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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545 0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning Jul 1 , 2010, and ending Jun 30 , 2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization Carolina Mountain Land Conservancy, Inc.
Doing Business As

Number and street (or P O box if mail is not delivered to street addr) 847 Case Street
Room/suite

City, town or country Hendersonville
State NC
ZIP code + 4 28792

D Employer Identification Number 56-6449365

E Telephone number (828) 697-5777

G Gross receipts $ 3,016,621.

F Name and address of principal officer Lynn Carnes Pitts 847 Case Street Hendersonville NC 28792

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If 'No,' attach a list (see instructions)

I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) ( ) ◄ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ► www.carolinamountain.org

H(c) Group exemption number ►

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ►

L Year of Formation 1996

M State of legal domicile NC

Part I Summary

1 Briefly describe the organization's mission or most significant activities: Carolina Mountain Land Conservancy (CMLC) partners with landowners and organizations to protect land and water resources vital to our natural heritage and quality of life. (Continued, please see note attached at the end of this return.)

2 Check this box ► ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	19
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	19
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	75
6	Total number of volunteers (estimate if necessary)	6	218
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	

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		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,892,850.	2,528,972.
9	Program service revenue (Part VIII, line 2g)	1,234.	
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	102,916.	178,612.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	24,849.	15,424.
12	Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,021,849.	2,723,008.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	845,688.	850,168.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) ► 71,089.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,753,280.	1,793,677.
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	2,598,968.	2,643,845.
19	Revenue less expenses Subtract line 18 from line 12	422,881.	79,163.

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	7,548,761.	7,162,147.
21	Total liabilities (Part X, line 26)	2,693,528.	2,160,031.
22	Net assets or fund balances Subtract line 21 from line 20	4,855,233.	5,002,116.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

▶ Signature of officer — Date 2/20/12

▶ Lynn Carnes Pitts — President
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: Stephen C Corliss	Preparer's signature: Stephen C Corliss	Date: 02/14/12	Check ☐ if self-employed; PTIN
Firm's name ► CORLISS & SOLOMON, PLLC			Firm's EIN ►
Firm's address ► 242 CHARLOTTE ST STE 1 ASHEVILLE NC 28801-1434			Phone no (828) 236-0206

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

SCANNED MAR 19 2012

17

3

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐

1 Briefly describe the organization's mission

Carolina Mountain Land Conservancy (CMLC) partners with landowners and organizations to protect land and water resources vital to our natural heritage and quality of life. (Continued, please see note attached at the end of this return.)

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If 'Yes,' describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code _____) (Expenses $ 2,367,128. including grants of $ 0.) (Revenue $ 0.)

The Carolina Mountain Land Conservancy (CMLC) helps landowners protect local land and water resources vital to our natural heritage and quality of life. Through its land protection programs, CMLC is creating a regional network of more than 22,525 acres of protected farm, forest, park and natural lands in Henderson, Transylvania and neighboring counties in western North Carolina. Through its stewardship, education and volunteerism programs, CMLC is also developing greater public appreciation and involvement in conservation of the region's natural resources.

Please see attached 2010-11 Program Accomplishments.

4b (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4c (Code _____) (Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4d Other program services (Describe in Schedule O)

(Expenses $ _____ including grants of $ _____) (Revenue $ _____)

