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Note: This Conservation Easement has been drafted by the Conservancy as an accommodation to the Grantor. The Conservancy does not represent the interests of the Grantor. The Conservancy strongly advises the Grantor to review this document with the Grantor's attorney.

STATE OF SOUTH CAROLINA §
COUNTY OF HAMPTON §

GRANT OF CONSERVATION EASEMENT

In the event of the sale of the land covered by this Conservation Easement,
please see the notice provisions of Section 9 below.

This Grant of Conservation Easement ("Conservation Easement") is made on this 15th day of December, 2009, by J. ROGER HAMMOND AND PATRICIA C. HAMMOND, with an address of 8497 Augusta Stagecoach Road Estill, SC 29918 ("Grantor"), and THE NATURE CONSERVANCY, a non-profit corporation organized and existing under the laws of the District of Columbia, with a local address of South Carolina Field Office, Post Office Box 5475, Columbia, South Carolina 29250, ("Grantee").

RECITALS:

A. The Grantor is the sole owner in fee simple of the property ("Property") legally described in Exhibit A, attached hereto and incorporated by this reference, which consists of approximately 472.82 acres located in Hampton County, State of South Carolina and is generally known as Turkey Creek.

B. The Property is a significant natural area that qualifies as a "...relatively natural habitat of fish, wildlife, or plants, or similar ecosystem," as that phrase is used in P.L. 96-541, 26 USC 170(h)(4)(A)(ii), as amended, and in regulations promulgated thereunder; specifically:

i. The Property provides natural habitat associated with the Savannah River, including non-riverine forested wetlands, hardwood pine flats, and pine-oak ridges.

ii. The Property provides examples of important upland forest ecosystems at various successional stages including loblolly pine forest and mixed pine hardwood forest.

iii. The Property provides significant wildlife habitat for neotropical migratory songbirds, wading birds and diversity of game and non-game avian species.

iv. The Property provides habitat for numerous game and non-game mammals.

C. The Property is located within the Savannah River Preserve, a 700,000-acre area comprised of extensive bottomland hardwood forest associated with the Savannah River and intact uplands buffering the bottomland hardwoods and a wealth of wildlife, and the focus of a consortium of state and federal agencies, conservation groups and private landowners working to protect and enhance the region's natural resources and traditional recreational and commercial uses.

D. The Property is adjacent to and/or in close proximity to other protected properties including Woodside Plantation, Crab Orchard Plantation, Swamp Solomons, Groton Plantation, Harper Place, Barker-Mikell/Zeigler Tract, Barker-Harper Tract, Hamilton Ridge, and Webb Wildlife Center.

E. The characteristics of the Property, its current use and state of improvement, and a detailed description of its conservation values are described in a report entitled Baseline Report of Turkey Creek, dated December 10, 2009 prepared by Grantee for the Grantor. The Grantor worked with the Grantee to ensure that the report is a complete and accurate description of the Property as of the date of this Conservation Easement. It will be used by the Grantor and Grantee to assure that any future changes in the use of the Property will be consistent with the terms of this Conservation Easement. However, the Baseline Report is not intended to preclude the use of other evidence to establish the present condition of the Property if there is a controversy over its use.

F. Preservation of the Property pursuant to federal, state and local governmental conservation policy will yield a significant public benefit, specifically it has been included in the South Lowcountry Focus Area of the North American Waterfowl Management Plan as designated by the State of South Carolina.

G. The Grantor and Grantee have the common purpose of conserving the above-described conservation values of the Property in perpetuity, and the State of South Carolina has authorized the creation of Conservation Easements pursuant to the South Carolina Code, Sections 27-8-10, et. seq. and Grantor and Grantee wish to avail themselves of the provisions of that law as well as the provisions of the United States Internal Revenue Service Code of 1986, as amended ("I.R.C."), Section 170(h) concerning qualified conservation contributions **and I.R.C. Code Section 2031(c) allowing an election for special treatment of qualifying conservation easements for estate tax purposes.**

NOW, THEREFORE, Grantor, for and in consideration of the facts recited above and of the mutual covenants, terms, conditions and restrictions contained herein and as an absolute and unconditional gift, hereby gives, grants, bargains, sells and conveys unto Grantee a Conservation Easement in perpetuity over the Property of the nature and character as follows:

1. **PURPOSE.** The purpose of this Conservation Easement is to ensure that the Property will be retained forever predominantly in its natural, scenic condition; to protect native plants, animals, or plant communities on the Property; to prevent any use of the Property that will significantly impair or interfere with the conservation values of the Property described above, while allowing for traditional uses on the Property that are expressly permitted in this Easement and defined herein including compatible agricultural, hunting and timber uses and continued maintenance of portions of the Property as a working forest..

Specifically, the purpose of this Conservation Easement is to maintain the non-riverine forested wetland communities providing habitat for neotropical migratory songbirds, wading birds, and other native wildlife, and provide critical habitat linkages to nearby protected lands of the Savannah River Preserve including Woodside Plantation, Crab Orchard Plantation, Swamp Solomons, Groton Plantation, Harper Place, Barker-Mikell/Zeigler Tract, Barker-Harper Tract, Hamilton Ridge, and Webb Wildlife Center.

Grantor will not perform, nor knowingly allow others to perform, any act on or affecting the Property that is inconsistent with the purposes of this Conservation Easement. However,

unless otherwise specified below, nothing in this Conservation Easement shall require the Grantor to take any action to restore the condition of the Property after any act of God or other event over which Grantor had no control. Grantor understands that nothing in this Conservation Easement relieves them of any obligation or restriction on the use of the Property imposed by law.

2. **REQUIRED APPROVAL.** Written approval by Grantee is required prior to implementing the following activities. Notice may also be required as described below.

- (i) construction plans for any new improvements on the Property pursuant to Section 3.3 Development and expansion plans of any existing improvements pursuant to Section 3.4 Existing Improvements;
- (ii) Forest Management Plan pursuant to Section 3.9 Timber Harvest;
- (iii) plans to create new ponds or expand existing ponds pursuant to Section 3.14 Ponds;
- (iv) construction plans for new roads and trails pursuant to Section 3.16 Roads and Trails.

