



Southern Virginia Land Conservancy Conservation Easement Application

Please fill out this form to initiate the process of donating a conservation easement to the Southern Virginia Land Conservancy. For assistance, contact Chris Holdren at (276) 224-6489 or children@svalc.org.

Return to:

Southern Virginia Land Conservancy
P.O. Box 10940
Danville, VA 24543

or by email to: children@svalc.org

Landowner Information

Name(s):

Mailing Address:

Preferred Telephone:

Email:

Property Information

Property owner(s) as listed on deed and how long they've owned the property (*If the property is owned by a partnership please list all members of the partnership, their relationship to each other and how long they've been a member and attach a copy of the LLC bylaws to the application*):

Property Address:

Number of Acres:

Tax Map or Parcel Numbers:

Do you own property in the immediate area?

If yes, please list parcel numbers:

Property Characteristics

Acres in forest:

Acres in crops:

Acres in pasture:

Acres in other use:

Please describe the property's current use:

Does the property have streams, springs or other water frontage?

If yes, please describe:

Does the property have unique resources (historic buildings or sites, caves, etc)?

If yes, please describe:

Please list all dwellings (homes, cabins, barn apartments, stationary trailers, etc.) on the property:

List all other buildings on the property:

Liens/disputes/existing easements

Do you have any mortgages or are there any liens on the property?

If yes, have you spoken with your mortgage holder about easement subordination?

Are there any other easements on the property such as for utilities or neighbor access?

If yes, please describe:

Are you enrolled in any best management practices with a Soil and Water Conservation District (SWCD) or Natural Resource Conservation Services (NRCS) Office?

If yes, please describe:

Are there any boundary issues with neighbors?

If yes, please describe:

Are the mineral rights on the property intact?

If no, please explain:

Professional Advisor Information

SVALC strongly recommends that each easement donor work with experienced conservation easement professionals throughout this process. If you have not selected the professionals you wish to work with the land conservancy can provide a list of easement professionals upon request.

Attorney:

Name and firm:

Mailing Address:

Telephone:

Email:

Appraiser:

Name and firm:

Mailing Address:

Telephone:

Email:

Other Professionals:

Name and Company:

Mailing Address:

Telephone:

Email:

Conservation Easement Consent and Acknowledgment

No Obligation. Southern Virginia Land Conservancy (SVALC) reserves the right not to participate in any transaction for any reason, and to withdraw from the conservation easement donation process at any time.

Voluntary and Permanent. The donation of a conservation easement is an act of land protection which will permanently affect how your land may be used in the future. You agree that your easement donation is completely voluntary, and you may negotiate easement terms and/or withdraw from the process up until such time as the easement is recorded at the courthouse.

After the easement is signed and recorded it becomes permanent, binding on you and future owners, regardless of any IRS or state determinations regarding deductibility of your gift of easement. All restrictions on the use of the easement property are found in the deed of easement. Recorded easements are a matter of public record at the courthouse, although at your direction SVALC will refrain from publicizing your easement.

No legal or tax advice. SVALC does not provide legal or tax advice. You are strongly encouraged to consult with your advisors on estate planning and tax matters related to the donation of a conservation easement and have an attorney assist you in drafting and the review of your easement throughout the process.

Qualifying donations. While SVALC will make every effort to see that the gift of an easement qualifies under IRS and Virginia regulations, the land conservancy makes no assurances regarding the deductibility of any easement gift. SVALC strongly recommends landowners have legal counsel assist with the drafting and review the easement prior to its execution.

Appraisals. SVALC does not require a gift appraisal to accept the donation of an easement; however, if you intend to take advantage of the federal tax deductions, state tax credits and other tax benefits you will need to engage a qualified independent appraiser to determine the value of the gift. SVALC strongly suggests that you employ a Certified General Appraiser experienced in conservation easement appraisals who follows Uniform Standards of Professional Appraisal Practice (USPAP). You should understand that the timing and quality of your appraisal may impact the tax benefits you receive from your easement, and that the IRC states that the appraisal needs to be dated no more than 60 days prior to the easement's recordation or prior to the filing of the tax return for the period in which the easement was donated. SVALC makes no assurances regarding appraisals or easement valuations.

Federal and state tax benefits. In order to claim the VA state income tax credits from the gift of an easement, you will be required to send form LPC-1 to the VA department of Taxation. If the value of your easement is in excess of \$1 million, then your easement will have to have certain specific protections as adopted by the Virginia Land Conservation Foundation.

