



TOWN *of* WAKE FOREST

Board of Adjustment Meeting Agenda July 20, 2023 at 6:00 PM

Notice

In accordance with the requirements of Title II of the Americans with Disability Act of 1990 (ADA), the Town of Wake Forest will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. For individuals with impaired hearing, special equipment is available for use during meetings in the Town Hall Board Chambers. Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of the Town of Wake Forest should contact the office of ADA Coordinator [Mickey Rochelle](#) at 919-435-9455 or Town Clerk [Terry Savary](#) at 919-435-9432 as soon as possible, but no later than 48 hours before the scheduled event.

Public Hearing

Those wishing to speak must first register to speak no later than 3pm the day of the meeting at <https://www.wakeforestnc.gov/public-meetings-portal>.

At the appropriate time, the Board of Adjustment Chair will acknowledge those persons who have registered to speak. They will be called upon in the order registered. Speakers will address the Board as a whole, from the podium at the front of the room, and begin their remarks by stating their name and address. While not required, the Chair may ask staff or the applicant to respond. Speakers needing additional information or questions answered will be contacted by the Deputy Town Clerk and provided contact information for the appropriate staff person.

Unless otherwise indicated by the Chair, individual comments shall be limited to three minutes. Groups are encouraged to designate a lead speaker on their behalf, and when addressing the Board, the speaker must first identify the group they are representing and will be given no more than ten minutes to give comments. Once comments have been made, speakers cannot speak again, unless specifically called upon by the Chair. The Chair may, at his/her discretion, interrupt public comment and elect to continue it to another meeting due to, among other reasons, the lateness of the hour or to allow consideration of other items on the agenda.

When public hearings are continued from previous meetings, previous individuals that have spoken, either representing themselves or a group, cannot speak at a continued public hearing, unless specifically called upon by the Chair. Additionally, speakers cannot both represent themselves individually and speak on behalf of a group throughout public hearings, even if held over multiple sessions.

1.Call to Order

2.Adoption of Agenda

3.Approval of Minutes

- 3.A. Approval of Minutes
[BOA minutes 4-20-2023.pdf](#)

4.Old Business

5.New Business

- 5.A. Consideration of an Appeal of an Administrative Decision related to the issuance of two Notices of Violation (V-23-91 and V-23-240) at 1149 N Main St

[BOA-23-02 STAFF REPORT.pdf](#)
[Attachment A - Application.pdf](#)
[Attachment B - Maps.pdf](#)
[Attachment C - Notices of Violation and Certified Letters Receipts.pdf](#)
[Attachment D - Preliminary Pictures Dated 3.9.23.pdf](#)
[Attachment E - Follow-up Inspection Pictures Dated 3.15.23.pdf](#)
[Attachment F - Stop Work Order Posting Picture.pdf](#)
[Attachment G - Submitted NCDOR Conditional Farmer Exemption Card.pdf](#)
[Attachment H - Copy of Deed for Warren County Parcel.pdf](#)
[Attachment I - Parken, LLC Annual Report 2022.pdf](#)
[Attachment J - Present Use Value Articles from NC Extension.pdf](#)
[Attachment K - Administrative Inspection Warrant.pdf](#)
[Attachment L - Inspection Pictures Dated 5.15.23.pdf](#)
[Attachment M - Warren County Tax Card.pdf](#)
[Attachment N - Wake County Tax Card.pdf](#)
[Attachment O - Copy of Deed for 1149 N Main St., Wake Forest, NC 27587.pdf](#)
[Attachment P - Documentation Submitted in Appeal Application.pdf](#)
[Attachment Q - AV-5 Application for Agriculture, Horticulture and Forestry Present-Use Value Assessment.pdf](#)

6.Staff Comments

7.Board of Adjustment Comments

8.Adjournment



Board of Adjustment Agenda Item Report

Agenda Item No.: 2023-188-

Submitted by: Ella Dowtin

Submitting Department: Economic Development

Meeting Date: July 20, 2023

SUBJECT

Approval of Minutes

Recommendation:

Item Summary:

ATTACHMENTS

- [BOA minutes 4-20-2023.pdf](#)



Wake Forest Board of Adjustment Minutes

The Wake Forest Board of Adjustments met on **Thursday, April 20, 2023**, at **6:00 p.m.** in the Board Room at Wake Forest Town Hall, 301 S Brooks Street.

Board of Adjustments Members present: Jonathan Bivens, William Hedrick, Rick Porter, Ken Christie, and Mark Williams

Board of Adjustments Members absent: Bryan Lange

Staff Members present: Planning Director Courtney Tanner and Deputy Town Clerk Ella Downtin

1. Call to Order

Chair Hedrick called the meeting to order at 6:01 p.m.
A quorum was established.

2. Adoption of Agenda

ACTION:

Mover: Ken Christie moved to adopt the agenda as presented.

Second: Rick Porter.

Vote: Motion carried 5-0.

3. Approval of Minutes

ACTION:

Mover: Ken Christie moved to approve February 16, 2023 minutes as presented.

Second: Rick Porter.

Vote: Motion carried 5-0.

4. Old Business

No Old Business was presented.

5. New Business

5. A. Consideration of an Appeal of an Administrative Decision related to the issuance of a Notice of Violation (V-22-262) issued on November 1, 2022, for the establishment of a prohibited commercial use in the Rural Holding District located at 2004 Old Crawford

Planner Director Courtney Tanner received an email from Attorney Holden K. McLemore withdrawing BOA-23-01-Newhouse. A copy of the email was provided to all board members for review.

6. Staff Comments

6. A. No staff comments.

7. Board of Adjustments Comments

No board comments.

8. Adjournment

ACTION:

Chair Hedrick moved to adjourn at 6:10 p.m.

Duly approved in open session this 20th day of July 2023.

Ella F. Downtin
Deputy Town Clerk

William Hedrick
Board of Adjustments Chair



Board of Adjustment Agenda Item Report

Agenda Item No.: 2023-189-
Submitted by: Courtney Tanner
Submitting Department: Planning
Meeting Date: July 20, 2023

SUBJECT

Consideration of an Appeal of an Administrative Decision related to the issuance of two Notices of Violation (V-23-91 and V-23-240) at 1149 N Main St

Recommendation:

Item Summary:

ATTACHMENTS

- [BOA-23-02 STAFF REPORT.pdf](#)
- [Attachment A - Application.pdf](#)
- [Attachment B - Maps.pdf](#)
- [Attachment C - Notices of Violation and Certified Letters Receipts.pdf](#)
- [Attachment D - Preliminary Pictures Dated 3.9.23.pdf](#)
- [Attachment E - Follow-up Inspection Pictures Dated 3.15.23.pdf](#)
- [Attachment F - Stop Work Order Posting Picture.pdf](#)
- [Attachment G - Submitted NCDOR Conditional Farmer Exemption Card.pdf](#)
- [Attachment H - Copy of Deed for Warren County Parcel.pdf](#)
- [Attachment I - Parken, LLC Annual Report 2022.pdf](#)
- [Attachment J - Present Use Value Articles from NC Extension.pdf](#)
- [Attachment K - Administrative Inspection Warrant.pdf](#)
- [Attachment L - Inspection Pictures Dated 5.15.23.pdf](#)
- [Attachment M - Warren County Tax Card.pdf](#)
- [Attachment N - Wake County Tax Card.pdf](#)
- [Attachment O - Copy of Deed for 1149 N Main St., Wake Forest, NC 27587.pdf](#)
- [Attachment P - Documentation Submitted in Appeal Application.pdf](#)
- [Attachment Q - AV-5 Application for Agriculture, Horticulture and Forestry Present-Use Value Assessment.pdf](#)



Staff Report

Case BOA-23-02: Appeal of V-23-91 and V-23-240

Meeting Date	July 20, 2023
Requested Actions	Consideration of an Appeal of an Administrative Decision related to the issuance of two Notices of Violation (V-23-91 and V-23-240) at 1149 N Main St
Case Manager	Courtney Tanner, Planning Director

CASE INFORMATION

Applicant	Frank Bowman 547 South Main Street Wake Forest, NC 27587	
Property Owner	Francis Joseph Bowman III and Elizabeth Lauren Bowman 547 South Main Street Wake Forest, NC 27587	
Address	1149 N Main St	
Wake County Tax PIN(s)	1841882891	
Acreage	3.91 acres	
Zoning	Rural Holding District (RD)	
Corporate Limits	This application is not in the Town's corporate limits but in the Extraterritorial Jurisdiction	
Setbacks	Front	20 feet
	Street Side/ Secondary	20 feet
	Side	10 feet
	Rear	25 feet
<i>See Attachment A for a copy of the application</i>		

SURROUNDING LAND USES AND ZONING

	Land Use	Zoning
North	Single-Family Residential	General Residential 10 - Conditional District (RZ-22-02)
South	Single-Family Residential	Rural Holding District
East	Single-Family Residential	General Residential 3
West	Single-Family Residential	General Residential 3 – Conditional District (RZ-07-06)

See Attachment B for aerial photograph, jurisdictional map, and zoning map.

APPEAL REQUEST

Frank Bowman is appealing V-23-91 and V-23-240, Attachment C, dated 5/26/23, on the following grounds:

1. Property is being operated pursuant to North Carolina General Statute 160D-903 as a bona fide farm exempting it from municipal zoning regulations.

See page 2 of Attachment A for the Applicant's Description of Request, and note that the application states yes to the receiving an official determination request; however, the applicant has not applied for or requested an official determination from the Administrator.

ADMINISTRATIVE REVIEW OF APPEAL REQUEST

[15.6.1, Development Permit](#), of the Unified Development Ordinance (UDO) states that a development permit shall be required for the construction or development of any new use within the land development jurisdiction of the Town of Wake Forest, and any other site improvement as indicated in the UDO. In addition to new uses, a development permit shall be required for expansions of existing uses and change of uses.

[4.6, Accessory Uses And Structures](#), of the UDO states that it shall be unlawful for any person to erect, construct, enlarge, move or replace any accessory use or structure without first obtaining a certificate of zoning compliance from the Administrator.

[2.3, Uses Permitted](#), along with [3.1, Applicability](#), of the UDO provide that the use Animal Production may be established in the Rural Holding District (RD) but shall require a Special Use Permit.

On March 9th, 2023, Assistant Planning Director Jennifer Currin reported to the Zoning Enforcement Officer, Benjamin Coleman, a report of potential development at the parcel located at 1149 N Main St. The report indicated that a large area had been cleared with tree removal. Staff responded to the area and spoke to a female renter in the single-family residence on the property. The renter advised that she had recently moved in with her family and her landlord had said that there was something commercial going to be conducted in the rear part of the parcel. Observations made by staff indicated significant development had already occurred with no corresponding development permit. An area of graded land, tree removal, gravel installation, and a gate installation were noted and photographed (Attachment D).

Concerned about land disturbance implications with a creek nearby, Assistant Stormwater Engineer Nick Nolte and Senior Civil Engineer Chris Glass accompanied staff to the site on March 15th, 2023, to assist with an evaluation. Upon inspection, a new concrete pad had been installed and an accessory structure (storage container) had been installed (Attachment E). Nick Nolte and Chris Glass determined that the area of land had exceeded ½ acre, threshold for a land disturbance permit, and that a follow up investigation with North Carolina Department of Environmental Quality (NCDEQ) was required to look at implications of the stream on the site. Due to the continued development without a permit, a Stop Work Order was posted on the property (Attachment F).

Mr. Frank Bowman contacted staff and was notified of the reason for the stop work order and the inspection during a phone conversation on March 15, 2023. In a follow-up phone conversation on March 16, 2023, Mr. Bowman advised staff that after speaking to his attorney, he should have told staff previously that the back portion of the property was covered by the bona fide farming exemption as an agricultural use in conjunction with a farm he operated in Warren County (North Carolina General Statute 160D-903). Mr. Bowman provide Attachment G - Conditional Farmer Exemption Card and Attachment H – Deed for Warren County Parcel. After reviewing the documentation, the ownership of the property in Warren County was found to be under a business entity, Parken LLC, and different from the ownership of the subject parcel. Additionally, it was found that the 2022 annual report (Attachment I) filed by Parken LLC listed the description of nature of business as Residential property management and rental. As listed in two articles (Attachment J) published by the NC State Extension Agricultural and Environmental Law Specialists Dr. Robert Branan and Dr. Rajan Parajuli, the extension of the present use value participation in additional properties requires that LLCs list the purpose of the entity to include engagement in agriculture or forestry and be titled in the same name. The information provided was then forwarded to the Town Attorney, Hassan Kingsberry, who determined that the documentation submitted was insufficient to be exempted under North Carolina General Statute NCGS 105-277.2.(7) since the farming exemption in Warren County (forestry) did not match the agricultural use (beekeeping or honey) in Wake Forest, which is required by state law. Staff advised Mr. Bowman of this finding and gave him the Town Attorney's contact information to forward to his attorney to assist in resolving the matter. Mr. Bowman's attorney spoke to Hassan Kingsberry and was given feedback and direction to resolve the matter.

On March 22, 2023, staff again spoke to Mr. Bowman after it was observed that piers and foundations were erected in the gravel supporting wooden frames with a stop work order in place. During the conversation, Mr. Bowman stated that the supports were for planters and landscaping. Staff reiterated that the stop work order was still in place and to cease all development and have his attorney speak to the Town Attorney. An additional stop work order was posted due to the previous postings being removed.

On May 15, 2023, after observing more development on the parcel from public right of way, staff applied for and received an Administration Inspection Warrant signed by a County Magistrate (Attachment K). Staff executed this warrant with the assistance of the Wake County Sheriff's Office at approximately 2:51pm on May 15th. During the inspection (Attachment L), the installation of multiple beehives was observed as well as the storage of construction materials, tractors, bulldozer, and trailers. The storage container was changed in orientation, painted, and additional stands were installed on the landscaping material to hold beehives. After the inspection, Notices of Violation V-23-91 and V-23-240 (Exhibits C) were issued for the development and establishment of use without a permit since neither Mr. Bowman nor his attorney provided staff with documentation demonstrating the use qualified for agricultural exemption under North Carolina General Statute 160D-903(c).

Property in the extraterritorial jurisdiction ETJ

Section 1.3, Jurisdiction, of the UDO states property in the extraterritorial jurisdiction which is used for bona fide farm purposes is exempt from the requirements of this ordinance, pursuant to NC General Statute. The property owner has not provided this documentation for the subject property.

Property being operated as a bona fide farm pursuant to 160D-903

North Carolina General Statute [160D-903\(c\)](#) states that *“Property that is located in a city's extraterritorial planning and development regulation jurisdiction and that is used for bona fide farm purposes is exempt from the city's zoning regulation to the same extent bona fide farming activities are exempt from county zoning pursuant to this section.”* The statute also provides four prima facie conditions that can establish a property is being used for bona fide farm purposes, although the statute does allow for other evidence to be considered. The four conditions are:

- (1) *A farm sales tax exemption certificate issued by the Department of Revenue.*
- (2) *A copy of the property tax listing showing that the property is eligible for participation in the present-use value program pursuant to G.S. 105-277.3.*
- (3) *A copy of the farm owner's or operator's Schedule F from the owner's or operator's most recent federal income tax return.*
- (4) *A forest management plan.*

Additionally, General Statute allows for additional parcels of land to be considered part of the bona fide farming exemption under certain circumstances detailed in NCGS [105-277.2.\(7\)](#) *“Unit. – One or more tracts of agricultural land, horticultural land, or forestland. Multiple tracts must be under the same ownership and be of the same type of classification. If the multiple tracts are located within different counties, they must be within 50 miles of a tract qualifying under G.S. [105-277.3\(a\)](#).”*

Although the applicant has provided documentation supporting the bona fide farm exemption for a farm he purchased in Warren County, there is insufficient evidence that the subject parcel qualifies as a “Unit” per NCGS 105-277.2.(7) and does not, on its own, meet any of the four conditions listed in 160D-903(c).

1149 N Main St Wake Forest, NC 27587 does not qualify as a “Unit” per NCGS 105-277.2.(7)

The definition of “Unit” has three elements for an additional property to qualify for the bona fide farming exemption extension: Same ownership, same classification, and within 50 miles.

Ownership: The Warren County parcel was purchased March 24, 2014 in the name of Parken, LLC (Attachment H) and remains under the same ownership today. The subject parcel Attachment N (Wake County tax card) was purchased March 5, 2004 by Francis Joseph Bowman, III and wife Elizabeth Lauren Bowman (Attachment O). Therefore, the subject parcel cannot be defined as a unit due to the lack of same ownership.

Use Classification: The classification for the Warren County is forestry. See Exhibit P, sheet 6 of the PDF. The use that the applicant has established on the subject parcel is beekeeping. Therefore, the subject parcel cannot be defined as a unit due to the different agricultural classifications.

Distance: The Warren County parcel described in Attachment M (Warren County tax card) is within the 50 mile radius.

A farm sales tax exemption certificate issued by the Department of Revenue has not been produced for the subject parcel

Mr. Bowman provided a copy of a NC Department of Revenue Conditional Farmer Exemption (Attachment G). The conditional exemption is in the name of “Double B Apiary & Farm, LLC” and lists the address as 547 S Main St., Wake Forest, NC 27587. Staff contacted the NC Department of

Revenue and was told that this address was the only one submitted for the exemption. Furthermore, as of July 13, 2023, “Double B Apiary & Farm, LLC” is not a registered entity with the NC Secretary of State’s office and no DBA was located in searches in Wake County and Warren County for the business entity. Ultimately, the conditional farmer exemption does not satisfy the condition under 160D-903 because it is not associated with the subject parcel and is an unregistered LLC.

A copy of the property tax listing showing that the property is eligible for participation in the present-use value program pursuant to G.S. 105-277.3 has not been submitted

The applicant has provided documentation of the property tax listing for the Warren County parcel; however, no such documentation has been provided for the subject parcel.

A copy of the farm owner’s or operator’s Schedule F from the owner’s or operator’s most recent federal income tax return insufficient as submitted

The applicant submitted a 2022 Schedule F in the name of Francis Joseph Bowman III. The principal crop or activity is listed as “Honey” (Attachment P, sheet 19 of the PDF). Since the use on the subject parcel was established in 2023, this Schedule F would not be related to nor would it be presumed to be part of the Warren County parcel as it is for forestland.

A copy of the AV-5 Application for Agriculture, Horticulture and Forestry Present-Use Value Assessment

Mr. Bowman provided a copy of the AV-5 Application for Agriculture, Horticulture and Forestry Present-Use Value Assessment (Attachment Q) for the subject parcel. This form indicates the application is for agriculture and references the forestry property in Warren County. This application further demonstrates that the subject parcel does not qualify as a unit under NCGS [105-277.2.\(7\)](#).

Animal Production as a use on the subject parcel

The Town of Wake Forest [UDO Section 3.10.1](#) provides that a parcel zoned Rural Holding District (RD) may establish Animal Production with a Special Use Permit subject to a few additional standards. The applicant has been made aware of this process but as of July 13, 2023 had not applied for the permit.

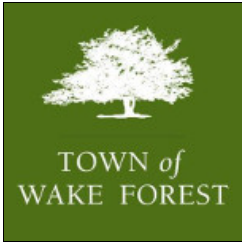
STAFF RECOMMENDATION

Staff recommends that the Board of Adjustment concur that the subject parcel is not a bona fide farm per NCGS 160D-903(c) nor is it a “unit” of the applicant’s Warren County farm per NCGS 105-277.2.(7) and uphold Notices of Violation V-23-91 and V-23-240.