REQUIRED NOTICE. Grantor agrees to provide Grantee thirty (30) days written notice ("Notice"), in addition to the above-described approvals, as described in Section 16, prior to undertaking any activity or reserved right that may have a material adverse effect on the conservation purposes of this grant including the following:

- (i) Subdivision of the Property pursuant to Section 3.1 Subdivision;
- (ii) construction of any new improvements on the Property pursuant to Section 3.3 Development or expansion of existing improvements pursuant to Section 3.4 Existing Improvements;
- (iii) creation of any new agricultural fields pursuant to Section 3.6 Agricultural Use;
- (iv) any timber sale planned for the Property pursuant to Section 3.9 Timber Harvest;

- (v) establishment of any wildlife food plots pursuant to Section 3.11 Wildlife Management;
- (vi) restoration and/or enhancement of native plant and wildlife habitat pursuant to Section 3.12 Habitat Restoration and Enhancement;
- (vii) construction of any new impoundments pursuant to Section 3.13 Wetland Impoundments;
- (vii) construction of any new ponds or expansion of any existing ponds pursuant to Section 3.14 Ponds;
- (viii) construction of any roads or trails pursuant to Section 3.16 Roads and Trails;
- (ix) archaeological research pursuant to Section 3.17 Archaeological Investigation;

3. **PROPERTY USES.** Any activity on or use of the Property inconsistent with the terms and purposes of this Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following is a listing of activities and uses which are expressly allowed or which are expressly prohibited is set forth in this Section 3

3.1 Subdivision. The Property may not be divided, subdivided or partitioned, leased or conveyed or pledged for a debt except in its current configuration as an entity. The limitations on subdivision set forth in this Section 3.1 shall not apply to the following:

- 3.1.1 boundary line agreements to resolve bona fide boundary disputes; provided, if the boundary line agreement conveys more than ten (10) acres for this purpose, such boundary line agreement must be approved in advance by Grantee, which approval shall not be unreasonably withheld.
- 3.1.2 creation of easements, including, but not limited to, those for access or utilities, provided that such new easements otherwise comply with this Conservation Easement;

- (v) establishment of any wildlife food plots pursuant to Section 3.11 Wildlife Management;
- (vi) restoration and/or enhancement of native plant and wildlife habitat pursuant to Section 3.12 Habitat Restoration and Enhancement;
- (vii) construction of any new impoundments pursuant to Section 3.13 Wetland Impoundments;
- (vii) construction of any new ponds or expansion of any existing ponds pursuant to Section 3.14 Ponds;
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- 3.1.2 creation of easements, including, but not limited to, those for access or utilities, provided that such new easements otherwise comply with this Conservation Easement;

3.1.3 mortgages or other security interests imposed on all or any portion of the Property, provided that such mortgages and security interest (a) are subject and subordinate to this Conservation Easement and (b) are imposed in a manner that will not, upon foreclosure, result in a subdivision that is prohibited by this Conservation Easement;

3.1.4 conveyances to governmental entities or to a qualified organization with a "conservation purpose" as defined in 26 U.S. Code 501(h)(3) and (4), so long as each conveyance receives prior approval of Grantee.

3.2 Transfer. Grantor shall have the right to sell, give, mortgage, lease, or otherwise convey the Property subject to the terms of this Conservation Easement. **Grantor shall give advanced Notice to Grantee prior to transferring the Property.**

3.3 Development. In addition to the existing dwelling unit and associated outbuildings on the Property, and within a 12.7-acre Building Envelope as defined below, Grantor shall have the right to construct one new primary residential dwelling and related outbuildings, fixtures and improvements, including but not limited to: garages, storage sheds, stables, decks, patios, garden walls, fences, tennis courts, gazebos, swimming pool, etc. Within the designated Building Envelope referenced above, Grantor shall have the right to maintain ornamental yards, gardens with non-invasive plant species and patios designed to serve the occupants of each permitted dwelling. All new construction shall be subject to a maximum size limitation of 10,000 square feet per individual structure. All structures on the Property shall be in compliance with county height restrictions. The location and boundaries of the Building Envelope are shown on a plat entitled "Plat of Property of J. Roger Hammond and Patricia C. Hammond" and dated "October 28, 2009", and are a part of the baseline documentation of this Conservation Easement. Outside the Building Envelope the Grantor may construct a driveway and utility lines to serve allowed improvements. The location of the driveway and utility lines must be consistent with the preservation of the purposes of this Easement, as set forth in

Paragraph 1 herein. No other structures or improvements may be placed or constructed on or above the Property except as expressly permitted by this Conservation Easement. Each new structure within the Building Envelope shall be setback a minimum of one hundred (100) feet from all public roads as shown on Exhibit "B" attached hereto.

Grantee's Consent. Prior to beginning construction of allowed improvements Grantor shall submit site plans to the Grantee for its review. The plans shall be sufficiently detailed to allow the Grantee to fully evaluate the construction's conformance to this Conservation Easement. No construction of the improvements may take place until the Grantee reviews and approves the plans. The plans will be deemed approved unless the Grantee objects in writing, within thirty (30) days of receipt of complete plans, setting forth with specificity the Grantee's grounds for objections. Grantee agrees that if the new construction is consistent with the terms and provisions of this Conservation Easement, Grantee's approval shall not be unreasonably withheld.

Mediation. If a dispute arises between the parties concerning the approval of the plans either party may refer the dispute to non-binding mediation by request made in writing to the other. Within forty-five (45) days after the receipt of such a request, the parties shall select a single mediator to hear their contentions and to seek to resolve their differences. If the mediator has not been able to resolve the parties' differences within ninety (90) days after his selection, then the parties may pursue other methods of resolving their dispute.

Prohibition of Other Construction. No other structures or improvements may be placed or constructed on or above the Property except as expressly permitted by this Conservation Easement.

