

THE STATE OF SOUTH CAROLINA
IN THE COURT OF APPEALS

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SC Court of Appeals

APPEAL FROM BEAUFORT COUNTY
Court of Common Pleas

The Honorable Carmen T. Mullen, Circuit Court Judge
Circuit Court Case No. 2022-CP-07-01978

Appellate Case No. 2025-000615

Broad Creek Development, LLC,

Appellant,

v.

Beaufort County,

Respondent.

**RECORD ON APPEAL
VOLUME 3 (Pages 738-1030)**

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IN THE COURT OF COMMON PLEAS
FOR THE STATE OF SOUTH CAROLINA
BEAUFORT COUNTY

DEPOSITION OF ANTHONY MARTIN, MAI

TMS: R552 010 000 0648 0000
R552 010 000 0649 0000

BROAD CREEK DEVELOPMENT, LLC,

Plaintiff/Landowner,

vs. Case No. 2022-CP-07-01978

BEAUFORT COUNTY,

Defendant/Condemnor.

DEPONENT: ANTHONY MARTIN, MAI

DATE: August 9, 2023

TIME: 10:09 a.m.

LOCATION: VIA VIDEOCONFERENCE

REPORTED BY: PAULA MAXWELL

CLARK BOLEN

Charleston, SC 29412

843-762-6294

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A P P E A R A N C E S

(All appearances via videoconference)

ON BEHALF OF PLAINTIFF/LANDOWNER:

BYBEE & TIBBALS, LLC

BY: RICHARD D. BYBEE

735 Johnnie Dodds Boulevard

Suite 104

Mount Pleasant, SC 29464

ON BEHALF OF DEFENDANT/CONDEMNOR:

RESNICK & LOUIS, PA

BY: CHRISTOPHER L. MURPHY

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Charleston, SC 29492

ALSO PRESENT: Attorney Bruce Wallace

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ANTHONY MARTIN, MAI,

having been first duly sworn, was examined and
testified as follows:

MR. BYBEE: Madam Court Reporter,
you should have an exhibit being the Amended
Notice of Deposition. That will be Exhibit 70.
(Exhibit No. 70 marked for
identification.)

MR. BYBEE: Chris, you caught up on
all the exhibits?

MR. MURPHY: Yeah, we're fine.

MR. BYBEE: All right. Bruce, you
good?

MR. WALLACE: Yep.

EXAMINATION

BY MR. BYBEE:

Q. All right, Tony. I know you've been
through depositions before. I know you've given
me depositions, the last one about a year or so
ago. But I'm required by the rules to instruct
you on some provisions that I know you've heard
before, but we're going to have to go through
them again. All right, sir?

A. Okey doke.

Q. If you have any questions about my

Page 5

1 questions, direct your question to me, not to
 2 other counsel. Agreed?
 3 A. Yes.
 4 Q. If you answer questions, do so verbally,
 5 yeses, nos. I'll give you an opportunity to
 6 explain, but you cannot fall into colloquialisms
 7 or uh-huhs or nods of the head, that kind of
 8 thing. Do you understand?
 9 A. Yes.
 10 Q. If you need time to read a document,
 11 just tell me and we'll let you read the document.
 12 Is that agreed?
 13 A. Yes.
 14 Q. If you need to take a break during the
 15 course of the day, you just let us know, and that
 16 courtesy extends to everybody in this conference,
 17 okay?
 18 A. Yes.
 19 Q. Finally, the last instruction is that if
 20 you have an opportunity to take a break, you're
 21 not to communicate with counsel about the
 22 substance of your testimony while you're on that
 23 break, and if you engage in such discussions on
 24 that break, I'm entitled to inquire about those
 25 discussions. Do you understand that?

Page 6

1 A. Yes.
 2 Q. Good. In reviewing your file, I did not
 3 find an agreement as to testimony, an hourly
 4 charge as to testimony. Do you have any such
 5 agreement with Beaufort County?
 6 A. No. I don't have an agreement, but I
 7 assume I would bill you or Beaufort County.
 8 Q. I want you to bill me for this time.
 9 What would your rate be?
 10 A. I believe \$200 an hour.
 11 Q. Okay. I'm going to now focus on some
 12 qualifications, experience, and expertise. Can
 13 you tell us where you graduated from high school,
 14 please?
 15 A. Brookland-Cayce High School, West
 16 Columbia, Cayce, South Carolina.
 17 Q. What year?
 18 A. '83.
 19 Q. What did you do thereafter?
 20 A. Repeat that, Rick, please.
 21 Q. Did you go to school after you graduated
 22 high school?
 23 A. I did. I graduated from Winthrop
 24 University.
 25 Q. And what year?

