

APPRAISAL PROGRAM REVIEW QUESTIONNAIRE
9/14/00

Early and Continuing Involvement

1. Does the review appraiser assist in the preparing of the exchange feasibility report?
2. Does the review appraiser have an opportunity to comment or see the exchange feasibility report?
3. Was the appraisal staff involved in structuring/configuring the proposed land exchange?
4. Did the review appraiser participate in setting priorities, scheduling the appraisal assignment, selecting the appraiser, developing the scope of work, deciding if additional appraisal reports or studies are necessary?
5. Does the requesting office provide a clear description of the property to be appraised and a preliminary title information prior to assigning the appraisal report?
6. Did the field manager provide the appraisal staff with anticipated workload for FY?
7. Was the reviewer notified in advance of appraisals procured by third parties?
8. Does the reviewer get involved in preparing Agreements to Initiate Exchanges?
9. How does the reviewer provide feedback to the Field Office during the appraisal process?
10. Does the reviewer participate as an advisor in the bargaining process?
11. Does the review appraiser provide written instructions, or conduct and schedule meetings prior to the appraiser beginning the appraisal assignment? Are property owners notified, invited or involved?

Appraisal Documentation

1. Does the appraiser provide additional supporting information and reasoning when the highest and best use is different from the current use?
2. Does the appraiser provide additional supporting information and reasoning when the highest and best use is different from the currently zoned use?
 - a. Assess the credibility of reports, recommendations, and statements made by zoning officials, administrators, and staff regarding the likelihood of obtaining a change in zoning.
 - b. Evaluate past actions of zoning officials regarding the change in zoning of nearby or similar properties.

- c. Analyze neighborhood attitudes regarding re-zoning applications and the effects of these attitudes on zoning changes.
- d. Analyze provisions of applicable land use planning documents as well as their age and continued applicability.
- e. Evaluate plans for other competing developments in the area and the extent they may impact the value of the appraised property.
- f. Express an opinion as to whether re-zoning or development is likely to occur in the immediate, near term, or future time frames.
- g. Analyze the sale of similar properties having potential for a change in zoning.
- h. Express an opinion as to the most likely type and density of development.
- i. Assess the time and cost associated with the extension of roads, utilities, and services as well as off-site improvements necessary to support the anticipated use.

Appraisal Review Reporting-General

1. Does the reviewer prepare review reports on all (staff and contract) acquisition, sale, or exchange appraisals approved for agency use?
2. Does the review report comply with USPAP?
3. Does the review report address the following:
 - a. compliance of the appraisal with supplemental policies and instructions
 - b. adequacy of the highest and best use analysis;
 - c. reasonableness of the appraised value; and
 - d. the adequacy of the appraiser's support for any "bulk discounts."
4. Does the reviewer prepare a transmittal letter and/or a review report that is understandable, informative and assists in making management decisions?
 - Any extraordinary or hypothetical assumptions.
 - A description of other recent appraisals of the property.
 - The adequacy of the appraisers analysis supporting the highest and best use when different from the actual current use.

- A recent sale of the property appraised at a price that is substantially different from the appraised value.
- A reviewer's estimate that is different from the one concluded in the original appraisal.
- Whether appurtenant rights such as water rights or access rights were valued in the appraisal.
- Meetings with property owners, actions taken in response to comments or observations made by parties to the proposed transaction, or additional information in support of the reviewer's approval or recommendation?

5. Does the review report provide sufficient information and analysis to support the reviewer's opinion that the value is reasonable?

6. Have any hypothetical conditions or extraordinary assumptions been flagged in the transmittal letter or review?

7. If the appraisal is shared with participants, is any additional information (factual information and assumptions) provided in response adequately considered before completion of the review?

Appraisal Review-Review *plus* Value Opinion

1. Does the review appraiser have delegated authority to approve a value different from the appraisal under review?

2. Does the staff review appraiser contract for an appraisal review plus value opinion where there are apparent unresolved valuation issues regarding the original appraisal?

3. Does the review appraiser identify the scope of the work performed?

4. Is the scope of work identified the same as the original appraisal assignment? If not, does the reviewer disclose the difference in the scope of work and its impact on value? Examples include recent market information since the date of the appraisal, different allocation of land types, changes in acreage, etc.

5. Does the review appraiser identify, as an extraordinary assumption, those elements of the appraisal under review that he/she believes are 1) credible and 2) in compliance with Standard 1, USPAP?

6. Does the reviewer develop the information, rationale and analysis to reasonably support the review appraiser's opinion of value?

7. Does the appraisal review report match, at a minimum, the reporting requirements (Self-Contained, Summary or Restricted Use Appraisal Report) used by the appraiser in preparing the original appraisal report?
8. When reviewing two appraisals that concluded to a different opinion of value, does the review appraiser identify the assumptions and analysis it believes are credible and provide relevant market information and analysis to support an opinion of value different from that contained in the two appraisal reports?
9. Does the reviewer who concludes to a different opinion of value involve other qualified reviewers in preparing the review report?
10. Does the reviewer who concludes to a value opinion different from the appraisal(s) reviewed send his report to another reviewer to ensure compliance with Standard Rule 3, USPAP?

Use of Qualified Appraisers

1. Does the reviewer consider the appraiser's qualifications for the particular assignment by geographic competency, property types, and/or speciality areas?
2. Are all appraisers state certified and in good standing?
3. Are designated appraisers in good standing with their own professional organizations?

Qualified Reviewer

1. Is the reviewer state-certified or able to meet equivalent qualification requirements?
2. Do review appraisers meet USPAP competency requirements?
3. Does the reviewer have appropriate delegated authority to approve values for agency use?
4. What appraisal education courses or seminars has the appraiser taken in the last 3 years that support or enhance the reviewer's qualifications?

Release of Appraisal Information

1. Are confidential sections of appraisals adequately protected during a FOIA release?
2. Is the timing of appraisal releases consistent with national guidelines?

Business Practices

1. Are appraisal products ordered commensurate in scope and detail with the complexity of the appraisal problem under consideration?
2. Does the COR have the capability and support (funds and personnel) to contract for appraisal services in a timely manner (1-2 weeks)?
3. Does the COR have a cadre of appraisers to complete assignments on a timely basis?
4. Is there a competitive process used for selecting contract appraisers?
5. Is the work accurately tracked?
6. Do staff appraisers keep work files as required by USPAP?
7. Does the review appraiser have ready access to a copy of the appraisal?
8. Is there an adequate library of professional appraisal support material, including a subscription to the Appraisal Foundation, available at the state office?
9. Does the appraisal staff keep a sales database, either hard copies or digitally?