3.4 Existing Improvements. Pursuant to the limitations described in Section 3.3 Development, Grantor shall have the right to maintain, remodel, remove, replace and

repair existing structures, water tanks, fences, corrals, water wells, dams, ponds, utilities, roads, roadside ditches and other improvements, and in the event of their destruction, to reconstruct any such existing improvements with another of similar size, function, capacity, location and material. In addition, with Notice to Grantee and pursuant to the limitations described in 3.3 Development, Grantor shall have the right to expand the existing dwelling units on the Property.

3.5 Existing Uses. Grantor shall have the right to undertake or continue any activity or use of the Property not prohibited by this Conservation Easement, provided that it is consistent with the purposes of this Conservation Easement.

3.6 Agricultural Use. Grantor shall have the right to i) breed, raise, pasture and house domestic or farm animals in permitted new fields and pastures and allowed improvements, ii) plant, raise and harvest crops in permitted new fields on the Property, and iii) perform primary processing, provide storage and engage in the sale, including direct sales to the public, of crops and products harvested and produced principally on the Property. No level of grazing may be allowed that would result in an unreasonable deterioration of the pastures or other conservation values of the Property. Grantor may not establish or maintain any commercial feedlot on the Property which is defined for the purpose of this Easement as a confined area or facility within which the land is not grazed or cropped at least annually and which is used to receive livestock that has been raised off the Property for feeding and fattening for market. Grantor and Grantee acknowledge that there are no existing fields used for agricultural activities at the time of recordation of this Conservation Easement. When permitted new fields cease to be used for agricultural purposes or maintained as hayfields or pastures, they shall be allowed to revert to natural habitat and/or restored to natural habitat through re-vegetation of native plant species. Grantor and Grantee recognize that changes in agricultural technologies, including accepted management practices, may result in the evolution of Agricultural Use. Such evolution shall be permitted provided that it is consistent with the conservation values of the Property and is not otherwise prohibited by this easement. Grantor shall have the right to create new agricultural fields within the Property's upland acreage as defined in

the Baseline Report and not to exceed a total of forty (40) acres in aggregate. Any conversion of upland forest land to agricultural fields or pasture lands is subject to a one hundred (100) foot setback from the Bottomland Hardwood Preserve described in Section 3.9 and all public roads.

3.7 Hayfields and Pastures. With Notice to Grantee, and subject to the limitations as set forth in Section 3.6, Grantor shall also have the right to establish hayfields and pastures on any current or new agricultural fields on the Property. Hayfields and pastures are defined as any field which has been planted with a grass or legume or a combination of grasses and or legumes with the purpose of harvesting the plants for use as food (hay) for livestock or allowing livestock to graze in that field. For the purposes of establishing hayfield and pasture areas, the clearing of trees, shrubs, and vegetation can be conducted using mechanical or herbicidal means, or through prescribed fire. Though non-native grasses and forbs may be introduced within hayfields and pastures, there is a preference for conversion to native warm-season grasses. Periodic tillage or disking can be used to maintain hayfields and pasture areas. Commercial harvesting of grasses and/or forb seed and biomass is permitted, as long as it does not impact the conservation values of the property. Grazing of livestock in pasture and hayfield areas is permitted.

3.8 Grazing. Grantor shall have the right to graze and pasture domestic animals in new and existing fields and pastures for commercial purposes. No level of grazing may be allowed that would result in an unreasonable deterioration of the pastures or other conservation values of the Property.

3.9 Timber Harvest. Grantor shall have the right to harvest timber from the Property for commercial purposes pursuant to a Forest Management Plan, to be updated at least every ten (10) years, that is prepared in advance of closing on this Conservation Easement by a registered professional forester and approved by Grantee and that is designed to insure the maintenance of good quality growing stock of native timber, while protecting soil stability, water quality and other conservation values of the Property, including without limitation, scenic, riparian and wildlife habitat values. The plan may accommodate the growing of native tree species and may allow for prescribed burning.

Additionally, Grantor shall have the right to harvest timber from the Property to establish fire breaks and to provide firewood for residences allowed on the Property and for maintaining allowed structures and improvements on the Property, such as residences, barn, corrals, fences, etc. Any forestry or silvicultural practice shall conform to the most current Best Management Practices established by the South Carolina Forestry Commission.

There shall be no commercial cutting within an area comprising approximately sixteen (16) acres, more or less, as shown in Exhibit "B" attached hereto ("Bottomland Hardwood Preserve") with the following exceptions: i) such cutting is necessary to improve the health of the timber (i.e. disease, invasive species, ecological management); ii) such cutting is necessary to restore native forest types; or iii) such cutting is necessary to remove timber for the purpose of salvaging timber after natural disasters such as hurricanes, tornadoes, fires or floods, or to provide for safety for humans; iv) maintenance of existing roads that border the said buffers.

There shall be no clear-cutting within one hundred (100) feet of public roads except under the circumstances indicated above.

3.10 Recreational Uses. Grantor shall have the right to engage in and permit others to engage in recreational uses of the Property for commercial purposes, including, without limitation, hunting, fishing, hiking, trapping and horseback riding, that require no surface alteration or other development of the land. Grantor has the right to lease all or a portion of the Property for hunting. Grantor has the right to conduct hunts for profit, provided Grantor complies with all applicable laws. **However, to qualify this Conservation Easement for treatment under Internal Revenue Code section 2031 (c) (8)(B) any use of the Property for more than a *de minimis* use for a commercial recreational activity is prohibited.**

3.11 Wildlife Management. To maintain wildlife numbers and diversity, Grantor shall be entitled to maintain existing wildlife food plots totaling fourteen (14) acres defined in the Baseline Report through mechanical means or grazing and to establish new wildlife food plots up to six (6) acres across the entire Property with plant species commonly used

for that purpose in the area. Existing and new food plots shall not exceed a total of twenty (20) acres in aggregate across the entire Property. Clearing for wildlife food plots within the Preserve described in Section 3.9 and the vegetative buffers described in Section 3.3 and Section 3.6 is prohibited. New individual food plots shall not exceed four (4) acres in size. Grantor and Grantee acknowledge that there is an existing 5-acre wildlife food plot that shall be maintained as a 5-acre food plot and is identified in the Baseline Report. Creation of wildlife food plots shall be consistent with guidelines established by the Natural Resource Conservation Service (NRCS), the South Carolina Cooperative Extension Service or any successor agency and must be consistent with the conservation values described herein.

