

## Section IV

### Now that you've been selected...

**Completion Requirements for Approved Projects** - Once the Board selects finalists, all projects must meet a set of Standard Conditions. In addition, the Board may place Special Conditions which must be addressed before LMF funds are released. Unless specifically waived by LMF, applicants are responsible for completing all of the following items to the satisfaction of the LMF Board. Additional follow-up actions may be required to resolve issues identified during due diligence and ensure that the project will accomplish the purposes of LMF funding.

#### Due Diligence

- Appraisal to determine fair market value. All appraisals for acquisition of fee or easement must be reviewed and accepted by the Appraisal Oversight Committee and its recommendation must be approved by the full Board. See appraisal standards in [Appendix E](#).
- If your project involves the acquisition of a conservation easement, the easement should be drafted in a form consistent with LMF's Model Easement and provided to the appraiser prior to the appraisal. See [Appendix G](#) Guidance for Working Forest Easements.
- Applicant prepares draft Purchase and Sales Contract with all appurtenant conditions, to be reviewed and approved by LMF staff (if the property is not under contract at the time of the proposal).
- Elected officials approve (organized townships) if project represents >1% of state valuation or County Commissioners approve (unorganized townships) if >1% of county valuation.
- Applicant completes title work and obtains a title commitment identifying all existing encumbrances on the property, including those that will be removed at or prior to closing. Source documents for all encumbrances, as well as deeds showing current ownership, must be provided for LMF review. The property may not be encumbered by any lien, mortgage, third-party mineral rights, or other obligation that in the Board's exclusive judgment could interfere with the conservation purposes of the project. All applicants are required to obtain title insurance for the full appraised value of the land or interest in land that is acquired. NOTE: Most title commitments include an exception for matters that could be determined by a survey (such as boundary encroachments). LMF requires that this "survey exception" be removed.
- Complete an acceptable boundary survey suitable for recording (should be recorded prior to closing) and ensure that all property corners are monumented. The surveyor should also provide a metes-and-bounds legal description of the property, provide a surveyor's affidavit

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to applicant's counsel specifying that the property is free of encroachments, and provide LMF with a GIS-compatible electronic version of survey (so called "Shape" or ".SHP" files).

- Applicant conducts Phase I Environmental Site Assessment (ESA) meeting the requirements of the then-current applicable ASTM standard. The ESA should be scheduled so that it is no more than 1 year old at the time of release of LMF funds. ESA reports older than one year will need an update.
- Based on legal interest to be held, LMF staff, applicant and DSA representative develop the LMF Project Agreement. The Project Agreement contains standard provisions adopted by LMF as well as specific provisions for management or use of the land that are necessary to protect the [Major Land Asset](#) or [Additional Land Assets](#) identified in the proposal. The Project Agreement will be executed by the applicant prior to closing and recorded simultaneously with the deed or conservation easement.
- If applicable, the applicant prepares a management plan for the property to be acquired for approval by the DSA.
- For conservation easement projects, the applicant prepares baseline documentation for review prior to closing.
- Documentation of matching funds provided by applicant as presented in the proposal.

### Closing

- The applicant is responsible for preparing a closing agenda, closing statement, and closing materials for approval by LMF. In addition to conveyancing documents to be recorded and other typical closing documents, this should include, at a minimum:
- Certificate of corporate good standing (for non-governmental applicants)
- Certificate of corporate authority
- Confirmation that property taxes are paid in full
- Final title insurance commitment for appraised value (not purchase price)
- Funds will be placed in escrow with the closing attorney according to escrow instructions provided by LMF. This requires that the closing attorney be entered in the State of Maine system as a vendor. LMF will work with the closing attorney to ensure this is done and order funds for closing. Note that the applicant is responsible for all closing costs, however.
- Prior to disbursing LMF funds, the closing attorney must update title to the time of recording and confirm that all closing documents are recorded correctly.

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### Post-Closing

- The closing attorney should return the original recorded Project Agreement to LMF and all other original documents to the applicant.
- Within 30 days of closing, the closing attorney provides LMF with the final closing package including all executed and recorded documents
- LMF will provide signs to be displayed at public access points on the property
- The applicant should prepare a press release to be approved by LMF
- LMF will arrange for ecological and/or archaeological surveys a to assess any features of the property that may require special management
- LMF will provide information about applying for [Access Improvement Grants](#) and stewardship funds
- The applicant is responsible for crediting LMF in future maps, brochures, websites, and other communications about the property
- If there is a Project Agreement, the applicant is responsible for providing annual reports to LMF and to the State Sponsor.