

***Supplemental Appraisal Standards
for the
Board of Trustees***

**Division of State Lands, Bureau of Appraisal
Florida Department of Environmental Protection**

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www.dep.state.fl.us/lands/appraisal.htm



Department of Environmental Protection

Supplemental Appraisal Standards for the Board of Trustees

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SUPPLEMENTAL APPRAISAL STANDARDS FOR THE BOARD OF TRUSTEES

PURPOSE

The purpose of these *Supplemental Appraisal Standards for the Board of Trustees* (Supplemental Standards) is to supplement the use of the Uniform Standards of Professional Appraisal Practice (USPAP) and to set forth general principles applicable to the valuation of property for the Board of Trustees of the Internal Improvement Trust Fund (Board of Trustees).

The public trust of the citizens of Florida must be upheld and protected. Appraisal Assignments and reports prepared for the Board of Trustees typically involve public lands and use public funds. As such, the authorization of appraisal reports and valuation assignments require arriving at prudent and reasonable conclusions; therefore, it is incumbent upon all who are employed to represent the public interest and the citizens in general. Appraisers and contractors must use adequate care in the preparation of all assignments to provide the Board with fair, unbiased and credible results.

The Department recognizes that professional appraisers are bound by standards adopted by Department of Business and Professional Regulation (DBPR). The Department expects all appraisers to be in good standing and follow professional guidelines. The purpose of these guidelines is to provide supplemental requirements above and beyond those professional requirements set forth by DBPR.

SCOPE

These standards cover the following areas:

General format for appraisal reports and discussion of considerations within the format. Other report formats may be requested for specific assignments. If other formats are requested, the appraiser will be given specific guidelines.

The Supplemental Standards are not intended to limit the scope of the appraisal assignment or bias the appraiser's opinions contained in the reports submitted to the client and intended users.

INTRODUCTION

Unless otherwise stated, the term "Department" or "DEP" as used in these standards refers to the Florida Department of Environmental Protection. "Division" or "DSL" refers to the Division of State Lands within the Department and "Bureau" or "BA" means the Bureau of Appraisal within the Division. "Appraisal Report" means any of the accepted reports such as an Appraisal Report, Restricted Appraisal Report, or any standard form report in common use for residential and land reports.

The supplemental standards are created to implement statutory requirements and outline additional requirements for appraisal services and recommended appraisal formats.

Appraisal services are required to conform to these supplemental standards, unless specifically stated otherwise, in addition to professional standards. Items in the supplemental standards which are requirements are clearly stated. All other elements in the supplemental standards are guidelines that should be followed where appropriate.

It is recognized that appraising involves the use of professional appraisal standards. To this extent, nothing in these supplemental standards is intended to substitute for reasonable judgment with respect to the appraisal and the appraisal review process. If a standard, rule or statute allows for waiver of it, appraisers and review appraisers will substitute reasonably prudent procedures with adequate written reasoning and support.

Unless noted otherwise, the standards, discussions and requirements that follow are applicable to all functions of appraisal services for the Board of Trustees. Federally mandated acquisition procedures shall be required when appropriate in accordance with section 253.025, F.S.

STATE LAW

Chapters 253 and 259, Florida Statutes (F.S.), set forth the statutory authority and describe the duties and responsibilities pertaining to the acquisition and management of state lands, title to which vests with the Board of Trustees. Sections 253.025 and 259.041, F.S., and Chapter 18-1, Florida Administrative Code (F.A.C.), pertain specifically to the appraisal, consulting and appraisal review assignments for acquisitions of real property. They form the basis from which these standards are derived.

Land acquisition procedures provided for in these sections are for voluntary, negotiated acquisitions. When appraisal services are required for management or disposition of lands, procedures are set forth in Chapter 253, F.S., and Chapters 18-2 (for state-owned uplands) and 18-21 (for sovereignty submerged lands), F.A.C.

APPLICABILITY OF LAWS

The judgment or opinion of the appraiser should be governed by the legal framework outlined above. Questions of applicability or interpretation of law which may arise during the course of the appraisal assignment shall be addressed through the BA to the Department's Office of General Counsel.

PART A. SUPPLEMENTAL APPRAISAL STANDARDS for the BOARD of TRUSTEES

A-1.00 COMPETENCY

Many appraisal assignments for the State of Florida require competency in appraising special purpose real estate. To be included on the Department's Approved Appraiser List, appraisers are encouraged to indicate any appraisal specialties they have by completing the "Form for Identifying Appraisal Specialty Areas for which the Competency is Claimed" (Exhibit E in the Addenda section).

A-2.00 MARKET VALUE

Unless otherwise stated in the appraisal assignment and contract, an opinion of market value is required. When market value is the value being appraised, the appraisal shall use the following definition of market value:

The most probable price that 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 the following conditions:

Buyer and seller are typically motivated;

Both parties are well informed or well advised, and acting in what they consider their own best interests;

A reasonable time is allowed for exposure in the open market;

Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and

The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

If other definitions of value are needed for a specific assignment, the BA will provide the alternative definition to the appraiser or the appraiser will be required to compose an alternative definition according to the processes outlined in USPAP, subject to the BAs approval. Other types of value for specific assignments may include: value in use, plottage, lease interests or easement rights.