ATTACHMENT

Attachment A:	Application
Attachment B:	Maps
Attachment C:	Notices of Violation and Certified Letter Receipts
Attachment D:	Preliminary Pictures Dated 3/9/23
Attachment E:	Follow-up Inspection Pictures Dated 3/15/23
Attachment F:	Stop Work Order Posting Picture
Attachment G:	Submitted NCDOR Conditional Farmer Exemption Card
Attachment H:	Copy of Deed for Warren County Parcel
Attachment I:	Parken, LLC Annual Report 2022
Attachment J:	Present Use Value Articles from NC Extension
Attachment K:	Administrative Inspection Warrant

Attachment L: Inspection Pictures Dated 5/15/23
Attachment M: Warren County Tax Card
Attachment N: Wake County Tax Card
Attachment O: Copy of Deed For 1149 N Main St., Wake Forest, NC 27587
Attachment P: Documentation Submitted in Appeal Application
Attachment Q: AV-5 Application for Agriculture, Horticulture and Forestry Present-Use Value
Assessment



Appeal of Administrative Decision Application

(Appeal of Administrative Decision Workflow)

Town of Wake Forest, NC

301 S. Brooks St.

Wake Forest, NC 27587-2932

TEL (919) 435-9510 | FAX (919) 435-9539

Project Overview

#1033304

Project Title: 1149 N Main St Wake Forest, NC

Jurisdiction: Town of Wake Forest (Wake County)

Application Type: Appeal of Administrative Decision

State: NC

Workflow: Appeal of Administrative Decision

County: Wake

Address & Basic Site Information

Please Note:

In some cases, a parcel address may not verify. In the event that our system is unable to verify the address you enter, please submit the project as an *Unverified Parcel* and provide zoning and land use information as requested below. For verified addresses, the zoning and land use information will be added to the application automatically (you do not need to provide it below).

Project Address or PIN:

- 1149 N Main St (1841882891)
- 1149 N Main St (1841882891)

Tax PIN:

- 1841882891
- 1841882891

Acreage: 4

Name of Existing Development/Subdivision (if applicable--for reference only):

For unverified addresses/parcels only, please provide below 1) the current use of the parcel, 2) the zoning district(s) it is in, and 3) any overlay districts that apply. Reference the [zoning map](#) and the [overlay districts map](#) on the town's website.

Current Use & Zoning (required only if address/parcel is unverified):

RD

*Note: Projects falling outside the limits of the Town or ETJ will be required to submit an annexation petition in conjunction with their project submittal. In this case, please return to the home screen and select **Annexation Petition** from the application type drop down.*

GIS Site Information (Automatically Generated - Not Available for Unverified Addresses)

Parcel Area: GIS Acreage

- 1149 N Main St: 3.91
- 1149 N Main St: 3.91

Current Use: Land Use Development

- 1149 N Main St: Residential
- 1149 N Main St: Residential

Wake Forest (WF):

Planning and Zoning: Jurisdiction

- 1149 N Main St: WAKE FOREST
- 1149 N Main St: WAKE FOREST

Base District: Zoning

- 1149 N Main St: RD
- 1149 N Main St: RD

In SH1-O Overlay:

In SH2-O Overlay:

In Water Supply Watershed Protection Overlay: Watershed Protection Overlay

- 1149 N Main St: yes (RC-WMA)
- 1149 N Main St: yes (RC-WMA)

In TND Overlay:
In HL-O Overlay:
In National Register of Historic Places:

In SF Overlay:
In MVCP-O Overlay:
In Flood Hazard Area:

Additional Zoning Information

Currently a Conditional District?: No

Currently a Conditional Use?: No

Is there an existing Special Use Permit for the Property?: No

Related Town of Wake Forest Case Numbers: v-23-240 v-23-91

Project Contacts

Please enter all project contacts related to your application.

This is an important step to ensure all members of the applicant team receive email notifications associated with the project which may include comments, requested revisions, scheduled meetings or hearings, and final decisions. This also informs Town staff of the team members assigned role with the project.

Project Contact - Applicant

Frank Bowman

547 South Main Street
Wake Forest, NC 27587
P:9192918354
Parkenproperties@gmail.com

Project Contact - Attorney

Frank Bowman

547 South Main Street
Wake Forest, NC 27587
P:9192918354
Parkenproperties@gmail.com

Project Contact - Property Owner

Frank Bowman

547 South Main Street
Wake Forest, NC 27587
P:9192918354
Parkenproperties@gmail.com

Appeal of Administrative Decision

Have you received an official determination?: Yes

Description of Request:

Our Request is multi-layered.

First, we request an audience with the Board to discuss this situation, how it arose, how it was handled by the town staff and how we plan the continued use of this property.

Secondly, We are operating a portion this parcel of land that we own under NC 160D-903 and request that you allow us to continue its use as allowed by NC Law without further interruption.

Before we used this property for this use, we consulted with the Local Extension Agent, The Department of Agriculture, The Small & Minority Farm Division of the NC Department of Agriculture and did our own research to ensure that we complying with the Law.

This Law allows us to perform everything we have done on this property and is our response to Violations V-23-240 & V-223-91.

I have submitted a public records request and have not got a

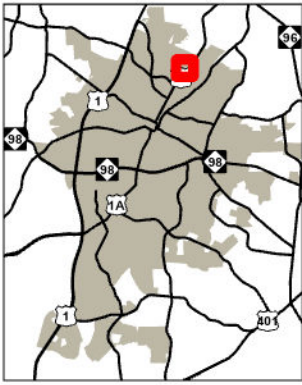
response as of today but it is my understanding that there has never been a similar violation V-23-240 requiring anyone to remove honey bee hives from a similar property and this action is punitive and does not violate any code, rule or law.

We have and always intend to be good neighbors. Over the past month, almost every neighbor to this property has been invited over to check things out. We showed them the clover, wildflowers and native flowering plants we installed, We showed them the over 700 flowering trees and bushes we have planted, we showed them the privacy screens we have installed to block the view from the road and neighbors, we showed them how we painted storage areas with dark colors to blend in with the landscape, we showed them how we are proactively doing all we can to make the area as nice as possible so if they are able to see any of it, it won't be an eyesore.

Throughout this experience, The Town of Wake Forest Enforcement officer has continually moved and changed the finish line for us. On top of that, he has told us that he plans to Quote "find a way to not let you do this" and he's "sending this information to the town attorney so they can find some way to stop you."

We have much more information to provide.

Please upload relevant information as may reasonably allow the Board of Adjustment to understand the basis for the applicant's appeal.

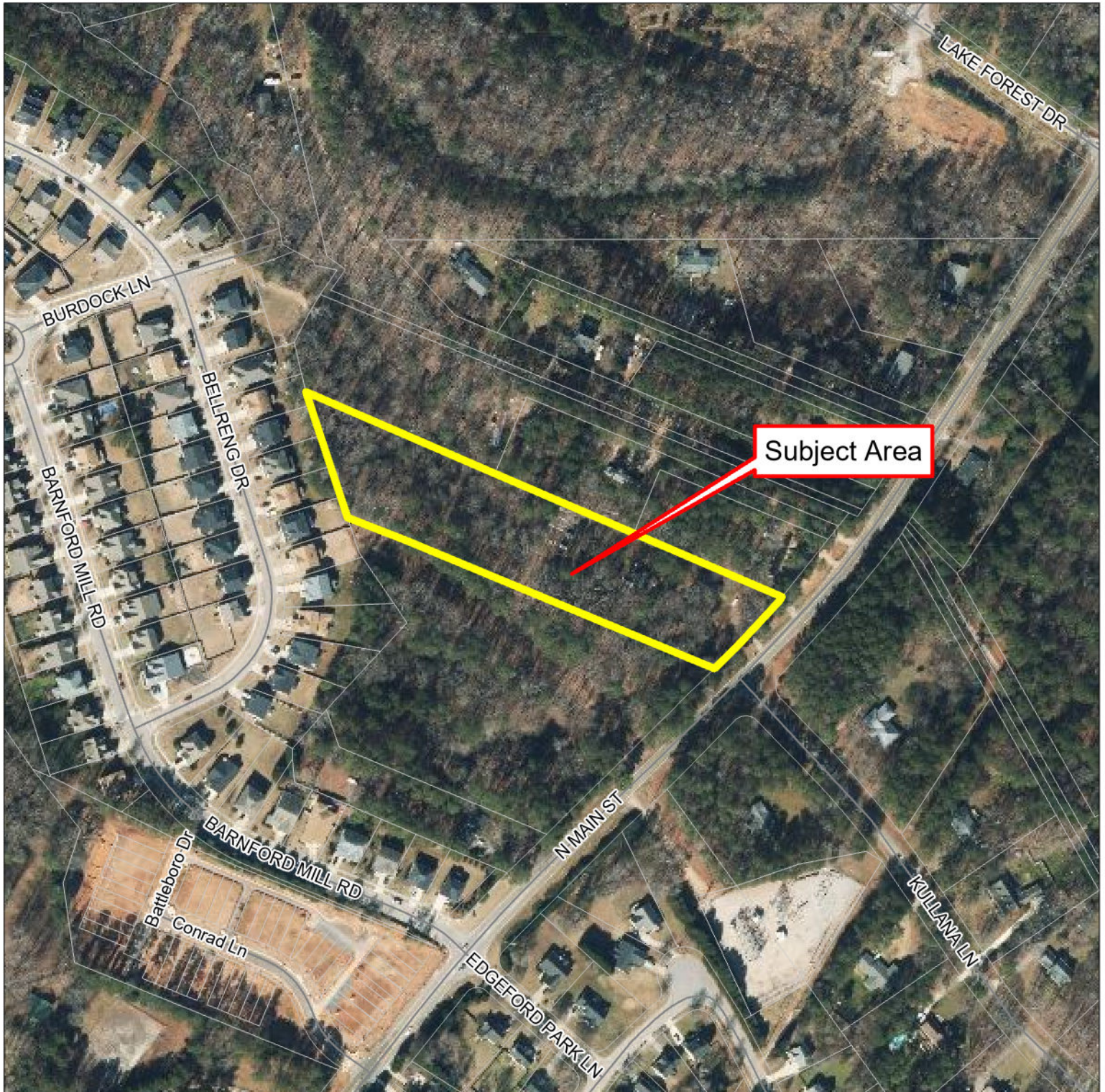


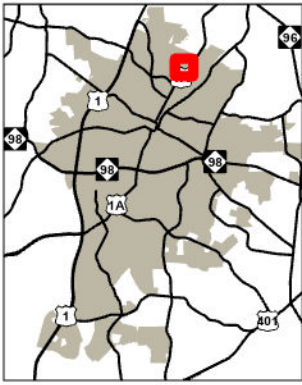
7/5/2023



TOWN of
WAKE FOREST

BOA-23-02
1149 N. Main St
PIN: 1841882891



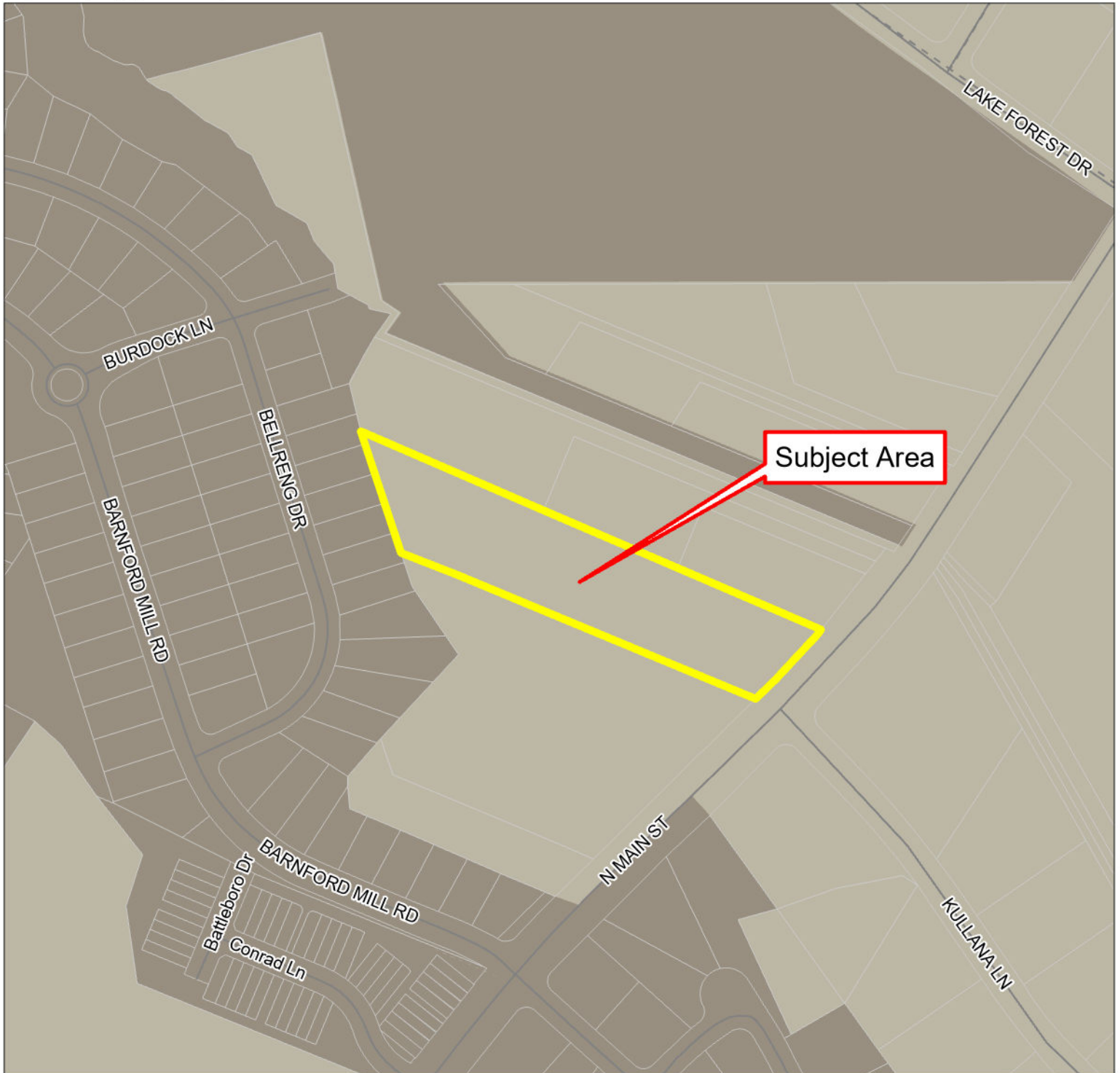


7/5/2023



TOWN of
WAKE FOREST

BOA-23-02
1149 N. Main St
PIN: 1841882891



Unincorporated - Wake County

Wake Forest Corporate Limits

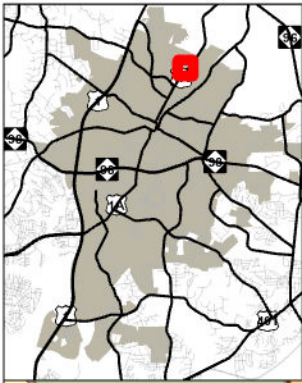
Wake Forest Extraterritorial Jurisdiction (ETJ)

Please note that this map is intended for illustrative purposes only.
For specific inquiries regarding zoning boundaries, contact the
Town Wake Forest Planning Department at 919-435-9510.



17

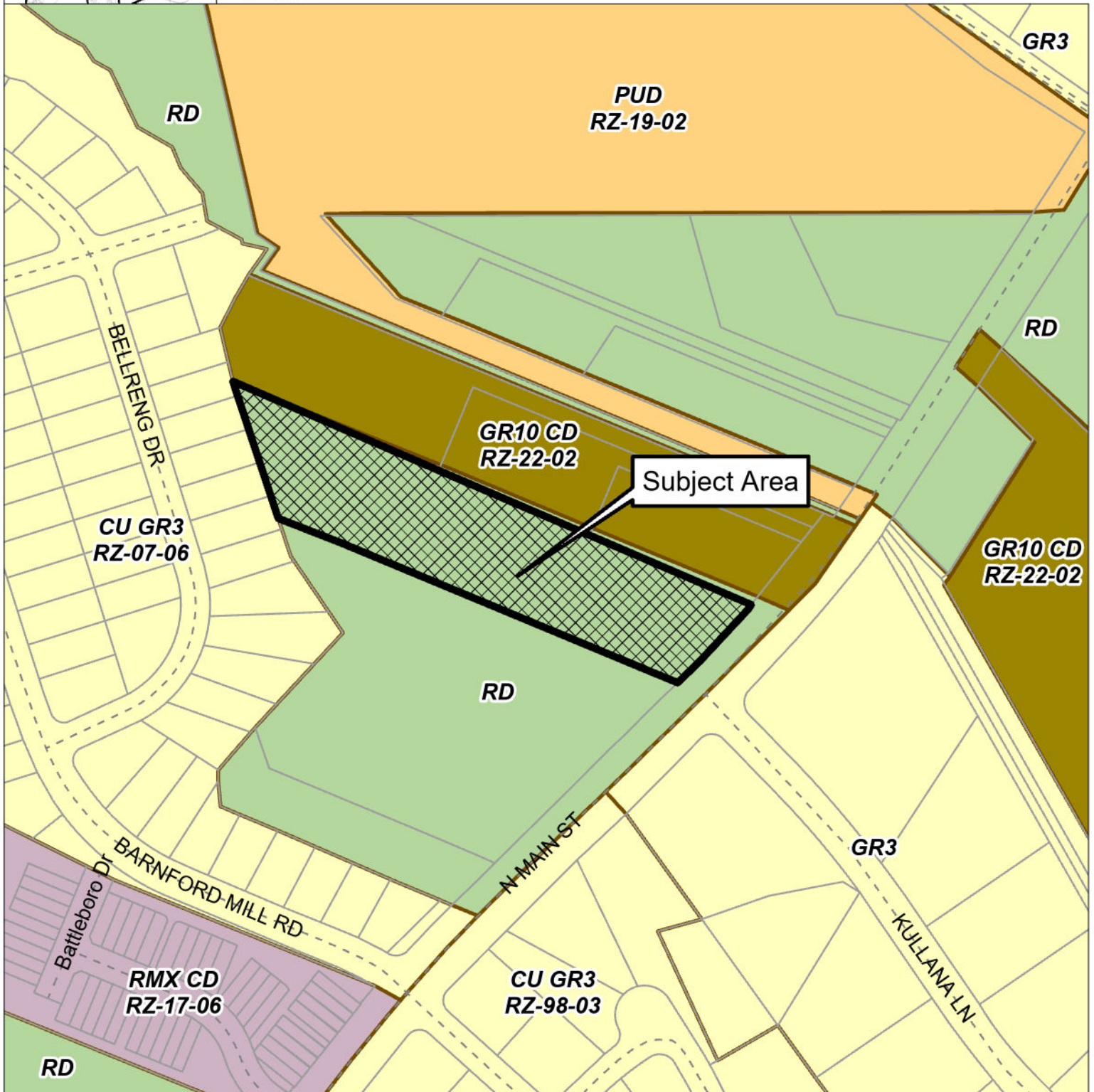
Not to Scale



TOWN of
WAKE FOREST

BOA-23-02
1149 N. Main St
PIN: 1841882891

7/5/2023



Please note that this map is intended for illustrative purposes only.
For specific inquiries regarding zoning boundaries, contact the
Town Wake Forest Planning Department at 919-435-9510.

