

Forest Service Manual
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Forest Service Manual 5400 – Landownership
Chapter 5410 – Appraisals

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Digest: Following is an explanation of the changes throughout the directive by section.

Sections 5410.41a, 5410.42b, and 5410.74b: Modifies direction to provide broad discretion to the Regional Lands Directors to share agency approved appraisals with those parties who have a reciprocal business relationship with the Forest Service.

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5410.1 – Authority

The primary laws and policies governing Forest Service appraisals are as follows:

1. Federal Land Exchange Facilitation Act of 1988, as amended (FLEFA) (43 U.S.C. 1716). This Act, which amends FLPMA, provides uniform criteria for appraisals in land exchanges to reflect nationally recognized appraisal standards and establish procedures for resolution of appraisal disputes in exchanges.
2. Federal Land Policy and Management Act of 1976, as amended (FLPMA) (43 U.S.C. 1716). This Act provides uniform rules and regulations for land appraisals for exchanges and establishes procedures and guidelines for the resolution of appraisal disputes in exchange cases that reflect nationally recognized appraisal standards.
3. Financial Institutions Reform, Recovery and Enforcement Act of 1989, Title XI, as amended (FIRREA) (12 U.S.C. 1331). This Act requires the establishment of State programs for the licensing and certification of appraisers.
4. Freedom of Information Act of 1966 as amended (FOIA) (5 U.S.C. 552). This Act directs agencies to make records available to the public, upon written request; establishes exemptions to the Act describing circumstances in which records may be withheld; provides an appeal process when access to records is denied; and requires that agencies inform appellants of the provisions for judicial review if an appeal is denied.
 - a. Title 7, CFR, Subtitle A, Part 1, Subpart A establishes U.S. Department of Agriculture (USDA) policy, procedures, requirements, and responsibilities for administration and coordination of the FOIA. 7 CFR 1.14 establishes that agencies may not deny a FOIA appeal without USDA Office of the General Counsel concurrence. In addition, 7 CFR 1.215 establishes that *subpoena duces tecum*, for USDA records in judicial or administrative proceedings in which the United States is not a party, must be processed as FOIA requests. In addition, 7 CFR 2.31 establishes that USDA and Office of the General Counsel will certify documents as true copies of those on file in the agency.
 - b. Title 36, CFR, Chapter II, Subpart B, Sections 200.6 to 200.8. Sets forth and describes the rules for accessing Forest Service records and where they can be found. It also describes the appeals process when requests for records are denied.
5. Office of Management and Budget (OMB) Bulletin 92-06 (Guidance on Real Estate Appraisal Standards and Practices), March 16, 1992. This Bulletin provides guidance to Federal agencies regarding standards and practices of real estate appraisals and real estate appraisal training. It also provides that Federal employees who choose to become State licensed or certified real estate appraisers need only be licensed or certified in one State or territory to perform real estate appraisal duties as Federal employees in all States and territories.

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6. Office of Personnel Management General Schedule Qualification Policies. These policies, specifically those listed under Application of Qualification Standards, Other Requirements or Provisions, apply to appraisers and cover such topics as licensure, certification, and other requirements (www.opm.gov).
7. Privacy Act of 1974 (Privacy Act) (5 U.S.C. 552a). This Act directs agencies to safeguard the privacy of individuals by only disclosing certain records to others for certain purposes or with an individual's written consent; provides individuals with access to and the means to amend their records; establishes exemptions by which access or amendment may be denied; and provides an appeal process when requests for access or amendment are denied. Also, requires that agencies inform appellants of their right to file a concise statement and the provisions thereof, and to inform them of their right to seek judicial review.
 - a. Title 5, CFR, Subchapter B, Parts 293 and 297. Provides Office of Personnel Management (OPM) policy regarding personnel records.
 - b. Title 7, CFR, Subtitle A, Part 1, Subpart G. Establishes USDA policy, procedures, requirements, and responsibilities for administration and coordination of the Privacy Act.
8. Small Tracts Act (STA) (Public Law 97-465, 96 STAT. 2535). The Act authorizes the Secretary of Agriculture to convey certain National Forest System lands, and for other purposes.
9. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act) (42 U.S.C. 4601, et seq.). This Act establishes standards for the appraisal of property for Federal land acquisitions for both purchase and condemnation.

5410.2 – Objective

The objective of providing valuation services for a broad range of landownership adjustments, including but not limited to acquisition, disposal, leasing, minerals, and land use authorizations, is to provide defensible opinions of value that are credible, fair, and equitable to the United States and other parties involved. The appraised value typically represents market value as defined by statute, regulation, policy, the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), or the Uniform Standards of Professional Appraisal Practice (USPAP), unless a different value is required by law. The type of value used as the basis for the value opinion must be defined in the Statement of Work.

