

**COLOR OF TITLE EQUITY WORKSHEET**

See Benton C. Cavin, 83 IBLA 107 (1984)

**STEP 1.** APPRAISED LAND AT FAIR MARKET VALUE (FMV) = \$ \_\_\_\_\_  
\_\_\_\_\_

**STEP 2** DEDUCT FROM FMV

(1) Value Resulting from Improvements (if included in FMV) - \$ \_\_\_\_\_

(2) Amount Applicant Paid for Land (not including improvements) - \$ \_\_\_\_\_

**[SUBTOTAL 1]** \$ \_\_\_\_\_

**STEP 3.** DEDUCT EQUITIES (as % of SUBTOTAL 1)

(1) Longevity of Applicants Claim = \_\_\_\_\_%  
Number of years x 0.4175 (max. = 16.7%)

(2) Payment of Fair Market Value = \_\_\_\_\_%  
if clearly paid = 16.7%  
if questionable = 8.4%  
if clearly not FMV = 0%

(3) Reasonableness of Belief in Good Title = \_\_\_\_\_%  
if clearly reasonable = 16.7%  
if questionable = 8.4%  
if clearly not FMV = 0%

(4) Length of Time of Chain of Title = \_\_\_\_\_%  
Number of years x 0.167 (max. = 16.7%)

(5) Length of Payment of Taxes in Chain = \_\_\_\_\_%  
Number of years x 0.167 (max. = 16.7%)

(6) How Errors in Title Arose = \_\_\_\_\_%  
if clearly fault of private parties = 0  
in all other cases = 16.7%  
combination of private & others = 8.4%

(7) Other Factors (which in the spirit of fairness, a court of equity would recognize) = \_\_\_\_\_%

(8) TOTAL % ALLOWED (ADD #'s 1 thru. 7) = \_\_\_\_\_%

DEDUCT (Total % Allowed x SUBTOTAL 1) - \$ \_\_\_\_\_  
**TOTAL DEDUCTIONS for Equities [SUBTOTAL 2]** = \$ \_\_\_\_\_

**STEP 4.** FINAL PURCHASE PRICE (FMV less Total Deductions for Equities) = \$ \_\_\_\_\_

**STEP 5.** COMPLETE ONLY IF MINIMUM PRICE is less than \$1.25 PER ACRE

\_\_\_\_\_ ACRES x \$1.25 = \$ \_\_\_\_\_