

## **519.62 Determining Easement Price**

**The requirements contained in this section and Exhibits are mandatory for all FRPP easement acquisitions by NRCS. No modifications to these requirements are permitted without prior written approval from the Deputy Chief for Programs.**

### **A. Easement Price**

(1). The cooperating entity may opt for either of these two methods to determine the affect of the conservation easement on the subject property in accordance with these instructions.

a. An Uniform Standards of Professional Appraisal Practice (USPAP) appraisal of the proposed easement area before placement of the easement and a USPAP appraisal of the proposed easement area as if the easement is in place. The difference between these two values will be the affect of the easement on the subject property or

b. An Uniform Appraisal Standards for Federal Land Acquisition (UASFLA or Yellow Book) appraisal by completing an appraisal for market value as defined below of the larger parcel before the easement (before value) is placed and an appraisal for market value as defined below of the larger parcel as if the easement is in place (after value) as of the date of a current date. The difference between the before value and the after value is the price of the easement. The larger parcel concept involves not only the land proposed for the easement area but all surrounding land that meets the definition of larger parcel. The valuation of the effect of imposition of the easement is based upon Federal Rules, which considers any loss in value to the whole property as well as any increase in value of the whole property due to imposition of the easement.

All appraisals completed shall comply with USPAP, UASFLA, as applicable, and appraisal instructions as issued by NRCS.

### **B. Authorized Official**

Authorized official for the purpose of this section is an employee who can independently fulfill the requirements of this section and who is not supervised or formally evaluated by any person authorized to process, negotiate or approve any easement. The authorized official shall not be any person who is authorized to process, negotiate or approve any easement.

### **C. Appraiser Qualifications**

All real property appraisers performing appraisals under this program shall be State Certified General Real Property Appraiser, or obtain a temporary practice permit, in conformance with Title XI of the Financial Institution's Reform, Recovery and Enforcement Act of 1989 (FIRREA) in the State(s) where the subject property is located and be in good standing with the licensing authority where the credential was issued. Appraiser must have demonstrated competency in compliance with USPAP in conducting appraisals of agricultural properties with and without conservation easements of the requested type and shall provide documentation of appraisal education courses attended including either eminent domain or conservation easements course completion for either

appraisal methods stated in A(1) and in addition if completing a UASFLA (Yellow Book) appraisal a UASFLA (Yellow Book) course

#### **D. Appraisal Requirements**

All appraisal reports or appraisal services shall be requested in writing from the appraiser using the mandatory specifications for appraisals of real property for the FRPP and scope of work which is identified as Exhibit 519 102. No changes are permitted in the appraisal specifications and scope of work for FRPP appraisals without prior written approval from NRCS/NHQ. Exhibit 519 102 is incorporated as part of this manual. In no case will any purchase be closed without an appraisal review stating the appraisal is acceptable.

#### **E. FRPP Investments Exceeding \$50,000**

In cases where the FRPP investment in a property exceeds \$50,000, an on-site review by the NRCS State Office is required, prior to the NRCS National Office and the Office of General Counsel reviewing the conservation easement deed, appraisal and appraisal review

#### **F. NRCS Appraisal Reviews**

All appraisals used for acquisition of FRPP easements under this section must under go an appraisal review. There are 2 types of appraisal reviews, administrative and technical. In no case will a closing take place before meeting these requirements.

- (1) Administrative reviews are performed by non-appraisers who have been trained to review appraisals from a broad business decision. Administrative reviewers have a responsibility to assure contract specifications have been met, the correct property was appraised as required, math calculations are correct, the appraisal is logical and the reviewer can understand the appraiser's logic for adjustments made and value conclusions arrived at. This review will be documented on Exhibit 519.103 or Exhibit 519.104 depending upon the type of appraisal. No changes to the appraisal or appraised value may be made by the administrative reviewer.
- (2) Technical reviews are performed by a qualified State Certified General appraiser who assesses the quality of the appraisal report based upon USPAP and UASFLA compliance as applicable, appraisal instructions and the appraisal theory and methodology used in completing the appraisal.
- (3) Training for NRCS administrative reviewers will be provided by NHQ and written delegations will be issued to trained employees to conduct administrative appraisal reviews. This individual must meet the separation of duty requirements contained in Section 519.62 B. above.
- (4) Upon issuance of this section, the first appraisal from each appraiser for a FRPP parcel in each fiscal year for each appraisal method stated in A(1) must have a technical review completed by NRCS and the appraisal determined to be acceptable as stated in this section prior to closing.
- (5) After the first appraisal of any appraiser for each appraisal method has been technically reviewed and determined acceptable, all FRPP easement appraisals will have at minimum, an administrative appraisal review conduct by a delegated NRCS employee which will be documented on Exhibit 519 103 or Exhibit 519.104 prior to closing. All completed administrative reviews and a copy of the appraisal will be forwarded to the NRCS NHQ staff appraiser upon completion. If all appraisals have a technical review completed by NRCS, administrative reviews are not required. If the administrative review indicates areas of concern, the appraisal and administrative

review will be discussed or submitted to the NRCS NHQ staff appraiser for a determination of action to be taken.

- (6) Technical reviews are required for all easement acquisitions for which the NRCS acquisition costs proposed is in excess of \$1 million, 10 percent of all remaining FRPP appraisals in each fiscal year, and any appraisals for which the administrative review indicates concerns.
- (7) Any appraisal report with value opinions that will result in NRCS acquisition costs in excess of \$1 million will be sent to NRCS staff appraiser together with the completed technical review for post review and acceptance prior to any commitment by NRCS or closing.
- (8) Technical reviews may be completed through contracting, subject to the following requirements or NRCS may enlist the help of partner agencies such as Forest Service, Rural Development, or Farm Service Agency staff appraisers that are qualified to conduct a technical review as stated in paragraph H below. All technical appraisal reviews and a copy of the appraisal will be submitted to the NRCS staff appraiser upon completion.

**Note:** Pursuant to the Economy Act, relating to the payment or transfer of funds to another agency, NRCS may choose to procure services from another Federal agency to conduct technical appraisal reviews. A Memorandum of Agreement between agencies may be developed which will include Exhibit 519.105, Technical Appraisal Review Specifications and reporting requirements for the appraisal review.

#### **G. Technical Review Appraiser Qualifications**

Any technical review appraiser under this program shall be a State Certified General Real Property Appraiser in conformance with Title XI of the Financial Institution's Reform, Recovery and Enforcement Act of 1989 (FIRREA) and be in good standing with the licensing authority where the credential was issued. The review appraiser must have demonstrated competency in compliance with USPAP in conducting and reviewing appraisals of agricultural properties with and without conservation easements of the requested type. All review appraisers must provide documentation of appraisal education courses attended including eminent domain or conservation easements, at least 40 classroom hours of training in performing technical appraisal reviews and if conducting Yellow Book appraisal reviews an UASFLA course shall be included in the qualifications section of the review report.

#### **H. Technical Appraisal Review Requirements**

- (1) The authorized official shall request all technical appraisal review reports in writing from the appraisal reviewer by using the mandatory technical appraisal review specifications and scope of work See Exhibit 519.105. No changes are permitted in the technical appraisal review specifications and scope of work without prior written approval from NHQ. Exhibit 519.105 is incorporated as part of the Conservation Programs Manual.
- (2) Technical appraisal reviews will be completed and the appraisal determined acceptable by the technical reviewer prior to closing any transaction.
- (3) The scope of work is a desk technical review to assure the appraisal meets the definition of an appraisal, examine the appraisals to assure that they meet applicable appraisal requirements which include USPAP, UASFLA as applicable, and NRCS appraisal instructions. If multiple appraisals are submitted on a property then a technical review will be completed on each appraisal. The technical appraisal review will be in compliance with USPAP Standard 3, UASFLA as applicable and will be typed, dated and signed by the reviewer. The review appraiser will be required to

- make a determination as to the acceptability of the appraisal in accordance with instruction provided to the appraiser, USPAP, UASFLA, and appraisal instructions.
- (4) The review appraiser must obtain a copy of the listed standards at their own expense and have them available during any technical review for reference.
  - (5) The purpose of the technical appraisal review is to provide an opinion of the acceptability of the appraisals that provide a market value of the subject property before acquisition of an easement (before value) and an opinion of market value of the subject property remaining after the proposed easement has been placed (after value) as of a current date minus any adjustments for excess irrigation water to arrive at the effect on value of the easement. The purpose of two opinions of value is to establish the effect on value resulting from imposition of a conservation easement. The appraisals, technical review(s) and technical review report(s) must be completed in compliance with USPAP, UASFLA as applicable, and appraisal instructions issued by NRCS. For the purpose of UASFLA appraisal reviews, the Federal Rules for acquisition will be used.
  - (6) The technical review report will be attached to the appraisal.
  - (7) The technical review appraiser will determine if the appraisal is approved or not accepted in accordance with Exhibit 519 102. If the technical review appraiser determines the appraisal report is recommended, the review appraiser will set forth in the review report the recommended value, if the appraisal report complies with the assignment standards and adequately supports the value estimate, and specifically document any damages or benefits to any remaining property. A copy of the appraisal and technical review will be submitted to the NRCS staff appraiser for review and monitoring upon receipt.
  - (8) If the technical review appraiser determines the appraisal report is not acceptable, the review appraiser will provide the NRCS staff appraiser with the reasons the appraisal report was not acceptable in the appraisal review report. The NRCS staff appraiser will make a determination if the appraiser should be contacted, by whom and determine if the appraisal report should be returned for corrections or if the entity should be required to order a new appraisal.

