

CPST Application

Name of Organization

Katawba Valley Land Trust

Contact Name & Title

Richard Christie, Executive Director

Mailing Address

PO Box 1776, Lancaster, SC 29721

Phone Number

(803) 285-5801

Email Address

kvlt@comporium.net

Website

dev.kvlt.org

Organizational Type

501(c)

Amount Requested

\$2,500,000

Total Cost of Project

\$3,500,000

Location of Project

near 8303 Van Wyck Rd. (Hwy 54), Tax map parcel # 0022-00-002.00

Expected Timeframe

12 months after notice of funding

Description of Proposal

The Katawba Valley Land Trust (KVLT) is proposing to purchase a portion of the Oliver Nisbet property located on Van Wyck Road. This is a 600+ acre tract that lies between Van Wyck Road and the Catawba River. The owner has indicated a willingness to accept a bargain sale if the property will be used for public use. Our plan is to purchase the property and donate it to Lancaster County or another government entity (SCDNR, SCPRT) for use as open space and public recreation. The property is currently a mix of agricultural and forest lands and includes about 150 acres of floodplain and approximately 450 acres of uplands (see map). The 150-acre floodplain portion of this property is permanently protected by a conservation easement held by KVLT. This easement protects a vegetated buffer along the river corridor, which helps to protect water quality, provides habitat for fish and wildlife, and protects a clay-pit used by the Catawba Indians. KVLT would work with the new owner to assess the need for a conservation easement on the remainder of the property. The western border of this property is the Catawba River, which is the largest and most significant body of water in Lancaster County. It was designated as a State Scenic River in 2008 by SC General Assembly in conjunction with the SC Department of Natural Resources (SCDNR) (Lancaster County Strategic Plan 2014). This property is ideally located to provide an exit for people launching in the Rock Hill area.

Description of Capital Need

A recent (December 15, 2019) appraisal (attached) indicated the 150-acre flood plain portion of the property was valued at \$9,000 per acre. The expected sales price of the property will be

at least \$10-12 K per acre (\$6 - 7.2 million), and the sale is contingent on receiving additional funding from the SC Conservation Bank and the owner taking a combined bargain sale and donation. State and Federal laws allow the donor of a conservation property to monetize the donation through the sale of tax credits and the use of tax deductions. KVLT is seeking a total of \$3.5 million for the purchase of the 600 +/--acre property, and this grant would provide \$2.5million of the \$3.5 million sought.

Description of Benefit

We live in a county that is growing rapidly. According to the South Carolina Outdoor Recreation Plan (SCORP 2019), South Carolina's population increased from 4,625,364 in 2010 to an estimated 5,021,219 in 2017, representing an 8.6% increase in total population. At the county level, much of the substantial population growth has occurred along South Carolina's coast and in the area just below Charlotte, NC. The counties with the greatest estimated population increase from 2010 – 2017 are Horry (23.5%), Lancaster (20.8%) ...The number one goal of the 2019 SCORP is to increase access to outdoor recreation, which includes the development of outdoor recreation areas in urban and suburban areas to provide more convenient public access. Outdoor recreation promotes healthy lifestyles, encourages stewardship of resources, and ensures sustained economic benefits, all which improve the quality of life of residents in Lancaster County. This project will provide a number of important benefits to the larger community and it offers a unique opportunity to acquire a large property with excellent public use potential and to maintain the rural, agricultural culture and scenery associated with the area. Benefits include the improvement of health through active living; the protection of open space in an area that is experiencing some of the most rapid growth in the State; the protection of a buffer between the Catawba River and neighboring development, and the associated ecological functions including flood mitigation, water quality and source water protection, and protection of fish and wildlife habitat; and property offers potential for improved public access to the Catawba River.

Ongoing Costs

No

Description of Costs

The focus of this project is to acquire this property for open space and public use. The property could be used almost immediately after acquisition for passive recreational activities such as walking and biking, and picnicking for little if any cost. The property is large enough to allow for the development of active recreation facilities in the future, which may require facilities and staffing.

Source of Funding

Government Assistance Funding

Yes

Amount/sources of other funding

We plan to submit a proposal to the South Carolina Conservation Bank for \$1,000,000 to purchase this property. We will also actively solicit other Federal, State and Non-governmental funding sources for additional funding.

Itemized budget of you proposal

https://s3.amazonaws.com/260129c1-3e0b-4614-a4a6-e2986d88c664/attachments%2FCO20011000136220511%2F9EbAXYlGQLulwmDXRsWT_Budget+for+Nisbet+property+acquisition.xlsx

Copy of an annual audit for your organization performed by a Certified Public Accountant (CPA)

https://s3.amazonaws.com/260129c1-3e0b-4614-a4a6-e2986d88c664/attachments%2FCO20011000136220511%2FEYn2FWM0QJq6FdEJVJIL_SC+Secretary+of+State+2019-2020.pdf

Proof of an engineer, architect, or other third party project consultant's involvement in project scope and cost estimation.

https://s3.amazonaws.com/260129c1-3e0b-4614-a4a6-e2986d88c664/attachments%2FCO20011000136220511%2FkmwjSjKvT4K0HVAIXjG8_Nisbet+appraisal+11.15.2019.pdf

Additional Attachments (i.e. PowerPoint, pdf, etc.)

https://s3.amazonaws.com/260129c1-3e0b-4614-a4a6-e2986d88c664/attachments%2FCO20011000136220511%2FcfBN1WZ4RtK3swWp7w14_Nisbet+Property+in+Van+Wycck.JPG

Additional Attachments (i.e. PowerPoint, pdf, etc.)

https://s3.amazonaws.com/260129c1-3e0b-4614-a4a6-e2986d88c664/attachments%2FCO20011000136220511%2FXD4EZ4RQialh5V0rWk6w_AboutKVL3.20.Logo.docx

The following attachments MUST be submitted with your application. If not, your application will not be considered.

- a. An itemized budget for your proposal.
- b. Copy of an annual audit for your organization performed by a certified public accountant (CPA)
- c. Proof of an engineer, architect, or other third party project consultant's involvement in project scope and cost estimation.

All applicants will be invited to present their proposals to the Commission. You will be contacted by staff following your submission to schedule a time during an upcoming meeting. Please also attach any additional handouts you would like them to have during this review session. **ANY HANDOUTS MUST BE ATTACHED WITH YOUR APPLICATION.**

I hereby certify that I am an authorized signatory for the applicant organization and that this organization does not discriminate on the basis of race, color, age, sex, religion, sexual orientation, physical disability, veteran status, or national origin, and that all funds that may be received by applicant organization from the County of Lancaster will be solely used for the purposes set forth in this application and will comply with all laws and statutes.

Signed via SeamlessDocs.com
Richard W. Christie
Key: 5ee5b09980fc4e9b42e980237d44f81f

03/18/2020

Signature

Date

Katawba Valley Land Trust Nisbet Property Acquisition Proposal

Item	Cost
Purchase 600-acre Nisbet property	\$3,500,000
Appraisal	\$3,500
Survey	\$12,000
Real estate closing fees	\$25.00
Total	\$3,501,552,500



State of South Carolina
Office of the Secretary of State
The Honorable Mark Hammond

RE: Exemption Confirmation

Charity Public ID:

Dear :

This letter confirms that the Secretary of State's Office has received and accepted your Application for Exemption. **If you submitted your Application for Exemption using the Charities Online Filing System, this letter of confirmation has been issued pending further review by Division of Public Charities staff.**

The exemption for your charitable organization will expire on . If any of the information on your Application for Exemption form changes throughout the course of the year, please contact our office to make updates. It is important that this information remain updated so that our office can keep you informed of any changes that may affect your charitable organization. Additionally, if at any time your charitable organization no longer qualifies for an exemption, the organization must immediately register with the Secretary of State's Office. Please note that failure to comply with the registration provisions of the Solicitation of Charitable Funds Act may result in fines of up to \$2,000.00 for each separate violation.

If you have any questions or concerns, please visit our website at www.sos.sc.gov or contact our office using the contact information below.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Wickersham", with a long horizontal line extending to the right.

Kimberly S. Wickersham
Director, Division of Public Charities

**TEDFORD & ASSOCIATES
P.O. BOX 1677
FORT MILL, S.C. 29716**

APPRAISAL REPORT

OF

THE NISBET PROPERTIES, LLC CONSERVATION EASEMENT

**151.025 ACRES
LOCATED ON:
VAN WYCK ROAD & THE CATAWBA RIVER
VAN WYCK, LANCASTER COUNTY, SOUTH CAROLINA**

**PREPARED FOR:
NISBET PROPERTIES, LLC
10425 TYNE COURT
CHARLOTTE, NORTH CAROLINA
28210**

**Prepared By:
Stewart Tedford, MAI, SRA, AI-GRS
South Carolina, CG 333**

December 15 , 2019

Nisbet Properties, LLC
10425 Tyne Court
Charlotte, North Carolina
28210

RE: Conservation Easement

Dear Client:

I'm pleased to submit the attached appraisal report concerning the market value of the conservation easement on 151.025 acres of undeveloped river-front land which is located on the west side of Van Wyck Road and the east side of the Catawba River, in the Van Wyck community of Lancaster County, South Carolina. The whole property is one of the premier river-front tracts in this area. The subject property consists of a 151.025 acre portion of a 602.5 acre river-front property. Of the 151.025 acres, there are approximately 100.550 acres in a flood hazard area. The balance of the property, 50.475 acres is located outside of the flood hazard area. The effective date of this appraisal is December 15, 2019. The date of this report is December 15, 2019.

