



CDOT Appraisal Format - Excess/Disposal Property

Important notes on the use of this Excess/Disposal Property Appraisal Report format:

- CDOT appraisal staff and contract appraisers must use this format when appraising CDOT-owned excess real property for disposal. Do not use this Excess/Disposal Property appraisal format for eminent domain appraisal assignments.
- This format is comprehensive and encompasses CDOT's three excess/disposal methodologies (Stand-Alone/Across-the-Fence/Enhancement (Plottage)) to apply as appropriate, and the format includes all three appraisal approaches that might be necessary in the appraisal of an improved CDOT property (maintenance facility or similar), or which may be deleted where not appropriate, such that this format also will accommodate appraisal of CDOT-owned vacant land. The format is flexible and allows the user to add/delete/edit much of the format material as appropriate to the appraisal assignment.
- Further explanation for using this appraisal format is found in the CDOT Right-of-Way Manual, Chapter 3. The appraiser is expected to use the manual as a primary guide and reference. Contact CDOT appraisal staff for a copy of the manual or instructions to access it online.
- This Excess/Disposal Property appraisal format is a working guide intended to model professional appraisal practice and clear and complete report presentation while addressing USPAP, federal law and the Uniform Act, and Colorado law. Using this format will aid the appraisal review process and benefit those involved in CDOT's efforts to sell CDOT-owned property.
- This appraisal format does not substitute for or supplant the judgment of the appraiser who ultimately bears the responsibility for the quality and compliance of the final appraisal report. Therefore, it is always the responsibility of the appraiser to exercise professional judgment and add to, delete or modify elements of this format to appropriately conform to the appraiser's scope of work.
- The Excess/Disposal Property appraisal format provides a working outline of the suggested appraisal report. Guide notes, explanations and examples are highlighted in yellow and/or red text or highlighted red text. These are intended to be referenced or used as appropriate and then deleted from the format.
- This format uses Trebuchet font with point sizes including 10 for normal text and ranging from 12 to 16 for various size headers. These may be modified at the user's discretion.
- CDOT recommends that appraisers save and maintain an unaltered original master electronic file of this Excess/Disposal Property appraisal format for future reference. This will be useful for future cross-checking against any subsequent cloned appraisal report versions or actual reports the appraiser might create as their own modified template.



COLORADO
Department of Transportation

replace LOGO/delete as appropriate

EXCESS/DISPOSAL PROPERTY APPRAISAL REAL PROPERTY APPRAISAL REPORT

PREPARED FOR:

Colorado Department of Transportation (CDOT)
Property Management - 4th Floor
2829 W. Howard Place
Denver CO 80204

Note: or insert Region or other office address above

PREPARED BY:

EXAMPLE

John Smith, MAI, SRA, SR/WA (or other/none)
Smith & Associates Appraisal Co.
1444 Hatfield Blvd.
Denver CO xxxxx

PROJECT CODE:	XXXXX (note in parentheses if project is closed)
PROJECT NO.:	Typically Alpha/Numeric for CDOT projects
PARCEL NO.:	List All Parcels/Easements/Other appraised...ALL
PROPERTY LOCATION:	Street address or other reasonably specific location e.g. I-25/Colorado Boulevard, City, County
PROPERTY OWNER:	CDOT or identify other
APPRAISER:	List all appraisers who signed the report
DATE OF VALUE:	State Effective Date of Value
DATE OF REPORT:	For Example, Date Report is Published/Printed



COLORADO
Department of Transportation

XXXXX xx, 202x

Colorado Department of Transportation (CDOT)
Property Management - 4th Floor
2829 W. Howard Place
Denver CO 80204

Note: or insert Region or other client office address above

RE: PROJECT CODE: XXXXX (note in parentheses if project is closed)
PROJECT NO.: Typically Alpha/Numeric for CDOT projects
PARCEL NO.: List All Parcels/Easements/Other appraised...ALL
PARCEL LOCATION: Street address or reasonably specific location
City and/or County
PROPERTY OWNER: CDOT or identify other

Region Appraisal Project Manager: or Review Appraiser or revise addressee as needed

This is my excess/disposal property appraisal report for the referenced property with an effective date of appraisal and valuation as of XXXXX xx, 202x. The purpose of this appraisal is to provide a range of Fair Market Value estimate for the subject property. The development of my appraisal is contained in the attached appraisal report which sets forth my conclusions, supporting data, and reasoning.

I understand that this appraisal report may be used in connection with the marketing and transfer of excess/disposal property owned by CDOT or other city/county etc. and which might have been acquired using Federal-aid transportation funding. If necessary, this report with supporting data, analyses, conclusions, and opinions is to serve as a basis for court testimony for any litigation that might arise in connection with the property's disposal by CDOT. This appraisal report will become a public record after the property is conveyed to another party through sale or other means, or after the conclusion of any related legal proceedings.

The Fair Market Value range concluded in this appraisal is subject to certain definitions, assumptions and limiting conditions, and certification of appraiser set forth in the attached appraisal report.

Based upon my independent appraisal and exercise of my professional judgment, my estimate of the range of Fair Market Value for the subject excess/disposal property as of XXXXX xx, 202x, is \$XXX,XXX (high) to \$XXX,XXX (low). **Note:** Hypothetical Condition and/or Extraordinary Assumption must be clearly disclosed.

Sincerely,

Appraiser's Name, MAI, SRA, SR/WA (or other/none etc.)
Colorado Certified General Appraiser #CG XXXXXXX

Table of Contents

Update the TOC right before printing. Place cursor in table and right click. It will highlight in gray and bring up a small menu box. Select "Update Field". Update either the page numbers only or the entire table as appropriate. Delete this instruction.

INTRODUCTION

Title Page	
Letter of Transmittal	
Executive Summary	1
Subject Property.....	3

PART 1 - SCOPE OF WORK

Assumptions and Limiting Conditions	5
Extraordinary Assumptions.....	5
Hypothetical Conditions.....	5
General Assumptions and Limiting Conditions	6
Purpose of the Appraisal	8
Identity of the Client and Intended Users.....	8
Intended Use of the Appraisal.....	8
Real Property Interest Appraised.....	8
Fair Market Value / Reasonable Market Value	8
Range of Market Value.....	9
Effective Date of Appraisal	12
Date of Appraisal Reportx	12
Date of Property Inspection	12
Project Identification and Description.....	12
Right-of-Way (ROW) Plans or Exhibit Relied on for Valuation Purposes	12
Scope of Research and Analyses	12
Summary of Appraisal Problems	13

PART 2 - FACTUAL DATA.....

Subject Property Location and Use	14
External Market and Location Influences	14
U.S. and Colorado Economy and Market Conditions.....	14
Regional/City Economy and Market Conditions	14
Neighborhood Description - Local Market Influences	14
Conclusions - External Market and Location Influences	14
Property Description.....	16
Land/Site Data	16
Owner Improvements	18
Tenant Improvements	18
Zoning and Other Land Use Regulations.....	19
Use History	20
Sales History.....	20
Listing/Contract History.....	20
Rental History	20
Assessed Value - Real Estate Taxes - Special Taxing Districts.....	20
Legal Entitlements and Stage of Development.....	20
CDOT Excess/Disposal Property Plan Sheet	21
Subject Property Photographs	23
Adjoiner Property Description, Photographs and Exhibits	24

PART 3 - ANALYSIS and VALUATION

26

Highest and Best Use	26
Highest and Best Use as Though Vacant	27
Highest and Best Use as Improved.....	27
Conclusion of Highest and Best Use	27
Appraisal Valuation Methodology and Approaches	28
Subject Excess/Disposal Property Appraisal - Stand-Alone Basis	29
Land/Site Valuation - Stand-Alone Basis.....	29
Land Sale Summary Table.....	29
Land Sales Location Map	29
Land Sale Detail Sheets	29
Land Sale No. 1 - Stand-Alone Basis.....	30
Land Sale No. 2 - Stand-Alone Basis.....	31
Land Sale Adjustment Table.....	32
Land Sales Discussion and Value Range Conclusion	32
Off-Premise (billboard) Sign Site Value	32
Cost Approach - Stand-Alone Basis	33
Cost New of Improvements	33
Depreciation.....	33
Cost Approach Summary and Value Range Conclusion.....	33
Sales Comparison Approach - Improved Property Sales - Stand-Alone Basis	34
Improved Sales Summary Table.....	34
Improved Sales Location Map.....	34
Improved Sale Detail Sheets.....	34
Improved Sale No. 1 - Stand-Alone Basis	35
Improved Sale No. 2 - Stand-Alone Basis	37
Improved Sales Adjustment Table	39
Improved Sales Discussion and Value Conclusion	39
Income Capitalization Approach - Stand-Alone Basis	40
Abstract of Subject Leases.....	40
Rental Summary Table	41
Rental Location Map	41
Rental Comparable Detail Sheets.....	41
Rental No. 1 - Stand-Alone Basis.....	42
Rental No. 2 - Stand-Alone Basis.....	43
Rental Adjustment Table	44
Rental Comparables Discussion	44
Income and Expenses	44
Capitalization	44
Income Capitalization Approach Summary and Value Range Conclusion	44
Reconciliation - Stand-Alone Basis	46
Value Range Indications	46
Reconciliation	46
Subject Excess/Disposal Property Value - Stand-Alone Basis.....	46
Subject Excess/Disposal Property Appraisal - ATF Method.....	47
Land/Site Valuation - ATF Method	47
Reconciliation - ATF Method	47
Value Range Indications	47
Subject Excess/Disposal Property Value - ATF Method	47
Subject Excess/Disposal Property Appraisal - Enhancement (Plottage) Value.....	48
Enhancement Part 1 - Adjoiner+Subject - After Value as Assembled	48
Land/Site Valuation - Enhancement Part 1 - After Value as Assembled	48

Reconciliation - Enhancement Part 1 - After Value as Assembled	48
Value Range Indications	48
Enhancement Part 1 - After Value as Assembled	48
Enhancement Part 2 - Adjoiner Value Before Assemblage	49
Land/Site Valuation - Enhancement Part 2 - Adjoiner Value Before Assemblage.....	49
Reconciliation - Enhancement Part 2 - Adjoiner Value Before Assemblage.....	49
Value Range Indications	49
Enhancement Part 2 - Adjoiner Value Before Assemblage	49
Part 3 - Enhancement (Plottage) Value Conclusion	50
Value Indications and Total Fair Market Value Range Conclusion	51
Certification of Appraiser	52
PART 4 - EXHIBITS AND ADDENDA	54
Acronyms and Definitions	56

Executive Summary

Delete/Edit these cells/rows as appropriate. Other cells are required data. Add cells as needed.