Page 7

1 A. '88.
 2 Q. And what did you do thereafter very
 3 briefly?
 4 A. Very briefly, went to work for the
 5 Department of Transportation in their
 6 right-of-way -- South Carolina Department of
 7 Transportation in their right-of-way department,
 8 trained to be an appraiser, became a licensed
 9 appraiser.
 10 Eventually left DOT, went out into
 11 private practice as a real estate appraiser in
 12 the late '90s and have been working -- I worked
 13 briefly for about two years for Integra Realty in
 14 the early 2000s, and then have been on my own as
 15 a real estate appraiser for most of my career.
 16 Q. All right. When did you join the DOT as
 17 a right-of-way agent?
 18 A. '89 or '90, maybe. '90. I'm not sure.
 19 Q. And during the course of that
 20 employment, did they provide you training with
 21 respect to acquisition policies of the DOT?
 22 A. As a right-of-way agent?
 23 Q. Yes.
 24 A. Some training, yeah, I guess.
 25 Q. Okay. And eventually you became an

Page 8

1 appraiser within the DOT; is that correct?
 2 A. I did, yes.
 3 Q. And you became familiar with the DOT
 4 acquisition manual?
 5 A. I did, yes.
 6 Q. And you became familiar with the DOT
 7 appraisal manual?
 8 A. I did, yes.
 9 Q. And you became a licensed appraiser in
 10 what year?
 11 A. '93, I think.
 12 Q. And have you ever performed appraisal
 13 reviews for DOT projects?
 14 A. Yes, I have.
 15 Q. And would you agree with me that an
 16 appraisal review scope is a very limited one?
 17 You're just looking at logic, whether there's an
 18 absence of errors, and that the -- whatever
 19 conclusions are supported was for the adequate
 20 data; is that not correct?
 21 A. I would agree with that, yes.
 22 Q. Have you performed restricted appraisals
 23 or cost estimates during the course of your
 24 employment for the DOT?
 25 A. I have. During my employment or during

Page 9

1 my -- just like as an appraiser consultant or an
2 independent appraiser?

3 Q. Well, let's do them both. Did you do
4 that at the DOT itself?

5 A. I don't think I ever did when I was an
6 appraiser for DOT. I mean, it's a long time ago,
7 but I've done quite a few as an independent
8 appraiser.

9 Q. And those appraisal -- restricted
10 appraisals or cost estimates would have been
11 developed for entities that are authorized to
12 acquire a line by a condemning authority; is that
13 correct?

14 A. Say that again, Rick, the very end
15 there.

16 Q. The cost estimates or the appraisal --
17 restricted appraisals or the cost estimates, if I
18 understand your testimony, you would have been
19 employed by right-of-way agents or right-of-way
20 firms who are contracting with government to
21 acquire property?

22 A. I think usually those restricted cost
23 estimate, restricted appraisals, the client
24 listed is usually the condemning authority or the
25 acquiring authority, whether that be the County

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1 or DOT. That's my memory of all of those anyway.

2 I don't think I've ever really listed a
3 right-of-way negotiator company as the client.

4 Q. I see. So your contract would have been
5 with whatever entity that that right-of-way firm
6 was employed by?

7 A. Yeah. I mean, the right-of-way
8 negotiating firm may request it on behalf of the
9 County, and I don't really have a contract with
10 the County or DOT. But, you know, they're the
11 ones that are approving those tracts for either
12 offers for -- cost estimate offers, what they
13 used to call it, or, you know, below -- what do
14 they call it -- low-value offers or tracts that
15 would require an appraisal. So the restricted
16 report, formerly known as a cost estimate, is
17 usually addressed to the acquiring authority.

18 Q. Understood. You were licensed in what
19 year?

20 A. I think it was '93.

21 Q. And eventually you became an MAI?

22 A. I did, yes.

23 Q. Would you briefly summarize what
24 training and demonstrations you had to conduct in
25 order to become an MAI?

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1 A. Well, you have to take your license --
2 excuse me. Once you become licensed with the
3 State, you have to take more classes and more --
4 it requires more experience to become certified,
5 and in my case, I was a certified general, which
6 is a commercial certification.

7 And then from there, if you want to
8 become an MAI, which is a member -- actually, I
9 just learned that -- I don't even know what it
10 stands for. It's just MAI. Currently, it's not
11 a member of the Appraisal Institute.

12 But anyway, a member of the Appraisal
13 Institute is a -- one of the designations is an
14 MAI, and if you wish to become an MAI, you join
15 the institute as an associate member, and then
16 you take -- you can take anyone's classes up to
17 certified general.