3.12 Habitat Restoration and Enhancement. With Notice to Grantee, Grantor shall have the right to restore and enhance native plant and wildlife habitat as specified in the Forest Management Plan.

3.13 Wetland Impoundments. Subject to applicable governmental regulations, Grantor shall have the right to maintain, enhance and manage existing wetland impoundments and greentree reservoirs for the purposes of providing habitat for alligators, waterfowl, colonial wading birds, shore birds and other native wildlife or for other purposes allowed by this Conservation Easement. Wetland Impoundments are recognized by the Grantor and Grantee as beneficial to waterfowl and other wetland dependent plants and animals. Grantor and Grantee acknowledge and agree that Wetland Impoundments as referenced in this Section are separate from the restrictions and limitations for Ponds as outlined in Section 3.14 Ponds. Grantor and Grantee acknowledge that there is a greentree reservoir existing at the time of recordation of this Conservation Easement and is identified in the Baseline Report.

3.14 Ponds. Grantor shall have the right to repair, manage and expand existing ponds. The existing pond identified in the Baseline Report may be expanded by 50%.

3.15 Destruction and/or Removal of Diseased or Invasive Plants and Animals.

Grantor shall have the right to destroy and/or remove dead, diseased, non native, exotic, feral, or invasive species of plants and animals that threaten the conservation values of the Property, or allowed uses of the Property.

3.16 Roads and Trails. Grantor may undertake maintenance activities on existing roads and trails. With Notice and approval from Grantee, Grantor may construct new roads and trails with permeable surfaces to accommodate the activities allowed under this Conservation Easement. Roads should be designed and maintained to enhance the edge effect for wildlife, to provide brood-rearing habitat, and for habitat diversification in general. Ditches and swales necessary for the construction and maintenance of these roads are allowed. Clearing for new roads and trails shall be in keeping with the conservation values described in this Conservation Easement.

3.17 Archaeological Investigation. With Notice, Grantor may conduct archaeological research on the Property provided that: (1) Grantor obtains necessary approval from the appropriate state or federal agency; and (2) any such disturbance and investigation is performed in such a manner as to minimize any adverse impact on the purposes of this Easement, as set forth in paragraph 1 herein.

3.18 Home Businesses. Any business that is conducted by, and in the home of, a person residing on the Property, is allowed provided that the traffic generated by the home business does not adversely impact the purposes of this Conservation Easement.

3.19 Signage. No signs or billboards or other advertising displays are allowed on the Property, except those signs whose placement, number and design do not significantly diminish the scenic character of the Property may be displayed to state the name and address of the Property and the names of persons living on the Property, to advertise or regulate permitted on-site activities, to advertise the Property for sale or rent, and to post the Property to control unauthorized entry or use.

3.20 Third Party Activities. Grantor shall keep Grantee reasonably informed as to activities being conducted on the Property which are within the scope of this Conservation 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 allowed activities on the Property are fully and properly informed as to the restrictions and covenants contained within this Conservation Easement which relate to such activities.

3.21 Miscellaneous. Except as expressly allowed by this Conservation Easement or as necessary to accommodate the activities allowed by this Conservation Easement, the following activities are prohibited on the Property:

- (i) Excavating, ditching, draining, dredging, mining or drilling;
- (ii) Extracting minerals, including but not limited to oil, gas, and coal;
- (iii) Depositing soil, gravel or other materials;
- (iv) Changing the topography;
- (v) Storage or dumping of trash, garbage, or other unsightly or offensive materials, hazardous waste or toxic substances;
- (vi) Polluting surface waters, natural water courses, lakes, ponds, marshes, subsurface water or any other water body;
- (vii) Altering the natural water level or flow in and over the Property;
- (viii) Extracting water;
- (ix) Removal, harvesting, destruction or cutting of native trees, shrubs and plants;
- (x) Introduction of non-native plants and animals; and
- (xi) Any commercial, industrial, agricultural or grazing use.

4. **GRANTEE'S RIGHTS.** To accomplish the purpose of this Conservation Easement, the following rights are granted to Grantee by this Conservation Easement:

4.1 Right to Enforce. The right to preserve and protect the conservation values of the Property and enforce the terms of this Conservation Easement as provided in Section 7.

4.2 Right of Entry. The right of Grantee's staff (including contractors and associated natural resource management professionals as needed) to enter the Property at reasonable times after prior written notice to Grantor, for the purpose of inspecting the Property to

determine if Grantor is complying with the covenants and purposes of this Conservation Easement. Prior written notice is not required if Grantee is entering upon the Property because of an ongoing or imminent violation that could, in the sole discretion of Grantee, substantially diminish or impair the conservation values of the Property, as described in Section 7 herein.

5. **RESPONSIBILITIES OF GRANTOR AND GRANTEE NOT AFFECTED.** Other than as specified herein, this Conservation Easement is not intended to impose any legal or other responsibility on the Grantor, or in any way to affect any existing obligation of the Grantor as owners of the Property. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property. Among other things, this shall apply to:

- (a) *Taxes* - The Grantor shall be solely responsible for payment of all taxes and assessments levied against the Property.
- (b) *Upkeep and Maintenance* - The Grantor shall be solely responsible for the upkeep and maintenance of the Property, to the extent it may be required by law. The Grantee shall have no obligation for the upkeep or maintenance of the Property. Grantor shall keep the Grantee's interest in the Property free of any liens arising out of any work performed for, materials furnished to or obligations incurred by Grantor.
- (c) *Insurance* - The Grantor agrees to maintain adequate comprehensive general liability insurance coverage on the Property.

6. **ACCESS.** No right of access by the general public to any portion of the Property is conveyed by this Conservation Easement. However, the public has the right to view the Property from adjacent publicly accessible areas such as public roads and waterways.