Project Code:	XXXXX (note in parentheses if project is closed)
Project Number:	Typically Alpha-Numeric for CDOT projects
Parcel Number:	List all, including easements and other appraised
Property Address or Location:	Street address or general location City and/or county
Name of Owner:	CDOT (or identify other)
Name of Tenant:	List all or note: None or N/A
Persons Attending Inspection:	Provide name and title (or job category) of all persons who participated in the inspection.
Property Interest Appraised:	Example: Fee Simple and Easement (and/or other)
Appraisal Effective Date of Value:	Example: Jan. 1, 202x
Date of Appraisal Report:	Might use date the report is published
Summary of Environmental Concerns:	Example: None or Example: Summarize for the reader any environmental conditions or concerns. Excess/Disposal properties are appraised subject to environmental conditions unless otherwise instructed by CDOT. Discuss with CDOT appraisal staff.
Subject Property Land/Site Area:	
Owner or Tenant Occupancy:	Example: Owner; or Tenant; or Owner and Tenant
Owner Off-Premise Sign Site: (billboard sign site)	Note whether there is a billboard site on the subject property that is leased to another user
Owner Improvements: (buildings, structures, etc.)	Summary list
Owner Fixtures:	Summary list
Owner Trade Fixtures: (real property)	Summary list
Owner On-Premise Signs:	List owner's signs on the premises
Tenant Improvements: (buildings, structures, etc.)	Summary list
Tenant Fixtures	Summary List
Tenant Trade Fixtures: (real property)	Summary list
Tenant On-Premise Sign:	Summary list
Tenant Off-Premise Sign:	Summary list
Subject Use History:	Brief description of current and/or prior use
Subject 5-Year Sales History:	Min. 5-yr, but even older history might be relevant
Zoning:	Example: PBC Planned Business Center, Denver
External Market Influences:	Summarize key external (neighborhood and/or other) influences on subject value
Highest/Best Use:	Stand-Alone Unit: xxsubject's HBU if this method applies Across-the-Fence: xxsubject's HBU if this method applied Enhancement (Plottage): xxsubject's HBU if this method applies

Summary of Conclusions		
Subject Excess/Disposal Property Value Ranges	High:	Low:
STAND-ALONE UNIT		
Land/Site Value	\$	\$
Improvements Contributory Value	\$	\$
Subject Property Value Range - Stand Alone	\$	\$
ACROSS-THE-FENCE (ATF) METHOD		
Land/Site Value	\$	\$
Improvements Contributory Value	\$	\$
Subject Property Value Range - ATF	\$	\$
ENHANCEMENT (PLOTTAGE) VALUE		
Land/Site Value	\$	\$
Improvements Contributory Value	\$	\$
Subject Property Value Range - Enhancement (Plottage) Value	\$	\$

Subject Property

Provide a photo or other exhibit of the whole subject property appraised. This is recommended as the place to insert only an introductory general overview photo-or-two of the property, however, there is no restriction. More photos of the subject property might be placed in the *Property Description* section later in the report. The size and dimension of photo placed here is not restricted, nor is the photo box required.

The appraiser must note the view, date, and name of the person who took the photo(s), either with each photo or, for example: "All photos by John Smith on May 1, 202X"



View/Date/Photo Taken By:

Example: Subject view northeast across Powers Boulevard and Galley Road intersection. Airport runway directly south creates flight path above subject. Photo on Jan. 1, 2020 by John Smith



View/Date/Photo Taken By:

Example: Aerial Photo Subject Excess/Disposal Property Parcel (Bing Aerial)
Use of aerial photo(s) here or elsewhere in the report is recommended.

PART 1 - SCOPE OF WORK

Assumptions and Limiting Conditions

The certification of the appraiser who developed this report is subject to the *Assumptions and Limiting Conditions* that are listed below:

Extraordinary Assumptions

Definition of Extraordinary Assumption: *"An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."* (USPAP 2020-2021 ed.; The Appraisal Foundation)

None Specify "None" as shown left, or the appraiser will describe any EAs per guideline below:

1. **Note:** An Extraordinary Assumption must be disclosed. This requires clear and conspicuous disclosure of the Extraordinary Assumption. Multiple EAs might be numbered. State how their use might have affected assignment results.
2. **Note: Example of an Extraordinary Assumption:** the appraiser suspects there might be hazardous substances or environmental conditions affecting the property. The suspected condition is brought to the attention of CDOT, but the condition is uncertain until additional investigation is completed by CDOT. CDOT concurs with the appraiser to complete the assignment with an Extraordinary Assumption that the property is unaffected by environmental hazards.
3. Extraordinary Assumptions should be *Extra-ordinary*. Do not use EAs to address what are more appropriately considered a general assumption. Ultimately, what is an EA vs. what is a general assumption is the appraiser's decision.

Hypothetical Conditions

Definition of Hypothetical Condition: *"A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis."* (USPAP 2020-2021 ed.; The Appraisal Foundation)

None Specify "None" as shown left, or the appraiser will describe any HYPOs per guideline below:

1. **Note:** A Hypothetical Condition must be disclosed. This requires clear and conspicuous disclosure of the Hypothetical Condition. Multiple HYPOs might be numbered. State how their use might have affected assignment results.
2. **Note: Example of hypothetical condition:** the appraiser knows there are hazardous substances or environmental conditions affecting the property. The known condition is brought to the attention of the appraiser based on investigations by CDOT. CDOT may find a valid and useful purpose to develop a value opinion for the property that excludes the consideration of known detrimental conditions. The appraisal would be based on a hypothetical condition that the property is not impacted by known detrimental conditions.

General Assumptions and Limiting Conditions

add/delete/edit as needed

1. The legal descriptions, land areas, surveying and engineering data provided by the Region or list other provider(s) are assumed to be correct. The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photographs and exhibits are included for the same purpose. Site plans are not surveys unless prepared by a separate surveyor.
2. This is an Excess/Disposal Real Property Appraisal Report, which is intended to comply with the reporting requirements set forth in Standards Rule 2 of USPAP.
3. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report. The property is appraised "as if free and clear" of liens and encumbrances, but subject to existing easements, covenants, deed restrictions, and rights-of-way of record, and excepting therefrom all rights to oil, natural gas, or other mineral resources beneath such real property. This mineral interest exception is an assignment condition.
4. Opinions, estimates, data, statistics, exhibits, drawings, sketches and similar materials furnished by others in the course of studies relating to this report are considered reliable unless otherwise noted.
5. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated land use. Separate allocations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
6. This report is as of the date set out and is not intended to reflect subsequent fluctuations in market conditions, up or down. As an assignment condition, no specific exposure time is linked to the value conclusions in this appraisal report, however, reasonable exposure time is presumed. This is in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions, which is a guiding document in appraisal procedures and policies followed by CDOT and by other agencies, organizations and appraisal professionals. This also is in accord with Colorado Jury Instructions on the definition of "reasonable market value," which definition applies equally to Fair Market Value appraised in this report.
7. It is assumed there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or arranging for engineering studies that may be required to discover them.
8. It is assumed the subject property complies with all applicable zoning and use regulations and restrictions, unless non-conformity has been stated, defined, and considered in this appraisal report.
9. It is assumed the use of land and improvements is within the boundaries or property lines of the property described and there is no encroachment or trespass unless otherwise stated in this report.
10. The property is appraised assuming responsible ownership and competent property management.
11. **Note:** Use this limiting condition when there are no known or suspected hazardous substances or environmental conditions. If known or suspected, address the issue in Extraordinary Assumptions or Hypothetical Conditions. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection of the subject property. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the subject property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or

in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, or for any expertise or knowledge required to discover them.

12. **Note:** Insert if applicable [improved property] when there is no known or suspected lack of compliance with ADA. If known or suspected, address the issue in Extraordinary Assumptions and/or Hypothetical Conditions. The Americans with Disabilities Act (ADA) took effect in 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible non-compliance with the requirements of ADA was not considered in developing an opinion of the value of the property.

Purpose of the Appraisal

The purpose of this appraisal is to estimate a range of Fair Market Value for the subject excess/disposal property or real property interests to aid in disposition (sale) of the property or realty interests at “the highest possible value” within the concluded value range, per CDOT 2015 Policy Directive 1300.0, *Disposition of Excess Department Property and Annexation*, p. 1. As such, three appraisal techniques must be considered in the valuation of the subject property. These include Stand-Alone, Across-the-Fence (ATF), and Enhancement (Plottage).

Identity of the Client and Intended Users

This appraisal report has been prepared for the client, CDOT. Intended users of this appraisal report are CDOT and its Property Management division, FHWA and the Colorado Attorney General’s Office. It is understood that this report might be made available to a prospective buyer or other party interested in the subject property. These persons, however, are not made part of the appraiser/client relationship by possession of a copy of this report (print or electronic), nor does this create an obligation to such persons in the appraiser’s development and reporting of the appraisal.

Intended Use of the Appraisal

The intended use of the appraisal is in connection with the disposal of excess property or other real property rights owned by CDOT. If necessary, this appraisal report with supporting data, analyses, conclusions and opinions is to serve as a basis for any litigation involving the disposal of the subject property by sale or other means. The appraisal report will become a public record after a disposal transaction is accomplished or at the conclusion of any legal proceedings relevant to the subject property and this appraisal report.

Real Property Interest Appraised

The real property interest of the subject excess/disposal property is valued as fee simple estate (title).

Fee Simple Estate (Title) - “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.” (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 90)

The subject property is appraised “as if free and clear” of all liens, bond assessments, and indebtedness, but subject to existing easements, covenants, deed restrictions, rights-of-way of record, and excepting therefrom all rights to oil, natural gas, or other mineral resources beneath such real property. This mineral interest exception is an assignment condition.

Fair Market Value / Reasonable Market Value

State law (CRS 43-1-210(5)) and federal regulation under the Uniform Act (23 CFR 710.403(e)) both require CDOT-owned excess/disposal property and realty interests be valued and disposed at “Fair Market Value,” although neither define the term.

The federal regulation clarifies: “The term fair market value as used for ... disposal purposes is as defined by State statute and/or State court decisions.”

In Colorado, jury instructions that define “reasonable market value” in eminent domain appraisal are equally relevant to describe what is Fair Market Value in an excess/disposal property appraisal. The relevant jury instruction (excluding eminent domain language and damages/benefits language) is:

“Reasonable market value’ means the fair, actual, cash market value of the property. It is the price the property could have been sold for on the open market under the usual and ordinary circumstances, that is, under those circumstances where the owner was willing to sell and the purchaser was willing to buy, but neither was under an obligation to do so.” (CJI-Civil 2020, 36:3)

Thus the subject excess/disposal property or realty interests are appraised at their Fair Market Value in this report, which is equally described by the definition for “reasonable market value.”

NOTE: Fair Market Value in the context of CDOT excess/disposal appraisal encompasses the premise that the property might have limited utility and use to only a few market participants, possibly even to only a single adjoining property owner. Fair Market Value as it is defined in this appraisal does not require that there are multiple competing interests for a particular property in order to qualify to the definition. The definition simply requires that the subject property is appraised as if available “on the open market,” and real estate markets often include properties openly available in the marketplace that might have very limited use and a narrow buying audience. The subject excess/disposal property or realty interests appraised in this report are appraised to an open market standard (Fair Market Value), which includes potential for a narrow or singular buying audience.

Range of Market Value

CDOT excess/disposal property or realty interests are appraised to a range of fair/reasonable market value that will encompass one or more of three prospective appraisal concepts that may result in up to three different value ranges for the subject property.

The total concluded value range for the subject is bracketed by the highest concluded value in the highest value range and the lowest concluded value in the lowest value range. A single excess/disposal appraisal methodology among the three described below may be sufficient, but all three are considered and applied as appropriate to CDOT’s policy directive of obtaining the highest possible value for the subject property appraised. The three appraisal techniques considered in the valuation of the subject property are:

- 1) **STAND-ALONE:** Market Value of the property Stand-Alone in the marketplace.

This is a property that can be developed to its highest and best use independently, by itself, for its own sake or in its own right. A Stand-Alone property’s physical characteristics and legal entitlements - actual or reasonably achievable - include but are not limited to sufficient access and sufficient size and suitable shape for development.

- 2) **ACROSS-THE-FENCE (ATF):** Market Value of the property based on ATF methodology.

