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STATE OF SOUTH CAROLINA)
)
COUNTY OF GEORGETOWN)

DEED OF CONSERVATION EASEMENT

THIS DEED OF CONSERVATION EASEMENT is made this 10th day of November, 2008 by GTOWN VENTURE II, LLC (hereinafter "Grantor"), having an address at PO Box 11923, Columbia, SC 29211, in favor of the Pee Dee Land Trust (hereinafter "Grantee"), a South Carolina non-profit corporation and a publicly supported charitable organization organized and operated under §501(e)(3) of the Internal Revenue Code of 1986, as amended (generally hereinafter the "Code") and not a private foundation under Code §509, with a business address at 4822 E. Palmetto St. Florence, SC 29506, PO Box 4, Darlington SC 29540 and The Nature Conservancy, (hereinafter "Conservancy") a non profit corporation organized under the laws of the District of Columbia with a local address of 2231 Devine Street, Suite 100 Columbia, SC 29205 as recipient of third party enforcement rights only.

WHEREAS, Grantor is the sole owner in fee simple of certain real property containing approximately two hundred and three and nineteen one hundredths (203.19) acres in Georgetown County, South Carolina, identified by TMS # 03-0463-027-00-00 and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (hereinafter the "Protected Property");

WHEREAS, it is the intention of the Grantor to protect certain conservation values on the Protected Property such as wildlife habitat, water quality, and open space on the Protected Property as well as other unique ecological qualities;

WHEREAS, conservation values specifically identified for the Protected Property (the "Conservation Values") include the following:

- A. Preservation of land within a strategic location that will yield a significant public benefit, specifically, the Protected Property is situated in an area called the Plantersville Community which is the target of a consortium of state and federal agencies, conservation groups and private landowners working to protect the area's natural resources and traditional recreational and agricultural uses. The Protected Property is located in the vicinity of more than 8,000 acres of other permanently protected properties and 1,300 acres of state-owned land; and The Protected Property is within the Winyah Bay Focus Area, the USFWS Waterfowl Focus Area, USFWS Waterbird Focus Area; USFWS Shorebird Focus Area; and the USFWS Land-bird Focus Area for Forested Wetlands and Grasslands;
- B. Preservation of scenic open space on eight tenths (8/10) of a mile on Plantersville Road; two fifths (2/5) of a mile on Exodus Road, which are important, historic and scenic transportation routes through the Plantersville Community and which are bordered by other protected properties with scenic values;
- C. Preservation of the bottomland hardwood forest, habitat, and scenic water frontage along approximately one (1) mile of the south bank of Cypress Creek and approximately one third (1/3) of a mile on the north bank of Cypress Creek. The forested habitat provides habitat connectivity between this and other woodland habitats; and



- D. Preservation of land containing Prime Soils and Soils of Statewide Importance available for agricultural activity and whose protection from more widespread development has inherent value for the protection of pervious surface and attendant groundwater recharge and water quality improvement functions; and

WHEREAS, the Conservation Values as listed above are documented in a report on file at the Grantee's office and incorporated herein by this reference (hereinafter the "Baseline Documentation"). This document shall consist of maps, reports and photographs;

WHEREAS the parties agree that the Baseline Documentation provides, collectively, an accurate representation of the Protected Property at the time of this grant and is intended to serve as an objective point of reference from which to monitor compliance with the terms of this grant;

WHEREAS the Conservation Values as listed above are of great importance to Grantor, to Grantee, and to the people of South Carolina and this nation;

WHEREAS, Grantor believes that with the careful use of conservation easements, the resources, habitat, beauty and unique ecological character of the Protected Property can be protected in a manner that permits continuing private ownership of land and its corresponding use and enjoyment;

WHEREAS, Grantor intends to preserve and protect the Conservation Values in perpetuity;

WHEREAS, Grantor is willing to forever forgo the right to fully exploit the financial potential of the Protected Property by encumbering the Protected Property with a conservation easement;

WHEREAS, by act of the General Assembly of the State of South Carolina, as codified in Section 27-8-10, et. seq. of the South Carolina Code Ann. 1976, as amended (hereinafter the "SC Code"), the State of South Carolina created "The South Carolina Conservation Easement Act of 1991" (hereinafter the "Act");

WHEREAS, the Act has recognized and authorized the creation of conservation restrictions and easements; and has recognized and authorized Grantee to hold conservation easements;

WHEREAS, the preservation of open space (including farm and forest land) is recognized in the following governmental conservation policies:

- A. The Farmland Protection Policy Act, P.L. 97-98, 7 U.S.C. Section 4201, *et seq.*, whose purpose is "to minimize the extent to which Federal programs and policies contribute to the unnecessary and irreversible conversion of farmland to nonagricultural uses, and to ensure that Federal programs are administered in a manner that, to the extent practicable, will be compatible with State, unit of local government, and private programs and policies to protect farmland";
- B. South Carolina's right-to-farm law, as codified in SC Code Sections 46-45-10 to -70; which states in part "The policy of the State is to conserve, protect, and encourage the development and improvement of its agricultural land and facilities for the production of food and other agricultural products";
- C. The Act, whose purposes include "ensuring the availability of real property for agricultural, forest, recreational, educational or open space use"; and

D. South Carolina's preferential tax laws for agricultural land, as found in SC Code Sections 12-43-220 to -260, as amended, provide for a preferential tax rate for agricultural land in order for such lands to remain in productive agricultural uses; and