#### **I. Limitations**

- (1) The review appraiser may not change an appraisal report, except for minor mathematical or typographical errors, and must call those minor changes to the appraiser's attention. No one, except the original appraiser, is permitted to edit or otherwise revise the original appraisal report.
- (2) The review appraiser may not substitute personal judgment for that of the appraiser, nor dismiss careful appraisal judgment solely because it cannot be supported by conclusive market data. However, the review appraiser may question the appraiser's judgment when it is illogical, unreasonable, not supported by data cited, or is inconsistent with other data.
- (3) The review appraiser shall not allow Agency goals or adversarial pressure to influence the reviewer's opinion of an appraisal report's value estimate. Nor can the review appraiser's personal opinion regarding the proposed action influence the review process.
- (4) The review appraiser must not attempt to influence the appraiser's judgment or direct the appraiser toward a value estimate. The only effort should be to obtain a properly supported value estimate based on factual evidence and valid analysis of all facts available through use of approved appraisal approaches and techniques. Minor technical non-conformance with the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) and the Uniform Standards of Professional Appraisal

Practice (USPAP) should not be the cause of rejection of an appraisal report unless the deficiencies affect the reliability of the value estimate.

#### **J. Reviewer Independence**

To ensure objectivity and independence in the review process, and to preclude the appearance of conflicts of interest or wrongdoing, review appraisers shall not:

- (1) Be responsible for case processing or negotiating the acquisition, disposal, authorization, or exchange of any appraised property
- (2) Review an appraisal prepared by the reviewer's immediate supervisor.
- (3) Review an appraisal for a property they personally and recently appraised.
- (4) Review an appraisal prepared by an appraiser where possible conflicts may exist.

As with appraisers, the review appraiser must not become an advocate. The review appraiser's task is to evaluate the technical aspects of the appraisal.

#### **K. Maintaining Current Appraisals**

The effective date of the appraisal must be within 12 months of the closing date.

#### **L. Changes in Acres, or Substitution of Land, or Title Conditions from Original Appraisal**

1. In cases where the appraisal was completed without the benefit of a legal survey which reflects a difference in acres in the easement area from the appraisal, the acres and price may be administratively reconciled provided (1) the surveyed acreage is within 5 percent of the acreage estimate used in the appraisal, or (2) the difference in values based on the surveyed acreage is within \$5,000 of the appraised easement value, whichever is less. States should administratively reconcile the easement acres and values by using a per acre value determined by dividing the appraised easement value, the difference between the before and after value, by the estimated easement acreage in the appraisal. This per acre cost is then multiplied by the difference in acres between the easement acres in the appraisal and the survey to arrive at the adjustment amount. This adjustment amount is then added to or subtracted from the difference between the before and after appraisal to arrive at the administratively adjusted price of the easement.

This does not apply to substitution of land proposed for the easement which is different from stated in the appraisal, access, or title conditions including reservations, encumbrances, easements, or conveyances as stated in the appraisal. If the adjustment is above the administrative limit then the new information shall be provided to the original appraiser. The appraiser will provide a revised appraisal report in the supplemental report format shown in Section M below considering the changes to reflect a different value opinion as of the effective date of the original appraisal. This revised appraisal will have an appraisal review completed in accordance with this section as stated above and a new determination as to acceptability of the appraisal will be made in accordance with this section.

2. If there is a substitution of land proposed for the easement which is different from stated in the appraisal, access, or title conditions including reservations, encumbrances, easements, conveyances, other conditions different than as stated in the appraisal, a revised appraisal report and appraisal review report will be required with the same effective date as the original appraisal. The original appraiser will be contacted and provided the information that has been changed from the original appraisal. The appraiser will provide a revised appraisal report considering the changes to reflect a different value opinion as of the effective date of the original appraisal. This revised

appraisal will have an appraisal review completed in accordance with this section as stated above and a new determination as to acceptability of the appraisal will be made in accordance with this section.

#### **M. Format for Supplemental Appraisal Reports**

Supplements or amendments to appraisal reports, such as for updating value estimates, changes in acreage, additional support or explanation, or to correct a previous appraisal report, shall be referenced for incorporation with the original report in accordance with USPAP. The following format is recommended. All items must be addressed.

- (1) **Title Page.** Include the same information as on the original appraisal report. Label the report as a "Supplemental Appraisal Report."
- (2) **Summary of Facts.** Include
  - (i) Owner's name or other identification of the property.
  - (ii) Size.
  - (iii) Highest and best use.
  - (iv) New opinion of value.
  - (v) Valuation date is the effective date of the original report.
- (3) **Summary of Original Appraisal.** Cite the date and value opinion from the original appraisal. If previous updates have been made since the original appraisal, cite value opinions and value dates from all updates as well as the original appraisal.
- (4) **Changes.** Explain the reason for the appraisal supplement; such as, to update an opinion of value due to survey acres, amend a previous appraisal report, add additional support or explanation, or other.
- (5) **New Opinion of Value.** Discuss the changes that have occurred since the original appraisal. Discuss the method used to update the opinion of value and cite the evidence and/or analysis of trends that support the updated value opinion. Conclude with a statement of the new opinion of value and the valuation date which is the effective date of the original report, followed by the contract appraiser's signature.
- (6) **Certification as required in Exhibit 519.102 item E2.**
- (7) **Addenda.** Include sales data detail for new sales cited, summaries of data and trend analyses, maps of sales analyzed, and any other information relied upon but not included in the text.
- (8) **Binding.** If the Supplemental Appraisal Report comprises more than four pages, it shall be bound in a durable report cover with appropriate identification.

#### **N. Confidential Nature of Appraisals**

Appraiser's valuations and supporting reports are confidential information and the appraiser shall strictly abide by the Confidentiality provisions of the Ethics Rule of USPAP, which provides as follows:

- (1) An appraiser must protect the confidential nature of the appraiser-client relationship.
- (2) An appraiser must act in good faith with regard to the legitimate interests of the client in the use of confidential information and in the communication of assignment results. Any information that falls under the Privacy Act that is provided to the appraiser that is confidential in nature must be clearly marked as confidential by the appraiser. Any release of the appraisal can only be made after all information contained in the appraisal report labeled or identified as confidential has been redacted.
- (3) An appraiser must not disclose confidential information or assignment results prepared for a client to anyone other than:
  - (i) The client and persons specifically authorized by the client.

- (ii) State enforcement agencies and such third parties as may be authorized by due process of the law
- (iii) A duly authorized professional peer review committee.

**O. Freedom of Information Act**

Freedom of Information Act provisions may result in the release of all or part of the appraisal report to the public in accordance with FOIA requirements once the appraisal has been determined acceptable by NRCS. Landowners may request a copy of the appraisal in writing under this section.

**P. Closing**

**No closing may take place until the appraisal report is determined acceptable according to this section.**

**Q. NHQ Oversight**

NHQ appraisal staff will review States for compliance with these appraisal and appraisal review requirements. These reviews will be constructive in nature and offer assistance and guidance in the processing of easement appraisal and reviews and will be conducted by NRCS appraisal staff.

**R. Records Management**

Agency approved appraisal reports and technical appraisal reviews shall be retained in the landowners file associated with the easement as per Section 519.60 (L) of Subpart G, Conservation Easements

**SPECIFICATIONS FOR APPRAISALS OF REAL PROPERTY FOR THE FARM AND RANCH LANDS PROTECTION PROGRAM (FRPP)**

**A. BACKGROUND INFORMATION**

The United States of America, acting through the United States Department of Agriculture, Natural Resource and Conservation Service (NRCS) and (entity name) is considering purchasing a conservation easement to assist the landowner in protecting farm and ranch lands that contain prime, unique or Statewide and locally important soils or historic and archaeological resources from conversion to non-agricultural uses and preserves valuable farm and ranch lands for future generations. These lands may be placed under a conservation easement through the Farm and Ranch Lands Protection Program (FRPP).

All appraisals completed for this program shall comply with Uniform Standards of Professional Appraisal Practice (USPAP), Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA aka Yellow Book) as applicable and appraisal instructions as issued by NRCS in a self contained report format.

1. The cooperating entity may opt for either of these two methods to determine the affect of the conservation easement on the subject property in accordance with these instructions.

**a. USPAP:** A USPAP appraisal of the proposed easement area before placement of the easement and a USPAP appraisal of the proposed easement area as if the easement is in place. The difference between these two values will be the affect of the easement on the subject property or

**b. Yellow Book:** By completing an appraisal for market value as defined below of the larger parcel before the easement (before value) is placed and an appraisal for market value as defined below of the larger parcel as if the easement is in place (after value) as of the date of a current date. The difference between the before value and the after value is the price of the easement. The larger parcel concept involves not only the land proposed for the easement area but all surrounding land that meets the definition of larger parcel. The valuation of the effect of imposition of the easement is based upon Federal Rules, which considers any loss in value to the whole property as well as any increase in value of the whole property due to imposition of the easement.