Although the subject excess/disposal property might not have the functional utility to be developed on its own for a stand-alone use, it often will have some use and value - sometimes significant use and value - to one or more adjacent properties. If the Stand-Alone method does not apply, then this ATF and/or the Enhancement (Plottage) value concept (#3 below) must be applied.

The ATF methodology recognizes the value of the subject excess/disposal property as potentially equal or similar to values (unit value or otherwise) of property(ies) that adjoin the subject. This appraisal concept is based on the subject being acquired by one or more adjoining property owners (ATF properties) to absorb into their land parcel or developed property, either as excess land that might support an added independent new use or expansion of an existing use on the assembled property, or as surplus land that might not benefit the adjoiner significantly other than for an amenity benefit

(more recreational space, room to add a garage or parking, landscape buffer or similar site improvement). The subject's Fair Market Value range indicated through ATF methodology might encompass both ends of the value spectrum of the property as excess land or surplus land - methodology that encompasses both (A) and (B) below as to appraisal process (adjustments and similar).

- a) Subject as excess to ATF property - This value range ties to ATF values with little or no adjustment toward the subject because the subject's benefit to the adjoiner(s) as excess land supports the subject's appraised value range as equal or similar to the indicated ATF value. In this perspective, while the subject for example might not have its own access, an adjustment to the ATF value for access might not be appropriate because the subject's assemblage into the adjoiner solves the access problem by way of the adjoiner's access. This circumstance reflects that assemblage with the subject is more important to the adjoiner than not.
 - b) Subject as surplus to ATF property - This value range also ties to ATF values, but with appropriate adjustment toward the subject for differences in physical characteristics and legal entitlements. In this perspective, an adjustment to the ATF values for the subject's lack of independent access might be more appropriate than in (a) above. This circumstance reflects that assemblage with the subject is less important to the adjoiner than not.
 - c) **Direct Sales Comparison Alternative - Subject as excess or surplus to ATF Property:** ATF methodology often is applied for lack of sales reasonably comparable to an excess/disposal property, whether the property would serve as excess land or as surplus land to adjacent property(ies). However, where sufficient sales are found that are reasonably useful for direct comparison in appraising the subject, then direct sales comparison methodology may be appropriate as an alternative to ATF methodology.
- 3) **ENHANCEMENT (PLOTTAGE):** Market Value of the subject property based on enhanced value to an adjoiner's property (plottage) in an acquisition and assemblage of the subject into the adjoiner property.

This analysis looks at whether the subject excess/disposal property is more valuable in assemblage with one or more adjoining property(ies) than it is either as a Stand-Alone property or on an ATF basis.

Plottage is the additional value created when two or more sites are combined to produce a larger site with greater utility. In this analysis the value of the parcel into which the subject is to be assembled (the adjoiner property) is estimated 1) AFTER the assemblage and then again 2) BEFORE the assemblage. This is the reverse of partial taking appraisal methodology.

If the land unit value concluded at the top end of the range of the ASSEMBLED PROPERTY is higher than the land unit value concluded at the top end of the range of only the ADJOINER PROPERTY before the assemblage (and exceeds the unit value applied to the subject through Stand-Alone or ATF valuation), then there is plottage value. Otherwise not. Enhancement (Plottage) calculation process is shown below:

- 1) **AFTER VALUATION/ASSEMBLED PROPERTY:** The concluded unit value range of the assembled property should consider any appropriate adjustment in assemblage costs and entrepreneurial profit to accomplish the assemblage, resulting in a net After Value range as assembled. Show the concluded unit value range and the gross \$ value range for the assembled property.

(less)

- 2) BEFORE VALUATION/ADJOINER VALUE ONLY, PRE-ASSEMBLAGE: The concluded gross \$ value range of only the adjoiner property before the assemblage is deducted from the gross \$ value range in #1 above. The results mark the high and low ends of the gross \$ value range of the subject based on Enhancement methodology. However, while it is likely that some gross \$ increase is shown due to the assemblage, true plottage value for the subject does not occur unless the concluded high end of the unit value range for the assembled property exceeds the high end of the unit value range concluded for the subject in either the Stand-Alone or ATF valuation, if those methodologies were applied.
- 3) #1 (less) #2 = #3 Enhancement (Plottage) Value. Show the concluded gross \$ value range applicable to the subject.

Example - Plottage is Indicated: This example is instructive to the appraiser and may be deleted.

- CDOT Disposal Lot A and Adjoiner Lot B are abutting lots each 5,000-SF in size and worth \$25,000 each, or \$5 SF each. Total value for the two separately-owned lots un-assembled is \$50,000, or \$5 SF overall for 10,000 SF of land.
- When assembled under one ownership, the combined lots form a 10,000-SF site large enough for use as a restaurant site worth \$130,000, or \$13 SF.
- However, the net assemblage value to the Adjoiner Lot B who accomplishes the assemblage with CDOT Lot A - after costs and profit allowance deduction for the effort - is \$100,000 adjusted (\$10 SF net adjusted).
- The plottage value indicated for CDOT Lot A is \$75,000 (\$100,000 assembled lots' net adjusted After Value (less) \$25,000 Adjoiner Lot B Value Before Assemblage).
- Both the gross \$ indicated plottage value for the subject (\$75,000) and the net adjusted unit \$ value (\$10 SF) for the assembled property in this plottage analysis are higher than the same values for the subject as a Stand-Alone parcel (\$25,000 @ \$5 SF) or on an ATF unit value basis (also \$25,000 @ \$5 SF).
- The concluded Enhancement (Plottage) value for the subject Disposal Lot A is the gross \$ value \$75,000. The \$10-SF unit value conclusion for the assembled property is not applied to the subject property's 5,000-SF land area. The proper conclusion is the gross dollar plottage value - in this circumstance = \$15 SF for the subject (\$75,000/5,000 SF).

Example - No Plottage Above ATF Value: This example is instructive to the appraiser and may be deleted.

- CDOT disposal Lot A is 3,000 SF and worth \$3 SF on its own (\$9,000). Adjoiner Lot B is 7,000 SF and worth \$10 SF on its own (\$70,000). Total value of the two separately-owned lots un-assembled is \$79,000, or \$7.90 SF overall for 10,000-SF of land.
- On an ATF basis valuation at the high end, the subject's unit value is equal to the unit value of Adjoiner Lot B, or \$10 SF x 3,000 SF = \$30,000.
- When assembled under one ownership, the combined lots form a 10,000-SF site large enough for use as a restaurant site worth \$130,000, or \$13 SF.
- However, the net assemblage value to the adjoiner who accomplished the assemblage - after costs and a profit allowance for their effort - is \$100,000 adjusted (\$10 SF net adjusted for 10,000-SF site).

- The indicated plottage value for the subject is \$30,000 (\$100,000 assembled lots' net adjusted After Value <less> \$70,000 Adjoiner Value Before Assemblage). This exceeds the subject's Stand-Alone Value of \$9,000, but it does not exceed the subject's value on the ATF basis.
- As compared to the ATF valuation there is no plottage value to the subject in this scenario. The subject was already valued at \$10 SF = \$30,000 on the ATF basis. The Enhancement (Plottage) methodology in this scenario - typically expected to show the highest value range for the subject - adds nothing to the understanding of the subject's value range not already indicated by the ATF valuation. The ATF value conclusion marks the high end of value for the subject.

Effective Date of Appraisal

The effective date of appraisal and the fair/reasonable market value range conclusion for the subject excess/disposal property or realty interests is as of XXXXX xx, 202x.

Date of Appraisal Reportx

The date of the appraisal report is XXXXX xx, 202x.

Date of Property Inspection

The subject property was inspected on XXXXX xx, 202x. **Note:** Name other parties, such as CDOT maintenance staff or others, who were present during the inspection.

Project Identification and Description

xx **Delete this subhead item if the subject excess/disposal parcel is not related to an active or a closed project or it is not appraised using a Property Management project number.** Otherwise note the project number and code and describe how the subject relates to same. Contact CDOT appraisal staff or other responsible agency staff for further information.

Example: The subject disposal property is not part of an active project, but was acquired by CDOT in 2000 as part of CDOT's T-Rex I-25 expansion project.

Right-of-Way (ROW) Plans **or Exhibit** Relied on for Valuation Purposes

The subject excess/disposal property appraised is identified on CDOT's **or city name, or county name, etc.** right-of-way plans for Project No. XXXXX**or describe exhibit or other relied upon**, located at XXXX highway **and/or intersection and/or city and/or county etc.** Specific reliance has been placed on the right-of-way plans designated as sheet XX of XX sheets having an original date of XXXXX xx, 202x and a last revision date of XXXX xx, 202x**or describe other**. If any modifications are made to the plans**or exhibit or other**, the appraiser reserves the right to revise the appraisal and appraisal report to reflect the change.

Scope of Research and Analyses

xx **Note:** Describe or summarize: the degree to which the property is inspected; the extent of research into physical and economic factors; extent of data research (e.g., sales information collection, viewing and

examining recorded sale transfer deeds, inspection of sales and sale confirmations, etc.); construction costs of improvements obtained from local contractors or other cost publication sources, type and extent of analysis; summarize sources of information; and provide other information deemed appropriate for estimating the value of land and/or improvements according to the circumstances of the individual appraisal assignment.

Summary of Appraisal Problems

xx **Note:** Summarize the principal problems considered in the appraisal process. Describe key challenges - i.e. questions not easily answered - in the appraisal process. What appraisal problems are present in this assignment that are unique from other assignments? These might be challenges related to issues raised by unique or odd land or building characteristics, access uncertainties, irrigation problems, highest and best use complexities, appropriate excess/disposal methodology(ies) to apply and similar. Writing that there are "few available sales" and similar statements doesn't necessarily describe principal appraisal problems. The intent here is to "summarize" the appraisal problems that will be addressed ahead, not to solve them here.

PART 2 - FACTUAL DATA

Subject Property Location and Use

xx **Note:** Briefly describe the subject's location and use type. This is designed simply as a lead-in to the following discussion focused on External Market Influences in the subject's neighborhood and larger geographical areas as appropriate. This is not presumed the place to describe the subject in detail, which can save for the Property Description section later in this format. See below.

Example: The subject is a vacant parcel at the end of Juliet Street in the Meriwether neighborhood on the east side of Grand Junction. *More details can be saved for the Property Description section.*

External Market and Location Influences

xx **Note:** **SUMMARIZE** the locational/market influences that likely affect the subject's value, from the big picture view to small. How do U.S economic conditions influence the subject's value? What about state and regional/metropolitan area conditions? This specific title and the subheads below can be changed, but the point is to note here the broader economic and market influences that affect the subject's value. It might not be necessary to discuss the U.S. economy; at the same time it might be more important to discuss global conditions. *The appraiser's information here should be meaningful to the appraisal question ... interpretive narrative rather than simply an insertion of raw Chamber of Commerce data or other sourced material.*

U.S. and Colorado Economy and Market Conditions (as pertinent)

xx

Regional/City Economy and Market Conditions (as pertinent)

xx

Neighborhood Description - Local Market Influences

Required

xx **Note:** Describe the subject's neighborhood and/or market area and the economic influences within the neighborhood that affect the subject's value. Define the boundaries and explain reasoning. What type of neighborhood is it? What stage of life cycle is the neighborhood in? Discuss and describe neighborhood/market area characteristics, conditions and trends that influence the subject's value, especially those directly related to the specific subject property type (industrial/warehouse, retail, office, residential, apartments, land, etc.). Such information might derive from interviews, industry surveys, anecdotal observations and other sources that address such things as new construction, vacancy, rents, absorption trends, competing listings, days on market and similar. *This is by no means a complete list, and of course available information will vary from one locale to the next.*

Conclusions - External Market and Location Influences

xx The appraiser should provide a well-written and conclusive overview of the subject's neighborhood and/or market area and market conditions that define the competitive environment the subject property is in, and

indicate whether the neighborhood and/or market area is economically stable, improving or declining. This discussion ultimately supports the highest and best use analysis in the report, and the conclusions presented here should prepare the reader for and be consistent with information, adjustments, and other analyses that appear later in the report.