5410.3 – Policy

Forest Service policy for valuation services establishes the minimum standards for valuation work products, appraiser qualifications, responsibilities, and authorities (hereinafter referred to as “Standards”). The “Standards” are:

1. Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA);
2. Uniform Standards for Professional Appraisal Practice (USPAP);
3. 42 U.S.C. 4601, et seq.;
4. 49 CFR Part 24;
5. Forest Service Manuals (FSM) 2700, 5410, 6270, and 6300;
6. Forest Service Handbooks (FSH) 2709.11, chapter 30; 5409.12; and 6309.11; and
7. Statutory authorities for real property transactions, applicable regulations, and the assignment-specific Statement of Work.

5410.4 – Responsibility

The Under Secretary of Agriculture for Natural Resources and the Environment delegated to the Chief the authority to make appraisals in connection with acquisition of lands and interests in lands carried out by the agency (7 CFR 2.60). For responsibilities, qualifications, and training requirements of appraisers, see FSH 5409.12 (Appraisal Handbook) and FSM 5410.6.

5410.41 – Washington Office

5410.41a – Director of Lands

The Director of Lands is responsible for:

1. Setting policy on valuation procedures and standards.
2. Providing training to field personnel and units on how to implement and maintain those procedures and standards.
3. Approving the release of appraisals or appraisal information for the Washington Office in response to written requests under the Freedom of Information Act (FSM 5412). This responsibility may not be delegated.
4. Establishing project priorities for the Chief Appraiser (FSM 5410.41b).

5. In consultation with the Chief Appraiser, has broad discretion to share agency approved appraisals with parties to the transaction who have a reciprocal business relationship with the Forest Service.

5410.41b – Chief Appraiser

The Chief Appraiser, Lands and Realty Management staff, Washington Office, serves as the agency's real property valuation expert and is responsible for the planning, development, and technical administration of the overall real estate valuation program of the Forest Service. The Chief Appraiser has authority to prepare, review, and approve all valuation products to ensure they meet Forest Service standards. The Chief Appraiser may delegate to the Regional Appraisers the authority to review and approve valuation products.

The responsibilities reserved to the Chief Appraiser are to:

1. Serve as the agency's real property valuation expert and represent the Forest Service in that capacity in coordination with other agencies and non-governmental organizations.
2. Advise the Regional Director of Lands, or equivalent official, in the selection of Regional Appraisers and provide guidance through career development and training plans for the development of Regional Appraisers to fully meet agency requirements. The qualifications of a Regional Appraiser determines their delegated authority. Qualification deficiencies, course of remedy, and potential effects on the Regional program of work must be identified in the Chief Appraiser's delegation to the Regional Appraiser with written notice to the Regional Director of Lands.
3. Recommend policy decisions related to real property valuation procedures and standards, and provide training for Regional personnel on how to implement and maintain those procedures and standards.
4. Make quality assurance inspections of each Regional Appraiser on a three-year cycle to ensure that real property valuation procedures and standards are being maintained. Quality assurance inspections must include evaluation of compliance with agency appraisal policy, standards, staffing, training, level of professionalism, and work assignments and must be documented in a written report to the Regional Director of Lands, or equivalent official. The Chief Appraiser's report to the Regional Director of Lands must specifically address compliance with the Regional Appraiser's technical performance elements. Copies of all appraisal reports and appraisal review reports which include consideration of project influence with a date of value that is less than three years of the date of the quality assurance inspection must be examined.
5. Maintain the National Directory of Forest Service Appraisers.
6. Assist Regional Foresters in developing and maintaining a trained and viable appraisal organization.

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7. Report allegations of impropriety or incompetence of Forest Service Staff Appraisers or Contract (Fee) Appraisers to the appropriate State licensing authority. Investigate all reported allegations of impropriety or incompetence and document, in writing, the validity of the allegations. If warranted, take appropriate action to limit, suspend, or revoke a Staff Appraiser's delegated authority. Report the findings of the investigation and/or the findings of the State licensing authority to the Washington Office, Director of Lands and Realty Management, and appropriate Regional Director of Lands or equivalent official.
8. Annually, provide each Regional Director of Lands, or equivalent official, a technical performance review of the Regional Appraiser for the Regional Director's use and consideration in the employee's Performance Plan and Appraisal (AD-435, as amended).
9. Approve or reject, in writing, all requests for exceptions to valuation policies or procedures.
10. Establish inter-Regional priorities for the Regional Appraisers.

5410.42 – Field Units

5410.42a – Regional Forester

The Regional Forester has the responsibility to:

1. Coordinate and monitor real property appraisal work within the Region.
2. Maintain appraisal expertise needed for the valuation of real property within the Region.
3. Sign letters that deny a requester access to valuation information or that notify a requester that the requested valuation records do not exist (FSH 6209.13, para. 13.04a).