A-2.01 HISTORICAL ARCHEOLOGICAL AND SPECIAL VALUES

No consideration is to be given to any special value of the property to the owner not directly reflected in the market value. Desirability to the owner because of sentiment, family history or specialized personal use should not be considered in market value. Historical and/or archeological association may be considered only when and to the extent that it is recognized in the market.

A-2.015 SEVERANCE DAMAGES

Severance damages are to be considered only when there is federal government participation in an acquisition; otherwise severance damages do not apply in voluntary, negotiated acquisitions and shall not be estimated. The appraiser may comment on any potential damage perceived to the remainder property, but should not incorporate such damage in the value opinion unless specifically requested.

A-2.02 EXTRAORDINARY ASSUMPTIONS, HYPOTHETICAL CONDITIONS

Extraordinary assumptions and hypothetical conditions must be stated in a separate section of the appraisal report. The extraordinary assumptions and hypothetical conditions must be stated or referenced along with any final conclusion of value statements.

A-2.03 SURPLUS PROPERTY

State-owned land shall be appraised for disposition in accordance with Rule 18-2.020, F.A.C. Upon the sale of Board of Trustees' land, the Board of Trustees will retain an undivided three-fourths interest in "all the phosphate, minerals and metals that are or may be in, on or under the said land and an undivided one-half interest in all the petroleum that is or may be in, on or under said land with the privilege to mine and develop the same." (Section 270.11, F.S.) If applicable, these rights must be considered in the valuation. Further, "the right of entry in respect to any interest in phosphate, minerals, metals or any interest in petroleum reserved in favor of the [Board] or of the State Board of Education is hereby released as to any parcel of property that is, or ever has been, a contiguous tract of less than 20 acres in the aggregate under the same ownership." (Section 270.11, F.S.) If applicable, this right must be considered in the valuation.

A surplus property appraisal assignment shall typically require consideration of plottage when a potential buyer has ownership interest in property adjacent to or in close proximity to the subject property. When required

by the BA, two values for the surplus property are to be estimated: the "as is" value and the plottage.

A-2.04 SUBMERGED EASEMENT APPRAISALS

There are two primary types of submerged easements; one is directly related to boating activities, such as channels; whereas the second type serves the upland property, or use, and includes structures such as bridges, breakwaters, groins, or retaining walls, etc.

For some assignments, two values are required: one for the "easement area" itself and the second for the "enhancement". Enhancement is the increase in value allocated to the parent tract; defined as the dominant estate. The appraiser must include two conclusions of value in this type of submerged easement report. For valuations where no enhancement exists, the appraiser must include the reasoning along with a statement of "no enhancement value" in the report.

When an existing submerged easement is a renewal, with no increase in the size (length, width or depth) and no change in use, the value is not to include enhancement value pursuant to 18-21.011(2)(b)2, F.A.C.

A-3.00 SPECIAL FLOOD HAZARD AREA

The appraiser is required to investigate the subject's (1) special flood hazard area or flood zone status, as defined by the Federal Emergency Management Agency (FEMA); and (2) Coastal Barrier Resources Act (COBRA) zone, if applicable. Appraiser shall report the source of these findings. The appraiser must analyze and consider the effect of the flood hazard zone in the valuation.

A-4.00 SUBJECT SALES HISTORY

In accordance with section 253.025(6)(f), F.S., and Rule 18-1.006(4), F.A.C., a five-year sales history of the subject property, including agreements, contracts, options and listings, must be within an appraisal report for a proposed acquisition unless meeting the exceptions listed in that rule. This history must show date of sale, official record book and page, names of all recorded grantors and grantees, days on market and/or listed, the indicated consideration, and the source of verification. If the subject property was part of a larger parcel, it must be stated. The report must state if there have been no transfers of the subject within the previous five years.

If a sale of the subject has occurred in the previous five years and it is not considered in the valuation analysis, the appraiser, using his best professional judgment, must provide an explanation in the appraisal report as to why the sale was not considered. If the subject property sold in the last five years, the appraisal report must include a description of any changes in or to the subject since the last date of sale. The effect of these changes must be discussed.

A-5.00 NON-ECONOMIC HIGHEST AND BEST USE

A non-economic highest and best use is not a proper basis for an opinion of market value; therefore, a highest and best use conclusion of conservation, preservation, or any other use that requires the property to be withheld from economic production in perpetuity, is not acceptable as a basis for market value.

A-6.00 GOVERNMENT SALES

The appraiser is discouraged from using purchases by non-profit organizations, water management districts, or quasi-governmental or governmental agencies as primary indicators of value. Private sector sales should be used as indicators of market value of the subject property.

Any use of governmental, non-profit or quasi-governmental sales must be analyzed and considered separately in the appraisal report. The appraiser must consider their economic highest and best use when they were purchased and not the government's use for which they were purchased.