**B. APPRAISER QUALIFICATIONS**

All real property appraisers performing appraisals under this program shall be State Certified General Real Property Appraiser, or obtain a temporary practice permit, in conformance with Title XI of the Financial Institution's Reform, Recovery and Enforcement Act of 1989 (FIRREA) in the State(s) where the subject property is located and be in good standing with the licensing authority where the credential was issued. Appraiser must have demonstrated competency in compliance with USPAP in conducting appraisals of agricultural properties with and without conservation easements of the requested type and shall provide documentation of appraisal education courses attended including either eminent domain or conservation easements course completion for either

appraisal methods stated in A(1) and UASFLA (Yellow Book) course for any Yellow Book appraisal.

### **C. PURPOSE OF THE APPRAISAL REPORTS**

Depending upon which of the approved appraisal methods has been selected by the entity the applicable purpose of the appraisal report shall be stated in the report.

**1. FOR YELLOW BOOK APPRAISALS:** The purpose of the appraisals is to provide an opinion of market value, as defined below, of the subject property (larger parcel) before acquisition of an easement (*before* value) and an opinion of market value of the subject property remaining after the proposed easement has been placed (*after* value) as of a current date in a self contained report format. The appraiser shall recognize that in a *before* and *after* appraisal, the partial interest being acquired is not actually being appraised. What is appraised is the larger parcel before and after the conveyance of the partial interest.

The purpose of two opinions of value is to establish the effect on value resulting from imposition of a conservation easement. The price of the easement is the *before* value of the larger parcel minus the after value of the property as encumbered by the FRPP Warranty Easement Deed, provided there are not adjustments such as excess irrigation water rights explained below, which would equal the price of the easement. A key concept in this appraisal process is defining the larger parcel is required to begin the appraisal process. The appraisals must be completed in compliance with Uniform Standards of Professional Appraisal Practice, Uniform Appraisal Standards for Federal Land Acquisitions and appraisal instructions issued by NRCS.

**For the purpose of these appraisals, the Federal Rules for acquisition will be used**

The market value definition that will be stated and used in developing and reporting this assignment is the definition as stated in the Yellow Book;

“Market value is the amount in cash, or in terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal.”

This definition makes no linkage between the estimated market value and exposure time. A specific exposure time shall not be cited in an appraisal report prepared under Yellow Book standards. Invoke the Jurisdictional Exception Rule to avoid a violation of USPAP standards, which require a specific exposure time.

**No other definition of market value is acceptable for Yellow Book appraisals.**

**2. FOR USPAP APPRAISALS:** The purpose of the appraisals is to provide an opinion of market value, as defined below, of the proposed easement area before placement of the easement and a USPAP appraisal of the proposed easement area as if the easement is in place in a self contained report format. The difference between these two values will be the affect of the easement on the subject property. The appraisals must be completed in compliance with Uniform Standards of Professional Appraisal Practice, and appraisal instructions issued by NRCS.

The market value definition that will be stated and used in developing and reporting this assignment is as follows;

“Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this

definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure to the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal considerations for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

**No other definition of market value is acceptable for USPAP appraisals.**

#### **D. BACKGROUND FOR THE APPRAISAL REPORT**

1. Prepare two opinions of value of the subject property before placement of the easement and after placement of the easement as stated above in a self contained report format. The after condition or second appraisal will be based upon a hypothetical condition that the conservation easement is in place and the effects on value that may be created
2. Client is (entity name), unless otherwise directed by the Client
3. Intended User shall be identified as USDA/NRCS and any other specific organization or entity that may be involved in the specific transaction unless otherwise directed by the Client
4. Intended Use will be for USDA/NRCS and any other specific organization or entity that may be involved in the specific transaction consideration in determining the effect on value of the conservation easement of lands entering into the Farm and Ranch Lands Protection Program.
5. Exclusions of approaches to values, as stated in USPAP, must be strongly supported with solid reasoning
6. Property rights to be appraised will be surface rights including improvements such as homes, barns, hay sheds and fencing, timber, orchards or other permanent plantings and any irrigation water rights. The irrigation water rights include wells, ditches, reservoirs, ponds and lakes that provide irrigation on the subject property and are legally permitted. Crop base and or allotments will be clearly identified that are located on the subject property in both the before and after condition. The value of any marketable standing timber that could be economically harvested will be considered by a timber cruise and included in any valuations. Other permanent plantings that are located on the subject property will be appraised and included in any valuations. Any irrigation equipment such as pivot sprinklers, moveable pipe, tow lines etc. that are located in the proposed easement area will be included in the valuation
7. If irrigation rights are included in the easement area, documentation provided by NRCS will identify the volume of irrigation water rights to be retained for the subject property as necessary to ensure the function of the farmland/ranchland operation and other agricultural conservation values. This volume will also be documented in the Conservation Plan and Easement baseline Inventory Report Exhibit attached to the Conservation Deed. Irrigation water rights that are legally owned and used on the proposed subject property will be described and valued in the appraisal.  
The appraiser will document if any portion these irrigation water rights can be removed from the subject property or not. If the irrigation water rights can be removed from the property, the appraiser will provide a value opinion of the value of each irrigation water right. The appraiser will consider only the irrigation water rights required to be retained on the subject property as identified by NRCS in both the before and after valuation.

#### **E. THE APPRAISAL REPORT**

## 1 Description of Work Product

The appraisal(s) will meet the requirements of the Uniform Standards of Professional Appraisal Practice, Uniform Appraisal Standards for Federal Land Acquisitions regulations as applicable and appraisal instructions issued by NRCS as a self contained appraisal report.

The Appraisal Report can consist of a Form Report or a Narrative Report, or a combination may be used. The Appraisal Report must be in compliance with Uniform Standards of Professional Appraisal Practice, Uniform Appraisal Standards for Federal Land Acquisitions as applicable and must use the following guidelines as stated in these standards

**Restricted Use or Summary Reports are not acceptable.**

The contract appraiser must personally inspect the subject property and comparable sales

The appraiser shall talk personally to the property owner or the owner's agent or representative and the property owner or the owner's agent or representative shall be given an opportunity to accompany the appraiser during his or her inspection of the subject property which shall be documented in the appraisal

The Uniform Residential Appraisal Report (URAR) **shall not** be acceptable

Reports must contain a Table of Contents and sequentially numbered pages including addenda. Reports may contain handwritten page numbers

Reports shall reference all environmental documents utilized by the appraiser in completing the Appraisal. The Appraiser is a key individual in identifying potential environmental problems that may affect the value of the subject property.

The appraiser will contact the client to resolve problems, clarify questions, Letters of Engagement (Call Orders) or other issues. Issues relating to the appraisal process will be discussed with the technical review appraiser who will keep the client advised of such discussions.

The effective date of the Appraisal Report is the date of the site visit by the appraiser

The appraisal(s) shall be in typewritten or legible ink print form and/or automated or computerized forms

Only reports completed and submitted on 8½ inch by 11 inch paper will be accepted

The Appraisal Report shall be bound in a durable report cover with appropriate identification.

The appraiser shall provide one (3) originals of the appraisal(s) to the specific organization or entity that may be involved in the specific transaction. Reference the above instructions, including exhibits, for details on appraisal reports, appraisal forms required, and required methodology and supporting documentation

## 2. Required Elements for FRPP Appraisals

### Part 1 Introduction

1. Title Page
2. Letter of transmittal
3. Table of contents
4. Appraiser's certification

a Follow the UASFLA guidelines as applicable, but include the following:

"I have made a personal inspection of the appraised property which is the subject of this report and all comparable sales used in developing the opinion of value. The date(s) of inspection was \_\_\_\_\_, and the method of inspection was \_\_\_\_\_." (If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property and sales. The contract appraiser must inspect the appraised property )

In my opinion, as of \_\_\_ (date) \_\_\_\_, the market value of the larger parcel before conveyance of the partial interest is \$ \_\_\_\_\_, and the market value of the remainder after conveyance of the partial interest is \$ \_\_\_\_\_.

By: \_\_\_ (signature) \_\_\_\_\_

Print Name \_\_\_\_\_

Printed Name and Professional Accreditation

State Certification # \_\_\_\_\_

b. Follow USPAP guidelines as applicable, but include the following:

"I have made a personal inspection of the appraised property which is the subject of this report and all comparable sales used in developing the opinion of value. The date(s) of inspection was \_\_\_\_\_, and the method of inspection was \_\_\_\_\_." (If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property and sales. The contract appraiser must inspect the appraised property )

In my opinion, as of \_\_\_ (date) \_\_\_\_, the market value of the proposed easement parcel before conveyance of the partial interest

is \$ \_\_\_\_\_, and the market value of the proposed easement parcel after conveyance of the partial interest is \$ \_\_\_\_\_.

