

May 28, 2008

[LANDOWNER NAME]  
[ADDRESS]  
[CITY], NC [ZIP]

RE: X Conservation Easement Stewardship Contribution

Dear [LANDOWNER]:

We are very pleased that you have decided to place a conservation easement on the land you own at [ADDRESS] in X County. This is a worthy land protection project with real benefits for the future, and we are proud to be a part of it.

This letter outlines the stewardship obligations of the Southern Appalachian Highlands Conservancy (SAHC) related to the easement, and your pledge regarding the tax-deductible contribution of funds by you to SAHC for the perpetual stewardship of the conservation easement. If the terms below accurately reflect our discussions, please sign the letter to indicate your acknowledgement, and return the signed letter to me.

Your contribution to SAHC's stewardship endowment will be pooled with donations from other contributors. All of the funds in this endowment are available to SAHC in meeting any conservation easement obligations we may encounter. This enables SAHC to use its endowment fund efficiently to maximize the protection of your land and of all of our conservation easement properties.

As we have discussed, when SAHC accepts a conservation easement, it promises to monitor and enforce the terms of the agreement in perpetuity. These promises are required in order for SAHC to fulfill its legal obligations, and to maintain the tax deductibility of the easement donation. This means that we become responsible permanently for the following cost items:

- (1) **Baseline Documentation Report** – SAHC will prepare a baseline document that includes maps, photographs, and text describing the property's conservation values at the time the conservation easement is executed.
- (2) **Monitoring and Documentation** – SAHC will visit the property on an approximately annual basis to compare its condition to the information contained in the baseline document. SAHC will record our findings in order to verify the condition of the conservation values of the property.
- (3) **Negotiating** – If an activity occurs that degrades the conservation values of the property in violation of the easement, SAHC will negotiate with the responsible party to solve the problem.

(4) **Legal Enforcement** – If necessary, SAHC will enforce the protections put in place under the conservation easement through the legal system.

As mentioned above, these responsibilities will be SAHC's forever. In order for us to accept a new conservation easement, we must have adequate funds on hand to cover these long-term costs. Accordingly, we ask the landowner to make a stewardship contribution to SAHC to help cover these costs. This contribution is tax deductible.

Your stewardship contribution will help ensure that SAHC has the capacity to meet its legal obligations with respect to stewarding the lands on which we accept conservation easements.

Regarding the amount of the stewardship contribution, SAHC's policy has been to request a gift of five-to-ten percent (5-10 %) of the appraised value of the conservation easement. We also provide an estimate of our likely future stewardship expenses and the amount of funds we would need to cover these expenses in perpetuity. Please see the attached summary of the estimated expenses and funds needed for your conservation easement transaction.

After discussing stewardship of the property, you have pledged to make the following contribution:

[TERMS]

On behalf of SAHC, thank you for placing a conservation easement on your property on [ADDRESS] in X County, and for agreeing to contribute funds to make the permanent stewardship of this easement possible. We look forward to a long and productive conservation partnership with you.

Best regards,

I hereby pledge the terms described above.

SOUTHERN APPALACHIAN  
HIGHLANDS CONSERVANCY

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Carl Silverstein  
Executive Director

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[LANDOWNER]

Date: \_\_\_\_\_

Attachment: Estimated Stewardship Costs in Holding Conservation Easement