

CONSERVATION EASEMENT APPRAISAL GUIDELINES

GENERAL APPRAISAL REQUIREMENTS:

- ❖ Must comply with USPAP.
- ❖ Must be a NM General Certified Appraiser. 3.13.20
- ❖ Property Rights Appraised and Defined Before/After.
- ❖ Highest & Best Use Analysis Before/After.
- ❖ Market Value Before/After.
- ❖ Statement “Qualified Appraisal” 3.13.20
- ❖ Statement “Qualified Appraiser” 3.13.20
- ❖ Address the Larger Parcel and Enhancement.
- ❖ Valuation of Improvements.

NOTE: Appraisals prepared for income tax purposes must contain a value estimate of all contiguous property owned by the donor or related persons, and must address any enhancement or benefit to any other property, contiguous or non-contiguous, owned by the donor or related persons. 1.170A-14(h)(3)(i)

TREASURY REGULATION COMPLIANCE:

- ❖ Date of Appraisal not earlier than 60 days prior to the date of contribution.
- ❖ Prepared, Signed, and Dated by a Qualified Appraiser.
- ❖ Name, Address, and Tax Identification Number of the appraiser.
- ❖ Property Description in sufficient detail to ascertain that the property appraised is the property that was (or will be) contributed.
- ❖ Physical Condition of any Tangible Property.
- ❖ Federal Definition of Value 1.170A-1(c) (2).

- ❖ Date or Expected Date of Contribution.
- ❖ Terms of the Conservation Easement.
- ❖ Statement that the appraisal was prepared for Income Tax Purposes.
- ❖ Fair Market Value as of the Date of Contribution (or expected Date of Contribution)
- ❖ Method of Valuation.
- ❖ Specific basis of Valuation - Explanation/Justification.
- ❖ Qualifications of the Appraiser to include background, experience, education, and affiliations.