0 500
Feet





TOWN of WAKE FOREST

301 S. Brooks Street
Wake Forest, NC 27587
t 919.435.9400

www.wakeforestnc.gov

NOTICE OF VIOLATION & CORRECTION ORDER

Date:	MAY 17, 2023
Case No.:	V-23-240
Owner Name:	BOWMAN, FRANCIS JOSEPH III BOWMAN, ELIZABETH LAUREN
Owner Address:	547 S MAIN ST WAKE FOREST NC 27587-2803
Violation Location:	1149 N MAIN ST
Tax Pin:	1841882891

An investigation has determined that there is an unpermitted use (ANIMAL PRODUCTION) being conducted in the RD zone on your parcel. **You are hereby notified** that you are in violation of the following section of the Town of Wake Forest Unified Development Ordinance.

Chapter:	2.3; 3.1
Type of Violation:	USE REQUIRES SPECIAL USE PERMIT AND SUPPLEMENTAL STANDARDS
Corrective Action:	CEASE THE USE "ANIMAL PRODUCTION" IN THE RD ZONE OR APPLY FOR AND RECEIVE A SPECIAL USE PERMIT AND CONFORM TO SUPPLEMENTAL STANDARDS

In order to comply with the Town's Ordinance, **cease the use "Animal Production" in the RD zone or apply for and receive a special use permit and conform to supplemental standards.** Any person violating the Unified Development Ordinance shall be liable to the Town for civil penalties of up to \$100.00 per day that the violation continues to exist. **If this violation is not brought into compliance by 5:00 PM 5/27/2023 (10 days of letter sent) civil penalties shall accrue.**

If you refuse to comply with the terms of this warning within the time specified, you will be subject to further sanctions as outlined in Chapter 16 Violations & Penalties of the Wake Forest Unified Development Ordinance.

We trust that you will work with us to correct this violation. If you have any questions or need further information, please contact the Planning Department at (919) 435-9541 or bcoleman@wakeforestnc.gov. Your prompt attention is required.

Sincerely,

Benjamin Coleman
Zoning Enforcement Officer
Town of Wake Forest

Appeals of this decision may be made to the Board of Adjustment pursuant to Section 15.12



TOWN of WAKE FOREST

301 S. Brooks Street
Wake Forest, NC 27587
t 919.435.9400

www.wakeforestnc.gov

NOTICE OF VIOLATION & CORRECTION ORDER

Date:	MAY 17, 2023
Case No.:	V-23-91
Owner Name:	BOWMAN, FRANCIS JOSEPH III BOWMAN, ELIZABETH LAUREN
Owner Address:	547 S MAIN ST WAKE FOREST NC 27587-2803
Violation Location:	1149 N MAIN ST
Tax Pin:	1841882891

An investigation has determined that there is development on your parcel without an associated and required permit (*illustrated in the attached photo*). **You are hereby notified** that you are in violation of the following section of the Town of Wake Forest Unified Development Ordinance.

Chapter:	15.6.1; 4.6
Type of Violation:	DEVELOPMENT PERMIT REQUIRED FOR SITE IMPROVEMENT; ERECT, CONSTRUCT, ENLARGE, MOVE, OR REPLACE ANY ACCESSORY USE OR STRUCTURE WITHOUT FIRST OBTAINING A CERTIFICATE OF ZONING COMPLIANCE
Corrective Action:	APPLY FOR AND RECEIVE PERMIT FOR DEVELOPMENT AND CERTIFICATE OF ZONING COMPLIANCE

In order to comply with the Town's Ordinance, **you must apply for and receive a development permit for all development on the parcel including any required site plans, construction drawings, and for any and all accessory structures or buildings on the property that require permitting.** Any person violating the Unified Development Ordinance shall be liable to the Town for civil penalties of up to \$100.00 per day that the violation continues to exist. **If this violation is not brought into compliance by 5:00 PM 5/27/2023 (10 days of letter sent) civil penalties shall accrue.**

If you refuse to comply with the terms of this warning within the time specified, you will be subject to further sanctions as outlined in Chapter 16 Violations & Penalties of the Wake Forest Unified Development Ordinance.

We trust that you will work with us to correct this violation. If you have any questions or need further information, please contact the Planning Department at (919) 435-9541 or bcoleman@wakeforestnc.gov. Your prompt attention is required.

Sincerely,

Benjamin Coleman
Zoning Enforcement Officer
Town of Wake Forest

Appeals of this decision may be made to the Board of Adjustment pursuant to Section 15.12





7022 2410 0000 1274 6284

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.**OFFICIAL USE**

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$
☐ Return Receipt (hardcopy) \$
BOWMAN, FRANCIS JOSEPH III BOWMAN^{mark}

ELIZABETH LAUREN

547 S MAIN ST

WAKE FOREST NC 27587-2803

6/9/23
2415

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
BOWMAN, FRANCIS JOSEPH III BOWMAN
ELIZABETH LAUREN
547 S MAIN ST
WAKE FOREST NC 27587-2803



9590 9402 7928 2305 9853 07

2. Article Number (Transfer from service label)

7022 2410 0000 1274 6291

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

Frank L Bonna

C. Date of Delivery

6/9/23

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐
- Adult Signature
-
- ☐
- Adult Signature Restricted Delivery
-
- ☒
- Certified Mail®
-
- ☐
- Certified Mail Restricted Delivery
-
- ☐
- Collect on Delivery
-
- ☐
- Collect on Delivery Restricted Delivery

- ☐
- Priority Mail Express®
-
- ☐
- Registered Mail™
-
- ☐
- Registered Mail Restricted Delivery
-
- ☐
- Signature Confirmation™
-
- ☐
- Signature Confirmation Restricted Delivery

☐ Registered Mail Restricted Delivery (\$500)
☐ Registered Mail Restricted Delivery (\$500)

7022 2410 0000 1274 6291

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.**OFFICIAL USE**

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$
☐ Return Receipt (hardcopy) \$
BOWMAN, FRANCIS JOSEPH III BOWMAN^{mark}

ELIZABETH LAUREN

547 S MAIN ST

WAKE FOREST NC 27587-2803

6/9/23
2415

Street and Apt. No., or PO Box No.

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
BOWMAN, FRANCIS JOSEPH III BOWMAN
ELIZABETH LAUREN
547 S MAIN ST
WAKE FOREST NC 27587-2803



9590 9402 7928 2305 9852 91

2. Article Number (Transfer from service label)

7022 2410 0000 1274 6284

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

Frank L Bonna

C. Date of Delivery

6/9/23

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

- ☐
- Adult Signature
-
- ☐
- Adult Signature Restricted Delivery
-
- ☒
- Certified Mail®
-
- ☐
- Certified Mail Restricted Delivery
-
- ☐
- Collect on Delivery
-
- ☐
- Collect on Delivery Restricted Delivery

- ☐
- Priority Mail Express®
-
- ☐
- Registered Mail™
-
- ☐
- Registered Mail Restricted Delivery
-
- ☐
- Signature Confirmation™
-
- ☐
- Signature Confirmation Restricted Delivery

☐ Registered Mail Restricted Delivery (\$500)
☐ Registered Mail Restricted Delivery (\$500)



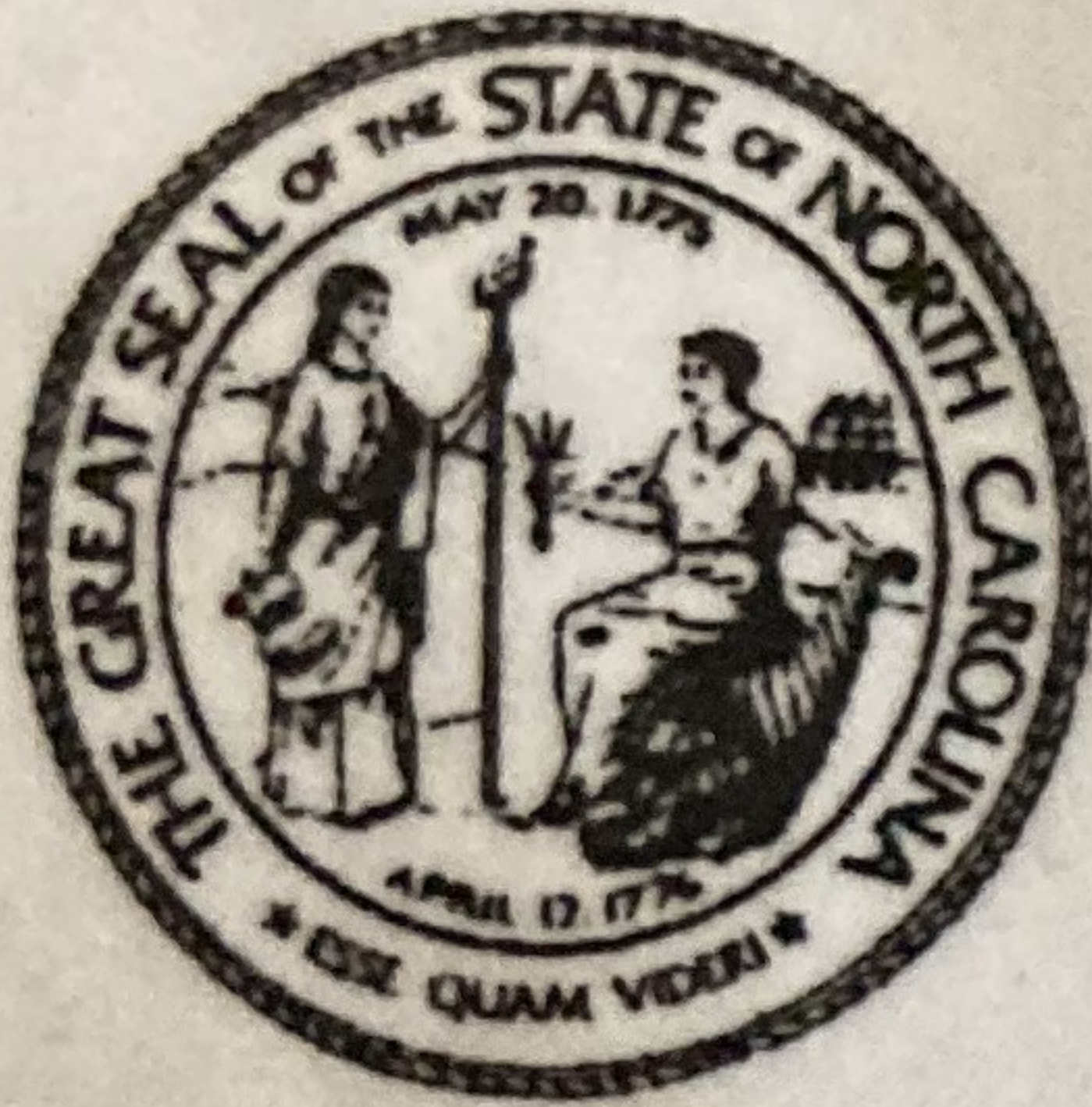












NC Department of Revenue
Conditional Farmer Exemption

Exemption ID: 810175

Double B Apiary & Farm, LLC

547 S Main St

Wake Forest, NC 27587

Expires: 12/31/2025

RK-00965 PG-0212

FILED
WARREN COUNTY NC
YVONNE D. ALSTON
REGISTER OF DEEDS
FILED Mar 28, 2014
AT 01:11:39 pm
BOOK 00965
START PAGE 0212
END PAGE 0214
INSTRUMENT # 00646
EXCISE TAX \$67.00
LDW

GENERAL WARRANTY DEED

Prepared by: D. MICHAEL PARKER

Return to: Parken, LLC c/o Frank Bowman, 547 S. Main St, Wake Forest, NC 27587

Revenue Stamp = \$67.00

Prepared by and Hold for:

Kathryn S. Drake
Attorney at Law

NORTH CAROLINA

WARREN COUNTY

THIS DEED, made and entered into this the 24th day of March, 2014, by and between, **WILLIAM H. LOCK AND WIFE, DALE B. LOCK**, Parties of the First Part, hereinafter referred to as GRANTORS, and **PARKEN, LLC**, (a North Carolina limited liability company) Party of the Second Part, hereinafter referred to as GRANTEE,

WITNESSETH:

That the said Grantors, for and in consideration of the sum of TEN DOLLARS (\$10.00) to them in hand paid and other good and valuable considerations, the receipt of which is hereby acknowledged, have and by these presents do grant, bargain, sell and convey unto the Grantee in fee simple all that certain tract or parcel of land located in the **Warren County, North Carolina** and being more particularly described as follows:

BEING that certain tract or parcel of land **containing 30.5 acres** as the same is more particularly described according to that certain survey and plat thereof prepared by M. Keith Wrenn, Registered Land Surveyor, dated November 20, 1984, entitled "**Survey for Ivey A. Bolton**", and recorded in the Office of the Register of Deeds of Warren County, North Carolina in **Plat Book 21 at Page 44**, the metes, bounds, calls, courses and distances

appearing thereon being incorporated herein by reference; and being the identical property conveyed by Ivey A. Bolton, Jr. et ux to James Parker Lumpkin, II et al by deed dated January 30, 1985, and recorded in the Warren County Registry in Deed Book 409 at Page 218.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenant with the Grantee that the Grantor are seized of the premises in fee simple, have the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that the Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions, if any, set forth above.

IN WITNESS WHEREOF, the Grantors have hereunto set their hands and seals, the day and year first above written.

(This Space Intentionally Left Blank)

William H. Lock (seal)
WILLIAM H. LOCK

Dale B. Lock (seal)
DALE B. LOCK

STATE OF NORTH CAROLINA
COUNTY OF Alamance

I, Robert D. Hurdle, Notary Public of the
aforesaid County and State, do hereby certify that WILLIAM H. LOCK and wife, DALE
B. LOCK personally appeared before me this day and acknowledged the due execution of
the foregoing instrument.

Witness my hand and seal, this the 24 day of March, 2014.



Robert D. Hurdle
NOTARY PUBLIC

Robert D. Hurdle
PRINT OR TYPE NAME OF NOTARY

My commission expires: Dec. 20, 2016

F/RE/Lock/deed



LIMITED LIABILITY COMPANY ANNUAL REPORT

1/6/2022

NAME OF LIMITED LIABILITY COMPANY: ParKen, LLC

SECRETARY OF STATE ID NUMBER: 1282630 STATE OF FORMATION: NC

REPORT FOR THE CALENDAR YEAR: 2022

Filing Office Use Only
E - Filed Annual Report
1282630
CA202210304982
4/13/2022 10:16

☐ Changes

SECTION A: REGISTERED AGENT'S INFORMATION

1. NAME OF REGISTERED AGENT: Bowman, Frank

2. SIGNATURE OF THE NEW REGISTERED AGENT: _____

SIGNATURE CONSTITUTES CONSENT TO THE APPOINTMENT

3. REGISTERED AGENT OFFICE STREET ADDRESS & COUNTY 4. REGISTERED AGENT OFFICE MAILING ADDRESS

547 S. Main St

547 S. Main St

Wake Forest, NC 27587-2803 Wake County

Wake Forest, NC 27587-2803

SECTION B: PRINCIPAL OFFICE INFORMATION

1. DESCRIPTION OF NATURE OF BUSINESS: Residential property management and rental

2. PRINCIPAL OFFICE PHONE NUMBER: (919) 389-2235

3. PRINCIPAL OFFICE EMAIL: Privacy Redaction

4. PRINCIPAL OFFICE STREET ADDRESS

5. PRINCIPAL OFFICE MAILING ADDRESS

547 South Main Street

547 South Main Street

Wake Forest, NC 27587-2803

Wake Forest, NC 27587-2803

6. Select one of the following if applicable. (Optional see instructions)

☐

The company is a veteran-owned small business

☐

The company is a service-disabled veteran-owned small business

SECTION C: COMPANY OFFICIALS (Enter additional company officials in Section E.)

NAME: Frank Bowman

NAME: Elizabeth Bowman

NAME: _____

TITLE: Manager

TITLE: Member

TITLE: _____

ADDRESS: _____

ADDRESS: _____

ADDRESS: _____

547 South Main Street

547 S Main St

Wake Forest, NC 27587

Wake Forest, NC 27587

SECTION D: CERTIFICATION OF ANNUAL REPORT. Section D must be completed in its entirety by a person/business entity.

Elizabeth Bowman

4/13/2022

SIGNATURE

DATE

Form must be signed by a Company Official listed under Section C of This form.

Elizabeth Bowman

Member

Print or Type Name of Company Official

Print or Type Title of Company Official

This Annual Report has been filed electronically.

MAIL TO: Secretary of State, Business Registration Division, Post Office Box 29525, Raleigh, NC 27626-0525

Farm Law for Producers and Landowners

[Home](#) » [Land Use Law](#)

» **Present Use Value: The Basics of Agricultural and Forest Use Property Tax**

Present Use Value: The Basics of Agricultural and Forest Use Property Tax

Find this page at:

go.ncsu.edu/readext?821667

» en Español

[Editor's Note: The following article was co-authored by Rajan Parajuli, PhD, Assistant Professor and Extension Specialist, Forest Economics and Policy, Department of Forestry and Environmental Resources, NC State University]

Introduction

Owning land in North Carolina is never cost-free, primarily because nearly all real property is taxed by a county or municipal government, unless exempted by a state statute or the North Carolina Constitution.¹ Because local governments do not have statutory authority to directly tax incomes, the revenues from property taxes are a primary means by which local governments operate public services such as schools, libraries, waste management, police and fire departments.

Because real property is taxed on its theoretical market value – it's "highest and best use" value – owning and accessing the acreages required to support medium and larger-scale farm operations would be cost-prohibitive. Income generated by farm or forestry could end up a negative return on investment if the land is taxed at

its market value. Likewise, forestry crops are long term, and costs for forest management practices are needed in early years, but the incomes from commercial timber sales will only be realized in the future many years later. In theory, if a landowner cannot afford to pay taxes on undeveloped real property, they could not afford to keep it in agriculture or forestry production. As a policy solution to reduce this cost to farmers so they can afford to keep farming, North Carolina offers a program to reduce the taxes paid on real property: the Present Use Value (PUV) program. This article provides an overview of the PUV program along with application scenarios.

The Present Use Value (PUV) Program – Appraisals Based on Production

Following a policy to keep lands working in agricultural, horticultural and forestry production, North Carolina state law requires all 100 counties to apply a differential appraisal to these working lands at a value that reflects the use of the land rather than its “highest and best use” value.² This program is known in North Carolina as Present Use Value (PUV), and it is perhaps the most beneficial tax program for owners of rural property. This program offers up to 90% tax savings for private eligible landowners in NC.³ At its most basic operation, each parcel of land that qualifies for enrollment in PUV must be appraised at a lower value, to which the county’s published tax rate is applied to produce the tax liability. In other words, the tax rate is the same, but it is applied to a lower value.

