

**BUY-PROTECT-SELL TRANSACTION SUPPLEMENT  
 TO THE PARCEL SHEET**

for

**ENTITY APPLICATION for an AGRICULTURAL LAND EASEMENT (ALE) AGREEMENT**

Clear Form

<b>This supplement must be submitted with an associated Form NRCS-CPA-41A. Instructions for completing the associated Form NRCS-CPA-41A:</b>	
<b>NRCS-CPA-41A, SECTION A: COMPLETE ALL INFORMATION</b>	
<ul style="list-style-type: none"> <li>- <b>ITEM 1:</b> May only select "ACEP-ALE"</li> <li>- <b>ITEM 2:</b> May only select "Program Agreement"</li> <li>- <b>ITEM 7:</b> Must answer "No"</li> </ul>	
<b>- NRCS-CPA-41A, SECTION B: COMPLETE ALL INFORMATION</b>	
<ul style="list-style-type: none"> <li>- <b>ITEMS 1–9:</b> Complete with Applicant Eligible Entity Information as Landowner</li> </ul>	
<b>NRCS-CPA-41A, SECTION C: COMPLETE ALL INFORMATION</b>	
<ul style="list-style-type: none"> <li>- <b>ITEMS 1–10:</b> Complete all information</li> </ul>	
<b>NRCS-CPA-41A, SECTION D: COMPLETE AS INSTRUCTED BELOW</b>	
<b>Option 1: Non-Federal Share WILL NOT include a landowner donation toward easement value provided by the qualified farmer or rancher</b>	
<ul style="list-style-type: none"> <li>- Complete <b>ALL ITEMS</b> as instructed in <b>Section D</b> of this <b>NRCS-CPA-41A-BPS Supplement</b>.</li> <li>- Do NOT complete Section D of the NRCS-CPA-41A.</li> </ul>	
<b>Option 2: Non-Federal Share WILL include landowner donation toward easement value provided by the qualified farmer or rancher</b>	
<ul style="list-style-type: none"> <li>- Complete <b>ALL ITEMS</b> as instructed in <b>Section D</b> of the <b>NRCS-CPA-41A</b>.</li> <li>- Do NOT complete Section D of this NRCS-CPA-41A-BPS Supplement.</li> </ul>	
<b>NRCS-CPA-41A, SECTION E: COMPLETE AS INSTRUCTED BELOW</b>	
<b>- Pre-closing buy-protect-sell transactions:</b>	
<ul style="list-style-type: none"> <li>o <b>ITEMS 1 and 2:</b> Complete as instructed on NRCS-CPA-41A, including obtaining co-holder and third-party right holder signatures.</li> <li>o <b>ITEMS 3 and 4:</b> Complete based on the Entity Contribution and Federal Share amounts entered in the Section D completed on the appropriate form (Option 1 or Option 2) as described above.</li> </ul>	
<b>- Post-closing buy-protect-sell transactions:</b>	
<ul style="list-style-type: none"> <li>o Do NOT complete Section E on the NRCS-CPA-41A.</li> <li>o Provide all information as instructed in Section E of this NRCS-CPA-41A-BPS Supplement.</li> </ul>	
<b>NRCS-CPA-41A, APPLICANT ELIGIBLE ENTITY CERTIFICATION AND SIGNATURES:</b>	
<ul style="list-style-type: none"> <li>- Applicant Eligible Entity must complete, and sign as instructed on NRCS-CPA-41A</li> </ul>	
<b>NRCS-CPA-41A, PARCEL LANDOWNER ACKNOWLEDGEMENTS AND SIGNATURES:</b>	
<ul style="list-style-type: none"> <li>- Applicant Eligible Entity must complete, and sign as instructed on NRCS-CPA-41A</li> </ul>	
<b>NRCS-CPA-41A, CO-HOLDER or THIRD-PARTY RIGHT HOLDER SIGNATURES:</b>	
<ul style="list-style-type: none"> <li>- Any Co-holders or Third-Party Right holders identified in Section E of the NRCS-CPA-41A (pre-closing transfers) or this NRCS-CPA-41A-BPS Supplement (post-closing transfers) must complete and sign the NRCS-CPA-41A.</li> </ul>	

