



Parks, Recreation and Historic Preservation

Standards & Procedures for Appraisal Reporting

October 2002
(Revised March 20, 2019)

(This manual should be furnished to grant recipients as soon as possible so they can provide these guidelines to the appraiser(s). This will help to ensure the appraisal(s) will meet OPRHP appraisal requirements.)

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FOREWORD

The purpose of this manual is to provide a standardized guideline for appraisers in the writing of appraisal reports for the New York State Office of Parks, Recreation and Historic Preservation (OPRHP). Appraisals are used for the acquisition of property and for the Grants-in-Aid program. **They are to be written in the format of an Appraisal Report, as defined by the 2018-2019 Uniform Standards of Professional Appraisal Practice (USPAP), and must be certified by a New York State licensed certified general appraiser.** In addition to USPAP standards, the appraisal requirements outlined in this manual must be met within the report.

This type of appraisal report is necessary to ORPHP so that our staff can visualize and understand the subject property and its market value. Also, other State agencies that read these appraisals need a clear understanding of the property and its market value without the benefit of a field visit.

The appraisal reports commissioned for the acquisition of property and for the Grants-in-Aid program are a very important part of our process. Accurate and thorough data, as well as clear and precise explanations of any adjustments, special assumptions and limiting conditions, etc., are essential in order for OPRHP to negotiate fairly with property owners and for the approval of Grant applications. The use of the **Uniform Residential Appraisal Reports (URAR) must** be avoided because they are not detailed enough for our purposes. Submitting a URAR will cause an appraisal to be rejected because there is insufficient information for OPRHP to review.

In addition, the use of a **Restricted Appraisal Report**, as defined by the 2018-2019 USPAP, will not be accepted for the valuation of a property. Restricted Appraisal Reports do not contain sufficient information for OPRHP Real Property staff to properly understand an appraiser's analyses or the rationale for the appraiser's conclusions.

In all cases, the property owner or his designated representative must be offered the opportunity to accompany the appraiser when he inspects the property. This offer and its acceptance or rejection by the property owner is to be documented in the appraisal report. The appraiser is representing the State of New York and must always show a high degree of courtesy in all contacts with the owner. The appraiser must encourage the owner to point out all the special attributes of the property (positive as well as negative) making sure the owner is comfortable that the appraiser has all the facts.

In the case where multiple parcels owned by the same entity are to be valued, the appraiser will first determine the highest and best use of the parcels. The highest and best use analysis will determine if the parcels should be marketed as one unit or whether they would have a higher value if marketed separately. If the parcels should be marketed separately, then each one will require its own valuation. **Under no circumstances should parcels owned by different entities be valued in the same appraisal.**

The appraiser must not discuss any value issues with the owner. It should be explained that the appraiser is there to gather information as part of the process for determining the market value of the property. Any questions concerning the value or the acquisition process should be directed to OPRHP.

The appraiser should ask the owners if they have any maps, deeds, title information, subdivision approvals or environmental reports that may assist the appraiser in writing his/her report.

A property that has a market value of \$300,000 or more will require the submission of two different appraisal reports. Properties valued at less than \$300,000 require only one appraisal submission.

Special Note for OPRHP LWCF Grant Appraisals. Appraisals written for grants funded under the Land and Water Conservation Fund and for Parkland Conversion under the 6 (f) provisions, must be prepared in accordance with the Uniform Appraisal Standards for Federal Land Acquisition (UASFLA), published by the Appraisal Institute, in cooperation with the U.S. Department of Justice. This publication may be accessed via the Internet through the Department of Justice website at: www.justice.gov/enrd/land-ack/Uniform-Appraisal-Standards.pdf UASFLA appraisal standards take precedence over all other appraisal guidelines including those found in this manual.

APPRAISAL REPORT FORMAT

Part I – Introduction

1. Title Page. This should include: (a) the name & street address of the property appraised, (b) the name and address of the individual(s) making the report, and (c) the effective date of the appraisal.

2. Letter of Transmittal. This should include the date of the letter; identification of the property and property rights appraised; a reference that the letter is accompanied by an appraisal report; a statement of the effective date of the appraisal; identification of any hypothetical conditions, extraordinary assumptions, limiting conditions, or legal instructions; the value estimate, or estimates, in the case of a partial acquisition, of the value of the whole property before the acquisition and the remainder property after the acquisition; and the appraiser's signature.

3. Table of Contents.

4. Appraiser's Certification. The appraisal report shall include an appraiser's signed statement certifying that:

- The statements of fact contained in the report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions, limiting conditions, and legal instructions, and are the personal, unbiased professional analysis, opinions, and conclusions of the appraiser;
- The appraiser has no present or prospective interest in the property appraised and no personal interest or bias with respect to the parties involved;
- The compensation received by the appraiser for the appraisal is not contingent on the analyses, opinions, or conclusions reached or reported;
- The appraisal was made and the appraisal report prepared in conformity with the current edition of the Appraisal Foundation's *Uniform Standards for Professional Appraisal Practice* and *New York State Office of Parks, Recreation and Historic Preservation Standards & Procedures for Appraisal Reporting*.
- The appraiser has made a personal inspection of the property appraised and that the property owner, or his/her designated representative, was given the opportunity to accompany the appraiser on the property inspection;
- No one provided significant professional assistance to the appraiser. (If professional assistance was provided the appraiser, the name of the individual(s) providing such assistance must be stated and their professional qualifications should be included in the addenda of the appraisal report. This requirement includes both professional appraisal assistance and providers of subsidiary assistance, e.g., planning and permitting consultants, engineers, cost estimators, or marketing consultants.

The appraiser's certification shall also include the appraiser's opinion of the market value of the property appraised as of the effective date of the appraisal. If the government's acquisition comprises only a portion of the whole property, or property rights, appraised, the certification shall include both the appraiser's opinion of the market value of the whole property as of the effective date of the appraisal and the appraiser's opinion of the remainder property's market value after the government's acquisition, as of the effective date of the appraisal.

Appraisers may also add to their certifications certain items that may be required by law, the USPAP, and the appraiser's professional organization(s).

5. Summary of Salient Facts and Conclusions or Executive Summary. The appraiser shall report the major facts and conclusions that led to the final estimate(s) of value. This summary should include an identification of the property appraised; the highest and best use of the property; brief description of improvements; the indicated value of the property by each approach to value; the final estimate of value; and any hypothetical conditions, extraordinary assumptions, limiting conditions or instruction; and the effective date of the appraisal. If the acquisition is a partial acquisition, the

items listed above (from highest and best use of the property through the final estimate of value) must be reported for both before and after the acquisition.

6. Original or Digital Photographs of Subject Property. In selecting photographs for inclusion in their reports, appraisers should bear in mind that some government appraisal reviewers and other readers of the report may never have an opportunity to personally view the property. Therefore, they must rely on the photographs and the narrative description of the property provided by the appraiser to gain an adequate understanding of the physical characteristics of the property to judge the accuracy and reasonableness of the appraiser's analyses and value estimate(s).

7. Statement of Assumptions and Limiting Conditions. Any assumptions and limiting conditions that are necessary to the background of the appraisal shall be stated. Any client agency or special legal instructions provided the appraiser, written or verbal, shall be included in the addenda of the appraisal report.

If the appraisal has been made subject to any encumbrances against the property, such as easements, these shall be stated. In this regard, it is unacceptable to state that the property has been appraised as if free and clear of all *encumbrances except as stated in the body of the report*; the encumbrances *must* be identified in this section of the report.

The appraiser must avoid assumptions and limiting conditions that are clearly the appraiser's own conclusions. While it may be appropriate for an appraiser to conclude and report that a probability exists that the property under appraisal could be rezoned, it is not appropriate for an appraiser to make an appraisal under the "assumption" that the property could be rezoned.