The intended use of this appraisal is to assist the client in quantifying the financial impact of creating a conservation easement on the subject property. The intended users are members of the Nisbet Properties, LLC, Katawba Valley Land Trust, the IRS, and the South Carolina Dept. of Revenue. The purpose of this appraisal is to form an opinion for income tax purposes and collateral evaluation the market value of the subject conservation easement as described in the body of this report.

When there are no sales of similar easement-encumbered parcels (as is the case here), federal tax law requires comparison of the market value of the property before the easement and the market value of it after donation of the easement as well as consideration of any offsetting increase in value of other property owned by the donor. The difference is the value of the easement.

The attached report has been researched and written in conformity with the reporting requirements of Standard II of the Uniform Standards of Professional Appraisal Practice of the Appraisal Institute, IRS guidelines and also the Uniform Standards of Professional Appraisal Practice. The report is subject to a statement of assumptions and limiting conditions which follows the certification of value.

I submit the attached appraisal report containing the report containing the results of my investigation and my opinion of value of the conservation easement. It has been a pleasure to serve you in this manner.

Sincerely,


Stewart Tedford, MAI, SRA, AI-GRS
S.C. CG 333

CERTIFICATION

I certify that, to the best of my knowledge and belief,

The statements of fact contained in this appraisal report are true and correct.

The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analysis, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

The compensation is not contingent on a specified value or an action or event resulting from the analysis, opinions, or conclusions in, or the use, of this report.

The analysis, opinions, or conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Ethics and Standards of Professional Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review of its duly authorized representatives.

As of the date of this report, Stewart B. Tedford, MAI, SRA, has completed the requirements of the continuing education program of the Appraisal Institute, and is currently certified in the State of South Carolina - No. CG 333.

I inspected the subject property on November 1, 2019.

The value arrived at in this report is a result of analysis of financial and market data available at the time of the assignment and deemed reasonable in the current economic climate.

In the preparation of this appraisal report, Stewart B. Tedford, MAI, gathered the information, comparable sales, inspected the property and prepared the analysis and conclusions. No one other than the undersigned prepared the analysis, conclusions and opinions concerning the value of the real estate set forth in this appraisal report.

I have previously appraised the property in July of 2017 and July of 2019. Other than these appraisals I have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding this assignment.



GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report and resulting opinion of the market value of the conservation easement is made subject to the following assumptions and limiting conditions:

The forecasts, projections, or operating estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. Therefore, these forecasts are subject to changes in future conditions. Value estimates in this appraisal report are stated in United States currency as of the date of the appraisal.

No responsibility is assumed for the legal description or for matters including legal or title considerations. Title is assumed to be marketable and in Fee Simple, unless otherwise stated in this appraisal report.

The property is appraised free and clear of all existing liens and encumbrances, including deed restrictions and developers' agreements, unless otherwise stated in this appraisal report.

Information furnished by others is believed to be true, correct, and reliable. A reasonable effort has been made to verify such information; however, no responsibility for its accuracy is assumed by the appraiser.

Maps, plats, and exhibits included in this appraisal report are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose. The appraiser has not made a survey of the property, and no responsibility is assumed in connection with such matters.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in this appraisal report.

It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in this appraisal report.

It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate(s) contained in this report is based.

It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that no encroachment or trespass exists, unless noted in this appraisal report.

Value estimates in this appraisal report apply only to the entire property, and cannot be prorated to individual portions or fractional interests. Any proration or division of interest will invalidate the value estimate(s), unless such proration or division of

interests is set forth in this appraisal report.

The appraiser is not required to give testimony or attendance in court by reason of this appraisal, with reference to the property in question, unless arrangements have been made previously in writing. The fee charged for this appraisal does not include testimony or further consultation.

Unless otherwise stated in this appraisal report, the appraiser did not observe the existence of hazardous material which may have been present on the property. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the property value. Value estimates within this appraisal report are predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any expertise or engineering knowledge required to discover them. The appraiser recommends that appropriate experts be retained to investigate and determine to what extent, if any, such substances are present and what risks, if any, are involved.

Unless otherwise noted in this appraisal report, no consideration in the valuation process has been given to sub-surface rights that may be found on the subject property.

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

An **extraordinary assumption** is an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

For this assignment, the extraordinary assumption which I have employed is that there is adequate access to the property before the easement to accommodate development. Currently, access is provided by an unpaved drive.

A **hypothetical condition** is that which is contrary to what exists and is supposed for the purpose of analysis.

In the after section of this appraisal, a hypothetical condition employed is that the conservation easement is already in place. This is not the case currently.

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

This summary must remain attached to the accompanying report in order for the value opinions cited herein to be considered valid.

Tax Map Number:	Part of 0022-00-002.00
Property Title:	Nisbet Properties, LLC
Date of Report:	December 15, 2019
Effective Date of Appraisal:	December 15, 2019
Area in Property:	602.5 Acres
Area in Easement:	151.025 Acres, More or Less
Zoning:	RN (Rural Neighborhood)
Highest & Best Use Before:	Residential Development
Highest & Best Use After:	As Currently Used
Rights Appraised:	Fee Simple
Value Indications:	
Value Before:	\$1,360,000
Value After:	\$ 375,000
Easement Value:	\$985,000

IDENTIFICATION OF SUBJECT PROPERTY

The subject property (also referred to as the contiguous family-owned property) is a 151.025 acre portion of a 602.5 acre parcel which is located on the west side of Van Wyck Road and the east side of the Catawba River in the Van Wyck community, South Carolina. The property is located in the northeastern part of the county in what is commonly known as the "Panhandle" of the county (the county being pan-shaped). This area has been experiencing rapid growth due to its proximity to Charlotte, North Carolina.

Of the 151.025 acres, approximately 50.475 acres are located outside of the flood hazard area while the balance is apparently inside. I note that the subject has no frontage on Van Wyck Road and that it is an interior portion of the whole property which is currently accessed by a gated, gravel and dirt drive.

The whole property is one of the largest undeveloped river-front tracts in the area and is considered to be a trophy asset.

The whole property is improved with a single-family residence. This structure is not located in the proposed easement area and will not be impacted by the easement.

The property has significant historical and archeological significance as it was once one the Catawba Indians settlements. Additionally, the site was utilized for the production of historic Catawba Pottery.

The property is identified in the Lancaster County Tax Assessor's Office as a portion of tax map number 0022-00-002.00. The property is titled to Nisbet Properties, LLC.

SALES HISTORY OF THE SUBJECT

The subject property has not sold or been listed for sale anytime in the past three years.

CONSERVATION VALUES

The owners intend to grant a conservation easement on the contiguous family-owned property.

A conservation easement is a limited (less than fee simple) interest in land that is conveyed to a unit of government or an IRS-recognized, non-profit organization. More specifically, conservation easements are development rights that an owner donates (possibly sells) to the types of organizations designated above. The Internal Revenue Service treats a gift in perpetuity of a conservation easement as a charitable contribution if the subject property meets the conservation purposes test established by the Internal Revenue Code and the Treasury regulations and provides significant public benefit of certain types. The following are the categories of public benefits:

Recreation - The preservation of land areas that can be used by the public for outdoor recreation or education. To be available for public use, actual land or access to land must be donated.

Ecological - The developer donates a conservation easement that protects a "relatively natural habitat of fish, wildlife, or plants of similar ecosystems".

Open Space - An open space easement is usually available for highly scenic land and for any property deemed important in a clearly delineated public policy. Thus watersheds, airport buffer zones, road and

river corridors, and farmland may all be eligible for conservation easement tax incentives.

Historic preservation - The preservation of historically important land area or certified historic structure is always deemed a government purpose.

In order to qualify as a noncash charitable contribution, the IRS has four requirements:

- * It must be perpetual
- * It must be irrevocable
- * It should not be subject to future changes
- * It must be held by a qualified organization

My understanding is that the subject property meets all four of these requirements.

PURPOSE OF THE EASEMENT

The primary purposes of this Conservation Easement are to ensure that the Protected Property remains predominantly in its natural state in perpetuity and to protect its Conservation Values in perpetuity. These values are described below.

- A. Farm and forest land on the Protected Property as open space for the scenic enjoyment of the public by protecting the rural scenic view along the Catawba River in Lancaster County;
- B. The Protected Property's potential for agricultural productivity, thus preserving open space in accordance with goals of the governmental conservation policies identified in this Conservation Easement and yielding a significant public benefit, including preservation of Prime Soils and Soils of Statewide Importance and the preservation of land of historic importance to Lancaster County because of its relationship to the agrarian past and historic development of the community.
- C. Significant natural areas containing relatively natural habitat of fish, wildlife, and/or plants, associated with Mixed Hardwood Forest.
- D. The Protected Property's role in the significant history of the Catawba Indian Nation and the production of historic Catawba Pottery including the protection of Indian archeological sites as identified by the University of North Carolina at Chapel Hill Research Laboratories of Archeology.
- E. The preservation of an adjacent site of importance to the history of Lancaster County, South Carolina and the United States.
- F. The Protected Property's role in the preservation of water quality in Lancaster County and South Carolina by its location on the Catawba River.
- G. The preservation of significant wildlife habitat and traditional hunting lands in this habitat rich area and protecting a wildlife connection along the Catawba River.