WHEREAS, Grantor and Grantee recognize the natural, scenic, and special character and opportunity for enhancement of the Protected Property, and have the common goal of conserving and protecting in perpetuity the Protected Property as "a relatively natural habitat of fish, wildlife or plants or similar ecosystem" and "open space (including farmland and forest land)" as those phrases are used in Code §170(h)(4)(A) and in the regulations promulgated thereunder by the United States Department of the Treasury (hereinafter, "Treasury Regulations");

WHEREAS, Grantor and Grantee agree these goals can be accomplished by placing voluntary restrictions upon the use of the Protected Property and by providing for the transfer from the Grantor to the Grantee of affirmative rights for the protection of the Protected Property so as to be considered a "qualified conservation contribution" as such term is defined in §170(h) of the Code and the Treasury Regulations promulgated thereunder;

WHEREAS, the Grantee is a corporation whose purposes and powers include one or more of the purposes set forth in the Act, and Grantee is dedicated to the preservation of the irreplaceable natural, historical, and agricultural resources of the Pec Dee Region in South Carolina by protecting significant lands, waters and vistas; and

WHEREAS, the Grantor and Grantee agree that third-party rights of enforcement, of the nature and to the extent described herein, shall be held by Conservancy; and

WHEREAS, Grantor herein declares that the Protected Property shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions and easements hereinafter set forth, which covenants, conditions, restrictions and easements shall be deemed to run with the land in perpetuity and to be a burden on the Protected Property in perpetuity.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants, terms, conditions and restrictions contained herein and other valuable consideration, and pursuant to §§170(h) and 2031(c) of the Code and the laws of the State of South Carolina, the Grantor hereby voluntarily grants and conveys to Grantee, its successors and permitted assigns, a conservation easement in perpetuity over the Protected Property of the nature and character and to the extent hereinafter set forth (hereinafter the "Easement").

1. Definitions. For the purposes of this Easement, Grantor and Grantee agree that those bold-faced terms that appear throughout Paragraph 5 shall be defined as follows:

Agricultural Activities: activities directly related to the production and/or harvesting of plant and/or animal products on the Protected Property, including but not limited to the means of production, and/or the improvement and maintenance of lands for the production of crops, timber, animal husbandry, floriculture and horticulture, for silviculture and aquaculture, and for the processing and sale of plants or animals grown or raised on the Protected Property or the byproducts therefrom.

Agricultural Structure: any building designed or used in the conduct of permitted **Agricultural Activities**, not including any structure used as a dwelling for human beings.

Approval: the prior written consent of the Grantee to allow Grantor to undertake an activity, such consent to be granted in the sole and absolute discretion of the Grantee after consideration of the impact of the subject at issue on the Conservation Values.

Building Height: shall be measured, for the purposes of any permitted structure, from the ground or the legal building elevation within a Federal Emergency Management Agency (or successor agency) flood zone, whichever is greater, to the top of the highest structural component, excluding chimneys, antennas and weather vanes.

Designated Building Areas: those areas designated in this Easement for siting all **Residential Structures** and **Related Outbuildings**.

Forest Management Practices: silviculture and related activities, all of which are included in the definition of **Agricultural Activities**.

Grantor: wherever used herein, "Grantor" and any pronouns used in place thereof, shall include the above-named Grantor and its successors and assigns at any time when said parties own or have a possessory interest in all or a portion of the Protected Property. Said term shall not be printed in bold lettering in this document.

Grantee: wherever used herein, "Grantee" and any pronouns used in place thereof, shall include, respectively, the above-named Grantee and its successors and assigns at any time when said parties own or have a possessory interest in all or a portion of the Protected Property. Said term shall not be printed in bold lettering in this document.

Impervious Surface: a surface area which either prevents or significantly retards the entry of water into the soil. **Impervious Surfaces** include roof tops, patios and decking, enclosed and unenclosed porches, covered storage areas, paving, swimming pools, boardwalks, docks, or other surfaces which similarly prevent the natural infiltration of water.

Main House: a detached, single-family dwelling constituting the primary residential use on the **Protected Property** or the **Subdivided Tract**.

Notice: a written communication as defined in Paragraph 23.

Purposes: such term shall have that meaning as set forth in Paragraph 2 below.

Related Outbuilding: any auxiliary structure used as an accessory to a private rural residence, not including any structure used as a permanent or temporary dwelling for human beings.

Residential Structure: the **Main House(s)** and the **Secondary House(s)**.

Reserved Rights: such term shall have the meaning as set forth in Paragraph 4 below.

Secondary House: a single-family dwelling to be held under the same ownership as and controlled by the owner such as a "guest house" or "tenant house".

Subdivided Tract: a transferable parcel of land separate and distinct from the original parcel(s) comprising the Protected Property, which is created from said original parcels after the date of this Easement; and said parcel of land will, however, continue to be a portion of the **Protected Property**.

Subdivision: the creation of a **Subdivided Tract** after the date of this Easement.

Waste Material: municipal, commercial, or industrial sewage sludge or liquid generated from such sources, debris, trash, and other solid waste, as well as hazardous or radioactive waste.

Wetland: any wetland area identified in Exhibit B and described in Paragraph 5 below.

Wetland Buffers: those areas of the Protected Property described in Paragraph 5 below.

2. Purposes. The purposes of this Easement (hereinafter the "**Purposes**") are as follows:
 - (A) To protect and preserve the Conservation Values listed on page 1;
 - (B) To prevent any use or activity that would significantly impair the Conservation Values; and
 - (C) To allow the continuation of historic and traditional uses and activities as well as limited new uses that would not significantly impair or degrade the Conservation Values.