By: \_\_\_\_\_ (signature)

Print Name \_\_\_\_\_

Printed Name and Professional Accreditation

State Certification # \_\_\_\_\_

5 Summary of salient facts

6. Photographs of subject property. Provide original color photographs or high quality color copies of photographs of the appraised property. Photographs may be a separate exhibit in the addenda or included with the narrative description of the appraised property and comparable sales. Show the following information with each photograph:

a. Identify the photographed scene. Indicate direction of view, vantage point, and other pertinent information. An aerial photo should be used to show the location of the photos.

b. The name of the photographer

c. The date the photograph was taken.

7. Statement of assumptions and limiting conditions

All appraisal reports submitted to the entity and NRCS for review become the property of the United States and may be used for any legal and proper purpose. Therefore, a condition that limits distribution of the report is not permitted.

If the appraisal has been made subject to any encumbrances against the property, such as easements, that shall be stated. 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 use of a hypothetical condition that provides access for NRCS and partners to the easement area will be shown on a map of the subject property to restore, maintain and monitor the purpose and function for which the easement was placed may be used in the appraisal due to the actual access documents that may not be in place. This access should be considered legal access for the purposes of the appraisal but it may not meet local requirements for other uses such as subdivisions. The use of any other hypothetical conditions is not permitted. The use of an uninstructed assumption or hypothetical condition that results in other than "as is" market value will invalidate the appraisal. Include only

factors relating to the appraisal problem. Assumptions and limiting conditions that are speculative in nature are inappropriate. Do not include limiting conditions that significantly restrict the application of the appraisal

A contract appraiser cannot make an assumption or accept an instruction that is unreasonable or misleading. Client instructions shall have a sound foundation, be in writing, and included in the appraisal report.

8. Scope of the appraisal

This section shall fully describe the extent of investigation and analysis. The scope of work should be consistent with the intended use of the appraisal.

Identify the appraisal as a partial acquisition case appraisal. Describe the part being conveyed and the principal differences in the property in the before and after condition. Describe the *before* and *after* methodology to be used.

9. Purpose of the appraisal will be as stated in C above.

10. Summary of the appraisal problem

**Part 2 Factual Data**

11. Legal description

12. Area, city and neighborhood data

13. Property data

- a. Site
- b. Improvements
- c. Fixtures, livestock and forage production structures and facilities
- d. Use history
- e. Sales history

**For Yellow Book appraisals** include a 10-year record of all sales of the appraised property and, if the information is available, offers to buy or sell. If no sale has occurred in the past 10-years, the appraiser shall report the last sale of the property, irrespective of date.

**For USPAP appraisals** include a 3-year record of all sales of the appraised property and, if the information is available, offers to buy or sell. If no sale has occurred in the past 3-years, the appraiser shall report the last sale of the property, irrespective of date.

f. Rental history

A 3-year rental history is required. An unsupported statement that the rent does not represent market or economic rent is unacceptable.

g. Assessed value and annual tax load

h. Zoning and other land use regulations

The contract appraiser shall identify, in addition to zoning, all other land-use and environmental regulations, outstanding rights, and reservations that have an impact on the highest and best use and value of the property.

i. Appraised property map or plat. Show the dimensions and topography of the appraised property in detail on a large-scale topographic map, at least 2 inches to the mile. The map may be

placed here or in the addenda.

### Part 3 Data Analysis and Conclusions before Acquisition

#### 14. Analyses of highest and best use

**a. FOR YELLOW BOOK APPRAISALS:** For acquisition appraisals, UASFLA defines highest and best use as “The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future.” The contract appraiser may also refer to definitions as found in “The Dictionary of Real Estate Appraisal.”

The UASFLA requires the contract appraiser to make a larger parcel determination in all appraisals. Apply the tests provided in UASFLA Part III to determine the larger parcel(s).

**b. FOR USPAP APPRAISALS:** The contract appraiser may to definitions as found in “The Dictionary of Real Estate Appraisal.”

**c. ALL APPRAISALS:** The highest and best use conclusion must be clearly supported by market evidence. Sale or exchange to the United States or other public entity is not an acceptable highest and best use. The use for which the Federal Government will put the property after it has been acquired is, as a general rule, an improper highest and best 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 base an estimate of market value.

If the highest and best use is for assemblage, describe and explain the relationship of the appraised property to the property to which it would be joined.

If speculation or investment is the highest and best use of the property, describe and explain its interim and most probable ultimate use.

When there is a claim that the highest and best use of a property is something other than the property’s existing use, the burden of proof is on the contract appraiser.

Market value cannot be predicated upon potential uses that are speculative and conjectural.

The contract appraiser's opinion of a reasonable probability of a zoning change must have a factual foundation. The appraisal report shall include a description of the investigation undertaken to determine the probability of rezoning. The investigation shall include thorough research of the use(s) and zoning of properties situated similarly to the subject property within the area covered by the zoning authority. The stated rezoning conclusion shall be supported by facts surfaced in the research. A property cannot be valued as if it were already

rezoned for a different use. The property must be valued only in light of the probability of obtaining a zoning change.

15. Land valuation

16. Value estimate by the cost approach

Estimate the value of the land as though vacant and available for its highest and best use. Estimating land value by the use of confirmed sales of comparable, or nearly comparable, lands having like optimum uses is the preferred method.

17. Value estimate by the sales comparison approach

Nearby arm's length transactions, comparable to the land under appraisal, and reasonably current, are the best evidence of market value. The Federal courts recognize the sales comparison approach as being normally the best evidence of market value.

Analyze the last sale of the subject property if relevant. If not used, explain why. An unsupported claim that a sale of the subject property was a forced sale, or is not indicative of its current value, is unacceptable.

When supportable by market evidence, the use of quantified adjustments is preferred. Percentage and dollar adjustments may, and often should, be combined. Resort to qualitative adjustments only when there is inadequate market data to support quantitative adjustments. Factors that cannot be quantified are dealt with in qualitative analysis. When quantitative and qualitative adjustments are both used in the adjustment process, all quantitative adjustments should be made first.

Include a sales adjustment chart summarizing the adjustments and showing the final adjusted sale prices and how the sales compare with the subject property.

The documentation of each comparable sale shall include:

- a. Parties to the transaction
- b. Date of transaction
- c. Confirmation of the transaction

Confirm the transaction with the buyer, seller, broker, or other person having knowledge of the price, terms, and conditions of sale.

- d. Buyer motivation
- e. Location
- f. Size
- g. Legal description
- h. Property rights conveyed
- i. Consideration
- j. Financing terms
- k. Verify if the sale was an arm's length or distressed sale
- l. Improvements
- m. Physical description  
Describe topography, vegetative cover, water influence, improvements, irrigation water, soils and other characteristics.
- n. Non-realty items
- o. Economic characteristics
- p. Zoning
- q. Current use
- r. Topographic map
- s. Photographs

In order to make meaningful comparisons between the sales and the appraised property, NRCS requires inspection of all sales directly compared with the appraised property. Waiver of the comparable sale inspection requirement must be made in writing by an authorized official in the form of a supplemental appraisal instruction. There shall be no waiver of the requirement for inspection of the appraised property.

Include a list of the sales considered, but not actually used, in the addenda. Cite pertinent facts such as date, size, buyer and seller, price, terms, location, and explain why each sale was not used.

The contract appraiser shall adhere to UASFLA direction pertaining to comparable sales requiring extraordinary verification and weighting considerations. These include sales to governmental agencies, sales to environmental organizations, sales to parties desiring to exchange the land to the government, distressed sales, and other atypical or non-arm's length sales.

- 18. Value estimate by the income approach  
All data shall be market supported.

19 Correlation and final estimate

The contract appraiser must avoid making a summation appraisal. Appraisers are responsible for the final opinion of value even if it relies upon estimates developed by others (such as, timber cruisers, or cost estimators). Value estimates developed by others will be the appraiser's responsibility if needed.

**Part 4 Factual Data after Acquisition**

20 Legal description

If only a portion of the bundle of rights pertaining to a specific parcel of real estate is being acquired, this will be the same as in the *before* condition. If all of the rights held by the grantor for only a portion of the larger parcel are being acquired, this section will describe only the real estate being retained in the *after* condition.

If the partial interest being acquired is only a portion of the property rights associated with the larger parcel, the rights being acquired are outstanding rights for the *after* appraisal.

21. Neighborhood factors

22 Property data

- a. Site
- b. Improvements
- c. Fixtures
- d. History
- e. Assessed value and annual tax load
- f. Zoning and other land use regulations

**Part 5 Data Analysis and Conclusions after Acquisition**

23. Analysis of highest and best use
24. Land valuation
25. Value estimate by cost approach
26. Value estimate by sales comparison approach
27. Value estimate by income capitalization approach
28. Correlation and final value estimate

**Part 6 Acquisition Analysis**

29. Recapitulation

Show the difference between the value of the entire property and the value of the remainder by deducting the property's *after* value from its *before* value.

30. For Yellow Book appraisals only: Allocation and explanation of damages. Briefly explain any damages to the remainder property.

31. For Yellow Book appraisals only: Explanation of special benefits. Identify any special benefits accruing to the remainder.