The adoption of an uninstructed assumption, or hypothetical condition, that results in a valuation of other than the *as is* market value of the property appraised as of the effective date of the appraisal will, as a general rule, invalidate the appraisal for OPRHP acquisition purposes. For instance, the inclusion of the assumption that a property is free of contamination from hazardous substances when it is suspected that the property may, in fact, be contaminated, is an unacceptable practice.

8. Scope of the Appraisal. The appraiser shall describe the scope of investigation and analysis that was undertaken in making the appraisal. The appraisal's scope should conform with its purpose and intended use. In many cases the intended use and purpose of the appraisal places specific demands on the scope of the investigation and analysis presented in the appraisal report. In all cases, the appraisal report should clearly link the appraisal's scope with its purpose and intended use.

This section should specifically identify the intended use and the intended user of the appraisal report. Generally, the intended user of the appraisal report will be the client agency, and the intended use of the appraisal report will be to assist the client agency in its determination of the amount paid for the property rights acquired or conveyed.

The geographical area and time span searched for market data should be included, as should a description of the type of market data researched and the extent of market data confirmation. The appraiser should state the references and data sources relied upon in making the appraisal; if preferred, this information may be shown within the applicable approaches to value.

The applicability of all standard approaches to value shall be discussed and the exclusion of any approach to value shall be explained.

9. Purpose of the Appraisal. This section shall include an explanation of the reason for the appraisal, the definition of all value estimates required, and a description of the property rights appraised. In most instances, the purpose of the appraisal will be to estimate market value as of a specific date. In an appraisal assignment involving a partial acquisition, the purpose of the appraisal will be to estimate the market value of the whole property before the acquisition and to estimate the market value of the remaining property after the acquisition.

10. Summary of Appraisal Problems. This section gives the appraiser the opportunity to acquaint the reader of the appraisal report with the specific appraisal problems, if any, which have been encountered by the appraiser and will be discussed in detail in the body of the appraisal report.

If the parcel under appraisal includes water rights, minerals, or suspected mineral values, fixture values, growing crops, etc., the treatment of their contributory value should be discussed. If the valuation of the property requires the use of any consulting reports, the appraiser should describe such reports, the method of utilization thereof, and the weight or reliance placed thereon.

Part II - Factual Data

11. Legal Description. This description shall be complete as to properly identify the property appraised. If lengthy, it should be referenced and included in the addenda of the report.

12. Area, City and Neighborhood Data. This data (mostly social and economic) must be kept to an absolute **minimum** and should only include such information that directly affects the appraised property, together with the appraiser's conclusions as to significant trends.

13. Property Data:

13a. Site. Describe the present use, accessibility and road frontage, land contours and elevations, soils, vegetation (including timber), views, land area, land shape, utilities, mineral deposits, water rights associated with the property, easements, etc. Also discuss the beneficial and detrimental factors inherent in the location of the property. An affirmative statement is required if the property is located within a flood hazard area.

13b. Improvements. Describe the following: all improvements including their dimensions; square foot measurements, chronological and effective age, dates of any significant remodeling/renovation; condition; type and quality of construction; and present use and occupancy. All site improvements, including fencing, landscaping, paving, irrigation systems, domestic and private water systems, require description.

13c. Fixtures. Fixtures are to be described in narrative or schedule report form that includes all fixtures, with a statement of the type and purpose of each. The current physical condition, relative utility, and obsolescence should be stated for each item or group included in the appraisal, and whenever applicable, the repair or replacement requirements to bring the fixture to a usable condition.

13d. Use History. State briefly the purpose for which the improvements were designed and the dates of original construction and major renovations, additions, and/or conversions. Include a ten-year history of the use and occupancy of the property. If any of the foregoing information is indeterminable, the appraiser must report that fact.

13e. Sales History. Include a three-year record of all sales and if the information is available, any offers to buy or sell the property under appraisal.

Information to be reported shall include the name of the seller, name of the buyer, date of sale, price, terms and conditions of sale, the appraiser's opinion as to whether the sale price represented market value at the time and if not, the reasons for the appraiser's conclusion. An unsupported statement that the sale did not represent market values or was not an arms-length transaction, is unacceptable.

13f. Rental History. Report the historical rental or lease history of the property for at least the past three years, if this information can be ascertained. All current leases should be reported, including the date of the lease, name of the tenant, rental amount, term of the lease, parties responsible for property expenses, and other pertinent lease provisions. The appraiser shall state his/her opinion as to whether any existing lease of the property represents the property's current market or economic rent, and if not, the reasons for the appraiser's conclusion. An unsupported statement that the rent does not represent market or economic rent is unacceptable.

13g. Assessed Value and Annual Tax Load. Include the current assessment and dollar amount of real estate taxes. If assessed value is statutorily a percentage of market value, state the percentage. If the property is not assessed or taxed, the appraiser should estimate the assessment, state the tax rate, and estimate the dollar amount of tax.

13h. Zoning and Other Land Use Regulations. Identify the zoning for the subject property. This must be reported in descriptive terms (e.g., multiple family residential, 5,000 sq. ft. of land per unit) rather than by zoning code (e.g., MF-2). Other local land use regulations, such as set-back requirements, off-street parking requirements, and open space requirements, which have an impact on the highest and best use and value of the property, are to be reported. The appraiser should also note any master or comprehensive land use plan in existence that may affect the utility or value of the property.

In addition to zoning, the appraiser should identify all other land use and environmental regulations that have an impact on the highest and best use and value of the property. The appraiser should also discuss the impact of any private restrictions on the property, such as deed and/or plat restrictions.

Part III - Data Analysis and Conclusions

14. Analysis of Highest and Best Use. The appraiser's determination of highest and best use is one of the **most important elements** of the entire appraisal process. Therefore, the appraiser must apply his or her skills with great care and clearly justify the highest and best use conclusion in the appraisal report.

The highest and best use of the land, as if vacant, is first estimated. If the land is improved, the highest and best use of the property, as improved, is then estimated. Before it can be concluded that any use for the property is its highest and best use, the use must be physically possible, legally permissible, financially feasible, and must result in the highest value. Each of these four criteria must be addressed in the appraisal report.

If the appraiser concludes a highest and best use that will require a rezoning of the property, the probability of that rezoning must be thoroughly investigated, analyzed and reported. Likewise, if the appraiser's highest and best use conclusions will require other forms of government approval, the probability of obtaining those approvals must be investigated, analyzed and reported.

The use to which the government will put the property after it has been acquired is, as a general rule, an improper highest and best use. **It is the value of the land acquired which is to be estimated, not the value of the land to the government.** If it is solely the government's need that creates a market for the land, this special need must be excluded from consideration by the appraiser. Only on the rare occasion that a private demand for the land exists, for the same use for which it is being acquired by the government, is it proper for the appraiser to conclude that the highest and best use of the property is that use for which it is being acquired by the government.

The appraiser's estimate of highest and best use must be an *economic* use. A non-economic highest and best use, such as *conservation, natural lands, preservation*, or any use that requires the property to be withheld from economic production in perpetuity, is not a valid use upon which to estimate market value.

15. Land Valuation. The appraiser shall estimate the value of the land for its highest and best use, as if vacant and available for such use. In doing so, the appraiser's opinion of value shall be supported by confirmed sales of comparable or nearly comparable lands having like optimum uses. Differences shall be weighed and explained to show how they indicate the value of the land being appraised. Items of comparison shall include property rights conveyed, financing terms, conditions of sale, market conditions, location, and physical characteristics. The appraiser shall provide adequate information concerning each comparable sale used and the comparative analysis to enable the reader of the report to follow the appraiser's logic.