A-7.00 COMPARABLE SALES FORMAT AND MINIMUM NUMBER OF SALES

All comparable sales should be reported in the format shown in the Addenda, Exhibit C. This format is applicable to all types of property and should be used in all appraisal reports except form reports. Headings not pertinent to the type of data reported such as improvement or rental data for unimproved land sales may be omitted. A minimum of three (3) closed private sector sales are required to arrive at an opinion of market value for land and/or improved properties. Listings or contracts to purchase are an indication of current market activity. They may be mentioned in the appraisal; however, they shall not be relied upon in the reconciliation of value.

A-7.01 PHOTOGRAPHS OF SALES

At least one aerial photograph is required with property boundaries overlaid.

County Property Appraiser's web pages are acceptable.

Additionally, ground-level photographs are required, except for vacant land valuations.

A-7.02 SALE DEED

A copy of the current vesting deed of each sale is required.

A-7.03 SALES SUMMARY

A sale summary spreadsheet and/or a separate adjustment grid is required. A location map is required including the subject and all sales and listings used in the valuation.

A-7.04 MARKETING TIME

The appraiser is required to research and report the time on the market for each comparable sale, provide a summary of the results in the appraisal report, and report an opinion of marketing time for the subject property.

A-8.00 INTERPRETATION AND RECONCILIATION

The appraiser must summarize and interpret all indications of value and state the reasons why one or more of the conclusions are indicative of value. Where reliance is placed on a particular approach to value or certain data within an approach to value, such reliance must be explained and reasoning provided.

A-9.00 CONSERVATION EASEMENTS FOR ACQUISITION

For appraisals of a conservation easement (CE), a table must be included summarizing the property rights impacted by the proposed CE as compared to the property unencumbered by the proposed CE. Examples of such rights are as follows:

| | |
|-----------------------------------|----------------------|
| Fee title | Transferability |
| Subdivision | Hunting and Fishing |
| Commercial development potential | Roads |
| Residential development potential | Ponds |
| Agricultural uses | Row crop limitations |
| Silviculture | Mining |
| Commercial well limitations | Public Access |

The restrictions under the proposed CE must be described and analyzed,

specifically in relation to the impact on the property as encumbered by the proposed CE. The logic should be clear and easy to follow.

PART B. GENERAL FORMAT FOR AN APPRAISAL REPORT

B-1.00 GENERAL FORMAT

Fee appraisers who prepare narrative appraisals to be reviewed through the division must submit a completed Bureau of Appraisal – Appraisal Checklist (See Addenda, Exhibit F). This checklist is to be placed in the addenda section of the appraisal report.

The Request for Proposal, Task Assignment, or Letter of Engagement will contain the appraisal reporting requirement for an assignment. The BA most commonly requests an appraisal report in narrative form. Other commonly used report formats must be requested from or agreed to by the BA.

An appraisal report format is shown for both the single and multiple property reports in the Addenda, Exhibits A and B, respectively.

PART C. GENERAL STANDARDS of a MISCELLANEOUS NATURE

C-1.00 OWNER CONTACT

For acquisition appraisals, the appraiser is required to contact a property owner or representative to allow an opportunity for the owner to accompany the appraiser during the inspection of the property. The appraiser must include a statement within the appraisal report that describes the date of contact, with whom, and by what method (i.e., e-mail, telephone, other correspondence).

C-2.00 CONFLICT OF INTEREST

The appraiser must submit an affidavit, prior to starting an assignment, certifying that he or she has no current or future vested or fiduciary interest in the property to be appraised or other known conflict of interest.

If the appraiser is unclear on whether he or she has a conflict of interest, it is the responsibility of the appraiser to advise the BA of all facts in order that the Bureau may decide whether or not it would be proper for the appraiser to accept the assignment based on whether the appraiser is in a position to derive personal benefit from actions of decisions made in his or her official capacity or otherwise has personal connection to the interest.

C-2.01 PROPERTY OWNER PREVIOUS CLIENT

The BA may disqualify from consideration a proposal from an appraiser who has appraised the subject property or had the subject property owner or applicant as a previous client. Exceptions to this standard may be made by the BA if the appraiser supplies a satisfactory explanation of the previous client relationship and that no material conflict of interest exists.

C-3.00 DATA FURNISHED TO THE APPRAISER

Data provided to the appraiser by the BA may include items such as appraisal maps, size, dimensions, shape of subject, title information, limitations or impediments, and tax information. Every attempt will be made to provide all available data concerning the subject property to assist the appraiser. However, due diligence on the part of the appraiser is expected to confirm or correct data.

Where initial title work is provided the appraiser, it is often incomplete relative to the status of oil gas and mineral rights. If due diligence on the part of the appraiser discovers additional information, a copy of the source should be provided in the appraisal report. If there could be any impact on value, it must be considered, using market data to support the conclusion.

The appraisal assignment may lack available data relating to oil, gas and mineral rights. If title work provided is incomplete, and if no additional information is found clarifying the status of the oil, gas and mineral rights, the appraiser cannot be expected to comment on any value impact and must assume that oil, gas and mineral rights are included in the fee simple interest.