5410.42b – Director of Lands, Regional Office

The Regional Office Director of Lands, or equivalent official, has the responsibility to:

1. Approve the release of appraisal reports or appraisal information for field units in response to written requests under authority of the Freedom of Information Act (FSM 5404.22, para. 3; FSM 5412). This responsibility may not be delegated.
2. Consult with the Chief Appraiser regarding selection of Regional Appraisers and ascertain whether the Chief Appraiser may delegate sufficient appraisal review authority to support the Region's valuation program of work (FSM 5410.41b, para. 2).
3. Establish internal Regional priorities for the Regional Appraiser.
4. In consultation with the Regional Appraiser, has broad discretion to share agency approved appraisals with parties to the transaction who have a reciprocal business relationship with the Forest Service.

5410.42c – Regional Appraiser

The Regional Appraiser serves as the real property valuation expert and represents the Region in coordination with other Federal agencies and third parties. Responsibilities reserved to the Regional Appraiser are to:

1. Provide planning, development, and technical coordination of the overall real property valuation program in the Region. Re-delegate review and approval authority to Staff Appraisers annually based on a level approved, in writing, by the Chief Appraiser.
2. Provide technical and administrative supervision and training of all Staff Appraisers within the Region. On an annual basis, assure compliance with appraisal policy, training, and quality of work products, and report results of quality assurance inspection to the Chief Appraiser.
3. Notify the Chief Appraiser of any valuation problems which may attract attention from Congress, the public or media, or that may affect other Regions or the agency-wide Valuation Services program.
4. Authorize preparation of an appropriate appraisal report and conclude with an opinion of market value of the Federal or non-Federal lands involved in competitive exchange proposals. This is necessary to comply with the oversight requirements of Congress and the legal requirements associated with agency exchange authorities. Regional Appraisers may prepare Statements of Value for land exchanges where the value of the Federal land is not more than \$150,000. This responsibility cannot be re-delegated. Statements of Value are not subject to review (36 CFR 254.9(d)(1)). A Statement of Value may only be prepared in support of a land exchange subject to FLEFA (43 U.S.C. 1716(h)(B)) and can be prepared only by properly trained Staff Appraisers in cases that:
 - a. have little potential to be appealed;
 - b. are not politically sensitive; and
 - c. involve non-complex parcels with no significant improvements, commercial timber, or mineral potential.
5. Recommend to the Chief Appraiser or designee for final approval any appraisal report prepared for an eminent domain action.
6. Provide advice and consultation to the Authorized Officer on valuation work products considered in the process of bargaining, arbitration, and litigation settlement. In addition, assist the Authorized Officer in the preparation of the arbitration agreements. Ensure advisory consultation does not conflict with the Standards.
7. Monitor and provide oversight for appraisal waiver and Statement of Approximately Equal Value delegations, when appropriate. Monitoring and oversight parameters must

be included in the Regional Appraiser's delegation letter to the Regional Realty staff receiving the delegated authority.

8. Waive, in writing, the need for review of appraisals prepared by Staff Appraisers that are non-controversial, simple in character, and less than \$25,000 in value. Inspect appraisals exempted from formal appraisal review during the annual quality assurance inspection.
9. Use Collection Agreements, Agreements to Initiate (ATI), or similar documents with third parties to procure valuation work products under Forest Service contracting authority.
10. Notify the Chief Appraiser and recommend a course of action in response to allegations of impropriety or incompetence of Staff or Contract (Fee) Appraisers.
11. Safeguard all valuation work products and values in the Region against disclosure prior to review and approval for agency use.

5410.42d – Forest Supervisor

The Forest Supervisor is responsible for coordinating appraisal activities with other Forest functions.

5410.42e – District Ranger

The District Ranger is responsible for coordinating appraisal activities with other District functions.

5410.5 – Definitions

Appraisal terms in this chapter are defined in the current editions of the Standards, except where specifically noted.

Appraiser. The term, as used in this chapter, includes Staff Appraisers and Contract (Fee) Appraisers.

Appraisal waiver. The process used and the product produced when the agency determines an appraisal is not required (49 CFR 24.2(33)).

Client. The party or parties who engage, by employment or contract, an appraiser in a specific assignment. The client may be the agency or an individual, group, or entity, and may engage and communicate with the appraiser directly or through an agent (USPAP).

Collection agreement. The instrument used for the acceptance of money by the Forest Service from a non-Federal party to carry out a purpose authorized by law. Forest Service furnished supplies, materials, and services may be included in collection agreements (non-cash contribution) as part of the agency's matching contribution.

Contract (fee) appraiser. A non-Federal appraiser who is paid a fee for the valuation services performed.

Contracting Officer (CO). A Federal procurement official who has the authority to enter into, administer, or terminate contracts for the Federal Government and make related determinations and findings only to the extent of the authority delegated to them.

Contracting Officer’s Representative (COR). A Staff Appraiser who is qualified based on education and experience as determined by a Contracting Officer to administer a contract within authorities and limitations specified in the delegation of authority.