16. Value Estimate by the Cost Approach. (The inclusion or omission of this approach shall be explained). This section should be in the form of computational data, arranged in sequence, beginning with reproduction or replacement cost and should state the source (book, page, including last date of page revision, if a national service) of all figures used. Entrepreneur's profit, as an element of reproduction or replacement cost, must be considered and discussed, and if applicable, should be derived from market data whenever possible.

The dollar amount of depreciation from all causes, including physical deterioration, functional obsolescence and economic or external, obsolescence shall be explained and deducted from reproduction or replacement cost.

The cost approach may be excluded when it is clear that the improvements would never be reproduced or replaced and application of the cost approach would contribute nothing to the solution of the appraisal problem.

17. Value Estimate by the Sales Comparison Approach. Since any recent and unforced sale of the property under appraisal can be the best evidence of its value, any such sale is treated as a *comparable sale* in this approach to value. It shall be analyzed like any other comparable sale and given appropriate weight by the appraiser in concluding a final estimate of value of the property.

All comparable sales used shall be verified by the buyer, seller, broker, or other person having knowledge of the price, terms, and conditions of sale.

A narrative comparative analysis of each comparable sale shall be made explaining how the sale relates to the property under appraisal with respect to those features that have an effect on market value.

In selecting the comparable sales to be used in valuing a given property, **it is fundamental that all sales have the same economic highest and best use as the property under appraisal** and that the greatest weight be given to the properties most comparable to the property under appraisal. In this regard, appraisers must recognize that when valuing a property with a highest and best use for some form of development that will require rezoning or extensive permitting, sales of similar properties may require extensive analysis and adjustment before they can be deemed economically comparable.

Each appraisal must contain a sufficient description of the comparable sales used so that it is possible for the reader to understand the conclusions drawn by the appraiser from the comparable sales data. Photographs and location maps of the comparable sales are valuable visual aids that indicate the comparability of the property recently sold with the property under appraisal. Original or digital photographs of the sales **must** accompany each appraisal report.

The preferred method of adjusting comparable sales is through the use of quantitative adjustments whenever adequate market data exists to support them. Quantitative adjustments are developed as either dollar or percentage amounts. Factors that cannot be quantified are dealt with by qualitative analysis. Only when adequate market data does not exist with which to support quantitative adjustments should the appraiser resort to qualitative adjustment (i.e., inferior, superior). Appraisers must bear in mind that quantitative and qualitative adjustments are not mutually exclusive methodologies. Because one factor of adjustment cannot be quantified by market, it does not mean that all adjustments to a sale property must be qualitative. All factors that can be quantified should be adjusted accordingly.

When quantitative and qualitative adjustments are both used in the adjustment process, all quantitative adjustments should be made first. When using quantitative adjustments, appraisers must recognize that not all factors are suitable for percentage adjustments. Percentage and dollar adjustments may, and often should, be combined. Each item of adjustment must carefully be analyzed to determine whether a percentage or dollar adjustment is appropriate.

When appraisers must resort to qualitative adjustments, they must recognize that this form of comparative analysis will often require more extensive discussion of the appraiser's reasoning. This methodology may also require the presentation of a greater number of comparable sales. It is essential, of course, that the appraiser specifically state whether each comparable sale is generally either overall superior or inferior to the property under appraisal.

To develop a valid indication of value of the property under appraisal by the use of qualitative analysis, it is essential that the comparable sales utilized include both sales that are overall superior and overall inferior to the property being appraised. If this is not done, the appraiser will have merely demonstrated that the property is worth more than a certain amount (if all of the sales are inferior to the subject property) or less than a certain amount (if all of the sales are superior to the subject property).

In developing a final value estimate by the sales comparison approach, the appraiser shall explain the comparative weight given to each comparable sale, no matter whether quantitative or qualitative adjustments or a combination thereof, are used. A comparative adjustment chart or grid is **required**. There **must** be a narrative explanation of grid adjustments.

Documentation of each comparable sale shall include the name of the buyer and seller, date of sale, verification of sale, price, terms of sale, location, zoning, and a brief physical description of the property. A plot plan, sketch or tax map of each comparable property should be included, not only to facilitate the reader's understanding of the relationship between the sale property and the subject property, but also to locate the sale property in the field. This information may be included in this section or in the addenda of the report. As noted, a photograph of each comparable sale shall also be included. A comparable sales map, showing the relative location of the comparable sales to the property under appraisal shall be included either in this section or in the addenda of the report.

The definition of market value used in these Standards requires that the estimate of value be made in terms of cash or its equivalent. Therefore, the appraiser must make a diligent investigation to determine the financial terms of each comparable sale. When comparing the sale to the property being appraised, the appraiser shall analyze and make appropriate adjustments to any comparable sale that included favorable or unfavorable financing terms as of the date of sale. Such adjustment must reflect the difference between what the comparable sold for with the favorable or unfavorable financing and the price at which it would have sold for cash or its equivalent.

18. Value Estimate by the Income Capitalization Approach. (The inclusion or omission of this approach shall be explained). The appraisal report shall include adequate factual data to support each figure and factor used. And, it should be arranged in detailed form to show at least: (a) an estimated gross economic (or market) rent or income; (b) an allowance for vacancy and credit losses; (c) an itemized estimate of total expenses; (d) an itemized estimate of the reserves for replacements, if applicable.

Capitalization of net income shall be at the rate prevailing for this type of property and location. The capitalization technique, method and rate used, should be explained in narrative form supported by a statement of sources of rates and factors. The preferred source of an applicable capitalization rate is from actual capitalization rates reflected by comparable sales.

As with a recent and unforced sale of the property under appraisal, if the property is actually rented, its current rent is often the best evidence of its economic or market rent and should be given appropriate consideration by the appraiser in estimating the gross economic rent of the property. Likewise, the appraiser should attempt to obtain at least the last three

years' historical income and expense statements for the property. These can generally be developed into a reliable reconstructed operating statement. If this historical income and expense information is available, it should be included in this section of the appraisal report's addenda.

19. Conservation Easement. A Conservation Easement is a recorded land-use agreement, in which the property owner conveys, in perpetuity, to a governmental agency or an approved Not-for-Profit group, certain rights to be enforced by the holder for public benefit. Easements differ widely. Therefore, the appraiser should identify what is to be or has been included in the Conservation Easement. A copy of the deed of easement shall be included in the report. The property is appraised before the Conservation Easement is applied, without any consideration of the effects of the Conservation Easement, then the remainder of the property is appraised subject to the effects of the Conservation Easement.

20. Reconciliation and Final Opinion of Value. The appraiser shall explain the reasoning applied to arrive at the final opinion of value and how the results of each approach to value were weighed in that opinion, and the reliability of each approach to value for solving the particular appraisal problem.

Part IV- Exhibits and Addenda

21. Location Map. This exhibit should display the location of the appraised property within the city or area in which the property is located. All maps should include a north arrow and the identification of the subject property.

22. Comparable Sales Data Maps. These maps might include, among other items, a comparable land sales map, a comparable improved sales map, and a rental comparables map. The maps should include a north arrow and show the locations of both the comparables and the subject property. If this requires the use of a map that is not of a readable scale, secondary maps showing the specific location of each comparable should be included.

23. Detail of Comparative Data. This data may be included in the body of the report. Photographs of the comparative properties must be included.

24. Tax Map of Subject Property. A tax map will help the reader to visualize the property. The tax map should depict the entire subject property, including dimensions and street frontages. Structural improvements should be shown in their approximate locations. Significant on-site improvements and easements should also be shown. The dimensions of improvements should be noted. The tax map should include a directional north arrow.

25. Deed for the Subject Property. A copy of the recorded deed should be included in the appraisal.

26. Other Pertinent Exhibits. These would include, for example, any written instructions, given the appraiser by the agency or its legal counsel, any specialist reports, (such as timber appraisals, environmental studies, mineral or water rights studies or appraisals, reproduction costs estimates, cost to cure estimates, fixture valuations), any pertinent title documents (such as lease or easements), and any charts or illustrations that may have been referenced in the body of the report.