C-4.00 PUBLIC RECORDS

The appraiser is advised that after the confidential period authorized by Chapters 253, 259 and 119, F.S., ends, the Bureau will release the appraisal reports, or any part thereof, to the public when required pursuant to State law, such as public records law in Chapter 119, F.S., or the Sunshine Act in Chapter 286, F.S. Such laws supersede any statements or limiting conditions contained in the appraisal report. The State is under no obligation to provide prior notice to the appraiser.

The appraisal reports and all data therein shall, upon delivery to the BA, become the property of the Department. The BA will provide any data or exhibits from the report to any requesting parties subject to confidentiality requirements imposed by Chapter 119, 253, or 259, F.S.

C-4.01 COOPERATIVE EFFORT

The appraiser may, if desired, consult or cooperate with another appraiser. The material contribution of any such person shall be acknowledged in the report. Cooperation between appraisers assigned to the project is encouraged and can include the sharing of data, scope of work and preliminary analysis; however, the final opinion of value is the responsibility of the assigned appraiser.

C-5.00 EMPLOYMENT OF SPECIALIST

In the event an appraisal assignment necessitates the estimation of improvement or engineering costs, the valuation of specialized equipment, machinery, trade fixtures, timber, or mineral deposits, the appraiser may employ a specialist or consultant as needed. The specialist's or consultant's report should be included in the addenda to the appraisal report or provided separately to the Bureau.

The appraiser's fee proposal must contain the consultant's fee as part of the appraisal fee proposal. Fees are to be separately quoted in the proposal. The appraiser is responsible for contractual relationships with the specialists or consultants they employ. For forestry consultants there are specific timber standards and selection criteria, *Timber Cruise/Timber Value Standards* which can be found on the Bureau of Appraisal website: <http://www.dep.state.fl.us/lands/links.htm> or by contacting the Bureau.

C-6.00 APPRAISAL REVIEW

Applicable law allows the Bureau to review or contract for the review of appraisals. The BA is responsible for this function and is the sole contact between the Department and the appraisers or review appraisers for all matters pertaining to appraisal or appraisal review activities.

For the acquisition of real property, an appraisal review is required for properties valued greater than \$500,000 (Rule 18-1, F.A.C.). The technical appraisal review will be developed and reported according to professional standards. The purpose of this review is to assure that the appraisal conforms to professional standards, these supplemental standards, and any other requirements of the specific assignment. For the acquisition of parcels with value of \$500,000 or less, a cursory review or appraisal review will be conducted for assurance that requirements of the assignment were met.

C-6.01 FIELD REVIEW

The review appraiser must personally inspect the property appraised and the

pertinent comparable sales or other properties on which the appraiser placed major reliance in arriving at an opinion of value, unless exempted from doing so by the Bureau of Appraisal. The review appraiser may also verify market data, confirm market opinions or assumptions and gather information pertinent to the appraisal.

C-6.02 REVIEW QUESTIONS AND APPRAISER'S RESPONSE

It is the review appraiser's responsibility to communicate with the appraisers in an attempt to correct deficiencies, inaccuracies, provide additional clarification or to reconcile differences in appraisal techniques or premises between appraisal reports when there are two appraisals for a subject property.

Although the review appraiser may verbally discuss review questions with the appraiser, substantive comments or requests for clarification or additional support are required to be communicated to the appraiser in writing and copied to the Bureau.

The appraiser is required to promptly respond to the review appraiser.

C-6.03 CORRECTIONS OR CHANGES

The appraiser must respond in a timely manner pursuant to the appraisal assignment. If corrections or reconsiderations result in changes in the appraisal report, the appraiser is required to furnish those corrections to complete the assignment. All clarifications, corrections or revisions of existing data, or resulting from reconsideration of data, which would have been available to the appraiser during preparation of the original report, will be made at no additional cost to the Department.

The appraisal report will not be approved by the review appraiser until all review questions or requests have been answered by the appraiser to the review appraiser's satisfaction.

ADDENDA

EXHIBIT A - SINGLE PARCEL APPRAISAL FORMAT

The project name and the Bureau of Appraisal File Number is to appear on the cover and title page

Introduction

Title page

(Project Name and B/A File Number and, if applicable, the Florida Communities Trust/FCT File Number)

Letter of transmittal

Table of Contents

Assumptions and Limiting Conditions

Extraordinary Assumptions and Limiting Conditions

Qualifications of the Appraiser

Certification of Value

Executive Summary for each parcel or ownership (Refer to Addenda – Exhibit D)

Premises of the Appraisal

Scope of the appraisal

Explicitly identify the client and intender user of the appraisal

Intended Use

Definition of value and date of value opinion

Property rights appraised

Presentation of Data

Area, city, neighborhood, and location data

Site data

Identification of the property, legal description, Locational information (T-R-S, Tax ID Number, street address), Jurisdictional wetlands, flood hazard area, access, oil/gas & mineral rights, size, shape, topography, drainage, utilities

Easements, encroachments, encumbrances

Assessments and taxes

Aerial and ground level photographs

Location and site map

Description of improvements

Land use and zoning

Taxes and assessment data

Five-year (5 year) ownership history of the subject

Prior sales and current offers or listings

Analysis of Data and Conclusions

Highest and best use of land as though vacant

Highest and best use of the property as improved (if improvements are present)

Land value

Sales comparison approach

Sale data – sale write-ups, aerial map and photographs, and copies of deeds

Government/private sector sales analyzed separately

Cost approach, if applicable

Income capitalization approach, if applicable

Reconciliation of value indications into a final opinion of value

Addenda

Detailed legal description, if not included in the presentation of data

Detailed statistical data (if any)

Leases or lease summaries (if any)

Owner contact letter, if applicable

Bureau of Appraisal-Appraisal Checklist

Other addenda applicable to the specific report

EXHIBIT B - MULTIPLE PARCEL APPRAISAL FORMAT

(If appropriate, Volume I and II can be bound in one volume.)