Examples:

- The recent increase in households and low vacancy and increasing rents in the subject's market area support the feasibility for retail construction.
- Stable neighborhood characteristics and balanced supply and demand for office space in the neighborhood support stable office property values in the near term.
- Declining rents, increasing vacancy and a real scarcity of commercial real estate financing has clearly hurt prices and marketability of Class B and C office buildings in the area compared to two- or- three years ago.

NOTE: *Property Description* section begins on its own (next) page (recommended).

Property Description

Note: Describe the following characteristics and others as appropriate. Add or delete items as needed. The sample listing below is not exhaustive, nor does it need to be presented in the following order:

Land/Site Data

Location

Street Address and/or general location. **Example:** The subject property is located at 1421 Smith St. near the intersection of Wadsworth and Ivora in northeast Denver ... **Example:** The subject property lies on the north side of Hwy. 115 about one mile south of Roaming Road in rural Prowers County.

County Assessor Parcel No.

xx

Legal Description

Typically lot-and-block legal or metes-and-bounds legal. **If the metes and bounds is lengthy, the appraiser might simply write, for example** ... A tract in the NW4 of the SW4 of Section 13, Township 15 South, Range 65 west of the 6th p.m., El Paso County ... **and refer reader to the full legal (if there is one) in the Addenda.**

Present Use

xx

Land Size, Shape, Dimensions, Frontage and Depth

The appraiser also might note here whether the property is a corner or an interior parcel location.

Access

xx **Note both the physical access, if any, as well as legal access the property might be allowed by the governing jurisdiction(s). Lack of an improved access does not mean the property has no access. Conversely, the fact that a property abuts certain street(s) does not presume the subject has legal access to any of those street(s).**

Visibility and/or View

Discuss meaningful aspects of the subject's visibility (typically a commercial concern) and/or view (typically a residential concern). Edit subhead as appropriate.

Topography

xx

Floodplain and Drainage

xx

Soil, Subsoil and Water Conditions

xx Soil survey maps are available for many locations across the U.S. through the U.S. Dept. of Agriculture (USDA) web site.

Easements, Encroachments, and Restrictive Covenants

xx This information sometimes is evident through r.o.w. or other plans or exhibits provided to the appraiser by the client, and/or by any title work provided. Recorded plats and surveys might prove another source of information.

Utilities

xx What public and/or private utilities are available to the subject? Are any tap fees paid? Are utilities available but not close by and expensive to extend to the property? In rural areas, for example, if well and septic are the only possible solution for water and wastewater service, are these actually installed? What is the condition of such equipment? The *Utilities* question, in other words, often is more than a simple answer of "All public utilities are available."

Land/Site Improvements

xx

Functional Adequacy of the Land/Site

xx

Adjacent and Surrounding Land Uses and Development

xx

Anticipated Public or Private Improvements

xx Describe anticipated public or private improvements. The Project Influence rule does not apply in excess/disposal property appraisal, which is not eminent domain appraisal. Any positive or negative aspect of an anticipated project upon the subject's value is considered, not ignored.

Nuisances and Hazards

xx

Potential Environmental Hazards

xx Check with CDOT or responsible Agency about any available environmental information on the subject. Appraise as is per known conditions unless otherwise directed by CDOT or other Agency. Detrimental environmental conditions may not necessarily hurt property value, depending on HBU (continued use as is vs. redevelopment that requires excavation and/or building remodeling/demolition).

Owner Off-Premise Sign (billboard) Site

xx Identify whether there is any billboard sign site on the subject property. Detailed information about the sign site, such as lease information, might be discussed in the valuation section(s) and/or addressed here.

Owner Improvements

Add/delete/edit improvement subheads as appropriate. Order of presentation is not critical. Note any personal property items that are included in the appraisal, as well as any significant personal property items that are not included (e.g. in a residential appraisal, do note whether the refrigerator is included or excluded, but don't address items such as a TV or similar). Also note any realty items that will be removed prior to sale and are excluded from the appraisal. Include a CDOT *Certified Inventory of Real and Personal Property* (CIRPP) form in the Appendices, as appropriate. Consult CDOT appraisal staff or other agency staff for further information.

Owner Buildings/Structures

xx

Owner Fixtures

xx

Owner Trade Fixtures

xx

Owner Site Improvements

xx

Owner On-Premise Sign

xx

Tenant Improvements

Add/delete/edit tenant improvement subheads as appropriate (see also guide note under *Owner Improvements* above). It is not common for CDOT-owned property to include tenant improvements. However, if tenant improvements are present they need to be described here.

Tenant Buildings/Structures

xx

Tenant Fixtures

xx

Tenant Trade Fixtures

xx

Tenant On-Premise Sign

xx

Tenant Off-Premise Sign (billboard)

xx

Zoning and Other Land Use Regulations

Add/delete/edit zoning subheads as appropriate. Order of presentation is not critical.

NOTE: Some CDOT-owned property does not have a zoning designation by the local jurisdiction. The appraiser will address zoning that governs the subject (including any prospect for beneficial rezoning), or if the subject is not zoned, then investigate and address the likely zoning that would be assigned to the subject by the local jurisdiction in the event the subject is transferred to other ownership.

Intent, Permitted Uses, Conditional Uses, Uses by Review

xx

Area Requirement

xx

Building Height and Maximum Building Coverage

xx

Parking

xx

Setbacks

xx

Open Space

xx

Enclosure of Activities

xx

Fences

xx

Use History

xx To the extent know, describe subject property history prior to CDOT's acquisition of the property. Note or briefly describe the project (if any) for which the property was acquired, when it was acquired and its use since then. Example: The subject disposal parcel was improved with a single-family dwelling built in the 1950s and which was later razed for CDOT's I-25 TREC project after CDOT purchased the property in 2001. The parcel has been vacant since then.

Sales History

xx **Note:** CDOT Assignment Condition supplemental to USPAP Standards Rule 1-5(b), per 49 CFR § 24.103(a)(2)(i), requires the appraiser to analyze at minimum a 5-year sales history of the subject property.

Listing/Contract History

xx

Rental History

xx

Assessed Value - Real Estate Taxes - Special Taxing Districts

xx In most instances the subject excess/disposal parcel will not be taxable due to CDOT ownership. Describe mill levies, tax rates, special taxing districts for surrounding properties, and discuss those that will likely apply to the subject if no longer owned by CDOT.

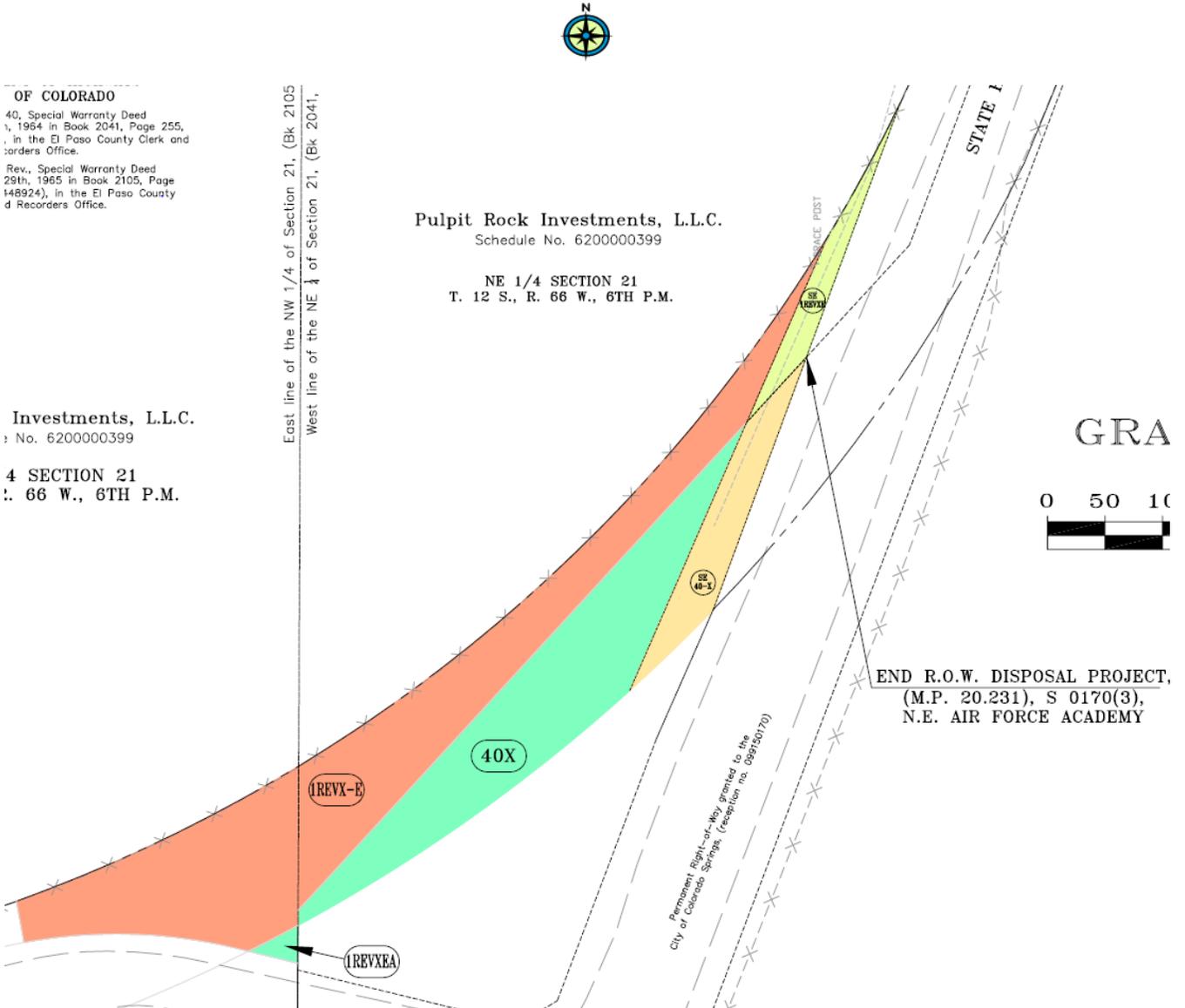
Legal Entitlements and Stage of Development

xx Zoning, of course, is an entitlement. The subject excess/disposal property might not be zoned (see Zoning narrative guidance above). Does the property have any other entitlements? An approved concept plan or development plan for raw land? Does it benefit from a legal non-conforming use? What is the property's stage of development - raw land? platted site? finished site ready for development? a site improved with new

construction? a site with old and deteriorated improvements that might not be the parcel's highest and best use?