PURPOSE AND DATE OF THE APPRAISAL

The purpose of this appraisal is to form an opinion of the fair market value of the subject property with the conservation easement. The effective date of this appraisal is December 15, 2019 which is also date of this report.

PROPERTY RIGHTS APPRAISED

The property rights appraised in this appraisal report are fee simple, less certain development rights.

INTENDED USE OF THE APPRAISAL

The intended use of this appraisal report is to assist the client in quantifying the charitable deduction created by the grant of a conservation easement on the subject property.

DEFINITION OF FAIR MARKET VALUE

Fair market value is defined as: The price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having relevant facts. The fair market value of a particular item of property includable in the decedent's gross estate is not to be determined by a forced sale price. Nor is the fair market value to be determined by the sale price of the item in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate.

SOURCE: Internal Revenue Service.

SCOPE OF THE APPRAISAL

The Uniform Standards of Professional Appraisal Practice (USPAP) defines scope of work as "the type and extent of research and analysis in an assignment". Scope of work includes, but is not limited to:

- the extent to which the property is identified;
- the extent to which tangible property is observed;
- the type and extent of data researched; and
- the type and extent of analysis applied to arrive at opinions or conclusions.

Assignment Elements

The problem to be solved is to form one or more opinions about value. This purpose necessitates identification of seven assignment elements listed below.

- | | | |
|----|---|---|
| 1. | The client | Nisbet Properties, LLC |
| | Client's Interest in Property Appraised | Property Owner |
| 2. | Other Intended Users | Katawba Valley Trust, IRS, SC
Dept. Of Revenue |

3.	Intended Use	Quantify Charitable Contribution
4.	Standard/Definition of Value Used	Fair Market Value
5.	Key Dates	
	Report Preparation Date	December 15, 2019
	Effective Date of Appraisal:	December 15, 2019
	Date of Easement Grant:	
6.	Assignment Conditions	
	Extraordinary Assumptions	Applicable
	Hypothetical Conditions	Applicable
	Jurisdictional Exceptions	IRS Requirements
	Other	N/A

The 7th assignment element is relevant characteristics about the property appraised. These characteristics are typically categorized as physical, legal and economic.

7a.	Physical	
	Existing Property Use	Residential & Recreation
	Sources of Information About the Property	Exterior Observation
7b.	Legal	
	Category of Property Appraised	Real Property
	Estate Appraised	Fee Simple
	Legal Issues Considered	No Atypical Legal Issues
7c.	Economic	
	Effect of Leases on Value	Not Applicable
	Cost Information	Not Applicable

Extent of Services Provided

Number of Value Opinions Provided	Three (Before, After & Difference)
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Value Opinion(s) Reflect The Worth Of The Property Appraised	As Is & As Encumbered
Extent Of Report Preparation	Summary
Report Preparation Complies With Requirements Set Forth in USPAP Standards Rule	2-2(a)
Other Reporting Requirements	IRS
Extent of Data Research Data Sources	Regional Geographic Area MLS, Public Records, Investors
Documents Considered	MLS, Public Records, Investors
Data Verification	Direct & Indirect Methods
Assignment Complexity	Complex

Appraisal Development

Appraisal development is the extent of research and analyses that produce one or more credible opinions of value for one or more specifically identified intended users and an explicitly stated intended use. In this context, credible is defined as “worthy of belief”.

Depending upon the intended use, intended users, and agreements between the appraiser and the client, the appraisal development process may include several, but not necessarily all of the following tasks.

- observation of the property appraised
- research for appropriate market data
- data verification
- consideration of influential market area, physical, economic, and governmental factors
- determination of the subject’s highest and best use(s), if appropriate
- development of one or more applicable approaches to value
- reconciliation of value indications
- preparation of this report

In most cases, the core valuation process begins with a highest and best use analysis. This is essential because it establishes a framework for the proper selection of comparables. Cited comparables should have the same highest and best use as the property appraised.

If some property modification like new construction is contemplated, a feasibility analysis may be appropriate. In some cases, feasibility may simply be justified by inferred market evidence like low vacancy or rising rents.

According to USPAP, all approaches that are applicable to the interest being appraised and necessary to produce credible results must be developed. The type of highest & best use; extent of feasibility considered; and the relevance of each major approach are listed below.

Highest & Best Use	An Inferred Analysis
Feasibility Analysis:	Separate Feasibility Analysis Not Developed
Cost Approach	Not Applicable
Sales Comparison Approach	Applicable & Included in Report
Income Approach	Not Included in Report

For this report, and as required by the Treasury Regulations, I have utilized the before and after technique to value the contiguous family-owned parcel. In the before and after technique, the property is appraised before the easement (utilizing the sales comparison approach) and then after the easement (also utilizing the sales comparison approach). Assuming no offsetting benefits, the value differential before the easement and after the easement results in the value of the easement.

Critical in this analysis is the determination of the highest & best use of the contiguous family-owned parcel in both the before scenario and after scenarios. It is entirely possible that the highest and best use under each premise is different.

According to IRS guidelines, when appraising a conservation easement for charitable contribution purposes, the entire contiguous family-owned property (CFOP) must be appraised - even when the conservation easement encumbers only a portion of the land. "The amount of the deduction in the case of a charitable contribution of a perpetual conservation restriction covering a portion of the contiguous property owned by a **donor and the donor's family** is the difference between the fair market value of the **entire contiguous parcel** of the property before and after the granting of the restriction". (Emphasis added).

The donor's family is comprised of the following members (whether by whole or half blood)

- * Brothers
- * Sisters
- * Spouse
- * Ancestors (i.e., children and grandchildren)
- * Lineal descendants

Further, any potentially enhanced parcels (PEP) must be considered in any IRS conservation easement appraisal. "If the granting of a perpetual conservation restriction after January 14, 1986, has the effect of increasing the value of any other property owned by the donor or a related person, the amount of the deduction for the conservation contribution shall be reduced by the amount of the increase in the value of the other property, **whether or not such property is contiguous**: (Emphasis added)

In addition to family members, a related person refers to corporations, partnerships and trusts. In order to be recognized as a related person, there must be a controlling interest (more than 50% ownership) in the

corporation, partnership or trust.

Regardless of contiguity, the parcel may or may not be enhanced by the conservation easement.

If enhanced, the amount of the enhancement must be deducted from the value of the conservation easement.

The enhancement is measured by a before and after valuation of each individual parcel, each of which should be contained in the appraisal report.

ZONING

According to the Lancaster County zoning map, the subject is zoned RN (Rural Neighborhood). The Rural Neighborhood District is established to protect the residential character of communities and neighborhoods in the rural area at a density of 1.0 dwelling unit per acre. The district is intended to promote rural living, protect farmland, and to maintain the low density residential.

RESERVED RIGHTS & RESTRICTIONS IN EASEMENT

According to a copy of the Easement, the pertinent parts of the easement are as follows: within the subject property are as follows:

Reserved Rights. Grantor reserves to himself, and to his personal representative, heirs, successors, and assigns, all the rights, uses and activities inherent in fee simple ownership of the Protected Property, subject to the specific restrictions as set out below. All reserved rights apply to the Protected Property in its entirety, except where specifically modified herein. The following rights are reserved.

Restrictions.

A. Residences and Structures

1. **Maintenance of Existing Structures:** To maintain, repair, and improve the ancillary structures, however, the footprints of ancillary structures may not be expanded to exceed that existing at the time of the execution of this Easement.

2. **New Structures:** No new single-family residences and new ancillary structures for such residence shall be constructed on the Protected Property.

3. **Dwelling Restriction:** No structure on the Protected Property shall be used as a temporary or permanent dwelling for human beings.

4. **Cellular Towers:** There shall be no cellular towers on the Protected Property.

5. **Trails:** Trails or walkways of pervious services may be constructed on the Protected Property. Trails will not exceed 6 feet in width and must be at least 30 feet from the bank of the Catawba River except for access to the boat dock.

6. Dock: Grantor may construct a dock to access the Catawba River in accordance with applicable local, state and federal laws which may include a small storage shed of not more than 500 square feet to house canoes, kayaks and related items.

Subdividing. The Protected Property shall not be subdivided.

A. Limited Commercial Activities. There shall be no commercial uses, activities, or structures.

B. Commercial Recreation. Commercial recreational activities shall be allowed only with written permission of the Grantee.

C. Signs. There shall be no signs with the exceptions as provided for on the easement

D. Protection of Riparian Buffers. Grantor shall not remove or cut any trees or otherwise alter or disturb any area of the Protected Property that is within 200 feet of the ordinary high water mark of the Catawba River or any other river, stream, waterway, pond, lake or impoundment with limited exceptions as provided for in the easement.

E. Utility Systems. Utility systems are allowed to serve the structures which are provided for in the easement.

F. Forest Management. Grantor reserves the right to harvest timber from the Protected Property that is in accordance with a written forest management plan prepared by a licensed professional forester. The plan must meet or exceed the best management practices of the South Carolina Forestry Commission.

G. Agricultural Activities and Structures. Grantor shall have the right to engage in agricultural activities as provided for in the easement.

H. Ponds and Wetland Impoundments. Grantor shall have the right to operate and maintain current ponds and impoundments on the Protected Property.

I. Open Fields and Fences. Grantor shall have the right to maintain current fences on the Protected Property.

J. Roads, Bridges and Trails. The existing roads, bridges and trails may be maintained. New roads, bridges and trails may be constructed on the Protected Property subject to the conditions as provided for in the easement.