Delegated appraisal authority. The level of authority that can be delegated from the Chief Appraiser to the Regional Appraisers, who in turn can re-delegate to their staff. This authority encompasses all areas of valuation services including but not limited to appraisal, appraisal review, and approval of appraisal reports prepared for agency use.

Intended use. The use or uses of an appraiser’s reported appraisal or appraisal review assignment opinions and conclusions, as identified by the appraiser based on communication with the Client at the time of the assignment (USPAP).

Intended user. The Client and any other party as identified, by name or type, as users of the appraisal or appraisal review by the appraiser on the basis of communication with the client at the time of the assignment (USPAP).

Market value. The amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal (UASFLA, section B-2). This market value definition is appropriate for use in appraisal assignments where another definition required by law, regulation, or policy is not included in the assignment instructions.

Market value (land exchange). Use the following definition for land exchanges under the authority of FLEFA (36 CFR 254.2): “The most probable price in cash, or terms equivalent to cash, which lands or interest in lands should bring in a competitive and open market under all conditions requisite to a fair sale, where the buyer and seller each acts prudently and knowledgeably, and the price is not affected by undue influence.”

Review Appraiser. A Staff Appraiser who is a qualified Review Appraiser, a Senior Review Appraiser, a Regional Appraiser, or the Chief Appraiser and has been delegated authority to review and approve appraisals for agency use.

Staff Appraiser. A full-time Forest Service appraiser working under a position description classified by the Office of Personnel Management (OPM) in the GS-1171 series.

Statement of value. An appraisal report with a maximum value estimate not to exceed \$150,000 as prepared by the Regional Appraiser or a qualified Staff Appraiser in conformance with USPAP. Unlike formal appraisal reports, a Statement of Value is not subject to technical review, but may be reviewed as a part of an overall quality assurance inspection.

Statement of approximately equal value (SOAEV). The agency may determine that a Statement of Approximately Equal Value for STA and FLEFA (43 U.S.C. 1716) exchange cases is appropriate, based on a Statement of Value, when the Federal property market value is not more than \$150,000. The authority to determine this is limited to properly trained Forest Service Lands Specialists, as determined by the Regional Appraiser. Staff Appraisers and Contract (Fee) Appraisers must not prepare Statements of Approximately Equal Value due to conflicts with the Standards.

5410.6 – Qualifications, Certifications, and Professional Standards

5410.61 – Forest Service Staff Appraisers

Staff Appraisers are full-time Forest Service appraisers working under a position description classified in the GS-1171 series. The Uniform Act implementing regulations and OPM policies found on its website provide agencies with guidance regarding appraiser credential requirements, and authorize the agency to establish Staff Appraiser qualification criteria (49 CFR 24.103(d)):

1. All Staff Appraisers providing valuation services in support of agency real estate programs shall, at a minimum, be State-Certified General Appraisers in accordance with FIRREA, as amended. Staff Appraisers active in multiple States require certification only in one State (OMB Bulletin 92-06). In addition, only qualified, full-time Forest Service Staff Appraisers may provide valuation services in administration of the agency's program of work. In those instances where Staff Appraisers are involved in other aspects of the agency's program of work, that work must only be on an occasional, part-time, as-needed basis and must not be in conflict with the Appraiser's primary duties.
2. Staff Appraisers will develop and communicate their analyses, opinions, and conclusions to their Clients and Intended Users in a manner that is credible and not misleading, consistent with the Standards, and must be distributed only after agency review and approval.
3. Staff Appraisers shall use caution during their engagement in private valuation practice during off-duty hours to avoid real and perceived conflicts of interest and interference with Forest Service workload. Therefore, they shall coordinate and receive authorization from the Regional Appraiser, Regional Director of Lands, the Chief Appraiser and the Department of Agriculture Ethics Counselor before engaging in private practice during off-duty hours. If approved, they shall annually submit to the Regional Appraiser a log of completed cases documenting no conflict of interest has occurred.

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However, Staff Appraisers are authorized to promote knowledge and experience of the appraisal profession by collaborating with non-profit entities at all levels in the appraisal profession by participating as instructors, committee members, board members, and other positions or assignments that aid in promoting and advancing technical knowledge and experience of the appraisal profession.