<b>Section A: Buy-Protect-Sell Transaction Type and Applicant Eligible Entity Information</b>	
<b>1. Buy-Protect-Sell Transaction Type: (Select only one)</b>	
<p><b>Pre-closing Transfer:</b> Applicant Eligible Entity will transfer ownership of the Parcel to the qualified farmer or rancher at or prior to closing on the agricultural land easement.</p> <p><b>Post-closing Transfer:</b> Applicant Eligible Entity will ensure ownership of the Parcel is transferred to the qualified farmer or rancher not later than 3 years after closing on the agricultural land easement.</p>	
<b>2. Name – Applicant Eligible Entity:</b>	
<b>3. Email – Applicant Eligible Entity:</b>	<b>4. Telephone – Applicant Eligible Entity:</b>
<b>5. Attached to ACEP Entity Application Number:</b>	<b>6. ACEP Parcel Number:</b>
AGENCY USE	AGENCY USE

<b>Section B: Current Parcel Ownership and Applicant Eligible Entity Purchase Information</b>	
<b>1. Status of Parcel Ownership by Applicant Eligible Entity.</b> (Check the applicable box below and provide the identified information)	
<p><b>Parcel Currently Owned by Applicant Eligible Entity</b>                      (Attach current evidence of ownership document.)                      NOTE: If purchase date is more than 3 years prior to the date applicant eligible entity signed the NRCS-CPA-41A for this Parcel, the application is not eligible for a post-closing transfer and may only be considered for a pre-closing transfer if an ownership waiver is granted by NRCS. Contact NRCS for ownership waiver requirements and request procedures.</p>	<p style="text-align: center;"><b>Applicant Eligible Entity Purchase Date:</b>                      _____</p>
<p><b>Applicant Eligible Entity Actively Purchasing the Parcel</b>                      (Attach evidence of pending purchase of the Parcel, such as valid purchase and sale agreement in which the eligible entity is named as the purchaser or equivalent party.)</p>	<p style="text-align: center;"><b>Estimated Purchase Date:</b>                      _____</p>
<p><b>2. Parcel Purchase Price</b>                      (Enter actual or estimated amount paid for the Parcel identified in Section C of the attached NRCS-CPA-41A. Attach evidence of the identified purchase price such as the settlement statement, recorded ownership deed, title insurance policy, or purchase agreement.)</p>	<p style="text-align: center;"><b>Applicant Eligible Entity Purchase Price:</b>                      \$ _____</p>
<p><b>3. Conditions Necessitating Transitional Ownership by an Eligible Entity (Select all that apply)</b>                      (Attach documentation supporting the conditions identified.)</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Imminent threat of development or fragmentation into parcels below the median size of farms or ranches in the county or parish as determined by the USDA's most recent National Agricultural Statistical Survey (NASS).</li> <li><input type="checkbox"/> Planned or approved conversion of agricultural land to developed, nonagricultural uses.</li> <li><input type="checkbox"/> Planned or approved conversion of grasslands to more intensive agricultural uses.</li> <li><input type="checkbox"/> Part of a documented eligible entity program to transition ownership of agricultural lands to historically underserved farmers or ranchers.</li> <li><input type="checkbox"/> Conditions identified in an NRCS State-specified Transitional Ownership Condition Category (Only available in States where the NRCS State Conservationist has defined and established transitional ownership condition categories; application must meet the applicable condition category criteria.)</li> </ul>	

<b>Section C: Transfer of Ownership of the Parcel to the Qualified Farmer or Rancher</b> (The information below must provide the best information available at the time this NRCS-CPA-41A-BPS supplement is submitted. For applications selected for funding, items will be finalized and identified in the terms of the individual Parcel Contract for the selected Parcel.)
<p><b>1. Attach a copy of the form of the deed that Applicant Eligible Entity intends to use to transfer fee ownership of the Parcel to the qualified farmer or rancher.</b></p>
<p><b>2. Status of identifying the qualified farmer or rancher to whom ownership of the Parcel will be transferred. (Select option that best describes current status)</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Existing agreement with prospective qualified farmer or rancher purchaser.                      (Attach a copy of a purchase agreement or equivalent document that identifies all the persons, legal entities, or Indian Tribes that would be identified on the land ownership documents).</li> <li><input type="checkbox"/> One or more prospective qualified farmer or rancher purchasers have been identified.</li> <li><input type="checkbox"/> No prospective qualified farmer or rancher purchasers have been identified.</li> </ul> <p>NOTE: Notify all prospective landowners of the requirement to establish farm records with the appropriate USDA service center agency.</p>
<p><b>3. Anticipated valuation methodology that will be used to determine the Agricultural Value of the Parcel encumbered by the ACEP-ALE. (Select one)</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> "After" value of the Parcel as determined in the same individual USPAP or UASFLA appraisal to be used for the acquisition of the agricultural land easement.</li> <li><input type="checkbox"/> "After" value of the Parcel encumbered by the ACEP-ALE, as determined by new or updated individual USPAP or UASFLA appraisal meeting ACEP-ALE appraisal and valuation specifications.</li> <li><input type="checkbox"/> Individual USPAP appraisal of the Parcel based on agricultural use as highest and best use</li> <li><input type="checkbox"/> Another industry-approved method (use of method must be approved by NRCS)</li> </ul> <p>Identify method: _____</p>