Volume I – Data Book

Introduction

Title page

(Project Name and B/A File Number and, if applicable, the Florida Communities Trust/FCT File Number)

Letter of transmittal

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Assumptions and Limiting Conditions

Extraordinary Assumptions and Limiting Conditions

Qualifications of the Appraiser

Certification of Value

Executive Summary (Refer to Addenda – Exhibit D)

Premises of the Appraisal

Scope of the appraisal

Explicitly identify the client and intended user of the appraisal report

Intended Use of the appraisal report

Definition of value and date of value opinion

Property rights appraised

Presentation of Data

Area, City, Neighborhood and Location data

Sale data – sale write-ups, aerial map and photographs, and copies of deeds

Addenda (Include those applicable to the project as a whole.)

Volume II – Specific Parcel Data and Analysis (Additional volumes as needed)

Parcel Data, Analysis and Conclusions (for each tabbed parcel or ownership)

Executive Summary for each parcel or ownership (Refer to Addenda – Exhibit D)

Site data

Identification of the property, legal description, Location, Jurisdictional wetlands, flood hazard area, access, oil/gas & mineral rights, size, shape, topography, drainage, utilities

Easements, encroachments, encumbrances

Assessments and Taxes

Aerial and ground level photographs

Location and site map

Description of improvements

Land use and zoning

Taxes and assessment data

Five-year (5 year) ownership history of the subject

Prior sales and current offers or listings

Highest and best use of land as though vacant

Highest and best use of the property as improved (if improvements are present)

Land value

Sales comparison approach

Sale data – sale write-ups, aerial map and photographs, and copies of deeds

Government/private sector sales analyzed separately

Cost approach, if applicable

Income capitalization approach, if applicable

Reconciliation of value indications into a final opinion of value

Addenda (Include only those that are parcel specific within each tabbed parcel section. Please see the list of addenda items in the Single Parcel Appraisal Format.)

EXHIBIT C - SALES FORMAT

(Headings not pertinent may be omitted)

(Headings may be placed in left column alignment if desired)

APPRAISERS REFERENCE NO.:

PROPERTY TYPE:

LOCATION:

BRIEF LEGAL DESCRIPTION:

O.R. BOOK/PAGE:

GRANTOR: (Lessor)

GRANTEE: (Lessee)

LAND SIZE:

ACCESS: (Describe legal and physical access)

COMPREHENSIVE LAND USE AND ZONING:

PROPERTY DATA:

DAYS ON MARKET:

PRICE: (Sale, Offering, Rent, etc.)

DATE (OF TRANSACTION):

PROPERTY RIGHTS CONVEYED: (Outstanding oil, gas or mineral interests, etc.)

TERMS: (Financing, Lease, etc.)

VERIFICATION: (by whom within the appraisers firm, with whom, and date contacted)

CONDITIONS OF SALE:

PRESENT USE:

HIGHEST AND BEST USE:

INTENDED USE: (If no immediate development was planned, include any information revealing the buyer's perception of development pressure or anticipated holding period as a speculative investment property.)

COMMENTS: (Other pertinent information. Do not include analysis or comparison to subject on this page. Attach separate page if analysis or comparison discussion is to be included here on each sale.)

SKETCH/PHOTOS/AERIALS:

DEED: (Attach a copy of vesting deed for this transfer of ownership.)

Prior Sale Information: (Report prior sales within the required time interval.)

EXHIBIT D - EXECUTIVE SUMMARY
CONFIDENTIAL

Project Identification: Name:
B/A File No. and if applicable the FCT File No.

Parcel Identification: Parcel No.
Owner's Name:

Appraiser: Appraisers name and company name

Dates: Date of Value:
Date of Reports:

Interest Appraised: Fee Simple
Conservation Easement

Parcel Size: Gross Acreage:
Upland Acreage:
Jurisdictional Wetland Acreage:

Ownership History,
Listings, Sale Contracts

Parcel Access: Legal (road, easement, etc.)
Physical (road, trail, none, etc.)