18 But then after that, your MAI classes,
19 you have to take those through the institute.
20 And the best way I can describe it -- and I don't
21 mean it to sound equal to any kind of master's
22 degree or CPA designation for an accountant, but
23 that's kind of what it is.

24 It's a couple-year process to become
25 designated with the classes and the experience

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1 that they require. And then, you know, you just
2 essentially have a postgraduate degree in real
3 estate appraisal, which is your MAI designation.

4 Q. And in your -- your practice as an
5 appraiser, it's my understanding you do
6 commercial appraisals; is that correct?

7 A. Yes.

8 Q. You do eminent domain valuations; is
9 that correct?

10 A. Yes.

11 Q. You've been qualified as an expert in
12 the courts in South Carolina; is that correct?

13 A. Yes.

14 Q. On a number of occasions?

15 A. Yes.

16 Q. And you've testified in a number of
17 depositions concerning at least your eminent
18 domain appraisals and perhaps others; is that
19 correct?

20 A. Yes.

21 Q. And you were engaged in this matter to
22 conduct a commercial appraisal by Beaufort
23 County; is that correct?

24 A. Yes. Well, which one are we talking
25 about?

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1 Q. That's a fair question. We're starting
2 with Broad Creek.
3 A. With -- which one is that, Rick?
4 Q. Broad Creek.
5 A. Okay. The one on -- the one on Hilton
6 Head? The one on Hilton Head Island?
7 Q. The one on Hilton Head Island.
8 A. Okay.
9 Q. All right?
10 A. All right.
11 MR. BYBEE: Chris and Bruce, I
12 would propose that the testimony to this point be
13 used in both depositions, both Broad Creek and
14 Redfish, so that we don't have to repeat this
15 when we turn to the Redfish matter. Is that
16 acceptable to both of you?
17 MR. MURPHY: Yes, it is.
18 MR. WALLACE: Yes, it is.
19 MR. BYBEE: So, Madam Court
20 Reporter, you're going to have to incorporate
21 into the Redfish transcript this testimony to
22 this point and a little bit beyond. All right?
23 COURT REPORTER: All right.
24 MR. BYBEE: I would request, Chris,
25 if you could stipulate Mr. Martin is a qualified

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1 appraisal expert?
2 MR. MURPHY: Yeah. No problem with
3 that.
4 MR. BYBEE: And also stipulate that
5 he's qualified to provide testimony on government
6 acquisition and appraisal process and procedures
7 in South Carolina?
8 MR. MURPHY: Well, that's -- for
9 DOT or for -- I mean, that's a legal issue that I
10 don't think he's qualified to talk about.
11 MR. BYBEE: All right. That's your
12 position. We'll argue that later.
13 MR. MURPHY: Yep.
14 MR. BYBEE: All right. Madam Court
15 Reporter, we're now going to move into the
16 exhibits on Broad Creek, and you should have the
17 e-mail string -- I think it's labeled Item 2 on
18 your list. Do you see that?
19 COURT REPORTER: I do, yes.
20 MR. BYBEE: And what I would like
21 to do is take that e-mail string from the back of
22 the -- from the earliest date forward. Can you
23 display that for the witness, please?
24 (Exhibit No. 71 marked for
25 identification.)

Page 15

1 Q. Tony, can you see the e-mail of July 1,
2 2021, which is on the screen?
3 A. I can, yes.
4 Q. This is from Brittany Ward to yourself,
5 and she's asking you to -- or asking you -- or
6 telling you she's in need of an appraisal for two
7 commercial lots on Hilton Head Island, and I
8 represent to you that those are the TMS numbers
9 for Broad Creek Development. Do you agree with
10 that?
11 A. Yes, sir.
12 Q. Had you done work for Brittany Ward in
13 the past?
14 A. Prior to this appraisal?
15 Q. Yes.
16 A. I think I have. I'm not sure. This may
17 have been the first time she engaged me for --
18 I'm sure I have. I don't -- I've done a lot
19 since, quite a few since, but there may have only
20 been one or two prior to this, I think.
21 Q. Does the airport expansion in Hilton
22 Head ring a bell? Did you not do commercial
23 appraisals for --
24 A. I did a bunch for the Hilton Head
25 expansion, but I was never in conversation with