7. **ENFORCEMENT.** To enforce the terms of this Conservation Easement, Grantee shall give notice of the violation of the Conservation Easement to the Grantor by certified mail, return receipt requested. In such notice the Grantee shall request the Grantor to correct the violation, to

take action to stop ongoing or future violations, and to restore the Property to its condition at the time of the conveyance of this Conservation Easement. Grantor agrees that the Baseline Report (also known as an Easement Documentation Report) shall be deemed to provide objective information concerning the Property's condition at the time of this grant. Failure by the Grantor to abate the violation and take such other corrective action as may be requested by the Grantee within sixty (60) days after receipt of such notice (the "cure period") shall entitle the Grantee to bring an action at law or equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement; to require the restoration of the Property to its condition at the time of the conveyance of this Conservation Easement; to enjoin the non-compliance by ex parte temporary or permanent injunction in a court of competent jurisdiction; and/or to recover any damages arising from the non-compliance. Such damages, when recovered, may be applied by the Grantee, in its sole discretion, to corrective action on the Property. If the court determines that the Grantor has failed to comply with this Conservation Easement, the Grantor shall reimburse the Grantee for any reasonable costs of enforcement, including costs of restoration, court costs and reasonable attorneys fees, in addition to any other payments ordered by such court.

7.1 Emergency Enforcement. If the Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the conservation values of the Property, the Grantee may pursue its remedies under this paragraph without prior notice to the Grantor or without waiting for the cure period to expire.

7.2 Failure to Act or Delay. The Grantee does not waive or forfeit the right to take action as may be necessary to insure compliance with this Conservation Easement by any prior failure to act and the Grantor hereby waives any defenses of waiver, estoppel or laches with respect to any failure to act or delay by the Grantee, its successors or assigns, in acting to enforce any restriction or exercise any rights under this Conservation Easement.

7.3 Violations Due to Causes Beyond Grantor's Control. Nothing herein shall be construed to entitle the Grantee to institute any enforcement proceedings against the Grantor for any changes to the Property due to causes beyond the Grantor's control, such as changes caused by fire, flood, storm, earthquake or the unauthorized wrongful acts of third persons.

In the event of violations of this Conservation Easement caused by the unauthorized wrongful acts of third persons, the Grantor agrees, upon request by the Grantee, to assign its right of action to the Grantee, to join in any suit, or to appoint the Grantee its attorney-in-fact for the purposes of pursuing enforcement action, all at the election of the Grantee.

7.4 Standing. By virtue of Grantee's acquisition of rights under this Conservation Easement, it shall be entitled, at its option, to standing before appropriate courts of law to pursue remedies or other matters which are necessary or incidental to the protection of the property which is subject to this Conservation Easement.

7.5 Discretionary Consent. The Conservancy's consent for activities otherwise prohibited under paragraph 3 above or for any activities requiring the Conservancy's consent under paragraph 2 or 3 above may be given under the following conditions and circumstances. If, owing to unforeseen or changed circumstances, any of the activities listed in paragraph 3 are deemed desirable by Grantor and the Conservancy, the Conservancy may, in its sole discretion, give permission for such activities, subject to the limitations herein. Such requests for permission, and requests for permission for activities requiring the Conservancy's consent under paragraph 2 or 3, shall be in writing and shall describe the proposed activity in sufficient detail to allow the Conservancy to judge the consistency of the proposed activity with the purpose of this Easement. The Conservancy may give its permission only if it determines, in its sole discretion, that such activities (a) do not violate the purpose of this Easement and (b) either enhance or do not impair any significant Conservation Values of the Protected Property. Notwithstanding the foregoing, the Grantor and the Conservancy have no right or power to agree to any activities that would result in the termination of this Easement or to allow residential, commercial or industrial activities not provided for above.

8. **TRANSFER OF EASEMENT.** The parties recognize and agree that the benefits of this easement are in gross and assignable in whole but not in part. The Grantee shall have the right to transfer or assign this Conservation Easement to any private nonprofit organization that, at the time of transfer, is a "qualified organization" under Section 170(h) of the U.S. Internal Revenue

Code, and the organization expressly agrees to assume the responsibility imposed on the Grantee by this Conservation Easement. If the Grantee ever ceases to exist or no longer qualifies under Sec. 170(h) or applicable state law, a court with jurisdiction shall transfer this Conservation Easement to another qualified organization having similar purposes that agrees to assume the responsibility.

9. **TRANSFER OF PROPERTY.** Any time the Property, or any interest therein, is transferred by the Grantor to any third party, the Grantor shall notify the Grantee in writing within thirty (30) days prior to the transfer of the Property, and the document of conveyance shall expressly refer to this Conservation Easement. The failure of Grantor to perform any act required by this Paragraph shall not impair the validity of this Conservation Easement or of the transfer or limit their enforceability in any way.

10. **AMENDMENT OF EASEMENT.** This Conservation Easement may be amended only with the written consent of Grantor and Grantee. Any such amendment shall be consistent with the purposes of this Conservation Easement and shall comply with Sec. 170(h) of the Internal Revenue Code, or any regulations promulgated in accordance with that Section. Any such amendment shall also be consistent with the South Carolina Conservation Easement Act of 1992 as amended, or any regulations promulgated pursuant to that law. The Grantor and Grantee have no right or power to agree to any amendment that would affect the enforceability of this Conservation Easement.

