

**NRCS Specifications and Scope of Work for Appraisals of
Real Property for the Conservation Easement component of
the Regional Conservation Partnership Program (RCPP)
(RCPP Easements)**

A. BACKGROUND INFORMATION

1. The United States of America, acting through the United States Department of Agriculture, Natural Resources Conservation Service (NRCS) [and, *[for RCPP entity-held easements only, Insert Name of Eligible Entity]* (Eligible Entity)] is considering purchasing a conservation easement to assist the landowners of eligible land in furthering the restoration, protection, enhancement, management, maintenance, and monitoring of the conservation values as specified in the RCPP conservation easement deed. Eligible lands include agricultural or nonindustrial private forest land or associated land on which NRCS determines an eligible activity would help achieve conservation benefits. Eligible lands may be placed under a conservation easement through the Regional Conservation Partnership Program (RCPP Easement).
2. All appraisals completed for RCPP easements must comply with Uniform Standards of Professional Appraisal Practice (USPAP) and these appraisal instructions as issued by NRCS.
3. The appraiser must be aware that all appraisal reports completed for RCPP easements may be used by NRCS staff and contract review appraisers that will rely on the details in the report to understand the property and market characteristics. Because many of the NRCS users and review appraisers will neither personally inspect the property nor be familiar with the local area, the appraisal report must include the level of detail necessary to thoroughly explain and support the property description, highest and best use analysis, market characteristics, adjustment process, and all conclusions so that all review appraisers and NRCS users have an adequate understanding of the statements, opinions, and conclusions offered within the report.
4. Recertification or revision of value is anticipated for changes in acreage due to survey or configuration. Useful life of the appraisal, access, and other title issues upon receipt of title commitment may also require review of the value conclusions. As part of the appraisal assignment, NRCS will request the appraiser to review the original appraisal to determine if the conclusion of value is still supported when:
 - a. The useful life of the appraisal (normally 12 months) needs to be extended;
 - b. A survey indicates an acreage change, the footprint of the easement has changed, or access concerns or other title issues have occurred; or
 - c. There are substantive changes from the draft conservation easement deed to the final conservation easement deed.After review and determination, appraiser must provide NRCS a letter stating that the value is supported or indicating that a new or updated appraisal is necessary. If the value is supported, the letter must include justification and market analysis to support the conclusion
5. The NRCS national appraiser resolves questions that arise from these specifications. Contact information may be obtained through the client from the NRCS State office.

B. APPRAISER QUALIFICATIONS

1. Appraisal reports will only be accepted and approved by NRCS if all the following qualifications are met by at least one appraiser and documentation is provided in the appraisal report showing the appraiser meets all the following qualifications/requirements.
2. Subsequent references to ‘appraiser’ refer to the appraiser meeting all the qualification requirements in this section.

3. All real property appraisers performing appraisals for RCPP easements must be State-certified general real property appraisers or obtain a temporary practice permit equal to State-certified general real property appraiser in compliance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) in the State or States where the subject property is located.
4. The appraiser must be in good standing with the licensing authority where the credential was issued.
5. The appraiser must not have received any disciplinary action within the past 5 years resulting in suspension of the credential.
6. The appraiser must have demonstrated competency in compliance with USPAP in conducting appraisals of rural and agricultural properties of the requested type.
7. The appraiser must have demonstrated competency in compliance with USPAP in conducting appraisals of rural and agricultural properties with conservation easements of the requested type.
8. The appraiser must provide documentation of completion of a valuation of conservation easements course.