**Part 7 Exhibits and addenda**

32. Location map

Maps shall clearly identify the property and be of sufficient quality to enable the review appraiser to locate the property on the ground. Maps shall be dated, include a legend, scale, and north arrow. The original copy of the report shall contain original maps or vivid color copies.

- a. Area Map. This is a small-scale map showing the general location of the subject market area.
- b. Neighborhood Map. This map shows the appraised property and its immediate neighborhood.
- c. Tract Map or Plat. This map is a large-scale (2-inch/mile) United States Geological Survey (USGS) or similar quality map that shows the appraised property and pertinent physical features such as roads, streams, and improvements. If portions of the appraised property are assigned separate contributory values to the whole, these areas shall be delineated on this map, or a separate map.

33. Comparable data maps

This map shall show the location of the appraised property and the sales. Delineate the boundaries of the appraised properties and comparable sales when the map is of sufficient scale to be meaningful. If all pertinent comparable sales cannot be shown on the same map as the appraised property, a smaller-scale map (such as a state road map) may be included in addition to the larger scale map.

34. Detail of comparative data

Include a completed form showing all information for each comparable transaction used in the appraisal. Include a plat (if available), a USGS topographic map (if appropriate), and color photo(s) of each sale. The transaction number must match the number of the transaction listed in the report.

35. Plot plan

36. Floor plan

37. Title evidence report

Include a copy of the preliminary title report for the non-Federal land if available.

38. Other pertinent exhibits

Present additional data such as documents and charts pertinent to the valuation and referred to in the body of the appraisal. Exhibits may include:

- a. A copy of the Conservation Easement Deed

- b. A copy of technical reports from specialists. This may include a timber cruise summary signed by a timber cruiser, or a road plan signed by an engineer.

- c. Property owner permission to appraise.

39. Qualifications of appraiser

Include the qualifications of all contract appraisers or technicians who made significant contributions to the completion of the appraisal assignment. The contract appraiser(s) must provide evidence of compliance with the

certification requirements of the state(s) where the properties are located.

## **F. Appraisal Reviews**

All appraisal reports are subject to a technical appraisal review conducted for compliance with NRCS appraisal instructions, UASFLA and USPAP as applicable prior to acceptance by NRCS as determined by NRCS. All appraisal reports will have, as a minimum, an administrative appraisal review conducted by NRCS on each appraisal report in accordance with Section 519.62 (F).

## **G. Format for Supplemental Appraisal Reports.**

Supplements or amendments to appraisal reports, such as for updating value estimates, changes in acreage, additional support or explanation, or to correct a previous appraisal report, shall be referenced for incorporation with the original report in accordance with USPAP. The following format is recommended. All items must be addressed.

- (1) **Title Page.** Include the same information as on the original appraisal report. Label the report as a "Supplemental Appraisal Report."
- (2) **Summary of Facts.** Include
  - (i) Owner's name or other identification of the property.
  - (ii) Size.
  - (iii) Highest and best use.
  - (iv) New opinion of value.
  - (v) Valuation date is the effective date of the original report.
- (3) **Summary of Original Appraisal.** Cite the date and value opinion from the original appraisal. If previous updates have been made since the original appraisal, cite value opinions and value dates from all updates as well as the original appraisal.
- (4) **Changes.** Explain the reason for the appraisal supplement; such as, to update an opinion of value due to survey acres, amend a previous appraisal report, add additional support or explanation, or other.
- (5) **New Opinion of Value.** Discuss the changes that have occurred since the original appraisal. Discuss the method used to update the opinion of value and cite the evidence and/or analysis of trends that support the updated value opinion. Conclude with a statement of the new opinion of value and the valuation date which is the effective date of the original report, followed by the contract appraiser's signature.
- (6) **Certification as required in Attachment 2 item E2.**
- (7) **Addenda.** Include sales data detail for new sales cited, summaries of data and trend analyses, maps of sales analyzed, and any other information relied upon but not included in the text.

- (8) **Binding.** If the Supplemental Appraisal Report comprises more than four pages, it shall be bound in a durable report cover with appropriate identification.

## USPAP Administrative Appraisal Review Checklist

### REVIEW CHECKLIST

1 Title Page

Agency/Entity Name \_\_\_\_\_

Landowners Name \_\_\_\_\_

Appraiser's Name \_\_\_\_\_

Appraiser's Address \_\_\_\_\_ Effective Date of  
Appraisal \_\_\_\_\_

2 Letter of Transmittal

Date of Letter \_\_\_\_\_ ID of Property \_\_\_\_\_ Property Rights \_\_\_\_\_

Effective Date \_\_\_\_\_ Special Assumptions \_\_\_\_\_ Special Instructions \_\_\_\_\_

Value Opinion \_\_\_\_\_ Signature yes \_\_\_ no \_\_\_

Analysis: Self-Contained Report yes \_\_\_ no \_\_\_

3 Table of Contents - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

4 Certification

Statements True and Correct yes \_\_\_ no \_\_\_ Limited only by stated assumptions yes \_\_\_ no \_\_\_

No interest/bias – property/parties yes \_\_\_ no \_\_\_ Compensation not contingent yes \_\_\_ no \_\_\_

Inspection yes \_\_\_ no \_\_\_ Landowner Accompany yes \_\_\_ no \_\_\_

Professional Assistance yes \_\_\_ no \_\_\_

5 Summary of Salient Facts

Property ID \_\_\_\_\_ Effective Date \_\_\_\_\_ H&B \_\_\_\_\_

Improvements yes \_\_\_ no \_\_\_

Extraordinary Assumptions/Hypothetical Conditions yes \_\_\_ no \_\_\_

6 Subject Photos - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

7 Assumptions/Limiting Conditions

Appropriate \_\_\_\_\_ Extraneous \_\_\_\_\_ Erroneous \_\_\_\_\_

8 Scope of Appraisal Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

9 Purpose of Appraisal

Reason for Appraisal according to appraisal specs yes \_\_\_ no \_\_\_

Definition of Market Value according to appraisal specs yes \_\_\_ no \_\_\_

Property Rights surface rights only appraised yes \_\_\_ no \_\_\_

Intended Use according to appraisal specs yes \_\_\_ no \_\_\_

Intended User according to appraisal specs yes \_\_\_ no \_\_\_

10 Summary of Appraisal Problem - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

11. Legal Description - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

12 Area Data - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

13. Site Data

Present Use yes \_\_\_ no \_\_\_ Access yes \_\_\_ no \_\_\_ Topography yes \_\_\_ no \_\_\_ Cover yes \_\_\_ no \_\_\_

Improvements yes \_\_\_ no \_\_\_ Utilities yes \_\_\_ no \_\_\_ Size yes \_\_\_ no \_\_\_

14. History Last Transaction Considered yes \_\_\_ no \_\_\_

15. Assessed Value/Tax Load - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

16. Zoning Description- Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

Zoning used in report consistent with permitted uses yes \_\_\_ no \_\_\_

17 Highest and Best Use

Vacant – Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

Four Tests - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

18 Sales Comparison Approach

Comparables – Buyer Seller yes \_\_\_ no \_\_\_ Date of Sale yes \_\_\_ no \_\_\_ Legal/ID yes \_\_\_ no \_\_\_

Recording Data yes \_\_\_ no \_\_\_ Price yes \_\_\_ no \_\_\_ Terms yes \_\_\_ no \_\_\_ Location yes \_\_\_ no \_\_\_ Zoning yes \_\_\_ no \_\_\_

Present Use yes \_\_\_ no \_\_\_ Planned Use yes \_\_\_ no \_\_\_

Description yes \_\_\_ no \_\_\_ Photos yes \_\_\_ no \_\_\_ Good Map yes \_\_\_ no \_\_\_

Location Map yes \_\_\_ no \_\_\_ Analysis – Adjustment documented yes \_\_\_ no \_\_\_

Conclusions Understandable yes \_\_\_ no \_\_\_

19. Cost Approach

Land Analysis – Comparables yes \_\_\_ no \_\_\_

Conclusion Understandable yes \_\_\_ no \_\_\_

20 Income Approach

Gross Income –documented yes \_\_\_ no \_\_\_ Vacancy yes \_\_\_ no \_\_\_

Expenses – documented yes \_\_\_ no \_\_\_

Cap Rate - documented yes \_\_\_ no \_\_\_

Conclusion documented yes \_\_\_ no \_\_\_

21 Final Value Estimate

As of date \_\_\_\_\_ Reconciliation documented yes \_\_\_ no \_\_\_

Conclusion documented yes \_\_\_ no \_\_\_

22 Crop base/allotments in easement area \_\_\_\_\_ yes \_\_\_\_\_ no

Disposition of crop base/allotment \_\_\_\_\_ transferred \_\_\_\_\_ acquired by NRCS

Is it valued in appraisal \_\_\_\_\_

23 Overall

Clear and understandable yes \_\_\_ no \_\_\_

Adequate Information yes \_\_\_ no \_\_\_

Complete yes \_\_\_ no \_\_\_

Reasonable yes \_\_\_ no \_\_\_

24. Exhibits – Adequate Maps yes \_\_\_ no \_\_\_ Title Info yes \_\_\_ no \_\_\_

Appraisal Instructions yes \_\_\_ no \_\_\_ Qualification of appraiser yes \_\_\_ no \_\_\_

