

Definitions of Commonly-Used Property Conservation Terms

Bargain Sale: Land or conservation easement that is sold to a non-profit charitable or tax-exempt organization for less than its fair market value.

Boundary Survey: A survey to establish the boundaries of a parcel using its legal description which typically involves the setting or restoration of monuments or markers.

Conservation Easement: A voluntary, legal agreement between a landowner and a land trust or public or government agency that permanently limits uses of the land in order to protect its conservation values. The property is still owned by the landowner, who can sell or pass it to his heirs, but specific uses or development are prohibited as outlined in the agreement.

Fair Market Value: The dollar value that a willing buyer would pay a willing seller, neither being under any compulsion to buy or sell and both having full knowledge of relevant facts surrounding the transaction.

Fee Simple Purchase or Donation: Transfer of all rights in land. Fee simple sales at market value are usually taxable transactions.

Land Trust: A nonprofit organization formed for the express purpose of holding land (or restrictive easements on land) for its conservation, historic preservation, wildlife protection and/or recreation values, among other things.

Life Estate: A specific class of donation that allows the landowner to continue living on or using the land for their lifetime, but then have deferred benefits for estate taxes. A life estate may be integrated into a purchase or donation of land or interests in land (easement), as well as remainder trusts. This allows the donor to deduct the appraised value of the donation from federal and state income taxes and removes the value from amounts subject to capital gains and estate taxes.

National Register of Historic Places (NR): The official list of the nation's historic places worthy of preservation. Authorized by the National Historic Preservation Act of 1966, the National Park Service's National Register of Historic Places is part of a national program to coordinate and support public and private efforts to identify, evaluate, and protect America's historic and archeological resources.

Purchase of Development Rights (PDR): A voluntarily sale of rights to develop a parcel of land to a public agency or qualified conservation organization. The landowner retains all other ownership rights attached to the land, and a conservation easement is placed on the land and recorded on the title. The buyer (often a local unit of government or land trust) essentially purchases the right to develop the land and extinguishes that right permanently, thereby assuring that development will not occur on that particular property.

Stewardship Fees: Monies set aside by a land trust or organization that holds a property conservation easement to monitor, defend, and enforce the easement to ensure protection in perpetuity. Stewardship responsibilities include maintaining land-related records, tracking changes in land ownership, monitoring conserved properties at least annually, photo-documenting land uses periodically, answering landowner questions, interpreting or approving permitted activities, and correcting violations through voluntary compliance or, if necessary, legal defense proceedings.