4e Total program service expenses ► 2,367,128.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If 'Yes,' complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If 'Yes,' complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If 'Yes,' complete Schedule C, Part II*	4		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If 'Yes,' complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If 'Yes,' complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If 'Yes,' complete Schedule D, Part II*	7	X	
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If 'Yes,' complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If 'Yes,' complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If 'Yes,' complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings and equipment in Part X, line 10? *If 'Yes,' complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments– other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If 'Yes,' complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments– program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If 'Yes,' complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If 'Yes,' complete Schedule D, Part IX*	11d	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If 'Yes,' complete Schedule D, Part X*	11e		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If 'Yes,' complete Schedule D, Part X*	11f	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If 'Yes,' complete Schedule D, Parts XI, XII, and XIII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If 'Yes,' complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If 'Yes,' complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If 'Yes,' complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If 'Yes,' complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If 'Yes,' complete Schedule G, Part I (see instructions)*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If 'Yes,' complete Schedule G, Part II*	18	X	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If 'Yes,' complete Schedule G, Part III*	19		X
20 a	Did the organization operate one or more hospitals? *If 'Yes,' complete Schedule H*	20		X
b	If 'Yes' to line 20a, did the organization attach its audited financial statements to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If 'Yes,' complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If 'Yes,' complete Schedule I, Parts I and III*	22		X
23	Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If 'Yes,' complete Schedule J*	23		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, and that was issued after December 31, 2002? *If 'Yes,' answer lines 24b through 24d and complete Schedule K If 'No,'go to line 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If 'Yes,' complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If 'Yes,' complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If 'Yes,' complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If 'Yes,' complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If 'Yes,' complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If 'Yes,' complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If 'Yes,' complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If 'Yes,' complete Schedule M*	29	X	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If 'Yes,' complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If 'Yes,' complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If 'Yes,' complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If 'Yes,' complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		X
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If 'Yes,' complete Schedule R, Part V, line 2* ☐ Yes ☒ No			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If 'Yes,' complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If 'Yes,' complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a 6		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 75		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)			
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X
b	If 'Yes' has it filed a Form 990-T for this year? *If 'No,' provide an explanation in Schedule O*	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b	If 'Yes,' enter the name of the foreign country ►			
	See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	**Organizations that may receive deductible contributions under section 170(c).**			
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X	
b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	7b	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d	If 'Yes,' indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		X
9	**Sponsoring organizations maintaining donor advised funds.**			
a	Did the organization make any taxable distributions under section 4966?	9a		X
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		X
10	**Section 501(c)(7) organizations.** Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	**Section 501(c)(12) organizations.** Enter			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year	12b		
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**			
a	Is the organization licensed to issue qualified health plans in more than one state?	13a		
	Note. See the instructions for additional information the organization must report on Schedule O			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c	Enter the amount of reserves on hand	13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b	If 'Yes,' has it filed a Form 720 to report these payments? *If 'No,' provide an explanation in Schedule O*	14b		

Part VI Governance, Management and Disclosure *For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a 19		
b	Enter the number of voting members included in line 1a, above, who are independent	1b 19		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	2		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Does the organization have members or stockholders?	6	X	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If 'Yes,' provide the names and addresses in Schedule O*	9		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		X
b	If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? *If 'No,' go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If 'Yes,' describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers of key employees of the organization	15b		X
	If 'Yes' to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► North Carolina

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

[ ] Own website [ ] Another's website [X] Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

► Carolina Mountain Land Conservancy 847 Case Street Hendersonville, NC 28792 (828) 697-5777

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of 'key employee '
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099 MISC)	(E) Reportable compensation from related organizations (W 2/1099 MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Lynn Carnes Pitts President	5.00	X		X				0.	0.	0.
(2) Lee Mulligan Vice President	3.00	X		X				0.	0.	0.
(3) Mike Tate Treasurer	4.00	X		X				0.	0.	0.
(4) David Efird Secretary	3.00	X		X				0.	0.	0.
(5) Rick Merrill Past President	1.00	X						0.	0.	0.
(6) Ruth Birge Board Member	1.00	X						0.	0.	0.
(7) Abby Cain Board Member	1.00	X						0.	0.	0.
(8) Genien Carlson Board Member	1.00	X						0.	0.	0.
(9) Meredith Keever Board Member	1.00	X						0.	0.	0.
(10) Bill McAninch Board Member	1.00	X						0.	0.	0.
(11) Tom Davis Board Member	1.00	X						0.	0.	0.
(12) Mary Jo Padgett Board Member	1.00	X						0.	0.	0.
(13) Dr. Diana Richards Board Member	1.00	X						0.	0.	0.
(14) Melanie Johnson Board Member	1.00	X						0.	0.	0.
(15) Mark Tooley Board Member	1.00	X						0.	0.	0.
(16) Chris Braund Board Member	1.00	X						0.	0.	0.
(17) John Humphrey Board Member	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(cont)*