4. Staff Appraisers at the GS-1171-13 and higher grade shall be State-Certified General Appraisers and shall hold and maintain a designation or accreditation from a nationally recognized appraisal organization that requires approved classroom training in appraisal practice. The nationally recognized appraisal organization shall also require a demonstration appraisal report or appraisal review report, administer a comprehensive qualifying examination in the attainment of the credentials, and have appraisal experience requirements approved by the Appraisal Qualifications Board of The Appraisal Foundation.
5. Forest Service Review Appraisers, within their delegated review and approval authority, shall complete the review report in a timeframe commensurate with the type and complexity of the assignment for National Forest System (NFS) or State and Private Forestry (S&PF) assignments that require a technical appraisal review.
6. Staff Appraisers shall not prepare valuation services for donations of real property or interests therein. Staff Appraisers are “excluded individuals” for Internal Revenue Service (IRS) purposes as defined by IRS Publication 561, “Determining the Value of Donated Property” (<http://www.irs.gov/pub/irs-pdf/p561.pdf>).
7. Internal, external, and on-the-job appraisal training must be documented annually in each appraiser’s Individual Development Plan (form FS-6100-2) and the Regional Appraiser Re-Delegation/Qualification letter to ensure that continuing education requirements are completed in order to fund and maintain State licenses, professional designations/accreditations, and Contracting Officer Representative (COR) requirements.
8. The delegation from the Chief Appraiser to Regional Appraisers, and re-delegation from the Regional Appraisers to Staff Appraisers, of appraisal and appraisal review and approval authority shall be based on individual qualifications, experience and performance.
9. Staff Appraisers with delegated appraisal and appraisal review and approval authority shall hold and maintain qualifications as a COR for the procurement of valuation services.
10. Staff Appraisers shall retain valuation products in accordance with the Records Management Handbook (FSH 6209.11, ch. 40) and the Record Keeping Rule in USPAP.

5410.62 – Contract (Fee) Appraisers

The following policies apply to Qualifications and Authorities of Contract (Fee) Appraisers preparing valuation products for agency review. Valuation products requested and received from Contract (Fee) Appraisers become the property of the United States and may be used for any legal and proper purpose.

1. The Chief Appraiser and/or the Regional Appraisers must approve the use of Contract (Fee) Appraisers.
2. All Contract (Fee) Appraisers shall be qualified in accordance with FIRREA. The minimum qualification level requires a State-Certified General License in the State in which the subject property is located, a demonstrated working knowledge of the UASFLA, and shall possess the qualifications and experience equivalent to meet the competency provision of USPAP.
3. All Contract (Fee) Appraisers shall demonstrate a working knowledge of the Standards through experience and training. This includes completion of the Appraiser Qualifications Board-approved UASFLA course and evidence of UASFLA-compliant reports submitted to and approved by Federal agencies within the preceding five years.
4. The agency's assigned Review Appraiser working as the COR must select the Contract (Fee) Appraisers. The Contract (Fee) Appraiser selection criteria includes possessing professional qualifications and experience, meeting or exceeding technical appraisal requirements of the appraisal issue, and providing best value to the agency, rather than price alone.
5. The Regional Appraiser, assisted by the Review Appraiser, shall qualify Contract (Fee) Appraisers in the source selection process of an Indefinite Delivery – Indefinite Quantity (IDIQ) Contract, Blanket Purchase Order (BPO) Contract, or similar instrument for valuation services or in specific assignments using, at a minimum: the evaluation criteria of past performance; appraiser credentials, experience, and knowledge for specific assignment types; product quality under the Standards; timeliness; contract compliance; and responsiveness.

5410.7 – Valuation Work Products

5410.71 – National Forest System

The following policies apply to Valuation Work Products prepared in response to requests for appraisal services from Authorized Officers.

1. Develop and report all appraisals, appraisal reviews, and appraisal consulting services in accordance with:
 - a. UASFLA: <http://www.justice.gov/enrd/land-ack/Uniform-Appraisal-Standards.pdf>.

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- b. USPAP: <http://www.appraisalfoundation.org/>.
 - c. The statutory authority for real property transactions, applicable regulations, and the assignment-specific Statement of Work.
 - d. Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.
 - e. FSM 5410; FSM 2700; FSM 6270; FSM 6300; FSH 5409.12; FSH 2709.11, chapter 30; and FSH 6309.11.
- 2. All valuation products must be requested in writing by the Authorized Officer. These requests must contain all information identified by the assigned Review Appraiser in addition to the standard templates, as necessary, to write an assignment-specific Statement of Work to produce credible assignment results in compliance with the applicable Standards (see FSH 5409.12 for sample requests for specific assignments). The request must include written permission from the property owner, or a duly authorized representative, to enter the property for valuation purposes when non-Federal property is involved.
 - 3. Generally, contract for valuation services within the limitations of annual budgets. In cases of assignment funding and/or timing constraints, provide for the use of Collection Agreements with Third Parties (section 72 of this chapter) to ensure compliance with the appraiser/client relationship as required by the USPAP. In those instances where the Forest Service conducts the appraisal review, and the Regional Appraiser determines the use of a Collection Agreement is impractical, the Forest Service must be identified as the Client, and the Third Party must be identified as the Intended User, as appropriate. Inform all parties that the appraisal may only be shared with the Client and Intended User after the appraisal report is reviewed and approved for agency use. Appraisal assignments for State and Private Forestry grant programs must reference section 73 of this chapter.
 - 4. Appraisal reports must be approved for agency use by a Forest Service Review Appraiser before being utilized for their intended use by the agency.
 - 5. Appraisal reports must not be distributed within the agency or to the Third-Party Intended User, regardless of who pays for the appraisal, until reviewed and approved for agency use. The unauthorized release of an appraisal report prior to completion of review will invalidate its use in supporting an agency action.
 - 6. Special use permit (SUP) fees must reflect market value as determined by appraisal, fee schedules, competitive bidding, or other sound business management practices. Appraisals prepared for SUP fee determination must, at a minimum, meet the current requirements of USPAP.