Land Use/Zoning: Residential Density Allowed
Name of Future Land Use and Zoning Designations
Typical/Legal Use(s):

Assessed Value:

Utilities: Utilities available; how far from site (water, sewer, electric, telephone)

Flood Zone Information: In or out of 100 or 500 year flood hazard zones(s)

Mineral Rights: As Applicable:
Rights reserved (mineral, gas, oil, etc.)
Type of access
Exploration allowed
Impact on value

EXECUTIVE SUMMARY (Continued)
Page 2

| | |
|--|--|
| <u>Easements:</u> | Type and area encumbered Impact on value: |
| <u>Other Encumbrances:</u> | Type Impact on value |
| <u>Highest and Best Use:</u> | As vacant: describe economic use As improved: describe economic use |
| <u>Present Use:</u> | |
| <u>Opinion of Value:</u> | As Applicable: Total value Land value Improvement(s) value; e.g., building Timber value Conservation easement Fee simple value Value with easement Sales Comparison Approach: Cost Approach: Income Approach/Discounted Cash Flow: |
| <u>Extraordinary Assumptions and/or Hypothetical Conditions:</u> | State briefly what they are Effect on value |
| <u>Unit Values:</u> | As Applicable: Price/unit of comparison: \$/acre, \$/square foot, \$/developable unit, \$/upland acre, \$/jurisdictional wetland acre, etc. |
| <u>Sales Data:</u> | Days on Market: Dollar range per unit of comparison (lowest and highest): Prior to adjustments After adjustments |

**EXHIBIT E - FORM FOR IDENTIFYING APPRAISAL SPECIALTY AREAS
FOR WHICH COMPETENCY IS MET**

Name: _____

Check the boxes that apply and provide the most recent appraisal assignment project name, county, and year of date of value.

- 1- Mineral Resources & Mining Property

Project: _____ County: _____ Year: _____

- 2- Timber Land & Resources

Project: _____ County: _____ Year: _____

- 3 – Corridor/Right of Way Land (Proposed and Existing)

Project: _____ County: _____ Year: _____

- 4 – Conservation Easements

Project: _____ County: _____ Year: _____

- 5 – Developments of Regional Impact

Project: _____ County: _____ Year: _____

- 6 – Environmentally Contaminated Property

Project: _____ County: _____ Year: _____

- 7 – Properties with known Regulated Species Present

Project: _____ County: _____ Year: _____

- 8 – Urban Improved Property

Project: _____ County: _____ Year: _____

- 9 – Properties with Water Dependent Uses (Marinas, Fish Camps, Sovereign Land Issues, etc.)

Project: _____ County: _____ Year: _____

- 10 – Partial Interests (access or utility, upland or submerged land easements, aerial fly zones, etc.)

Project: _____ County: _____ Year: _____

- 11 – Appraisals under Federal Standards

Project: _____ County: _____ Year: _____

- 12 – Property Impacted by Historic or Archaeological Areas

Project: _____ County: _____ Year: _____

- 13 – Agriculture Specialty Property (citrus, sugar cane, sod, etc.)

Project: _____ County: _____ Year: _____

- 14 – Springs

Project: _____ County: _____ Year: _____

- 15 – Other:

Project: _____ County: _____ Year: _____

Signature

Date

EXHIBIT F - BUREAU OF APPRAISAL - APPRAISAL CHECKLIST

INSTRUCTIONS: THIS CHECKLIST IS TO BE USED BY APPRAISERS WHEN PREPARING APPRAISAL REPORTS FOR STATE LAND. ALL ITEMS ON THIS CHECKLIST MUST BE MARKED.

ITEMS THAT ARE MARKED "NO" MUST BE NARRATIVELY ADDRESSED WITHIN THE BODY OF THE COMPLETED APPRAISAL REPORT.

THE CHECKLIST IS TO BE INSERTED IN THE ADDENDA OF THE APPRAISAL REPORT.

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART ONE | | | | | |
|--|--|------------|-----------------|-----------|------------|
| | | Yes | Page No. | No | N/A |
| GENERAL — VACANT LAND | | | | | |
| 1 | Is a completed "Executive Summary" included for each parcel and/or final opinion of value? | [] | [] | [] | [] |
| 2 | Does the appraisal follow the recommended general format for narrative appraisal reports? (this format should be used by the fee appraiser) | [] | [] | [] | [] |
| PREMISES OF THE APPRAISAL | | | | | |
| 3 | Is there a description of the extent of the process (scope) of collecting, confirming and reporting data? | [] | [] | [] | [] |
| 4 | Is the Bureau of Appraisal's definition of market value, or other defined value, used? | [] | [] | [] | [] |
| 5 | Is the intended use (function) and user of the appraisal identified? | [] | [] | [] | [] |
| 6 | Are the property interests (rights) appraised identified? (e.g. fee simple, leased fee, easement, fee simple subject to) | [] | [] | [] | [] |
| 7 | Does the appraisal state any Extraordinary Assumptions and Hypothetical Conditions? | [] | [] | [] | [] |
| 8 | Does the appraisal report consider whether a fractional interest, physical segment or partial holding contribute pro rata to the value of the whole? | [] | [] | [] | [] |
| 9 | Are the effective date of value and the date of the appraisal report stated? | [] | [] | [] | [] |

