

Tidelands Real Estate Appraisal Report Requirements & Checklist

Please submit one original and one copy of the appraisal report via mail and e-mail the appraisal report in PDF format to tidelandappraisals@dep.nj.gov.

A completed, signed copy of this checklist must be included in the Addendum of every appraisal report submitted to the Bureau of Tidelands Management.

Appraisal reports submitted without this signed checklist will be rejected.

If you are appraising an unusual property or if you have any questions, please contact Joseph V. Heenan, MAI, SRA, CTA, at 609-777-1751.

Please indicate that the appraisal report meets all the following minimum requirements:

- The appraisal must consider the entire site within Record Title.** The most recent deed of the subject property and a current survey of the site prepared for Tidelands must be reviewed by the appraiser to provide an accurate description of the subject site to be utilized in the appraisal. **Do not** rely solely on tax maps for the subject site description. Take note that in some cases, Record Title for waterfront properties may extend beyond the Mean High-Water Line or bulkhead. It is also possible that the limit of fill/bulkhead may also extend beyond Record Title. **If after reviewing this documentation there is any uncertainty regarding the site size of the subject property or it is unclear what constitutes the area within Record Title to be appraised, the appraiser should contact the Appraisal Staff at Tidelands for guidance.**
- The subject property has been appraised “As Though Vacant” and ready to be put to its Highest and Best Use.**
 - Only the underlying land is the subject property being appraised.
- The subject property has been appraised “As Though Unencumbered or Affected by any Tidelands Claim”.**
- The site must be valued as environmentally clean and in compliance with all applicable laws. The appraiser must utilize an extraordinary assumption or hypothetical condition if the site is contaminated or if it is unknown if there is contamination present.**
 - The appraisal must reveal the presence of any known environmental concerns on the subject property.
- I have stated and analyzed the Highest and Best Use of the subject property. Regardless of its current or historic use, the property must be appraised “As Though Vacant” under its Highest and Best Use.

- Appropriate Appraisal Report format provided:
 - A general land form (G-PAR) or equivalent for properties with a single-unit or two-unit residential Highest and Best Use.
 - All other properties including commercial, and any residential properties greater than two units require a narrative format.
 - **Restricted Appraisal Reports will not be accepted.**

- I am a real estate appraiser with a current license from the New Jersey State Board of Real Estate Appraisers.
 - A copy of your license must be included in the appraisal report.

- This report is compliant with the most current requirements of the Uniform Standards of Professional Appraisal Practice.

- I have followed the Competency Rule of USPAP when preparing an appraisal for the Bureau of Tidelands Management.
 - Be competent to perform the assignment; (2) Acquire the necessary competency to perform the assignment; or (3) decline or withdraw from the assignment.
 - Ways to acquire the necessary competency include: Contacting the appraisal staff at the Bureau of Tidelands Management to discuss the assignment and the approach or work with another appraiser who has successfully completed a report for submission to the Bureau of Tidelands Management.

- The appraisal has a current effective date of valuation.** The appraisal report has been submitted within 90 days of the valuation date, unless there are extenuating circumstances that have been communicated to the Bureau of Tidelands Management and approved in writing.

- This appraisal does not consider current, in-place legal approvals (entitlements) or variances for the subject property but assumes that the subject property would sell “subject to” approvals for uses allowable under current zoning, if typical for the property type and market and any special circumstances before proceeding with the assignment.
 - **There are residential properties that are exceptions, including houses over water.** Please contact the appraisal staff with any questions.

- I have analyzed all recent sales or offerings of the subject property and the comparable sales.
 - Please discuss and analyze sales of the subject property within the past five years for residential properties and sales within the past ten years for commercial or special-use properties.

- This appraisal discusses the intent of the purchaser with respect to sales contracts or recently closed sales of the subject property or of comparable sales.
 - For example, will the improvements be torn down or removed and did the existing improvements contribute any real value to the sales price?

- The appraisal includes all pertinent factors and issues impacting value and marketability.