The technicalities of the law – and its sometimes unique application by each county – can present a challenge for landowners and their advisors, particularly when land is transferred to another or placed in the succession framework of a trust and/or limited liability company. The program is administered by each county’s tax assessor, and while the state statute sets the requirements for real property qualification, counties are somewhat idiosyncratic in applying the program. For example, a particular county may apply an enrollment deadline, or may process “good cause” appeals for lapsed “continued use” enrollment, that differs from a neighboring county. In addition, over the past decade and particularly in counties surrounding growing metropolitan areas, tax offices have bolstered staff dedicated to monitoring compliance with the program. To guide these tax officers in fair implementation of the PUV program, the North Carolina Department of Revenue (NCDOR) publishes a Present Use Value Program Guide (hereafter the “Program Guide”) to tax assessors to assist in their management of the program, with application of the program to various sample scenarios.⁴

It is important to remember that PUV is a tax deferral program, meaning that the property is always subject to tax at its highest appraisal, and this amount is always listed on the property tax card kept on file by the county (and often available online). Such deferral anticipates a future date at which the property will not qualify, and the deferred taxes (the differential between high and low) will come due. However, the deferred amount is time limited to three (3) years; so the tax differential is abated for the years prior to the third year before disqualification or voluntary removal from the PUV program. Note that PUV deferral may only apply to the land, as improvements are valued at their true value.

Real Property Qualifications for PUV

As noted, land must qualify for enrollment (and continued enrollment) in PUV, depending on its classification as agricultural, horticultural or forest land.⁶ In 2010 the NC General Assembly created an effective fourth use category – wildlife use – that operates similar to PUV.⁵ To determine whether land qualifies for continued enrollment, a tax office must ask four questions: 1) is the parcel owned by a qualified owner; 2) is the parcel under sound management?; 3) is the parcel of requisite size according to its classification? and 4) does the parcel produce sufficient income? Only the first three questions apply to land in forestry use classification.

Individual Ownership

The requirement that the tract of land be owned – or traced to the ownership of – an individual person or persons applies to all categories. In the event of co-tenancy, each co-tenant must be an individual person, or if a non-human entity is the record owner, owners and beneficiaries of such entities must be individual people. The ownership requirement must be strictly adhered to when transferring land to other persons or transferring to entities serving as instruments of transfer and succession, such as trusts and limited liability companies. Likewise, dispositions of real property to the outright individual ownership of trust beneficiaries or members of a limited liability company will trigger scrutiny to the county tax office at the time of filing a continued use application (AV-4, see below). Trustees and LLC managers should ensure that property held within their entities presently qualifies prior to distribution, because one cannot transfer unqualified land (though enrolled and undiscovered) for continued use in PUV.

For land to qualify for PUV enrollment in the hands of an individual, it must be that person's place of residence, or, if not, the land must have been acquired by the individual or relative of the individual a full four (4) years prior to January 1 of the year the land is to be enrolled in PUV (regardless of the county's listing period for enrollment). For land transferred to an individual by an entity (e.g. trust or LLC), the land must have been enrolled under ownership of a qualified entity (the transferor) and the new individual owner (the transferee) must have been a member or owner of the transferring entity or a beneficiary of the transferring trust.

Sound Management Requirement (for Agriculture and Horticulture)

Another qualification for enrollment is the land must be under sound management.⁶ A sound management plan is defined as "[a] program of production designed to obtain the greatest net return from the land consistent with its conservation and long-term improvement." Though "return" is not defined, the statute provides six safe harbors whereby if the landowner can demonstrate one of the following, the land is de facto under sound management:

- (1) Enrollment in and compliance with an agency-administered and approved farm management plan;
- (2) Compliance with a set of best management practices;
- (3) Compliance with a minimum gross income per acre test;
- (4) Evidence of net income from the farm operation;
- (5) Evidence that farming is the farm operator's principal source of income; or
- (6) Certification by a recognized agricultural or horticultural agency within the county that the land is operated under a sound management program.⁷

The Program Guide infers that a county compliance officer may choose which test to apply, but if the chosen test cannot be met, the landowner may present satisfaction of another safe harbor, and beyond that may present other evidence. Safe harbor (1) should be readily available if the land is enrolled in a program such as the Environmental Quality Incentives Program (EQIP), which requires management plans according to type of assistance, such as a nutrient management plan, but whether such suffices for the entire tract is unclear. The Program Guide notes that

tests 3, 4 and 5 are objective. Although it is not known if any county assessor uses the “minimum gross income per acre” test, the Program Guide suggests that such test parameters should be made public and that a landowner not be allowed to present their own minimum income amount. As for (4), net income simply means profit (which can be shown from a Schedule F), as can (5) principal source of income. As a practical matter, county Cooperative Extension or Soil & Water Conservation District may provide such certification in (6). (Note that the management requirement for forest use is discussed below.)

Size and Management, and Income Requirements

Forestry Use

Forestry Use requires a twenty (20) acre minimum tract with a soundly managed commercial timberland. There is no specific income requirement for forestry use. Once the 20-acre minimum tract qualifies, other smaller tracts may be included as long as they are under the same ownership and current use located in the same county or within 50 miles of the 20-acre parent tract. Additionally, the tract must be managed following a sound, written forest management plan which is kept on file with the county tax office. The owner is expected to implement the practices (or attempt to implement the practices) outlined in that forest management plan, and the assessor should conduct periodic compliance reviews.

The forest management plan must lay out the objectives and management prescriptions to allow an assessor to determine if the tract is being managed soundly for commercial timber production. Those reasonable and prudent management practices must be implemented to produce commercial timber over the stated life of the plan. Consulting foresters as well as foresters at the North Carolina Forest Service can prepare a forest management plan of any property. The management plan must be updated if forests and landowner objectives change, and the modified plan should be sent to the county assessor’s office for review.

Though the PUV statute is silent on the contents of a forest management plan, a written forest management plan should include:

- A statement of management and landowner objectives.

- Location maps and photographs of forestland.

A forest inventory describing age, size, soil productivity, and condition of each delineated stand and corresponding to a map of forestland in timber production.

Prescribed practices for forest management and stand management recommendations for commercial timber production.

Harvest and regeneration objectives with timelines of expected timber harvests and recommended regeneration methods to be implemented once the final harvest of crop trees is complete.

As noted elsewhere in this article, a landowner may not change classifications for a parcel of land without filing a change of use application (the AV-4). Remember that compliance reviews are octennial, so a tract of land could easily slip out of production and begin volunteer growth. A forestry management plan for the property will not accomplish its enrollment in forestry: the change from agriculture had to have been made at the time the parcel could no longer prove \$1000 annual income.

Agriculture and Horticulture

For agricultural use – which generally includes row crops and open grazing pasture (including hay production) – the tract must be a minimum ten (10) acres in agricultural production, defined as the “commercial production or growing of crops, plants, or animals.”⁸ This classification also includes “aquaculture” operations with a minimum five (5) acre footprint, which includes various facilities according to definition.⁹ The horticulture classification requires a minimum five (5) acres in commercial horticultural production, defined as the “growing of fruits or vegetables or nursery or floral products.”¹⁰

The size of the tract must be no less than required acres in actual agricultural or horticultural production. Infrastructure on the land supporting agricultural operations (such as barns, greenhouses, fencing, and ponds) do not disqualify the tract. However, any building used for residential purposes will disqualify that portion of the tract and will be assessed at its highest value (counties normally carve out an acre surrounding a structure used for residential purposes and tax its highest value along with the structure).¹¹

A parcel meeting the ownership, management and acreage requirements for agriculture and horticulture must generate \$1000 gross per year in farm production. Note that this figure represents total receipts regardless of profit. Agricultural

income includes government conservation payments (e.g. Conservation Reserve Program), grazing fees for livestock and sale of bees (curiously, income from honey is specifically excluded).¹² It is important to note that the amount of cash rent from a parcel is not considered agriculture or horticulture income; however, the farm production income from a farm tenant or lessee is used to satisfy this requirement.

The revenue requirement is based on a three year average. For example, if an enrolled property earns \$1000 in year 1 and \$2000 in year 2, then zero income in year 3 could still qualify the property. Income must come from commercial production (and sale) of the actual agricultural or horticultural product.

Multiple Parcels

Often, additional parcels are purchased or inherited out of PUV enrollment, and the new owner wishes to qualify these in PUV. There are several issues to consider.

First, if a parcel has been acquired that is not in PUV at the time of transfer, it may be enrolled in PUV immediately (immediately meaning in January following the date it was acquired) if the owner has at least one qualified PUV parcel in the same county (or within 50 miles if in another county).¹³ However, the new parcel must match the classification of the parcel it is to join; for example, land producing agriculture crops or animals may only be enrolled if the land currently enrolled in PUV is also agriculture. PUV land in agriculture use cannot be paired with land in horticulture or forestry use, etc. Even if the new parcel is under the minimum size for the category, it may be paired with the other tract qualified in the same category. Note that one may never reach qualified size by pairing non-adjacent non-size qualifying parcels; at least one parcel must qualify on its own. (It is possible to combine parcels into one tract through application to the county, but this must be completed prior to qualifying for PUV). Consider this example:

Virgil purchased a 9 acre agricultural parcel not enrolled in PUV. Virgil owns a 15 acre parcel in enrolled agriculture PUV elsewhere in the county. He may immediately enroll his 9 acre parcel into PUV though it does not by itself qualify as agricultural use due to its. If the 9 acre tract is actual agricultural production, it qualifies as an expansion of an existing unit (i.e. the 15 acre parcel).¹⁴

Also, the inferior size parcel cannot be paired with qualified PUV land unless it is under identical title. Mismatches of title often happen when one spouse owns land by themselves (either they purchased before marriage, or inherited or received it as

a gift during marriage), and the new parcel is titled as husband and wife. Consider this example:

Virgil purchased his 9 acres and paired it with his 15 acre tract prior to his marriage to Ellen. Following their marriage, Ellen and Virgil bought an additional 9 acre working hayfield parcel titled as tenants by the entirety. They cannot pair the hayfield property with the 15 acre tract because the latter is in Virgil's name alone. To enroll the new 9 acre tract, Virgil will need to deed both his original 9 acres and his 15 acre tract to himself and Ellen to create identical titles to the newly acquired land.

Applying for PUV

Forestry. As noted above, real property classified as forest use must have a forest management plan associated with that tract on file with the tax office. Though the statute is not specific on when the plan must be completed and filed, the NC Department of Revenue in 2010 issued a position memorandum that such plans must be in place prior to January 1 of the year in which application for forest use enrollment is made.¹⁵

Agriculture and Horticulture. Application for agricultural or horticulture use may only be made in the fourth year (usually by January 31) following transfer of title to the owner, because the present owner must show records of \$1000 per year average over the previous three years. (Enrolled land loses its status when transferred if the new owner does not file a continued use Form AV-4, see below.

Considerations with Farm Tenants and Lessees

Remember that unless contractually agreed otherwise, the landowner is responsible for timely payment of property taxes, not the tenant. Further, as noted above, the tenant's annual cash rent payment to the landowner is not considered income for the \$1000 annual farm revenue requirement. The \$1000 is calculated on the tenant's farm product receipts. It is therefore critical that the landowner – the party responsible for demonstrating qualification – have access to sufficient income records from the farm tenant. If a tenant does not want the landowner to know their income, the tenant could provide such information to the County upon request.

Neither the general statutes or the NCDOR PUV publication offer guidance on what records are sufficient to prove farm income. This is left to the discretion of the county tax assessor. One would assume that a Schedule F showing sufficient receipts. Other acceptable materials likely include receipts prepared by the farmer for sales of product or a Quickbooks ledger.

In regards to obtaining a farm tenant's record, the landowner should be in the habit of an annual review of the tenancy (even one not under lease) with the tenant, instead of allowing the tenancy to automatically renew under failure to give notice of termination (See article on North Carolina's Statutory Farm Tenancy). Such passive renewals were customary in the previous generation, and with farm land rarely changing hands, the risk of income verification was low and otherwise not strictly policed.

One measure to ensure annual compliance with a records request is to incorporate failure to do so as a matter of default in a lease. Below is a sample of suggested language:

Tenant to Provide Income Records for PUV. Tenant agrees to provide the Landowner – on an annual basis – to provide farm income statements for the purpose of initial or continued enrollment in the Present Use Value (PUV) program. Tenant shall supply the Landowner with records sufficient to demonstrate Tenant's gross farm income from the premises. Failure to provide records upon written request within 15 days of the request will be considered a default under the lease.

The owner should be mindful to retrieve such income records on an annual basis, and not trust that several years back records will be available when requested by the county during an octennial compliance review, particularly if the tenant has quit the lease and otherwise unavailable or unwilling to supply records.

Change in Use

A change in use classification must be made by application and approved by the county. As a practical matter, converting land from agriculture to forestry without losing qualification is the easiest to achieve, in that forestry has no income requirement (this assumes the tract is minimum 20 acre and a forest management

plan is submitted). However, the landowner must complete the transition in the year prior to filing a change of use application with the county during its regular enrollment period (usually January).

Converting land from forestry is more challenging, in that the land must produce \$1000 in income in the year prior to enrollment and for each of the two preceding years prior to enrollment as agricultural land under the statute.¹⁶ If land can be cleared early and crops sown and sold in the same year, the NCDOR PUV Manual suggests to tax assessors that they may allow the land to remain enrolled.

Change from Agricultural to Horticultural or vice-versa is not as challenging as both have an income requirement. However, if the conversion from agriculture to horticulture involves acreage devoted solely to fruit tree production, the farmer may be challenged to prove income from that acreage until the trees produce.

As noted earlier, a change in classification is not self-help, in that if the land is to change uses and thus classifications, the Form AV-4 must be filed with the county tax office. Probably the riskiest situation is allowing land enrolled in agricultural (or horticultural) PUV to revert to trees after suspension of farming on the land. The landowner cannot later after a compliance review file a Form AV-4 and convert the land to forestry, this must have been done when farming ceased; from the counties perspective, if the land was in agricultural use and did not produce income, that classification failed.

When planning a land use classification change, it is a good idea to consult the county on their timing of a new use application (the Form AV-4). When approaching the tax office, it is a good idea to make sure that proof of compliance is readily available in the likely event the county reviews your status.

Loss of PUV Status

When a parcel of land loses its PUV enrollment, the financial consequences can be severe, particularly in an urbanizing county where the PUV appraisal has not kept pace with a rising highest and best use appraisal. The PUV appraisal, because it is based on use and subject to market forces connected to production, is disconnected from the appraisal driven by market forces in real estate, which is subject to very different market forces or factors (i.e. land scarcity due to encroaching development). Another situation where a heavy rollback burden can fall on a landowner is in a trust distribution of property, where multiple parcels have a rollback payment attached.

When a tract of land is disqualified, the owner of the property must pay what is known as a “roll back,” which amounts to the sum of three (3) years of the unpaid deferred taxes plus interest on that differential for each year. The differential is measured between the tax paid (as calculated on the use value appraisal) and the tax payment that would have been made had the land not been enrolled in the program (the market value), plus 3 years interest on each year through the current year (i.e. year 1 = 36 months interest; year 2 = 24 months interest; year 3 = 12 months interest). The differential tax payments otherwise deferred prior to the 3 year look back are abated for all time.

It is important to remember that sometimes, particularly with the agricultural income requirement, a tract of land can appear to be enrolled but is factually not qualified. Though the landowner may be receiving tax bills showing the differential amount due, and paying the lower tax payment, the tax assessor has not discovered the non-qualification yet.

County tax offices discover non-qualification in several ways, principally through routine audit or when land changes title. By law, the county must annually audit one-eighth of the parcels enrolled in present use value, so there is time (in theory, eight years) for a particular tract to fail qualification before its next audit.¹⁷ During the audit, the assessor will ask for verification of revenue for agricultural and horticulture land, or a sound management plan for forestland. When an information request is made during an audit, the landowner has sixty (60) days to comply, and failure to supply requested information results in disqualification; thereafter, the landowner still has another bite at the apple, with another 60 days to supply the information, whereupon if satisfactory, the assessor must reinstate the land to the PUV program.¹⁸

A discovery may sooner come when the property changes title, which can occur when property is sold or gifted in whole or subdivided and recorded in the name of the new owner. As noted above it is critically important to know whether a tract of land enrolled in the PUV program qualifies prior to contracting for its purpose or receiving it as a gift, because property that does not qualify in the hands of one owner cannot thereafter immediately qualify in the hands of the new owner. In other words, the property tax card may show that the tax due is the PUV amount, non-qualification may not yet be discovered.

Indeed, a landowner failing to voluntarily report a loss of status is subject to a penalty representing 10% of the total amount of the rollback (the deferred taxes plus interest), applied to each listing period the change goes unreported.¹⁹

Appeals and Good Cause

Appeals of adverse property tax decisions related to PUV primarily concern a) failure of qualification after compliance review, or b) filing of a late AV-4 for continued use after transfer. In either instance, the tax assessor is required to provide notice to the property owner that their property has lost enrollment.

If the county tax assessor, upon compliance examination, determines that a tract of land no longer qualifies for PUV, the office must notify the landowner in writing.²⁰ Following receipt of the notice, the landowner has 60 days from the date of the written notice to file his appeal of the assessor's decision to the county board of equalization.²¹ If the property owner wins the appeal, the property is reinstated back to its qualification status. If a new disqualification factor emerges during the appeal, the tax assessor must issue a new notice. An appeal from the decision of the board of equalization is made to the NC Department of Revenue's Property Tax Commission.

The above notification requirement does not apply to loss of enrollment due to the filing of a late application (AV-4) for continued use. Recall that, upon most acquisitions of land enrolled in PUV, the new owner may file an AV-4 certifying continued use in the property's use classification and taking responsibility for deferred taxes from the previous three years. Failure to file the AV-4 within 60 days of acquisition is grounds for removal from the program.²² Failure to file the form within the 60 days may be rectified upon a showing of "good cause"²³ to the board of equalization (or county commissioners if the equalization board is not in session). Note that the tax assessor lacks the authority to accept a late application, and must await the equalization or commissioner board's decision.

The NC General Statutes do not define "good cause." What constitutes good cause certainly varies by county, and several cases have dealt with the issue with other exemption categories other than PUV, suggesting that a taxpayer should avoid arguing it was simply unaware there was a deadline when they own other exempt property (likewise, counties should avoid tying decisions to the amount of tax revenue at stake).²⁴

The appeal of an adverse enrollment determination is an administrative process, and the property owner must exhaust all levels of the appeals process, up through the decision of the Property Tax Commission, before a landowner may proceed to circuit court to challenge the tax assessor's decision. A landowner that misses the

statutory deadlines loses their right of court review.

Conclusion

Enrollment in PUV is particularly perilous at the moment enrolled land is transferred. Indeed that is the point of the program: differential taxes are merely deferred until such point they are paid. North Carolina is fortunate to have a program mandated by state statute applying to all 100 counties, other states are not so fortunate.²⁵

Endnotes

¹ N.C.G.S. §105-274. “All property, real and personal, within the jurisdiction of the State shall be subject to taxation unless... (1) (e)xcluded from the tax base by a statute of statewide application... or, (2) (e)xempted from taxation by the Constitution...”

² See generally N.C.G.S. 105-277.2 et. seq.

³ See *Benefits of a Woodland Plan* (NC Forest Service, August 2014).

⁴ Available at [2019 PUV Program Guide](#).

⁵ See N.C.G.S. 105-277.15.

⁶ N.C.G.S. § 105-277.2(1), (2), and (3)

⁷ N.C.G.S. § 105-277.3(f)

⁸ N.C.G.S. § 105-277.3(a)(1). It is important to note that this production reference does not refer – like other statutes when defining “agriculture” – to the definition supplied by N.C.G.S. §106-581.1, which includes “agritourism” and other value-added activity such as processing.