CDOT Excess/Disposal Property Plan Sheet

Insert CDOT plan sheet(s) or other exhibit showing the subject excess/disposal property appraised. This is a suggested location for this exhibit. SAMPLE BELOW:



Subject Property Photographs

Note: Photos here are imagined as opportunity to provide more photos of the subject from more perspectives than were provided for overview purposes early in this appraisal format. This photo box here does not have to be used and the size, dimension and number of photos placed here is not restricted. These photos might include subject pictures from different view perspectives as well as photos of surrounding properties, street scenes and similar. **Improved properties must include photos of the improvements, including interior photos if possible.**

The appraiser must note the view, date, and name of the person who took the photos, either with each photo or, for example: "All photos by John Smith on May 1, 2020"

View/Date/Photo Taken By:

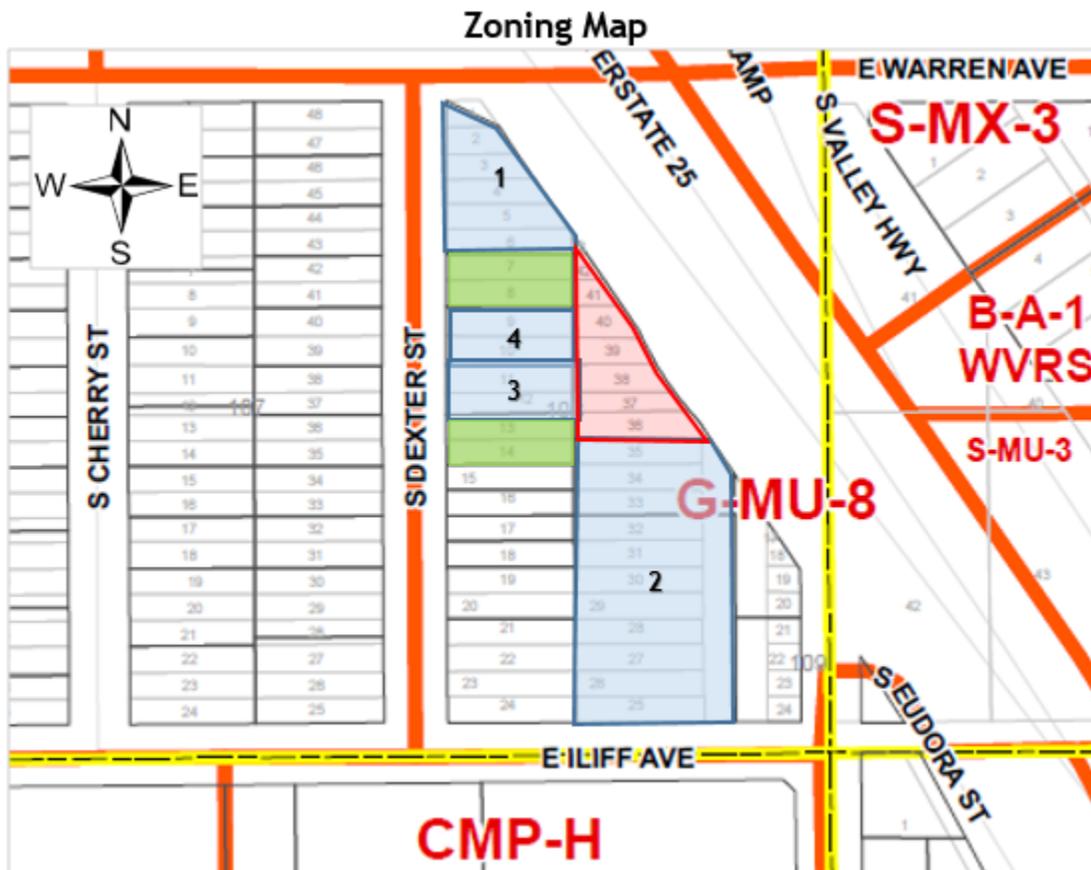
View/Date/Photo Taken By:

Adjoiner Property Description, Photographs and Exhibits

If one or more adjoiner property owners to the subject excess/disposal property is a likely buyer for the subject, then include photos and other useful exhibits (assessor or internet maps, etc.) here that help the reader understand these circumstances. This will be most appropriate if an ATF and/or Enhancement (Plottage) appraisal analysis is applied. If the subject is a Stand-Alone development property on its own, and only the Stand-Alone methodology is applied, then this section about adjoiner properties probably is not necessary.

EXAMPLE:

There are six parcels adjoining the subject. Each of these parcels share the same G-MU-8 zoning and range in size from 6,170 SF to 41,875 SF. Abutting property owners to the Subject Disposal Parcel have inquired about use, future plans and the ability to purchase the parcel. Zoning and aerial maps below show the adjoining property owners, shaded in blue, who have inquired about the subject. Property lots shaded in green are adjacent to the subject but have not inquired with CDOT about the Subject Disposal Parcel's use. The subject is shaded in red.



Source: Community Planning and Development, City and County of Denver

Subject Disposal Parcel Adjoiners

Map #	Address	Land Size (SF)	Zoning	Perimeter	Improvements
1	2210 S. Dexter Street	12,700	G-MU-8	Northwest	Apartment Bldg
2	4745 E. Iliff Avenue	41,828	G-MU-8	South	23 Townhomes
n/a	2246-2248 S. Dexter Street	6,170	G-MU-8	West	Duplex
3	2238-2240 S. Dexter Street	6,170	G-MU-8	West	Duplex
4	2234 S. Dexter Street	6,170	G-MU-8	West	SFR
n/a	2224 S. Dexter Street	6,170	G-MU-8	West	SFR

Aerial Map



Legend		
Subject Disposal	Inquired Adjoiner	Adjoiner

Source: Google Earth Pro

PART 3 - ANALYSIS and VALUATION

Highest and Best Use

NOTE: The HBU analysis must consider the "Stand-Alone," "ATF" and "Enhancement (Plottage) Value" methods of appraising the subject property, and the appraiser will apply each that is applicable. The appraisal does not necessarily stop with a Stand-Alone valuation if that method applies, because the subject property's value might even be higher in an assemblage with one or more adjoining properties.

If it is apparent through HBU analysis of the subject that the Stand-Alone appraisal of the subject will result in the highest indicated value, then the Stand-Alone method may suffice as the sole method applied in the appraisal.

When the subject property's HBU analysis indicates use of the ATF and/or Enhancement (Plottage) methodology, then it is also necessary to directly analyze the HBU of the adjoiner property(ies), including how the subject is relevant to the adjoiner's HBU in an assemblage. Discussion of the adjoiner property's HBU in connection with the subject will help determine whether an assemblage with the subject would result more likely in excess land to the adjoiner (more useful/valuable) or in surplus land (less useful/valuable). The adjoiner's HBU is important because application of the ATF and/or Enhancement (Plottage) techniques require understanding of the adjoiner's value (typically unit value for land), which extrapolates entirely (un-adjusted) or to some degree (adjusted) to the subject.

Addressing HBU of the adjoiner property(ies) can be handled by writing a complete separate additional HBU for the adjoiner after this subject HBU section, or the adjoiner's HBU can be written parallel with the subject HBU within each of the 4 HBU tests below, applying the HBU-test subheads separately to the subject and then to the adjoiner. For example, Legal Permissibility - Subject, followed by Legal Permissibility - Adjoiner, and so on.

Highest and best use is the most profitable and competitive use of a property. Colorado Jury Instructions-Civil 2020, 36:6 views highest and best use as follows (excluding eminent domain language and damages/benefits language):

"In determining the market value of the property ... you should consider the use, conditions and surroundings of the property as of the date of valuation.

"In addition, you should consider the most advantageous use or uses to which the property might reasonably and lawfully be put in the future by persons of ordinary prudence and judgment. Such evidence may be considered, however, only insofar as it assists you in determining the reasonable market value of the property as of the date of valuation It may not be considered for the purposes of allowing any speculative ... values."

Highest and Best Use defined: The Appraisal Institute, The Dictionary of Real Estate Appraisal, sixth edition, Chicago, © 2015, p. 109:

"The reasonably probable use of (vacant land or an improved) property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

Highest and Best Use defined: Uniform Appraisal Standards for Federal Land Acquisition (UASFLA) 2016, p. 102:

"The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future."

First, in this analysis the subject is considered as if the property is vacant land or a vacant site or land that can be made vacant by demolishing any existing improvements. Second, the subject property is considered as it is

currently improved ("as is") or as an improved property. **NOTE: If there are no improvements, the appraiser can edit the above to state that the land is vacant, and delete reference to HBU as Improved. NOTE: For an improved property, the highest and best use analysis and subsequent valuation must conform to the principle of consistent use, that is, the underlying land cannot be valued at a different HBU than the land as improved.**

Highest and Best Use as Though Vacant

Legal Permissibility

xx

Physical Possibility

xx

Financial Feasibility

xx

Maximum Productivity

xx

Highest and Best Use as Improved

Legal Permissibility

xx

Physical Possibility

xx

Financial Feasibility

xx

Maximum Productivity

xx

Conclusion of Highest and Best Use

xx **The conclusion should also consider the most probable buyer and the timing of such HBU.**

Appraisal Valuation Methodology and Approaches

Describe here both the appraisal methodologies applied in the subject excess/disposal property appraisal and the approaches to value for land/site valuation and for improved property valuation, as appropriate. Explain the inclusion and exclusion of both the excess/disposal appraisal methodologies and the approaches to value.

Appraisal Methodology - Excess/Disposal Property

Stand-Alone Basis

xx Describe application of Stand-Alone appraisal method or explain its exclusion.

Across-the-Fence (ATF) Method

xx Describe application of the ATF appraisal methodology or explain its exclusion.

Enhancement (Plottage) Value

xx Describe application of the Enhancement (Plottage) Value method in the appraisal or explain its exclusion. Remember, if the land unit value of the adjoiner into which the subject would be assembled is not higher after the assemblage than the land unit value of only the adjoiner before the assemblage, then plottage value is unlikely as compared against the land unit value conclusion for the subject on a Stand-Alone or ATF basis.

For example, if the land unit value of only the adjoiner property into which the subject would be assembled is \$8 SF before the assemblage - and \$8 SF was applied to the subject on an ATF basis - and the land unit value of the assembled property after is \$8 SF or less, then there is no enhancement/plottage value applicable to the subject.

Appraisal Approaches to Value

xx Describe application of the approaches to value (Sales Comparison, Cost, Income) or explain their exclusion. Subheads to address each approach are recommended but not required. If the Income Approach does not apply, for example, it isn't necessary to explain in detail how it works. Just explain why it doesn't apply.

NOTE: Land/Site Valuation section begins on its own (next) page (recommended).

Subject Excess/Disposal Property Appraisal - Stand-Alone Basis

This section is designed for developing the Stand-Alone appraisal method. However, if that method doesn't apply, the header above and subheaders below can be relabeled for the ATF or Enhancement (Plottage) methodology.

Land/Site Valuation - Stand-Alone Basis

xx Introduce the land valuation section here. This section might include an overview of the appraiser's sales research and selection process, the quality and quantity of available comparable sales, the appropriate unit(s) of comparison (price SF, price per AC, price per lot, etc.) and other relevant information. **Sign Site Value (billboard site)**: note if there is a sign site value to the property (see last subhead following land sale detail sheets).

Land Sale Summary Table

Include as appropriate either here or after the sales detail sheets.

Land Sales Location Map

Required. Include map here or after the sales detail sheets. Map must be detailed enough to actually locate sales, or if not, then plat/other detail maps will be required with the sale photos or somewhere in this section (i.e. there must be sufficient detail map or directions etc. for review appraiser/others to locate sales).