27. Qualifications of Appraiser. Include the qualifications of all appraisers or technicians who made significant contributions to the completion of the appraisal assignment.

CONCLUSION

These standardized guidelines for appraisal report formats are furnished to appraisers in an effort to facilitate uniformity in appraisals prepared for submission to the New York State Office of Parks, Recreation and Historic Preservation. All questions and concerns regarding the publication of these guidelines should be addressed to: Office of Parks, Recreation and Historic Preservation, Attn: Real Property Bureau, 2nd floor, Albany, NY 12238.

Attached you will find:

Appendix A – Appraisal Report Checksheet (Checksheets inform appraisers as to the materials expected to be included within each appraisal report before OPRHP will prepare an internal review memorandum for the Grants-in-Aid program.)

Appendix B – UASFLA 6th Edition Appraisal Review Checklist (Checklist was prepared by the US Department of Interior, National Parks Service, Office of Valuation Services. The checklist must be used when preparing an appraisal report that is required to meet the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) or yellowbook standards.

Appendix C – Useful appraisal definitions for OPRHP's Grants Bureau

APPENDIX A

APPRAISAL REPORT CHECKSHEET

(See document entitled "Standards and Procedures for Appraisal Reporting" for a complete listing of appraisal requirements.)

OPRHP Region _____ County of Property _____ Project # _____
 Project Grantee _____
 Property Owner _____ State Funding _____ Federal Funding _____
 Appraiser _____ Appraisal Date _____
 Indicated Value _____ Alienation _____ Conversion _____

SUBJECT PARCEL DATA

	YES	/ NO*	Page#
1. Is the appraisal an original and not a photocopy? (A pdf of a report scanned in color is acceptable).	___	/ ___	___
2. Is the title page complete?	___	/ ___	___
3. Is the appraisal a restricted appraisal report or prepared using a Uniform Residential Appraisal Report (URAR) form? If so, the appraisal is NOT acceptable for review.	___	/ ___	___
4. Is there a certification of appraisal with original signature? For all projects with federal funding, has the appraiser certified that the appraisal report was prepared in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions?	___	/ ___	___
5. Is there a summary of salient facts?	___	/ ___	___
6. Is there occupancy and/or lease data included? (if applicable)	___	/ ___	___
7. Is the property inspection date and owner contact statement included?	___	/ ___	___
8. Is the assessed valuation and property zoning included?	___	/ ___	___
9. Is there a 3-year history of sale for the subject property included?	___	/ ___	___
10. Is there a clear property description with sketch or tax map?	___	/ ___	___
11. Is highest and best use explained in-depth ?	___	/ ___	___
12. Are there original or digital photographs of the subject included?	___	/ ___	___

COMPARABLE SALES DATA

1. Is there a market analysis grid/tabulation that compares the subject to the sales?	/	___	___
2. Are the market-analysis grid-adjustments explained with a narrative?	/	___	___
3. Does each sale used in the grid have a data sheet included in the appraisal?	/	___	___
4. Does each sale have an original or digital photo?	/	___	___
5. Does each sale have a property sketch or tax map with dimensions shown?	/	___	___
6. Has the sale been verified by the seller, purchaser or other party to the transaction?	/	___	___
7. Is there a location map included that shows the subject and the sales?	/	___	___
8. Is there a correlation, conclusion or final estimate of value narrative included?	/	___	___
9. Are appraiser qualifications included?	/	___	___
10. Have the general assumptions and limiting conditions been included?	___	/ ___	___

REMARKS:

Date _____ Regional Grants Officer Signature _____

APPENDIX B

UASFLA 6th EDITION APPRAISAL REVIEW CHECKLIST - Section 2 Appraisal Reporting				
Appraisal Report Prepared By:				
Effective Date Of Value:				
Property Appraised:				
Appraisal Review Report Prepared By:				
Appraisal Review Report Reading Dates:				
INTRODUCTION - UASFLA SECTION 2.3.1			COMPLIANT	
2.3.1.1 Title Page	Per UASFLA	YES	NO	N/A
Property name	Should Include			
Property address	Should Include			
Agency assigned tract or parcel number (if any)	Should Include			
Name of the individual(s) making the report	Should Include			
Address of the individual(s) making the report	Should Include			
Effective date of the appraisal	Should Include			
Comments:				
2.3.1.2 Letter of Transmittal	Per UASFLA	YES	NO	N/A
Date of the letter	Should Include			
Identification of the property appraised	Should Include			
Identification of the property rights appraised	Should Include			
Reference that the letter is accompanied by an appraisal report	Should Include			
Statement of the effective date of the appraisal	Should Include			
Identification of any hypothetical conditions, extraordinary assumptions, limiting conditions, or legal instructions identification	Should Include			
Value Opinion	Should Include			
For Partial Acquisitions: Opinions of the value of the larger parcel before the acquisition and the remainder property after the acquisition, and the difference.	Should Include			
Appraiser's signature	Should Include			
Comments:				
2.3.1.3 Table of Contents	Per UASFLA	YES	NO	N/A
Major parts of the appraisal report and their subheadings should be listed.	Should List			
Items in the addenda of any report shall be listed individually.	Shall List			
Comments:				
2.3.1.4 Appraiser's Certification	Per UASFLA	YES	NO	N/A
Appraiser's signed certification statement consistent with the certification requirements of USPAP Standard 2	Shall Include			
The following statements must be included:				
<ul style="list-style-type: none"> • the appraisal was developed and the appraisal report was prepared in conformity with the <i>Uniform Appraisal Standards for Federal Land Acquisitions</i> 	Must Include			
<ul style="list-style-type: none"> • the appraisal was developed and the appraisal report prepared in conformance with the Appraisal Standards Board's <i>Uniform Standards of Professional Appraisal Practice</i> and complies with USPAP's Jurisdictional Exception Rule when invoked by Section 1.2.7.2 of the <i>Uniform Appraisal Standards for Federal Land Acquisitions</i> 	Must Include			

	• the appraiser has made a physical inspection of the property appraised <u>and that the property owner, or [his][her] designated representative, was given the opportunity to accompany the appraiser on the property inspection.</u>	Must Include	
	The appraiser's opinion of the market value of the subject property as of the effective date of the appraisal.	Shall Include	
	For Partial Acquisitions: The certification shall include both the appraiser's opinion of the market value of the whole property as of the effective date of the appraisal and the appraiser's opinion of the remainder property's market value after the government's acquisition and the difference between them as of the effective date of the appraisal.	Shall Include	
	Items that may be required by law and the appraiser's professional organization(s).	May Add	
	Appraisers should avoid adding certifications that are not pertinent to the specific appraisal (e.g., that the report was prepared in accordance with FIRREA or that are beyond the scope of the appraisers' assignment (e.g., certifying an opinion of just compensation).	Should Avoid	
Comments:			
2.3.1.5	Executive Summary	Per UASFLA	YES NO N/A
	Major facts and conclusions that led to the final opinions(s) of value	Shall Report	
	Identification of the property appraised	Should Include	
	Highest and best use of the property (both before and after the acquisition if a partial acquisition)	Should Include	
	Brief description of improvements (both before and after the acquisition if a partial acquisition)	Should Include	
	Indicated value of the property by each approach to value employed (both before and after the acquisition if a partial acquisition)	Should Include	
	Final opinion of value (both before and after the acquisition if a partial acquisition)	Should Include	
	Hypothetical conditions, extraordinary assumptions, limiting conditions, or instructions	Should Include	
	Effective date of the appraisal	Should Include	
Comments:			
2.3.1.6	Photographs	Per UASFLA	YES NO N/A
	Photographs shall show the front elevation of the major improvements, any unusual features, views of the abutting properties on either side, views of the property directly opposite, and interior photographs of any unique features.	Shall Show	
	Except for an overall view, photographs may be incorporated in the body of the report as appropriate, or may be placed in the addenda of the report.	May	
	Each photograph should be numbered and show the identification of the property, the date taken, and the name of the person taking the photograph.	Should	
	Location from which each photograph was taken and the direction the camera lens was facing should be shown on a plot plan of the property in the report's addenda.	Should	
Comments:			
2.3.1.7	Statement of Assumptions and Limiting Conditions	Per UASFLA	YES NO N/A
	Any assumptions and limiting conditions that are necessary to the background of the appraisal shall be stated.	Shall State	
	Any agency or special legal instructions provided to the appraiser shall be referenced and a copy of such instructions shall be included in the addenda of the appraisal report.	Shall	
	If the appraisal has been made subject to any encumbrances against the property, such as easements, these shall be stated.	Shall State	
	It is unacceptable to state that the property has been appraised as if free and clear of all encumbrances, except as stated in the body of the report; <u>the encumbrances must be identified in this portion of the report.</u>	Unacceptable and Must	
	The appraiser must avoid including "boilerplate" assumptions and limiting conditions. For instance, an assumption that improvements are free from termite infestations is inappropriate in the appraisal of vacant land. Also, assumptions and limiting conditions cannot be used by an appraiser to alter an appraisal contract, assignment letter, or the appraiser's scope of work.	Must Avoid	
	For Partial Acquisitions: The appraiser should identify those hypothetical conditions, assumptions, and limiting conditions that apply to both the before and after acquisition appraisals, those that apply only to the appraisal of the larger parcel before the acquisition, and those that apply only to the appraisal of the remainder.	Should Identify	
Comments:			