3. Rights of Grantee. Grantor hereby conveys the following rights to the Grantee:
 - (A) Right of Visual Access. To have visual access to the Protected Property for the purposes of monitoring and enforcement of this Easement, provided that such right shall not be construed to permit general public access over or upon the Protected Property;
 - (B) Right to Monitor. To enter upon the Protected Property at least annually and immediately before or after every change in ownership, at times agreed upon by the Grantee and Grantor, in order to monitor compliance with the Easement and to further document natural and manmade features of the Protected Property;
 - (C) Right to Prevent Inconsistent Uses. To prevent Grantor and or third parties from conducting any activity or use inconsistent with the Purposes and terms of this easement;
 - (D) Right to Require Restoration. To require Grantor and/or third parties to restore such Conservation Values that may be damaged by any uses or activities prohibited by this Easement or by any activity or use inconsistent with the Purposes; and
 - (E) Right of Discretionary Approval. If, owing to unforeseen circumstances, any of the uses or activities prohibited under this Easement subject to the **Approval** of Grantee are deemed desirable by both the Grantor and the Grantee, the Grantee may, in its sole discretion, give **Approval** for such activities, subject to such limitations as it deems necessary or desirable, and provided that:
 - I. The activities will not impair or degrade the qualification of this Easement as a "qualified conservation easement" under any applicable laws, including §§170(h) and 2031(c) of the Code or any provision of the Act;
 - II. The activities will not adversely affect the "tax exempt" status of the Grantee under any applicable laws, including §501(c)(3) of the Code and Treasury Regulations promulgated thereunder;
 - III. The activities will not adversely affect the Conservation Values; and



IV. Notwithstanding the foregoing, Grantor and Grantee shall not have the right or power to conduct or **Approve**, respectively, any activities that would result in the termination of this Easement. Moreover, Grantee reserves the right to deny **Approval** without liability.

- (F) Costs of Enforcement. The Grantee shall be entitled to and the Grantor hereby agrees to indemnify and hold harmless the Grantee from and against any loss, liability, or expense, including reasonable attorneys' fees and expenses and any other fees and disbursements, that may be incurred by or on behalf of the Grantee in enforcing any of its rights or any of the Grantor's obligations under this Easement (the "Enforcement Costs"). The Enforcement Costs shall be deemed a lien and permanent charge in favor of the Grantee; and shall also be the joint and several personal obligation of each Grantor, should there be more than one, at the time the Enforcement Costs arise and upon the Grantor's successor in title if unpaid on the date of any conveyance of the Protected Property, and each and every such subsequent Grantor by acquiring or holding an interest in the Protected Property thereby covenants to pay such amounts to the Grantee when the same shall become due.
- (G) Third-Party Right of Enforcement. Conservancy shall have all of the rights but not the obligation of Grantee hereunder necessary to enforce this Easement, provided that it shall be the primary obligation of Grantee to enforce this Easement. Conservancy, in its discretion, shall institute an enforcement action, at its cost and expense, only in the event Grantee shall, after **Notice** from Conservancy, fail to do so. Conservancy shall be entitled to copies of all monitoring reports, required notices, requests for approval and any other communication between Grantee and Grantor at its request.
- (H) Release and Hold Harmless. Grantee and the Conservancy acknowledge that the discretionary nature of the monitoring and enforcement rights and the potential which exists for differences of opinion with respect to enforcing the terms of this Easement. Accordingly, the Grantee and the Conservancy agree to release and hold harmless each other from and against any and all claims, actions or proceedings that they may, now or at any point in the future may, have against the other party for any omission or delay in acting with respect to the monitoring and enforcement rights provided herein.

4. 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 (collectively, the "**Reserved Rights**"), subject to the specific restrictions and limitations of Paragraph 5, which are included to accomplish the Purposes described in Paragraph 2. All **Reserved Rights** shall apply to the Protected Property in its entirety. In addition, the exercise of all Reserved Rights shall be in full accordance with all applicable local, state and federal laws and regulations, as well as in accordance with the **Purposes** and terms of this Easement.

5. Restrictions, Limitations and Responsibilities. The provisions in this Paragraph 5 set forth the Grantor's responsibilities with regard to the acts on, over, or under the Protected Property.

- (A) Subdivision. The **Protected Property** may be **Subdivided** so as to create a total of not more than five (5) **Subdivided Tracts**. Any such **Subdivided Tract**, plus the remaining portion of the original parcel (the "Original Parcel"), constituting a maximum total of six (6) parcels, must be thirty (30) acres or larger. If and when the Grantor chooses to **Subdivide** the Protected Property, such **Subdivision** shall be in

accordance with the terms of this Easement and Grantor shall be required to allocate some portion of the total allowable **Impervious Surface** area (even if it is 0 sq. ft.), allowable **Residential Structures**, and pond acreage among the newly **Subdivided Tracts**. Said allocation shall be reflected in any document or instrument which creates and/or conveys the parcels.

