

FLORIDA COMMUNITIES TRUST  
APPRAISAL REPORT FORMAT GUIDELINE

**I. INTRODUCTION:**

This Appraisal Report Format Guideline is to be utilized by fee appraisers as a guide when preparing an appraisal report for the Florida Communities Trust (FCT) or its grant recipients. The appraisal report shall be a self-contained report prepared according to the most recent *Uniform Standards of Professional Appraisal Practice* approved and adopted by the *Appraisal Standards Board of the Appraisal Foundation* and Attachment A to said Contract for Fee Appraisal services.

This format is intended to assist the fee appraiser in understanding the format of the appraisal report recommended by FCT. While this format is to provide a guide for adequately supporting data and other factual information used to develop market value estimates, it is in no way intended to limit the scope of appraisal investigations nor to bias the independent judgment or value estimates of appraisers.

All items presented in this guideline should be considered by the appraiser and included in the report, unless otherwise specified in the assignment.

Section II of this guideline discusses general information regarding the appraisal report. Section III sets forth the base format of the appraisal report. Section IV outlines the format of the appraisal report when there is a single owner. Section V discusses the format when there are multiple owners. Section VI addresses the format when there are mass ownerships.

**II. GENERAL INFORMATION:**

The appraisal report shall be divided into sections as outlined below. The individual subsection within the main section may vary depending upon the type of property under appraisal. All pages shall be numbered and each important heading shown in the Table of Contents.

**III. BASE APPRAISAL FORMAT:**

The fee appraisal report shall contain the following sections and sub-sections. Omission of any item shall be explained in the narrative.

**A. Introduction**

- (1) Title Page
  - (a) FCT project name and number and a brief identification of property
  - (b) Name of individual making the report
  - (c) Effective date of the appraisal
- (2) Letter of Transmittal
- (3) Table of Contents
- (4) Summary of Salient Facts; and Final Estimate of Value (*See Appendix A - Form APP-1*)

- (5) Location map
- (6) Survey plat or property sketch
- (7) Photographs of Subject (in color)
  - (a) Front and rear view of subject's major improvements
  - (b) Representative views of road and/or water frontage, access and interior of the property
  - (c) Views of surrounding properties  
*(Black and white aerials supplemented with a few representative surface photos may be used in (b) and (c) for large properties, if desired).*
  - (d) Photos of any unusual features (subject and/or area) which might affect value
- (8) Statement of Limiting Conditions, Assumptions, specific instructions, etc.
- (9) Certification: This shall include a signed statement that the appraiser has no undisclosed interest in the property appraised; that he has personally inspected the subject and the comparables; that the owner or his designated representative has been given an opportunity to accompany the appraiser during his inspection of the property. Acknowledgment should be made of the material assistance of any other person.
- (10) Qualifications of Appraiser(s)

**B. Factual Data**

- (1) Purpose of Appraisal and Definition of Value Estimated
- (2) Legal Description (may be included in addenda if lengthy. Reference to addenda shall be made)
- (3) Sales History for previous 5 years and Present Ownership
- (4) City or Regional Data (should be kept to a pertinent minimum);
  - (a) Social and economic factors directly relating to the property
  - (b) Any factors that might affect value
  - (c) Factors leading to or indicating support for the highest and best use of the subject
- (5) Neighborhood or Area Data
  - (a) Social and economic factors directly relating to the property
  - (b) Any factors that might affect value

- (c) Factors leading to or indicating support for the highest and best use of the subject
- (6) Property Data.

Site Data - Narrative Description of:

- (a) Location, size, shape, topography, soil, access and highway frontage
- (b) Easements, restrictions and/or reservations
- (c) Present zoning and land use
- (d) Availability of utilities
- (e) Existing crops, pasture, mineral deposits, merchantable timber, etc., bearing on value
- (f) Existing leases, rentals or use agreements, if any

Appurtenances

- (a) Type (purposes), present use, construction and condition
- (b) Size
- (c) Equipment - description, age, condition and effect on valuation
- (d) Existing leases, rentals or use agreements, if any, and effect on value

**C. Analysis and Conclusions**

- (1) Analysis of Highest and Best Use - The report shall state, discuss and support the highest and best use that can be made of the property, (land and improvements and where applicable, machinery and equipment) for which there is a current market. The valuation shall be based on this use. The analysis should include a discussion of legally permissible, physically possible, financially feasible and maximally productive uses. If the highest and best use of the land differs from that as improved, explanation and justification shall be provided.
- (2) Sales Comparison Approach
  - (a) Land Value - The appraiser's opinion of the value of land shall be based upon the highest and best use regardless of any existing structure and shall be supported by confirmed, current factual sales of comparable lands having like highest and best uses.
  - (b) Improved Value - The appraiser's opinion of value of the property as improved should be supported by confirmed sales of comparable improved properties which would offer direct competition to the subject in the local market.