K. Ditches and Wells. Existing manmade ditches may be maintained or replaced. New ditches and wells may be installed, maintained and replaced as provided for in the easement.

L. Motor Vehicles. Grantor shall ensure that the use of tractors, ATVs do not have a significant negative impact on the Conservation Values.

M. Archaeological Artifacts and Features. Prior to disturbing archaeological features or commencing any digs on the Protected Property, Grantor shall give at least 30 days prior notice to Grantee of such activities.

AREA & NEIGHBORHOOD ANALYSIS

The subject is located in the northwestern quadrant of Lancaster County in the Van Wyck Community of Lancaster County, South Carolina. Lancaster County is located in the northeast quadrant of South Carolina and is considered to be part of the Charlotte metropolitan area, also known as Metrolina. Metrolina is a metropolitan area of North and South Carolina within and surrounding the city of Charlotte, North Carolina. Located in the Piedmont, it is the largest metropolitan area in the Carolinas, and the fifth largest in the Southeastern United States behind the Miami metropolitan area, the Atlanta metropolitan area, the Tampa Bay Area, and the Orlando metropolitan area.

The Charlotte metropolitan area is well known for its auto racing history (especially NASCAR). The region is headquarters to eight Fortune 500 and seven Fortune 1000 companies including Bank of America, Duke Energy, Sealed Air Corporation, Nucor Steel, and Lowe's Home Improvement Stores. Additional headquarters include Harris Teeter, Food Lion, Bojangles, Cheerwine and Sundrop. It is home to one of the world's busiest airports, Charlotte Douglas International Airport, and is also the Carolinas' largest manufacturing region.

This area is defined as seven counties in North Carolina and three counties in South Carolina, including Lancaster. The population of the MSA was 2,525,305 according to 2017 Census estimates. Charlotte is the 17th largest city and 22nd largest metro area in the United States. Charlotte is also the 2nd largest city in the Southeast.

The boundaries of the specific subject neighborhood may be defined as the Lancaster city limits to the south; the Catawba River to the west, the North Carolina boundary line at Union County to the east; and the North Carolina boundary line at Mecklenburg County to the north.

Market conditions in this area are changing rapidly. Until recently, residential and commercial growth had occurred several miles north of the subject on the Hwy 521 in and around the Sun City development in Lancaster County, however, that growth is now extending south toward the City of Lancaster.

Riverchase Estates is an up-scale residential community located about five miles south of the subject on River Road and the Catawba River. This is a gated development situated on 2,000 acres and features a 500 acre nature preserve, walking trails and an up-scale clubhouse. The home-sites are one acre or more and the development features extensive wooded areas and trails. Homes in this development are in the \$500,000 to \$800,000 price range.

Tree Tops is a gated, adult community located just northeast of the subject on Van Wyck Road. This development features over 850 homes. Amenities here include a pool, clubhouse, fitness center, pickleball, a 10 acre lake, walking trails, and waterfront amphitheater. Homes range in size from 1,436 to 3,619 square. Prices are currently from \$300,000 to \$400,000. Over 60% of the land area will remain open space.

Additionally, six miles south of the subject on US Hwy 521 and West North Corner Road is a proposed master planned development that will consist of approximately 1,850 lots on 1,400 acres. Sanitary sewer will be brought to the area from several miles south. The provision of this sewer line will enable the development to be high-density. The development will include a commercial component on Hwy 521. Lennar, the developer, projects that the build-out will occur over a ten-year time frame. My

understanding is that the development will be called the Roselyn Community.

Utilities in the area include: sanitary sewer, community water, electricity, natural gas and telecommunications.

Transportation linkages to subject neighborhood are considered to be good. Protection from detrimental conditions is believed to be satisfactory. Police and fire protection are believed to be adequate.

SITE DATA

The subject property (also referred to as the contiguous family-owned property) is a 151.025 acre portion of a 602.5 acre parcel which is located on the west side of Van Wyck Road and the east side of the Catawba River in the Van Wyck community, South Carolina. The easement area is primarily wooded. The whole property is improved with a single-unit residence which is not included in this easement.

Of the 151.025 acres, approximately 100.550 acres are located within a flood hazard area while the balance (50.475 acres) is located outside of the flood plain.

Access to the property is via a dirt access road from Van Wyck Road, a two-lane, paved and publicly-maintained R/W. The site has no road frontage.

The shape of the site is irregular.

The topography of the composite site can be described as variable. There is approximately a 50 foot variation in the elevation of the site from its lowest to highest point.

Transportation linkages to site are considered to be good as the site is located on one the secondary north/south transportation corridors (Van Wyck Road) in this area. Van Wyck road connects SC Hwy 5 to the south to US Hwy 521 to the north.

Utilities available to the site are: My understanding is that community water, electricity, and land-line telecommunications are available in the road.

The site has good transportation linkages to Charlotte via US Hwy 521 to the north. SC Hwy 5 provides direct access to Rock Hill or Charlotte. Charlotte Uptown is located 32 miles to the north. Charlotte - Douglas Airport is located 32 miles to the north. Rock Hill, South Carolina is located 11 miles to the northwest via SC Hwy 5.

Comments: I have been not been provided with a development plan for the subject, however, it is clear that with proper access from Van Wyck Road, a residential development would be feasible.

HIGHEST AND BEST USE BEFORE CONSERVATION EASEMENT

Highest and Best Use of the subject property assumes that the subject is vacant or can be made vacant by demolishing any improvements. With this assumption uses that create value can be identified, and the appraiser can begin to select comparable properties and estimate land value.

Legally Permissible - Zoning regulations, deed restrictions building codes, historic district controls, and environmental regulations generally limit the use to which a vacant site can be developed. The subject property is zoned RN - Rural Neighborhood.

Physically Possible - The size, shape, terrain and soil conditions of the land affect the uses to which the site can be developed. Additionally, the availability of utilities will affect the possible uses of the property.

The contiguous family-owned property is a 151.025 acre portion of a larger parcel. About 50.475 acres of this parcel is located outside of the flood plain while the balance of the property is within the flood plain.

The topography of this site is generally level to gently rolling.

Available utilities include electricity and telephone.

Transportation linkages to the site are considered to be good.

Financially Feasible - The feasibility of a particular use depends on the demand for that use. Within the context of this report financial feasibility is measured by looking at the use which satisfies expenses and provides a positive return.

As noted in the neighborhood section of the report, the subject is located in a growing area of northern Lancaster County where new residential developments are either planned or in the process of being developed. Based on this evidence, I believe that a residential development would be the most reasonable use of the property with respect to financial feasibility.

Maximally Productive - The most pertinent question in this analysis is: which possible and permissible use will produce the greatest net return to the land for the longest period of time. Of the possible uses that could be placed on the subject property, I believe that a residential development would provide the highest return to the land over time.

LAND VALUATION

In estimating the value of the subject property, the most reliable and persuasive method involves the utilization and consideration of comparable sales. These are usually and most often sales of property which may be similar to the subject property; which may be similarly situated; or which may have a similar utility. Often, due to differences in time of sale, location, size, shape, terrain, these sales may require adjustment to bring them into more effective comparison with the subject property.

In order to value the subject site, I located four reasonably comparable land sales around the subject property market area. Where possible, I verified the sales price, visually inspected each sale and obtained zoning information on each. I then selected a unit of comparison. In this market I have concluded that the most reliable unit of comparison is price per acre.

The comparable sales data of each sale utilized , as well as a comparison table, follows.

Each sale was analyzed with consideration of the following elements of comparison:

1. Property rights conveyed.
2. Financing terms.
3. Conditions of sale.
4. Date of sale.
5. Location.
6. Physical characteristics.

LAND SALE ONE

Location:	Neely Store Road, Rock Hill, York County SC
Tax Map Number:	Multiple Parcels - 13 Tracts
Grantor:	NNP IV-Catawba, LLC
Grantee:	York County, A Body Politic
Property Rights Sold	Fee simple
Financing	Conventional
Date of Sale	12/12/2018
Sales Price:	\$20,000,000
Deed Reference:	Book 17316, Page 279-296
Number of Acres:	1,807 Acres
Price/Acre:	\$11,066
Zoning:	RUD (Rural Development)
Shape:	Irregular
Topo:	Gently rolling
Available Utilities:	Telephone, Electric, Water & Sewer
Street Surface:	Paved

Remarks: This sale has extensive frontage on the Catawba River and Neely Store Road and is considered to be a superior location with respect to the subject. However, access to the property is considered to be inferior as there are no primary transportation corridors in the area.

LAND SALE TWO

Location:	US Hwy 521 and Shiloh Unity Road, Lancaster, South Carolina
Tax Map Number:	Multiple Parcels (10)
Grantor:	Lancaster Land, LLC
Grantee:	Lennar Homes, LC
Property Rights Sold	Fee simple
Financing	Conventional
Date of Sale	12/2019
Sales Price:	\$24,854,945
Deed Reference:	Book 1290/223
Size (Acres):	1,320
Price/Acre:	\$18,830
Zoning:	RN (Rural Neighborhood)
Shape:	Irregular
Topo:	Gently rolling to moderate to steep
Flood Plain:	None
Utilities:	Telephone & Electric
Street Surface:	Paved

Remarks: This sale is located about five miles south of the subject. This property has extensive frontage on US Hwy 521, the primary north/south transportation corridor which connects Lancaster to Charlotte, some 20 miles north. Access to this property is considered to be superior to the subject. This is the land sale of a proposed master planned development that will consist of approximately 1,850 lots. Lennar will pay for sanitary sewer to be brought to the area from several miles south. The provision of this sewer line will enable the development to be higher-density. The development will include a commercial component on Hwy 521. Lennar, the developer, projects that the build-out will occur over a ten-year time frame. My understanding is that the development will be called the Roselyn Community.