- (B) **Building Areas.** There shall be no more than one (1) **Designated Building Area** on the Original Parcel and on each **Subdivided Tract**. Each such **Designated Building Area** shall be no greater than one (1) acre and may only be established after consultation with and **Approval** of the Grantee.
- (C) **Structural Limitations.** The construction, enlargement and replacement of **Residential Structures** and all other structures on the Protected Property are subject to the following limitations:
- I. **Impervious Surface.** There shall be no limitation as to square footage of **Impervious Surfaces** within any **Designated Building Area**, except that no roads may be paved with an **Impervious Surface**. The square footage of the footprint of all **Impervious Surfaces** elsewhere on the Protected Property shall not exceed one hundred and fifty (150) square feet per **Subdivided Tract**;
 - II. **Height.** No **Residential Structure** or **Related Outbuilding** shall exceed fifty-five (55) feet in **Building Height**;
 - III. **Structures.** **Residential Structures** shall be limited to one (1) **Main House** and one (1) **Secondary House** per **Subdivided Tract**;
 - IV. **Siting.** All **Residential Structures** must be located within **Designated Building Areas**;
 - V. **Dwelling Restrictions.** Other than permitted **Residential Structures**, no other structure on the Protected Property shall be used as a temporary or permanent dwelling for human beings;
 - VI. **Towers.** There shall be no towers on the Protected Property other than those which serve exclusively onsite purposes or are of a height not greater than thirty (30) feet; and
 - VII. **Docks.** There shall be no dock permits applied for on, nor shall docks be constructed on or immediately adjacent to, Cypress Creek.
- (D) **Lighting.** There shall be no outdoor lighting that remains constantly illuminated or that automatically becomes illuminated in darkness on the Protected Property or on any structures built on the Protected Property.
- (E) **Public Road Buffers.** In order to protect the rural character of the Protected Property and provide a scenic, vegetated buffer between the Protected Property and both Plantersville Road and Exodus Road, the following provision shall apply: the Protected Property shall be maintained as a wooded area within one hundred (100) feet of the closest edge of each public road.
- (F) **Wetlands and Wetland Buffers.** The **Wetlands** identified in Exhibit B shall have a native/natural woodland area extending 100 feet from its boundary line. This area, as is

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also reflected on the attached Exhibit B, shall be referred to as the "Wetland Buffers" and along with the Wetlands, shall be subject to the following restrictions:

- I. Clearcutting and site preparation that involves bedding the soil or making rows for timber operations shall not be permitted in either the **Wetlands** or **Wetland Buffers**;
 - II. Selective cutting of timber shall be permitted in the **Wetland Buffers** when:
 - i) such cutting is necessary to improve the health of the timber (e.g. disease, invasive species, ecological management);
 - ii) such cutting is necessary to restore native forest types;
 - iii) selective thinning is deemed appropriate to allow filtered views from the permitted residences; or
 - iv) maintenance is needed for upkeep of permitted structures or activities, including woodland roads or fire-breaks;
 - III. Commercial timber harvest shall not be permitted in the **Wetlands**; and
 - IV. Neither Grantor nor Third Parties may plant or seed the **Wetlands** or the **Wetland Buffers** unless those plants species are native or naturalized in Georgetown County, South Carolina.
- (G) Industrial Uses. There shall be no industrial uses, activities, or structures on the Protected Property. No right of passage across or upon the Protected Property shall be allowed or granted if that right of passage is used in conjunction with any industrial uses or activities. Said prohibition shall include a prohibition on equipment or activities associated with dredging or stream flow alteration.
- (H) Commercial Uses. There shall be no commercial uses, activities or structures, other than lease- or fee-based hunting and fishing, and nature- or home-based businesses (including bed & breakfast type establishments), all of which must have minimal traffic impacts.
- (I) Services. Construction of water wells, septic systems, fuel storage tanks and utility services is limited to serve the allowed uses in Paragraph 5. Such construction must be placed within the **Designated Building Area** unless **Approval** of the Grantee has been acquired for placement elsewhere on the Protected Property. No services may be situated within the **Wetlands** or **Wetland Buffers**.
- (J) Roads. Roads on the Protected Property shall be limited to those required to facilitate the uses permitted by this Easement, provided the use and maintenance of said roads shall be subject to the following:
- I. Grantor shall use existing roads wherever possible;
 - II. There shall be no paving of any road with **Impervious Surfaces**, unless otherwise required by state or local ordinance. Crusher-run or similar pervious gravel surface shall be permitted;
 - III. Maintenance of roads and roadside ditches shall be limited to standard practices for non-paved roads; and
 - IV. Roads may not be built in the **Wetlands**.



- (K) Signs. Except as provided below, there shall be no permanent/long-term signs, billboards, or other means of outdoor advertising on the Protected Property:
- I. Two (2) non-illuminated signs not to exceed twelve (12) square feet each indicating the name, use and/or ownership of the Protected Property;
 - II. Non-illuminated signs indicating aspects of historical or ecological significance of the Protected Property; and
 - III. Standard signs such as "no trespassing" or "for sale".
- (L) Archaeological Digs and Artifacts. Prior to commencing any archaeological digs, Grantor shall give **Notice** to Grantee of said activities. Any archaeological site shall, upon completion of any excavation, be returned to, or as close as possible to, its previous state, unless the site is to be maintained in an excavated condition for interpretive purposes related to education.
- (M) Forestry Uses. Forest Management Activities on the Protected Property are limited to those practices acceptable to the SC Forestry Commission or other such entity agreed upon by Grantor and Grantee and consistent with their Best Management Practices. Notwithstanding the above, Grantor reserves the right to cut any tree, in accordance with applicable county, state, and federal regulations, when:
- I. It is necessary to salvage timber damaged by natural causes;
 - II. Cutting is necessary to prevent further such damage or personal injury; or
 - III. A permitted structure is in imminent danger.
- In the event of any such permissible cutting, Grantor shall provide Grantee **Notice** of such cutting, and if such advance **Notice** is not feasible due to necessity to avoid or prevent further damage, notification as soon thereafter as possible. Moreover, where Grantor has relinquished his rights to commercially harvest timber (as in the **Wetlands**) on the Protected Property, Grantee shall be entitled to any net proceeds from the timber and said proceeds shall be immediately delivered to Grantee if collected by Grantor.
- (N) Agricultural Uses. Agricultural Activities are restricted to the practices acceptable to the South Carolina Cooperative Extension Service or the United States Department of Agriculture. Notwithstanding the foregoing restrictions, Grantor may engage in other practices with the **Approval** of Grantee. Moreover, Grantor and Grantee recognize that changes in agricultural technologies, including accepted management practices, may result in an evolution of **Agricultural Activities**. Such activities shall be permitted so long as they are consistent with the terms of this Easement. Moreover, any **Agricultural Activities** shall be subject to the following restrictions:
- I. Confined Animal Feeding Operations ("CAFOs") are only allowed with **Approval**; and
 - II. Open lagoons for the storage of waste or animal excrement are prohibited.
- (O) Ponds and Impoundments. No manmade ponds and impoundments, whether permanent or temporary, exist on the Protected Property at the time of the Easement. Construction of up to six (6) new, manmade ponds or impoundments for fish or other wildlife habitat