Comments:

25 Appraisal complies with contract specifications yes \_\_\_ no \_\_\_

26. Appraisal acceptable for use in the acquisition of an NRCS easement. yes \_\_\_ no \_\_\_

\_\_\_\_\_  
Administrative reviewer signature

\_\_\_\_\_  
Date

## UASFLA (Yellow Book) Administrative Appraisal Review Checklist

### REVIEW CHECKLIST

1. Title Page

Agency/Entity Name \_\_\_\_\_  
Landowners Name \_\_\_\_\_  
Appraiser's Name \_\_\_\_\_  
Appraiser's Address \_\_\_\_\_ Effective Date of  
Appraisal \_\_\_\_\_

2. Letter of Transmittal

Date of Letter \_\_\_\_\_ ID of Property \_\_\_\_\_ Property Rights \_\_\_\_\_  
Effective Date \_\_\_\_\_ Special Assumptions \_\_\_\_\_ Special Instructions \_\_\_\_\_  
Estimate of Before Value \_\_\_\_\_ After \_\_\_\_\_ Signature yes \_\_\_ no \_\_\_  
Analysis: Self-Contained Report yes \_\_\_ no \_\_\_

3. Table of Contents Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

4. Certification

Statements True and Correct yes \_\_\_ no \_\_\_ Limited only by stated assumptions yes \_\_\_ no \_\_\_  
No interest/bias – property/parties yes \_\_\_ no \_\_\_ Compensation not contingent yes \_\_\_ no \_\_\_  
Consistent with UASFLA yes \_\_\_ no \_\_\_ USPAP yes \_\_\_ no \_\_\_ Jur Excep yes \_\_\_ no \_\_\_  
Inspection yes \_\_\_ no \_\_\_ Landowner Accompany yes \_\_\_ no \_\_\_  
Professional Assistance yes \_\_\_ no \_\_\_ Value as of date \_\_\_\_\_  
Before value \_\_\_\_\_ After value \_\_\_\_\_

5. Summary of Salient Facts

Property ID \_\_\_\_\_ Effective Date \_\_\_\_\_ H&B Before/After \_\_\_\_\_ / \_\_\_\_\_  
Improvements yes \_\_\_ no \_\_\_  
Extraordinary Assumptions/Hypothetical Conditions yes \_\_\_ no \_\_\_  
Value Before \_\_\_\_\_ After \_\_\_\_\_

6. Subject Photos Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

7. Assumptions/Limiting Conditions

Appropriate \_\_\_\_\_ Extraneous \_\_\_\_\_ Erroneous \_\_\_\_\_

8. Scope of Appraisal Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

9. Purpose of Appraisal for before and after

Reason for Appraisal according to appraisal specs yes \_\_\_ no \_\_\_  
Def. Mkt Value according to appraisal specs yes \_\_\_ no \_\_\_  
Property Rights surface rights only appraised yes \_\_\_ no \_\_\_  
Intended Use according to appraisal specs yes \_\_\_ no \_\_\_  
Intended User according to appraisal specs yes \_\_\_ no \_\_\_

10. Summary of Appraisal Problem before and after Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

11. Legal Description Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

12. Area Data Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

13. Site Data

Present Use yes \_\_\_ no \_\_\_ Access yes \_\_\_ no \_\_\_ Topography yes \_\_\_ no \_\_\_ Cover yes \_\_\_ no \_\_\_  
Improvements yes \_\_\_ no \_\_\_ Utilities yes \_\_\_ no \_\_\_ Size yes \_\_\_ no \_\_\_

14. History Last Transaction Considered yes \_\_\_ no \_\_\_

15. Assessed Value/Tax Load Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

16. Zoning Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

17. Highest and Best Use

Before Vacant – Adequate \_\_\_\_\_ Omitted \_\_\_\_\_  
Improved - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_  
Four Tests - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

18. Sales Comparison Approach Before

Comparables – Buyer Seller yes \_\_\_ no \_\_\_ Date of Sale yes \_\_\_ no \_\_\_ Legal/ID yes \_\_\_ no \_\_\_  
Recording Data yes \_\_\_ no \_\_\_ Price yes \_\_\_ no \_\_\_ Terms yes \_\_\_ no \_\_\_ Location yes \_\_\_ no \_\_\_ Zoning yes \_\_\_ no \_\_\_  
Present Use yes \_\_\_ no \_\_\_ Planned Use yes \_\_\_ no \_\_\_  
Description yes \_\_\_ no \_\_\_ Photos yes \_\_\_ no \_\_\_ Good Map yes \_\_\_ no \_\_\_  
Location Map yes \_\_\_ no \_\_\_ Analysis – Adjustment supported yes \_\_\_ no \_\_\_  
Internal Logic yes \_\_\_ no \_\_\_ Conclusions Reasonable yes \_\_\_ no \_\_\_

19. Cost Approach Before

Reproduction/Replacement Cost: Adequately Supported yes \_\_\_ no \_\_\_  
Depreciation: Market Supported yes \_\_\_ no \_\_\_  
Analysis – Supported yes \_\_\_ no \_\_\_ Internal Logic yes \_\_\_ no \_\_\_  
Reasonable Conclusion yes \_\_\_ no \_\_\_

20. Income Approach Before

Gross Income – Adequately supported yes \_\_\_ no \_\_\_ Vacancy yes \_\_\_ no \_\_\_  
Expenses – Adequately supported yes \_\_\_ no \_\_\_  
Cap Rate - Adequately supported yes \_\_\_ no \_\_\_  
Conclusion reasonable yes \_\_\_ no \_\_\_

21. Value Estimate Before

As of date \_\_\_\_\_ Reconciliation Adequate yes \_\_\_ no \_\_\_  
Conclusion reasonable yes \_\_\_ no \_\_\_

22. After Vacant – Adequate \_\_\_\_\_ Omitted \_\_\_\_\_  
Improved - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_  
Four Tests - Adequate \_\_\_\_\_ Omitted \_\_\_\_\_

23. Sales Comparison Approach After

Comparables – Buyer Seller yes \_\_\_ no \_\_\_ Date of Sale yes \_\_\_ no \_\_\_ Legal/ID yes \_\_\_ no \_\_\_  
Recording Data yes \_\_\_ no \_\_\_ Price yes \_\_\_ no \_\_\_ Terms yes \_\_\_ no \_\_\_ Location yes \_\_\_ no \_\_\_ Zoning yes \_\_\_ no \_\_\_  
Present Use yes \_\_\_ no \_\_\_ Planned Use yes \_\_\_ no \_\_\_  
Description yes \_\_\_ no \_\_\_ Photos yes \_\_\_ no \_\_\_ Good Map yes \_\_\_ no \_\_\_  
Location Map yes \_\_\_ no \_\_\_ Analysis – Adjustment supported yes \_\_\_ no \_\_\_  
Internal Logic yes \_\_\_ no \_\_\_ Sales Restored yes \_\_\_ no \_\_\_ Conclusions Reasonable yes \_\_\_ no \_\_\_

24. Cost Approach After

Reproduction/Replacement Cost: Adequately Supported yes \_\_\_ no \_\_\_  
Depreciation: Market Supported yes \_\_\_ no \_\_\_  
Analysis – Supported yes \_\_\_ no \_\_\_ Internal Logic yes \_\_\_ no \_\_\_  
Reasonable Conclusion yes \_\_\_ no \_\_\_

25. Income Approach After

Gross Income – Adequately supported yes \_\_\_no\_\_\_ Vacancy yes \_\_\_no\_\_\_

Expenses – Adequately supported yes \_\_\_no\_\_\_

Cap Rate - Adequately supported yes \_\_\_no\_\_\_

Conclusion reasonable yes \_\_\_no\_\_\_

26 Crop base/allotments in easement area \_\_\_\_\_ yes \_\_\_\_\_ no

Disposition of crop base/allotment \_\_\_\_\_ transferred \_\_\_\_\_ acquired by NRCS

Is it valued in appraisal \_\_\_\_\_

27. Value Estimate After

As of date \_\_\_\_\_ Reconciliation Adequate yes \_\_\_no\_\_\_

Conclusion reasonable yes \_\_\_no\_\_\_

28 Overall

Clear and Accurate yes \_\_\_no\_\_\_

Adequate Information yes \_\_\_no\_\_\_

Complete yes \_\_\_no\_\_\_

Reasonable yes \_\_\_no\_\_\_

29 Exhibits – Adequate Maps yes \_\_\_no\_\_\_ Title Info yes \_\_\_no\_\_\_ Instructions yes \_\_\_no\_\_\_ Qualification of appraiser yes \_\_\_no\_\_\_

Comments:

30. Appraisal complies with contract specifications yes \_\_\_no\_\_\_

31 Appraisal acceptable for use in the acquisition of a FRRP easement. yes \_\_\_no\_\_\_

\_\_\_\_\_  
Administrative reviewer signature

\_\_\_\_\_  
Date

**TECHNICAL APPRAISAL REVIEW SPECIFICATIONS FOR APPRAISALS OF REAL PROPERTY FOR THE FARM AND RANCH LANDS PROTECTION PROGRAM (FRPP)**

**A. BACKGROUND INFORMATION**

The United States of America, acting through the United States Department of Agriculture, Natural Resources Conservation Service (NRCS) is considering purchasing an easement to assist the landowner in protecting privately owned land on a farm or ranch that contains at least 50 percent prime, unique, Statewide, or locally important soil, or contains historical or archaeological resources, and is subject to a pending offer by an eligible entity. Eligible land includes cropland, rangeland, grassland, pasture land, and forest land provided the forested acreage does not exceed two-thirds of the easement acreage. These lands may ultimately be placed under a conservation easement through FRPP of NRCS.

