

Statement of Work for Appraisal Services

Introduction

The designated contact for this property is Karen Zerby, 2001 Elmerton Avenue, Harrisburg, PA 17110, Phone: (717)783-1730 Fax: (717)787-6957.

The designated contact should be contacted regarding general information, location of the property, specific information regarding physical attributes of the property, owner contact, and the property acquisition process.

The Assignment

Prepare an initial complete real estate appraisal and a self-contained real estate appraisal reports meeting or exceeding both the Uniform Standards of Professional Appraisal Practice (USPAP) and Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA).

A summary of the information available to the Commission is shown below:

928 +/- acres in Monroe Asylum and New Albany Townships, Bradford County
Tax Parcel ID 25-11.00-008
Owner: DCNR

700.43 acres in Buck Township, Luzerne County
Tax Parcel ID K14-A-48
Owner: PGC

629.43 acres in Delmar and Morris Townships, Tioga County
Tax Parcel ID P/O 09-00.00-000.-STFOR.000
P/O 25-00.00-000.-STFOR.000
Owner: PGC

Each tract of land must be appraised separately for 3 separate values. The appraisals must consider and include any subsurface values.

Purpose, Function, and Scope of the Appraisal

The purpose of the appraisals is to estimate the fee simple market value of the subject properties and any improvements thereon. The intent of the appraisals is to determine current market value equity of a land exchange between PGC and DCNR consummated in 1998.

The scope of the appraisal should conform with its purpose and intended use and the appraisal reports should clearly link the scope with the purpose and intended use. The geographical area and time span searched for market data should be included. The transfer history of the subject

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and the comparable sales for the ten-year period prior to the effective date, or the last transfer if greater than ten years, shall be analyzed and reported. The appraiser should state the references and data sources relied on and describe the market data researched and the extent of market data confirmation.

The applicability of all standard approaches to value shall be discussed and the exclusion of any approach to value shall be explained. The adoption of a hypothetical condition(s) or an extraordinary assumption(s) shall be adequately identified and clearly explained.

Highest and Best Use (HABU)

The analysis and estimate of HABU must be an economic use. A non-economic HABU such as conservation, natural land, or preservation is not acceptable. In every case, the appraiser must make a larger parcel determination and report the analysis that lead to that determination.

The use to which the government will put the property to after the acquisition is, as a general rule, an improper HABU. If it is solely the government's need that creates a market for the subject parcel, this special need must be excluded from consideration. Elements affecting value that depend upon events or combinations of occurrences which, while within the realm of possibility, are not shown to be fairly reasonable should be excluded from consideration.

HABU cannot be predicated on a demand created solely by the project for which the property is acquired. The benefit a real estate development by the government produces for a community is not to be considered. HABU is driven by economic considerations and market forces, not by public interest.

Comparable Sales Requiring Extraordinary Verification and Treatment

Sales to the government should be immediately viewed as suspect. Sales to the government should not be used as comparable sales unless there is such a paucity of private market data as to make a reliable estimate of value impossible without the use of government purchases.

In situations where the appraiser is forced to consider sales to the government, there are certain steps the appraiser must take. Comprehensive and documented verification of government transactions is essential. See UASFLA section D-9 for a further discussion of the use of government transactions.

All sales used in the appraisal are to be verified with the purchaser, seller, or a party directly involved in the transaction. Obtain through the verification the motivation for selling and the intended use of the property after the transaction.

Appraisal Reporting Practices

Located in Appendix A and B of the UASFLA are an Appraisal Report Documentation Check List and a Recommended Format for Federal Appraisal Reports. The appraiser shall include a location map which indicates the location of the subject and comparable sales. This map shall be in sufficient detail and resolution so that a reviewer could locate the subject and comparable sales in the field.

When reporting the final value conclusion, the appraiser should be careful to also report and include the source of the acreage estimate (per survey, per deed, per assessor, etc...) and the appropriate unit of comparison (per acre, per square foot, per waterfront foot, per island, per building lot, etc...) in the Executive Summary / Summary of Salient Facts and Conclusions, the Final Reconciliation, and on the Appraiser's Certification. This would be in addition to reporting these applicable units of comparison in the valuation analysis portion of the report.

The appraiser should also indicate if land in the subject market is generally transferred subject to completion of a survey to determine precise boundaries and area. If the market generally relies on historical references (e.g. the deed or assessor records) for total acreage, and a land survey to determine the total land area is rarely completed prior to the transfer, this should be stated.

Upon inspection, and prior to completion of the report, please contact the Office of Appraisal Services technical representative if you feel any special circumstances exist (TO INCLUDE ANY POTENTIAL ENVIRONMENTAL CONTAMINATION) which you feel go beyond the intended scope and fee for this assignment. *Unless otherwise noted in this statement of work*, the appraiser who is awarded the contract will be responsible for acquiring any specialist the appraiser deems necessary for completion of the appraisal assignment. This might include foresters or may include engineers to prepare preliminary plans for raw unapproved land subdivision or provide geotechnical analysis. Modifications to appraisal fees requested together with a completed appraisal report submission, and before prior approval, are not acceptable.

Appraiser must hold a valid State Certificate as a Certified General Appraiser.

Appraiser must have previously completed appraisals for the Pennsylvania Game Commission.

Appraiser must be able to verify that they have previously completed UASFLA appraisals.

Appraiser shall include a copy of the Scope of Work in the appraisal report.