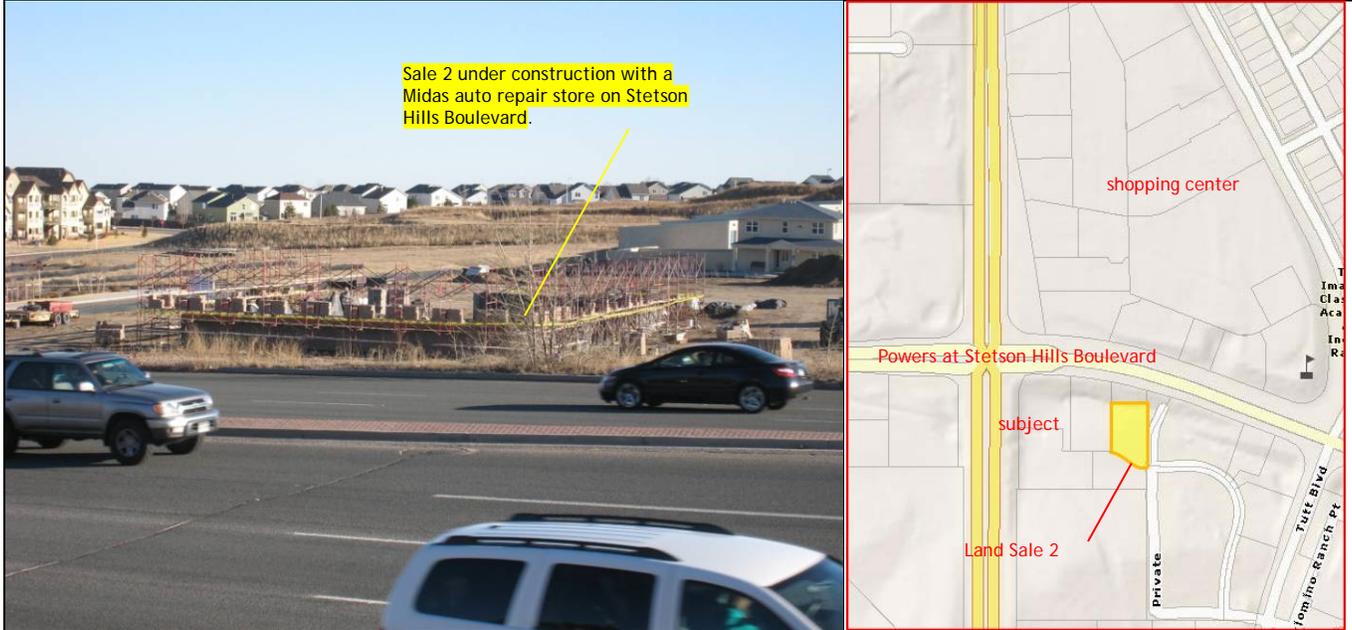
Land Sale Detail Sheets

Required. See following two pages. Each sheet must include a photo of the sale from ground level (aerial photos are fine in addition, but ground level view is minimum required). Also, if available, CDOT recommends including an assessor plat that shows the land sale's lot lines, shape, etc. See photo page examples that follow this guide note.

Land Sale No. 1 - Stand-Alone Basis

<p style="color: red; font-weight: bold;">Photo</p> <p style="color: red; font-weight: bold; font-size: 1.2em;">CONTENT IS IMPORTANT. THIS EXACT FORMAT IS NOT.</p> <p style="color: red; font-weight: bold; font-size: 1.2em;">SEE ALSO EXAMPLE SALE SHEET THAT FOLLOWS THIS SHEET</p>	<p style="color: red; font-weight: bold;">Assr. plat map</p>		
View:			
Date Inspected/Photo by:			
Location/Address:			
Tax Schedule #:			
Legal Description:			
Grantor:			
Grantee:			
Sale Confirmed with/Date:			
Appraiser Confirming:			
Recordation/Sale Deed:			
Property Rights Conveyed:			
Conditions of Sale:			
Financing Source and Terms:	Date of Sale:		
Post Sale Expense:	Selling Price:		
Project Influence:	Unit Price:		
Physical Characteristics - Legal Aspects			
Land Area:		Access:	
Shape:		Utilities:	
Topography:		Zoning:	
Drainage/Flood Plain:		Platted:	
Use at time of sale:		Stage of Development:	
Highest and Best Use:		xx other?:	
xx other?:			
xx other?:			
Remarks:	<p style="background-color: yellow;">The boxes for physical and legal characteristics shown above are not all encompassing. Some might not be appropriate while others should be added. The appraiser can modify.</p> <p style="background-color: yellow;">The content - not the actual sale sheet format here - is what matters.</p> <p style="background-color: yellow;">The appraiser should address necessary adjustments for rights conveyed, conditions of sale and financing, however, the actual adjustments might be shown separately on any adjustment grid made for handling other adjustments that are made to the comparable sales.</p>		

Land Sale No. 2 - Stand-Alone Basis
EXAMPLE ... MODIFY/REFORMAT AS NEEDED



View:	Southeast		
Date Inspected/Photo by:	March 16, 2020/Glen Scot		
Location/Address:	5845 Stetson Hills Blvd. (south side; indirect access)		
Tax Schedule #:	53192-16-031		
Legal Description:	Lot 4 Stetson Pointe, Colorado Springs ... or abbreviated metes/bounds ... A tract in NW4 SW4 Section 15, Township 13 South, Range 65 West, El Paso County		
Grantor:	Stetson Pointe LLC		
Grantee:	Tower Plaza II LLC		
Sale Confirmed with/Date:	Buyer and Seller/May 23 and 30, 2009		
Appraiser Confirming:	Glen Scot		
Recordation/Sale Deed:	R# 2070412243/Warranty Deed		
Property Rights Conveyed:	Fee Simple		
Conditions of Sale:	Arm's Length		
Financing Source and Terms:	Cash to Seller	Date of Sale:	May 3, 2008
Post Sale Expense:	None	Selling Price:	\$500,000
Project Influence:	None	Unit Price:	\$12.00 SF
Physical Characteristics - Legal Aspects			
Land Area:	31,824 SF (0.73 AC)	Access:	Good
Shape:	Square	Utilities:	All public available at site
Topography:	Level	Zoning:	PBC Planned Bus. Center
Drainage/Flood Plain:	Adequate/No flood zone	Platted:	Yes
Visibility:	Good	Corner/Inside:	Corner
Surrounding Properties:	Retail stores	Stage of Development:	Fully finished site
Use at time of sale:	Vacant site		
Highest and Best Use:	Retail store; fast food restaurant or similar commercial use		
Remarks:	<p>The boxes for physical and legal characteristics shown above are not all encompassing. Some might not be appropriate while others should be added. The appraiser can modify.</p> <p>The content - not the actual sale sheet format here - is what matters.</p> <p>The appraiser should address necessary adjustments for rights conveyed, conditions of sale and financing, however, the actual adjustments might be shown separately on any adjustment grid made for handling other adjustments that are made to the comparable sales.</p>		

Land Sale Adjustment Table

Include as appropriate. See CDOT ROW manual, Chapter 3, for further information about adjustments.

Land Sales Discussion and Value Range Conclusion

xx Some form of Land Sales discussion and value range conclusion is required.

Off-Premise (billboard) Sign Site Value

xx Delete if not applicable; otherwise describe and show sign site value for billboard sign site.

Cost Approach - Stand-Alone Basis

DELETE THIS APPROACH IF IT DOES NOT APPLY

xx Introduce the Cost Approach section with an overview of the process or other appropriate narrative. Because excess/disposal requires a value range conclusion, in the Cost Approach the land value previously concluded will be expressed in a range, and the appraiser also may (not must) include reasonable range estimates for RCN items, depreciation and other cost-related elements that bear on total value range conclusion in the Cost Approach.

Cost New of Improvements

xx Explain if replacement or reproduction cost new is used. Identify cost service, local contractor or other source(s) used to develop the cost new. Elements typically include direct and indirect (hard/soft) costs and entrepreneurial profit or incentive.

Depreciation

xx Discuss depreciation. Depreciation might be allocated among physical, functional and external depreciation.

Cost Approach Summary and Value Range Conclusion

xx Show the Cost Approach summation and conclusion (typically sum of all development costs + profit or incentive [less] depreciation + land value -- order may vary) expressed in a range.

Sales Comparison Approach - Improved Property Sales - Stand-Alone Basis

DELETE THIS APPROACH IF IT DOES NOT APPLY

xx Introduce the Improved Sales Comparison Approach with an overview of the process undertaken. Types of sales considered comparable? Quantity and quality of sales researched? Search parameters? Was the appropriate analysis price per SF building, price per apartment unit, price per gross rentable area, etc?

Improved Sales Summary Table

Include as appropriate either here or after the improved sales detail sheets.

Improved Sales Location Map

Required. Include map here or after the improved sales detail sheets. Map must be detailed enough to actually locate sales, or if not, then plat/other detail maps will be required with the sale photos or somewhere in this section (i.e. there must be sufficient detail map or directions etc. for review appraiser/others to locate sales).

Improved Sale Detail Sheets

Required. See following two pages. Each sheet must include a photo of the sale from ground level (aerial photos are fine in addition, but ground level view is minimum required). Also, if available, CDOT recommends including an assessor plat that shows the improved sale's lot lines, shape, etc. See photo page examples that follow this guide note.

Improved Sale No. 2 - Stand-Alone Basis
EXAMPLE ... MODIFY/REFORMAT AS NEEDED

Improved sale sheet should at minimum address same items as those pertinent in the land sales



View:	Southwest from xxxxxxx Street
Photo By:	xxxxxxxxxxxxxxxx
Date Inspected:	January 23, xxxxx
Location/Address:	1425 Smith Road
Highest and Best Use:	Fast food restaurant
Use at Time of Sale:	Dairy Queen restaurant
Project Influence:	No
Property Information	
Tax Schedule #:	xxxxxxxxxxxxxxxxxxxx
Land:	
Area:	10,560 SF or 0.242 acres
Shape:	Rectangular
Topography:	Fairly flat
Flood Plain:	Located within a 100-year flood hazard (FEMA Map panel no. xxxxxxxxxx)
Access:	xxxxxxx Street and xx th Street
Utilities:	Yes, generally municipal
Zoning:	C-District General Commercial with Transitional Mixed Use Overlay District, Canon City
Corner/Inside:	Corner
Visibility:	Good
Surrounding properties:	Office and warehouse
Building(s):	
Gross Bldg./Leasable Area:	1,629 SF
Land/Building Ratio:	6.48 (10,560 SF / 1,629 SF)
Type/Quality Construction:	Wood frame with brick veneer; Class D per M&S Cost Manual
Building Use:	Fast food
Owner/Tenant Occupancy:	Owner
Year Built:	1974
Property Taxes PSF:	\$2.15 PSF
Building Condition:	Average
Design/Shape:	One story/rectangular
Fire sprinkler:	No

Avg. Wall Height:	10'
Tenants:	None
Effective Bldg. Age/Life:	25 to 30 years/35 years
Remaining Economic Life:	5 to 10 years
Amenities:	Drive-up facility; good off-street parking
Handicap Accessible:	Yes
Deferred Maintenance:	None stated
% Finished:	100%
Trade Market/Demographics:	City Name/County Name totaling over xxxxxxxx people
SALES INFORMATION	
Date of Sale:	June 10, 20XX
Grantor:	xx
Grantee:	xx
Selling Price:	\$225,000
Price per SF (building):	\$xx SF
Property Rights Conveyed:	Fee Simple; buyer was leasing at time of sale and lease terminated
Conditions of Sale:	xx
Financing source / method	The seller financed \$225,000 at 7.5% interest for 10 years with monthly payments of \$2,670.98. 8% interest if the principal is repaid in first 18 months as a penalty. Borrower can pay \$17,000 in payments of principal in 2005 without penalty; sales price adjusted to \$206,400 for influential seller financing using an HP12C calculator and 9.5% discount rate factor)
Post-Sale Expenses:	xx
Recordation/Sale Deed:	Reception #xxxxxxxxxxxxx Warranty Deed
Marketing Time:	Not Listed
Sale Confirmed with/Date:	Buyer and Seller/June 1 and June 4, 2009
Appraiser Confirming:	Glen Scot
ECONOMIC INDICATORS	
NOI at sale	\$10,000
NOI projected	\$11,000
Cap. rate at sale	0.09
Cap. rate estimated	0.085
GIM estimate	xx
Rental Information	
Vacancy at Sale	0%; buyer was tenant
Vacancy Currently	None; owner occupied
Rents at Sale	Not Available
Rents Currently	None
NNN Expenses/CAM	N/A
Tenant Obligations	N/A
Date of Leases	5 year lease with option to buy exercised at time of sale
Increases	N/A
Tenants at Sale	Dairy Queen
Tenants Currently:	None; owner-occupied as Dairy Queen
Comments:	xx

Improved Sales Adjustment Table

Include as appropriate. See CDOT ROW manual, Chapter 3, for further information about adjustments.