2.3.1.8	Description of Scope of Work	Per UASFLA	YES	NO	N/A
The appraiser shall use this section of the report to identify the seven critical elements that defined the appraisal problem to be solved:					
	• Client	Shall Identify			
	• Intended Users	Shall Identify			
	• Intended Use	Shall Identify			
	• Definition of Market Value	Shall Identify			
	• Effective Date	Shall Identify			
	• Property Characteristics	Shall Identify			
	• Assignment Conditions	Shall Identify			
For Partial Acquisitions: The appraiser should identify those hypothetical conditions, assumptions, and limiting conditions that apply to both the before and after acquisition appraisals, those that apply only to the appraisal of the larger parcel before the acquisition, and those that apply only to the appraisal of the remainder.		Shall Identify			
Description of the property rights appraised.		Shall Include			
Definition of market value found in Section 1.2.4 of UASFLA (must be placed in this portion of the appraisal report).		Shall and Must			
Should describe the investigation and analysis that was undertaken in developing the appraisal.		Should Describe			
Geographical area and time span searched for market data should be included, as should a description of the type of market data researched and the extent of market data confirmation.		Should			
Should state the references and data sources relied upon in developing the appraisal.		Should State			
The applicability of all approaches to value shall be discussed and the exclusion of any approach to value shall be explained.		Shall Discuss and Explain			
Explanation and discussion of the implications of hypothetical conditions or extraordinary assumptions must be included.		Must Include			
Hypothetical conditions and extraordinary assumptions must be labeled as such and any legal instructions must be included in the addenda of the report. (1.2.7.1 Must consult client or counsel before use of hypothetical condition)		Must Label and Include			
Comments:					
1.2.4 & 1.2.7.2	Jurisdictional Exceptions and Exposure Time	Per UASFLA	YES	NO	N/A
The appraiser shall not link an opinion of market value for federal acquisition purposes to a specific exposure time.		Shall Not Link			
Did the appraiser invoke USPAP's Jurisdictional Exception Rule? <u>Note:</u> Not linking an opinion of value to a specific exposure time requires a jurisdictional exception to USPAP Standards Rule 1-2(c).		Required			
Estimates of marketing time are not appropriate for just compensation purposes, and must not be included.		Must Not Include			
Comments:					
FACTUAL DATA - UASFLA SECTION 2.3.2					
2.3.2.1	Legal Description	Per UASFLA	YES	NO	N/A
Must be sufficiently detailed to <u>properly</u> identify the property appraised. <u>Note:</u> If lengthy, it should be referenced and included in the addenda of the report.		Must			
If the client agency has assigned a parcel or tract number to the property, that information should also be referenced.		Should Reference			
Comments:					
2.3.2.2	Area, City, and Neighborhood Data	Per UASFLA	YES	NO	N/A
This data (mostly demographic and economic) must be kept to an absolute minimum and should only include information that directly affects the subject property, together with the appraiser's conclusions as to significant trends.		Must			
The use of "boilerplate" demographic and economic data is unnecessary and, unless the appraiser demonstrates that the specific data directly impacts the current market value of the subject property, it should be excluded.		Should Exclude			

Changes in the neighborhood brought about by the government's project for which the property under appraisal is being acquired shall be disregarded. <u>Note:</u> This specific Standard is contrary to USPAP Standards Rule 1-4(f) and is considered a jurisdictional exception.		Shall Disregard			
Comments:					
PROPERTY DATA - UASFLA SECTION 2.3.2.3					
2.3.2.3.1	Site	Per UASFLA	YES	NO	N/A
	<ul style="list-style-type: none"> • Present use • Accessibility and road frontage • Land contours and elevations • Soils • Vegetation (including timber) • Views • Land area • Land shape • Utilities • Mineral deposits • Water rights • Relevant easements <u>Additional items:</u>	Describe Describe Describe Describe Describe Describe Describe Describe Describe Describe Describe Describe Describe			
	A statement must be made concerning the existence or nonexistence of commercially valuable mineral deposits.	Must			
	Discuss the beneficial and detrimental factors inherent in the location of the property.	Discuss			
	Presence of hazardous substances should be addressed in accordance with UASFLA Sections 1.3.1.1.	Should Address			
	An affirmative statement is required if the property is located within a flood hazard area.	Required			
Comments:					
2.3.2.3.2	Improvements	Per UASFLA	YES	NO	N/A
	<ul style="list-style-type: none"> • Dimensions • Square foot measurements • Chronological and effective age • Dates of any significant remodeling/renovation • Condition • Type and quality of construction • Present use and occupancy <u>Additional items:</u>	Describe Describe Describe Describe Describe Describe Describe Describe Describe			
	Where appropriate, a statement of the method of measurement used in determining gross building area and net rentable areas should be included.	Should Include			
	All site improvements require description, including the following: <ul style="list-style-type: none"> • Fencing • Landscaping • Paving • Irrigation systems • Domestic and private water systems <u>Additional items:</u>	Describe Describe Describe Describe Describe			
	If the appraiser will rely on the cost approach to value, or if the acquisition is a partial acquisition that will structurally impact the improvements, a more comprehensive improvement description is required.	Required			