**4. Types of holding and transaction costs that may be charged to the qualified farmer or rancher.**  
**(Check all that apply, list additional)** The amount of the sale of the Parcel to the qualified farmer or rancher may include reasonable holding and transaction costs, not to exceed 10 percent of the appraised agricultural value of the Parcel, incurred by Applicant Eligible Entity after it took ownership of the Parcel, and paid to a third-party for the identified cost item. Check and list below the types of cost items you anticipate including in the sale of the Parcel to the qualified farmer or rancher:

- Mortgage interest for the Parcel.
- Property taxes for the Parcel.
- Insurance paid for the Parcel.
- Title insurance policies for the Parcel.
- Cost of appraisal to determine the fair market value of the agricultural land easement.
- Cost of appraisal to determine agricultural value (if not using the original ACEP-ALE appraisal report)
- Costs to obtain a legal boundary survey for the Parcel.
- Closing and transaction costs for the transfer of ownership to the qualified farmer or rancher.
- Easement closing costs.
- Phase-I Environmental site assessment.
- Easement baseline documentation report.
- Easement mineral assessment report.
- For post-closing transactions only: costs for a holding company or other independent third-party legal entity to hold ownership of the Parcel for the period between agricultural land easement closing date and the date ownership of the Parcel is transferred to the qualified farmer or rancher.
- For post-closing transactions only: Costs related to subsequent recording of documents used to identify Lead Eligible Entity as a holder of the agricultural land easement (e.g., transfer or assignment of agricultural land easement or amended agricultural land easement deed) once ownership of the parcel is transferred to the qualified farmer or rancher.
- Other types of costs (list below and attach additional sheets as necessary):


<b>Section D:</b>	
<b>Easement Value and Compensation Costs and Non-Federal Share Information</b>	
- The values below may be estimates, subject to the final values being determined by an NRCS-approved easement appraisal report or easement valuation methodology. - The Federal share may only be provided to an eligible entity.	
<b>1. Easement Value and Compensation Costs</b>	
<b>A.</b> Estimated Fair Market Value of the ALE	\$
<b>B.</b> Requested Federal share for payment of easement compensation - <b>General ALE:</b> Federal Share cannot exceed 50% of Item A - <b>ACEP-ALE-GSS:</b> Federal Share cannot exceed 75% of Item A	\$
<b>C.</b> Estimated Eligible Entity contribution provided as the amount of the fair market value of the agricultural land easement ( <b>Item A</b> ), less the amount of the Federal share ( <b>Item B</b> ), provided through the conveyance of the agricultural land easement by the eligible entity ( <b>C = A - B</b> )	\$