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1 Brittany. She didn't handle that. But I was
2 doing those with PAN, Incorporated. They were
3 doing the acquisitions, and I don't recall
4 Brittany's name on any of the communication.
5 Q. Okay. Do you know how she knew about
6 you to generate this e-mail?
7 A. Probably -- yeah, probably the work I
8 did with Beaufort County in the past.
9 Q. And your work in Beaufort County not
10 only included that airport expansion project but
11 also Boundary Street; is that correct?
12 A. Yes.
13 Q. And the Boston Parkway?
14 A. Yes.
15 MR. BYBEE: Okay. Madam Court
16 Reporter, if you go to the next e-mail in that
17 string.
18 Q. Tony, would you review the e-mail of
19 July 6, 2021, from yourself to Brittany Ward?
20 A. Is that a question? I didn't hear it.
21 Q. Would you review that e-mail and let me
22 know when you're ready to answer questions
23 concerning it?
24 A. I'm ready.
25 Q. All right. When you told her that you

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1 appraised the parcel as a surplus property,
2 parcel for the DOT, would you explain that
3 process, please?

4 A. DOT has parcels that they often obtain
5 title to that are left over from road projects.
6 A lot of times, these are remnant parcels that
7 the owner has a right to either take the offer
8 that DOT gives them for the remnant and sell it
9 to DOT or they can take the damages that are
10 offered to the property and retain ownership.
11 And so I guess the ones that are sold to DOT,
12 they end up in their surplus property.

13 How this one came to be owned by DOT, I
14 don't know. But it may have been part of that
15 bridge project. I can't recall the name of that
16 bridge, but it's right beside the bridge. And I
17 was engaged by the chief appraiser back in maybe
18 2012 to appraise the land for DOT as I assume
19 they were putting it up for sale.

20 Q. Very good. And the chief appraiser at
21 that time was whom? Do you remember?

22 A. I think it was Rick Callahan.

23 Q. The third sentence in the first
24 paragraph indicates that you thought this would
25 be a tough appraisal. Would you explain why?

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1 A. Because you're appraising property on an
2 island, and the property is a commercial acreage
3 tract. And given the age of Hilton Head, there's
4 just not a lot of those type of properties that
5 are going to be found that have sold recently.

6 So trying to find comps, I just know it
7 would be a bit difficult, and what comps, you
8 know, that might be found might require some
9 adjustment that, you know, makes it just tougher
10 than appraising something that is along a densely
11 developed road with lots of resales of similar
12 properties.

13 So in that regard, it was just going to
14 be a lot tougher than a lot of commercial
15 appraisals would -- appraisals would be.

16 Q. And was that experience somewhat
17 informed by your prior work with the DOT surplus
18 property?

19 A. No, it really didn't have anything to do
20 with the fact that it was surplus property that
21 would make it a tough appraisal. It was just the
22 fact that it's, you know, however many acres this
23 was -- I forget. Almost 5 acres of waterfront on
24 an island. There's just not a lot of resales.

25 Q. Okay. The last part of this e-mail

Page 19

1 indicates a fee. Apparently at this point you
2 were thinking about doing two different reports;
3 is that correct?

4 A. Yes.

5 Q. And so the fee for the waterfront parcel
6 was \$3,500; is that correct?

7 A. Yes.

8 Q. And the fee for the landward side parcel
9 is \$1,500, correct?

10 A. Yes.

11 Q. For a total of \$5,000?

12 A. Yes.

13 Q. And you were proposing to turn the
14 report around in four weeks?

15 A. Yes.

16 MR. BYBEE: All right. Madam Court
17 Reporter, would you go to the next e-mail in the
18 chain, please?

19 Q. Ms. Ward responds to your proposal by
20 telling you that she's got an approval for the
21 expenses. Did you actually have a telephone
22 conversation with her, or did you just
23 communicate with her by e-mail at this point?

24 A. We've spoken by phone and e-mail, so I
25 don't -- but I mean, I don't know what -- phone

Page 20

1 conversation with regard to what, Rick? What do
2 you mean?

3 Q. At this point, this is July 9, 2021. Do
4 you recall any phone calls relevant to your
5 engagement process with Brittany Ward?

6 A. Not for this, no.

7 Q. All right. She's indicated that she has
8 approval for your fee quote and requests that you
9 get it done quicker, and she's also telling you
10 that she's trying to line up some projects and
11 that the projects are dependent on those
12 appraisals. Did you inquire as to what kind of
13 projects she was talking about?

14 A. No, I didn't. I don't know what those
15 are.

16 MR. BYBEE: Madam Court Reporter,
17 if you would move on to the next e-mail in this
18 string.

19 Q. All right. Tony, we now have displayed
20 an e-mail of July 9, 2021. This is from you to
21 Brittany. And just to quickly summarize -- and
22 if you need to read it, go ahead.