C. PURPOSE OF THE APPRAISAL REPORT

1. The purpose of the USPAP appraisal is to provide an opinion of market value of the proposed easement area before placement of the conservation easement (before value) and an opinion of market value of the proposed easement area as if the conservation easement is in place (after value). The difference between these two values will be the effect of the conservation easement on the subject property. An appraisal report, as discussed in USPAP Standards Rule 2-2(a), must be provided; restricted appraisal reports are not acceptable. The appraisal report must contain the level of detail, discussion, and support necessary for the client and intended users to comprehensively understand the rationale for the opinions and conclusions, including reconciliation of the data and approaches used in the appraisal. The detail must thoroughly explain and support the property description, highest and best use analysis, market characteristics, adjustment process and all conclusions so that all review appraisers and NRCS users have an adequate understanding of the statements, opinions and conclusions offered within the report.
 - a. The market value definition that will be stated and used in developing and reporting this assignment is as follows:
 1. “Market value” means 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 conditions whereby—
 - a. Buyer and seller are typically motivated.
 - b. Both parties are well informed or well advised and acting in what they consider their own best interests.
 - c. A reasonable time is allowed for exposure to the open market.
 - d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto.
 - e. 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.”
 2. No other definition of market value is acceptable for USPAP appraisals.

2. The easement area appraised in the before and in the after, must be equal. When the proposed easement area includes non-contiguous tracts and the easement restrictions prevent subdividing, the before value must be made as if the non-contiguous tracts are combined. The individual tracts may be appraised separately but it is a violation of the Unit Rule and USPAP to simply add the values together and declare it the before value of the subject. There must be a discussion of how a single buyer would value the combined tracts as a single purchase. A single buyer will typically discount the total of the combined tracts when determining the amount paid for the tracts.

D. BACKGROUND FOR THE APPRAISAL REPORT

1. Prepare two opinions of value of the subject property. One before placement of the conservation easement (before value) and the second after placement of the conservation easement (after value). The after value will be based upon a hypothetical condition that the conservation easement is in place and effects on value may be created. The difference in the two values is the effect of the proposed conservation easement on the value of the property (the calculated fair market value of the RCPP easement).
2. Client is NRCS for RCPP U.S.-held easements or the Eligible Entity for RCPP entity-held easements, unless otherwise directed by the client. The landowner must not be the client. “Landowner” is defined as the current owner or the party identified in the agreement or contract to sell the conservation easement.
3. The intended user must be identified as NRCS and any other specific organization or eligible entity that may be involved in the specific transaction unless otherwise directed by the client. For RCPP U.S.-held easements, the landowner is not an intended user. For RCPP entity-held easements, the landowner may be an intended user.
4. The intended use will be for NRCS and any other specific organization or eligible entity that may be involved in the specific transaction, for consideration in determining the effect on value of the conservation easement of lands entering into the RCPP Easement.
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 allowed improvements such as homes, barns, hay sheds, 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 allotments that are located on the subject property will be clearly identified 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 that is not affixed to the land, such as pivot sprinklers, moveable pipe, towlines, etc., that are located in the proposed easement area will be excluded from 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 conservation values and achieve the conservation benefits. This volume will also be documented in the appropriate RCPP conservation easement deed exhibit (e.g. water rights and water uses exhibit or baseline inventory report) and where applicable, in the RCPP easement plan. Irrigation water rights that are legally owned and used on the proposed subject property will be described and valued in the appraisal.
8. The appraiser will document whether or not any portion of these irrigation water rights may be removed from the subject property. If the irrigation water rights may 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.

E. INFORMATION PROVIDED TO THE APPRAISER:

The following information is to be provided to the appraiser by the client:

1. Copy of the unexecuted RCPP conservation easement deed stating the conservation values to be benefited by the conservation easement, the allowable uses, limitations on use, prohibitions, and other terms that taken together establish the level of restrictiveness of the RCPP easement. Copies of the unexecuted exhibits to the RCPP conservation easement deed.
2. Aerial photograph of the subject property with the location of the proposed easement area identified, access to the easement area identified, easement boundary identified, and an estimate of the acres in the proposed easement identified
3. Legal description of subject property's parent tract
4. Preliminary legal description of the proposed easement area or survey, if available
5. Aerial photograph indicating the location and acreage of any existing conservation agreement, contract, or easement of any type that is associated with the property
6. Specific details of any existing easements, reservations or other restriction currently encumbering the subject property as provided by the landowner
7. Documentation of production data provided by landowner
8. If water rights are included in the easement area, documentation provided by the NRCS will identify the volume of water rights to be retained for the subject property as necessary
9. Documentation of water rights owned, including name of irrigation company, number of shares or amount of ownership, and documentation concerning irrigation wells on the property to be appraised, as provided by the landowner
10. Recorded landowner's name, address, email address, and telephone number
11. Current information as to the status of title of ownership, such as copies of deeds
12. If available, completed "Preliminary Certificate of Inspection and Possession" and the "Hazardous Materials Field Inspection Checklist" and any available information pertaining to the probability of existence of hazardous materials that might be found on the property to be appraised
13. Copy of preliminary title commitment covering the proposed easement area, if available
14. Copy of the completed RCPP Easement Plan, if available
15. Copy of the draft baseline documentation report, if available
16. A copy of the recorded written access to the easement area, evidence that the property is accessible from a public road, or NRCS-approved alternative legal access route is required
17. Written permission from the landowner or an authorized representative authorizing the assigned appraiser to enter the property for appraisal purposes

F. THE APPRAISAL REPORT

1. Description of Work Product

- a. The appraisal must meet the requirements of the Uniform Standards of Professional Appraisal Practice and appraisal instructions issued by NRCS including these appraisal specifications.
- b. The appraisal report may consist of a form report, a narrative report, or a combination of both.
- c. An appraisal report, as discussed in USPAP Standards Rule 2-2(a), must be provided; restricted appraisal reports are not acceptable. The appraisal report must contain the level of

detail, discussion, and support necessary for the client and intended users to comprehensively understand the rationale for the opinions and conclusions, including reconciliation of the data and approaches used in the appraisal. The detail must thoroughly explain and support the property description, highest and best use analysis, market characteristics, adjustment process, and all conclusions so that all review appraisers and NRCS users have an adequate understanding of the statements, opinions, and conclusions offered within the report.

- d. The appraiser must personally inspect the subject property and comparable sales.
- e. The appraiser must talk personally to the property owner or the owner’s agent or representative, and the property owner or the owner’s agent or representative must be given an opportunity to accompany the appraiser during the appraiser’s inspection of the subject property which must be documented in the appraisal.
- f. The Uniform Residential Appraisal Report (URAR) is not acceptable.
- g. Reports must contain a table of contents and sequentially numbered pages, including addenda.
- h. Reports must contain the instructions or engagement documents provided to the appraiser.
- i. Reports must 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.
- j. 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 may be discussed with the NRCS national appraiser.
- k. The effective date of the appraisal report is the date of the site visit by the appraiser.
- l. The appraisal must be in an electronic format.
- m. Only electronic reports completed, formatted, and submitted in .pdf format will be accepted.
- n. The appraiser will provide one electronic copy of the initial final report to the client to obtain a technical review. Once the NRCS technical review is completed and the appraisal report accepted, the appraiser must provide one electronic copy of the appraisal to the client. Reference the above instructions, including exhibits, for details on appraisal reports, appraisal forms required, and required methodology and supporting documentation.

2. Required Elements for RCPP Easement Appraisals

a. Part 1 - Introduction

1. Title Page
2. Letter of Transmittal
3. Table of Contents
4. Appraiser’s Certification
 - a. Follow USPAP guidelines as applicable and 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 _____ [date]_____

[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 appraiser must inspect the appraised property and sales.]

In my opinion, as of ____ [date]_____, the market value of the proposed easement parcel before conveyance of the partial interest is \$_____

(Before Value), and the market value of the proposed easement parcel after conveyance of the partial interest is \$ _____ (After Value).