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W 2/1099-MISC)	(E) Reportable compensation from related organizations (W 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Marshall McCallie Board Member	1.00	X						0.	0.	0.
(19) Dick Smith Board Member	1.00	X						0.	0.	0.
(20) Kieran Roe Executive Director	40.00			X				61,244.	0.	5,181.
(21)										
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
(29)										
1 b Sub-total ►								61,244.	0.	5,181.
c Total from continuation sheets to Part VII, Section A ►										
d Total (add lines 1b and 1c) ►								61,244.	0.	5,181.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ►

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If 'Yes,' complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If 'Yes' complete Schedule J for such individual*	4		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If 'Yes,' complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ►

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c	28,925.			
	d Related organizations	1d				
	e Government grants (contributions)	1e	1,939,975.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	560,072.			
	g Noncash contributions included in lns 1a-1f: $		330.			
	h **Total.** Add lines 1a-1f		2,528,972.			
PROGRAM SERVICE REVENUE		Business Code				
	2a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f					
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		32,960.	0.	0.	32,960.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross Rents					
	b Less rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory		430,000.			
	b Less cost or other basis and sales expenses		284,348.			
	c Gain or (loss)		145,652.			
	d Net gain or (loss)		145,652.	0.	0.	145,652.
	8a Gross income from fundraising events (not including $ 28,925. of contributions reported on line 1c) See Part IV, line 18	a	17,850.			
	b Less direct expenses	b	9,265.			
	c Net income or (loss) from fundraising events		8,585.		0.	8,585.
	9a Gross income from gaming activities See Part IV, line 19	a				
	b Less direct expenses	b				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	a				
	b Less cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Business Code				
	11a Refunds Received	900099	3,708.	0.	0.	3,708.
	b Miscellaneous	900099	3,131.	0.	0.	3,131.
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d		6,839.			
	12 **Total revenue.** See instructions		2,723,008.	0.	0.	194,036.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2 Grants and other assistance to individuals in the U S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	65,604.	45,923.	9,841.	9,840.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	656,251.	512,932.	100,633.	42,686.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	71,530.	55,378.	10,947.	5,205.
10 Payroll taxes	56,783.	43,961.	8,690.	4,132.
11 Fees for services (non-employees)				
a Management				
b Legal	3,709.	3,709.	0.	0.
c Accounting	23,885.	0.	23,885.	0.
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other	3,409.	348.	3,061.	0.
12 Advertising and promotion	2,094.	1,047.	0.	1,047.
13 Office expenses	30,623.	24,498.	4,900.	1,225.
14 Information technology	8,491.	6,793.	1,162.	536.
15 Royalties				
16 Occupancy	47,597.	37,944.	7,723.	1,930.
17 Travel	15,517.	14,311.	1,206.	0.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	7,090.	2,836.	1,418.	2,836.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	18,136.	14,509.	2,902.	725.
23 Insurance	17,585.	13,892.	2,766.	927.
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a Appraisals	44,925.	44,925.	0.	0.
b Baseline Documentation	11,236.	11,236.	0.	0.
c Conservation Easement Purchases	1,003,527.	1,003,527.	0.	0.
d Environmental Assessments	7,400.	7,400.	0.	0.
e Legal Review/Title/Closing Cost	49,134.	49,134.	0.	0.
f All other expenses	499,319.	472,825.	26,494.	0.
25 Total functional expenses Add lines 1 through 24f	2,643,845.	2,367,128.	205,628.	71,089.
26 **Joint costs.** Check here ► ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
ASSETS	1	Cash – non-interest-bearing		155,959.	1	111,955.
	2	Savings and temporary cash investments		452,431.	2	418,335.
	3	Pledges and grants receivable, net		256,537.	3	323,095.
	4	Accounts receivable, net		1,378.	4	2,993.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			6	
	7	Notes and loans receivable, net		200,000.	7	270,000.
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges			9	
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 5,166,539.			
	b	Less: accumulated depreciation	10b 54,603.	5,406,437.	10c	5,111,936.
	11	Investments – publicly traded securities		1,056,919.	11	903,206.
	12	Investments – other securities See Part IV, line 11			12	
	13	Investments – program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		19,100.	15	20,627.
	16	**Total assets** Add lines 1 through 15 (must equal line 34)		7,548,761.	16	7,162,147.
LIABILITIES	17	Accounts payable and accrued expenses		84,854.	17	147,138.
	18	Grants payable		0.	18	0.
	19	Deferred revenue		68,030.	19	40,479.
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		2,540,644.	23	1,972,414.
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities. Complete Part X of Schedule D			25	
	26	**Total liabilities.** Add lines 17 through 25		2,693,528.	26	2,160,031.
NET ASSETS OR FUND BALANCES		**Organizations that follow SFAS 117, check here ► [X] and complete lines 27 through 29 and lines 33 and 34.**				
	27	Unrestricted net assets		987,247.	27	853,591.
	28	Temporarily restricted net assets		1,063,168.	28	1,083,933.
	29	Permanently restricted net assets		2,804,818.	29	3,064,592.
		Organizations that do not follow SFAS 117, check here ► [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		4,855,233.	33	5,002,116.
	34	Total liabilities and net assets/fund balances		7,548,761.	34	7,162,147.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,723,008.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,643,845.
3	Revenue less expenses Subtract line 2 from line 1	3	79,163.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,855,233.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	67,720.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	5,002,116.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII [ ]