23 A. Okay.

24 Q. But what I'm seeing here is that you're
25 providing her with a list of appraisers. Can you

Page 21

1 tell me what caused you to provide Ms. Ward a
2 list of appraisers?
3 A. So I believe this e-mail -- I can't
4 scroll, but this e-mail would have been prior to
5 the one where I provided fees, I believe. I was
6 trying not to do this appraisal for Brittany, so
7 I told her I wouldn't be able to get to it. And
8 that may have been a phone call. I don't recall.
9 But -- so she said, Would you send me some names
10 of appraisers that might be able to do the
11 appraisal? So that's what I did.

12 And then at some point, she said that
13 she couldn't get a reply maybe from a couple and
14 that one was not going to be able to get to it
15 very soon, so she reached back out to me asking
16 me to do the appraisal.

17 Q. Okay. Let me ask the court reporter to
18 scroll back down to the prior e-mail.

19 Looking at the prior e-mail from
20 Brittany Ward, it was July 9, 2021, at
21 10:00 a.m., correct?

22 A. Yeah, it looks like it.

23 MR. BYBEE: All right. Scroll back
24 up, Madam Court Reporter, please.

25 A. I see that, yeah. It looks like that

Page 22

1 was after, but I don't recall it that way. I
2 don't know how that came to be that way, but
3 maybe we had a phone call. But my memory is
4 that, you know, I couldn't get to it, so I was
5 giving her some names and then she reached back
6 out to me again --

7 Q. Okay. Let's be clear here. The second
8 e-mail from you to Brittany Ward is 15 minutes
9 later --

10 A. Yeah.

11 Q. -- after her e-mail.

12 A. Yeah.

13 Q. Does that jog your memory as to whether
14 or not you actually spoke to Brittany Ward in the
15 interim period?

16 A. I mean, it seems like we must've had a
17 phone conversation, but I don't recall it.

18 Q. Okay. But the end result, the phone
19 conversation was that you then gave her
20 additional appraisers' names; is that not
21 correct?

22 A. Yes, I did.

23 Q. And do you recall discussing with
24 Ms. Ward at any point the need or the idea that,
25 because of the value of the subject property,

Page 23

1 that you thought it would be a good idea to get
2 two appraisers?

3 A. Yeah, I think I did do that. I think I
4 did recommend that to her.

5 Q. All right. Now that you've reflected a
6 little more, is it more than likely that that
7 conversation -- that oral, verbal conversation
8 occurred by phone in between these two e-mails
9 we're focused on today?

10 A. That makes sense, Rick. I think you're
11 right.

12 Q. And what caused you to suggest getting
13 an additional appraiser?

14 A. The fact, as we discussed earlier, that
15 the property is unique, and given the limited
16 data, there could be a wide range of value, and
17 it might be best for her to get another appraiser
18 opinion so she could weigh the two appraisals --
19 or maybe -- I think I may have even suggested a
20 third. But just the more, the better to get a
21 better idea of what Beaufort County may want to
22 pay for the property.

23 Q. Do you remember the numbers that you
24 came up with for the DOT appraisals as far as --

25 A. The value?

Page 24

1 Q. -- the surplus numbers?

2 A. The value from 2012?

3 Q. Yes.

4 A. I mean, I don't recall. It's --

5 Q. Didn't it exceed a million dollars?

6 A. Yeah, was that in the documents, Rick?
7 I don't -- I don't -- I'll have to look, so if
8 you've got it -- but --

9 Q. Well, let's save that thought for later.

10 A. Okay.

11 Q. But let's assume for the purpose of my
12 question they exceeded a million dollars.

13 A. Okay.

14 Q. By your prior work, you thought that
15 they had substantive value, correct?

16 A. Yes.

17 Q. And the policy, at least in the DOT, is
18 if it exceeds a certain amount, that you can get
19 a second appraiser for the same parcels that
20 you're about to appraise; is that not correct?

21 A. I believe DOT's policy is for a taking,
22 for an acquisition, if the value -- yeah, if the
23 value of the acquisition is over -- I believe
24 it's \$500,000, they have to order a second
25 appraisal.

Page 25

1 Q. Okay.

2 A. But this wouldn't be the case for that.

3 This was just simply them selling a surplus
4 property.

5 Q. Thank you. I understand. But my point
6 to you is, is that the value, as you understood
7 it, your prior experience with the property,
8 would have suggested that because of that value,
9 that it would be prudent to obtain a second
10 appraisal. Is that not a fair summary of what
11 transpired?