By: [signature]

Date signed:

Print Name

Printed Name and Professional Accreditation State
Certification #”

5. Summary of salient facts
6. Photographs of the subject property. Provide original color photographs or high quality color copies of photographs of the appraised property and the comparable sales. 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.
 - b. The name of the photographer.
 - c. The date the photograph was taken.
 - d. An aerial photo or topographic map should be used to show the location of the photos.
7. Statement of assumptions and limiting conditions.
 - a. All appraisal reports submitted to the NRCS, and where applicable, the eligible entity, 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.**
 - b. Include a statement similar to the following in this section:
 - i. “I recognize that appraisal reports submitted to the NRCS for review may be used by NRCS for any legal and proper purpose.”
 - c. If the appraisal has been made subject to any encumbrances against the property, such as easements, that must 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.
 - d. A hypothetical condition may be necessary and is acceptable, when at the time of the appraisal, the property does not have legal access. Legal access is required by the time the easement is closed. The use of a hypothetical condition that provides legal access for the eligible entity and NRCS, as appropriate, to the easement area to restore, monitor, and enforce the purposes for which the easement was placed, is acceptable. The proposed access will be shown on a map of the subject property and may be used in the appraisal since the actual access documents 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.
 - e. The use of any other hypothetical conditions is not permitted without NRCS National Appraiser concurrence.
 - f. The use of an uninstructed, unsupported 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.
 - g. Do not include limiting conditions that significantly restrict the application of the appraisal.
 - h. The appraiser cannot make an assumption or accept an instruction that is

unreasonable or misleading. Client instructions must have a sound foundation, be in writing, and be included in the appraisal report.

8. Scope of the appraisal
 - a. This section must fully describe the extent of investigation and analysis. The scope of work must be consistent with the intended use of the appraisal.
 - b. 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.
 - c. Summarize the appraisal problem.
9. Purpose of the appraisal will be as stated in C above.

b. Part 2 - Factual Data

1. Legal description
2. Area, city, and neighborhood data
3. Property data
 - a. Site
 - b. Improvements
 - c. Fixtures, livestock, and forage production structures and facilities
 - d. Use history
 - e. Sales history
 - i. Include a 3-year record of all sales of the appraised property and offers to buy or sell if the information is available. If no sale has occurred in the past 3 years, the appraiser must report the last sale of the property, regardless of date.
 - f. Rental history.
 - i. 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.
 - i. The appraiser must 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.
 - j. Aerial photograph of the subject property with the location of the proposed easement area identified, access to the easement area identified, easement boundary identified, and an estimate of the acres in the proposed easement identified.

c. Part 3 - Data Analysis and Conclusions Before Acquisition

1. Analyses of highest and best use
 - a. The appraiser may refer to definitions as found in “The Dictionary of Real Estate Appraisal.”
 - b. 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 to which the Federal Government will put the property after the conservation easement has been acquired is, as a general rule, an improper highest and best use. A noneconomic highest and best use, such as “conservation,” “natural lands,” “preservation,” “investment,” “speculative hold,” 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.
 - c. If the highest and best use is for development, the existing improvements must be

- analyzed to determine if they contribute to the development or if they would be removed. Stating that the improvements are not affected by the easement is not appropriate until it is determined if the improvements will be removed for the development or if the improvements will remain as part of the development.
- d. 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.
 - e. If investment is the highest and best use of the property, describe and explain its interim and most probable ultimate use.
 - f. 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 appraiser.
 - g. Market value must not be predicated upon potential uses that are speculative and conjectural.
 - h. If legal access does not exist to support the highest and best use, the appraiser must provide proof that there is sufficient land available to provide the required access. The appraiser's opinion of a reasonable probability of a zoning change must have a factual foundation. The appraisal report must include a description of the investigation undertaken to determine the probability of rezoning. The investigation must include thorough research of the uses and zoning of properties situated similarly to the subject property within the area covered by the zoning authority. The stated rezoning conclusion must be supported by facts surfaced in the research. A property must not 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.
2. Value estimate by the cost approach
 - a. 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.
 - b. If the cost approach is not used, explain the reasons for not developing.
 3. Value estimate by the sales comparison approach
 - a. Nearby arm's length transactions that are 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.
 - b. 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.
 - c. When supported by market evidence, the use of quantified adjustments is preferred. Percentage and dollar adjustments may and often should be combined. Use qualitative adjustments 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.
 - d. Provide market evidence and/or supporting narrative for each adjustment used.
 - i. Each quantitative adjustment requires supporting market evidence. Explain how the adjustment was determined and how it is applied to the comparable.
 - ii. Each qualitative adjustment requires significant discussion to explain why it is necessary and explain the reason for the differences.
 - e. Include a sales adjustment chart summarizing the adjustments and showing the final adjusted sale prices and how the sales compare with the subject property.
 - f. The documentation of each comparable sale must include the following:
 - i. Parties to the transaction

