



Historic Conservation Easement Program

Since 1981, Restore Oregon (formerly the Historic Preservation League of Oregon) has accepted historic conservation easements from building owners across Oregon. Recognized nationally, the league's easement program currently protects 42 historic properties, from the Gwin House in Jacksonville to the Wells Fargo Building in Portland.

Under current Oregon law, the only way an owner of an historic property can ensure the preservation and protection of their property in perpetuity is through the donation of a historic conservation easement (sometimes known as a preservation easement). A conservation easement is a legally binding agreement to protect a historic property from activities that may harm the property's integrity, including neglect, demolition, and insensitive alterations.

What is a Conservation Easement?

A preservation easement allows the owner of a historic property to retain title and use of a property and, at the same time, ensure its long-term preservation. An easement is a legal contract by which the owner agrees to maintain the property according to the Secretary of the Interior's Standards. Adhering to these Standards ensures that a building's integrity, value, and historic context are preserved. It may also include surrounding property and landscape features. The easement, usually granted in perpetuity, is filed in the county land records and binds the current owner as well as all subsequent owners. The owner retains a major interest in the property and can sell it or will it to whomever he or she wishes.

Because each property is unique, preservation easements are individually written and tailored to each property, defining the precise elements that are to be preserved. Protected features may include the facade, interior, grounds, view sheds, or air rights. Any number of features may be included according to the specifics of the property in question; those listed above are some of the more common details.

Why give a Conservation Easement?

People grant easements for a variety of reasons, from personal gain through tax benefits to community improvement through the permanent preservation of a significant structure. Some reasons for giving a preservation easement may include:

- Protection of a donor's personal interest in preserving their family's heritage and home.
- Preservation of a building on which an owner has spent considerable time and resources restoring.
- Provision of tax savings for the property owner.
- Reduction in estate, gift and capital gains taxes.
- Improvement of one's community through long-term preservation of a significant landmark.

A significant, but often overlooked, benefit of a preservation easement is long-term professional assistance with technical preservation issues.

What Restrictions are Imposed on the Property Owner?

Each easement agreement is unique. In general, the owner is required to maintain the structure in such a way as to preserve its integrity and historic character, thereby ensuring its long-term survival and contribution to the community's historic resources.

The owner of the property subject to a preservation easement assumes responsibility for securing Restore Oregon's approval before undertaking rehabilitation or making significant changes to the property.

How Long Does an Easement Last?

Most easements are given in perpetuity. According to the IRS, if an easement is not granted into perpetuity the donor is not eligible for tax deductions.

Who Can Donate an Easement?

Any fee simple owner of a historic property may give an easement. This includes any public, private or nonprofit owner of an historic property.

Easement Valuation

If a property owner wishes to claim a tax deduction for their easement, an appraisal must be made. An independent real estate appraiser who is familiar with preservation easement appraisals determines the value of a preservation easement contribution. While Restore Oregon can assist the donor in locating appraisers, the donor is responsible for obtaining the appraisal. Restore Oregon cannot give tax, real estate or legal advice nor does it make appraisals.

As a rule, the value of a preservation easement is equal to any reduction in value of the property that results from subjecting the property to the easement's restrictions. The appraiser determines this value by establishing the fair market value of the property before the preservation easement donation, then subtracting that amount the fair market value of the property as restricted, after the granting of the preservation easement. The difference is the value of the easement.

Fees

Restore Oregon treats every conservation easement as a unique opportunity to preserve our heritage and each easement is negotiated individually. Because it takes substantial resources to process a new easement and manage it in perpetuity, we have adopted the following fee structure:

Application Fee:	\$150.00 (non-refundable)
Easement Processing Fee:	.25% (quarter of 1 percent) of appraised market value (building & land) or \$1000, whichever is greater; paid upon acceptance of the easement by Restore Oregon

Voluntary Donation to the Easement Management Fund: Restore Oregon considers the management of our conservation easements as a principle responsibility – one that requires concerted resources and a long term view. To fund the ongoing costs of monitoring, inspecting, enforcing, and administering our easements in perpetuity, Restore Oregon has established an Easement Management Fund. Grantors of conservation easements are encouraged to contribute to this fund at the time of settlement. A suggested donation is 2% of the appraised value of the property.

If you have questions about any aspect of the Conservation Easement Program, please contact our Executive Director. Should fees create a hardship for the grantor, the Restore Oregon Easement Committee will consider other options.