<b>Section E: Post-Closing Transfer Buy-Protect-Sell Transactions</b>	
<p><b>Complete the section below and attach documents as needed to provide the information identified and sufficient for NRCS to determine the proposed arrangement of the buy-protect-sell transaction meets the applicable requirements.</b></p> <ul style="list-style-type: none"> <li>- <i>A successful post-closing transfer buy-protect-sell transaction requires both the acquisition of the agricultural land easement and the transfer of ownership of the Parcel subject to the agricultural land easement to the qualified farmer or rancher to be completed in compliance with the requirements set forth in the ALE-Agreement and Parcel Contract, as determined by NRCS.</i></li> <li>- <i>An agricultural land easement must at all times be held by an eligible entity and at no time may the same eligible entity be both a holder of the agricultural land easement and a landowner of the Parcel.</i></li> <li>- <i>All landowners must have farm records established with the appropriate USDA service center agency and meet landowner eligibility requirements, as determined by NRCS.</i></li> <li>- <i>NRCS in consultation with the USDA Office of General Counsel will determine the legal conformance of the proposed arrangement of the buy-protect-sell transaction. NRCS may require additional information to make this determination before this application may be considered complete.</i></li> </ul>	
<p><b>1. Information provided for a proposed post-closing transfer must: (attach documentation)</b></p> <ul style="list-style-type: none"> <li>- Include evidence sufficient for NRCS to determine the eligible entity agricultural land easement holder and the landowner of the Parcel are sufficiently separate and independent entities such that the agricultural land easement will be valid and enforceable upon conveyance and that there will be no merger of title issues (e.g., attach agreements between such entities documenting responsibilities and relationship).</li> <li>- Document the State law permitting the proposed arrangement of the buy-protect-sell transaction.</li> <li>- Provide an anticipated timeline, milestones, and proposed strategies to ensure timely completion of the entire buy-protect-sell transaction, which includes both the acquisition of the agricultural land easement and the transfer of ownership of the Parcel to the qualified farmer or rancher.</li> </ul>	
<p><b>2. Select ONE of the following scenarios that most closely reflects the proposed arrangement of the post-closing transfer, provide the required information and initial the acknowledgement box for the selected scenario.</b></p>	
	<p><b>A. Interim Landowner Scenario</b></p>
<p><b>Description:</b> Prior to closing on the agricultural land easement, Applicant Eligible Entity will transfer ownership of the Parcel to an interim landowner (must be a separate legal entity) who will retain ownership of the Parcel until such ownership is conveyed to the qualified farmer or rancher. At the time the agricultural land easement is initially conveyed, Applicant Eligible Entity will be an easement holder (grantee) and the interim landowner will be the owner of the Parcel. Ownership of the Parcel subject to the agricultural land easement will be transferred from the interim landowner to the qualified farmer or rancher in conformance with the specific buy-protect-sell transaction requirements.</p>	
<p><b>Required Information for Interim Landowner Scenario:</b></p> <p><b>i. Identify each entity and their respective role at the time the agricultural land easement is initially conveyed:</b></p> <ul style="list-style-type: none"> <li>• Interim landowner (<i>must be a legal entity; must not be an agency or unit of government or an individual person or their trust</i>).</li> <li>• All eligible entity holders (grantees) of the agricultural land easement and those responsible for monitoring and enforcing the agricultural land easement (<i>must include Applicant Eligible Entity</i>).</li> <li>• All legal entity co-holders or third-party right holders of the agricultural land easement.</li> </ul> <p><b>ii. If different than listed above, identify each entity and their respective role following the transfer of ownership of the Parcel to the qualified farmer or rancher:</b></p> <ul style="list-style-type: none"> <li>• All eligible entity holders of the agricultural land easement (<i>must include Applicant Eligible Entity</i>).</li> <li>• All legal entity co-holder or third-party right holders of the agricultural land easement.</li> </ul>	
<p><b>Acknowledgement for Interim Landowner Scenario:</b></p> <p>I, the Applicant Eligible Entity, understand that if the entire buy-protect-sell transaction is not completed in accordance with the terms set forth in the ALE-Agreement and Parcel Contract, as determined by NRCS, that I am required to return the entirety of the ACEP-ALE Federal Share provided.</p>	<p><b>Initial:</b></p>
	<p><b>B. Interim Easement Holder Scenario</b></p>
<p><b>Description:</b> At the time the agricultural land easement is initially conveyed, Applicant Eligible Entity will be the landowner of the Parcel and a separate Eligible Entity will be a holder (grantee) of the agricultural land easement. Applicant Eligible Entity will subsequently transfer ownership of the Parcel subject to the agricultural land easement to the qualified farmer or rancher in conformance with the specific buy-protect-sell transaction requirements and at that time Applicant Eligible Entity must become a holder of the agricultural land easement.</p>	