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7. Unsolicited appraisal reports must be returned to the sender without review, except under extenuating circumstances, as outlined in section 72 of this chapter.
8. Only the Appraiser of record may be authorized to prepare a supplement to the approved appraisal report and only the Review Appraiser of record may be authorized to amend or supplement the original review report unless otherwise authorized by the Regional Appraiser.
9. Preliminary opinions of value are inappropriate for Forest Service appraisals. Consultation services such as market surveys may be appropriate when the purpose of an assignment is to help define the scope or feasibility of a real property transaction, develop a schedule for special use fees, or to recommend a sale price in a competitive property disposition.
10. For acquisition by sale or donation, the agency may determine that an appraisal may be waived if the valuation assignment is noncontroversial, uncomplicated, and the completion of an appraisal waiver will expedite case processing. Except for donations, the Forest Service may use the appraisal waiver authority based on a review of available market data for sales of property estimated at \$25,000 or less, consistent with 49 CFR 24.102(c)(2). The authority to conduct an appraisal waiver must be limited to properly trained Forest Service Realty Specialists as determined by the Regional Appraiser. The evaluations of qualifications will be based on documented training and experience, and result in a written delegation of authority by the Regional Appraiser to the properly trained Forest Service Realty Specialist to perform appraisal waiver valuations. Staff Appraisers and Contract (Fee) Appraisers may not prepare a waiver valuation because it conflicts with the Standards. Pursuant to the Uniform Act and its implementing regulations, for acquisitions more than \$10,000 but less than \$25,000, the agency must offer the property owner the option of having the agency appraise the property. If the property owner elects to have the agency appraise the property, the agency must obtain an appraisal and disregard these waiver procedures (49 CFR 24.102(c)(2)(C)).
11. Using the criteria in 36 CFR 254.11, the agency may determine that a Statement of Approximately Equal Value for STA and FLEFA cases is appropriate when the Federal property market value is not more than \$150,000. The authority to determine this is limited to properly trained Forest Service realty specialists as determined by the Regional Appraiser. The minimum determination of qualifications will be issued in the form of a written delegation of authority from the Regional Appraiser to the properly trained Forest Service Realty Specialist and will be based on documented training and experience. Staff Appraisers and Contract (Fee) Appraisers may not prepare Statements of Approximately Equal Value due to conflicts with the Standards.
12. Forest Service appraisal review reports do not determine or report appraisal validity periods (also known as shelf life). Establishing the administrative validity period falls within the responsibility of the Forest Service Region or National Forest. An administrative validity period for an agency-approved appraisal must be based on market trends reflected in the subject appraisal and requires knowledge of the rate of value

change in the associated market. In determining the administrative validity period, the Region or National Forest may request assistance from Forest Service Valuation Services. The Region or National Forest must be mindful that when an appraisal or appraisals have been prepared substantially in advance of the transaction, the appraisal must be reviewed carefully and updated (if necessary) to reflect current market conditions in compliance with the guidance provided by UASFLA, Updating Appraisal Reports. If the approved appraisal report is the subject of litigation where a complaint has been filed against the United States in a court of competent jurisdiction, the Appraiser of record shall update valuation work products complying with instructions obtained from the Department of Justice.

Valuation work products used to establish fees for special use authorizations do not require expiration dates as they will be the basis for indexing fees until a new valuation work product is required.

Valuation work products completed under the authority of the Forest Legacy or Community Forest programs are not required to identify a timeframe within which the appraisal report is useable for the intended purpose (see sec. 73, below).

13. An original appraisal report must be obtained for each appraisal assignment. An appraisal report may contain multiple value opinions. In unusual cases, the Regional Appraiser, in consultation with the Chief Appraiser, may authorize more than one appraisal for each appraisal assignment.
14. Ensure that the same appraiser is used to appraise the Federal and non-Federal property in land exchange cases, unless waived in writing by the Regional Appraiser or the Chief Appraiser.
15. In no case will an appraisal report from an appraisal source that is unlicensed, under revocation, suspension, or rescission be acceptable as the basis of any agency action.
16. A Federal project area may be recognized and described in the written appraisal request only if the Forest Service can satisfy each of the following requirements:
 - a. authority for use of eminent domain to acquire non-Federal lands;
 - b. a defined project area boundary; and
 - c. the intent to acquire by all available means every identified outstanding non-Federal property interest within the project area boundary.