LAND SALE THREE

Location:	Clearwater Road, Rock Hill, SC
Grantor:	Marion Keith Hoke
Grantee:	York County
Tax Map Number:	772-00-00-018, 772-00-00-028 & 772-00-00-035
Deed Reference:	17401/48-51
Property Rights Sold	Fee simple
Financing	Conventional
Date of Sale	02/2019
Sales Price:	\$840,000
Size (Acres):	82.81
Price/Acre:	\$10,144
Zoning:	RUD (Rural Development)
Shape:	Irregular
Topography:	Level to Moderate Slope
Available Utilities:	None
Street Surface:	Paved

Remarks: This sale is a river-front tract in the south Rock Hill area. Access to the property is via a narrow, county-maintained, gravel road (Clearwater Road). This road is off of Neely Store Road on a gravel road. The river frontage is flood plain area. As such, I believe that its location is equal to the subject.

LAND SALE FOUR

Location:	Off Van Wyck Road, Van Wyck, SC
Grantor:	Thompson Child & Family Focus
Grantee:	Lennar Homes, LLC
Tax Map Number:	0022-00-007.00 & 0019-00-033.00
Deed Reference:	881/193-198
Property Rights Sold	Fee simple
Financing	Conventional
Date of Sale	10/2015
Sales Price:	\$9,250,000
Size (Acres):	621.78
Price/Acre:	\$14,877
Zoning:	MDR
Shape:	Irregular
Topography:	Level to Moderate Slope
Available Utilities:	Community water, sanitary sewer, Electricity, telephone
Street Surface:	Paved

Remarks: This sale is located directly across Van Wyck Road from the subject and is part of the Tree Tops development. This is the best comparable sale which I have located.

LAND SALE FOUR

Location: Off Van Wyck Road, Van Wyck, SC
Grantor: Thompson Child & Family Focus
Grantee: Lennar Homes, LLC
Tax Map Number: 0022-00-007.00 & 0019-00-033.00
Deed Reference: 881/193-198
Property Rights Sold: Fee simple
Financing: Conventional
Date of Sale: 10/2015
Sales Price: \$9,250,000
Size (Acres): 621.78
Price/Acre: \$14,877
Zoning: MDR
Shape: Irregular
Topography: Level to Moderate Slope
Available Utilities: Community water, sanitary sewer,
Electricity, telephone.
Street Surface: Paved

Remarks: This sale is located directly across Van Wyck Road from the subject and is part of the Tree Tops development. This is the best comparable sale which I have located.

SALES CHART

	Subject	Sale 1	Sale 2	Sale 3	Sale 4
Location	Van Wyck Road. Van Wyck, SC	Neely Store Road. Rock Hill, SC	Hwy 521 & Shiloh Unity. Lancaster, SC	Clearwater Road. Rock Hill, SC	Van Wyck Road Van Wyck, SC
Date of Sale	N/A	12/2018	12/2019	02/2019	10/2015
Price	N/A	\$20,000,000	\$1,320	\$840,000	9,250,000
Size (Acres)	151.025	1.807	1,320	82.81	621.78
Price/Acre	N/A	\$11,066	\$18,830	\$10,144	\$14,877
Market Condition Adj.	N/A	0	0	0	12%
Adj. Price/Acre	N/A	\$11,066	\$18,830	\$10,144	\$16,662
Location	Suburban	Superior	Equal	Equal	Equal
Location Adj	N/A	-45%	0	0	0
Access Adj.	N/A	15%	-45%	20%	0
Flood Plain Adj.	N/A	-30%	-30%	-30%	-30%
Water & Sewer Adj	N/A	0	0	0	-20%
View Adj	N/A	0	0	0	0
Size Adj.	N/A	25%	25%	0	15%
Shape	Irregular	Equal	Equal	Equal	Equal
Shape Adj.	N/A	0	0	0	0
Topography Adj	N/A	0	0	0	0
Net Adj	N/A	-35%	-50%	-10%	-35%
Adj. Price/Acre		\$7,193	\$9,415	\$9,130	\$10,830

SALES ANALYSIS

All acreage sales here are selling on the basis of price per acre. The range of adjusted sales prices is \$7,193 to \$10,380 per acre with a mean unit value \$9,142/acre.

I have utilized 3% annualized market condition (time) adjustment to account for changes in market conditions between the date of Sale 4 and the date of this appraisal.

The location adjustment applied to Sale 1 reflects the superior location of this sale with respect to the to the subject as this sale has extensive road and river frontage.

The size adjustment reflects the inverse correlation between tract size and price per unit of area (acres).

Given the quality and quantity of the sales utilized in this report and giving equal weight to each sale, and choosing \$9,000 per acre as the market value for the subject property before the easement.

151.025 acres x \$9,000 /acre = \$1,359,225

Say \$1,360,000

HIGHEST AND BEST USE AS VACANT - AFTER CONSERVATION EASEMENT

Legally Permissible The property will essentially be utilized for use in its present condition as a timberland land tract with no lots set aside for potential development.

Physically Possible - The configuration and topography of the parcel allows for its efficient use as a timberland tract.

I am of the opinion that the site can support any of the uses common to the area and allowed by the conservation easement.

Financial Feasible/Maximally Productive - The feasibility of a particular use depends on the demand for that use. Within the context of this report financial feasibility is measured by looking at the use which satisfies expenses and provides a positive return. The existing use of the property (with limited residential development) is the only legally permissible use of the property. In my opinion, the existing use of the subject property with limited residential development represents the highest and best use of the subject property after the easement.

Land Value After

I located four reasonably comparable sales which are older, however, each was encumbered with a conservation easement at the time of sale.

A unit of comparison was then selected. In this market I have included the most reliable unit of comparison is price per acre.

Each sale was analyzed with consideration of the following elements of comparison:

1. Property rights conveyed.
2. Financing terms.
3. Conditions of sale.
4. Date of sale.
5. Location.
6. Physical characteristics.

LAND SALE ONE

Location:	Greg Robert Drive, Hampton County, SC
Tax Map:	162-00-00-036
Grantor:	Dunns North, LLC.
Grantee:	Camp Branch, LLC
Property Rights Sold	Fee simple Subject to a Conservation Easement
Financing	Cash
Date of Sale	1-29-2010
Sales Price:	\$ 402,180
Acreage:	268.12
Timber Value:	\$ 125,000
Adjusted Price:	\$ 277,180
Adjusted Price/Acre:	\$ 1,033.79
Deed Reference:	368/12 (Easement Deed)
Zoning:	Rural
Shape:	Irregular
Utilities:	Electricity & telecommunication available
Highest & Best Use:	Timber & Recreation
Improvements:	None
Verified:	Grantor

Remarks: At the time of sale, this property was sold with a Open Land Trust conservation easement which restricts the rights to subdivide and develop but does not affect the timber rights.

LAND SALE THREE

Location: Kingstree Hwy, Clarendon County, SC
Tax Map: 335-00-00-005 & 305-00-00-003
Grantor: Glover Real Estate
Grantee: Willard & Elizabeth Silcox
Property Rights Sold: Fee simple Subject to a Conservation Easement
Financing: Cash
Date of Sale: 10-22-2010
Sales Price: \$ 222,000
Acreage: 317.4
Price/Acre: \$ 700
Deed Reference: 779/021
Zoning: Agricultural
Shape: Irregular
Utilities: Electricity & telecommunication available
Highest & Best Use: Timber & Recreation
Improvements: None
Verified:

Remarks: This is the sale of two contiguous tracts located along the Black River. The tracts were encumbered with a conservation easement with the Lowcountry Open Land Trust. The easement does not allow for further subdivision. It will allow for one main house and one secondary house as well as a dock along the Black River

LAND SALE FOUR

Location:	Featherbed Road, Colleton County, SC
Tax Map:	197-00-00-019.00
Grantor:	Glover Real Estate
Grantee:	Headwaters Plantation
Property Rights Sold	Fee simple Subject to a Conservation Easement
Financing	Conventional
Date of Sale	02-22-2011
Sales Price:	\$774,605
Acreage:	815.37
Price/Acre:	\$950
Deed Reference:	1913/243
Zoning:	Rural
Shape:	Irregular
Utilities:	Electricity & telecommunication available
Highest & Best Use:	Timber & Recreation
Improvements:	None
Verified:	Buyer

Remarks: This sale is located in Colleton County on Featherbed Road and Chesney Creek. The sale is encumbered with a Low-Country Open Land Trust Conservation Easement. The Grantee reserved the right to subdivide the tract into a 600 acre parcel and a 315 acre parcel. The restrictions allow for 1 house site and timber management. The tract consists of 600 acres of cut-over swamp lands and 200 acres of upland pines.