Comments:			
2.3.2.3.3	Fixtures	Per UASFLA	YES NO N/A
All fixtures are to be described with a statement of the type and purpose of each.		Describe	
The current physical condition, relative utility, and obsolescence should be stated for each item or group included in the appraisal, and whenever applicable the repair or replacement requirements to bring the fixture to a usable condition.		Should State	
Comments:			
2.3.2.3.4	Use History	Per UASFLA	YES NO N/A
State briefly the history of the use of the property as vacant and as improved. <u>Note:</u> If information is indeterminable, the appraiser must report that fact.		State	
If improved, state the purpose for which the improvements were designed and the dates of original construction and major renovations, additions, and/or conversions. <u>Note:</u> If information is indeterminable, the appraiser must report that fact.		State	
Include a 10-year history of the use and occupancy of the property. <u>Note:</u> If information is indeterminable, the appraiser must report that fact.		Include	
Comments:			
2.3.2.3.5	Sales History	Per UASFLA	YES NO N/A
Include a 10-year record of all sales. <u>Note:</u> If no sale has occurred in the past 10 years, the appraiser must report the last sale of the property, irrespective of date.		Include	
Information to be reported must include:			
• Name of the seller		Must Include	
• Name of the buyer		Must Include	
• Date of sale		Must Include	
• Price		Must Include	
• Terms and conditions of sale		Must Include	
• The appraiser's verification of the sale and whether the transaction met the conditions required for a comparable sale under Section 1.5.2.2		Must Include	
Offers to buy or sell the property (if the information is available).		Include	
Comments:			
2.3.2.3.6	Rental History	Per UASFLA	YES NO N/A
Report the historical rental or lease history of the property for at least the past three years (if this information can be ascertained).		Report	
All current leases should be reported, including the date of the lease, name of the tenant, rental amount, term of the lease, parties responsible for property expenses, and other pertinent lease provisions.		Should Report	
The appraiser must describe the verification process and whether the lease(s) meets the conditions required for a comparable lease.		Must Describe	
Comments:			
2.3.2.3.7	Assessed Value and Annual Tax Load	Per UASFLA	YES NO N/A
Include the current assessment and dollar amount of real estate taxes <u>Note:</u> If assessed value is statutorily a percentage of market value, state the percentage.		Include	
Some jurisdictions have developed programs wherein property will be assessed based on its current use rather than its highest and best use. These programs often relate to farmlands, timberlands, and open space; for purposes of eligibility, owners may have to agree to leave the property in its existing use for a certain period of time. In such a case, the appraiser should report both the current assessed value and taxes for the property's existing use and the estimated assessed value and tax load for the property at its highest and best use.		Should Report	
Comments:			
2.3.2.3.8	Zoning and Other Land Use Regulations	Per UASFLA	YES NO N/A

Identify the zoning for the subject property.		Identify	
Zoning must be reported in descriptive terms (e.g., multifamily residential, 5000 sq. ft. of land per unit) rather than by zoning code (e.g., MF-2).		Must Report	
Other local land use regulations (that have an impact on the highest and best use and value of the property), including setback requirements, off-street parking requirements, and open space requirements must be reported.		Must Report	
The appraiser should also note any master or comprehensive land use plan in existence that may affect the utility or value of the property.		Should Note	
If the property was recently rezoned, that must be reported.		Must Report	
If the rezoning of the property is imminent or probable, discuss in detail the investigation and analysis that led to that conclusion under Section 2.3.3.1 (Highest and Best Use). <u>Note:</u> The mere assertion by an appraiser that a property could be rezoned is insufficient.		Discuss	
The appraiser must identify all other land use and environmental regulations that have an impact on the highest and best use and value of the property. <u>Note:</u> The impact of the regulations must also be discussed in the highest and best use analysis.		Must	
The appraiser must also discuss the impact of any private restrictions on the property, such as deed and/or plat restrictions.		Must Discuss	
Comments:			
DATA ANALYSIS AND CONCLUSIONS - BEFORE ACQUISITION UASFLA SECTION 2.3.3			
2.3.3.1.1	Highest and Best Use	Per UASFLA	YES NO N/A
<u>Highest and Best Use as Vacant:</u> The appraiser must describe the analysis developed under Section 1.4 concerning the highest and best use of the property as if vacant		Must	
<ul style="list-style-type: none"> • Physically possible uses (as if vacant) <u>Note:</u> The physical characteristics of the property that impact value <u>must</u> be addressed. These <u>should</u> include property size, shape, topography, access, road frontage, and utilities. • Legally permissible uses (as if vacant) <u>Note:</u> The appraiser <u>must</u> describe the legal constraints on the property. Zoning requirements, height restrictions, setback and open space requirements, and all other legal constraints on the property <u>should</u> be described and their impact discussed. • Financially feasible uses (as if vacant) • Maximally productive uses (highest value) (as if vacant) 		Must Must Must Must Address Must Address	
<u>Highest and Best Use as Improved:</u> If the property contains improvements, the appraiser must address the highest and best use as improved.		Must Address if Improved	
<ul style="list-style-type: none"> • Legally permissible uses (as improved) • Physically possible uses (as improved) • Financially feasible uses (as improved) • Maximally productive uses (highest value) (as improved) 		Must Address if Improved Must Address if Improved Must Address if Improved Must Address if Improved	
The appraiser should discuss the use of the property (as if vacant and as improved), which results in the highest value, and the analysis that supports that conclusion.		Should Discuss	
If the appraiser concludes a highest and best use that will require rezoning of the property, the investigations and analyses developed under Section 1.3.1.3 concerning the probability of obtaining that zoning change <u>should be reported</u> in sufficient detail for the client and intended users to understand the reasons for the conclusion.		Should Report	
If the appraiser concludes that the highest and best use requires some other form of government approval, the investigations and analyses developed under Sections 1.3.1.3 and 1.4.5 concerning the probability of obtaining those approvals <u>must be described</u> in sufficient detail for the client and intended users to understand the reasons for the conclusion.		Must Describe	
The appraiser should identify the timing of the highest and best use and the likely purchaser and user (as if vacant and as improved).		Should Identify	
Comments:			
2.3.3.1.2	Larger Parcel	Per UASFLA	YES NO N/A
The appraiser must describe the factual basis and analysis underlying the conclusion of the larger parcel analysis.		Must Describe	
The three tests (unity of highest and best use, unity of title, and contiguity) must be reported in sufficient detail, with emphasis on the unity of highest and best use.		Must Report	
Comments:			

APPLICATION OF APPROACHES TO VALUE			
2.3.3.2.1	Land Valuation - Sales Comparison Approach	Per UASFLA	YES NO N/A
The appraiser shall provide detailed descriptions of confirmed sales of lands that have the same or similar highest and best use as the subject property		Shall Provide	
The description of each sale transaction used as a comparable sale should include (at a minimum):			
• Date of the transaction		Should	
• Price paid		Should	
• Name of the seller		Should	
• Name of the buyer		Should	
• Size of the property		Should	
• Location of the property		Should	
• Zoning or other legal constraints		Should	
• Description of the physical characteristics		Should	
• Person with whom the transaction was verified		Should	
Differences between the comparable sales and the subject property shall be considered and adjustments made to the sales to address these differences.		Shall Consider	
Items of comparison shall include:			
• Property rights conveyed		Shall Include	
• Financing terms		Shall Include	
• Conditions of sale		Shall Include	
• Expenditures made immediately after purchase			
• Market conditions		Shall Include	
• Location		Shall Include	
• Physical characteristics		Shall Include	
• Economic characteristics			
• Legal characteristics		Shall Include	
• Non-realty components of value included in the sale property		Shall Include	
The adjustments must be summarized in an adjustment grid.		Must Summarize	
Each adjustment (whether qualitative or quantitative) should be supported with market data.		Should Support	
The data and analysis must provide sufficient detail for the client and intended users to understand the data, the analysis, and the logic of the appraiser's opinion of market value for the subject land as if vacant.		Must Provide	
Comments:			
2.3.3.2.2	Land Valuation - Subdivision Development Method	Per UASFLA	YES NO N/A
The report must address all of the factors and assumptions used in sufficient detail for the client and intended users to understand the outcome of this method		Must Address	
The market support for each of the following factors used in this analysis must be clearly presented in the report:			
• Lot Sale		Must Present	
• Absorption Rate		Must Present	
• Development Costs		Must Present	
• Expenses		Must Present	
• Time Lag		Must Present	
• Discount Rate		Must Present	
The discounted cash flow analysis prepared as part of this analysis must be included in the report.		Must Include	
Comments:			
2.3.3.3	Cost Approach	Per UASFLA	YES NO N/A
This portion of the report should be in the form of computational data, arranged in sequence, beginning with reproduction or replacement cost.		Should	
The report should state the source (book and page—including last date of page revision—if a national service) of all figures used.		Should State	
Entrepreneur's profit, as an element of reproduction or replacement cost, must be considered and discussed.		Must	
If applicable, entrepreneur's profit should be derived from market data whenever possible.		Should	