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART ONE | | | | | |
|--|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | | Yes | Page No. | No | N/A |
| PRESENTATION OF DATA | | | | | |
| 10 | Is a legal description of the property appraised included in the report? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11 | Is a five-year subject sales history included? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12 | Does the appraiser explain why the previous sale of the subject, if within five years, was not used in the valuation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13 | Is any current agreement of sale, option or listing of the property under appraisal analyzed? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14 | Was a neighborhood analysis provided including a discussion of market trends, either positive or negative, which affect the subject property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15 | Is a land use analysis provided which discusses existing land use and zoning designations, impending use restrictions or other existing or proposed concurrency or land use planning restrictions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16 | Does the appraisal report provide the current assessed value of the subject property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| DESCRIPTION OF SUBJECT | | | | | |
| 17 | Are photographs and an aerial included? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18 | Does the appraisal report describe the size, shape and other physical characteristics of the site/land? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19 | Does the appraisal report describe access to the property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART ONE | | | | | |
|--|---|------------|-----------------|-----------|------------|
| | | Yes | Page No. | No | N/A |
| 20 | If the access is poor, inadequate or substandard, does the appraisal address its affect, with supporting market evidence, on value? | [] | [] | [] | [] |
| 21 | Does the appraisal describe the topography of the property? | [] | [] | [] | [] |
| 22 | Does the appraisal report describe the location of the property? | [] | [] | [] | [] |
| 23 | Does the appraisal report describe the property's road frontage? | [] | [] | [] | [] |
| 24 | Does the appraisal report describe the property's water frontage, if applicable? | [] | [] | [] | [] |
| 25 | Does the appraisal report describe utilities available and their proximity to the property? | [] | [] | [] | [] |
| 26 | Does the appraisal report describe nuisances and hazards, if any, affecting the value of the property? | [] | [] | [] | [] |
| 27 | Does the appraisal report describe any existing and/or potential environmental hazards affecting the value of the property | [] | [] | [] | [] |
| 28 | Is the tax assessment included? | [] | [] | [] | [] |
| 29 | Does the appraisal report describe the drainage and the existence of flood plain conditions affecting the value of the property? | [] | [] | [] | [] |
| 30 | Does the appraisal report discuss any easements, encroachments and rights-of-way affecting the value of the property and the affect on value? | [] | [] | [] | [] |

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART ONE | | | | | |
|--|--|------------|-----------------|-----------|------------|
| | | Yes | Page No. | No | N/A |
| 31 | Does the appraisal report discuss the affect on the value of the property as a result of outstanding oil, gas and mineral interests? | [] | [] | [] | [] |
| ANALYSIS OF DATA AND CONCLUSIONS | | | | | |
| Highest and Best Use | | | | | |
| 32 | Is the highest and best use of the property "as vacant" and "as improved", if applicable, analyzed? | [] | [] | [] | [] |
| 33 | Is the highest and best use based on an "economic use" of the property? | [] | [] | [] | [] |
| Land Valuation | | | | | |
| 34 | Is a minimum of 3 sales included and analyzed? | [] | [] | [] | [] |
| 35 | Are photographs and an aerial of the sales included? | [] | [] | [] | [] |
| 36 | Did the appraiser include a sale and listing location map that also shows the subject? | [] | [] | [] | [] |
| 37 | Is the unit of comparison appropriate for the subject's market? | [] | [] | [] | [] |
| 38 | Are the comparable sales similar to the subject in highest and best use? | [] | [] | [] | [] |
| 39 | If the comparable sales are not similar in highest and best use, is an adequate discussion included as to why the sales are used? | [] | [] | [] | [] |
| 40 | Are the comparable sales adjusted for cash equivalency or otherwise clearly explained? | [] | [] | [] | [] |

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART ONE | | | | |
|--|--|------------|-----------------|------------|
| | | Yes | Page No. | No |
| | | | | N/A |
| 41 | If you included comparable sales to governmental units and/or non-profit groups, were they analyzed separately with appropriate comments explaining differences, if any, compared to private transactions? | [] | [] | [] |
| 42 | If the appraisal report includes extraordinary assumptions and hypothetical conditions are their impacts on value adequately supported and reported in the reconciliation and final value estimate? | [] | [] | [] |
| 43 | If you provide a discounted cash flow model in valuing the subject property, did you also provide a sales comparison, or other, approach to arrive at the present value of the subject property? | [] | [] | [] |
| 44 | Are demolition costs, if any, appropriately considered for the comparable sales and the subject property? | [] | [] | [] |
| <u>IF THE SUBJECT DOES NOT INCLUDE VALUATION OF IMPROVEMENTS, PROCEED TO PART THREE – NUMBER 78</u> | | | | |