Improved Sales Discussion and Value Conclusion

xx Some form of Improved Sales discussion and value range conclusion is required.

Income Capitalization Approach - Stand-Alone Basis

DELETE THIS APPROACH IF IT DOES NOT APPLY

xx Introduce the Income Approach section with an overview of the process or other appropriate narrative.

Abstract of Subject Leases

The subheads below may be added to/deleted or revised as appropriate

Date of Lease

xx

Lessor

xx

Lessee

xx

Description of Leased Premises

xx

Lease Term (Duration)

xx

Purpose

xx

Occupancy Date

xx

Rent

xx

Tenant Improvements

xx Note any tenant improvement allowance. What improvements belong to who, and can the tenant remove improvements at the end of the lease?

Performance Bonds

xx

Landlord Responsibilities/Expenses

xx Note who pays taxes, utilities, insurance, other

Tenant Responsibilities/Expenses

xx Note who pays taxes, utilities, insurance, other

Renewal Term, Option, and Rent

xx

Repairs and Maintenance

xx

Use

xx

Rental Summary Table

Include as appropriate either here or after the rental comp detail sheets.

Rental Location Map

Required. Include map here or after the rental comp detail sheets. Map must be detailed enough to actually locate rentals, or if not, then plat/other detail maps will be required with the rental photos or somewhere in this section (i.e. there must be sufficient detail map or directions etc. for review appraiser/others to locate rentals).

Rental Comparable Detail Sheets

Required. See following two pages. Each sheet must include a photo of the rental from ground level (aerial photos are fine in addition, but ground level view is minimum required). Also, if available, CDOT recommends including an assessor plat that shows the rental comp's lot lines, shape, etc. See photo page examples that follow this guide note.

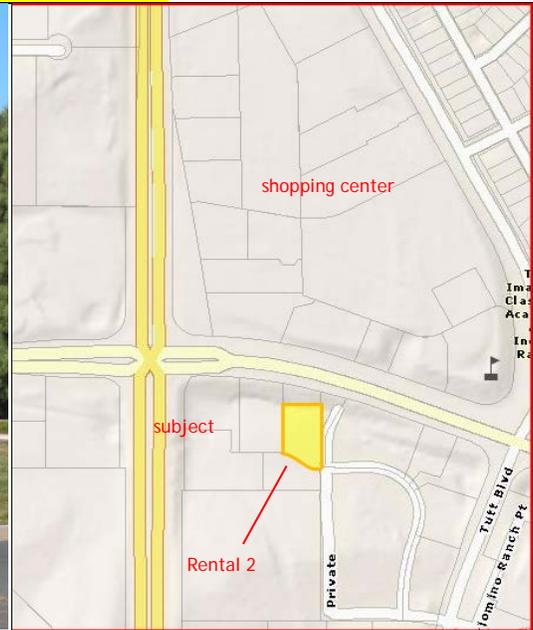
Rental No. 1 - Stand-Alone Basis

**CONTENT IS IMPORTANT.
THIS EXACT FORMAT IS NOT.**

**SEE ALSO EXAMPLE
RENTAL SHEET
THAT FOLLOWS
THIS SHEET**

View:	<< ANSWER ALL IN THIS SECTION - ORDER NOT IMPORTANT
Photo By:	
Date Inspected:	
Location/Address:	
Tax Schedule #:	
Sale Confirmed with/Date:	
Appraiser Confirming:	
Project Influence:	
Physical Characteristics:	
xx	Appraiser might itemize or otherwise describe pertinent land and/or
xx	building characteristics that influence the comparable's lease and income
xx	characteristics and which may support adjustment factors.
xx	Example: rent comp might be much older building w/poor visibility while subject is fairly new building on a busy corner intersection.
Lease/Income Information	
xx	Provide sufficient detail about:
xx	-leases
xx	-property income/expenses
xx	-no./size of units
xx	-actual rents; lease terms; expense basis/CAMS (gross/NNN etc.)
xx	-escalations, concessions, tenant finish allowance, etc.
xx	-leased area basis (GBA, GLA, RA, UA); overall vacancy
xx	-how are management expense and capital reserves handled?
xx	
xx	The above are examples only and not necessarily exhaustive
Comments:	The format and layout of this rental comp sheet is for example only and may be modified.
	The rental comparable sheet is not limited to one page as shown here.

Rental No. 2 - Stand-Alone Basis
EXAMPLE ... MODIFY/REFORMAT AS NEEDED



View:	West from xxxxxx Smith Road
Photo By:	xxxxxxxxxxxxxx
Date Inspected:	June 23, xxxxx
Location/Address:	2010 Smith Road, Anytown, CO
Tax Schedule #:	xxxxxx-xx-xxx
Leasing Contact:	John Dough, Office Experts Inc.
Appraiser Confirming:	xxxxx
Project Influence:	None
Physical Characteristics:	
Gross. Bldg. Area/Quality/YOC:	GBA: 50,376 SF, 3-Stories, Class A (steel frame, masonry exterior), built 1984
Land/Parking:	2.48 Ac., 260 Parking Spaces (1/194 SF)
Features:	Clerestory atrium, elevator, smoker patio, mountain views, interstate visibility.
Environment:	Very good quality, mature office park with national tenant users
Lease/Income Information	
Rentable/Usable Area:	RA: 48,750 SF, UA: 40,950 SF (BOMA standards) UA/RA = 84%
Configuration:	27-Office suites ranging 1,200 SF to 6,300 SF, average 1,800 SF
Existing lease rates/basis:	\$9.75 - \$12.60 PSF (RA), NNN (Plus tx., ins., maint., utilities, mgmnt)
Current NNN:	\$5.85 PSF
Current Asking Rates:	1 st Fl.: \$10.50 PSF, 2-3 Fl.: \$12.50 PSF (An. CPI incr.) Mt. Views: +\$0.75 PSF
Typical Term/Allowances:	Minimum 5-year term with \$10.00 PSF Tenant Finish allowance
Current Vacancy:	4,400 SF (3-suites), 9.0%
Incentives:	1-month free rent upon renewal of lease
Capital Improvements:	Owner reserves 4%/year from rent proceeds
Forecast NOI:	\$485,300 (\$9.95 PSF Rentable Area, excludes TF allowance)
Comments:	This is a good quality mid-rise office building in the xxxxxx Office Park, just east of the subject property. Access and visibility are very good. Most of the current tenants have rented here for over 10 years and include primarily insurance and technical services companies. The building is in above average condition. Public access areas have been recently updated with contemporary wall and floor coverings. Public records indicate the building last sold for \$5,200,000 in September 2004.

Rental Adjustment Table

Include as appropriate. See CDOT ROW manual, Chapter 3, for further information about adjustments.

Rental Comparables Discussion

xx **Note:** Some form of Rental Comparables discussion and value range conclusion is required. Because excess/disposal parcel appraisal requires a range of value, in the Income Approach the appraiser may apply the approach to include reasonable range estimates in such elements as concluded rent (income), V&C loss, expenses and capitalization rate. This will result in a range of value indication by the Income Approach.

Income and Expenses

Potential Gross Income

xx

Vacancy and Collection Loss

xx

Effective Gross Income

xx

Expenses

xx Discuss fixed and variable expenses

Net Operating Income (NOI)

xx

Capitalization

xx **Note:** Discuss capitalization information here (cap rate, discount rate support, etc.)

Income Capitalization Approach Summary and Value Range Conclusion

xx **Note:** Provide Income Capitalization Approach value information and conclusion here.

The appraiser should use care in presenting all pertinent aspects of the comparable leases and apply them consistently when comparing and analyzing with the subject.

Reconciliation - Stand-Alone Basis

Value Range Indications

xx **Note:** Introduce overview of valuation process or similar narrative here

Land/Site Value	\$xxxxxxx (high) to \$xxxxxxx (low)
Cost Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Sales Comparison Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Income Capitalization Approach	\$xxxxxxx (high) to \$xxxxxxx (low)

Reconciliation

xx **Note:** Describe final value conclusion analyses and state conclusion

Subject Excess/Disposal Property Value - Stand-Alone Basis

Subject Excess/Disposal Property Value Range - Stand-Alone Basis:	High:	Low:
Land/Site Value (note if land/site value is included in imps value)	\$	\$
Improvements Contributory Value	\$	\$
Total Fair Market Value Range Estimate - Stand-Alone Basis	\$	\$

If more than one excess/disposal appraisal methodology is applied in this appraisal, and the first method applied was the preceding Stand-Alone valuation, then the other relevant methodologies can begin below - each all the way from Land/Site Valuation through Reconciliation by the specific methodology. Copy and paste the appropriate material/subheads from the preceding formatted material into the material below as appropriate to flesh out these methodologies if they are applied in the appraisal.

Subject Excess/Disposal Property Appraisal - ATF Method

Land/Site Valuation - ATF Method

and everything relevant in-between

Reconciliation - ATF Method

Value Range Indications

xx **Note:** Introduce overview of valuation process or similar narrative here and conclude a value range for the subject by the ATF method.

Land/Site Value	\$xxxxxxx (high) to \$xxxxxxx (low)
Cost Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Sales Comparison Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Income Capitalization Approach	\$xxxxxxx (high) to \$xxxxxxx (low)

Subject Excess/Disposal Property Value - ATF Method

Subject Excess/Disposal Property Value Range - ATF Method:	High:	Low:
Land/Site Value (note if land/site value is included in imps value)	\$	\$
Improvements Contributory Value	\$	\$
Total Fair Market Value Range Estimate - ATF Method	\$	\$

Subject Excess/Disposal Property Appraisal - Enhancement (Plottage) Value

Enhancement Part 1 - Adjoiner+Subject - After Value as Assembled

Land/Site Valuation - Enhancement Part 1 - After Value as Assembled
and everything relevant in-between

Reconciliation - Enhancement Part 1 - After Value as Assembled

Value Range Indications

xx **Note:** Introduce overview of valuation process or similar narrative here and conclude a value range for the assembled subject/adjoiner property.