If the appraiser retained the services of a contractor or professional cost estimator to assist in developing the reproduction or replacement cost estimate, this data should be referenced and the estimator's report included in the addenda of the appraisal report.		Should	
The dollar amount of depreciation from all causes, including physical deterioration, functional obsolescence, and economic or external obsolescence shall be explained and deducted from reproduction or replacement cost.		Shall Explain and Deduct	
Comments:			
2.3.3.4	Sales Comparison Approach	Per UASFLA	YES NO N/A
Each appraisal report must contain a sufficient description of the comparable sales used so that it is possible for the reader to understand the conclusions drawn by the appraiser from the comparable sales data.		Must Contain	
Photographs of the comparable sales must accompany each appraisal report.		Must	
Every photograph should show the date taken and the name of the person taking the photograph.		Should Show	
Documentation of each comparable sale shall include:			
• Name of the buyer		Shall Include	
• Name of the seller		Shall Include	
• Date of sale		Shall Include	
• Legal description (this may be abbreviated if lengthy, or reference may be made to a tax parcel number)		Shall Include	
• Type of sale instrument		Shall Include	
• Document recording information		Shall Include	
• Price		Shall Include	
• Terms of sale		Shall Include	
• Location		Shall Include	
• Zoning		Shall Include	
• Present use		Shall Include	
• Highest and best use		Shall Include	
• Brief physical description of the property		Shall Include	
A plot plan or sketch of each comparable property should be included.		Should Include	
When quantitative and qualitative adjustments are both used in the adjustment process, all quantitative adjustments should be made first.		Should	
If using qualitative analysis, it is essential that the comparable sales utilized include both sales that are overall superior and overall inferior to the subject property.		Essential	
In developing a final opinion of value by the sales comparison approach, the appraiser shall explain the comparative weight given to each comparable sale.		Shall Explain	
A comparative adjustment chart or graph is required.		Required	
Comments:			
2.3.3.5	Income Approach	Per UASFLA	YES NO N/A
The appraisal report shall include adequate factual data to support each figure and factor used.		Shall Include	
The appraisal report should be arranged in detailed form to show at least (1) estimated gross economic (or market) rent, or income; (2) allowance for vacancy and credit losses; (3) an itemized estimate of total expenses; and (4) an itemized estimate of the reserves for replacements, if applicable.		Should Arrange	
The capitalization technique, method, and rate used should be explained in narrative form and supported by a statement of the sources of rates and factors.		Should Explain	
The preferred source of an applicable capitalization rate is from actual capitalization rates reflected by comparable sales.		Preferred	
If the property is actually rented, its current rent is often the best evidence of its economic (or market) rent and should be given appropriate consideration by the appraiser in developing an opinion of the gross economic rent of the property.		Should	
The appraiser should attempt to obtain at least the last three years' historical income and expense statements for the property.		Should Attempt	
If this historical income and expense information is available, it should be included in this portion of the appraisal report or in the addenda.		Should	
Comments:			
2.3.3.6	Reconciliation and Final Opinion of Market Value	Per UASFLA	YES NO N/A
The appraiser must explain the reasoning applied to arrive at the final opinion of value.		Must Explain	

The appraiser must explain how the results of each approach to value were weighed in that opinion.	Must Explain	
The appraiser must explain the reliability of each approach to value for solving the particular appraisal problem.	Must Explain	
The appraiser shall also state the final opinion of value of all of the property under appraisal as a single amount, including the contributory value of fixtures, timber, minerals, and water rights, if any.	Shall State	
If that value opinion includes elements of value that were based on estimates developed by others (e.g., timber cruisers, mineral appraisers), the appraiser cannot merely assume their accuracy. The reasonableness of the subsidiary estimates must be confirmed in accordance with Section 1.13.	Cannot	

Comments:		
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FACTUAL DATA, DATA ANALYSIS, AND CONCLUSIONS - AFTER ACQUISITION UASFLA SECTION 2.3.4

2.3.4 Factual Data - After Acquisition (Partial Acquisitions Only)		YES	NO	N/A
2.3.4.1	Legal Description: The legal description of the remainder property shall be included. Note: If not available, appraisers <u>may</u> develop their own by utilizing the before acquisition legal description and excluding from it the legal description of the real estate acquired by the government.	Shall Include		
2.3.4.1	Legal Description: If the estate acquired is less than a fee interest (e.g., an easement), the legal description under Section 2.3.2.1 may be referenced and the legal description of the property encumbered by the estate acquired should be included. Should be referenced.	Should		
2.3.4.2	Neighborhood Factors: The appraiser shall describe the government project for which the property is being acquired and its impact, if any, on the neighborhood and the remainder property.	Shall Describe		
2.3.4.2	Neighborhood Factors: The aspects of the government's project that will result in damages to the remainder property should be described in specific detail.	Should Describe		
2.3.4.3.1	Site: The appraiser must describe the remainder site, paying particular attention to the shape, size, available utilities, and available access to the remainder site.	Must Describe		
2.3.4.3.2	Improvements: The appraiser must describe those improvements remaining in whole or in part.	Must Describe		
2.3.4.3.3	Fixtures: The appraiser must describe those fixtures remaining.	Must Describe		
2.3.4.3.4	History: If the appraisal is prepared after the date of acquisition, the appraiser must report the utilization of the remainder property since the date of acquisition as well as any sales or rentals of the remainder property.	Must Report		
2.3.4.3.5	Assessed Value and Tax Load: The appraiser must estimate what the assessed value and annual tax load will be on the remainder property.	Must Estimate		
2.3.4.3.6	Zoning and Other Land Use Regulations: The appraiser must report the influence of zoning and other land use regulations on the remainder property.	Must Report		
2.3.5.1	Analysis of Highest and Best Use: The appraiser shall state and explain the highest and best use of both the remainder land (as if vacant) and the remainder property (as improved).	Shall State		
2.3.5.1	Analysis of Highest and Best Use: Impacts of the acquisition on the property's highest and best use or the intensity of that use shall be specifically addressed and described.	Shall Describe		
2.3.5.1	Analysis of Highest and Best Use: If restoration or rehabilitation of the remainder property will be required before it can be put to its highest and best use, the physical and economic feasibility of such restoration or rehabilitation shall be explained and justified.	Shall Explain		
2.3.5.1	Analysis of Highest and Best Use: If the acquisition includes a temporary construction easement, or other temporary property interest, the effect of such temporary acquisition on the remainder property's highest and best use must be discussed.	Must Discuss		
2.3.5.2	Land Valuation: The appraiser will develop an opinion of the market value of the remainder land for its highest and best use as if vacant and available for such use.	Will Develop		
2.3.5.2	Land Valuation: If the acquisition includes one or more temporary construction easements, the impact of those easements on the value of the remainder property must be accounted for in the valuation of the land after acquisition.	Must Account For		
2.3.5.2	Land Valuation: Any diminution in the remainder land value by reason of the temporary easements must be measured in accordance with Section 1.9.1, and then be used as the basis for an adjustment to the remainder's land value in this section of the report.	Must be Measured		
2.3.5.3	Cost Approach: See Section 2.3.3.3			

