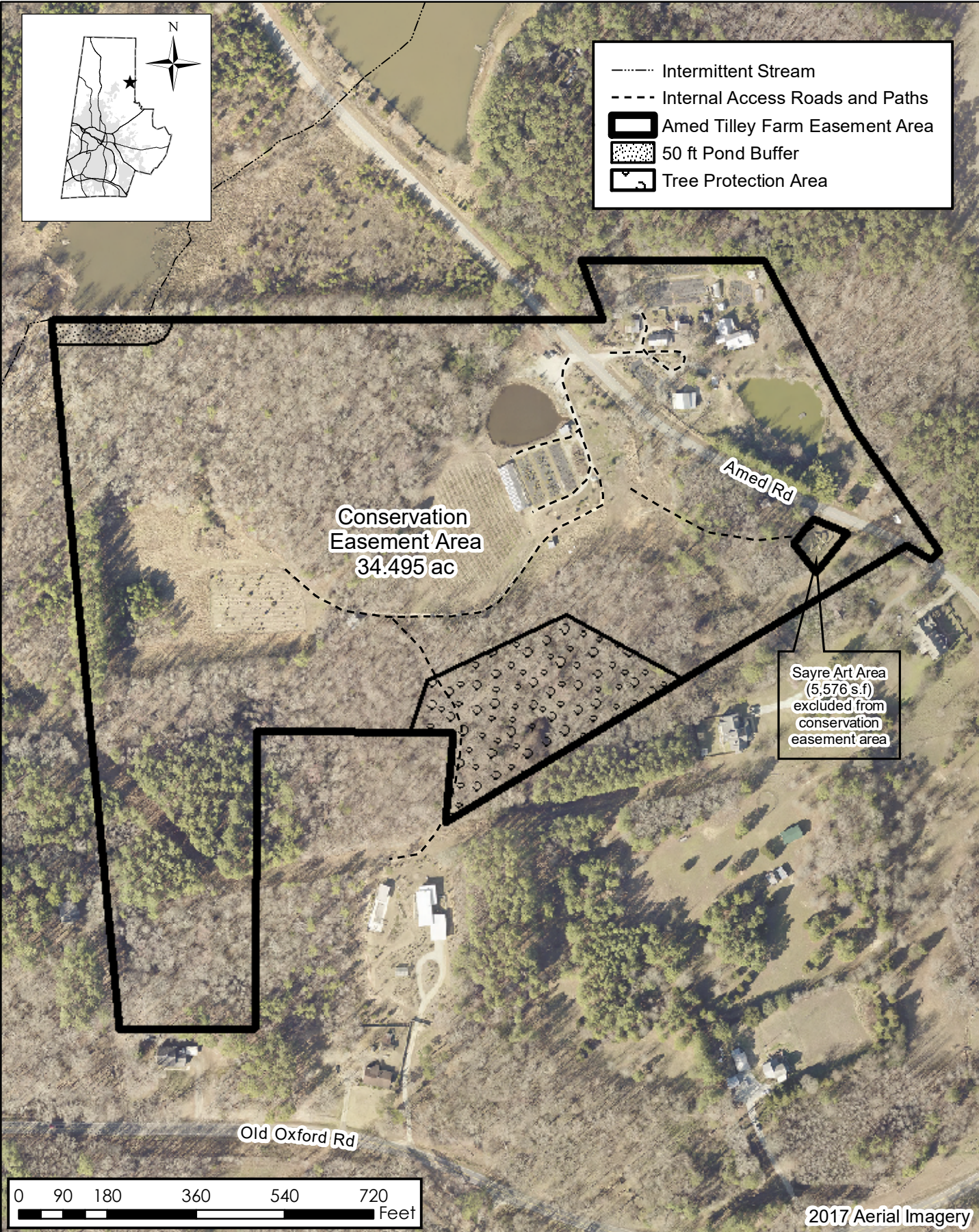


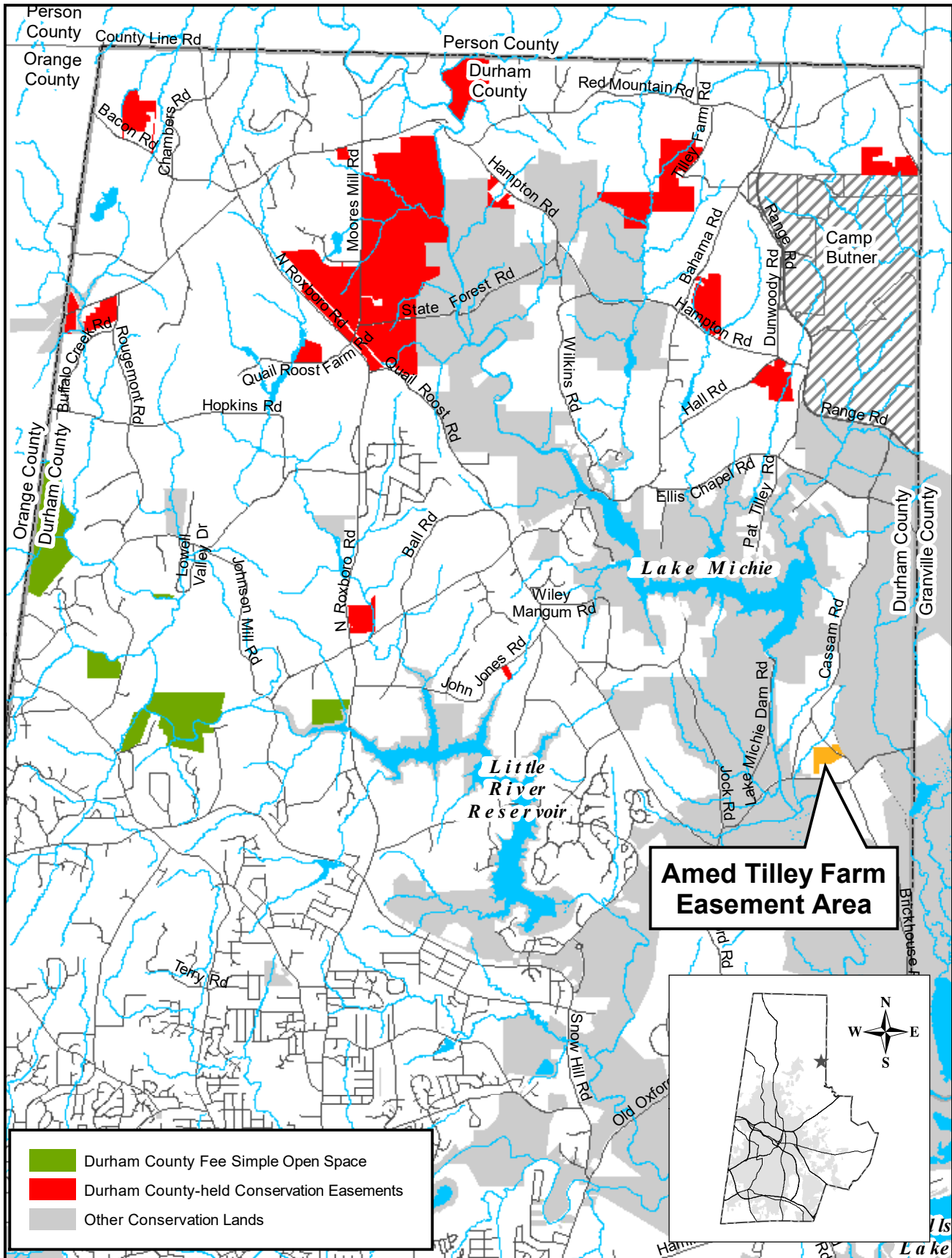
Attachment 1 - Amed Tilley Farm



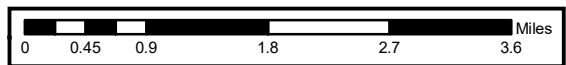
Engineering and
Environmental Services
Open Space and Real Estate

THIS MAP IS NOT A CERTIFIED SURVEY
AND HAS NOT BEEN REVIEWED BY A LOCAL
GOVERNMENT AGENCY FOR COMPLIANCE WITH ANY
APPLICABLE LAND DEVELOPMENT REGULATIONS.

Attachment 2 - Amed Tilley Farm Location



Engineering and
Environmental Services
Open Space & Real Estate Division



Attachment 3—Amed Tilley Farm

Historic Amed Tilley House



Owner John Monroe
in Blueberry Field

Large greenhouse space on farm



10/16/2019

Attachment 4

Amed Tilley Farm Conservation Easement

34.5 acres

Overall Budget	
Easement Value	\$ 160,500
Associated Project Costs - including surveys and appraisals	\$ 16,100
Closing Costs (estimated)	\$ 2,600
Total Costs	\$ 179,200

Funding Sources	
Federal NRCS ALE Grant Award (50% of approved easement value)	\$ 80,250
Durham County - Easement Cost (50% of approved easement value)	\$ 80,250
Durham County - Closing Costs	\$ 2,600
Durham County - Transaction and Project Costs	\$ 16,100
Total Funding Sources	\$ 179,200

Total Cost to Durham County	\$98,950
Durham County Cost per acre	\$2,910



Durham County Farmland Protection Program



Determining the Value of a Conservation Easement

The value of a conservation easement is determined by a qualified appraiser who will be hired by Durham County. The valuation process has the following steps:

1. First, the appraiser will look at the farm to come up with his/her estimate of the likely value of the property if it was sold on the regular market place without restrictions, called “fair market value”. This analysis looks at recent land sales in the area, and factors in characteristics such as the property’s location, size, access, surrounding land uses, and development potential.