⁹ As defined in N.C.G.S. §106-758.

¹⁰ N.C.G.S. § 105-277.3(a)(2)

¹¹ Parcels of mixed production – including some tree cover less than forestry minimum – present unique qualification challenges. Discussion of those are outside immediate scope of this article, but are covered to some extent in the Program

Guide.

¹² N.C.G.S. § 105-277.3(a)(1)

¹³ N.C.G.S. § 105-277.2(7)

¹⁴ N.C.G.S. § 105-277.3(b2)(2)

¹⁵ Forestry Mgnt Plans 2010 . In that memorandum, the NCDOR revealed the results of survey indicating about 18 counties required a plan on file by January 1, whereas 34 counties allowed submission 'as necessary' and 28 counties required submission by a deadline after January 1 (80 counties responded to survey)

¹⁶ 2.3 Present-Use Value .

¹⁷ N.C.G.S. § 105-296(j).

¹⁸ Id.

¹⁹ Present Use Value Program.

²⁰ N.C.G.S. § 105-277.4(b1)

²¹ Id.

²² N.C.G.S. § 105-277.4(a)

²³ N.C.G.S. § 105-277.4(a1). The statute is silent as to the deadline for making such a showing.

²⁴ See Chris McLaughlin, "Good Cause" and Late Property Tax Exemption Applications .

²⁵ For example, Virginia counties may but are not required to pass either an agricultural use property tax program, or an Agricultural and Forestal District ordinance (analogous to North Carolina's Voluntary Agricultural District program). See § 58.1-3231

More from Land Use Law

- [Conservation and Farmland Preservation](#)
- [Land Ownership and Liability](#)
- [Natural Resource Regulation and Litigation](#)
- [The VAD/EVAD Conservation Agreement Requirement](#)
- [Zoning for Farming and Forestry](#)

WRITTEN BY



Robert Branan

Extension Agricultural and Environmental Law Specialist and Associate Professor
Agricultural & Resource Economics
NC State Extension, NC State University

PAGE LAST UPDATED: 2 YEARS AGO

YOU MIGHT ALSO LIKE

- Present Use Value: Transferring Property Enrolled in Present Use Value Property Taxation
- North Carolina's Forestry Present-Use Valuation (PUV) Property Tax Program
- Neighbor Complaints and Response: the Basics of North Carolina's Right to Farm and Bona Fide Zoning
- Are There Tax Breaks for Farmers?
- Tips for Good Farmland Leases for New Landowners

N.C. Cooperative Extension prohibits discrimination and harassment on the basis of race, color, national origin, age, sex (including pregnancy), disability, religion, sexual orientation, gender identity, and veteran status.

Information on [Accessibility](#)

Farm Law for Producers and Landowners

[Home](#) » [Land Use Law](#) » [Land Ownership and Liability](#)

» **Present Use Value: Maintaining the Individual Ownership Requirement in Transfer Planning**

Present Use Value: Maintaining the Individual Ownership Requirement in Transfer Planning

Find this page at:

go.ncsu.edu/readext?800073

› en Español

[Farm Law editor's note: the following piece is in draft pending academic peer review, and written as part of the series **Farm Law: Owning, Managing and Transferring Farm Interests**, sponsored by the North Carolina Tobacco Trust Fund Project # #583400-10363. Comments to rabrana2@ncsu.edu are welcome.]

Introduction

Among the requirements for enrollment in the Present Use Value (PUV) property tax program, the requirement of individual ownership is a particular challenge to maintain when transferring land.

As further explored in the narrative **An Overview of Present Use Value**, a parcel must meet four requirements. To determine whether land qualifies for continued enrollment, a tax office must ask four questions: 1) is the parcel owned by

individuals?; 2) is the parcel under sound management?; 3) is the parcel of requisite size according to its classification?’ and 4) does the parcel produce sufficient income? Only the first three questions apply to land in forestry use classification.

This paper explores individual ownership of land passing through estates, transfer by gift or sale, or transferred to an entity for liability, management, and future disposition (estate planning) purposes. This paper describes several forms of ownership, and how each is viewed through the lens of PUV’s individual ownership requirement.

Individual Ownership

The requirement that the tract of land be owned – or traced to the ownership of – an **individual person** or persons applies to *all* categories of PUV (forest, agriculture, and horticulture), as well as the tax-deferred wildlife classification. In the event of co-tenancy, each co-tenant must be an individual person, or if a non-human entity is the record owner, owners and beneficiaries of such entities must be individual people. The ownership requirement must be strictly adhered to when transferring land to other persons or transferring to entities serving as instruments of transfer and succession, such as trusts and limited liability companies. Likewise, dispositions of real property to the outright individual ownership of trust beneficiaries or members of a limited liability company will trigger scrutiny to the county tax office at the time of filing a continued use application (AV-4, see below). Trustees and LLC managers should ensure that property held within their entities presently qualifies prior to distribution, because one cannot transfer unqualified land (though enrolled and undiscovered) for continued use in PUV.

For land to qualify for PUV enrollment in the hands of an individual, it must be that person’s place of residence, or, if not, the land must have been acquired by the individual or relative of the individual a full four (4) years prior to January 1 of the year the land is to be enrolled in PUV (regardless of the county’s listing period for enrollment). For land transferred to an individual by an entity (e.g. trust or LLC), the land must have been enrolled under ownership of a qualified entity (the transferor) and the new individual owner (the transferee) must have been a member or owner of the transferring entity or a beneficiary of the transferring trust. For example:

Nick and Jay are members of East Egg Land Co, LLC, which owns several tracts of land enrolled in PUV. Nick and Jay decide to sell one of the tracts to Daisy, who resides in an apartment in the town of West Egg, and not on the property, and who is not a member of the LLC. Later in the year (about 70 days after

purchase), Daisy receives notice that the land has been removed from the PUV program, and that she must pay a rollback by the next tax bill due date. Upon inquiry she finds that she does not qualify as an individual because she does not live on the property, has not owned it for 4 years, and was not a member of the transferring LLC.

However, by way of exception, a transferee – Daisy in the above example – may continue the land in PUV if she timely files a “continued use application” – the Form AV-4 – and agrees to accept liability for the deferred tax liability of the previous owner. The new owner must agree to continue use in the same use classification. For example, Daisy could not decide to change the use classification upon her AV-4 filing, she would presumably have to wait until the next listing period.

Land enrolled in PUV that is transferred to another under reservation of a life estate does not lose qualification, as the life tenant is considered to be the owner of the property.

Co-Tenancy

Land owned by tenants-in-common may qualify for PUV enrollment, so long as all of the co-tenants are identifiable individuals and all are actively engaged in the classification purpose or otherwise related. A tenancy-in-common ownership that qualifies only under that combination of owners, it is considered a single owner combination, and is not fluid; if any of the co-tenants transfers their interest, a new co-tenancy combination, or “listing,” is created, and an AV-4 continued use application must be filed to continue the land in PUV. Consider the following example:

John, Paul, George, and Ringo inherited a tract of land from their father, Brian. Assume the land in their co-tenancy qualifies for PUV. John transfers his interest to his girlfriend, Yoko. Within 60 days after the transfer, the new co-tenancy must file an AV-4, listing the new co-tenancy combination – Paul, George, Ringo, and Yoko – as the tract’s listed owner. [Note: the transfer of the land from Brian to his sons did not require a new filing; once John transferred the interest to Yoko, he introduced an unrelated party. Had Yoko been John’s spouse, she would have qualified as a relative of Paul, George, and Ringo (as spouse of a sibling).

Note that land, where not all individual owners can be identified, cannot qualify for PUV. For timberland, this poses a particular problem for qualification and timber management on “heir property” land, a term that generally describes a tract with multiple owners of different generations, some of whom may theoretically exist based on the laws of intestacy, but are unknown due to missing information about known but un-located heirs. An owner may be unknown if the living or marital status of a known heir is unknown, whereby other heirs may have inherited from that known heir under intestacy or a will. Though it is unknown the extent to which county tax offices investigate the family trees of owners to determine qualification, they have the legal authority to inquire.

Trusts

A trust may qualify as owner for PUV purposes depending on how it is set up and funded. For trusts to qualify as an owner for PUV enrollment purposes, the trust must be created by 1) an individual who *owns the land* prior to transferring said land to the trust, and 2) *all* beneficiaries of the trust must be individuals who are “directly or indirectly” related to the trust creator. Indirect relationship refers to an individual who holds a beneficial interest in a secondary trust (or a business entity, see below) that is somehow a beneficiary of the primary landowning trust. A “relative” (to the trust creator) is defined as the trust creator’s spouse or spouse’s lineal descendants or ancestors; lineal descendants or ancestors of the trust creator; siblings and their lineal descendants (nieces and nephews); aunts and uncles (but not their lineal descendants, so no cousins); and spouses of all the foregoing. The statute and Program Guide is silent as to whether a successor trustee must be an individual or a relative of the trust creator. Likewise, both are silent as to whether the beneficiary must have a present income interest, or an asset distribution interest that springs in the future (i.e. upon the death of the settlor).

In trust drafting, the settlor (one who creates the trust) must be careful to follow these relational definitions in designating beneficiaries, and may wish to include a disqualification for any future beneficiary falling outside the PUV definition (if the settlor’s concern is to keep the land in PUV in the hands of his or her trust beneficiaries).

Unless the landholdings in a trust are identified by parcel(s) to specific beneficiaries, the beneficiaries of the trust have some beneficial interest in all of the property in the trust. If just one beneficiary is found to not qualify as an individual, in theory all of the land in the trust would be disqualified. Such qualification could easily happen

if the trust names a charity or other entity with owners not all of relation to the settlor as a beneficiary (e.g. a friend's child, an uncle's child, a trusted employee, etc.), without specifying that their beneficial interest excludes PUV real property.

As noted above, when a trust is created, the creator (settlor) must own the land prior to creation of the trust and funding it with the parcel enrolled in PUV. The land must have been owned by the creator or by the trust for four years preceding January 1 of the year of enrollment. For example:

Othello purchased a tract of land not enrolled in PUV in 2020. In 2021, he does some estate planning and forms a trust, and deeds the land to the trust. The tract of land will not be eligible for enrollment in PUV until January 1, 2025.

However, if Othello purchased the tract enrolled in PUV and filed an AV-4 within 60-days of recording his deed of purchase, Othello may immediately transfer the land to his trust. After the second transfer, Othello will need to file another AV-4, signing it as Trustee of his trust to continue in PUV, assuming the trust beneficiaries are all individuals related to Othello. (It follows that Othello must pledge continued use prior to transferring to Trust)

As to funding land to a trust, the form of transfer will be by deed from the individual owner (as Grantor) to the Trustee of the new trust (as Grantee). The PUV statute (as well as the Program Guide) is silent whether the Grantor must also serve as the Trustee, though the Program Guide in another context suggests this is not required. The Grantor/Grantee (often the same person[s]) must ensure that – within 60 days of recording the deed of transfer – an AV-4 continued use application is filed and signed by the Trustee (the Grantee) of the trust. (Such transfers are not limited to the traditional enrollment period of January). However, the Trustee should be prepared for the event that the tax office requests review of the trust to confirm beneficiary relationships to the settlor (the prior owner of the land). Again, like any disposition (sale or gift) of real property, it is best to prepare the AV-4 alongside the deed of transfer, and file the former immediately after recording the latter. Trustee may consider creating a one-page summary of the Trust, noting the date of purchase of the land by the trust creator, and a list of beneficiaries and their relationship to the trust creator.

Limited Liability Companies

The beneficiary considerations of trusts generally apply to membership (ownership) of limited liability companies, in that all owners of an interest in the entity must be an individual. If an interest owner is an entity, all members must be individuals; and explained above, all of a trust's beneficiaries must be a traceable relation (within the statutory definition) to the trust creator. With LLCs, a main goal is to ensure an ownership interest is not transferred to a "non-individual," such as a charity, through an interest owners estate plan or act of donation.

While owning land in the limited liability company has potential liability protection benefit, the entity is often used for land succession purposes. Such closely-held entities are ideal for restricting the universe of potential owners of an interest in the entity – and thus the real property within – by creating an internal and preferential market for purchase of a departing interest. An LLC used for this purpose should have a good operating agreement, which both defines who may be an equity owner in the LLC, and how an interest transferred to an unqualified owner is "called in" (via a buy-sell agreement). In defining a qualified member, the operating agreement should contain the following clause:

***Who May Become a Member.** The Members of the Company pursuant to this Operating Agreement agree that Membership in the Company is restricted to the lineal descendants of [insert name of parental or ancestral couple].*

The Operating Agreement should restrict transfer to that small universe of people, and insert a process for admitting individuals who do not meet that description. When a non-qualified person is the recipient of transfer or pending transfer, a buy-sell agreement with option exercise instructions, interest valuation method and purchase price, and payment terms should be spelled out. Managers and members of an entity should make sure that, as members dispose of interests at death or by gift, that the recipients of such interests are monitored for qualification as relatives, and if they do not qualify, interest buy-back provisions within the operation agreement should be exercised. Consider this example:

Abacab Land Company, LLC has three members, Phil, Mike and Tony, who inherited PUV land from their father Peter. They transferred the land to Abacab, timely filed the AV-4, and drafted an operating agreement which limited membership in Abacab to Phil, Mike and Tony and their lineal descendants, and which contained a buy-sell agreement. The buy-sell option on transferred interests to unqualified recipients expired at six months after the transfer. Phil dies, leaving – via his will – all of his property interests (including his 1/3 interest

in Abacab) to his church. Mike and Tony neglect to exercise the option and purchase (call in) the interest within the expiration, and the church now owns Phil's 1/3 interest in Abacab.

In the event of a county compliance audit, or upon sale of some of the land in Abacab to a third party, the county may discover that not all of the owners of the entity are individuals.

Limited liability company qualification as a PUV owner also depends on the purpose of the entity. When forming the LLC – ie. filing its Articles of Organization with the NC Secretary of State – the organizer (filer) of the entity should ensure that both the Articles of Organization and the Operating Agreement state a purpose that qualifies the entity as principally engaged in agriculture or forestry according to statute. Such purpose is attached to the NC Secretary of State's form Articles of Organization (per Item 7) as an option, and can be placed in the early paragraphs of an operating agreement. Such purpose statement might read – for a farmland or forestland entity – as:

The purpose of the Company is to operate and manage a farm for commercial production of growing crops, plants and animals under a sound management plan, and to do any and all other acts and things which may be necessary, incidental or convenient to carry on the business of the Company.

For a forestland entity:

The purpose of the Company is to operate and manage forestland for commercial production of timber under a sound management plan, and to do any and all other acts and things which may be necessary, incidental or convenient to carry on the business of the Company.

Though the term “principally engaged” is not defined in the statute, the Program Guide suggests a minimum 50% of business revenues come from the qualified activity (farming, horticulture or forestry). The tax assessor may challenge whether the entity is principally engaged in production, but if the entity owns land enrolled in PUV in another county, a presumption is established that the entity's principal purpose is production of agricultural, horticultural or forest products. Consider this example:

Pete and Roger own Bargain, LLC that owns a number of residential rental properties, none of which qualify or are otherwise enrolled in PUV. Bargain, LLC buys a 23 acre tract of forestland that was enrolled in PUV at the time of transfer. Though Bargain LLC timely files an AV-4, the tax assessor requests to see Bargain LLC's financials, and finds that the majority of their income to date comes from residential rentals. Bargain, LLC is not principally engaged in commercial forestry.

Interest ownership of the entity – and the activity or relationship of the owners – is a critical matter. All members of the entity must be “actively engaged in farming;” however, a relative of one of the members actively engaged in farming need not be. Only an entity owned entirely by individuals related to one another (under the statutory definition of “relative”) may lease the land out to a farmer to generate the required income. [Stated differently: leasing land for farming qualifies as an entity’s principal business in agriculture only if all of the LLC members are related.]

The phrase “actively engaged” as applied to members is not defined by statute. However, the Program Guide follows an NCDOR position expressed in a reported court case to suggest that such activities qualify: operating farming equipment, caring for animals, and cultivating crops, participation in cropping and other management activities, including supervision of labor and capital investment decisions. An entity of unrelated members should take care to document such activities.

As with trusts, transferring land to an LLC requires filing of the AV-4 within 60 days of recording. Again, completion, recording, and filing of the deed of transfer AV-4 and should be immediately sequential.

Acknowledgments

Content loaded to Agricultural and Natural Resource Law portal, including narratives, workbooks, and presentations, is supported by The North Carolina Tobacco Trust Fund Commission (TTFC) (Grant award 2019-001-16), titled “An Heirs Guide to Farmland”).



More from Land Ownership and Liability

- [Land Title: Understanding Rights in Property](#)
- [Land Title: Understanding Rights in Real and Personal Property](#)
- [Neighbor Complaints and Response: the Basics of North Carolina's Right to Farm and Bona Fide Zoning](#)
- [North Carolina's Right to Farm Law After Smithfield Litigation](#)
- [Tree Fall Liability: Who Is Responsible for Property Damage?](#)

WRITTEN BY



Robert Branan

Extension Agricultural and Environmental Law Specialist and Associate Professor
Agricultural & Resource Economics
NC State Extension, NC State University

PAGE LAST UPDATED: 2 YEARS AGO

YOU MIGHT ALSO LIKE

- The Basics of Trusts in Farm Succession Planning
- Present Use Value: Transferring Property Enrolled in Present Use Value Property Taxation
- North Carolina's Forestry Present-Use Valuation (PUV) Property Tax Program
- Voluntary Conservation Options for Land Protection in North Carolina
- Tips for Good Farmland Leases for New Landowners
- Present Use Value

N.C. Cooperative Extension prohibits discrimination and harassment on the basis of race, color, national origin, age, sex (including pregnancy), disability, religion, sexual orientation, gender identity, and veteran status.

Information on [Accessibility](#).

(TYPE OR PRINT IN BLACK INK)

STATE OF NORTH CAROLINA

In The General Court Of Justice

WAKE

County

**AFFIDAVIT TO OBTAIN
ADMINISTRATIVE INSPECTION
WARRANT FOR PARTICULAR
CONDITION OR ACTIVITY**

I, Benjamin Coleman, Zoning Enforcement Officer for the Town of Wake Forest, being
(name and position)

duly sworn and examined under oath, state under oath that there is probable cause for believing that there is
Land disturbance without permit in violation of Town of Wake Forest Unified Development Ordinance 15.7.2

(describe condition, object, activity, or circumstance which the search is intended to check or reveal)

Development and use established without permit in violation of Town of Wake Forest Unified Development Ordinance 15.6.1

at the property owned or possessed by BOWMAN, FRANCIS JOSEPH III BOWMAN, ELIZABETH LAUREN

and described as follows: Parcel located at 1149 N Main St (Tax Pin 1841882891) containing a single family residence on
approximately 3.91 acres of land. The portion to be inspected will be on the outside of the residence only.

(precisely describe the property to be inspected)

The facts which establish probable cause to believe this are: On March 9, 2023, I took a public complaint about land

disturbance at 1149 N Main St. consisting of felling multiple trees and grading a large portion of land. Upon inspection

it was concerned that land disturbance requiring permit as well as the installation of a temporary structure had occurred.