			Yes	No
1	Accounting method used to prepare the Form 990 [ ] Cash [X] Accrual [ ] Other _____			
	If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
d	If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both [X] Separate basis [ ] Consolidated basis [ ] Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X	
b	If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	X	

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► **Attach to Form 990 or Form 990-EZ.** ► **See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization	Employer identification number
Carolina Mountain Land Conservancy, Inc.	56-6449365

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)** Enter the hospital's name, city, and state _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I b ☐ Type II c ☐ Type III – Functionally integrated d ☐ Type III – Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g (i)	
(ii)	A family member of a person described in (i) above?	11g (ii)	
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	11g (iii)	

h Provide the following information about the supported organization(s)

	(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in column (i) of your support? Yes	(v) No	(vi) Is the organization in column (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support
(A)										
(B)										
(C)										
(D)										
(E)										
Total										

Part III Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III If the organization fails to qualify under the tests listed below, please complete Part III)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include unusual grants)	3,787,280.	8,922,726.	7,511,188.	2,884,791.	2,528,972.	25,634,957.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	3,787,280.	8,922,726.	7,511,188.	2,884,791.	2,528,972.	25,634,957.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						3,526,730.
6 **Public support.** Subtract line 5 from line 4						22,108,227.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	3,787,280.	8,922,726.	7,511,188.	2,884,791.	2,528,972.	25,634,957.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	21,068.	11,190.	11,156.	14,928.	32,960.	91,302.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	20,150.	45,298.	72,555.	24,572.	24,689.	187,264.
11 **Total support.** Add lines 7 through 10						25,913,523.

12 Gross receipts from related activities, etc (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ► ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	85.32 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	84.51 %

16a **33-1/3% support test – 2010.** If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☒

b **33-1/3% support test – 2009.** If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☐

17a **10%-facts-and-circumstances test – 2010.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test The organization qualifies as a publicly supported organization ► ☐

b **10%-facts-and-circumstances test – 2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test The organization qualifies as a publicly supported organization ► ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II If the organization fails to qualify under the tests listed below, please complete Part II)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions and membership fees received (Do not include any 'unusual grants ')						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lns 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ► ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2010** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2009** Schedule A, Part III, line 17	18	%

19a **33-1/3% support tests – 2010.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☐

b **33-1/3% support tests – 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ► ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► ☐

Part IV Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Other Income Part II, Line 10

Description: Special Event Revenue, Gross

2006: 0.

2007: 20775.

2008: 39460.

2009: 8236.

2010: 17850.

Description: Inventory Sales, Gross

2006: 484.

2007: 0.

2008: 0.

2009: 0.

2010: 0.

Description: Program Service Revenue

2006: 16751.

2007: 19791.

2008: 11744.

2009: 1234.

2010: 0.

Description: Miscellaneous

2006: 2915.

2007: 4732.

2008: 9775.

2009: 5788.

2010: 3131.

Description: Refunds Received

2006: 0.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

Carolina Mountain Land Conservancy, Inc.

