The restrictions are:

The property is not and will not be developed in violation of the provisions of the SFIA. This means that the property is not and will not be:

- used for residential purposes;
- used for agricultural purposes;
- enrolled in the Reinvest in Minnesota (RIM) program or in a state or federal conservation reserve or easement reserve program (CRP or CREP) under sections 103F.501 to 103F.531;
- enrolled in the Minnesota Agricultural Property Tax Law (also known as Green Acres) under section 273.111;
- subject to agricultural land preservation controls or restrictions as defined in section 40A.02 or the Metropolitan Agricultural Preserves Act (also known as Ag Preserves) under chapter 473H;
- improved with a structure; pavement, other than a paved trail under easement, lease, or terminable license to the state of Minnesota or a political subdivision; sewer; permanent campsite; or any road, other than a township road, used for purposes not prescribed in the forest management plan for the property;
- classified as 2c Managed Forest Land under section 273.13;
- enrolled in the Rural Preserve Program under section 273.114.; or
- subject to a conservation easement funded under Minnesota Statutes, section 97A.056 (Lessard-Sams Outdoor Heritage Council) or a comparable permanent easement conveyed to a governmental or nonprofit entity after May 30, 2013.

SIGNATURES

By signing below I hereby accept the restrictions of this covenant.

Signature of Claimant

Print name of Claimant

This covenant was acknowledged before me this ____ day of _____, 20__ by

_____ (name of Claimant).

Notary Public

Commission Expires: _____

EXHIBIT A

Legal Description of Real Property or Certificate of Title Number for Real Property

List each legal description or certificate of title number for all lots, parcels or tracts of land in this county for which you wish to place under this covenant. If you need additional space, attach a separate sheet of paper.

EXHIBIT B

Map or Survey of the Property

- Clearly indicate on this map all portions of the property described in Exhibit A that are restricted by this covenant. Excluded acres must also be clearly and separately indicated on this map.
- A building or structure used exclusively for management activities may be included. An example would be a shed or building that only houses equipment used during management activities.
- You must subtract three acres for any other structure that is not considered a minor, ancillary, and nonresidential structure (house, barn, hunting cabin, etc.). Open water of less than three acres in size may be included. Open water greater than three acres, must be excluded in its entirety. If you need additional space, attach a separate sheet of paper.