12 A. Yeah, I think it was more to the fact of
13 how unique the property is because it's just --
14 you know, if you've got a neighborhood where all
15 the houses are very similar, there's not a lot of
16 room for -- there's not going to be a very wide
17 range of value because it's pretty evident what
18 the value would be.

19 When you have something this unique with
20 such limited data, there could be somewhat of a
21 wide range of value. So it had less to do with
22 the value, even though it is high, and more to do
23 with the fact you could have a wide range of
24 value.

25 Q. Okay. So that was the basis for your

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1 recommendation on this commercial appraisal set?

2 A. Yes.

3 Q. Thank you. Madam Court Reporter, I'm
4 finished with that e-mail string. If you can
5 proceed to the next one. I think you have it on
6 your list as Number 3. We're going to mark this
7 one as -- excuse me, this one is already marked.
8 It's Exhibit 25.

9 All right, Tony. Can you see the
10 screen, the e-mail string that's been marked as
11 Exhibit 25?

12 A. I do, yes.

13 MR. BYBEE: And, Madam Court
14 Reporter, I think you've got it all in front of
15 you.

16 So the first string that I -- or the
17 first e-mail I'm asking about, Tony, is dated
18 August 15, 2021, at 3:01 p.m. And you're
19 informing her that you're working on completing
20 these appraisals, and you are asking if you could
21 contact the owner or if she prefers that you
22 don't do it. Is that a fair summary of that
23 e-mail?

24 A. Yes.

25 Q. Why would you want to contact the owner?

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1 A. Just with any commercial appraisal, it's
2 always good to know as much about a property as
3 you can when you're appraising it. So just
4 wanted to have a general conversation with the
5 owner to discuss his possible plans, anything he
6 found out about the property, anything he could
7 tell me to help me value the property.

8 Q. Okay. So if he had development plans,
9 that would be of interest to you, correct?

10 A. Yes.

11 Q. If he had communications with the zoning
12 authority, that would be of interest to you,
13 correct?

14 A. Yes.

15 Q. If he had communications with regulatory
16 authorities such as OCRM or dock permits, that
17 kind of thing, that would have been of interest
18 to you, correct?

19 A. Yes.

20 Q. Were you ultimately provided permission
21 to contact the owner?

22 A. I don't recall. I don't know if I
23 reached out. I'm curious what the e-mail says
24 above it. I don't know. I don't recall
25 actually.

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1 Q. All right. So you -- to your

2 recollection, you can't recall contacting the
3 owner?

4 A. I do not recall.

5 Q. And you have no recollection, at least
6 to this point, as to why you didn't contact the
7 owner, correct?

8 A. I do not.

9 Q. And, you know, just to contrast the
10 difference between a commercial and an eminent
11 domain appraisal, in an eminent domain appraisal,
12 you would have been required to contact the
13 owner; is that not correct?

14 A. If federal funds are involved, you are
15 required, yes.

16 Q. And you have to do that by certified
17 letter, do you not?

18 A. For DOT you do, yes.

19 Q. Yeah. Somebody has to, correct?

20 A. Yes.

21 MR. BYBEE: All right. So Madam
22 Court Reporter, if you'd scroll up to the next
23 e-mail, please.

24 Q. Tony, look at Brittany Ward's e-mail to
25 you, Sunday, August 15, 2021, at 8:54 p.m., and

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1 review that, please.

2 A. I did. I see it, yes.

3 Q. Does that refresh your recollection as
4 to whether or not you were given permission to
5 contact --

6 A. I mean, I don't recall if I -- I'm still
7 curious what the next e-mail says because I don't
8 recall.

9 MR. BYBEE: Madam Court Reporter,
10 if you'd move through that string, please.

11 Q. All right. Now, this response is Sunday
12 night, again, August 15, 2021, 9:26 p.m., and
13 you're explaining to Brittany what it was that
14 you wanted to talk to the owner about, correct?

15 A. Yes.

16 Q. And we've already gone over that,
17 correct?

18 A. Yes.

19 MR. BYBEE: All right. So then,
20 Madam Court Reporter, if you would next go to
21 what has been labeled Number 4, and we're going
22 to mark this as Exhibit 72.

23 (Exhibit No. 72 marked for
24 identification.)

25 Q. All right. So, Tony, the first e-mail

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1 in this string is August 15, 2021, at 3:01 in the
2 afternoon. And you had indicated by this e-mail
3 that you were working on completing the
4 appraisals; is that correct?