Employer identification number

56-6449365

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

- [X] Preservation of land for public use (e g , recreation or education)
- [X] Protection of natural habitat
- [X] Preservation of open space
- [X] Preservation of an historically important land area
- [ ] Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a 75
b Total acreage restricted by conservation easements	2b 5,341.0
c Number of conservation easements on a certified historic structure included in (a)	2c 0
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d 0

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► 3

4 Number of states where property subject to conservation easement is located ► 2

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? [X] Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► 1,000

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► $ 27,300.

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? [X] Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► $

(ii) Assets included in Form 990, Part X ► $

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► $

b Assets included in Form 990, Part X ► $

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ► _____ %
- b Permanent endowment ► _____ %
- c Term endowment ► _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	36,500.	4,666,757.		4,703,257.
b Buildings		407,487.	20,798.	386,689.
c Leasehold improvements				
d Equipment		55,795.	33,805.	21,990.
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)*			►	5,111,936.

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total *(Column (b) must equal Form 990 Part X, column (B) line 12.)* ►		

Part VIII Investments—Program Related. (See Form 990, Part X, line 13)

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, column (B) line 13.)* ►		

Part IX Other Assets. (See Form 990, Part X, line 15)

(a) Description	(b) Book value
(1) Security Deposits	0.
(2) Option on Land Purchase	5,100.
(3) Prepaid Insurance	15,527.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, column(B), line 15)* ►	20,627.

Part X Other Liabilities. (See Form 990, Part X, line 25)

(a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, column (B) line 25)* ►	

2. FIN 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII,column (A), line 12)	2,723,008.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2,643,845.
3	Excess or (deficit) for the year Subtract line 2 from line 1	79,163.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4 through 8	
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	79,163.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	2,804,263.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	71,220.		
b	Donated services and use of facilities	2b	4,270.		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	5,765.		
e	Add lines **2a** through **2d**			2e	81,255.
3	Subtract line **2e** from line **1**			3	2,723,008.
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12)*			5	2,723,008.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	2,657,380.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a	4,270.		
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d	9,265.		
e	Add lines **2a** through **2d**			2e	13,535.
3	Subtract line **2e** from line **1**			3	2,643,845.
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18)*			5	2,643,845.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Pt II Line 3 During the period ended June 30, 2011, CMLC assigned two conservation

Pt II Line 3 easements purchased with State grant funds totaling $1,024,703 and

Pt II Line 3 covering 260 acres to the State of North Carolina. CMLC also vacated one

Pt II Line 3 conservation easement on 169 acres that had been appraised at a value of

Pt II Line 3 $1.8 million in 2005 pursuant to a court order.

Pt II Line 5 The organization monitors every easement annually.

Pt II Line 9 CMLC's accounting policy for conservation easements, which is widely used by

Pt II Line 9 other land trust organizations, states that easements will not be recognized as assets.

Part XIV Supplemental Information *(continued)*

Pt II Line 9 Accordingly, easements received by donation are not included in income and easements purchased
Pt II Line 9 are expensed. Management believes that this method results in financial statements that most accurately
Pt II Line 9 reflect the financial results of the Organization's activities.
Pt X CMLC is exempt from federal income taxes under 501(c)(3) of the Internal
Pt X Revenue Code. Under the Code, however, income from certain activities
Pt X not related to the organization's tax-exempt purpose may be subject to
Pt X taxation as unrelated business income. The organization had less than
Pt X $1,000 of income from unrelated business activities in the 2010-11 fiscal
Pt X year and was, therefore, not required to file Federal Form 990-T (Exempt
Pt X Organization Business Income Tax Return). The organization believes that it has
Pt X appropriate support for all tax positions taken, and as such, does not have any
Pt X uncertain tax positions that are material to the financial statements. The
Pt X organization's Forms 990 for 2008-07, 2009-10 and 2010-11 are subject to
Pt X examination by the IRS, generally for three years after being filed.
Pt XII Line 2d Impairment Loss on Trade Lands ($3,500) & Event Expense $9,265
Pt XIII Line 2d Event Expense $9,265

Part XIV Supplemental Information *(continued)*

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545 0047

2010

Open to Public Inspection

Name of the organization
Carolina Mountain Land Conservancy, Inc.