SALES CHART

	Subject	Sale 2	Sale 3	Sale 3	Sale 4
Location	Van Wyck Road	Hampton County, SC	Colleton County, SC.	Clarendon County, SC	Colleton County, SC
Date	Current	1-29-2010	11-27-2012	10-22-2010	02/22/2011
Price	N/A	\$ 402,180	\$ 185,000	\$ 222,000	\$774.605
No. Acres	151.025	268.12	76.23	317.4	815.37
Price/Ac	N/A	\$1,332	\$2,246	\$700	\$950
Market Conditions Adj.	N/A	37%	26%	34%	32%
Adj. Price/Acre	N/A	\$1,825	\$2,830	\$938	\$1,254
Size Adj.	N/A	0	-15%	0	15%
Topo Adj	N/A	0	0	35%	35%
View/access Adj.	N/A	0	0	0	0
Location	Suburban	Inferior	Inferior	Inferior	Inferior
Location Adj.	N/A	35%	35%	35%	35%
Net Adj	N/A	35%	20%	70%	85%
Adj. Price/ac		\$2,464	\$3,396	\$1,595	\$2,320

Sales Analysis

The range of adjusted sale prices is \$1,595 to \$2,464 per acre with an arithmetic mean of \$2,444 per acre. For this report, I have applied a 4% annual market condition (also known as a time adjustment) adjustment to the sales to account for the improving real estate market over the past several years.

The size adjustment reflects the inverse relationship between size and price per acre.

The topo adjustment reflects the low/wet areas of Sales 3 & 4 with respect to the subject

The location adjustment reflects the inferior location of the sales with respect to the subject.

Giving equal weight to each sale I am choosing \$2,500/acre as the indicated value of the subject area within the easement.

151.025 Acres x \$2,500/Acre = \$377,563
 Say \$375,000

Value After Value Indication: \$375,000

CONTIGUOUS FAMILY OWNED PROPERTIES

If the presence of the easement enhances the value of existing lots titled to the owner or related party, this enhancement must be deducted from the value of the easement as derived in the before and after approach.

Measuring the financial impact of the potentially enhanced parcels involves determining the benefit derived from having a permanent open or wooded view. The subject currently has wooded and open views. As such, the property value will not enhance the value of the subject or any other properties titled to the owner or related party. In the future, it is quite likely that the aforementioned acreage will be enhanced by this easement. However, at this point in time there is still a significant amount of undeveloped land in the area, and the presence of this easement will not positively affect the values of any of the owner properties here.

QUID PRO QUO

Quid Pro Quo can be defined as a thing that is exchanged for another thing of more or less equal value; a substitute. An example Quid Pro Quo in conservation easement donations is where a landowner donates a conservation easement to a county government in an agreement where the county agrees to extend sewer to the owner's remainder parcel, thereby saving the landowner money. No Quid Pro Quo arrangements have been negotiated for this transaction.

CORRELATION AND FINAL VALUE ESTIMATES

The purpose of this appraisal is to estimate the market value of the subject conservation easement. The most recognized method in making this determination is the "before & after" method. In this method, the market value of the subject is estimated before the conservation easement is in place, and then after it is in place.

Before being encumbered by the easement, the highest and best use of the subject property was determined to be for residential development potential. After being encumbered, the highest and best use of the subject was determined to be "as is".

The difference between the two value estimates (before & after) represents the value of the conservation easement

Final Value Estimate:

BEFORE	- AFTER	DIFFERENCE
\$1,360,000	\$375,000	\$985,000

In my opinion, as of December 15, 2019, the Fair Market Value of the subject conservation easement was \$985,000.