Revised Date: 01/01/2020

- The appraisal addresses and explains all adjustments in the sales comparison approach. The appraisal recognizes any assemblage potential, if applicable.
 - Properties that have been assembled or have received approval for assemblage must be valued as part of the larger parcel.

- I have determined the current market value of the subject property, **land only**, “As Though Vacant”, available and put to its Highest and Best Use (disregarding any improvements such as buildings or dwellings, sheds, paving, sidewalks, swimming pools, etc.). An exception is required when appraising **waterfront property**.
 - **For example: The valuation of a waterfront residential property must consider the subject’s existing bulkhead and condition.** A defended shoreline is considered integral to a waterfront site. Therefore, the analysis of waterfront comparable sales must address any similar or dissimilar features such as a bulkhead or dock and their respective condition as an element of comparison, considering any contribution to value.

- I have determined the current market value of the entire site within record title and did not isolate any State-claimed area and treat that area as the subject property alone.
 - For example, if there is a 5,000 sf lot with a 2,000 sf riparian claim within the 5,000 sf lot, the entire property needs to be appraised.

- For properties zoned residential** – Utilizes and supports a per lot unit of value when estimating the current market value; any deviation such as a front foot unit of value or a square foot unit of value must be discussed and supported by the market.
For other property types such as commercial, industrial, or multi-family - Clearly states the value of the entire site expressed in the appropriate unit of value for that site such as a square foot unit value, a value per acre, a value per buildable unit or value per square foot of allowable building area as is appropriate for the Highest and Best Use and supported by the market.

- Any properties zoned for public use have been appraised to their Highest and Best Use.
 - Restrictions have been discussed and analyzed for information purposes. Please contact the Tidelands Appraisal Staff with any questions.

The appraisal report includes:

- Title Page
- Transmittal Letter
- Table of Contents
- Summary of Salient Facts and Conclusions
- Signed Certification
- Statement of Assumptions and Limiting Conditions
- Identify the Client and All Other Users of the Report
 - In addition to your client, this must include the State of New Jersey, including the following agencies and council as noted herein: The Bureau of Tidelands Management, Division of Land Use Regulation, Department of Environmental Protection, the Tidelands Resource Council and the Office of the Attorney General.

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- Identify the Intended Use of the Report and Conclusions
 - The intended use of the appraisal report is for riparian related purposes only. The appraisal report is utilized to determine the current market value of the subject property “land only” wherein the riparian claim is located.
- Identify and Describe the Rights or Interests Being Appraised
- Identify the Type and Definition of Value and Source
- Consider Extraordinary Assumptions.
 - **Before using an Extraordinary Assumption, please contact the Tidelands Appraisal staff.**
- Consider Hypothetical Conditions.
 - **Before using a Hypothetical Condition, please contact the Tidelands staff.**
- Scope of Work
- Property Inspection
- Sales History
- General Property Information
- Site Description
- Existing grants (especially grants extending out into the water) have been considered and any impact on value analyzed.
- Current Use/Brief Description Improvements
- Interest Being Acquired
- Current Assessment, Taxes and Equalization Ratio
- Zoning (discuss zone and include permitted uses)
- Highest and Best Use “As Though Vacant” and Analysis
- Appraisal Process and Documentation
- Final Reconciliation of Value
- Exhibits and Addendum (must include the following):
 - The appraisal contains current photographs of the subject property, including photographs of the **front, rear, street**, bulkhead or water’s edge, piers, if applicable, and any view amenities at a minimum; at **least one photograph of the front must be included for comparable sales.**
 - The appraisal contains copies of the tax plat of the **subject property** and the **comparable sales.**
 - The appraisal contains a copy of the **subject survey** submitted with the Bureau of Tidelands Management application. All lot dimensions and areas must be consistent with the survey and Record Title.
 - The appraisal contains a copy of the most recent **Deed** for the subject property (within 10 years).
 - The appraisal contains a sales location map.
 - The appraisal contains a flood map.
 - The appraisal contains a copy of the zoning map applicable to the location of the subject site.

Appraiser Signature

Date