Zoning by local jurisdictions cannot independently designate a Federal project area. It is not the Appraiser's responsibility to determine if a particular property is in a project area. Whether a project area exists is a question of law in which the Appraiser must be instructed. The Office of the General Counsel must be consulted regarding this issue.

17. The electronic retention of official valuation service records must be maintained in accordance with FSM 6230 and FSH 6209.11, chapter 40, or successor document.
18. The release of valuation products must be conducted in accordance with 7 CFR 1.11, and the direction in FSM 6270, and section 74c of this chapter.

5410.72 – Third-Party Funded Valuation Assignments

A third-party funded valuation assignment is an assignment that is funded by an entity restricted to a land exchange proponent, State or local governmental or quasi-governmental entities, or a land conservation organization. Appraisal reports funded by a third-party entity are intended to assist all parties to the transaction in achieving an efficient process that is beneficial in meeting aggressive project milestones.

1. The policies outlined in section 5410.3 also apply to Third-Party Valuation Assignments. The advanced coordination of the valuation process between the Regional Appraiser (for Regional assignments) or the Chief Appraiser (for National assignments), the Washington Office/Regional Office lands staff, and the third party is critical in obtaining an acceptable valuation work product that meets the Standards and appraisal policy in this chapter.
2. To avoid impermissible augmentation of appropriated funds, the Forest Service may only accept third-party funded valuation work product for agency valuation assignments in accordance with USDA's gift acceptance authority (7 U.S.C. 2269) and Departmental Regulations regarding donations (DR 5200-3).
3. On rare occasions and under extenuating circumstances (for example, for assignments relating to public safety or national security), the Chief Appraiser for National assignments or the Regional Appraiser for assignments within a Region, may accept for review an unsolicited valuation work product that was not coordinated with the appraisal staff in the Forest Service, provided the following criteria are met.
 - a. The written request for review from the Authorized Officer includes a detailed explanation of the circumstances that caused the breach of policy and coordination protocol.
 - b. The request includes a written determination from the Authorized Officer (Forest Supervisor or Regional Forester) that the land action associated with the request comports with the Forest's or the Region's land planning and funding priorities.
 - c. The request includes an authorization signed by the Contract (Fee) Appraiser who prepared the report, the Client for the report, and the property owner in which Client and property owner release the Appraiser from the confidential appraiser-client relationship, and the Appraiser agrees to fully cooperate with the Forest Service appraisal staff in the review process.

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- d. Upon submission to the agency, the report becomes property of the United States, if approved. The report may only be accepted in accordance with USDA's gift acceptance regulations. If rejected, it must be returned to the Contract (Fee) Appraiser.

4. The Regional Appraiser and, when applicable, the Chief Appraiser, will advise the Authorized Officer who submitted the written request for review to inform the third party that the acceptance of the review assignment does not constitute approval. The technical review process must be identical to the standard process used in the review of valuation products and must adhere to proper coordination, policy stated in this chapter, guidelines provided in FSH 5409.12, and the Standards.

5410.73 – State and Private Forestry, Community Forest, and Open Space Conservation Program

Appraisal and appraisal review for the purpose of acquiring real property or interests in real property through the Forest Legacy Program using Federal funds must comply with UASFLA. At a minimum, appraisals and appraisal reviews must be conducted in accordance with the guidelines outlined in the most recent version of the Forest Legacy Program Implementation Guidelines (http://www.fs.fed.us/spf/coop/library/flp_guidelines.pdf), app. H, or successor document.

1. The Forest Legacy Program Implementation Guidelines require annual planning and coordination of appraisal work to allow for efficient allocation of resources.
2. States will ensure that qualified Appraisers (Staff or Contract) are trained and competent in appraisal, appraisal review and knowledgeable of Federal standards. States may use State, contract, or Federal appraisal and/or review services to meet this requirement.
3. States or the Forest Service will review Contract (Fee) Appraiser qualifications as stated in Forest Legacy Program Implementation Guidelines, app. H, or successor document, before they are employed to conduct a project appraisal or review.
4. In all instances, the Appraiser (Staff or Contract) and Review Appraiser (Staff or Contract) will engage in an initial consultation before the project appraisal takes place. The Review Appraiser will develop project specific appraisal instructions for the Appraiser as a result of the consultation.
5. The Forest Service will conduct spot checks of appraisal reviews to ensure quality and accuracy.
6. In the case of a Federal acquisition, the Forest Service is the Client as defined in section 5410.5. In the case of a State acquisition under the State grant option, the State is the entity implementing the Forest Legacy Program. For this reason, for appraisals involving Federal Financial Assistance grants to the State, both the Forest Service and the State lead agency for Forest Legacy will be the Client (as defined in sec. 5410.5).

Forest Legacy funds can only be used to purchase real property or interests in real property after the appraisal review confirms that the appraisal meets the UASFLA. An offer must not be made until the appraisal is reviewed and approved by the Forest Service.