While speaking to Mr. Francis Bowman his position is that this land was a continuation of his bona fide farming exemption,

however, upon request of documentation on 3/17/23, evidence produced was found insufficient to allow for exemption. After this

conversation, an amount of time has been allowed for Mr. Bowman's attorney to produce the required documentation but he has

not. This inspection warrant will be to access the property and gain the scope of development for further actions.

Signature Of Applicant

Name Of Applicant (Type Or Print)

Benjamin Coleman

SWORN AND SUBSCRIBED TO BEFORE ME:

Date

5/15/23

Signature

☐

Deputy CSC

☒

Magistrate

☐

Assistant CSC

☐

District Court Judge

☐

Clerk Of Superior Court

☐

Superior Court Judge

IMPORTANT: Attach the Affidavit to the WARRANT if not on reverse side.

(TYPE OR PRINT IN BLACK INK)

STATE OF NORTH CAROLINA

In The General Court Of Justice

WAKE

County

**ADMINISTRATIVE INSPECTION
WARRANT FOR PARTICULAR
CONDITION OR ACTIVITY**

G.S. 15-27.2; 58-79-1

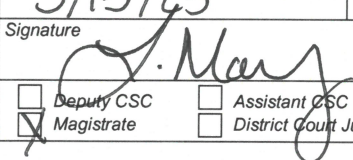
TO ANY LAWFUL OFFICIAL EMPOWERED TO CONDUCT THE INSPECTION AUTHORIZED BY THIS WARRANT:

The applicant named on the accompanying affidavit, which is hereby incorporated by reference, being duly sworn, has stated to me that there is a condition, object, activity, or circumstance legally justifying an inspection of the property described in that affidavit. I have examined this applicant under oath or affirmation and have verified the accuracy of the matters in the affidavit establishing the legal grounds for this Warrant. YOU ARE HEREBY COMMANDED TO INSPECT THE PROPERTY DESCRIBED IN THE ACCOMPANYING AFFIDAVIT.

This inspection is authorized to check or reveal the conditions, objects, activities, or circumstances indicated in the accompanying affidavit.

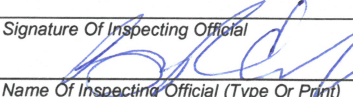
This Warrant must be served upon the owner or possessor of the property described in the accompanying affidavit. If the owner or possessor is not present on the property at the time of inspection and you have made reasonable but unsuccessful efforts to locate the owner or possessor, you may instead serve it by affixing this Warrant or a copy to the property.

THIS WARRANT MAY BE EXECUTED ONLY BETWEEN THE HOURS OF 8:00 A.M. AND 8:00 P.M. AND ONLY WITHIN 24 HOURS AFTER IT WAS ISSUED. IT MUST BE RETURNED WITHIN 48 HOURS AFTER IT WAS ISSUED. HOWEVER, IF THIS WARRANT IS ISSUED PURSUANT TO A FIRE INVESTIGATION AUTHORIZED BY G.S. 58-79-1, IT MAY BE EXECUTED AT ANY TIME WITHIN 48 HOURS AFTER IT IS ISSUED. IT MUST BE RETURNED WITHOUT UNNECESSARY DELAY AFTER ITS EXECUTION OR AFTER 48 HOURS FROM THE TIME IT WAS ISSUED IF IT WAS NOT EXECUTED.

Date	5/15/23	Time	11:26	☒ AM	☐ PM
Signature					
☐ Deputy CSC	☐ Assistant CSC	☐ Clerk Of Superior Court			
☒ Magistrate	☐ District Court Judge	☐ Superior Court Judge			

OFFICER'S RETURN

I certify that this WARRANT was executed on the date and time shown below.

Date Of Execution	5/15/23	Signature Of Inspecting Official	
Time Of Execution	2:51 ☐ AM ☒ PM	Name Of Inspecting Official (Type Or Print)	Benjamin Coleman

CLERK'S ACCEPTANCE

This WARRANT has been returned to this office on the date and time shown below.

Date Of Return		Signature	
Time Of Return	☐ AM ☐ PM	☐ Deputy CSC	☐ Assistant CSC ☐ Clerk Of Superior Court

IMPORTANT: Attach the Affidavit to the WARRANT if not on reverse side.

ORIGINAL









Warren County Tax Office

Real Property Tax Data

Identification Information

Owner Name: PARKEN LLC
 Account Number: 39623-300
 Parcel #: D9-56
 Description: LUMPKIN LD
 PLAT 21/44
 SHOCCO SPRINGS RD
 Deed Book / Page: 965 / 212

Status:

Total Due: \$0.00
 Total Original Due: \$74.22
 Due Date: 9/1/2022
 Date Paid: 12/17/2022

PAID

Values

Acreage: 30.50
 Building Value: \$0
 Land Value: \$43,790
 Personal Value: \$0
 Deferments: \$35,450
 Exemptions: \$0
 Taxable Value: \$8,340

Tax History

Total Original Due: \$74.22
 Total Interest: \$0.00
 Total Other Charges: \$0.00
 Total Paid: \$-74.22

Bill Information

Bill Number: 01246
 Bill Year: 2022
 Class: 300

Add to Cart

Tax Information

District: All ▼

New Search

Print Record

View Replica Bill

Save

E-Billing

Address Change

*Recent Transfers May Not Be Reflected

[Home](#)

Wake County Real Estate Data Account Summary

[iMaps](#)[Tax Bills](#)Real Estate ID **0070776**PIN # **1841882891**Account
SearchLocation Address
1149 N MAIN STProperty Description
LO9 & 10 JACKSON FARM BLC BM1942-21[Pin/Parcel History](#) [New Search](#)
[NORTH CAROLINA](#) [Account](#) | [Buildings](#) | [Land](#) | [Deeds](#) | [Notes](#) | [Sales](#) | [Photos](#) | [Tax Bill](#) | [Map](#)

Property Owner BOWMAN, FRANCIS JOSEPH III BOWMAN, ELIZABETH LAUREN (Use the Deeds link to view any additional owners)		Owner's Mailing Address 547 S MAIN ST WAKE FOREST NC 27587-2803	Property Location Address 1149 N MAIN ST WAKE FOREST NC 27587-8239
Administrative Data Old Map # 193-00000-0005 Map/Scale 1841 08 VCS 19WF900 City Fire District 23 Township WAKE FOREST Land Class R-<10-HS ETJ WF Spec Dist(s) Zoning RD History ID 1 History ID 2 Acreage 3.91 Permit Date Permit #		Transfer Information Deed Date 3/5/2004 Book & Page 10699 0396 Revenue Stamps 200.00 Pkg Sale Date 3/5/2004 Pkg Sale Price \$100,000 Land Sale Date Land Sale Price Improvement Summary Total Units 1 Recycle Units 1 Apt/SC Sqft Heated Area 1,137	Assessed Value Land Value Assessed \$138,422 Bldg. Value Assessed \$31,028 Tax Relief Land Use Value Use Value Deferment Historic Deferment Total Deferred Value Use/Hist/Tax Relief Assessed Total Value Assessed* \$169,450

*Wake County assessed building and land values reflect the market value as of January 1, 2020, which is the date of the last county-wide revaluation. Any inflation, deflation or other economic changes occurring after this date does not affect the assessed value of the property and cannot be lawfully considered when reviewing the value for adjustment.

The January 1, 2020 values will remain in effect until the next county-wide revaluation. Until that time, any real estate accounts created or new construction built is assessed according to the 2020 Schedule of Values.

For questions regarding the information displayed on this site, please contact the Department of Tax Administration at Taxhelp@wakegov.com or call 919-856-5400.

WAKE COUNTY, NC 317
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
03/05/2004 AT 12:17:40
STATE OF NORTH CAROLINA
REAL ESTATE EXCISE TAX: \$200
BOOK:010699 PAGE:00396 - 00398

Parcel Identifier No: 0070776

Revenue: \$200.00

Mail after recording to Grantees

This instrument was prepared by **Becker Law Offices, PLLC**

Brief Description for the index

LOT 9 & 10 W.C. JACKSON FARM 3.91 A

NORTH CAROLINA GENERAL WARRANTY DEED

THIS DEED made the 5th day of March, 2004, by and between

GRANTOR

**RICHARD ALLEN TIMBERLAKE,
UNMARRIED**

GRANTEE

**FRANCIS JOSEPH BOWMAN, III
AND WIFE
ELIZABETH LAUREN BOWMAN**

**1149 North Main Street
Wake Forest, North Carolina 27587**

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g., corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of _____, WAKE FOREST Township, Wake County, North Carolina and more particularly described as follows:

BEING all of Lot 9 and 10 in Block C, according to a plat of the W.C. Jackson Farm, made by Arrington & Arrington, RLS, October 27, 1942, and recorded in Book of Maps 1942, Page 21, Wake County Registry, to which map reference is hereby made for greater certainty of description and more fully described according to a survey and plat thereof by T.M. Arrington, Jr. RLS, May 12, 1975, as follows:

BEGINNING at an iron stake in the western right of way line of US Highway #1-A, corner of Davis land and runs thence along the Davis line, N 64° W. 750 ft. to an iron stake; thence N 14° W 250 ft. to an iron stake; thence along the Taylor line S 64°E 991 ft. to an iron stake in the western right of way line of US Highway #1-A; thence along the western right of way line of said Highway S 50° E 200 ft. to the beginning, containing 3.91 acres, more or less.

The property hereinabove described was acquired by Grantor by instrument recorded in Book 8142, Page 2056.

A map showing the above described property is recorded in Book of Maps 1942, Page 21.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Title to the property hereinabove described is subject to the following exceptions:

Ad valorem taxes for 2004 and subsequent years.

Declarations, covenants, restrictions, easements and rights-of-way, if any, of record.

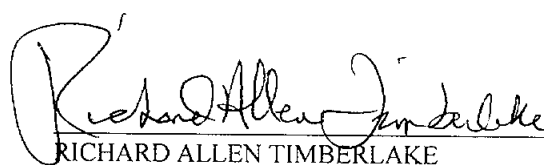
IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

(Corporate Name)

By: _____

President

(Corporate Seal)

 (SEAL)
RICHARD ALLEN TIMBERLAKE

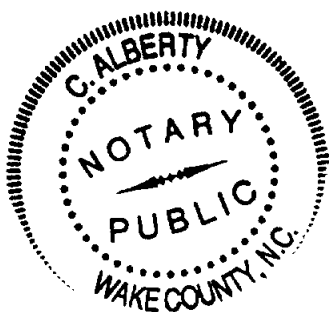
(SEAL)

(SEAL)

(SEAL)

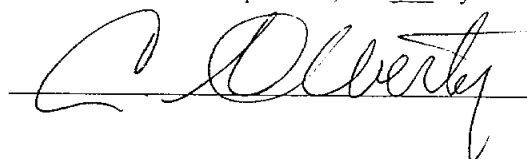
SEAL-STAMP

State of North Carolina, Wake County



I, the undersigned, a Notary Public of the County and State aforesaid, certify that RICHARD ALLEN TIMBERLAKE Grantor(s), personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 5th day of MARCH, 2004.

My commission expires: 11/30/07

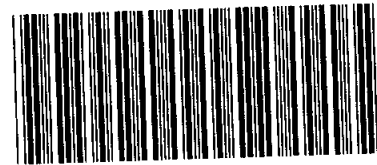
 Notary Public

The foregoing Certificate(s) of _____

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

REGISTER OF DEEDS FOR _____ COUNTY

By _____ Deputy/Assistant-Register of Deeds.



BOOK:010699 PAGE:00396 - 00398

Yellow probate sheet is a vital part of your recorded document.
Please retain with original document and submit for rerecording.



Wake County Register of Deeds
Laura M. Riddick
Register of Deeds

North Carolina – Wake County

The foregoing certificate___ of C A Liberty

_____ Notary(ies) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: Vernice S. Pearson
Assistant/Deputy Register of Deeds

This Customer Group

_____ # of Time Stamps Needed

This Document

_____ New Time Stamp
3 # of Pages

RK-00965 PG-0212

FILED
WARREN COUNTY NC
YVONNE D. ALSTON
REGISTER OF DEEDS
FILED Mar 28, 2014
AT 01:11:39 pm
BOOK 00965
START PAGE 0212
END PAGE 0214
INSTRUMENT # 00646
EXCISE TAX \$67.00
LDW

GENERAL WARRANTY DEED

Prepared by: D. MICHAEL PARKER

Return to: Parken, LLC c/o Frank Bowman, 547 S. Main St, Wake Forest, NC 27587

Revenue Stamp = \$67.00

Prepared by and Hold for:

Kathryn S. Drake
Attorney at Law

NORTH CAROLINA

WARREN COUNTY

THIS DEED, made and entered into this the 24th day of March, 2014, by and between, **WILLIAM H. LOCK AND WIFE, DALE B. LOCK**, Parties of the First Part, hereinafter referred to as GRANTORS, and **PARKEN, LLC**, (a North Carolina limited liability company) Party of the Second Part, hereinafter referred to as GRANTEE,

WITNESSETH:

That the said Grantors, for and in consideration of the sum of TEN DOLLARS (\$10.00) to them in hand paid and other good and valuable considerations, the receipt of which is hereby acknowledged, have and by these presents do grant, bargain, sell and convey unto the Grantee in fee simple all that certain tract or parcel of land located in the **Warren County, North Carolina** and being more particularly described as follows:

BEING that certain tract or parcel of land containing **30.5 acres** as the same is more particularly described according to that certain survey and plat thereof prepared by M. Keith Wrenn, Registered Land Surveyor, dated November 20, 1984, entitled "**Survey for Ivey A. Bolton**", and recorded in the Office of the Register of Deeds of Warren County, North Carolina in **Plat Book 21 at Page 44**, the metes, bounds, calls, courses and distances

appearing thereon being incorporated herein by reference; and being the identical property conveyed by Ivey A. Bolton, Jr. et ux to James Parker Lumpkin, II et al by deed dated January 30, 1985, and recorded in the Warren County Registry in Deed Book 409 at Page 218.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenant with the Grantee that the Grantor are seized of the premises in fee simple, have the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that the Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions, if any, set forth above.

IN WITNESS WHEREOF, the Grantors have hereunto set their hands and seals, the day and year first above written.

(This Space Intentionally Left Blank)

William H. Lock (seal)
WILLIAM H. LOCK

Dale B. Lock (seal)
DALE B. LOCK

STATE OF NORTH CAROLINA
COUNTY OF Alamance

I, Robert D. Hurdle, Notary Public of the
aforesaid County and State, do hereby certify that WILLIAM H. LOCK and wife, DALE
B. LOCK personally appeared before me this day and acknowledged the due execution of
the foregoing instrument.

Witness my hand and seal, this the 24 day of March, 2014.



Robert D. Hurdle
NOTARY PUBLIC

Robert D. Hurdle
PRINT OR TYPE NAME OF NOTARY

My commission expires: Dec. 20, 2016

F/RE/Lock/deed

warren County

Detail

Consolidated Real Property Index (Land):02/02/1989 to 03/16/2023

Instrument #	00646	Book	00965
Type	DEED	Page	0212
Recd Date	03/28/2014		

Description

Series	Name
1	LOCK, DALE B
1	LOCK, DALE B.
1	LOCK, WILLIAM H.
2	PARKEN, LLC

warren County

Detail

Consolidated Real Property Index (Land):02/02/1989 to 03/16/2023

Instrument #	00646	Book	00965
Type	DEED	Page	0212
Recd Date	03/28/2014		

Description

Series	Name
1	LOCK, DALE B
1	LOCK, DALE B.
1	LOCK, WILLIAM H.
2	PARKEN, LLC

North Carolina Department of Agriculture & Consumer Services
N.C. Forest Service



Steven W. Troxler
Commissioner



Scott Bissette
Assistant Commissioner

100 Years of Protecting, Managing & Promoting North Carolina's Forests

737 Smokey Road
Rocky Mount, NC 27804
January 28, 2016

D-5 FM Plan – 30 acres
4220 ID: 093-982
Contract # 8503
Warren County
Parken LLC
PIN: 2933-51-7607

Parken LLC
C/o Frank Bowman
547 South Main St.
Wake Forest, NC 27587

Dear Mr. Bowman:

Assistant County Ranger Randy Kearney and I recently examined your property off of Shocco Springs Road in Warren County. We understand that you want to manage this property for commercial timber production and that you need an up to date management plan for the Warren County tax office.

QUICK SUMMARY OF NEEDED ACTION

- **Area 1: Check for first thin in 10 years. - 2026**

Current Tract Conditions

AREA 1 –

Area 1, is about 30 +/- acres, is loblolly pine plantation that was planted in 2012 following a final harvest. The tract was chemically released in 2014 and the release spray did an excellent job of controlling competing vegetation. The stand is currently 4 years old and the diameters are less than 1 inch with heights ranging from 4 to 10 feet. Most of the competition that remains is herbaceous such as grasses and weeds. The pines are in great shape and just need more time to grow before a commercial thinning can be considered.

The site index for this area is 81 feet at a base age of 50 years. What this means is that at age 50 the trees should be 81 feet tall. This is an average site index for growing loblolly pine.

The soils in this area are sandy loams that well drained and have slopes from 2-30%.

Recommendations

AREA 1 – Check for first thinning in 10 years. – 2026

It is recommended that this area be checked by a forestry professional in 10 years for a commercial thinning.

The stand should be thinned to approximately 80 square feet of basal area per acre. In simpler terms, this would mean leaving your trees spaced an average of 13-15 feet apart. The loggers will need to remove the smaller, crooked, forked, or otherwise lower quality stems and leave the largest and best trees undamaged at a more ideal spacing. The operation will need to be closely supervised.

To gain access to the stand, some contractors remove every third row while other contractors prefer to remove every fifth row (this is called the “take out row”). Both thinning techniques have advantages and disadvantages. The contractor should remove only the worse trees from the remaining rows of trees until they reach the target density for the stand (80 square feet of basal area).

I have enclosed a list of timber buyers in the area, some of which have thinning crews. You need to solicit two or three bids and check some references. Keep in mind that a thinning is a cultural practice that can have a dramatic effect on the value of your final stand of timber. You do not always want to sell a thinning to the highest bidder, but to the contractor who will do the best job and leave your crop trees in good shape.

Do not allow the contractor to thin during wet soil conditions, and do not allow him to leave damaged trees. All damaged trees should be cut and paid for. Be sure to hold the buyer responsible for all NC Water Quality Laws. Also enclosed is an information sheet with suggested provisions for timber sale contracts. If you can let us know when thinning begins, we would be glad to stop by to take a look.

I further recommend that you not sell a thinning on a “lump-sum” basis. If the contractor pays for the wood up-front, he will cut what he paid for. I suggest that you will get a better job if you allow the contractor to pay for what he cuts based on load tickets (you will have to trust him or you will have to post someone to count trucks – to make sure you see all of the load tickets). This type of contract is often referred to as a by-the-load contract. Be sure to get a price for pulpwood and chip-in-saw products. Also be sure to push the contractor to properly merchandise all wood products for its highest use.

You may want to get 10% down at the time you sign the contract. This will give the contractor an incentive to cut your thinning in a timely manner.

Consulting Foresters

We recommend having a private consulting forester handle your timber sale. Although they charge a fee, consultants generally find the landowner a better price for their timber. They also monitor the logging operation to ensure that water quality and the integrity of the land are protected. I have enclosed a list of consultants that you may contact.