5 A. Yes.

6 Q. And this is, again, the same e-mail
7 where you were asking to contact the owner,
8 correct?

9 A. Yes.

10 MR. BYBEE: Madam Court Reporter,
11 if you would move to the next e-mail.

12 Q. This is, again, the same thing with
13 respect to Ms. Ward informing you she'd have to
14 defer to the administrator. Do you know who the
15 administrator was at --

16 A. I do not. I do not.

17 Q. Have you ever talked to the Beaufort
18 County administrator in the course of this
19 appraisal assignment?

20 A. No. I don't recall because I think I
21 just wrote an article and he got removed, and I
22 don't think I remember ever speaking to that
23 person.

24 Q. Yeah. His name was Eric Greenway.

25 A. Yeah.

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1 Q. Do you recall ever talking to him
2 about --

3 A. I do not.

4 Q. -- this appraisal assignment?

5 A. No, I don't.

6 Q. All right. Next e-mail up, please.

7 And this one, again, is an explanation
8 of why you wanted to request permission.

9 MR. BYBEE: So let's move up one
10 more, Madam Court Reporter.

11 Q. This e-mail, she's indicating to you
12 that she needs the appraisal by the end of the
13 day and that she had received the second
14 appraisal that you suggested we obtain, and that
15 the administrator -- that would be
16 Mr. Greenway -- plans to discuss this project
17 with County Council on Monday, and she's just
18 trying to get your timing down.

19 Is that a fair summary of this exchange?

20 A. Yes.

21 Q. And, again, to this point -- now, this
22 is fast-forwarding a bit here. You don't recall
23 ever getting a response from Ms. Ward as to
24 whether or not you had permission to contact the
25 owner?

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1 A. I do not.

2 Q. But you never contacted the owner; is
3 that not correct?

4 A. It doesn't appear I did. Yes.

5 Q. You've got no notes to that effect,
6 correct?

7 A. I don't.

8 Q. I didn't see any in your files. You
9 typically would take notes of such a meeting,
10 would you not?

11 A. I would, yes.

12 MR. BYBEE: And then, Madam Court
13 Reporter, if you scroll up to the last e-mail in
14 this string.

15 Q. Go ahead and review that, Tony. Tell me
16 when you're ready.

17 A. Okay. I'm ready.

18 Q. So this e-mail is Friday, August 20,
19 2021, at 7:30 in the morning. Your deadline for
20 submitting the appraisal so that they could have
21 a conference between Mr. Greenway and County
22 Council was the following Monday, and you were
23 having some health issues or a COVID shot
24 reaction; is that correct?

25 A. Apparently, yes.

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1 Q. And -- but you intended to complete the
2 report before you and your family were leaving on
3 vacation. Is that a fair summary?

4 A. Yes.

5 Q. And then in the next paragraph, you tell
6 her that instead of doing two separate reports,
7 you have placed both values in one report and
8 then a value of them as combined so that there
9 would be three values in your report. Is that a
10 fair summary?

11 A. Yes.

12 Q. And that's, in fact, what you did when
13 you ultimately issued the report, correct?

14 A. Yes.

15 Q. You also tell her that you're going to
16 call her that Friday morning to discuss and make
17 sure that works for the County. Did you do --
18 did you engage Ms. Ward in that conversation, a
19 telephone conversation?

20 A. I don't recall.

21 Q. The last part of the e-mail, you say, I
22 think it's better than two values alone, but
23 maybe I'm not clear on what the County needs.

24 Had you been given any information about
25 what purpose the County was to make of its

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1 appraisals, its commercial appraisals it was --

2 A. No. My understanding was the County was
3 just looking to make an offer to buy these
4 properties.

5 Q. Okay. And then you indicate to her that
6 you're going to reduce the fee because you're
7 going to be giving one report and that you
8 apparently were a little behind in delivery on
9 the report. Is that fair?

10 A. Yes.

11 MR. BYBEE: Madam Court Reporter,
12 we can move to the next exhibit.

13 Q. The next one on your list is Exhibit 5.
14 Is that the appraisal itself?

15 A. Yes.

16 Q. So the appraisal we're going to mark as
17 Exhibit 73.

18 (Exhibit No. 73 marked for
19 identification.)

20 Q. Tony, do you have your hard copy of your
21 appraisal in front of you, or are you just going
22 to scroll with --

23 A. I have both. I mean, I can scroll with
24 you. I have a hard copy here.

25 Q. Okay. Hang on a minute, Tony.

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1 All right, sir. The cover sheet for
2 this appraisal reflects a date of value and a
3 date of report. Could you explain for the record
4 what the difference between those two dates are?

5 A. The date of the value was the day I
6 visited the property for inspection, and the date
7 of the report is the date the report was signed,
8 finalized, and completed.