To claim federal and state tax benefits, a Baseline Documentation Report (BDR) is required which documents the conditions of the property at the time of the donation of your easement. While this report is the responsibility of the easement donor, you agree that SVALC shall prepare this report to ensure it meets SVALC's quality standards for future easement monitoring. There is no cost to you.

No obligation to participate or sign 8283. SVALC reserves the right not to sign the IRS Form 8283 for a gift in excess of \$5,000 if it has concerns about the appraisal methodology, valuation or other concerns. The form 8283 must be completely filled out and SVALC must have the opportunity to review the appraisal to determine its appropriateness, prior to signing the form 8283. SVALC shall not participate in transactions in which it has concerns about the appraiser, appraisal methodology, valuation or tax deduction. *SVALC may require that it review the appraisal prior to signing the conservation easement.*

Abusive, syndicated or tax shelter transactions. SVALC requires a copy of your appraisal prior to closing when engaging in transactions with *pass-through entities of unrelated parties*. SVALC shall decline to participate in any transaction with pass through entities consisting of unrelated parties, particularly those offered or assembled by a third party or described in IRS Notice 2017-10 or otherwise described as a syndication by the IRS, in which:

- the appraisal indicates an increase in value more than 2.5 times the basis in the property, and
- the easement or property is donated within 36 months of the pass through entity's acquisition, and
- the value of the donation (not the deduction) is \$1 million or greater.

SVALC shall decline to participate in any transaction involving a conservation donation by unrelated parties that appears to have all of the following characteristics as set forth in IRS Notice 2017-10:

- A pass through entity will make the contribution.
- Members of the entity are investors who have been solicited to invest in the entity.
- The investment is offered to investors in oral or written promotional materials.
- Promotional materials offer a possibility of a tax deduction that is at least 2.5 times the investment.
- The transaction is intended to result in a contribution for which a federal income tax deduction will be claimed by investors.

Subordination. If there is a mortgage on the property to be placed under easement, the mortgage holder must subordinate the mortgage to the easement so that the easement can continue to protect the property in the case of foreclosure. Your attorney should contact the lender early on in the process, as subordination can be very time consuming.

Deeds, title work, and surveys. As part of the easement process, SVALC requires a copy of your property deed(s), title insurance, title work showing clear title to your property, and a survey plat if available. SVALC may also require a new survey if clear property boundaries cannot be determined.

Costs and fees. You are responsible for your own attorney's fees, appraiser's fees, title search and opinions fees, title insurance costs, surveyor's costs, and any other expenses you may incur.

Please see the attached fee schedule for SVALC fees.

I have read and acknowledge the above information and understand the information presented. The information I have provided is correct to the best of my knowledge. If any of the provided information changes during the process of donation a conservation easement I will notify SVALC as soon as possible.

Name:

Name:



LAND SAVERS UNITED CONSERVATION EASEMENT FEE SCHEDULE

Land Savers United (dba Blue Ridge Land Conservancy, Central Virginia Land Conservancy and Southern Virginia Land Conservancy) (LSU) provides an array of services to landowners free of charge, such as initiating the easement donation process, interpreting existing easements, reviewing and approving plans for activities on easement properties, and responding to questions and inquiries from easement landowners and prospective buyers. The following fees are set to defray the costs incurred by LSU during the easement donation process and to provide for the long-term stewardship, monitoring and enforcement of your conservation easement. Please note that paying the fee does not guarantee the approval or acceptance of your conservation easement. Fees are refundable if LSU declines to hold your conservation easement.

- **LSU Easement Fee: \$6,500**
 - o This fee must be paid in full to LSU or held in escrow by your attorney before LSU will sign your conservation easement. There are no other fees charged by LSU for information or assistance with your donation of a conservation easement.
- **Stewardship Fee: \$4,500**
 - o This fee must be paid in full to LSU or held in escrow by your attorney before LSU will sign your conservation easement. This fee helps to cover the cost of long-term monitoring and enforcement of your easement.
- **Baseline Documentation Report Additional Site Visit Fee: \$500**
 - o The Baseline Documentation report is valid for 90 days after it is completed, prior to the easement being recorded. If the easement is not recorded in this time, an additional site visit will be required to ensure that the conditions of the site have not changed. If the delay is due to action or inaction on the part of the easement donor this fee will be assessed. If assessed, this fee must be paid in full to LSU or held in escrow by your attorney before LSU will sign your conservation easement.
- **Payment by Gift of Stock**
 - o There will be a 5% charge added to any fee listed above if paid by gift of stock.