NINE HUNDRED EIGHTY FIVE THOUSAND DOLLARS

PHOTOGRAPH ADDENDUM

Borrower or Owner

Property Address Van Wyck Road

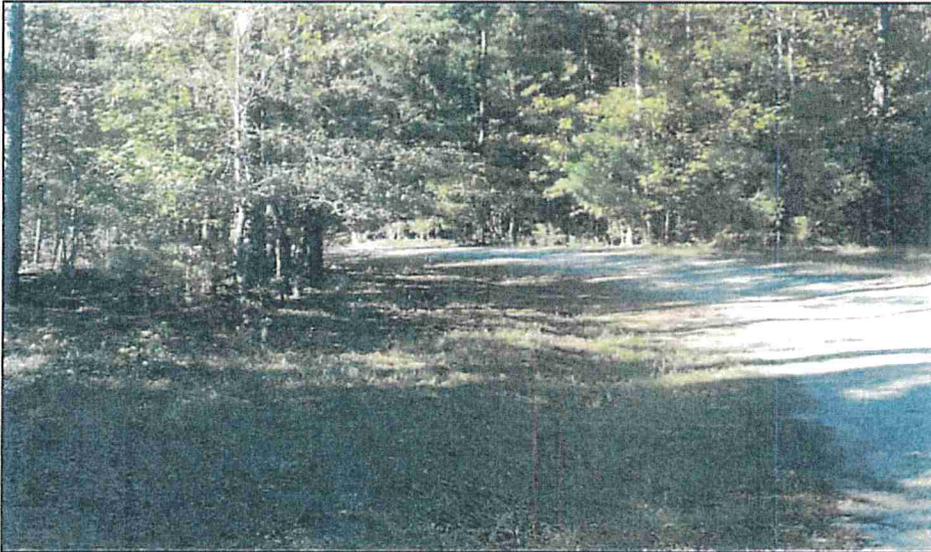
City Van Wyck

County

State SC

Zip Code

Client



ENTRANCE INTO SUBJECT



ENTRANCE FROM VAN WYCK RD



ENTRANCE ROAD

PHOTOGRAPH ADDENDUM

Borrower or Owner

Property Address Van Wyck Road

City Van Wyck

County

State SC

Zip Code

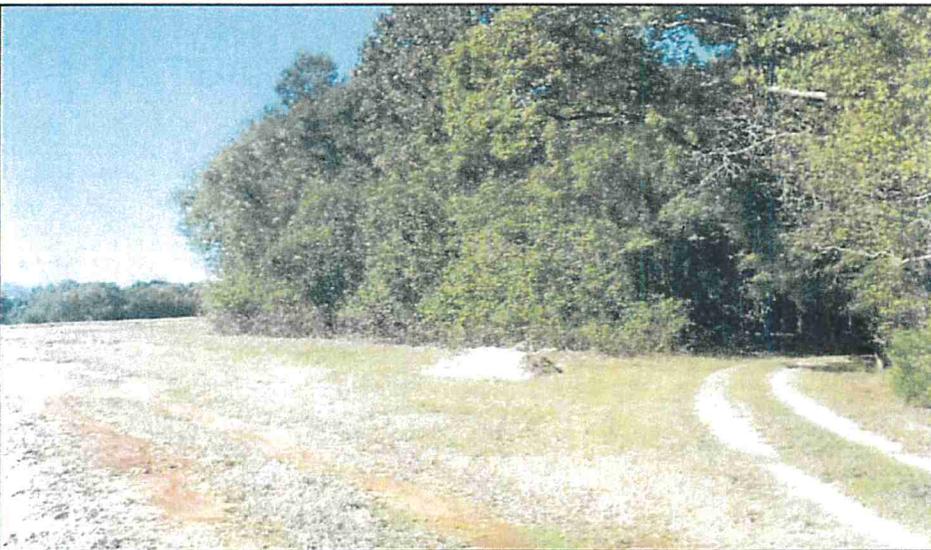
Client



INTERIOR VIEW



ENTRANCE ROAD



INTERIOR VIEW

PHOTOGRAPH ADDENDUM

Borrower or Owner

Property Address Van Wyck Road

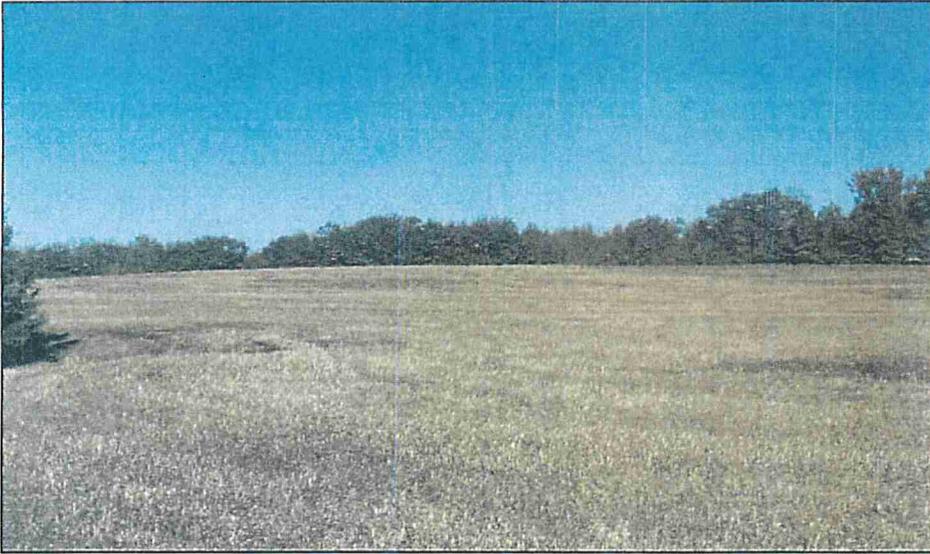
City Van Wyck

County

State SC

Zip Code

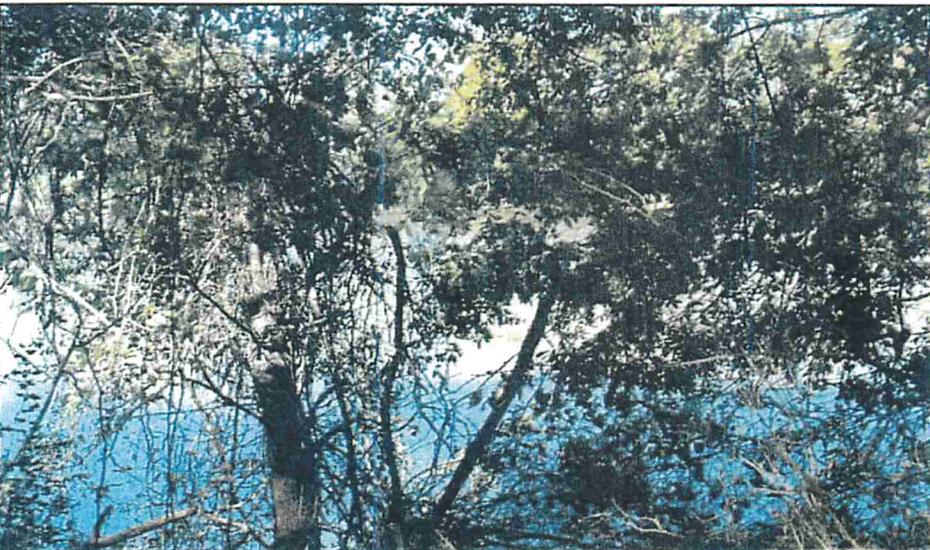
Client



INTERIOR VIEW



RIVER VIEW



RIVER VIEW

PHOTOGRAPH ADDENDUM

Borrower or Owner			
Property Address Van Wyck Road			
City Van Wyck	County	State SC	Zip Code
Client			



INTERIOR VIEW



INTERIOR VIEW



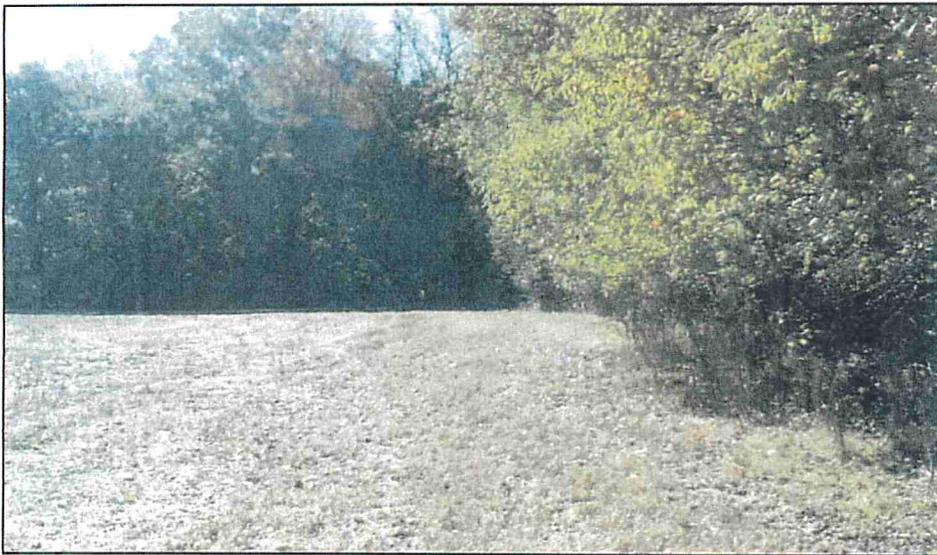
ACCESS ROAD

PHOTOGRAPH ADDENDUM

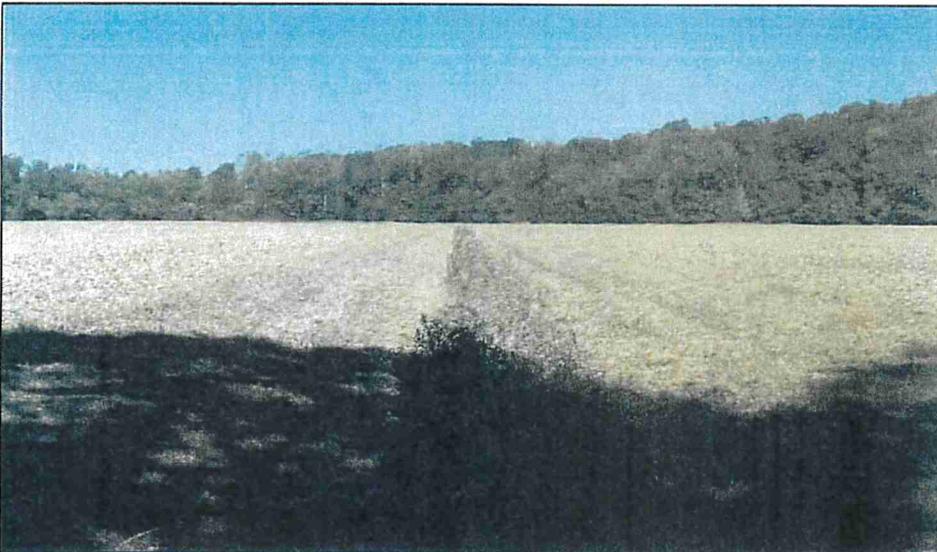
Borrower or Owner			
Property Address	Van Wyck Road		
City	Van Wyck	County	
		State	SC
			Zip Code
Client			



INTERIOR VIEW



INTERIOR VIEW



INTERIOR VIEW

BASE DISTRICT	DESCRIPTION
Agricultural Residential District (AR)	The Agricultural Residential District is established as a district in which the principal uses of the land are restricted due to lack of available utilities, unsuitable soil types, steep slopes, or for the protection of prime agricultural lands.
Rural Residential District (RR)	The Rural Residential District is established as a district where the principal use of the land is for large rural living tracts of property with an abundance of open space, agricultural lands, and a high degree of separation between buildings.
Rural Neighborhood District (RN)	The Rural Neighborhood District is established to protect the residential character of communities and neighborhoods in the rural area at a density of 1.0 dwelling unit per acre. The district is intended to promote rural living, protect farmland, and to maintain the low density residential.
Rural Business District (RUB)	The Rural Business District is established for rural crossroads that represent the small nodes of commercial activity along rural highways. This district will accommodate small-scale businesses, such as gas stations, convenience stores, or restaurants, and serve some daily needs of the surrounding rural population.
Manufactured Home District (MH)	The Manufactured Home District accommodates manufactured homes in a variety of settings, including manufactured home parks, manufactured home subdivisions, and a single-lot mobile home district.
Low Density Residential District (LDR)	The Low Density Residential District is established to maintain previously developed or approved single-family residential subdivisions and their related recreational, religious, and educational facilities at a density of 1.5 dwelling units per acre. Intended to act as a transitional zoning district between rural living and urban development, these regulations are further intended to discourage any use which would be detrimental to the predominately residential nature of the areas included within the district.
Medium Density Residential District (MDR)	The Medium Density Residential District is established to maintain previously developed or approved single-family residential subdivisions and their related recreational, religious, and educational facilities at a density of 2.5 dwelling units per acre. Intended to act as a transitional zoning district between rural and urban development, these regulations are further intended to discourage any use which would be detrimental to the predominately residential nature of the areas included within the district.

2.4 DISTRICT DEVELOPMENT STANDARDS

The following tables outline the primary development standards for each base zoning district in Lancaster County. For development on infill lots and additions to existing development, the standards in Chapter 1 shall also apply.

STANDARD	Agricultural Residential (AR)	Rural Residential (RR)	Rural Neighborhood (RN)	Rural Business (RUB)	Manufactured Housing (MH)
1. DEVELOPMENT STANDARDS					
A. District/Development Area (min)	n/a	n/a	n/a	n/a	n/a
B. Development/District Exterior Setback/Buffer	n/a	n/a	n/a	n/a	n/a
C. Density (max)	1 unit/acre	1 unit/acre	1 unit/acre	1 unit/acre	1 unit/acre
D. Open Space (min)	Exempt	Exempt	Exempt	Exempt	Exempt
E. Park Space (min)	Exempt	Exempt	Exempt	Exempt	Exempt
F. Building Floor Area (max)	n/a	n/a	n/a	n/a	n/a
G. Development Floor Area (max)	n/a	n/a	n/a	n/a	n/a
2. LOT STANDARDS					
A. Lot Area (min)	1.0 acre	1.0 acre	1.0 acre	1.0 acre	1.0 acre (3)
B. Lot Width at Front Setback (min)	130 lf	130 lf	130 lf	130 lf	130 lf
C. Pervious Surface (min)	65%	50%	50%	50%	50%
3. PRINCIPAL BUILDING					
A. Principal Front Setback (min)	40 ft	40 ft	40 ft	40 ft	40 ft
B. Street Side/Secondary Front Setback (min) Corner	20 ft	20 ft	20 ft	20 ft	20 ft
C. Side (from adjacent lot) Setback (min)	20 ft	20 ft	20 ft	20 ft	20 ft
D. Rear Setback (min)	25 ft	25 ft	25 ft	25 ft	25 ft
E. Other Standards	n/a	n/a	n/a	See Below (4)	n/a
4. ACCESSORY STRUCTURE					
A. Side Setback	5 ft	5 ft	5 ft	5 ft	5 ft
B. Rear Setback	5 ft	5 ft	5 ft	5 ft	5 ft
C. Other Standards	See Below (1, 2)	See Below (1, 2)	See Below (1, 2)	See Below (1, 2)	See Below (1, 2)
5. PARKING CONFIGURATION					
A. Parking Location per Section 7.2	See Chart 7.2.3	See Chart 7.2.3	See Chart 7.2.3	See Chart 7.2.3	See Chart 7.2.3
B. Parking in Exterior Setback	n/a	n/a	n/a	n/a	n/a
6. BUILDING HEIGHT					
A. Principal Building (max)	35 ft	35 ft	35 ft	35 ft	35 ft
B. Accessory Structure (max)	35 ft	35 ft	35 ft	35 ft	35 ft
C. Additional Height Permitted with Additional Setback	n/a	n/a	n/a	n/a	n/a

1. Accessory structures over 600 sf must comply with principal setback requirement.
2. No accessory structures may be located on corner lots between the street and wall line of the principal structure, unless front setback requirements are provided on both streets.
3. Manufactured/Mobile Home Parks have additional standards that apply to each designated manufactured/mobile home space as required in Chapter 5.
4. For any nonresidential structure which is located immediately adjacent to a single family residential use or district, the lot boundary line minimum distance shall be determined as follows: For every foot building height, the developer shall provide setbacks equal to the height of the building. At no time shall the setback be less than what is indicated in the above table.