2. Next, the appraiser will look at the same property and its likely value if it was purchased with the easement restrictions in place. The appraiser will need a general list of major easement restrictions, such as how many home sites are still possible, what uses can still be made of the property, etc. The appraiser will then use their educated judgment to estimate what the property would be worth on the open market place if it was sold with these restrictions in place. This value is typically substantially less than the unrestricted “fair market value” of the property.
3. The difference between the two values derived above is considered the value of the easement rights. If the property owner is willing to sell the conservation easement for less than its appraised value, the difference is called a “bargain sale” which can have advantages on federal and state taxes as it is considered a “charitable donation”. See the examples below:

Example of the Appraised Value of a Conservation Easement on a 100 acre farm:

1. “Fair Market Value”:	
Value of the farm without easement (100 acres x \$5,000 /acre)	\$500,000
2. Value after the Easement is conveyed:	
Value of the farm with easement restrictions in place (100 ac x \$1,500 /acre)	- \$150,000
3. Value of the Easement rights:	= \$350,000
Reduction in market value due to the easement restrictions	

Example of a “Bargain Sale”

1. “Fair Market Value” of the Easement:	\$350,000
As determined by the process above	
2. Amount that the landowner wishes to receive:	- \$250,000
3. “Bargain Sale” Value:	= \$100,000
This donated value may be considered a charitable donation on federal taxes.	