2.3.5.4	Sales Comparison Approach: See Section 2.3.3.4		
2.3.5.5	Income Capitalization Approach: See Section 2.3.3.5		
2.3.5.6	Reconciliation and Final Opinion of Market Value: The appraiser must describe the reasoning applied to arrive at the final opinion of value of the remainder property.	Must Describe	
2.3.6.1	Recapitulation: The appraiser must report the difference between the value of the larger parcel and the value of the remainder by deducting the property's after value from its before value.	Must Report	
2.3.6.2	Allocation and Damages: Damages, as such, are not appraised. However, the appraiser shall briefly explain any damages to the remainder property and allocate the difference in the value of the property before and after the acquisition between the value of the acquisition and damages to the remainder. <u>Note:</u> Such allocation is an accounting tabulation and not necessarily indicative of the appraisal method employed.	Shall Explain	
2.3.6.2	Allocation and Damages: If damages have been measured by a cost to cure, the appraiser must justify the cost to cure and demonstrate that the cost to cure is less than the damage would be if the cure was not undertaken.	Must Justify	
2.3.6.3	Special Benefits: The appraiser shall identify any special or direct benefits accruing to the remainder property and explain how and why those benefits have occurred.	Must Identify	
Comments:			
EXHIBITS AND ADDENDA 2.3.4			
2.3.7 Exhibits and Addenda			YES NO N/A
	Legal Instructions: Any legal instructions must be presented.	Must be Presented	
	Location Map: This exhibit should display the location of the subject property within the city or area in which the property is located.	Should Display	
	Location Map: All maps should include a north arrow and the identification of the subject property.	Should Include	
	Comparable Data Maps: The maps should include a north arrow and show the locations of both the comparable sales and/or rentals and the subject property.	Should Include	
	Details of Comparable Sales and Rental Data: This data may be included in the body of the report. Photographs of each comparable property must be included.	Body of Report	
	Plot Plan: The plot plan should depict the entire subject property, including dimensions and street frontages.	Should Depict	
	Plot Plan: Structural improvements should be shown in their approximate locations; significant on-site improvements and easements should also be shown. The dimensions of improvements should be noted.	Should	
	Plot Plan: The location from which each of the subject photographs was taken should be identified on the plot plan, as well as the photograph identification number and the direction in which the photo was taken.	Should Identify	
	Plot Plan: In a partial acquisition, the plot plan should identify the remainder area and its dimensions. <u>Note:</u> Any significant construction features of the government project for which the property is being acquired should be shown.	Should Identify	
	Floor Plan: Floor plans are required only for reports related to leasehold acquisitions or when they are necessary to describe a unique property feature.	Sometimes Required	
	Title Evidence Report: If the agency provided a title evidence report to the appraiser it should be included, but if it is lengthy it may be referenced.	Should Include	
	Other Pertinent Reports and Exhibits: These would include, for example, any written instructions given to the appraiser by the agency or its legal counsel, any specialist reports (such as timber appraisals, environmental studies, mineral or water-rights studies or appraisals, reproduction cost estimates, cost to cure estimates, fixture valuations), any pertinent title documents (such as leases or easements), and any charts or illustrations that may have been referenced in the body of the report.		
	Include the qualifications of all appraisers or technicians who made significant contributions to the completion of the appraisal assignment.	Include	
Comments:			
LEASEHOLDS AND PROJECTS 2.4 & 2.5			
2.4 Reporting Requirements for Leasehold Acquisitions			YES NO N/A
2.4.1	Are the provisions regarding leasehold acquisitions adhered to, if applicable? (2.4.1 - 2.4.3, page 72)		
2.5 Project Appraisal Reports			YES NO N/A
2.5	Are the provisions regarding project appraisal reports adhered to, if applicable? (2.5, page 72 - 79).		

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:	COMPLIANT		
<i>2016-2017 USPAP Standard Rule 2-3, Page 27</i>	YES	NO	N/A
<ul style="list-style-type: none"> • The statements of fact contained in this report are true and correct. • The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions. • I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved. • I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. • I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. • My engagement in this assignment was not contingent upon developing or reporting predetermined results. • My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. • My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice. • I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.) • No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.) 			
Appraisal Institute (July 21, 2015), Certification Standard Rules 1-1, 1.2, & 1.3	YES	NO	N/A
<ul style="list-style-type: none"> • The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute • The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. (This exact statement must be used.) • As of the date of this report, I (or Designated Member(s) name(s)) have/has completed the continuing education program for Designated Members of the Appraisal Institute. (The exact statement must be used.) <p>Or</p> <p>As of the date of this report, I (or Designated Member(s) name(s)) have not/has not completed the continuing education program for Designated Members of the Appraisal Institute. (The exact statement must be used.)</p>			
UASFLA 6th Edition, Section 2.3.1.4, Appraiser's Certification, Page 58	YES	NO	N/A
<ul style="list-style-type: none"> • The appraisal was developed and the appraisal report was prepared in conformity with the Uniform Appraisal Standards for Federal Land Acquisitions; • The appraisal was developed and the appraisal report prepared in conformance with the Appraisal Standards Board's Uniform Standards of Professional Appraisal Practice and complies with USPAP's Jurisdictional Exception Rule when invoked by Section 1.2.7.2 of the Uniform Appraisal Standards for Federal Land Acquisitions; • The appraiser has made a physical inspection of the property appraised and that the property owner, or [his][her] designated representative, was given the opportunity to accompany the appraiser on the property inspection. <p>∨ The appraiser's certification shall also include the appraiser's opinion of the market value of the subject property as of the effective date of the appraisal.</p>			

APPENDIX C

APPRAISAL DEFINITIONS

1. **appraisal** – USPAP has 2 written report options: Appraisal Report and Restricted Appraisal Report. An appraisal report must summarize the appraiser’s analysis and rationale for the conclusions. A restricted appraisal report might not (and often does not) include sufficient information for the client (no other intended users are allowed) to understand either the appraiser’s analyses or rationale for the appraiser’s conclusions.
2. **comparables** – properties that are substantially equivalent to the subject property.
3. **covenant** – an agreement written into deeds and other instruments promising performance or nonperformance of certain acts or stipulating certain uses or non-uses of property.
4. **deed restrictions** – provisions in a deed limiting the future uses of a property. Deed restrictions can take many forms (such as preventing buildings or land from being used for specific purposes or used at all). Deed restrictions may impose a myriad of limitations and conditions affecting the property rights appraised.
5. **encumbrance** – any lien (such as mortgage, tax lien, or judgment lien) easement, restriction on the use of land or other interest that may diminish the value of the property to its owner.
6. **highest and best use** – the legally and physically possible use of land that is likely to produce the highest land (or property) value. It considers the balance between site and improvements as well as the intensity and length of uses.
7. **sales comparison approach** – the process of estimating the value of property through examination & comparison of actual sales of comparable properties (also called the direct market comparison or market data approach).
8. **extraordinary assumptions** – an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.
9. **hypothetical condition** – a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. (ex. a contaminated site is analyzed as if it is contaminant free or a property valued as if subdivided when the subdivision is not yet complete).
10. **USPAP** – (Uniform Standards of Professional Appraisal Practice) Minimal criteria for appraisal competency enacted by the Appraisal Foundation at the direction of Congress, to be applied to appraisals that require the services of a state licensed or certified appraiser.
11. **intended user** – 1) the client and any other party as identified, by name or type, as users of the appraisal by the appraiser on the basis of communication with the client at the time of the assignment; 2) a party who the appraiser intends will employ the information contained in a report.
12. **client** – the party or parties who engage an appraiser (by employment or contract) in a specific assignment.
13. **effective date** – the date on which the appraisal or review opinion applies (usually the property inspection date).
14. **desktop appraisal** – valuation performed without a physical inspection of the property. All research is done (as the name suggests) from the appraiser’s desk. Data such as tax records and multiple listing service information is used to form an opinion of value.
15. **exterior only appraisal** – appraiser takes a look at the neighborhood and at visible conditions of the subject’s exterior to get a quick idea of the property’s value. Appraisers photograph the site and make notes about the property’s condition, generally based from a view from the street. Appraisers base the property value on data such as recent sales and listings near the site.