Land/Site Value	\$xxxxxxx (high) to \$xxxxxxx (low)
Cost Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Sales Comparison Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Income Capitalization Approach	\$xxxxxxx (high) to \$xxxxxxx (low)

Enhancement Part 1 - After Value as Assembled

Adjoiner+Subject Enhancement (Plottage) Value - Part 1 - After Value as Assembled:	High:	Low:
Land/Site Value (note if land/site value is included in imps value)	\$	\$
Improvements Contributory Value	\$	\$
Total Value Range Estimate - Enhancement (Plottage) Value Part 1 - After Value as Assembled	\$	\$

Enhancement Part 2 - Adjoiner Value Before Assemblage

Land/Site Valuation - Enhancement Part 2 - Adjoiner Value Before Assemblage

and everything relevant in-between

Reconciliation - Enhancement Part 2 - Adjoiner Value Before Assemblage

Value Range Indications

xx **Note:** Introduce overview of valuation process or similar narrative here and conclude a value range by the for only the adjoiner property into which the subject would be assembled.

Land/Site Value	\$xxxxxxx (high) to \$xxxxxxx (low)
Cost Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Sales Comparison Approach	\$xxxxxxx (high) to \$xxxxxxx (low)
Income Capitalization Approach	\$xxxxxxx (high) to \$xxxxxxx (low)

Enhancement Part 2 - Adjoiner Value Before Assemblage

Enhancement (Plottage) Value Part 2 - Adjoiner Value Before Assemblage:	High:	Low:
Land/Site Value (note if land/site value is included in imps value)	\$	\$
Improvements Contributory Value	\$	\$
Total Value Range Estimate - Enhancement (Plottage) Value Part 2 - Adjoiner Value Before Assemblage	\$	\$

Enhancement Part 3 - (Plottage) Value Conclusion

The subject excess/disposal property value range in the Enhancement (Plottage) valuation methodology is concluded in the table below:

Subject Excess/Disposal Property Value Range Enhancement (Plottage) Value:	High:	Low:
Total After Value Range of Assembled Property	\$	\$
(less) Total Value Range of Adjoiner Property Before Assemblage	(\$)	(\$)
Total Subject Excess/Disposal Fair Market Value Range Estimate Enhancement (Plottage) Value	\$	\$

Value Indications and Total Fair Market Value Range Conclusion

Summary of Conclusions		
Subject Excess/Disposal Property Value Ranges	High:	Low:
STAND-ALONE UNIT		
Land/Site Value	\$	\$
Improvements Contributory Value	\$	\$
Subject Property Value Range - Stand Alone	\$	\$
ACROSS-THE-FENCE (ATF) METHOD		
Land/Site Value	\$	\$
Improvements Contributory Value	\$	\$
Subject Property Value Range - ATF	\$	\$
ENHANCEMENT (PLOTTAGE) VALUE		
Land/Site Value	\$	\$
Improvements Contributory Value	\$	\$
Subject Property Value Range - Enhancement (Plottage) Value	\$	\$

Based on the value range conclusions shown by the excess/disposal appraisal methodologies applied in this appraisal, the final value range conclusion for the subject excess/disposal property, as of Monthxx Dayxx, Yearxx, is: **show the highest high to the lowest low as the total range**

\$xxx,xxx (high) to \$xxx,xxx (low)

Certification of Appraiser

Project Code: XXXXX (note in parentheses if project is closed)
Project No.: Typically alpha/numeric
Parcel No.: List All Parcels/Easements/Other appraised...ALL
Owner(s): CDOT or identify other Agency

I certify that, to the best of my knowledge and belief:

- I have (have not) personally inspected the subject property appraised and I also have (have not) made a personal field inspection of the comparable sales relied upon in making my appraisal, examined sales instruments of record, and have confirmed the sales transactions with the buyer and/or seller unless otherwise noted. The photographs in this appraisal report reasonably represent the subject property and the comparable sales relied upon. Note: all signatories to the certification must specify whether they did or did not inspect as described above, per USPAP. Unlicensed assistants who contributed to the appraisal process and/or reporting are not appraisers and shall not sign this certification, but whether they inspected as noted above may be listed here while their other contributions will be described elsewhere below (see 6th bullet from bottom).
- my analyses, opinions, and conclusions were developed, and this report has been prepared in conformity and consistent with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act); 49 CFR Part 24; 23 CFR Part 710; § 43-1-210 CRS; CDOT Right-of-Way Manual chapters 3 and 7, as may be revised; and the Uniform Standards of Professional Appraisal Practice (USPAP).
- statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I understand this appraisal may be used in connection with the marketing and disposal of the subject property by sale or other means.
- **Note:** Competency Provision of USPAP must be addressed if an appraiser does not have the knowledge and experience to complete the assignment competently. The appraiser must disclose the lack of knowledge and/or experience to CDOT before accepting the assignment. If the appraiser does not have the knowledge and experience, a certification statement must be made that describes the lack of knowledge and/or experience and the steps taken to complete the assignment competently. **No statement is required here if the appraiser is competent to do the assignment; the bullet item may be deleted.**
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved. **if this is not true, describe otherwise**
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. **if this is not true, describe otherwise**
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I have performed no (or describe otherwise) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding agreement to perform this assignment.
- I have not revealed the findings and results of this appraisal to anyone other than the proper officials of CDOT or officials of the Federal Highway Administration (FHWA), nor will I do so until required by due process of law or by having publicly testified as to the findings. **edit or delete this bullet as appropriate to the client and/or assignment conditions**

- I acknowledge that this appraisal report and all maps, data, summaries, charts and other exhibits collected or prepared under this agreement shall become the property of CDOT without restriction or limitation on their use. I also acknowledge that this appraisal report will become a public record after disposal of the subject property by sale or other means is accomplished, or after any litigation related to the property disposal is concluded, whichever is later. **edit or delete this bullet as appropriate to the client and/or assignment conditions**
- no one provided significant real property appraisal assistance to the person signing this certification. **Note:** If another licensed appraiser (who doesn't sign the report) or other non-licensed person provided assistance, state the name of the person(s) providing assistance and "describe and summarize the research, analysis and reporting contributions of each such assistant or licensee" (per Rules of Colorado Board of Real Estate Appraisers, 11.2). The principal appraiser is responsible for any decision to rely on the assistance of others.
- the use of this report is subject to the requirements of the Colorado Board of Real Estate Appraisers, Department of Regulatory Agencies, relating to review by its duly authorized representatives. **Note: Insert any statement required by professional appraisal organizations you belong to.**
- as of the date of this report, I, [insert appraiser's name/remove brackets], have completed the requirements of the continuing education program of the Colorado Board of Real Estate Appraisers. **Note: Insert any statement required by professional appraisal organizations you belong to.**
- the subject excess/disposal property was inspected on XXXXX xx, 202x. **Identify by name and title or job type others who were present at the inspection. There is no requirement for others to be invited to or participate in the inspection.**
- the effective date of appraisal and valuation is as of XXXXX xx, 202x. The date of the appraisal report is XXXXX xx, 202x.
- based upon my independent appraisal and the exercise of my professional judgment, I estimate the subject's range of Fair Market Value, as of XXXXX xx, 202x, is \$XXX,XXX (high) to \$XXX,XXX (low). **Note: Hypothetical Condition and/or Extraordinary Assumption must be disclosed. This requires clear and conspicuous disclosure of the hypothetical condition and/or extraordinary assumption.**

Appraiser's Name, MAI, SRA, SR/WA (or other/none etc.)
 Colorado Certified General Appraiser #CG0000000

PART 4 - EXHIBITS AND ADDENDA

Note: Include appropriate exhibits and additional information not already provided in the body of the report.

XX

XX

XX

XX

XX

Acronyms and Definitions see following

Certified Inventory of Real and Personal Property include as appropriate; consult CDOT appraisal staff or other agency staff for further information

Qualifications of the Appraiser **Note:** If the appraisal involves likely or known litigation, then include listing of litigation experience with depositions, hearings, trials, etc., per Office of the Attorney General. Otherwise optional, or contact CDOT appraisal staff or other agency staff for further information.

BLANK PAGE FOR APPENDICES ITEMS

USE THIS PAGE AND ADD MORE AS NECESSARY, OR DELETE THIS PAGE IF YOU USE ONLY THE STANDARD PRE-INCLUDED APPENDICES ITEMS THAT FOLLOW:

Acronyms and Definitions

Following are certain acronyms and definitions of significant terms used in this appraisal report. Sources and authorities for the following definitions are shown as text notes. **Note: The following acronyms and definitions are recommended.**

AC - acre

CDOT - Colorado Dept. of Transportation

PSF or SF - per square foot; square foot

ROW or R.O.W. - Right of Way

OTHER - add/delete acronyms as needed, preferably in alphabetical order.

Definitions - "add/delete definitions as needed, preferably in alphabetical order" (Source reference)

Across-the-Fence (ATF) Method: A land valuation method often used in the appraisal of corridors. The across-the-fence method is used to develop a value opinion based on comparison to abutting land. (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 3)

Across-the-Fence (ATF) Value: In the valuation of real estate corridors, the value concluded based on a comparison with adjacent lands before the consideration of adjustment factors. (IRWA) (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 3)

Adjacent (Property): Describes property that borders or adjoins another property. (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 3)

Assemblage: 1. The combining of two or more parcels, usually but not necessarily contiguous, into one ownership or use; the process that may create plottage value. *See also plottage value.* 2. The combining of separate properties into units, sets, or groups, i.e., integration or combination under unified ownership. (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 13)

Easement - "In general terms, an easement is a limited right to use or control land owned by another for specified purposes. An easement is a property interest less than the fee estate, with the owner of the underlying fee (the servient estate) retaining full dominion over the realty, subject only to the easement (the dominant estate); the fee owner may make any use of the realty that does not interfere with the easement holder's reasonable use of the easement and is not specifically excluded by the terms of the easement." (Interagency Land Acquisition Conference, Uniform Appraisal Standards for Federal Land Acquisitions, 2016, p. 168).

Entrepreneurial Incentive: The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's profit*) in that it is the expectation of future profit as opposed to the profit actually earned on a development or improvement. The amount of entrepreneurial incentive required for a project represents the economic reward sufficient to motivate an entrepreneur to accept the risk of the project and to invest the time and money necessary in seeing the project through to completion. *See also entrepreneurial profit.* (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 76)

Entrepreneurial Profit: A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the

prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *See also entrepreneurial incentive.* (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 76)

Excess Land: Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. *See also surplus land.* (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 81)

Landlocked Parcel: A parcel of land that has no legal access to a road or highway. (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 125)

Plottage Value: The increment of value that often occurs when two or more sites are combined to produce greater utility, resulting in a higher productivity or income than could be obtained from the individual smaller sites. *See also assemblage.* (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 172)

Surplus Land: Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. *See also excess land.* (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 227)

VALUE DEFINITIONS (Other)

Investment Value: The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 121)

Value in Use: The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition, Chicago, 2015, p. 245)

CERTIFIED INVENTORY OF REAL AND PERSONAL PROPERTY (CIRPP)

INSERT CIRPP FORM HERE IF APPLICABLE. CONTACT CDOT APPRAISAL STAFF OR OTHER AGENCY STAFF FOR FURTHER INFORMATION

OTHERWISE DELETE

APPRAISER QUALIFICATIONS HERE

Note: If the appraisal involves likely or known litigation, then include listing of litigation experience with depositions, hearings, trials, etc., per Office of the Attorney General. Otherwise optional, or contact CDOT appraisal staff or other agency staff for further information.