All appraisal reviews completed for this program shall comply with Uniform Standards of Professional Appraisal Practice (USPAP), Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), as applicable and appraisal instructions issued by NRCS. The reviewer shall verify with the client the date of the cooperative agreement the appraisal was completed under to establish the requirements which the appraisal and review are to be completed to.

**B. REVIEW APPRAISER QUALIFICATIONS**

Review Appraisers shall be State Certified General Real Property Appraiser and be in good standing with the licensing authority where the credential was issued. The review appraiser must have demonstrated competency in compliance with USPAP in conducting appraisal reviews of agricultural properties with and without conservation easements of the requested type. All reviewers must provide documentation of appraisal education courses attended including eminent domain or conservation easements courses, at least 40 hours of training in conducting technical reviews and UASFLA (Yellow Book) for Yellow Book reviews and shall be provided by the review appraiser in the review report.

**C. PURPOSE OF THE APPRAISAL REVIEW REPORTS**

**1. FOR YELLOW BOOK APPRAISALS:** The purpose of the technical appraisal review report is to provide an opinion of the acceptability of the appraisals that provide a market value of the subject property (larger parcel) before acquisition of an easement (*before* value) and an opinion of market value of the subject property remaining after the proposed easement has been placed (*after* value) as of the date of execution of the cooperative agreement between the entity and USDA/NRCS minus any adjustments for excess irrigation water to arrive at the effect on value of the easement. The appraisals and technical review must be completed in compliance with Uniform Standards of Professional Appraisal Practice, Uniform Appraisal Standards for Federal Land Acquisitions and NRCS instructions. For the purpose of these appraisal reviews, the Federal Rules for acquisition will be used.

The purpose of two opinions of value is to establish the effect on value resulting from imposition of a conservation easement. A key concept in this appraisal process is defining the larger parcel, which is required to begin the appraisal process.

The market value definition that will be stated and used in developing and reporting this assignment is the definition as stated in the Yellow Book;

“Market value is the amount in cash, or in terms reasonably equivalent to cash, for which in all

probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal ”

**No other definition of market value is acceptable for Yellow Book appraisals.**

**2. FOR USPAP APPRAISALS:** The purpose of the appraisals is to provide an opinion of market value, as defined below, of the proposed easement area before placement of the easement and a USPAP appraisal of the proposed easement area as if the easement is in place in a self contained report format. The difference between these two values will be the affect of the easement on the subject property. The appraisals must be completed in compliance with Uniform Standards of Professional Appraisal Practice, and appraisal instructions issued by NRCS.

The market value definition that will be stated and used in developing and reporting this assignment is as follows;

“Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure to the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal considerations for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

**No other definition of market value is acceptable for USPAP appraisals.**

A separate technical appraisal review report of each appraisal report will be conducted if two or more appraisals have been requested.

#### **D. SCOPE OF WORK**

The scope of work is a desk technical review to assure the appraisal meets the definition of appraisal as required, examine the appraisals to assure that they meet applicable appraisal requirements which include Uniform Standards of Professional Appraisal Practice (USPAP), Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), as applicable to the appraisal assignment, and appraisal instructions issued by NRCS. The technical appraisal review report will be in compliance with USPAP Standard 3, UASFLA, and appraisal instructions issued by NRCS and will be type written, dated and signed by the reviewer. All items contained in Standard 3 of USPAP must be documented by the review appraiser in the technical appraisal review report. The appraisal reviewer will be required to make a determination as to the acceptability of the appraisal in accordance with instruction provided to the appraiser and these instructions.

The review appraiser may be instructed to express their own opinion of value. This determination will be made on a case by case basis by the authorized official and will be included in any work order.

The review appraiser will determine if the appraisal is approved or not approved.

If the review appraiser determines the appraisal report is approved, the review appraiser will set

forth in the review report the recommended value, if the appraisal report complies with the assignment standards and adequately supports the value estimate, complied with contract requirements, and for Yellow Book appraisals specifically document any damages or benefits to any remaining property.

If the review appraiser determines the appraisal report is not approved, the Program Manager will provide NHQ staff appraiser with a copy of the appraisal and the reasons the appraisal report was not acceptable as stated in the appraisal review report. NHQ staff appraiser will make a determination if the appraiser should be contacted, by whom and determine if the appraisal report should be returned for corrections or if a new appraisal should be ordered. The review appraiser may be instructed to work with the appraiser to obtain an acceptable appraisal in an advisory role. If the review appraiser does not approve the appraisal, the transaction closing will not take place.

The review appraiser must obtain a copy of the listed standards at their own expense and have them available during any technical review for reference.

#### **a. Not Approved**

If, after diligent documented efforts have been made to get the needed support and improvements, the appraisal report still does not meet acceptable standards and the value estimate is not adequately supported, the review appraiser may disapprove or reject an appraisal report. Rejection indicates particular problems of integrity. The review appraiser shall clearly show why the appraisal report is inadequate.

Ultimate disapproval of a contract appraisal report because, in the review appraiser's opinion, the value estimate is unsupported or not supported strongly enough, does not constitute "rejection" for contract payment purposes if the contractor has complied with the contract specifications.

Recommending a second appraisal to confirm, support, or replace an unapproved appraisal report does not constitute rejection. If, however, the second report supports a significantly different value estimate and that report is ultimately approved, this effectively disapproves the previous appraisal report(s).

No appraisal should be "rejected" unless it is in violation of appraisal principles and standards, Agency or Departmental regulations or directives, is inconsistent with facts, or asserts unsupported conclusions.

Appraisals shall not be rejected and fee withheld unless the report clearly and flagrantly does not comply with the appraisal specifications.

#### **c. Limitations**

1. The review appraiser may not change an appraisal report, except for minor mathematical or typographical errors, and must call those minor changes to the appraiser's attention. No one, except the original appraiser, is permitted to edit or otherwise revise the original appraisal report.

2. The review appraiser may not substitute personal judgment for that of the appraiser, nor dismiss careful appraisal judgment solely because it cannot be supported by conclusive market data. However, the review appraiser may question the appraiser's judgment when it is illogical, unreasonable, not supported by data cited, or is inconsistent with other data.

3. The review appraiser shall not allow agency goals or adversarial pressure to influence the reviewer's opinion of an appraisal report's value estimate. Nor can the staff review appraiser's personal opinion regarding the proposed action influence the review process.

4. The review appraiser must not attempt to influence the appraiser's judgment or direct the appraiser toward a value estimate. The only effort should be to obtain a properly supported value estimate based on factual evidence and valid analysis of all facts available through use of approved appraisal approaches and techniques. Minor technical non-conformance with the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA) and the Uniform Standards of Professional Appraisal Practice (USPAP) should not be the cause of rejection of an appraisal report unless the deficiencies affect the reliability of the value estimate.

UASFLA and USPAP Conflicts: Conflicts between UASFLA and USPAP are minimal. When there is conflict, UASFLA takes precedence. It may be necessary to invoke the Jurisdictional Exception Rule to USPAP to meet certain standards of the UASFLA. Invocation of the Jurisdictional Exception Rule should never be invoked lightly and must include citation of the over-riding Federal policy, rule, or regulation that requires it.

## **E. BACKGROUND FOR THE APPRAISAL REVIEW REPORT**

1. Client is USDA/NRCS and or (entity name)
2. Intended User is USDA/NRCS and or (entity name) unless otherwise directed by the Client
3. Intended Use will be for USDA/NRCS determination of acceptability of the appraisals for use in consideration in determining the effect on value of the easement for lands entering into FRPP.
4. Property rights to be appraised will be surface rights, improvements such as homes, barns, hay sheds and fencing, timber, orchards or other permanent plantings and any irrigation water rights. The irrigation water rights include wells, ditches, reservoirs, ponds and lakes that provide irrigation on the subject property and are legally permitted. Crop base and or allotments will be clearly identified that are located on the subject property in both the before and after condition. The value of any marketable standing timber that could be economically harvested will be considered by a timber cruise and included in any valuations. Other permanent plantings that are located on the subject property will be appraised and included in any valuations. Any irrigation equipment such as pivot sprinklers, moveable pipe, tow lines etc. that are located in the proposed easement area will be included in the valuation.
5. If irrigation rights are included in the easement area, documentation provided by NRCS will identify the volume of irrigation water rights to be retained for the subject property as necessary to ensure the function of the farmland/ranchland operation and other agricultural conservation values. This volume will also be documented in the Conservation Plan and Easement baseline Inventory Report Exhibit attached to the Conservation Deed. Irrigation water rights that are legally owned and used on the proposed subject property will be described and valued in the appraisal. The appraiser will document if any portion these irrigation water rights can be removed from the subject property or not. If the irrigation water rights can be removed from the property, the appraiser will provide a value opinion of the value of each irrigation water right. The appraiser will consider only the irrigation water rights required to be retained on the subject property as identified by NRCS in both the before and after valuation.
6. A copy of the work order to the appraiser, appraiser instructions and all related information will be provided to the review appraiser by the Agency.