- (c) Comparables - A thorough description of each comparable and other data as described in Appendix A - 6.00 and following subsections shall be included. (*See Appendix A, Form APP2 or one with similar information*).
  - (d) Equipment valuation, if any, should be discussed as to basis and support for estimate.
  - (e) A tabular summary of adjustments for sales comparison shall be included if four or more sales are used.
- (3) Cost Approach: This section shall be in the form of computative data, arranged in sequence, beginning with reproduction/replacement cost, and shall state the source of all cost estimates used. The dollar amounts of physical deterioration, functional and external obsolescence, or the omission of same, shall be explained in narrative form. This procedure may be omitted on improvements, both real and personal, for which only a salvage or scrap value is estimated.
- (4) Income Approach: This shall include adequate factual data to support each figure and factor used and shall be arranged in detailed form to show at least all of the following:
- (a) Estimated gross income
  - (b) Allowance for vacancy and credit losses
  - (c) An itemized estimate of annualized total expenses including reserves for replacements

Capitalization of net income shall be at a market derived rate (if possible) for this type of property and location. The capitalization technique, method and rate used shall be explained in narrative form supported by a statement of sources of rates and factors.

- (5) Interpretation and Reconciliation of Estimates: The appraiser shall interpret the foregoing estimates and shall state the reasons why one or more of the conclusions reached in Items (2), (3) and (4) above are indicative of the market value of the property.

**D. Addenda**

- (1) Exhibits, floor plans, subcontractor estimates or opinions, etc. which add support to the report. A copy of the letter from the appraiser to the property owner (s) advising of inspection date and requesting owner, if he so desires, to accompany the appraiser.

**IV. SINGLE OWNERSHIP APPRAISAL STANDARDS AND FORMAT:**

**A. Introduction**

- (1) Title Page

- (2) Letter of Transmittal
- (3) Table of Contents
- (4) Summary of Salient Facts & Conclusions including Final Estimate of Market Value
- (5) Location Map
- (6) Survey Plat or Property Sketch
- (7) Color Photographs of Subject
- (8) Statement of Limiting Conditions, Assumptions, Specific, Instructions, Etc.
- (9) Certification
- (10) Qualifications of Appraiser(s)

**B. Factual Data**

- (1) Purpose of Appraisal and Definition of Value Estimated
- (2) Legal Description
- (3) Sales History and Present Ownership
- (4) City or Regional Data
- (5) Neighborhood or Area Data
- (6) Property Data

**C. Analysis and Conclusions**

- (1) Highest and Best Use Analysis
- (2) Sales Comparison Approach with Sales Location Map
- (3) Cost Approach
- (4) Income Approach
- (5) Interpretation, Reconciliation, and Market Value

**D. Addenda**

**V. MULTIPLE OWNERSHIP APPRAISAL STANDARDS AND FORMAT:**

The multiple ownership appraisal report should efficiently present the valuation discussions and

conclusions of all the individual ownerships. It should provide basic data applicable to all the ownership parcels with a minimum of duplication. Area and market data applicable to all the ownerships within the report may be presented in the base data portions of the report (Parts I, II, and III). The appraisal of each ownership (Part IV) must be able to stand on its own as an independent and substantive estimate of market value but may incorporate, by reference, information presented in the data portion. Each ownership report may be commonly bound but separated by divider pages.

The following format is required for use in narrative appraisals of multiple ownership projects:

**A. Introduction**

- (1) Title Page
- (2) Letter of Transmittal
- (3) Table of Contents
- (4) Location Map
- (5) Statement of Limiting Conditions, Assumptions, Specific Instructions, Etc.
- (6) Qualifications of Appraiser(s)

**B. Factual Data**

- (1) Purpose of Appraisal and Definition of Value Estimated
- (2) City or Regional Data
- (3) Neighborhood Data

**C. Analysis and Conclusions Pertaining to General market**

- (1) Highest and Best Use Analysis if common to all ownerships. If highest and best use differs by parcel, include definition and general discussion on which a brief statement in each parcel appraisal may be based.
- (2) Comparable Market Data (Include Sales Location Map) (*See Appendix A, Form APP-2*)
- (3) Cost Approach
- (4) Income Approach

**D. Analysis and conclusions of Each Ownership Parcel**

- (1) Summary of Salient Facts & Conclusions, including Final Estimate of Market Value
- (2) Location Map

- (3) Survey Plat or Property Sketch
- (4) Color Photographs of Subject
- (5) Statement of Limiting Conditions, Assumptions, etc., as applicable to specific parcels
- (6) Certification
- (7) Legal Description
- (8) Sales History and Present Ownership
- (9) Property Data
- (10) Highest and Best Use (specific to ownership, by brief statement)
- (11) Sales Comparison Approach (Analysis and comparison of pertinent sales. Reference may be made by sales number to base data.) Include sales location map(s).
- (12) Cost Approach (may be in tabular or summary form with references to base data)
- (13) Income Approach (as in Cost Approach)
- (14) Interpretation, Reconciliation, and Statement of Market Value

**E. Addenda** (Specific to ownership)

**F. Addenda** (General Project)

## **VI. MASS OWNERSHIP APPRAISAL REPORT FORMAT:**

FCT may elect to use a mass appraisal approach for projects consisting of a large number of relatively similar sized, homogeneous properties in separate ownerships, where the total costs of identification and appraisal of such ownerships would be relative to the value of each property and the expected benefit to the State. The 5-year sales history will not be required except as described in Part III (below). Mass appraisals will deal with land values only. Improved properties, if any, will be dealt with by separate contract.