or for **Agricultural Activities** shall be allowed provided that the aggregate flooded area is limited in size to six (6) acres on the Protected Property. The location of such ponds shall be decided upon in consultation with and **Approval** of the Grantee, and relevant permits must be obtained. No manmade pond or impoundment may be created in the **Wetlands** or the **Wetland Buffers**, and no water may be diverted from Cypress Creek to create any sort of ponds anywhere on the Protected Property. Any soil moved in the creation of the ponds must remain on the Protected Property and may not be sold for profit or gain.

- (P) Ditches. Existing manmade ditches for permitted uses may be maintained. Grantor may not dig, or cause to be dug, new ditches in the **Wetlands** and **Wetland Buffers** nor may any ditches be designed so as to divert water out of Cypress Creek.
- (Q) Mining. Mining, including surface mining, and recovery of any oil, gas or minerals is prohibited. Removal of the soil attached to part of a plant as a result of harvest of agricultural products is not considered mining.
- (R) Recreational Uses. Grantor may use or allow others to use the Protected Property for recreation, consistent with the **Purposes** and terms of this Easement. Under no circumstances may any recreational uses impair the Conservation Values.
- (S) Waste. There shall be no placing or disposal of **Waste Material** on the Protected Property for greater than one year's time unless that waste is fertilizer for **Agricultural Activities**.
- (T) Adverse or Inconsistent Uses. There shall be no other use or activity that is inconsistent with the **Purposes** and terms of this easement.

6. Third Party Activities. The Grantor shall keep the Grantee reasonably informed as to activities being conducted on the Protected Property which are within the scope of this Easement and as to the identity of any third parties who are conducting or managing such activities. The Grantor shall ensure that all third parties who are conducting activities relating to the Conservation Values and/or the permitted uses of the Protected Property are fully and properly informed as to the restrictions and covenants contained within this Easement which relate to such uses, including without limitation, the provisions of this Paragraph and Paragraphs 4 and 5.

7. Grantee's Remedies.

- (A) If Grantee determines that Grantor is in violation of the terms of this Easement or that a violation is threatened, the Grantee shall notify the Grantor of the violation (hereinafter, "First Notice") and request voluntary compliance. In the event that voluntary compliance is not agreed upon within thirty (30) days of receipt of First Notice, the Grantee shall give written **Notice** to Grantor of such violation (hereinafter, "Second Notice") and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Protected Property resulting from any use or activity inconsistent with the Purposes, to restore the portion of the Protected Property so injured.
- (B) If Grantor fails to cure the violation within sixty (60) days after receipt of Second Notice thereof from Grantee (or under circumstances where the violation cannot reasonably be cured within a sixty (60) day period, if Grantor shall fail to begin curing such violation within said sixty (60) day period, or fail to continue diligently to cure

such violation until finally cured), Grantee may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Easement, to enjoin the violation ex parte as necessary, by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Easement, including damages for the loss of the Conservation Values, and to require the restoration of the Protected Property to the condition that existed prior to any such injury. Without limiting Grantor's liability therefore, Grantee, in its sole discretion, may either apply any damages recovered to the cost of undertaking any corrective action on the Protected Property or may apply any damages recovered towards activities relating to monitoring and enforcing compliance with the terms of this Easement and other similar conservation easements.

- (C) If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values, Grantee may pursue its legal and equitable remedies under this Paragraph without Notice to Grantor or without waiting for the period provided for cure to expire.
- (D) Grantee's rights under this Paragraph apply equally in the event of either actual or threatened violations of the terms of this Easement. Grantor agrees that Grantee's remedies at law for any violation of the terms of this Easement are inadequate and that Grantee shall be entitled to seek the injunctive relief described in this Paragraph, both prohibitive and mandatory in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this Paragraph shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

8. Costs of Enforcement. If Grantee prevails in any action to enforce the terms of this Easement, any costs incurred by Grantee in enforcing the terms of this Easement against Grantor, including without limitation, costs of suit and reasonable attorneys' fees, and any reasonable costs of restoration necessitated by Grantor's violation of the terms of this Easement, shall be borne by Grantor. If Grantor prevails in any action to enforce the terms of this Easement, any costs incurred by Grantor, including Grantor's cost of the suit (which includes reasonable attorney's fees) shall be borne by Grantee subject to the provisions of Paragraph 11.

9. Grantee's Discretion. Enforcement of the terms of this Easement shall be at the reasonable discretion of the Grantee, and any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any terms of this Easement by Grantor shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Easement or of any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver.

