



## Transaction Costs of Conservation Easements

The costs to complete a conservation easement vary widely depending on what your needs are, who you hire and how complex the process is. The costs reflected below are meant to provide you with an “average range” of fees, they can be higher if your project is more complex. Many of these costs are necessitated by the IRS to prove that your property has monetary and Conservation Values associated with it.

You are responsible for these costs. The good news is many of these costs are due at or after closing, lessening the amount you will need to start your project. RiGHT may be able to pursue funding to cover some transaction costs for you and there are loan programs available to help cover these costs with the loan due to be repaid after closing. You may wish to consult with your tax professional to determine the deductibility of these fees.

For explanations of what steps in the process these fees are associated with *see* RiGHT's “Conservation Easements: The Process” information sheet.

Costs for these documents are acknowledged to be approximate estimates only, and the landowner is responsible for confirming the final costs with the associated providers.

<b>Required Expenses</b>	<b>Range</b>
Accountant / Financial Advisor	\$1,000 - \$2,000
Legal Fees*	\$4,000 - \$15,000
Title Commitment, Insurance and Mineral Rights Search, Closing Costs	\$2,000 - \$4,000
Appraisal	\$5,000 - \$10,000
Baseline Document	\$3,500 - \$5,000
Stewardship Endowment*	\$10,000 - \$15,000
Mineral Remoteness Letter	\$1,500 - \$2,500
RiGHT's Fee for Service*	\$5,000 – 5% of Amt Raised
<b>If Needed Expenses</b>	
Mortgage Subordination	\$1,000 - \$2,000
Environmental Assessment*	\$2,500 - \$3,500
Survey*	\$3,000 - \$6,000

\*See further descriptions on these expenses below.

**Legal Fees:** You will need your own attorney.

**Stewardship Endowment:** RiGHT requests an endowment from the donor for the stewardship of the conservation easement. Any holder of a conservation easement (i.e. land trusts) needs an endowment to fund the annual monitoring and legal costs associated with defending the terms of the easement. This endowment is placed in a pooled fund, from which the inflation-adjusted earnings can be used to cover stewardship and annual monitoring expenses. RiGHT requests a stewardship endowment contribution of \$15,000 per easement.

**RiGHT's Fee for Service:**

For donated Conservation Easements: \$5,000. If RiGHT does any fundraising for a project: the higher amount of \$5,000 or 5% of the amount raised. Please note that if RiGHT does any fundraising for transaction costs – this expense is not covered in that fundraising.

**Environmental Assessment:** If there was illegal dumping or industrial waste spilled on the property, it may be necessary to assess the nature of the hazardous materials on the property. This assessment limits the liability for RiGHT.

**Survey:** In some cases it may be necessary to complete a survey to outline property boundaries and create a new legal or to outline building envelopes.

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