



## **Anatomy of a Land Deal: Getting from Start to Finish**

It seems like magic. You open up your latest D&R Greenway Land Trust newsletter to find that you've helped us protect even more land in your community. But if you've ever bought a house, you know that real estate purchases require many steps from start to finish. Add fundraising, meeting the technical requirements for State and county funding and defining all future uses and needs for the conservation property to the list, and you've got a picture of the effort it takes to preserve every one of the 10,000 acres protected by D&R Greenway.

**It usually starts with a phone call, one of hundreds that will take place before we get to closing.** It might be from a landowner who has heard about D&R Greenway and wants to learn about options for preserving their land. Perhaps a neighbor has told about the many benefits and satisfactions of protecting their land with D&R Greenway, or maybe they've learned about us in the newspaper or from a friend like you who reads our newsletter. Perhaps a municipal open space committee has asked D&R Greenway to work with a landowner to preserve land in their community. But no matter how they come to us, we start with the essential first step...listen, listen, listen.

**Through a series of meetings, phone conversations and visits to the property, we are able to work hand-in-hand with the property owner to define the path to preservation.** The landowner may choose a conservation easement that restricts future development while keeping the land in private ownership. Or we may agree to purchase the property outright. While walking the property we identify the birds and plants, and the waterways and habitats that must be carefully managed into the future to ensure good conservation. Our staff creates maps that overlay boundary lines on top of aerial photographs, and that identify the areas that will be placed in public access, agriculture, and conservation. In order to write a conservation easement, our staff works closely with the landowner to identify all potential future uses of the property that are consistent with conservation.

**An important element is defining the costs involved with the preservation of the land.** This means obtaining a qualified appraisal that looks at comparable sales in the area. With this information in hand, we begin to explore funding sources, starting with the State, county and township open space funding. We may bring in advisors who can present information to the landowner on how to maximize their benefit through a conservation sale. Our staff uses our experience to illustrate how the combination of tax benefits and a conservation sale can compete with a development offer. When we have finally come to agreement on a purchase price for the land or conservation easement, and we have clearly defined our funding sources, D&R Greenway's legal counsel prepares draft contracts for review by the landowner's advisors.

**We must ensure that all legal contracts are consistent with State requirements.** Even for full donations of land or conservation easements, we follow the same process since the State will

recognize donations to D&R Greenway that meet their requirements by providing us future funding opportunities.

**Once we have signed the Agreement with the landowner, the detail work begins in earnest.** D&R Greenway staff must obtain a current survey and legal description of the property set to State Plan coordinates. We order a title search to ensure that we can obtain a clean and insured title to the property. If the property has a mortgage, we work through the landowner's attorneys and mortgage holder to obtain a subordination of the mortgage to the conservation easement. And we order a Phase I environmental assessment to ensure that the property is not contaminated.

**D&R Greenway staff orchestrates the entire process.** We manage the surveyors and other professionals and ensure that all documents meet the State's requirements. During this time we solve any problems that come up. For instance, we once found that a house that should have been on the neighboring property was located on the conservation property due to an errant prior survey. This took many hours of extra legal time to clear up. In some cases, we have to become a co-applicant with the landowner to subdivide the conservation property from a homesite. Or we may have to take a closer look at environmental issues if an underground tank is found on the property. Fortunately, D&R Greenway staff has become expert problem solvers due to having experienced many of the pitfalls that plague preservation.

**At the same time that we are completing the technical details, we are often fundraising to meet the purchase price.** In addition to raising the purchase price, we must ensure we can meet all the closing costs and set aside funds for future stewardship. To secure public funds from the NJ Green Acres Program, the county or the township, we must submit all of the completed technical reports for approval and then fill out the necessary payment vouchers in time for closing. It's a race to the finish to ensure that all of the work is done and the money is on hand to meet the contract deadline.

**Finally, we come to the closing table to complete the property's preservation.** Last minute reviews of settlement sheets, deeds and affidavits, title insurance and other closing documents are handled by D&R Greenway's staff and legal advisors. When the ink is finally dry and the property is preserved, we enjoy the most rewarding part of the process: thanking the landowner for creating a legacy of preservation and celebrating, celebrating, celebrating. Each acre preserved is a great achievement for the future.

**Since every transaction is unique, it is never a simple step-by-step process.**

In the end, it takes hundreds of meetings, phone calls, and visits to protect a property. It takes several lawyers, one or more financial advisors, often three or more funders, and half a dozen D&R Greenway staff. It takes a vote from our Board of Trustees to approve every transaction. And, of utmost importance, it takes a landowner who is committed to protecting the land.

**Your support of D&R Greenway enables us to dedicate professional, experienced staff to do all of the work necessary to get the job done.** Through your support, you are truly a partner in helping D&R Greenway keep our communities green, acre-by-acre. Thank you.

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