10. Grantor's Environmental Warranty. The Grantor warrants that it has no knowledge of a release or threatened release of hazardous substances or wastes on the Protected Property and promises to defend and indemnify the Grantee against all litigation, claims, demands, penalties, and damages, including reasonable attorney's fees, arising from breach of this warranty.

11. Acts Beyond Grantor's Control. Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Protected Property

resulting from causes beyond Grantor's control, including, without limitation, trespass by third persons, fire, hurricane, flood, storm and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate or mitigate significant injury to the Protected Property resulting from such causes.

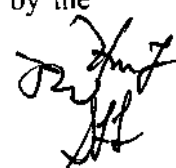
12. Access. No right of public access to any portion of the Protected Property is conveyed by this Easement, except as expressly provided herein.

13. Costs, Liabilities, and Taxes.

(A) The Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Protected Property, including, but not limited to, clean up or remediation costs due to chemical contamination or hazardous substances or wastes and the maintenance of general liability insurance coverage, and payment of taxes.

(B) Grantor agrees to release, hold harmless, defend and indemnify the Grantee and its officers, directors, employees, agents and contractors (the "Indemnified Parties") from any and all liabilities including, but not limited to, injury, losses, damages, judgments, penalties costs, expenses and fees (including reasonable attorney's fees) arising from or in any way connected to any injury, including death, to any person or physical damage to any part of the Protected Property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Protected Property, regardless of cause, unless due to the negligence or willful act of any of the Indemnified Parties.

14. Transfer Fee. There shall be assessed by the Grantee a transfer fee equal to one percent (1%) of the sales price or other consideration paid in connection with the transfer of any interest other than the sale of timber or timber rights in such Protected Property, which transfer fee shall be withheld by the closing agent and paid to the Grantee at the time of the transfer. This sum shall be placed in Grantee's easement stewardship fund, or such similarly named successor fund, to support Grantee's efforts to uphold its duties and responsibilities under the Easement on the Protected Property as well as on Grantee's other protected properties. In the event of non-payment of such transfer fee, Grantee shall have the right to file a lien for such unpaid transfer fees which shall be a lien on the Protected Property but which lien shall be subordinate to this Easement and to the lien of any prior mortgage on the Protected Property. Any such lien may be enforced and/or foreclosed in accordance with the laws of the State of South Carolina, provided that the Grantee transfer its rights under this Easement to another qualified conservation organization. Grantee may require the Grantor and/or any subsequent purchaser to provide reasonable written proof of the applicable sales price, such as executed closing statements, contracts of sale, copies of deeds or other such evidence. Any transfer subsequent to the conveyance of this Easement without consideration or to a spouse, a lineal descendant, a spouse of a lineal descendant of the Grantor (collectively, "Immediate Family Members"), or to an entity at least 50% of the equity interest of which is owned by an Immediate Family Member or to a trust whose presumptive beneficiaries are the Grantor or an Immediate Family Member, or to a charitable organization which is tax exempt under 501(c)(3), shall be exempt from the assessment of such transfer fee. An exchange of properties pursuant to Code §1031, or similar statute, shall be deemed to be for consideration based on the market value of the property received at the time of such transfer. Market value shall be determined by agreement of the Grantor and the Grantee, or in the absence of such agreement, by a "qualified appraiser" as defined in the Code selected by the Grantee, whose appraisal fee shall be paid by the Grantee.



15. Extinguishment. If future circumstances render all of the **Purposes** of this Easement impossible or impractical to accomplish, this Easement may be terminated or extinguished, whether in whole or in part, only by judicial proceedings in a court of competent jurisdiction and only upon a finding that all of the **Purposes** of this Easement have become impossible or impractical to accomplish. In the event of a sale, exchange, or involuntary conversion of the property following such a judicial termination or extinguishment, any net proceeds arising from such sale, exchange, or involuntary conversion shall be apportioned and distributed as provided in Paragraph 17 below. Grantee shall use all such proceeds it receives in a manner consistent with the Conservation Purposes of this Easement. This provision is not intended to violate the provision of Section 170(h)(2)(c) of the Code that requires conservation easements to be granted in perpetuity.

In the event that there is a sale of timber following judicial extinguishment of the conservation easement or as a result of a condemnation or sale made under threat of condemnation, the net proceeds from the sale of timber from the **Wetlands** shall belong to the Grantee.

16. Condemnation. If all or any portion of the Protected Property is taken by exercise, or threat of exercise, of the power of eminent domain, Grantor and Grantee shall be entitled to an apportionment and division of the net proceeds as provided in Paragraph 17 below. Net Proceeds of any timber harvest in the **Wetlands** shall belong exclusively to the Grantee. Grantee shall use all such proceeds it receives in a manner consistent with the Conservation Purposes of this Easement.

17. Compensation Formula. The parties hereby acknowledge that the donation of this Easement gives rise to a property right immediately vested in the Grantee, which for purposes of calculating proceeds from a sale or other disposition of the Protected Property as contemplated in this Paragraph shall have a value equal to a percentage (the "Proportionate Share") of the value of the Protected Property unencumbered by this Easement. The Proportionate Share shall be determined by dividing the value of this Easement, calculated as of the date hereof, by the value of the Protected Property unencumbered by the grant of this Easement, also calculated as of the date hereof. All values shall be those values as determined by the Grantor's qualified appraisal obtained for the purposes of complying with Treasury Regulation Section 1.170A-14. The Proportionate Share as so determined shall remain constant. In the event of a sale of the Protected Property following judicial extinguishment of the Easement or in the event that the Protected Property is taken by exercise, or threat of exercise, of the power of eminent domain, any net proceeds arising out of any sale, exchange, involuntary conversion, or condemnation (or sale under threat of condemnation) shall be apportioned and distributed between Grantor and Grantee as required under Treasury Regulation Section 1.170A-14(g)(c), with the Grantee's share of such net proceeds being its Proportionate Share as herein defined. Net proceeds of any timber harvest in the **Wetlands** shall belong exclusively to the Grantee.