Employer identification number
56-6449365

Part I **Fundraising Activities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 17 Form 990-EZ filers are not required to complete this part

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- a ☐ Mail solicitations
- b ☐ Internet and email solicitations
- c ☐ Phone solicitations
- d ☐ In-person solicitations
- e ☐ Solicitation of non-government grants
- f ☐ Solicitation of government grants
- g ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No

b If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	(iii) No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total			►				

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

Part II Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6a. List events with gross receipts greater than $5,000.

		(a) Event #1 Conservation Celebr (event type)	(b) Event #2 5k Run (event type)	(c) Other events NONE (total number)	(d) Total events (add column (a) through column (c))
REVENUE	1 Gross receipts	40,310.	6,465.		46,775.
	2 Less Charitable contributions	24,000.	4,925.		28,925.
	3 Gross income (line 1 minus line 2)	16,310.	1,540.		17,850.
DIRECT EXPENSES	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	930.			930.
	7 Food and beverages	5,549.			5,549.
	8 Entertainment				
	9 Other direct expenses		2,636.		2,636.
	10 Direct expense summary Add lines 4- through 9 in column (d)			►	9,115.
	11 Net income summary Combine line 3, column (d), and line 10			►	8,735.

Part III Gaming. Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add column (a) through column (c))
REVENUE	1 Gross revenue				
DIRECT EXPENSES	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d)			►	
	8 Net gaming income summary Combine lines 1, column (d) and line 7			►	

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If 'No,' explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If 'Yes,' explain _____

11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a The organization's facility	13a	%
b An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ►

Address ►

15a Does the organization have a contact with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If 'Yes,' enter the amount of gaming revenue received by the organization ► $ _____ and the amount of gaming revenue retained by the third party ► $ _____

c If 'Yes,' enter name and address of the third party.

Name ►

Address ►

16 Gaming manager information

Name ►

Gaming manager compensation ► $ _____

Description of services provided ►

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► $

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

► Complete if the organizations answered 'Yes' on Form 990, Part IV, lines 29 or 30.

► Attach to Form 990.

OMB No 1545 0047

2010

Open To Public Inspection

Name of the organization

Carolina Mountain Land Conservancy, Inc.

Employer identification number

56-6449365

Part I Types of Property

		(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded				
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other	X	4	0.	Revenue not recognized (Sch D)
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ► (_____)				
26	Other ► (_____)				
27	Other ► (_____)				
28	Other ► (_____)				

			Yes	No
29	Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement	29		
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		X
b	If 'Yes,' describe the arrangement in Part II			
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	X	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	32a		X
b	If 'Yes,' describe in Part II.			
33	If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II			

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Pt I Line 33 During the 2010-11 fiscal year, CMLC does not carry conservation

Pt I Line 33 easements as assets on the organization's books.

Pt I Line 33 Accordingly, donated conservation easements are not

Pt I Line 33 recognized in revenue. Each donated conservation easement

Pt I Line 33 is described in Schedule B Part II.

SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
► **Attach to Form 990 or 990-EZ.**

OMB No 1545 0047

2010

Open to Public Inspection

Name of the organization: Carolina Mountain Land Conservancy, Inc.

Employer identification number: 56-6449365

Pt VI-A, Line 4 CMLC restated its Articles of Incorporation to reflect its current address and officers.

Pt VI-A, Line 6 Members receive nominal benefits such as a newsletter and email alerts.

Pt VI-B, Line 11a The Finance Committee reviews the Form 990, offers its recommendations to the Board, who then approves it or requests further inquiry & explanation.

Pt VI-B, Line 12c Board members are made aware of the policy and the need for any member with a conflict to abstain from voting on the matter.

Pt VI-B, Line 15 The Executive Committee conducts a performance review annually where a vote occurs on a wage increase. Staff person types up notes & shares with the Finance Director. Land Trust Alliance sets industry standards.

Pt VI-C, Line 18 Form 1023 and 990 available upon request.

Pt VI-C, Line 19 Governing documents in house. Financial documents included in newsletter distributed to members & is available on the organization website and its annual report.

Pt XI Other changes in net assets include net unrealized investment gains of $71,220 and an impairment loss on trade lands of $3,500.