**REAL ESTATE QUALIFICATIONS AND BACKGROUND
STEWART B. TEDFORD, MAI, SRA, AI-GRS, CCIM**

TEDFORD & ASSOCIATES, LLC

**Real Estate Appraiser Board
State Certified General Real Estate Appraiser (South Carolina, & North Carolina)
CG 333, A4215**

**South Carolina Real Estate Commission
Broker-In-Charge
550965294**

Specialization

Single-Unit Residential, Retail, Restaurants, Office, Forensic Appraisals, Retail, Right-Of-Way, Timberland, Conservation Easements, Subdivision Analysis, Condemnation, Property Tax Appeals, Apartments, Low-Income Housing Tax Credit Property, Investment Analysis.

Professional Designations and Advanced Degree

MAI (Member, Appraisal Institute). Continuing education complete through 6-30-2023.

SRA (Senior Residential Appraiser, Appraisal Institute). Continuing education completed through 6-30-2023.

AI-GRS (General Review Appraiser, Appraisal Institute). Continuing education completed through 6-30-2023.

CAE (Certified Assessment Evaluator). International Association of Assessing Officers.

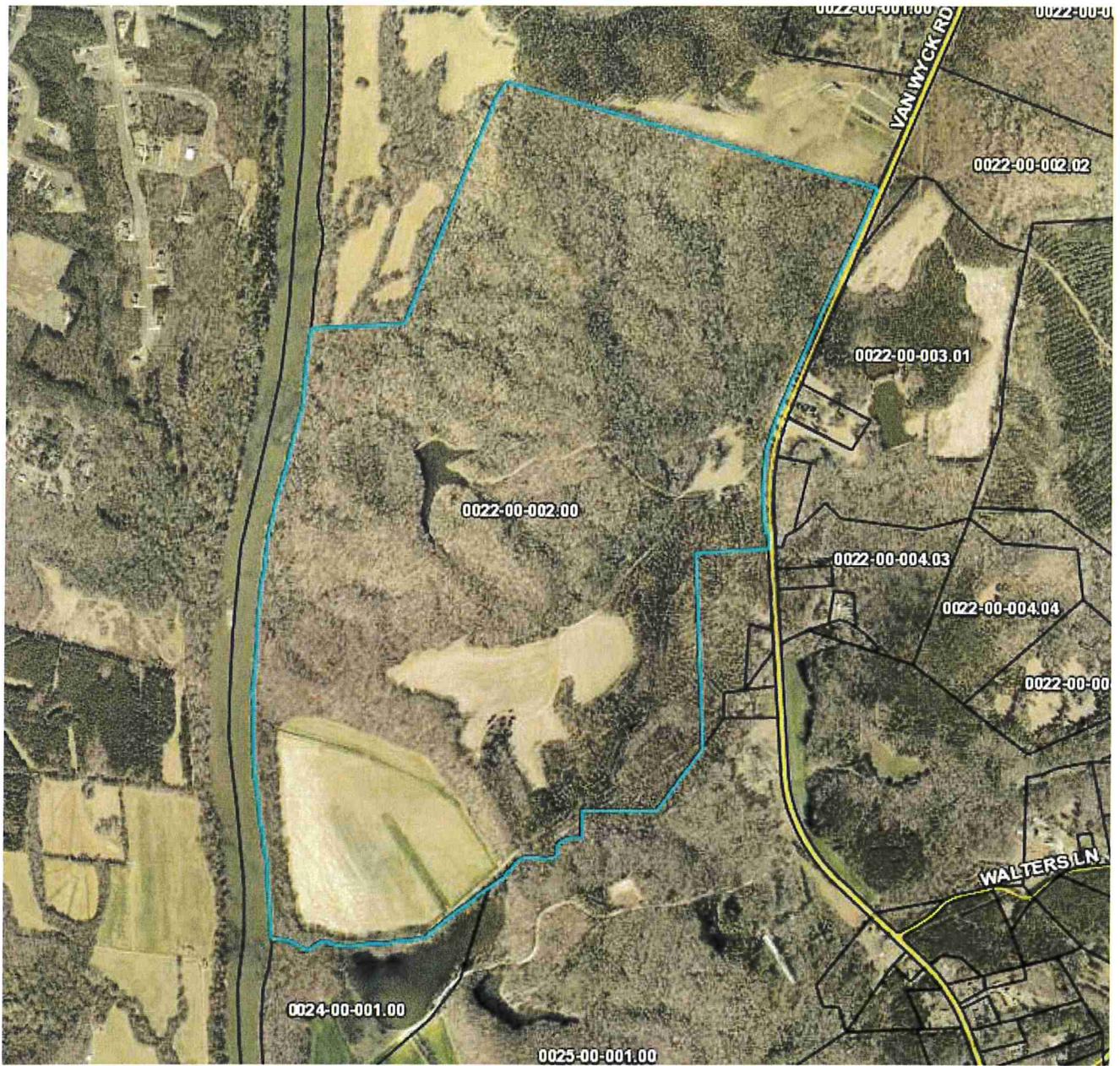
CCIM (Certified Commercial Investment Member). Commercial Investment Real Estate Institute.

South Carolina Certified General Appraiser, CG333 Continuing education complete through 6-30-2020.

North Carolina Certified General Appraiser, A4215 Continuing education complete through 6-30-2020.

MBA Winthrop University, Rock Hill, South Carolina. 1992 (evening classes).

BS-Botany Clemson University, Clemson, South Carolina. 1978





About Us

The Katawba Valley Land Trust is a non-profit conservation organization dedicated to the protection of natural and cultural resources in the Catawba River Valley of South Carolina. Since 1992, we have worked with landowners who wish to preserve their land through conservation easements, donation, or sale. Many of our conservation efforts involve partnerships with local, state, or federal agencies and other non-government organizations. We are supported financially by individual membership dues, support from our corporate partners, and grants.

Accomplishments

- KVLTL has protected over 10,700 acres in five counties through conservation easements, acquisition, or transfer to other management agencies.
- Conservation education, including publication of several books, distribution of stunning photographs and post cards of our significant natural resources, research on wildlife species, public lectures, and environmental education efforts in the local schools are all part of the land trusts outreach efforts.
- KVLTL regularly conducts nature walks, bird counts, paddling events and other such activities work to get adults and young people out into our natural environment.
- KVLTL has made a firm commitment to being good stewards of the land we have protected, using national standards to monitor and manage our holdings and establishing a stewardship endowment to ensure perpetual care.

Conservation Through Partnerships

The Katawba Valley Land Trust has worked with numerous private, local, state and federal partners to accomplish conservation objectives in our 25-year history. Examples include:

- Expansion of the protected area around Landsford Canal State Park in Chester and Lancaster counties from 200 acres to over 1,400 acres through partnerships with private landowners and federal and state agencies.
- Creation of the Lancaster Greenway Preserve, a necklace of green through the City of Lancaster along the major creeks, providing urban open space of over 350 acres through purchase and donation of land by numerous private property owners. The land trust is now working with the Carolina Thread Trail and the City of Lancaster to construct a greenway in the Preserve. The greenway will be called the Lindsay Pettus Greenway to honor the founder of the Katawba Valley Land Trust.
- Purchase of the Heritage Tract, an area of stunning natural beauty surrounding the reservoirs at Great Falls in Chester County, protecting over 2,000 acres and supporting new economic opportunities for this distressed community.
- Protection of a working family farm in Chester and York counties through an innovative project to purchase development rights through funding from the South Carolina Conservation Bank. This project allowed the family to continue active farming into the fifth generation.
- Leadership in protecting the site of the Battle of Camden in Kershaw County through partnerships with a corporate owner, the Palmetto Conservation Foundation, and local private landowners. The protection of 475 acres ensures the preservation of one of the most important battle sites in South Carolina in the American Revolution.
- In partnership with The Nature Conservancy and state agencies, KVLTL has worked to protect over 2,500 acres at the Forty-Acre Rock Heritage Site in eastern Lancaster County, home to unusual granite outcrops and a number of rare and endangered plant species.
- KVLTL initiated the Catawba Master Naturalist Program, providing intensive training for citizen scientists in cooperation with Clemson University, USC-Lancaster, and other local entities.