- ii. Date of transaction
- iii. Confirmation of the transaction
- iv. Confirm the transaction with the buyer, seller, broker, or other person having knowledge of the price, terms, and conditions of sale
- v. Buyer motivation
- vi. Location
- vii. Size
- viii. Legal description
- ix. Property rights conveyed
- x. Consideration
- xi. Financing terms
- xii. Verify if the sale was an arm's length or distressed sale
- xiii. Improvements
- xiv. Physical description – Describe topography, vegetative cover, water influence, improvements, irrigation water, soils, and other characteristics.
- xv. Non-realty items
- xvi. Economic characteristics
- xvii. Zoning
- xviii. Current use
- xix. Highest and Best Use
- xx. Topographic map
- xxi. Photographs
 1. Improvements
 2. Land
- g. In order to make meaningful comparisons between the sales and the appraised property, NRCS requires inspection by the appraiser of all sales directly compared with the appraised property. Waiver of the comparable sale inspection requirement must be made in writing by the NRCS national appraiser in the form of a supplemental appraisal instruction. There is no waiver of the requirement for inspection of the appraised property.
- h. 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 require extraordinary verification and weighting considerations.
- i. If the sales comparison approach is not used, explain the reasons for not developing
4. Value estimate by the income approach
 - a. All data must be market supported.
 - b. If the income approach is not used, explain the reasons for not developing.
5. Correlation and final estimate
 - a. The appraiser must avoid making a summation appraisal. Individual values of noncontiguous tracts cannot be simply added together.
 - b. 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 to determine if they are needed.

d. Part 4 - Factual Data After Acquisition

1. Only describe the changes to the remaining property after placement of the Conservation Easement
2. Conservation Easement Deed
 - a. Summarize the Conservation Easement