### **A. Introduction**

- (1) Title Page
  - (a) Brief identification of property or project
  - (b) Name of individual making the report
  - (c) Effective date of the appraisal
- (2) Letter of Transmittal

- (3) Table of Contents
- (4) Summary of Market Values by property types
- (5) Location map
- (6) Survey plat or property sketch of project
- (7) Color Photographs of Subject
  - (a) Representative views of road and/or water frontage, access and interior
  - (b) Views of surrounding properties  

[Black and white aerials supplemented with a few representative photos]
  - (c) Photos of any unusual features (subject and/or area) which might affect value
- (8) Statement of Limiting Conditions, Assumptions, specific instructions, etc.
- (9) Certification: This shall include a signed statement that the appraiser has no (or the specified) interest in the project area appraised; that he has personally inspected the project and the comparables. Acknowledgment should be made of the material assistance of any other person.
- (10) Qualifications of Appraiser(s)

**B. Factual Data**

- (1) Purpose of Appraisal, including brief discussion of mass appraisal methodology used, and Definition of Value Estimated
- (2) Brief Legal Description of Project. (May be included in addenda if lengthy. References to addenda shall be made)
- (3) City or Regional Data (should be kept to pertinent minimum)
  - (a) Social and economic factors directly relating to the property
  - (b) Any factors which might affect value
  - (c) Factors leading to or indicating support for the highest and best use of the subject
- (4) Neighborhood or Area Data
  - (a) Social and economic factors directly relating to the property
  - (b) Any factors which might affect value

- (c) Factors leading to or indicating support for the highest and best use of the subject
- (5) Property Data (description and discussion of characteristics differentiating subject by general property types)
  - (a) Location, size, shape, topography, soil, access, road and/or water frontage
  - (b) Easements, restrictions and/or reservations
  - (c) Present zoning and land use regulations
  - (d) Availability of utilities
  - (e) Existing crops, pasture, mineral deposits, merchantable timber, etc., bearing on value
  - (f) Existing leases, rentals, or use agreements, if any

**C. Analysis and Conclusions**

- (1) Highest and Best Use analysis (by general property type) - The report shall state and discuss the highest and best use that can be made of each property type. The valuations shall be based on this use. The analysis should include a discussion of legally permissible, physically possible, financially feasible and maximally productive uses.
- (2) Sales Comparison Approach with Sales Location Map  
(Description of sales and sales map may be included in addenda, if desired.)
  - (a) Land Value - The appraiser's opinion of the value of the land shall be based upon the highest and best use regardless of any existing structures and shall be supported by confirmed, current factual sales of comparable lands having like highest and best uses.
  - (b) Comparables - A thorough description of each comparable. (Photographs and sketches are required of comparables on which significant reliance is placed.)
  - (c) A tabular summary of adjustments for sales comparison shall be included if more than four sales utilized.
- (3) Sales Within Project (photographs are not required). The appraiser shall research the project for land sales activity within the past five years. Whether used as comparable sales or not, such sales shall be stated in tabular form showing date of sale, official record book and page, grantors, grantees, size, and indicated price. Transactions used as comparable sales shall also be included in the sales data section of the report. The appraiser shall discuss the reasons for excluding any subject transactions as comparables.

(4) Interpretation, Reconciliation, Statement of Market Value.

**D. Addenda**

**APPENDIX A**

FORMS AND GENERAL INFORMATION

**FORM APP-1:**

SUMMARY OF SALIENT FACTS; FINAL ESTIMATE OF VALUE

PROJECT:

COUNTY:

OWNER:

LAND SIZE:

IMPROVEMENTS:

ZONING:

LAND USE:

HIGHEST AND BEST USE:

DATE OF VALUE:

FINAL ESTIMATE OF MARKET VALUE: *(Land, Improvements, and Total)*

ASSESSED VALUE: *(Land, Improvements and Total)*

LAND SIZE ASSESSED:

DATE(S) OF INSPECTION:

OTHER DATA:

**FORM APP-2**

**SALES (MARKET DATA) FORMAT**  
(Headings not pertinent **may be** omitted)

APPRAISERS REFERENCE NO.:

LOCATION:

BRIEF LEGAL DESCRIPTION:

GRANTOR:

GRANTEE:

LAND SIZE:

PROPERTY TYPE:

O.R. BOOK/PAGE:

ZONING:

LAND USE:

PROPERTY DATA: *[See B- 6)*

DATE OF TRANSACTION:

PRICE: *(Sale, Offering, Rent, Etc.)*

TERMS: *(Financing, Lease, Etc.)*

VERIFICATION: *(By Whom and With Whom)*

CONDITIONS OF SALE:

PRESENT USE:

HIGHEST AND BEST USE:

COMMENTS: *(Other pertinent information and analysis or comparison to subject)*

SKETCH OF COMPARABLE: *(On facing page, if possible, with photo.)*  
*(See A-6.03)*

**PHOTO(S):** *(On facing page, if possible, with sketch of comparable.)*