Selling Timber

In case you want to handle the sale yourself, I have enclosed a list of timber buyers in the area. Contact as many timber buyers as possible before selling to anyone. Generally, a lump-sum, sealed bid gives the landowner the best results for final harvest. For your own protection, as well as the logger's, a written contract should always be used. I have enclosed a sheet titled, "Suggested Provisions for Timber Sale Contracts".

Water Quality Laws

There are several streams on this property that will need to be protected during all forestry operations. Be sure to hold the timber buyer responsible for all water quality laws, including the Forest Practices Guidelines (FPG's) and the Tar- Pamlico River Buffer Rules. The logger will need to leave an appropriate buffer along all creeks, and no equipment should ever be within 30' of the creek channel. Remember, the law holds you equally responsible for compliance with these regulations. You need to use your timber contract to put the responsibility back on the logger and timber buyer.

Timber Sale Taxation

Timber "Basis"

You will owe federal and state tax on any net timber sale income (your "gain"). Your taxable income is the gross dollar value of the sale, less any costs of selling the timber (consultant fees, temporary road improvements, etc.), AND less your adjusted timber "basis". Your original basis is usually:

- 1) the purchase price of your timber on the day that you purchased that timber or;
- 2) the fair market value at date of death in the case of inheritance (assuming the estate was valued at full fair market value, including the timber) or;
- 3) the donor's basis if the timber is received by gift or;
- 4) all capitalized reforestation expenditures (If you planted the trees and did not expense the reforestation costs, then your basis will be the cost of reforestation).

The adjusted basis will be the original basis plus any capitalized annual management expenses or less any depletion, casualty loss, amortization or other tax write-offs of basis dollars. It is very important to establish your basis before the timber sale in order to reduce the amount of your federal taxes. This basis should be established by a registered forester and should be assigned BEFORE the timber is cut.

Taxation of Timber Sale Income

Timber is pulpwood is real property and is therefore a capital asset (like land or houses). When you sell timber, the money you make (minus the costs of selling timber and minus your timber basis) is a "long-term capital gain," assuming that you have owned the timber for more than one year. The Federal Government taxes "long-term capital gains" at a lower rate than regular income (wages or farm income). The "capital gains" rate is currently set at 12.5% (depending on your income level and maybe subject to a 3.6% health-care tax) while tax rates on regular income can be as high as 40%. Additionally, "capital gains" are not subject to self-employment taxation (usually 15%) as is farm income. As you can see, reporting timber sale income as a "capital gain" can greatly reduce your tax burden.

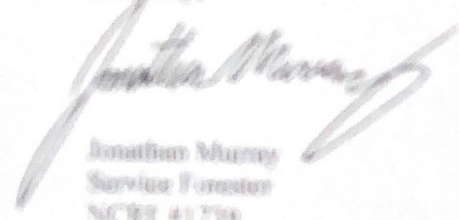
You may want to consult a tax accountant that is familiar with timber sales.

PRESENT USE TAX VALUATION

You may want to check with the Tax Office in Warrenton to see if your property qualifies for the present use tax valuation. This valuation is used on tracts of timber, over 20 acres that are being managed in a responsible manner. This classification could greatly reduce your tax burden. YOU are responsible for making this plan to the tax office.

Thank you for your interest in responsible forest management. If you have any questions, please feel free to call me at 253-442-1626 ext. 222, or if you need an urgent response, contact the Warren County Ranger Office at 253-237-5968.

Sincerely,



Jonathan Murray
Service Forester
NCRF #1790

CC: Warren County Ranger



North Carolina Forest Service Forest Management Map

(Boundaries and Acres are Approximate)

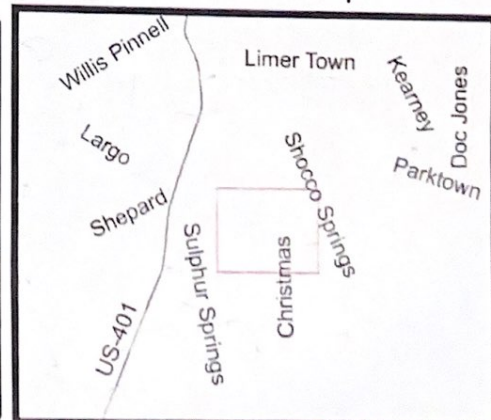


Legend

- Area 1 +/- 30 acres
- Small Streams
- Large Streams

Owner: Parken LLC
Lat: 36-18.43
Long: -78-12.00
County: Warren
Date: January 28, 2016
Drawn By: Murray

Location Map



Business Name

County: Warren

Agent

Frank Bowman

Lat:

36 18.430

Long:

78 12.000

Address

547 South Main St.

Phone:

919-291-8354

Phone:

City, State, Zip:

Wake Forest, NC, 27587

Email:

Exam By:

Kearney, Murray

Date: 1-19-16

Objectives:

Forest present use value (PUV), Forest Products (Timber), Soil / Water / Air Protection,

	Area	1	Acres	30	Area		Acres	
Stand Description: (species, origin, cutting history, etc.)	Release sprayed 2014 CC 2012 planted w/ lob.							
Age & Growth Rate	4 yrs. old							
Diameter Range	21"							
Hgt of Dominants	4-10'							
Site Index (species/ base age)	81 base 50 yrs lob. pine							
Basal Area Range	Pulpwood	Sawtimber	Unmktable	Pulpwood	Sawtimber	Unmktable		
Pine	/	/	/					
Hardwood	/	/	/					
Volume Range	Pulpwood	Sawtimber	Pulpwood	Sawtimber				
Pine	/	/						
Hardwood	/	/						
Stand Quality: (damage, insects, disease, defects, etc.)	Release worked good succession HW control							
Mid & Understory Description	NA							
Reproduction (species, amount)	hairyvetch, grape, grasses, RM, SG							
Site Description: (soil, slope, aspect, drainage, etc.)	sandy loam 3-12% CeB- PhE-							
BMP's, Special Concerns And Notes	Days since logging completed Compliance? FPG Buffer Rule				Days since logging completed Compliance? FPG Buffer Rule			

Recommended Treatments, or Notes, Remarks: (harvest schedule, B/A to cut or leave, reforestation, TSI, burning, etc)
Area: |

check for 1st
thin in 10 yrs.

Measurement Map
for Parker LLC
Previous owner Bill Lock
~~4226 1st 30 093 95~~

Area:

NC DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES,
NC FOREST SERVICE

Tract Location: Warren County
Lat. 36 18.430 Long. 78 12.000

AGREEMENT FOR WOODLAND PLAN SERVICES

This agreement is made and entered into this 19th day of January, 2016, by and between:

Parken LLC; represented by Frank Bowman; of 547 South Main St., Wake Forest, NC 27587, Telephone: 919-291-8354

herein called the "Landowner" and the North Carolina Department of Agriculture and Consumer Services, North Carolina Forest Service, herein called "NC Forest Service".

WITNESSETH THAT: The NC Forest Service hereby agrees to provide the said Landowner services for the purpose of preparing a FM Plan subject to the following terms and conditions:

A THE LANDOWNER AGREES TO:

- 1 Pay the NC Forest Service the base charge of \$45.00 plus \$3.00 per acre for approximately 30 acres. Total estimated amount due will be \$135.00. This acreage figure is only an estimate. For purposes of calculating the final invoice, acreage will be determined by the NC Forest Service as outlined in section B.3 below and may vary from this estimate.
- 2 Make full payment payable to "NC Forest Service" upon receipt of the woodland plan invoice.
- 3 Advise the NC Forest Service of property boundaries; property improvements (i.e. ditches, fences, outbuildings, etc.) that may warrant special consideration; and known or potential hazards.
- 4 Provide the NC Forest Service access to the property in order to gather field data.
- 5 Advise the NC Forest Service of any known threatened or endangered species located within the perimeter of the property.
- 6 Advise the NC Forest Service of short and long-term management objectives.

B THE NC FOREST SERVICE AGREES TO:

- 1 Present the landowner with a completed woodland plan and map tailored to the Landowner's management objectives.
- 2 Address, as appropriate, the following elements within the woodland plan:
 - a. Summary of landowner objectives
 - b. Description of areas addressed by the woodland plan and their condition. Information will be based on measurements and observations noted during the field exam.
 - c. Management recommendations for each area addressed, including:
 - recommended forestry practices and activities
 - timeline to conduct practices and activities
 - estimated costs
 - available cost-share programs
 - lists of applicable service providers and contractors
 - d. Multiple-use or non-timber benefits
 - will consider recreation, wildlife, aesthetics, cultural, and archeological resources as appropriate
 - e. Environmental protection measures
 - related to silvicultural recommendations
 - address concerns related to soil, water quality, fire control, smoke management, threatened & endangered species, cultural resources, etc.
 - f. Financial analysis and tax information
 - financial analysis may be used to identify the most cost effective option based upon the Landowner's management objectives
 - tax information to include North Carolina's Forestry Present Use Value (PUV) tax program and other possible tax-saving options
 - g. Woodland plan map
 - indicates applicable stand/tract boundaries, north orientation, scale, timber types, mapping method, water resources, access roads, and other important features
- 3 Determine the number of acres addressed by the woodland plan. NC Forest Service will utilize geographic information system (GIS) software, county GIS tax parcel data, or other available resources to determine acres addressed within the woodland plan. This does not mean these woodland plan acres have been measured "on the ground". This acreage figure should not be considered "survey grade". It is intended to be utilized for woodland plan invoicing as well as general planning purposes. Acreage on NC Forest Service woodland plan contracts and invoices may or may not match later measurements associated with practices that have been or may be implemented (ex. areas planted with trees).
- 4 Invoice the Landowner when the completed woodland plan is sent to the Landowner.

C THE LANDOWNER AND NC FOREST SERVICE AGREE THAT:

- 1 If fieldwork on the agreed-upon project has not commenced, then either party may cancel this agreement by giving two weeks written notice to the other party.
- 2 Woodland plans written by the NC Forest Service will not contain "timber cruise data" that provides an inventory of timber on the property, nor will they contain specific financial values related to existing timber or non-timber products. Landowners seeking this type of information for harvesting purposes will likely need to coordinate with private service providers.
- 3 The NC Forest Service will not represent the Landowner or Landowner's agent in the sale or marketing of timber or non-timber products.
- 4 The decision of the NC Forest Service's designated representative will be final in all disputed matters arising from this agreement.
- 5 Terms of payment: **PAYMENT IS DUE UPON RECEIPT OF INVOICE.** Charges not paid by the Landowner within 30 days of the invoice date will incur an interest charge at the rate set by the Secretary of the Department of Revenue and a 10% late penalty against the unpaid balance. Charges not paid within ninety (90) days of the invoice date will be referred to the Attorney General's Office for collection.

Landowner/Agent
Name: (printed) PARKEN, LLC

Landowner/Agent
Name: (signature) By FRANK Bowman

Title (if applicable): MANAGER

Date: 1/19/16

NC Forest Service Rep. Name:
(printed) R. Reginald Stevens

NC Forest Service Rep. Name:
(signature) R. Reginald Stevens

Title: Asst. County Ranger

Date: 1/19/2016

Warren County Tax Office

Real Property Tax Data

Identification Information

Owner Name: PARKEN LLC
 Account Number: 39623-300
 Parcel #: D9-56
 Description: LUMPKIN LD
 Deed Book / Page: PLAT 21/44
 SHOCCO SPRINGS RD
 965 / 212

Status:

Total Due: \$0.00
 Total Original Due: \$74.22
 Due Date: 9/1/2022
 Date Paid: 12/17/2022

PAID

Values

Acreage: 30.50
 Building Value: \$0
 Land Value: \$43,790
 Personal Value: \$0
 Deferments: \$35,450
 Exemptions: \$0
 Taxable Value: \$8,340

Tax History

Total Original Due: \$74.22
 Total Interest: \$0.00
 Total Other Charges: \$0.00
 Total Paid: \$-74.22

Bill Information

Bill Number: 01246
 Bill Year: 2022
 Class: 300

[Add to Cart](#)

Tax Information

District: All 

[New Search](#)
[Print Record](#)
[View Replica Bill](#)
[Save](#)
[E-Billing](#)
[Address Change](#)

*Recent Transfers May Not Be Reflected

Closest Address: 436 Shocco Springs Rd
 Warrenton, NC

• File an Annual Report/Amend an Annual Report • Upload a PDF Filing • Order a Document Online • Add Entity to My Email Notification List • View Filings • Print a Pre-Populated Annual Report form • Print an Amended a Annual Report form

Limited Liability Company

Legal Name

ParKen, LLC

Information

SosId: 1282630

Status: Current-Active ⓘ

Date Formed: 10/12/2012

Citizenship: Domestic

Annual Report Due Date: April 15th

Current**Annual Report Status:**

Registered Agent: Bowman, Frank

Addresses

Reg Office

547 S. Main St

Wake Forest, NC 27587-2803

Reg Mailing

547 S. Main St

Wake Forest, NC 27587-2803

Mailing

547 South Main Street

Wake Forest, NC 27587-2803

Principal Office

547 South Main Street

Wake Forest, NC 27587-2803

Company Officials

All LLCs are managed by their managers pursuant to N.C.G.S. 57D-3-20.

Member

Manager

Elizabeth Bowman	Frank Bowman
547 S Main St	547 South Main Street
Wake Forest NC 27587	Wake Forest NC 27587



Warren County Tax Office
P.O. BOX 240
Warrenton, NC 27589

PARKEN LLC
547 S MAIN ST
WAKE FOREST, NC 27587

2022

PROPERTY TAX NOTICE

PROPERTY SOLD: Real property bills are sent to the owner as of January 1. If you have sold this property since January 1 you may need to forward this bill to the new owner.
ESROW/MORTGAGE ACCOUNTS: The property owner is responsible for ensuring full payment of this obligation. If funds are held in escrow to pay this notice, forward to the appropriate mortgage holder.
PERSONAL PROPERTY: A taxpayer may appeal the value, situs, or liability of the personal property 30 days from the mail notice of value.
FAILURE TO PAY: Delinquent taxes are subject to liquidation of assets, attachment of wages, and a lien against the property. If you are unable to pay, contact the Tax Office at (702) 257-3337.
INTEREST: Accrues at the rate of 2% for January and 3.4% the first day of each month thereafter until paid.

Account Number	Bill Number	Due Date	Delinquent After
35623-300	01246	09-01-2022	01-05-2023

Map #: D9-56
Location: SHOCO SPRINGS RD
Address: 547 S MAIN ST
Business Value: \$0.00
Land Value: \$43,790.00

Real estate value: \$43,790.00
Real estate exemption: \$0.00
Personal property value: \$0.00
Personal property exemption: \$0.00
Total Taxable: \$8,340.00

DUV

Description	Rate per \$100 value	Amount Due
WARREN COUNTY	0.8100	\$67.55
AFTON ELDERON FIRE	0.0800	\$6.67
Original Levy	--	\$74.22
Releases/Adjustments	--	\$0.00
Payments	--	\$-74.22
TOTAL DUE		\$0.00

NOTICE: NORTH CAROLINA GENERAL STATUTE 106-307 PROVIDES A PENALTY OF 5% ON THE DATE OF THE AMOUNT OF THE CHECK, WHICH EVER IS HIGHER, ON CHECKS RETURNED BY THE BANK BECAUSE OF INSUFFICIENT FUNDS OR NON-EXISTENCE OF ANY ACCOUNT. TAX RECEIPTS ARE HOLL AND VOID IF PAYMENT FAILS TO CLEAR THE BANK.
Questions concerning property values - Contact Assessor's Office
Payment Questions - Contact Tax Collector's Office
Office Hours 9:30 a.m. - 5:00 p.m. Phone number (702) 257-3337
Credit/debit card payments are accepted at the tax office and online at or call (252) 257-3337
A convenience fee will be charged. Payments are not posted until data is received, usually the next business day.
Any text to "Delinquent Tax" indicates more than one (1) delinquent.

PLEASE RETAIN ABOVE PORTION FOR YOUR RECORDS

Account Number	Bill Number	Due Date	Delinquent After	Total Amount Due	Map #: D9-56 Location: SHOCO SPRINGS RD
35623-300	01246	09-01-2022	01-05-2023	\$0.00	

PLEASE RETURN THIS PORTION WITH PAYMENT

2022 PROPERTY TAX NOTICE

TO CHANGE YOUR MAILING ADDRESS, PLEASE FILL IN YOUR NEW ADDRESS BELOW

MAKE CHECK PAYABLE AND REMIT TO:

Warren County Tax Office
P.O. BOX 240
Warrenton, NC 27589

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
PHONE NO: _____
EMPLOYER: _____

OWNERSHIP 03172023 32623 300
 PARKEN LLC
 547 S MAIN ST
 WAKE FOREST NC 27587
 DEED 265-212D03282014 33500-22 SHOCOCO SPRINGS RD
 PROPERTY DESCRIPTION
 LUMPKIN LD
 PLAT 21/44
 TAX SUBDIVISIONS
 SHOCOCO TOWNSHIP
 AFTON ELBERON FIRE
 MAP NUMBER
 D9 56
 RECORD NUMBER 1246
 ROUTE
 LISTER: JLM050216
 REVISION: JLM050216
 NEBD
 0900

TOPO NONE STREET UTILITY
 ROLLING NONE ELECTRIC
 ZONING 30.50 ACRES
 NOTES: PROPERTY GATED

LAND CLASS SIZE BASE RATE FRNT DEPTH ADJ ADJ RATE UNITS END VALUE
 213 REAR/WD 30.50AC 800.00 1.00ACF 800.00 30.50 24400

LAND VALUE
 OTHER FEAT SIZE BASE RATE COND ADJ RATE UNITS END VALUE
 24400

OTHER VALUE
 ENDATION XTRENSH ROOFTYPE ROOFTRL SIZE/OTY
 1.00STHT

WALLFNSH FLOORS HEATAIR HEATEUEL

VACANT
 STRUCTURE SKETCH SE SHHT 0
 AREA RATE GRADE HEAT EXWL WHLT ADJ RATE AREA RECN DEPT CNDE STR VALUE

VALUATION
 LAND 24400
 OTHERFEAT 0
 STRUCTURE 0
 TOTAL 24400
 GEOGRAPHIC ADJUSTMENT NEBD 200 CAYB 0 0.83
 TOTAL ADJUSTED VALUE 24400

SCHEDULE F
(Form 1040)

Department of the Treasury
Internal Revenue Service

Profit or Loss From Farming

Attach to Form 1040, Form 1040-SR, Form 1040-NR, Form 1041, or Form 1065.
Go to www.irs.gov/ScheduleF for instructions and the latest information.

OMB No. 1545-0074

2022

Attachment
Sequence No. **14**

Name of proprietor

Francis Joseph Bowman III

Social security number (SSN)

27-0000000

A Principal crop or activity

Honey

B Enter code from Part IV

1129100

C Accounting method:

☒ Cash ☐ Accrual

D Enter number of acres (see instr.)

0

E Did you "materially participate" in the operation of this business during 2022? If "No," see instructions for limit on passive losses ☒ Yes ☐ No

F Did you make any payments in 2022 that would require you to file Form(s) 1099? See instructions ☐ Yes ☒ No

G If "Yes," did you or will you file required Form(s) 1099? ☐ Yes ☒ No

Part I Farm Income—Cash Method. Complete Parts I and II. (Accrual method. Complete Parts II and III, and Part I, line 9.)

