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For Immediate Release

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## Largest Conservation Easement in Virginia History Recorded

*Hancock Timber Resource Group, The Forestland Group and The Nature Conservancy protect 13,350 acres of forest land in the Dragon Run and Mattaponi Watersheds*

FEBRUARY 3, 2010 (RICHMOND, VIRGINIA) — **The Nature Conservancy** today announced that it has purchased 13,350 acres of ecologically significant forestland within the Dragon Run and Mattaponi watersheds from the **Hancock Timber Resource Group**. Immediately following the purchase from Hancock Timber, the Conservancy sold the property to **The Forestland Group** and retained a permanent conservation easement on the entire property. Covering more than 20 square miles, this easement is the largest recorded to date in Virginia.

This latest purchase adds to a growing network of protected lands in the Dragon Run drainage, with 20,600 acres now protected in the watershed, including more than 5,000 acres in the Dragon Run State Forest. The Conservancy owns in fee or holds a conservation easement on 13,700 acres in the Dragon Run drainage.

An ecological gem, Dragon Run includes diverse tidal cypress swamp communities and habitat for 90 bird species, such as bald eagles and prothonotary warblers. The waters are home to 55 species of fish and provide vital nurseries for perch, rockfish, and alewives, which are important for Chesapeake commercial fishermen and sportsmen.

**Michael Lipford**, director of **The Nature Conservancy**, said “The Dragon Run watershed is one of the few watersheds in eastern Virginia that remains primarily undeveloped, rural forest land. Our goal is to protect the best remaining functional forest in the Chesapeake Bay watershed to provide water quality, wildlife, and forestry benefits for the citizens of Virginia. This partnership between the Hancock Timber Resource Group, The Forestland Group and The Nature Conservancy represents our shared interest in conserving the ecology and traditional industries this special place supports.”

“We are also pleased that this project will get the Commonwealth and Governor McDonnell off to a running start on his pursuit of another 400,000 acres of conserved lands,” Lipford continued. “This

project has been in the works for awhile, and helps sustain the Commonwealth's momentum on land conservation. Virginia stills falls short of its Chesapeake Bay Agreement goal of conserving 20% of Virginia's Bay watershed. Large conservation efforts like this one, especially so close to the Bay itself, are important to our eventual success on this front. ”

“It is important to recognize that this project will produce benefits far from the site itself,” he added. “By protecting large forest tracts in the Dragon Run watershed, we are also helping to protect water quality in the Chesapeake Bay. Just downstream, the Conservancy is restoring native oyster reefs in the Piankatank River, and the protection of this watershed enhances those efforts.”

**Mike Wolf, director of North American Forest Operations at Hancock Timber Resource Group,** said “The Hancock Timber Resource Group, the Commonwealth of Virginia and the Nature Conservancy have a long history of working together to protect environmentally sensitive land. We are very pleased to be able to work with the Conservancy once again to protect even more land in the Dragon Run watershed.”

“Through our Sensitive Lands Program, the Hancock Timber Resource Group has helped preserve and protect more than 400,000 acres of environmentally sensitive lands in the United States and Australia,” he added.

A conservation easement is an agreement by the landowner to permanently restrict specific uses on the property in order to protect certain conservation, scenic or historic values. The Conservancy as the easement holder will be obligated to monitor the property on a yearly basis to ensure that current and future landowners comply with the restrictions.

In this case the easement prohibits timber harvesting in wetlands, and within 100 feet of wetlands and streams. The uplands have been managed for forest products for decades. Under the easement, continued forest management of the uplands is allowed under a third party forest certification program, and limits are placed on subdivision. The traditional uses of hunting and fishing are also allowed.

“The Forestland Group was a natural partner for the Conservancy,” said Lipford. “They have an excellent record of forest management on conservation lands and they are committed to third party certification through the Forest Stewardship Council (FSC).”

Landowners and companies that sell timber or forest products may seek FSC certification as a way to verify to consumers that they have practiced forestry consistent with certain guidelines that ensure forestry is practiced in an environmentally responsible, socially beneficial, and economically viable way.

**Hunter Jenkins, a managing director based in Virginia with The Forestland Group,** said “The Forestland Group is delighted to complete this wonderful conservation transaction involving The Nature Conservancy and the Hancock Timber Resource Group. We are excited by the opportunity to add this special investment in Virginia to our existing regional holdings in Maryland and Delaware, and recognize the ecological and economic benefits associated with responsibly managing sustainable, working forests in the Chesapeake Bay watershed.”

This project builds on two previous transactions between Hancock Timber, the Conservancy and the Virginia Department of Forestry, which created the Dragon Run State Forest. In May 2009, the Conservancy transferred 4,200 acres to the Virginia Department of Forestry. In April 2008, an additional 1,811 acres acquired by the Conservancy was transferred to Forestry. The State Forest is used to demonstrate forest management that promotes sustainable forestry, contributes to the local economy, and promotes healthy wildlife habitat. In total more than 25,000 acres of Hancock Timber's lands have been conserved within this multiple county area.

In December of 2009, the Department of Forestry acquired over 5,300 acres from Hancock adjacent to the 13,350 acre property, adding to the existing state forest. Its investment came through a Virginia Public Building Authority bond for public land acquisition approved by the General Assembly in 2008. The Commonwealth used these bond funds to protect large tracts of important conservation lands at several key sites across the state. All of the acreage acquired with bond funds will provide recreational opportunities to the public. In addition to the state bond funds, the Conservancy had significant help from private donors to acquire land and easements in this conservation area.

In Virginia, the Hancock Timber Resource Group has worked with conservation groups to permanently conserve over 30,000 acres. Hancock Timber in the late 1990s sold approximately 2,700 acres to The Nature Conservancy to help create the Piney Grove Preserve in Sussex Co., providing habitat for the northernmost population of Virginia's rarest bird, the red-cockaded woodpecker, which was listed as endangered in 1970.

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***The Hancock Timber Resource Group**, a division of Hancock Natural Resource Group, Inc., an operating company of MFC Global Investment Management, manages more than five million acres of timberland in the United States, Brazil, Canada, New Zealand and Australia. Additional information about HTRG may be found at [www.hancocktimber.com](http://www.hancocktimber.com). MFC Global Investment Management is the asset management arm of Manulife Financial Corporation. Based in North America with investment offices in Toronto, Boston, London, Tokyo, Hong Kong and Southeast Asia, the firm has more than 100 years of experience. Additional information about MFC Global Investment Management may be found at [www.mfcglobal.com](http://www.mfcglobal.com).*

***The Nature Conservancy** is a leading conservation organization working around the world to protect ecologically important lands and waters for nature and people. The Conservancy and its more than 1 million members have protected nearly 120 million acres worldwide. Visit The Nature Conservancy online at [www.nature.org](http://www.nature.org).*

***The Forestland Group, LLC** ("TFG"), formed in 1995, is an independent timberland investment management organization ("TIMO") which emphasizes naturally regenerating hardwood and some softwood forests. TFG currently manages approximately 3.4 million acres in 20 U.S. states as well as in Belize, Canada, and Costa Rica. The firm manages its investments through a series of limited partnerships and private REITs with a mix of both institutional and high-net-worth investors encompassing some 130 different entities. Headquartered in Chapel Hill, North Carolina, TFG has a corporate office near Boston and an array of forest management offices near its land bases. TFG was a pioneering TIMO with respect to managing its portfolio as a Certified Resource Manager under the Forest Stewardship Council guidelines.*