11. **TERMINATION OF EASEMENT.** The Grantor hereby agrees that at the time of the conveyance of this Conservation Easement to the Grantee, this Conservation Easement gives rise to a real property right, immediately vested in the Grantee. When a change in conditions takes place which makes impossible or impractical any continued protection of the Property for conservation purposes, and the restrictions contained herein are extinguished by judicial proceeding, then as required by Sec. 1.170A-14(g)(6) of the IRS regulations, the Grantee, upon a subsequent sale, exchange or involuntary conversion of the Property, shall be entitled to a

percentage of the gross sale proceeds (minus any amount attributable to new improvements allowed under this Conservation Easement made as of the date of the sale, exchange or conversion, which amount shall be reserved to Grantor) equal to the ratio of the appraised value of this Conservation Easement to the unrestricted fair market value of the Property, as of the date this Conservation Easement was granted. The Grantee shall use its share of the proceeds in a manner consistent with the conservation purposes set forth herein or for the protection of a "relatively natural habitat of fish, wildlife, or plants or similar ecosystem," as that phrase is used in and defined under P.L. 96-541, 26 USC 170(h)(4)(A)(ii), as amended and in regulations promulgated thereunder.

12. **EMINENT DOMAIN.** Whenever all or part of the Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Conservation Easement, the Grantor and the Grantee shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be divided in accordance with the proportionate value of the Grantee's and Grantor's interests, and Grantee's proceeds shall be used as specified above. All expenses incurred by the Grantor and the Grantee in such action shall be paid out of the recovered proceeds.

13. **INTERPRETATION.** This Conservation Easement shall be interpreted under the laws of South Carolina, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.

14. **INDEMNIFICATION.** Each party agrees to hold harmless, defend and indemnify the other from any and all liabilities including, but not limited to, injury, losses, damages, judgments, costs, expenses and fees that the indemnified party may suffer or incur as a result of or arising out of the activities of the other party on the Property that causes injury to a person(s) or damage to property. In addition, Grantor agrees to hold harmless, defend and indemnify Grantee from any and all liabilities including, but not limited to, injury, losses, damages, judgments, costs,

expenses and fees arising from or in any way connected with third party actions, unless due solely to the negligence of Grantee.

15. **TITLE.** The Grantor covenants and represents that the Grantor is the sole owner and is seized of the Property in fee simple and has good right to grant and convey this Conservation Easement; that the Property is free and clear of any and all liens, mortgages, judgments or other encumbrances, including but not limited to, any mortgages not subordinated to this Conservation Easement, that the Grantee shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement; and that there is no pending or threatened litigation in anyway affecting, involving or relating to the Property. Grantor makes no representation or warranty of title to that portion of the Property consisting of marshland or lands below the mean high water mark of abutting tidal waters. **NOTE: If any mortgages exist, they must be subordinated to this Conservation Easement.**

16. **NOTICES.** Any notices required by this Conservation Easement shall be in writing and shall be personally delivered or sent by first class mail or by facsimile, to Grantor and Grantee, respectively, at the following addresses or fax numbers, unless a party has been notified by the other of a change of address.

To Grantor:

J. Roger Hammond
8497 Augusta Stagecoach Road
Estill, SC 299186

Fax:

To the Grantee:

Attorney Southern Resource Office
The Nature Conservancy
114 Fayetteville Road, Suite 109
Durham, NC 27713-8548
Fax: (919) 484-7357

17. **ENVIRONMENTAL CONDITION.** The Grantor covenants and represents that no hazardous substance or toxic waste exists nor has been generated, treated, stored, used, disposed of, or deposited in or on the Property. Grantor has no knowledge of any underground storage tanks located on the property. If, at any time, there occurs, or has occurred, a release in, on, or about the Property of any substance now or hereafter defined, listed, or otherwise classified

pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, or soil, or in any way harmful or threatening to human health or the environment, Grantors agree to take all steps necessary to assure its containment and remediation, including any cleanup that may be required, unless the release was caused by Grantee, in which case Grantee shall be responsible therefor. Nothing in this Conservation Easement shall be construed as giving rise, in the absence of a judicial decree, to any right or ability to Grantee to exercise physical or managerial control over the day-to-day operations of the Property, or any of Grantors' activities on the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), and any corresponding state statute.

18. **SEVERABILITY.** If any provision of this Conservation Easement is found to be invalid, the remaining provisions shall not be altered thereby.

19. **PARTIES.** Every provision of this Conservation Easement that applies to the Grantor or Grantee shall also apply to their respective heirs, executors, administrators, assigns, and all other successors as their interest may appear.

20. **RE-RECORDING.** To ensure the perpetual enforceability of the Conservation Easement, the Grantee is authorized to re-record this instrument or any other appropriate notice or instrument.

21. **MERGER.** The parties agree that the terms of this Easement shall survive any merger of the fee and easement interest in the Property.

22. **SUBSEQUENT LIENS ON PROPERTY.** No provisions of this Conservation Easement should be construed as impairing the ability of Grantor to use this Property as

collateral for subsequent borrowing, provided that any mortgage or lien arising from such a borrowing would be subordinate to this Conservation Easement.

23. **ACCEPTANCE & EFFECTIVE DATE.** As attested by the Seal of The Nature Conservancy and the signature of its authorized representative affixed hereto, the Grantee hereby accepts without reservation the rights and responsibilities conveyed by this Conservation Easement. This Conservation Easement is to be effective the date recorded in the Hampton County Registry of Deeds, South Carolina.

24. **DISCLOSURE.** This Conservation Easement has been drafted by the Grantee as an accommodation to the Grantor. The Grantee does not represent the interests of the Grantor and makes no representation as to whether this Conservation Easement is in the proper form to assure the Grantor a charitable deduction in the event the Grantor claims a charitable gift deduction on its federal or state income tax returns. The Grantee has advised the Grantor to have the document reviewed by the Grantor's attorney, and the Grantor has had ample opportunity to do so.

TO HAVE AND TO HOLD, this Grant of Conservation Easement unto the Grantee, its successors and assigns, forever.

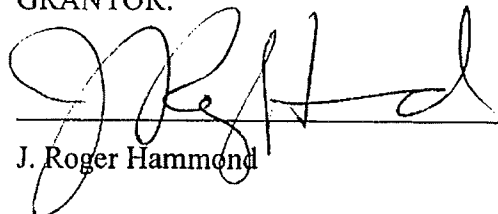
IN WITNESS WHEREOF, the Grantor and Grantee, intending to legally bind themselves, have set their hands and seals on the date first written above.