Pt I, Line 20 U.S. GAAP does not provide specific guidance on the accounting treatment of conservation easements. As a result, land trust organizations in the United States use several different methods to account for their conservation easements. CMLC has maintained an accounting policy that calls for the capitalization of conservation easements at estimated fair market value as determined by appraisal. In recent years, CMLC has been evaluating the appropriateness of this policy. Specifically, it has become concerned that the effect of recording in income and in assets the very large dollar amounts associated with conservation easements could be leading to financial statements that are not as reflective of the organization's financial activities as they could be. Further, while the valuation of conservation easements may

Name of the organization: Carolina Mountain Land Conservancy, Inc.

Employer identification number: 56-6449365

Pt I, Line 20 be based on independent appraisals, those values are inherently subject to a wide range of interpretation. During its 2010 financial statement close, CMLC determined that another accounting treatment for its conservation easements would be preferable. Under this new, non-capitalization policy, which is widely used by other land trust organizations, easements will not be recognized as assets. Correspondingly, easements received by donation will not be included in income and easements purchased will be expensed. Management believes that this method will result in financial statements that more accurately reflect the financial results of the organization's activities. The effect of the change was to reduce assets and permanently restricted net assets by $37,982,928, representing the asset value of the conservation easements that had been capitalized to that point in time under the accounting method used previously.

Schedule A (Form 990 or 990EZ) - Part IV - Supplemental Information (continued)
Schedule A (Form 990 or 990EZ) - Part IV - Supplemental Information (Continuation Sheet)

2007: 0.
2008: 11576.
2009: 9314.
2010: 3708.

Schedule O (Form 990 or 990-EZ), Supplemental Information to Form 990 or 990-EZ
Form 990, Page 10, Line 24f All Other Expenses (continued)

Description	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Project Consultant Fees	5,376.	5,376.	0.	0.
Land Planning	5,458.	5,458.	0.	0.
Restoration Project Cost	317,589.	317,589.	0.	0.
Project Interest	46,940.	46,940.	0.	0.
Property Taxes & Other	408.	408.	0.	0.
Surveyor Fees	79,433.	79,433.	0.	0.
Board and Staff Training	5,164.	4,352.	812.	0.
Equipment	16,165.	13,269.	2,896.	0.
Bad Debt Expense	22,786.	0.	22,786.	0.

Supporting Statement of:

Form 990 p 11/Line 23, column (B)

Description	Amount
Please see schedule of loans attached	1,972,414.
Total	1,972,414.

Additional Information For Tax Return

Carolina Mountain Land Conservancy, Inc. 56-6449365

Form 990 p 1: Pt I, Ln 1, Mission, Cont-2

Mission Statement (continued):

As an effective nonprofit organization dedicated to saving the places you love, CMLC works to permanently conserve and actively care for an ever-growing regional network of locally and nationally significant farm, forest, park and natural lands.

Form 990 p 1: Pt I, Ln 20, Prior yr

The beginning of year assets and net assets included conservations easements held, at a total value of $37,982,928. During the year, the Conservancy changed its accounting treatment of conservation easements. Under the new method, conservation easements are not recognized as assets. (Also see Sch D, Part II, Line 9, Supplemental Information and Sch O, Part I, Line 20, Supplemental Information)

Form 990 p 6: Line 17-1

Filed with NC Secretary of State as part of annual Charitable Solicitation License renewal.

Sch. B, page 3 (Copy 1): Description, line 1-1

During the year, the Conservancy changed its accounting treatment of conservation easements. Under the new method conservation easements are not recognized as assets and donations of easements are not recognized in income. (Also see Sch D, Part II, Line 9, Supplemental Information and Sch O, Part I, Line 20, Supplemental Information)

Carolina Mountain Land Conservancy

EIN#: 56-6449365
2010 Form 990, p 2: Part III, Line 4a

Statement of Program Service Accomplishments

Land Protection
From July 1st 2010 to June 30th 2011, CMLC protected 1,284 acres at six sites, including:

21 acres at one site in Henderson County
Middle Fork: 21 acres placed under conservation easement in the Upper Hickory Nut Gorge near Bat Cave.