- b. Changes to the property being encumbered
- c. Restrictions and how they affect value
- d. Retained rights and how they affect value
- 3. Property Data
 - a. Changes to the site
 - b. Changes to the use of the improvements
 - c. Changes to the assessed value and tax load if any
- e. Part 5 - Data Analysis and Conclusions After Acquisition**
 - 1. Analysis of highest and best use
 - 2. Value estimate by cost approach
 - 3. Value estimate by sales comparison approach
 - a. Every effort must be made to provide similar conservation easement encumbered sales.
 - b. Discuss the restrictions on each of the encumbered sales and show how they are similar to the proposed conservation easement.
 - c. The percentage diminution method is discouraged. If it is used, the appraiser must explain why it is necessary over direct comparison of the sales. If the percentages can be compared, the sales should be able to be compared.
 - 4. Value estimate by income capitalization approach
 - 5. Correlation and final value estimate
- f. Part 6 - Acquisition Analysis**
 - 1. Recapitulation
 - a. 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.
 - b. The difference in the two values is the effect of the proposed conservation easement on the value of the property.
- g. Part 7 - Exhibits and Addenda**
 - 1. Location map
 - a. Maps must clearly identify the property and be of sufficient quality to enable the review appraiser to locate the property on the ground. Maps must be dated and include a legend, scale, and north arrow.
 - i. Area Map.—This is a small-scale map showing the general location of the subject market area.
 - ii. Neighborhood Map.—This map shows the appraised property and its immediate neighborhood.
 - iii. Tract Map or Plat.—This map is a large-scale (2-inch per 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 must be delineated on this map or a separate map.
 - iv. Photograph Map.—This is a map or aerial photograph showing the location of the subject pictures.
 - 2. Comparable sales maps
 - a. This map must 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.
3. Detail of comparative data
 - a. Include a completed form showing all information for each comparable transaction used in the appraisal. Include an aerial photograph, a plat (if available), a USGS topographic map (if appropriate), and color photos of each sale. The transaction number must match the number of the transaction listed in the report.
 4. Plot plan (if applicable)
 5. Floor plan (if applicable)
 6. Title evidence report
 - a. Include a copy of the preliminary title report or title report if available.
 - b. If unavailable, explain the due diligence completed by the appraiser. Include the deeds for the parent property or properties.
 7. Other pertinent exhibits
 - a. Present additional data such as documents and charts pertinent to the valuation and referred to in the body of the appraisal. Exhibits may include—
 - i. A copy of the RCPP conservation easement deed.
 - ii. 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.
 - iii. Property owner permission to appraise.
 8. Qualifications of appraiser
 - a. The appraisers must provide evidence of compliance with the certification requirements of the State or States where the properties are located.
 - b. The appraisers must provide documentation of compliance with experience requirements.
 - c. The appraisers must provide documentation of meeting the education requirements.
 - d. The appraiser must provide their contact information including but not limited to—
 - i. Address.
 - ii. Phone numbers.
 - iii. Email address.
 - e. Engagement instructions received from the client.

G. APPRAISAL REVIEWS

1. All appraisal reports are subject to a technical appraisal review ordered by NRCS and conducted for compliance with appraisal instructions and USPAP, prior to acceptance by NRCS.
2. NRCS will order the technical appraisal review.
3. Any deficiencies in the appraisal report will be returned to the appraiser for revisions, additional support, or explanation or corrections to the original appraisal report in a supplemental report format as in section H, below.
4. All revisions will be subject to a technical review for compliance with the original and subsequent instructions.
5. Any appraisal report revisions required by the review appraiser must be completed and returned within 14 calendar days after receipt of comments.
6. Supplemental appraisal reports may be submitted by NRCS to the technical reviewer no more than three times. If, after the third submission, the report is still found to be unacceptable, the report will be rejected and/or disapproved. The review appraiser must clearly show why the appraisal report is inadequate.

H. FORMAT FOR SUPPLEMENTAL APPRAISAL REPORTS

1. Supplements or amendments to appraisal reports, such as for updating value estimates or effective date of value, changes in acreage, changes in access, title conditions or deed terms, additional support or explanation, or to correct a previous appraisal report, must be referenced for incorporation with the original report in accordance with USPAP. The following format is recommended. All items must be addressed.
 - a. Title Page.—Include the same information as on the original appraisal report. Label the report as a “Supplemental Appraisal Report to the Appraisal Report for _____.”
 - b. Summary of Facts.—Include:
 1. Owner's name or other identification of the property
 2. Client's Name
 3. Size
 4. Highest and best use
 5. New opinion of value
 6. Valuation date
 - i. Effective date of the original report, or
 - ii. The date of the new inspection for updating the effective date.
 - c. 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.
 - d. Changes.—Explain the reason for the appraisal supplement such as, to update an opinion of value due to survey acres, new effective date, amend a previous appraisal report, add additional support or explanation, or other.
 - e. 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 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 or the new effective date, followed by the appraiser's signature.
 - f. Certification as required in section F(2)(a)(4) of this exhibit.
 - g. 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
 - h. Electronic Copy.—An electronic pdf copy of the supplemental report must be provided.