WITNESS:

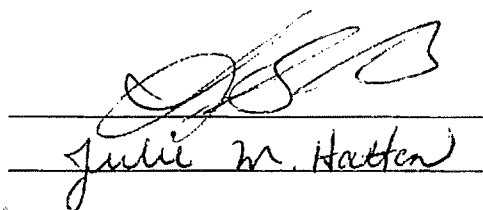


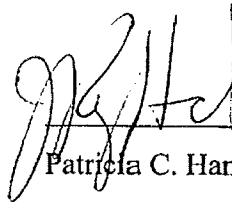
Julie M. Hatten

GRANTOR:



J. Roger Hammond (SEAL)

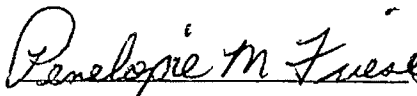

Julie M. Hatten

 AS ATTORNEY IN FIDELITY (SEAL)
Patricia C. Hammond

STATE OF Georgia §
COUNTY OF Chatham §

BEFORE ME, the undersigned authority, on this day personally appeared J. Roger Hammond, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he executed the same for the purposes and consideration therein stated, individually and in the capacity above stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 15th day of December, 2009.

 (SEAL)

NOTARY PUBLIC

Notary Public, Screven County, Georgia

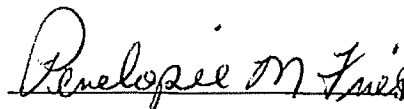
My Commission Expires October 18, 2013

My commission expires: _____

STATE OF Georgia §
COUNTY OF Chatham §

BEFORE ME, the undersigned authority, on this day personally appeared Patricia C. Hammond, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged that she executed the same for the purposes and consideration therein stated, individually and in the capacity above stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 15th day of December, 2009.

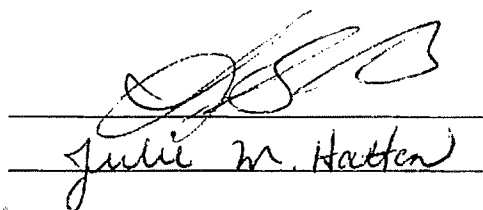
 (SEAL)

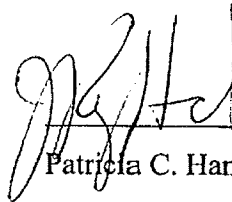
NOTARY PUBLIC

Notary Public, Screven County, Georgia

My Commission Expires October 18, 2013

My commission expires: _____

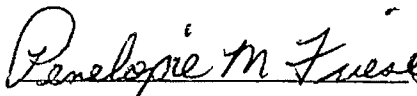

Julie M. Hatten

 AS ATTORNEY IN FIDELITY (SEAL)
Patricia C. Hammond

STATE OF Georgia §
COUNTY OF Chatham §

BEFORE ME, the undersigned authority, on this day personally appeared J. Roger Hammond, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he executed the same for the purposes and consideration therein stated, individually and in the capacity above stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 15th day of December, 2009.

 (SEAL)

NOTARY PUBLIC

Notary Public, Screven County, Georgia

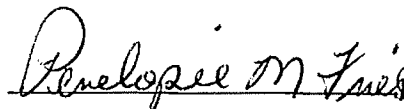
My Commission Expires October 18, 2013

My commission expires: _____

STATE OF Georgia §
COUNTY OF Chatham §

BEFORE ME, the undersigned authority, on this day personally appeared Patricia C. Hammond, known to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged that she executed the same for the purposes and consideration therein stated, individually and in the capacity above stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 15th day of December, 2009.

 (SEAL)

NOTARY PUBLIC

Notary Public, Screven County, Georgia

My Commission Expires October 18, 2013

My commission expires: _____

WITNESS:

Sam Pexrode
San Blaschard

GRANTEE:

THE NATURE CONSERVANCY

By: Daniel W. Guy, Jr. (SEAL)
Daniel W. Guy, Jr.
Its Assistant Secretary and Attorney

STATE OF NORTH CAROLINA §
COUNTY OF DURHAM §

This instrument was acknowledged before me on the 15th day of December, 2009, by Daniel W. Guy, Jr., Assistant Secretary and Attorney of THE NATURE CONSERVANCY, on behalf of said corporation.