1,166 acres at four sites in Transylvania County
East Fork Headwaters: Working with national partner, The Conservation Fund, CMLC facilitated acquisition of 786 acres, route of a key segment of the Foothills Trail for permanent conservation ownership.
Deep Woods Camp, Phase II: CMLC added 10 additional acres at this site, where 319 acres were conserved previously in 2007.
Camp Rockbrook: CMLC acquired a conservation easement on 115 acres at this girls summer camp located along the French Broad River south of Brevard.
Terra Nova: CMLC facilitated conservation of 189 acres at this retreat center along the southern boundary of DuPont State Forest

163 acres at one site in Polk County
Alexander's Ford: CMLC facilitated purchase of 163 acres, conveyed to Polk County for the purpose of developing a county park at this historic site along the route of the Revolutionary War Overmountain Victory Trail.

Education and Outreach
CMLC hosted its 10th annual Conservation Celebration, celebrating CMLC's mission and the conservation successes of 2010. CMLC held the second annual Run for the Hills 5K, which educated people about the Fletcher Community Park Greenway (another CMLC conservation project). CMLC also hosted 12 hikes on conserved properties. The hikes were enjoyed by more than 300 CMLC members and members of the general public. As a total, CMLC enjoys support and membership from more than 1% of the total population of our service region.

AmeriCorps
CMLC continued the administration of AmeriCorps Project Conserve, a federally sponsored grant which placed 30 AmeriCorps members with conservation nonprofits and government agencies across western North Carolina. Administered by CMLC, the project engages individuals, many of whom are recent college graduates, in 11-month terms of service. Through their direct service and by promoting additional community volunteerism, Project Conserve provides over 35,000 hours of service annually to the conservation of land, water and other natural resources in the region.

Stewardship
CMLC continued to steward its growing list of conservation easements by making annual monitoring visits to all easement-protected properties during this twelve-month period. CMLC also continued to own and manage its two nature preserves – the 600-acre Florence Nature Preserve in Gerton and the 10-acre Lewis Creek Nature Preserve in Edneyville.

Restoration
CMLC completed restoration of the 30-acre Ochlawaha Bog site in Flat Rock. Habitat was restored for the globally-rare bunched arrowhead plant, found only in Henderson County, N.C. and Greenville County, S.C. CMLC also worked with partners at the N.C. Ecosystem Enhancement Program to support restoration of 1,500-linear feet of stream at the Lewis Creek Nature Preserve.

Trail Development
CMLC worked with partners to establish a new section of greenway trail at the Town of Fletcher's Cane Creek Greenway system. CMLC developed a new one-mile trail to the summit of Bearwallow Mountain in northeast Henderson County.

Water Quality
CMLC helped to reform and incorporate the Mills River Partnership, a community organization bringing together stakeholders working on the shared goal of improving and protecting water quality in the Mills River watershed, a key drinking water source for tens of thousands of residents in the region.

Carolina Mountain Land Conservancy
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Secured Notes Payable

Note payable to the Taproots Corporation: On November 12, 2008, note obtained for the purchase of a lot for a new office building. Payment of principal $142,800 and 5.5% interest due at end of loan term November 12, 2013. No prepayment penalties. Secured by the property purchased.	$	164,448
Note payable to Conservation Trust of North Carolina: On December 18, 2009, a note was obtained in the amount of $1,600,000 for the purchase of Weed Patch Mountain property. Balance of note, including interest at 3.0%, due December 18, 2011. Loan is secured by the Weed Patch Mountain property.		1,269,932
Note payable to Norcross Wildlife Foundation On March 24, 2011, a note was obtained for the purchase of Hickory Nut Gorge Trailhead property Payment of principal $175,000 and 10.0% interest is due at end of loan term March 24, 2012. Secured by balances on account with Self Help Credit Union.		176,458
Mortgage payable to Carolina First Bank: On May 21, 2009, mortgage was obtained to finance newly constructed office building. The principal was $400,000 with an interest rate of 4.75% payable in monthly installments of $1,975 for 30 years, with a seven-year call. Secured by the new office building.		361,576

Summary of Notes Payable:		
Total Notes Payable	$	1,972,414
Less Current Maturities		(1,453,058)
Notes Payable, Net of Current Maturities	$	519,356

Principal maturities for the next five years are as follows:

Years ending June 30:		
2012	$	1,453,058
2013		6,991
2014		171,779
2015		7,687
2016		332,899
Total	$	1,972,414