

A Step-by-Step Approach for Working with Triangle Land Conservancy to place a Conservation Easement on Your Land

Below is a detailed but basic summary of the steps that occur when working with Triangle Land Conservancy (TLC) to place a conservation easement on your property. Please keep in mind that the complexity of this subject is due to the flexibility that easements provide. Each easement is created on a landowner-by-landowner basis, as every landowner has his or her own management and conservation goals. TLC strives to protect land in a way that is advantageous for all parties involved.

1. Landowner is introduced to TLC
2. Landowner must determine what rights you are willing to give up
3. Determine what values you want to protect and maintain:
4. Discuss with Heirs
 - a. Make sure they agree and/or understand your intent and wishes
 - b. Discuss reservation of rights to limit property's uses
5. Landowner and TLC discuss goals and terms of agreement
 - a. Rights/reservations in conservation easement
 - b. Donation to stewardship endowment fund for monitoring of property in perpetuity
6. TLC takes project to Board of Directors for review.
7. Landowner finds a lawyer and/or accountant/financial advisor experienced in conservation easements or willing to learn
8. Landowner and TLC agree on goals and terms of agreement and negotiate an acceptable conservation easement – usually using form proposed by TLC
9. Landowner retains an appraiser to appraise the value of the easement
 - a. Look for an appraiser that is experienced in making appraisals of this type
 - b. Appraisal is based on “before and after” method – that is, the value of the easement as determined by subtracting the value of the land encumbered by the conservation easement from the value of the land unencumbered by the easement.
 - c. The appraisal cannot be made more than 60 days before granting of the conservation easement, or if after, by due date of income tax return
10. Landowner retains a surveyor to survey the easement area, from which a legal description will be prepared for attachment to the conservation easement and

TLC's attorney will do a title search. Title insurance will be based upon this. If there is a recent survey on record a new survey does not have to be done.

- 11.** Obtain at least a limited environmental report on the property, which is a required condition for TLC taking the easement.
- 12.** Consult with the North Carolina Department of Environment and Natural Resources (DENR) about the proposed easement and obtain the certification from DENR that the easement meets the public benefits standard, which certification is required to obtain the North Carolina Conservation Tax Credit; credit for 25% of fair market value of donated property; maximum credit of \$250,000/individual, \$500,000/corporation
- 13.** TLC prepares baseline documentation report that establishes uses, structures, conservation values, and condition of the property at the time of conveyance
- 14.** Conservation easement and baseline documentation report signed and acknowledged by landowner and TLC. The conservation easement is recorded along with survey in the local Register of Deeds office.
- 15.** Fill out the North Carolina Conservation Tax Credit application and send to DENR. TLC will help with this.
- 16.** Fill out IRS Form 8283 to file with your federal income tax return, which documents the value of the easement as a charitable deduction; form must be signed by the landowner, the appraiser, and TLC; to be filed with the appraisal. TLC will help with this and will provide a letter substantiating the donation to the IRS.
- 17.** Copies of the easement and all supporting documentation should be retained by both the landowner and TLC including:
 - a. Appraisal
 - b. Survey
 - c. Baseline Report
 - d. General Deed
 - e. Form 8283
 - f. North Carolina Conservation Tax Credit form
 - g. Title Insurance Policy
 - h. Environmental Report
- 18.** An annual monitoring of the property will be conducted by the Stewardship Specialist to ensure that the bounds of the conservation easement are upheld. A letter will be sent out 2 weeks prior to the Stewardship Specialist's scheduled visit letting you know the set monitoring date. You are invited to attend.