Dorothy Gerard (SEAL)
NOTARY PUBLIC Dorothy Gerard

My commission expires: 2-10-2012

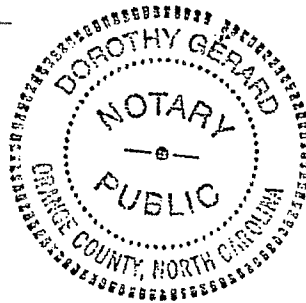


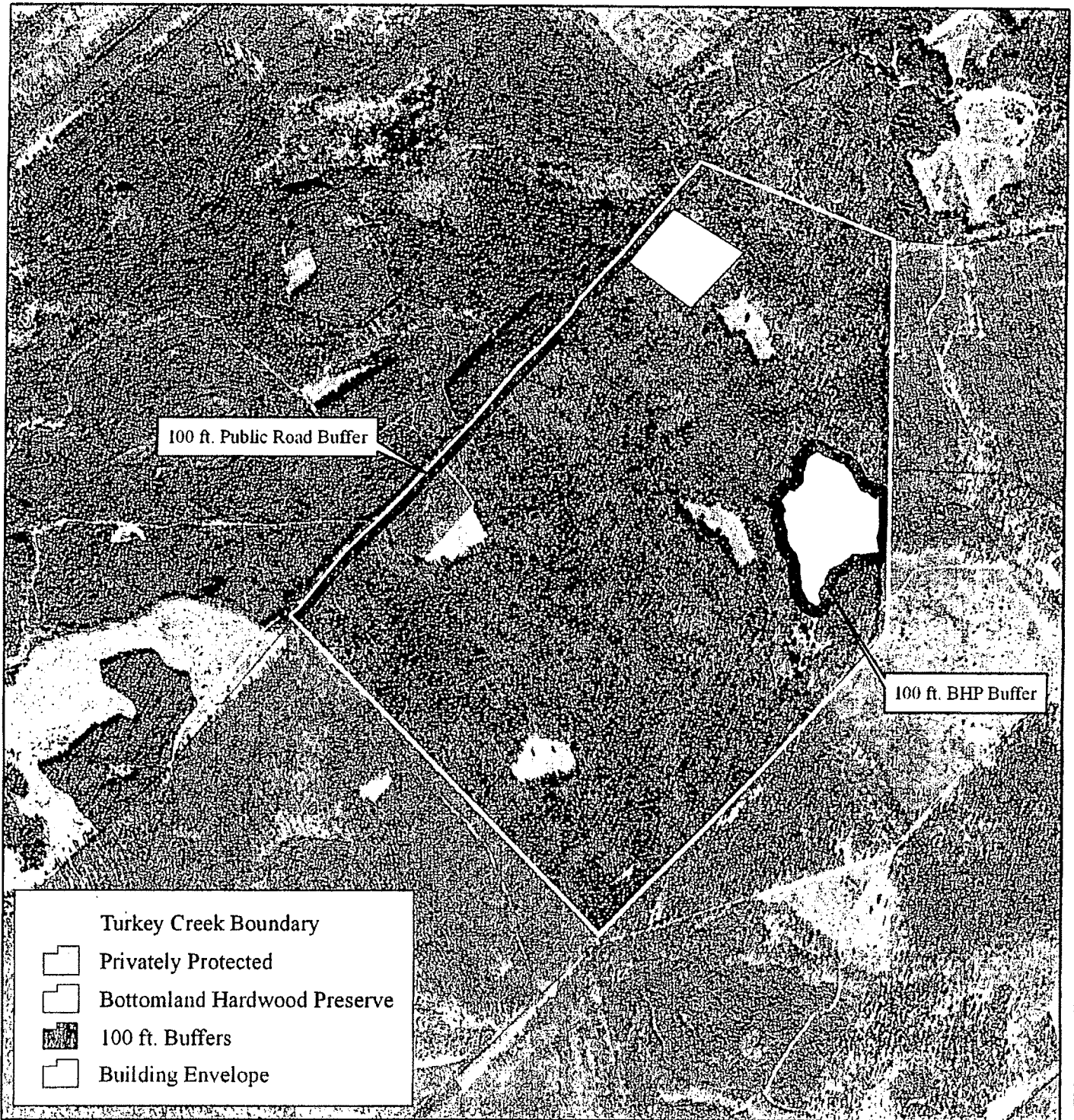
EXHIBIT A
Legal Description

All that certain piece, parcel or tract of land, with all improvements thereon, lying and being in the County of Hampton, State of South Carolina, containing 472.823 acres, more or less, butting and bounding generally as follows, to wit: On the Northeast by other lands of Robert W. Marshall and Ellse M. Simkins, on the East and Southeast by Lands of Dan S. Blalock, Jr., on the Southwest by lands of Mitchell S. Scott, et. al.; and on the Northwest by lands of Williams C. Calhoun; and having such shape, form, courses, distances, buttings, boundaries, delineations, as more fully shown on a plat of property prepared by Roy L. Green, RLS, dated October 8, 1993, and recorded in Plat Cabinet 35, Slide 10. Reference is hereby made to said plat and the same is hereby made a part and parcel of this description.

This is the same property conveyed to J. Roger Hammond and Patricia C. Hammond by deed of Paul Edward Yates and Kitty Sue Yates as Trustees dated May 15, 2009 and recorded June 3, 2009 in the office of the Clerk of Court for Hampton County, South Carolina in Deed Book 351 at page 230.

Exhibit B

The Nature Conservancy 
Protecting nature. Preserving life.™



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Map compiled by David Kaufman on December 1, 2005, at
The Nature Conservancy, 1100 North 10th Street, Suite 100,
Tomball, TX 77375. Map prepared from USGS aerial
photographs and other data provided by the USGS and
The Nature Conservancy.

Savannah River and Uplands (Hammond 2) Turkey Creek

STATE OF SOUTH CAROLINA)
COUNTY OF HAMPTON)

SUBORDINATION AGREEMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, The Coastal Bank, does hereby subordinate all of its rights under that certain Mortgage given to The Coastal Bank by J. Roger Hammond and Patricia C. Hammond dated May 15, 2009, and recorded June 3, 2009, in the Clerk of Court Office for Hampton County in Mortgage Book 477 at Page 250 to that certain Grant of Conservation Easement from J. Roger Hammond and Patricia C. Hammond to The Nature Conservancy dated Dec 15, 2009 and recorded in the office of the Clerk of Court Office for Hampton County in Deed Book 357 at page 129-153, said Grant of Conservation Easement to be senior in all respects to the liens of the said Mortgage to The Coastal Bank.

Provided, nothing herein shall be deemed to subordinate the prior claim on funds of The Coastal Bank or to subordinate the right of The Coastal Bank or its successors and assigns to receive payments under the aforesaid Mortgage or the Note secured thereby and any amendments or modification of any type thereto. Provided nothing herein shall be deemed to prohibit The Coastal Bank from foreclosing upon its lien interest at the foreclosure sale or to prohibit any person or entity from taking title to the property affected by the Grant of Conservation Easement, provided said foreclosure sale is made subject to the terms of the aforesaid Grant of Conservation Easement.

IN WITNESS WHEREOF, The Coastal Bank has caused these presents to be executed by its duly authorized officers this 15 day of December, 2009.

Witnesses:

The Coastal Bank

Angel R. Carr
Ray B. D.

By: Thomas C. Vestu
Its: E.V.P./Market President

Georgia
STATE OF ~~SOUTH CAROLINA~~)
COUNTY OF Chatham)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 15th day of December, 2009, by The Coastal Bank by its duly authorized officer.

Laura Morrison
Notary Public for South Carolina Georgia

My Commission Expires: July 2011

AFFIX SEAL

LAURA MORRISON
NOTARY PUBLIC
CHATHAM COUNTY, GEORGIA