18. Entitlement to Proceeds; Other Sales. If the Protected Property, or any portion thereof, is sold, exchanged, or otherwise conveyed with this Easement in effect, the Grantor alone shall be entitled to the proceeds (subject to the transfer fee in Paragraph 14 above). This provision is not intended to violate the provision of Section 170(h)(2)(c) of the Code that requires Conservation Easements to be granted in perpetuity. In the event that natural causes (such as disease, hurricane, or tornado) require timber removal from the designated **Wetlands** of the Protected Property, net proceeds from the sale shall be paid to the Grantee or delivered to the Grantee within 30 days if the Grantor collects such proceeds.

19. Limitations on Amendment. If unforeseen circumstances arise, including any change or modification to state or federal laws or regulations especially as they relate to the Code, under which an amendment to or modification of this Easement would be appropriate to clarify any ambiguities or to



maintain or enhance the Conservation Values, Grantor and Grantee may, by mutual written agreement, jointly amend this Easement; provided that no amendment shall be allowed that will adversely affect the eligibility of this Easement as a "qualified conservation easement" under any applicable laws, including §§170(h) and 2031(c) of the Code. No amendment shall be allowed which would adversely affect the "tax exempt" status of the Grantee under any applicable laws, including §501(c)(3) of the Code and Treasury Regulations promulgated thereunder. Any such amendment shall be consistent with the **Purposes** of this Easement, shall not affect its perpetual duration, shall not permit additional development or improvements to be constructed on the Protected Property other than development or improvements permitted by this Easement on its effective date, and shall not permit any impairment of the Conservation Values. Grantor and Grantee agree to a reasonable consideration of any such proposed amendment, however, neither Grantor nor Grantee shall be bound to agree to any amendment. Any such amendment shall be recorded in the official land records of Georgetown County, South Carolina.

20. Subsequent Liens on Property. No provisions of this Easement should be construed as impairing the ability of the Grantor to use this property as collateral for subsequent borrowing, provided however, that all current and subsequent liens shall be subservient to the conditions of this Easement.

21. Assignment. The benefits and obligations of this Easement shall not be assignable, unless:

- (A) The Grantee requires, as a condition of any assignment, that the assignee acknowledge that the terms and conditions of this Easement shall continue to be carried out in full as provided herein, and
- (B) At the time of assignment the assignee is The Nature Conservancy. If The Nature Conservancy ceases to be a "qualified organization" as that term is defined in §170(h) of the Code, and applicable Treasury Regulations promulgated thereunder, the assignee will be another "qualified organization" which is organized or operated primarily for one or more of the conservation purposes specified in §170(h)(4)(A) of the Code.

In the event that Grantee ceases to exist or exists but no longer as a tax-exempt, nonprofit corporation, qualified under §501(c)(3) of the Code, Grantee shall transfer the benefits and obligations under this Easement to an assignee subject to the requirements above.

22. Transfers. Grantor agrees to incorporate by reference the terms of this Easement in any deed or other legal instrument by which Grantor transfers any interest in all or a portion of the Protected Property including, without limitation, a leasehold interest. The Grantor shall give the Grantee Notice of any change of possession, ownership or control of the Protected Property within thirty (30) days of such change, including, without limitation, Notice of any transfer, lease, or sale of all or a part of the Protected Property. The failure of Grantor to perform any act required by this Paragraph shall not impair the validity of this Easement or limit its enforceability in any way.

23. Communication. Any communication that either party desires, or is required, to give to the other shall be in writing and either served personally or sent by first class mail, postage pre-paid, addressed as follows:

To Grantor:

GTOWN VENTURE II, LLC
PO Box 11923
Columbia, SC 29211



To Grantor's Attorney: Harry Easterling, Sr.
Goldberg & Easterling
116 Liberty St.
Bennettsville, SC 29512

To Grantee: Pee Dee Land Trust
PO Box 4
Darlington, SC 29540

Notice may also be provided to such other address as any of the above persons from time to time shall designate by written **Notice** to the others.

24. Recordation. Grantee shall record this instrument in timely fashion in the Office of the Clerk of Court for Georgetown County, South Carolina, and may re-record it at any time as may be required to preserve its rights in this Easement.

25. Effective Date. Grantor and Grantee intend that the restrictions arising hereunder take effect on the day and year this Easement is recorded in the Office of the Clerk of Court for Georgetown County, South Carolina, after all required signatures have been affixed hereto.

26. Controlling Law. The interpretation and performance of this Easement shall be governed by the laws of South Carolina.

27. Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the deed to uphold the **Purposes**. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the Purposes that would render the provision valid should be favored over any interpretation that would render it invalid.

28. Severability. If any provision of this Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Easement shall not be affected thereby.

29. Nature of Agreement. The Protected Property shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions and easements set forth above, which covenants, conditions, restrictions and easements shall be binding upon and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors and assigns and shall be deemed to run with the land in perpetuity and to be a burden on the Protected Property in perpetuity. As noted in the Definitions above, the terms "Grantor" and "Grantee", wherever used herein, and any pronouns used in place thereof, shall include, respectively, the above-named Grantor and its successors and assigns, and the above-named Grantee and its successors and assigns.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns forever.