- 7 All technical appraisal reviews are subject to a review for compliance with the applicable instructions by NRCS/NHQ.
- 8 The review appraiser shall prominently state any crop base acres and allotment history that are located in the easement area or moved to another parcel as identified in the appraisal.
- 9 The effective date of the technical review will be the effective date of the appraisal.
10. The review appraiser may use Jurisdictional Exceptions when completing the technical review of Yellow Book appraisals when compliance with part or parts of USPAP is contrary to law or written public policy applicable to the assignment.
11. Only technical review reports completed and submitted on 8½ by 11 papers will be accepted.
12. Technical review reports must contain a Table of Contents and sequentially numbered pages including addenda
13. The technical appraisal(s) reports shall be in typewritten or automated or computerized forms
14. The review appraiser will document whether the analysis and documentation contained in the appraisals supports the opinion of value arrived at by the appraiser
15. The technical review format will be as shown in Exhibit I

**Exhibit 1**

**Technical Appraisal Review Report**

Appraisal Review of \_\_\_\_\_ (property)

Prepared by \_\_\_\_\_ (name, title, unit)

This technical appraisal review report is presented in four sections: (1) Appraisal Report Summary, (2) Appraisal Review Purpose, Scope, and Intended Use, (3) Reviewer's Analysis, Comments, and Conclusions, and (4) Reviewer's Certification.

**For Yellow Book Appraisals:** As a result of my review, I (approve), (disapprove), the appraisal report that concludes an opinion as of \_\_\_\_\_ (date), the market value of the larger parcel before conveyance of the partial interest is \$ \_\_\_\_\_, and the market value of the remainder after conveyance of the partial interest is \$ \_\_\_\_\_.

By: \_\_\_\_\_ (signature)

Print Name \_\_\_\_\_

Printed Name and Professional Accreditation

State Certification # \_\_\_\_\_

**For USPAP Appraisals:** As a result of my review, I (approve), (disapprove), the appraisal report that concludes an opinion as of \_\_\_\_\_ (date), the market value of the subject parcel before conveyance of the partial interest is \$ \_\_\_\_\_, and the market value of the subject parcel after conveyance of the partial interest is \$ \_\_\_\_\_.

By: \_\_\_\_\_ (signature)

Print Name \_\_\_\_\_

Printed Name and Professional Accreditation

State Certification # \_\_\_\_\_

*Identify type of value such as market, investment or other value, and identify and give estimated contributory value(s) for major components such as land, timber, improvements, damages, and benefits*

*Any extraordinary assumption and/or hypothetical condition of the appraisal report or the appraisal review report shall be recited here.*

**Section 1: Appraisal Report Summary**

*Each shall be completed from information in the appraisal report. If the assignment required no extraordinary assumptions, jurisdictional exceptions, or hypothetical conditions, so state*

- a. Owner of Record
- b. Estate Appraised.  
*State the ownership interest as Fee, Leased Fee, or Partial Interest and reference the specific title document or land status report. If the estate appraised is subject to any reservations, outstanding rights, or other encumbrances, state them briefly here and fully in Section 3 a*
- c. Legal Description.  
*Identify the survey and land description verification*
- d. Property Characteristics  
*Provide a brief overview of the significant physical, legal, and location characteristics of the property*
- e. Larger Parcel Determination
- f. Extraordinary Assumption and/or Hypothetical Conditions.  
*Identify the source of the written instructions*
- g. Highest and Best Use or Permitted Use.
- h. Date of the Appraisal Report.
- i. Date of Appraisal
- j. Appraiser

Section 2: Appraisal Review Process

- a. Client and Intended Users.
- b. Intended Use.
- c. Purpose of the Review Assignment.

**1. FOR YELLOW BOOK APPRAISALS:** The purpose of the technical appraisal review report is to provide an opinion of the acceptability of the appraisals that provide a market value of the subject property (larger parcel) before acquisition of an easement (*before* value) and an opinion of market value of the subject property remaining after the proposed easement has been placed (*after* value) as of the date of execution of the cooperative agreement between the entity and USDA/NRCS minus any adjustments for excess irrigation water to arrive at the effect on value of the easement. The appraisals and technical review must be completed in compliance with Uniform Standards of Professional Appraisal Practice, Uniform Appraisal Standards for Federal Land Acquisitions and NRCS instructions. For the purpose of these appraisal reviews, the Federal Rules for acquisition will be used.

The purpose of two opinions of value is to establish the effect on value resulting from imposition of a conservation easement. A key concept in this appraisal process is defining the larger parcel, which is required to begin the appraisal process.

**2. FOR USPAP APPRAISALS:** The purpose of the appraisals is to provide an opinion of market value, as defined below, of the proposed easement area before placement of the easement and a USPAP appraisal of the proposed easement area as if the easement is in place in a self-contained report format. The difference between these two values will be the affect of the easement on the

subject property. The appraisals must be completed in compliance with Uniform Standards of Professional Appraisal Practice, and appraisal instructions issued by NRCS.

d. Scope of Work.

*Describe work the reviewer did with the property before the appraisal, knowledge of any other appraisals that you returned or reviewed, property and comparable property inspection, sale verification, additional data and information procured, analytical methods applied, and what standards were followed. If the appraiser revised the appraisal during this review, at your request, describe the extent of the revision process. Any analytical work or support documents shall be retained in the reviewer's work file.*

Section 3: Reviewer's Analysis, Comments, and Conclusions

*The purpose of this section is to report the reasons and provide support for the reviewer's conclusions and explain discrepancies and disagreements. This section should be written in a detailed narrative format that clearly achieves the standards found in UASFLA Part C and USPAP SR 3-2(d). What follows is an outline of substance to be considered for the narrative.*

- a. Present your opinion of the adequacy to which the appraiser followed appraisal instructions, including value definition, sales verification, extraordinary assumptions and hypothetical conditions, hazardous material conditions, estate appraised, legal description used, and general specifications followed.
- b. Analyze and describe adequacy and appropriateness of appraiser's larger parcel determination.
- c. Analyze and describe adequacy and appropriateness of appraiser's highest and best use determination. Comment whether an economic analysis was appropriate and carried out correctly. Compare subject and sales for consistency of highest and best use; compare subject zoning and land use regulations with appraiser's analysis of legal property uses; explain reasons of agreement or disagreement with highest and best use conclusion.
- d. Analyze and describe adequacy of appraiser's analysis of previous sale of subject property.
- e. Review and describe adequacy and appropriateness of valuation approaches selected.
- f. Review and describe adequacy of treatment of contributory values of minerals, water, timber, improvements, personal property, and intangibles.
- g. Review and describe appropriateness of sale data stratification, review methods and accurateness of sales analysis, adjustments to sales, and value indications obtained from sales.
- h. Review for reasonableness and accuracy all assumptions and data in the cash flow analysis of the income approach and analyze for appropriateness the market extracted rate applied to the subject cash flow. Ensure the appropriateness of computer software used in sales, income, and statistical analysis.
- i. Explain and conclude as to the reasonableness and appropriateness of the overall appraisal methods used and support presented. State whether the appraisal report is approved or disapproved. If other than approved, summarize the principal reasons for your action.

Section 4: Reviewer Certification

*The italic words need to be changed for the circumstances and reviewer*

I certify that, to the best of my knowledge and belief:

- The facts and data reported by the reviewer and used in the review process are true and correct.
- The analysis, opinions, and conclusions in this review report are limited only by the assumptions and limited conditions stated in this review report and are my own personal, impartial, and unbiased professional analysis, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved
- I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.
- My engagement on this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, and conclusions in this review or from its use.
- My analysis, opinions, and conclusions were developed and this review report was prepared in conformity with the NRCS appraisal instructions and appraisal review instructions, the *Uniform Standards of Professional Appraisal Practice* (for USPAP appraisals as applicable) and to the *Uniform Appraisal Standards for Federal Land Acquisitions* (for Yellow Book appraisals as applicable).
- My report preparation and presentation conforms to the requirements of the Code of Professional Ethics and Standards of *(applicable professional organizations)*
- I am a member of the *(applicable professional organizations)* and am current on all continuing education requirements through *(date)*
- I *have(have not)* made a personal inspection of the subject property under review
- *(Name of professional or no one)* provided significant appraisal, appraisal review, or appraisal consulting assistance to the person signing this certification

\_\_\_\_\_  
Reviewer

\_\_\_\_\_  
Date of Review

General Certification Number and State and expiration date when required by State.

\_\_\_\_\_  
Title

Attach Qualification Statement for the Reviewer.