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART TWO | | | | | |
|--|---|-----------------|-----------|------------|-----|
| | Yes | Page No. | No | N/A | |
| GENERAL - -IMPROVED PROPERTIES | | | | | |
| Cost Approach | | | | | |
| 45 | Are there photographs of each major improvement? | [] | [] | [] | [] |
| 46 | Is a sketch of the building or a copy of the building plans included? | [] | [] | [] | [] |
| 47 | Does the appraisal report identify and describe any potential environmental hazards (e.g., asbestos)? | [] | [] | [] | [] |
| 48 | Is the source of the reproduction or replacement cost new of the improvements identified and explained? | [] | [] | [] | [] |
| 49 | Was entrepreneurial profit, whether included or excluded, identified and supported? | [] | [] | [] | [] |
| 50 | Is curable physical deterioration (deferred maintenance) considered? | [] | [] | [] | [] |
| 51 | Is incurable physical deterioration considered? | [] | [] | [] | [] |
| 52 | Is functional obsolescence considered? | [] | [] | [] | [] |
| 53 | Is external obsolescence considered? | [] | [] | [] | [] |
| 54 | Is the contributory value of the site improvements supported? | [] | [] | [] | [] |
| Income Approach | | | | | |
| 55 | Are the comparable rentals adequately documented and considered? | [] | [] | [] | [] |

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART TWO | | | | | |
|--|---|------------|-----------------|-----------|------------|
| | | Yes | Page No. | No | N/A |
| 56 | Is a general rental location map also showing the location of the subject property included? | [] | [] | [] | [] |
| 57 | Are adjustments to the comparable rentals supported? | [] | [] | [] | [] |
| 58 | Is a current rent roll and recent income history for the property provided in the report or lack thereof explained? | [] | [] | [] | [] |
| 59 | Were all existing leases considered? | [] | [] | [] | [] |
| 60 | Does the report indicate whether the contract rental income is at or near market rental rates? | [] | [] | [] | [] |
| 61 | Is the estimate of vacancy and collection loss adequately supported? | [] | [] | [] | [] |
| 62 | Is a recent expense history for the subject property provided in the report? | [] | [] | [] | [] |
| 63 | Are the projected expenses explained and supported? | [] | [] | [] | [] |
| 64 | Are differences between the projected expenses and the property's historical expense trend supported and described? | [] | [] | [] | [] |
| 65 | Is each component of the selected capitalization method and technique supported by appropriate market data? | [] | [] | [] | [] |
| 66 | Are deductions for rent loss, leasing commissions, tenant improvements, deferred maintenance, etc., accounted for in the discounted cash flow analysis? | [] | [] | [] | [] |
| 67 | Is the discount rate supported by appropriate market data? | [] | [] | [] | [] |

BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART TWO

| | | Yes | Page No. | No | N/A |
|----|--|------------|-----------------|-----------|------------|
| 68 | Is the terminal capitalization rate supported considering the future risk and increased age of the improvements? | [] | [] | [] | [] |
| 69 | Are reasonable sales costs deducted from the estimated reversion to arrive at the net property reversion? | [] | [] | [] | [] |

Sales Comparison Approach

| | | | | | |
|----|---|-----|-----|-----|-----|
| 70 | Is the unit of comparison appropriate for the subject's market? | [] | [] | [] | [] |
| 71 | Are the sales adequately documented and presented? | [] | [] | [] | [] |
| 72 | Are photographs and an aerial of the sales included? | [] | [] | [] | [] |
| 73 | Does the report include a sales and listing location map showing the subject property? | [] | [] | [] | [] |
| 74 | Are the comparable sales similar to the subject in highest and best use? | [] | [] | [] | [] |
| 75 | If the comparable sales are not similar in highest and best use, is a discussion included as to why the sales are used? | [] | [] | [] | [] |
| 76 | Are the comparable sales adjusted for cash equivalency or otherwise clearly explained? | [] | [] | [] | [] |
| 77 | Are the adjustments that were applied to the sales adequately supported? | [] | [] | [] | [] |

BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART THREE

| | | Yes | Page No. | No | N/A |
|-----------------------|--|------------|-----------------|-----------|------------|
| Reconciliation | | | | | |
| 78 | Is the quality and quantity of data considered and reconciled and the applicability or suitability of the approaches considered and reconciled? | [] | [] | [] | [] |
| 79 | Is the final value estimate consistent with the highest and best use, the data, and analyses presented in the report? | [] | [] | [] | [] |
| 80 | Does the appraisal report consider and analyze the effect on value, if any, of the assemblage of the various estates or component parts of a property, refraining from estimating the value of the whole property simply by adding together the individual values of the various estates or component parts without explanation? | [] | [] | [] | [] |
| 81 | In arriving at a final value estimate, does the appraisal consider the value impact (cost to cure/stigma) of environmental hazards and/or other contamination (underground storage tanks, toxic waste disposal, etc.) before concluding the "as is" value? | [] | [] | [] | [] |
| Miscellaneous | | | | | |
| 82 | Does the report provide an estimate of the property's anticipated exposure time, as required by USPAP? | [] | [] | [] | [] |
| 83 | Does the appraisal explain and support the exclusion of any of the usual valuation approaches? | [] | [] | [] | [] |

| BUREAU OF APPRAISAL - APPRAISAL CHECKLIST, PART THREE | | | | | |
|--|--|------------|-----------------|-----------|------------|
| | | Yes | Page No. | No | N/A |
| 84 | Are Extraordinary Assumptions and Hypothetical Conditions repeated, or referenced with all statements of the final opinion of value? | [] | [] | [] | [] |
| Signed | | Date | | | |
| | | | | | |