By execution of this Easement, the Grantee accepts this Easement and the rights and obligations recited herein.

GRANTOR HEREBY WARRANTS and represents that the Grantor is seized of the **Protected Property** in fee simple and has good right to grant and convey this Easement, that the **Protected Property** is free and clear of any and all encumbrances, except easements of record, prescriptive easements, and mortgages that have been subordinated to this easement, that the Grantee and its successors and assigns shall have the use of and enjoyment of the benefits and burdens derived from and arising out of this Easement.



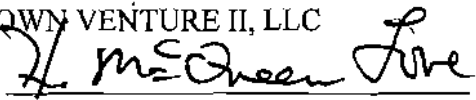
**SIGNATURE PAGE FOR
DEED OF CONSERVATION EASEMENT**

IN WITNESS WHEREOF, Grantor has caused the execution of to this Easement as of the day and year first above written.

WITNESSES:

GRANTOR:



GTOWN VENTURE II, LLC
By: 

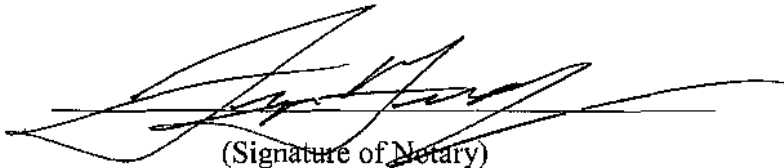
H. McQueen Love, Manager



STATE OF SOUTH CAROLINA)
)
COUNTY OF GEORGETOWN)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged this 10th day of November, 2008 before me the undersigned Notary, and I do hereby certify that the above named Grantor by and through its authorized Member appeared before me and acknowledged the due execution of the foregoing instrument.


(Signature of Notary)

Notary Public for the State of South Carolina

My commission expires: 1-29-12



**SIGNATURE PAGE FOR
DEED OF CONSERVATION EASEMENT**

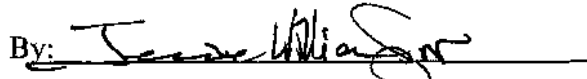
IN WITNESS WHEREOF, Grantee has caused the execution of this Easement as of the day and year first above written.

WITNESSES:

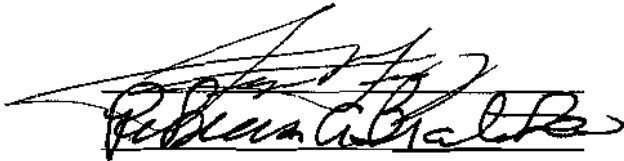
**GRANTEE:
PEE DEE LAND TRUST**




Rebecca A. Blalock

By: 

Its: Executive Director



Rebecca A. Blalock

And: 

Its: Chairman

STATE OF SOUTH CAROLINA)
)
COUNTY OF GEORGETOWN)

ACKNOWLEDGMENT

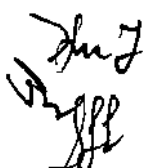
The foregoing instrument was acknowledged this 10th day of November, 2008 before me the undersigned Notary, and I do hereby certify that the above named duly authorized officers of the Grantee personally appeared before me and acknowledged the due execution of the foregoing instrument.



(Signature of Notary)

Notary Public for the State of South Carolina

My commission expires: 1-29-12



**SIGNATURE PAGE FOR
DEED OF CONSERVATION EASEMENT**

IN WITNESS WHEREOF, Conservancy has caused the execution of this Easement as of the day and year first above written to acknowledge the acceptance of those third party rights of enforcement described herein.

WITNESSES:

THE NATURE CONSERVANCY

Dorothy Gerard By: *Daniel W. Guy, Jr.*
Michael F. Coulson Its: *Daniel W. Guy, Jr.*
Assistant Secretary & Attorney

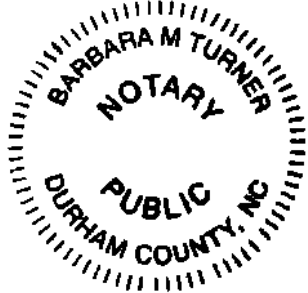
STATE OF NORTH CAROLINA)
) ACKNOWLEDGMENT
COUNTY OF *Durham*)

The foregoing instrument was acknowledged this *7th* day of November, 2008 before me the undersigned Notary, and I do hereby certify that the above named duly authorized officers of THE NATURE CONSRVANCY personally appeared before me and acknowledged the due execution of the foregoing instrument.

Barbara M. Turner
(Signature of Notary)

Notary Public for the State of North Carolina

My commission expires: *August 11, 2012*



[Handwritten signature]

EXHIBIT A
CYPRESS CREEK TRACT

All that certain piece, parcel or tract of land situate, lying and being in the Plantersville Section of the County of Georgetown, State of South Carolina, containing 203.19 acres and being more fully shown and delineated on a plat entitled "Survey For: Georgetown VENTURE, LLC, Being A Portion Of The Same Property As Described In Deed Book 887 at Page 162", dated March 9, 2007, prepared by Ralph Smith, P.L.S., and recorded in the office of the Register of Deeds for Georgetown County in Slide 639 at Page 9. All of which more fully and at large appear reference being had to said plat.

TMS # 03-0463-027-00-00

Grantee's Address: PEE DEE LAND TRUST
 PO BOX 4
 DARLINGTON, SC 29540



Exhibit B