<b>Required Information for Interim Easement Holder Scenario:</b>	
<b>1. Identify each entity and their respective role at the time the agricultural land easement is initially conveyed:</b> <ul style="list-style-type: none"> <li>• The eligible entity that will hold (as a grantee) the agricultural land easement and be responsible for monitoring and enforcing the agricultural land easement (<i>must NOT include Applicant Eligible Entity</i>).</li> <li>• Any additional eligible entity holders (grantee) of the agricultural land easement (<i>must NOT include Applicant Eligible Entity</i>).</li> <li>• All legal entity co-holders or third-party right holders of the agricultural land easement.</li> <li>• The eligible entity that will conduct the agricultural land easement acquisition activities, including but not limited to obtaining the appraisal, conducting due diligence, title review and clearance, and preparation of the deed and associated exhibits.</li> </ul>	
<b>2. Identify each entity and their respective role following the transfer of ownership of the Parcel subject to the agricultural land easement to the qualified farmer or rancher:</b> <ul style="list-style-type: none"> <li>• All eligible entity holders of the agricultural land easement (<i>must include Applicant Eligible Entity</i>).</li> <li>• All legal entity co-holders or third-party right holders of the agricultural land easement.</li> <li>• The type of recorded evidence that will be used to identify Applicant Eligible Entity as a holder of the agricultural land easement (e.g. recorded assignment or transfer of easement or amended easement deed).</li> </ul>	
<b>Acknowledgement for Interim Easement Holder Scenario:</b> I, the Applicant Eligible Entity, understand that the ACEP-ALE Federal share will not be provided until such time as the entire buy-protect-sell transaction has been completed in accordance with the provisions set forth in the ALE-agreement and Parcel contract, as determined by NRCS.	<b>Initial:</b>

The Terms and Certifications for Buy-Protect-Sell Transaction Supplement to the NRCS-CPA-41A
The Applicant Eligible Entity agrees that it is signing this application providing the supplemental information necessary for NRCS to evaluate an application for a buy-protect-sell transaction on a parcel that is or will be owned by Applicant Eligible Entity. Nothing in this application supplement obligates the United States or Applicant Eligible Entity to purchase an agricultural land easement on the identified Parcel.
It is the responsibility of Applicant Eligible Entity to provide accurate data to support all items addressed in this application supplement at the request of NRCS. Applicant Eligible Entity acknowledges that NRCS is relying upon the veracity of the information submitted for purposes of awarding Federal funds and that the submittal of false information may be subject to criminal or civil fraud statutes.

<b>APPLICANT ELIGIBLE ENTITY CERTIFICATION AND SIGNATURES:</b>	
<i>Applicant Eligible Entity identified in Section A must complete the following section</i>	
I have received and reviewed a copy of the required ALE-Agreement, Parcel Contract, and associated attachments for a buy-protect-sell transaction and understand that if selected for funding will be the 'Lead Eligible Entity' as defined in the ALE-Agreement and Parcel Contract.	<b>Check Each Box</b> <input type="checkbox"/>
I understand that NRCS approval of the agricultural land easement deed, appraisal, title, and other due diligence is required prior to the acquisition of the agricultural land easement irrespective of the certification status of any eligible entity involved in the buy-protect-sell transaction.	<input type="checkbox"/>
<b>Signature of Applicant Eligible Entity Authorized Representative</b>	<b>Date</b>

- i. **Agricultural land easement** means an easement or other interest in eligible land that is conveyed for the purposes of protecting natural resources and the agricultural nature of the land and of promoting agricultural viability for future generations, and permits the Landowner the right to continue agricultural production and related uses subject to the terms of the easement.
- ii. **Landowner** means a person, legal entity, or Indian Tribe having legal ownership of land and those who may be buying eligible land under a purchase agreement. The term Landowner may include all forms of collective ownership including joint tenants, tenants-in-common, and includes heirs, successors, assigns, and anyone claiming under them. State governments, local governments, and nongovernmental organizations that qualify as eligible entities are not eligible as landowners.
- iii. **Parcel** means a farm or ranch submitted for consideration for funding under ACEP-ALE.
- iv. **Land** The Secretary may not use ACEP funds for the purposes of acquiring an easement on lands owned by an agency of the United States, other than land held in trust for Indian Tribes; or lands owned in fee title by a State, including an agency or a subdivision of a State, or a unit of local government. Such lands are ineligible for ACEP.
- v. **Qualified Farmer or Rancher** is the collective term for the persons, legal entities, or Indian tribes who meet the payment eligibility and qualified farmer or rancher requirements, as determined by NRCS, and to whom ownership of a parcel subject the agricultural land easement will be transferred pursuant to an ACEP-ALE buy-protect-sell transaction.

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To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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**PRIVACY ACT STATEMENT**

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