1a	Sales of purchased livestock and other resale items (see instructions)	1a	<u>0</u>	1c	<u>0</u>
b	Cost or other basis of purchased livestock or other items reported on line 1a	1b	<u>0</u>	2	<u>20,264.00</u>
c	Subtract line 1b from line 1a				
2	Sales of livestock, produce, grains, and other products you raised			3b	<u>0</u>
3a	Cooperative distributions (Form(s) 1099-PATR)	3a	<u>0</u>	4b	<u>0</u>
4a	Agricultural program payments (see instructions)	4a	<u>0</u>	5a	<u>0</u>
5a	Commodity Credit Corporation (CCC) loans reported under election	5a	<u>0</u>	5c	<u>0</u>
b	CCC loans forfeited	5b	<u>0</u>	6b	<u>0</u>
6	Crop insurance proceeds and federal crop disaster payments (see instructions):			6d	<u>0</u>
a	Amount received in 2022	6a	<u>0</u>	7	<u>0</u>
c	If election to defer to 2023 is attached, check here ☐	6d	Amount deferred from 2021	8	<u>0</u>
7	Custom hire (machine work) income			9	<u>20,264.00</u>
8	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)				
9	Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50. See instructions.				

Part II Farm Expenses—Cash and Accrual Method. Do not include personal or living expenses. See instructions.

10	Car and truck expenses (see instructions). Also attach Form 4562	10	<u>5372.00</u>	23	Pension and profit-sharing plans	23	<u>0</u>
11	Chemicals	11	<u>896.00</u>	24	Rent or lease (see instructions):		
12	Conservation expenses (see instructions)	12	<u>0</u>	a	Vehicles, machinery, equipment	24a	<u>0</u>
13	Custom hire (machine work)	13	<u>0</u>	b	Other (land, animals, etc.)	24b	<u>0</u>
14	Depreciation and section 179 expense (see instructions)	14	<u>272.00</u>	25	Repairs and maintenance	25	<u>2227.00</u>
15	Employee benefit programs other than on line 23	15	<u>0</u>	26	Seeds and plants	26	<u>1162.00</u>
16	Feed	16	<u>2812.00</u>	27	Storage and warehousing	27	<u>0</u>
17	Fertilizers and lime	17	<u>1103.00</u>	28	Supplies	28	<u>0</u>
18	Freight and trucking	18	<u>1014.00</u>	29	Taxes	29	<u>0</u>
19	Gasoline, fuel, and oil	19	<u>1459.00</u>	30	Utilities	30	<u>0</u>
20	Insurance (other than health)	20	<u>341.00</u>	31	Veterinary, breeding, and medicine	31	<u>0</u>
21	Interest (see instructions):			32	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	21a	<u>0</u>	a		32a	
b	Other	21b	<u>0</u>	b		32b	
22	Labor hired (less employment credits)	22	<u>0</u>	c		32c	
				d		32d	
				e		32e	
				f		32f	
33	Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions	33	<u>16317.00</u>				
34	Net farm profit or (loss). Subtract line 33 from line 9	34	<u>3947.00</u>				

If a profit, stop here and see instructions for where to report. If a loss, complete line 36.

35 Reserved for future use.

36 Check the box that describes your investment in this activity and see instructions for where to report your loss:

a ☒ All investment is at risk. b ☐ Some investment is not at risk.

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11346H

Schedule F (Form 1040) 2022

Part III Farm Income—Accrual Method (see instructions)

37	Sales of livestock, produce, grains, and other products (see instructions)		37
38a	Cooperative distributions (Form(s) 1099-PATR)	38a	38b Taxable amount
39a	Agricultural program payments	39a	39b Taxable amount
40	Commodity Credit Corporation (CCC) loans:		
a	CCC loans reported under election		40a
b	CCC loans forfeited	40b	40c Taxable amount
41	Crop insurance proceeds		41
42	Custom hire (machine work) income		42
43	Other income (see instructions)		43
44	Add amounts in the right column for lines 37 through 43 (lines 37, 38b, 39b, 40a, 40c, 41, 42, and 43)		44
45	Inventory of livestock, produce, grains, and other products at beginning of the year. Do not include sales reported on Form 4797	45	
46	Cost of livestock, produce, grains, and other products purchased during the year	46	
47	Add lines 45 and 46	47	
48	Inventory of livestock, produce, grains, and other products at end of year	48	
49	Cost of livestock, produce, grains, and other products sold. Subtract line 48 from line 47*		49
50	Gross income. Subtract line 49 from line 44. Enter the result here and on Part I, line 9		50

*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 48 is larger than the amount on line 47, subtract line 47 from line 48. Enter the result on line 49. Add lines 44 and 49. Enter the total on line 50 and on Part I, line 9.

Part IV Principal Agricultural Activity Codes

Do not file Schedule F (Form 1040) to report the following.

- Income from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural services if your principal source of income is from providing such services. Instead, see instructions for Schedule C (Form 1040).
- Income from breeding, raising, or caring for dogs, cats, or other pet animals. Instead, see instructions for Schedule C (Form 1040).
- Income from managing a farm for a fee or on a contract basis. Instead, see instructions for Schedule C (Form 1040).
- Sales of livestock held for draft, breeding, sport, or dairy purposes. Instead, see instructions for Form 4797.

These codes for the Principal Agricultural Activity classify farms by their primary activity to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select the code that best identifies your primary farming activity and enter the six-digit number on line B.

Crop Production

- 111100 Oilseed and grain farming
111210 Vegetable and melon farming

- 111300 Fruit and tree nut farming
111400 Greenhouse, nursery, and floriculture production
111900 Other crop farming

Animal Production

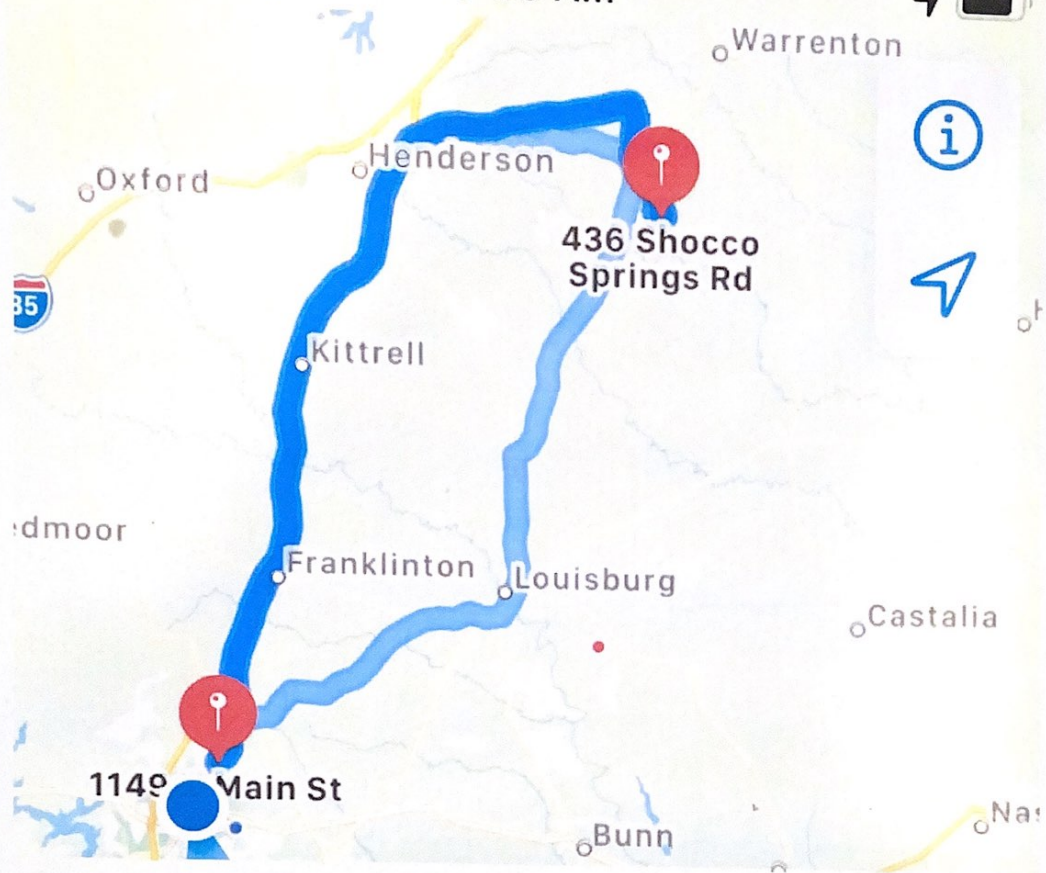
- 112111 Beef cattle ranching and farming
112112 Cattle feedlots
112120 Dairy cattle and milk production
112210 Hog and pig farming
112300 Poultry and egg production
112400 Sheep and goat farming
112510 Aquaculture
112900 Other animal production

Forestry and Logging

- 113000 Forestry and logging (including forest nurseries and timber tracts)
113110 Timber tract operations
113210 Forest nurseries and gathering of forest products
113310 Logging

Verizon

9:08 AM



To 436 Shocco Springs Rd



From 1149 N Main St



47 min

41 mi · Fastest route

@ 30 miles away

GO



NC Department of Revenue
Conditional Farmer Exemption

Exemption ID: 810175

Double B Apiary & Farm, LLC

547 S Main St

Wake Forest, NC 27587

Expires: 12/31/2025

Application for Agriculture, Horticulture, and Forestry Present-Use Value Assessment

(G.S. 105-277.2 through G.S. 105-277.7)

County of WAKE, NC

Tax Year 2023

Full Name of Owner(s)

Francis Bowman III, Elizabeth Bowman

Mailing Address of Owner

547 S. Main St

City

WAKE Forest

State

NC

Zip Code

27587

Home Telephone Number

919-291-8354

Work Telephone Number

Ext.

Cell Phone Number

Instructions

Application Deadline: This application must be filed during the regular listing period, or within 30 days of a notice of a change in valuation, or within 60 days of a transfer of the land.

Where to Submit Application: Submit this application to the county tax assessor where this property is located. County tax assessor addresses and telephone numbers can be found online at: <https://www.ncdor.gov/documents/north-carolina-county-assessors-list>. **DO NOT submit this application to the North Carolina Department of Revenue.**

- Office Use Only:

This application is for: (check all that apply)

☒ **AGRICULTURE** (includes Aquaculture)

☐ **HORTICULTURE**

☐ **FORESTRY**

Enter the Parcel Identification Number, acreage breakdown, and acreage total for each tax parcel included in this application:

PARCEL ID	OPEN LAND in Production	OPEN LAND not in Production	WOOD LAND	WASTE LAND	CRP LAND	HOME SITE	OTHER (Describe in Comments)	TOTAL ACRES
<u>007076/184188291</u>	<u>1.32</u>		<u>1.24</u>					<u>2.56</u>

Comments: Portion Being used is part of a larger tract

☒ Yes ☐ No Does the applicant own property in other counties that is also in present-use value and is within 50 miles of this property? If YES, list the county or counties and parcel identification number(s):

County: WARREN

Parcel ID: D9-56

County:

Parcel ID:

IMPORTANT!

AGRICULTURE and HORTICULTURE applications with LESS than 20 acres of woodland generally need to complete PARTS 1, 2, and 4.

AGRICULTURE and HORTICULTURE applications with MORE than 20 acres of woodland generally need to complete PARTS 1, 2, 3, and 4.

FORESTRY applications need to complete PARTS 1, 3, and 4.

ADDITIONALLY, applications for CONTINUED USE of existing present-use value classification need to complete PART 5.

Please contact the Tax Assessor's office if you have questions about which parts should be completed.

On what date did the applicant become the owner of the property? DATE: 3/5/2004

If owned less than four full years on January 1, provide: Name of Previous Owner: _____

How the Applicant is Related to the Previous Owner: NONE

☐ Yes ☒ No ➤ Did one of the applicants reside on the property on January 1 of the year for which this application is made?
If YES, provide name of resident: _____

☐ Yes ☒ No ➤ Are any of the acres leased out to a farmer? If YES, indicate: Number of acres leased out: _____
Name of farmer leasing the land: _____ Phone: _____

Choose the legal form of ownership from "a - e" below, and answer the questions, if any, for that ownership:

a. One Individual ☒ **Husband and Wife** (as tenants by the entirety)

c. **Business Entity**, (Circle one: Corporation, Limited Liability Company, Partnership) List all the direct shareholders, members, or partners of the business entity and their farming activities:

Member: _____	Farming Activities: _____
Member: _____	Farming Activities: _____
Member: _____	Farming Activities: _____
Member: _____	Farming Activities: _____

☐ Yes ☒ No ➤ Are any of the direct shareholders, members, or partners either a business entity or trust (i.e. not an individual)? If YES, you must attach a breakdown of those business entities or trusts until you reach the individual level of ownership interest and you must describe those individuals' farming activities.

☒ Yes ☐ No ➤ Once you have reached the individual level of ownership interest, are all of the individuals relatives of each other? (See G.S. 105-277.2(5a) for the definition of relative.)

State the principal business of the business entity: _____

d. **Trust**, List the trustee(s), name of the trust, and all of the beneficiaries:

Trustee(s): _____	Name of trust: _____
Beneficiary: _____	Farming Activities: _____
Beneficiary: _____	Farming Activities: _____
Beneficiary: _____	Farming Activities: _____
Beneficiary: _____	Farming Activities: _____

☐ Yes ☒ No ➤ Are any of the beneficiaries either a business entity or trust (i.e. not an individual)? If YES, you must attach a breakdown of those business entities or trusts until you reach the individual level of ownership interest and you must describe those individual's farming activities.

☒ Yes ☐ No ➤ Once you have reached the individual level of ownership interest, are all of the beneficiaries either the trust's creator or relatives of the creator? (See G.S. 105-277.2(5a) for the definition of relative.)

e. **Tenants in common**, List the tenants and their percentage of ownership (round to the nearest 0.1%):

Owner _____ %	Owner _____ %
Owner _____ %	Owner _____ %

☐ Yes ☒ No ➤ Are any of the tenants either a business entity or trust? If YES, you must make a copy of this page for each business entity or trust. You must complete the business entity section only or trust section only for each tenant, as appropriate labeling each copy with the name of the business entity or trust.

The Tax Assessor may contact you for additional information after reviewing this application.

Part 2. Agriculture and Horticulture

For the past three years and for each tax parcel within the farm unit, enter the agricultural or horticultural products actually produced on the land and the gross income from the sale of the products, including livestock, poultry, and aquatic species. **INCOME INFORMATION IS SUBJECT TO VERIFICATION.**

If payments are received from any governmental soil conservation or land retirement program, indicate the acres and amount of income in the table below. Provide the name of the program in the Product column.

Do not include income received from the rental of the land. Income must be from the sale of the product.

	ONE YEAR AGO 20			TWO YEARS AGO 20			THREE YEARS AGO 20		
Parcel ID	Product	Acres	Income	Product	Acres	Income	Product	Acres	Income
09-56	Timber	30	0		30	0		30	0
	Totals	30	0	Totals	30	0	Totals	30	0
	Totals			Totals			Totals		
	Totals			Totals			Totals		
	Totals			Totals			Totals		
	Totals			Totals			Totals		

☐ Yes ☐ No If this application covers a horticultural tract used to grow **Christmas trees**, has a written management plan been prepared? If **YES**, attach a copy. If **NO**, attach a full explanation of your operation that contains at least the following: year each tract was planted, gross income from each tract, site management practices, number of trees per acre, and expected date of harvesting for each tract.

If this application covers an aquatic species farming operation, enter the total pounds produced for commercial sale annually for the last three years: Year 20 lbs, Year 20 lbs, Year 20 lbs

Part 3. Forestry

Attach a complete copy of your forest management plan. Indicate below who prepared the plan:

☒ N.C. Division of Forest Resources

☐ Consulting Forester

☐ Owner

☐ Other

Note: The property must be actively engaged in the commercial growing of trees under a sound management program as of January 1 of the year for which application is made.

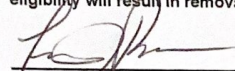
Key elements in a written plan for a sound forestland management program are listed below:

1. Management and Landowner Objectives Statement—Long range and short range objectives of owner(s) as appropriate.
2. Location—Include a map or aerial photograph that locates the property described and also delineates each stand referenced in the "Forest Stand(s) Description/Inventory and Stand Management Recommendations" (item 3 below).
3. Forest Stand(s) Description/Inventory and Stand Management Recommendations — Include a detailed description of various stands within the forestry unit. Each stand description should detail the acreage, species, age, size (tree diameter, basal area, heights), condition (quality and vigor), topography, soils and site index or productivity information. Stand-specific forest management practices needed to sustain productivity, health and vigor must be included with proposed timetable for implementation.
4. Regeneration-Harvest Methods and Dates—For each stand, establish a target timetable for harvest of crop trees, specifying the type of regeneration-harvest (clear cut, seed tree, shelter wood, or selection regeneration systems as applicable).
5. Regeneration Technique—Should include a sound proposed regeneration plan for each stand when harvest of final crop trees is done. Specify intent to naturally regenerate or plant trees.

NOTE: Forest management plans can and should be updated as forest conditions significantly change (e.g. change in product class mix as the stand ages and grows, storm damage, insect or disease attack, timber harvest, thinning, wildfire). The county will audit plans periodically and, to remain eligible for use-value treatment, the plan must be implemented.

Part 4. Affirmation

AFFIRMATION OF APPLICANT—I (we) the undersigned declare under penalties of law that this application and any attachments hereto have been examined by me (us) and to the best of my (our) knowledge and belief are true and correct. In addition, I (we) fully understand that an ineligible transfer of the property or failure to keep the property actively engaged in commercial production under a sound management program will result in the loss of eligibility. I (we) fully understand that loss of eligibility will result in removal from the program and the immediate billing of deferred taxes.



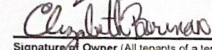
Signature of Owner (All tenants of a tenancy in common must sign.)

Owner

Title

2/3/23

Date



Signature of Owner (All tenants of a tenancy in common must sign.)

Owner

Title

2/3/23

Date

Signature of Owner (All tenants of a tenancy in common must sign.)

Title

Date

Part 5. Continued Use *(Complete only if the property is currently in Present-Use Value and you are applying for immediate eligibility under the Continued Use exception. See G.S. 105-277.3(b2)(1) for full details.)*

- I certify:
1. The property is currently in Present-Use Value.
 2. I intend to continue the current use of the land under which it currently qualifies.
 3. I understand I will be responsible for all deferred taxes due because of any disqualification.
 4. I ACCEPT FULL LIABILITY FOR ANY EXISTING DEFERRED TAXES.

Note: If the property is currently in Present-Use Value and liability is not accepted, the full amount of the deferred taxes will typically be due in the name of the grantor immediately. Liability need not be accepted and no deferred taxes are due for qualifying transfers pursuant to G.S. 105-277.3(b) and (b1). For example, liability does not need to be accepted for qualifying transfers to relatives. However, any deferred taxes existing at the time of transfer will remain a lien on the property. Owners already receiving Present-Use Value on properties not included in this application may wish to review the alternative provisions of G.S. 105-277.3(b2)(2).

Signature of Owner (All tenants of a tenancy in common must sign.)

Title

Date

Signature of Owner (All tenants of a tenancy in common must sign.)

Title

Date

Signature of Owner (All tenants of a tenancy in common must sign.)

Title

Date

FOR OFFICE USE ONLY: ☐ APPROVED ☐ DENIED BY _____ REASON FOR DENIAL _____