Appraisal and appraisal review for the purpose of acquisition through the Community Forest and Open Space Conservation Program must comply with UASFLA. The Forest Service and the Community Forest eligible entity (as defined by the Community Forest and Open Space Conservation Program Final Rule at 36 CFR Part 230, Subpart A) will be the Client for appraisals involving Federal Financial Assistance grants under the authority of this program.

5410.74 – Release of Valuation Work Products

5410.74a – Internal Release of Appraisals

The assigned review appraiser shall, upon request, make copies of approved appraisal reports available to the local administrative unit responsible for negotiations or case processing. Internal transmission of approved appraisal reports and reviews must be documented in writing.

5410.74b – External Release of Appraisals

The Washington Office Lands Director, in consultation with the Chief Appraiser, has broad discretion to share agency approved appraisals with parties to the transaction who have a reciprocal business relationship with the Forest Service. Similarly, the Regional Lands Director, in consultation with the Regional Appraiser, has broad discretion to share agency approved appraisals with parties to the transaction who have a reciprocal business relationship with the Forest Service.

5410.74c – Release of Records under the Freedom of Information Act

The release of valuation products must be conducted in accordance with Title 7, Code of Federal Regulations, Subtitle A, Part 1, Subpart A, and the direction in FSM 6270.42.

1. The Chief Appraiser has custody of valuation work products for the Washington Office and the Regional Appraiser has custody of valuation work products for the Regional Office.
2. The Washington Office Director of Lands is responsible for approving the release of appraisal reports or appraisal information for the Washington Office in response to written requests under the FOIA. The Washington Office Director of Lands shall consider the Privacy Act, the confidentiality of business information in accordance with 7 CFR 1.11, and the recommendation of the Chief Appraiser in coordination with the Washington Office FOIA Coordinator. Responses that include redacted information may only be released by the Chief, Associate Chief, or their delegated acting official. Internal, pre-decisional, and deliberative information may be withheld under FOIA exemption 5.

Completed, signed appraisal review reports, appraisal consulting reports, and other valuation work products that have been accepted for agency use by an Authorized

Officer and that are part of the official record may be released by the Washington Office, in whole or in part, after review by the Chief Appraiser.

3. The Regional Office Director of Lands, or equivalent official, is responsible for approving the release of appraisal reports or appraisal information for field units in response to written requests under FOIA. The Regional Office Director of Lands shall consider the Privacy Act, the confidentiality of business information in accordance with 7 CFR 1.11, and the recommendation of the Regional Appraiser in coordination with the Regional FOIA Coordinator before approving the release of appraisal reports or appraisal information. Responses that include redacted information may only be released by the Regional Forester. Internal, pre-decisional, and deliberative information may be withheld under exemption 5.

Completed, signed appraisal review reports, appraisal consulting reports, and other valuation products that have been accepted for agency use by an Authorized Officer and are part of the official agency record may be released by the Regional Director of Lands or equivalent official, in whole or in part, after review by the Regional Appraiser.

4. Unapproved, incomplete, or rejected valuation work products and work products not accepted for agency use by an Authorized Officer that are not part of the official record must be withheld under FOIA exemption 5 as pre-decisional documents.

5410.74d – Release of Appraisals by Judicial or Administrative Proceedings

When the United States is a party to judicial or administrative proceedings resulting in a subpoena, refer all subpoenas for appraisals or appraisal information to the Office of the General Counsel. Submit the subpoena with a transmittal letter for signature by the Washington Office, Director of Lands and Realty Management with a recommendation from the Chief Appraiser for Washington Office cases, and the Regional Appraiser for Regional cases. Describe the potential effect, if any, release of the information will have on the agency's programs.

If the United States is not a party to the action that precipitated the subpoena, process the subpoena as a request for records under FOIA and consult the Regional Director of Lands and the appropriate Office of the General Counsel (7 CFR 1.215).

If an appraiser is required to testify on behalf of the Forest Service or another Federal agency, the Appraiser shall coordinate with the Director of Lands and the Office of the General Counsel, and shall have legal representation from the Office of the General Counsel and/or Department of Justice as appropriate.

5410.8 – References

1. The Appraisal Foundation, Uniform Standards of Professional Appraisal Practice. Washington, DC, current edition.

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2. Interagency Land Acquisition Conference, Uniform Appraisal Standards for Federal Land Acquisitions, Washington, DC; Interagency Land Acquisition Conference, current edition.
3. Chief Appraiser, Lands and Realty Management Staff, Washington Office, USDA Forest Service, National Directory of Forest Service Appraisers, current edition.
4. Appraisal Institute, Dictionary of Real Estate Appraisal, Chicago, Illinois: Appraisal Institute, current edition.
5. Forest Legacy Program Implementation Guidelines as amended, USDA Forest Service, State and Private, and Cooperative Forestry, current edition.