9 Q. So on August 9, 2021, you actually went
10 to the site; is that correct?

11 A. August 9th of 2021, yes.

12 Q. And there are photographs contained in
13 your report. Can I assume that you took those
14 photographs on August 9, 2021?

15 A. Yes. Yes.

16 Q. Now, would you agree with me that a
17 valuation on August 9, 2021, would need an update
18 if it was going to reflect a true date of
19 valuation of September 15, 2022?

20 A. Like, in other words, if there's a date
21 of filing a condemnation on September 15, 2022?

22 Q. Yes.

23 A. Yes -- yes, you would -- my
24 understanding, legally, there would need to be a
25 value as of the date of filing the condemnation.

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1 Q. Okay. And scrolling through your
2 report, on the second page of the letter, the
3 numbers reflect two different estimates of value,
4 one for the 3.134-acre waterfront parcel at
5 \$2,700,000, correct?

6 A. Yes.

7 Q. And then the other is for 1.845 acre,
8 which you label as the rear or interior parcel,
9 of \$960,000?

10 A. Yes.

11 Q. And so for the total estimate, you have
12 estimated \$3,400,000; is that correct?

13 A. Hang on one second, Rick.

14 Q. Yep.

15 A. Yes. That's as a total -- as a one
16 property -- the total acreage as one unit.
17 4.979 acres would be 3.4 million. Separately --
18 yeah, it's two separate parcels. The value, if
19 you add the two together, is slightly higher than
20 3.4 million.

21 But as stated later in the report,
22 there's a discount for the rear property as it
23 was my opinion that a buyer would primarily be
24 interested in developing the waterfront property,
25 and given the buyer's needs as developer, he

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1 would be more likely to sell the rear property to
2 an owner user for maybe an office development or
3 something like that.

4 So there would have to be a discount
5 applied to the rear parcel because typically an
6 investor doesn't pay what they hope to sell a
7 property for, so that's why the two numbers don't
8 add up to 3.4 million.

9 Q. Yes, sir. They add up -- if you add up
10 the 3.134 acre and the 1.845 acre, it comes to
11 \$3,660,000, correct?

12 A. Yes.

13 Q. And if this were a condemnation
14 appraisal and the authority -- condemning
15 authority had given you two tracts, you would
16 have actually done two appraisals, correct?

17 A. Yes, I would have.

18 Q. And in your experience thereafter once
19 they had approved appraisals, then a right-of-way
20 agent would offer two different offers for the
21 two different tracts; is that not correct?

22 A. Yes.

23 Q. Okay.

24 A. Of course you know this, but I mean, if
25 for some reason the two parcels could be

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1 combined, they had obviously similar ownership,
2 which they do similar use, similar highest and
3 best use and all that, you could combine them
4 into one appraisal and one offer. But typically
5 right-of-way companies like to bill for a lot of
6 individual tracts, so keeping them separate
7 allows people to make more money.

8 Q. Okay.

9 A. Just the way the business works.

10 Q. Understood.

11 A. And usually that -- also, that gives
12 landowners more money because smaller properties,
13 individual lots, those are going to be more
14 values in acquisition dollars than if you combine
15 them, so it works out better for everybody.

16 Q. But, again, in an eminent domain
17 appraisal, you would have the concept of a larger
18 parcel to wrestle with in your report, correct?

19 A. Yes. You would have, yes.

20 Q. And that analysis never got done in this
21 report, did it?

22 A. The larger parcel?

23 Q. Yes.

24 A. I'm kind of doing that, if I understand
25 what you're asking, because what I've done is

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1 I've presented as two separate parcels -- I've
2 given each parcel a value as a standalone parcel,
3 and then if I were going to do the larger parcel
4 as a combined 4.979-acre total parcel, I
5 presented that value as well.

6 Q. Okay. Did you ever talk to Ms. Ward
7 about doing a condemnation appraisal at this
8 point?

9 A. I didn't know that they were going to
10 end up in a condemnation for this tract. I
11 thought they were just -- maybe they had an
12 agreement with the owner to buy the land and, you
13 know, they just needed an appraisal to kind of
14 support what they might be paying. I had no idea
15 that this was an adverse acquisition.

16 Q. Okay. That's what I thought.

17 All right. So you were focusing on a
18 voluntary acquisition, correct?

19 A. Well, it doesn't -- the appraisal would
20 have -- the opinion of value would have been the
21 same. It just was, you know, surprising when I
22 got, you know, a subpoena from you for this
23 because I didn't know that it was in
24 condemnation.

25 Usually, as you mentioned earlier, there

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1 would be a request of doing the appraisal and all
2 of that, so it was just -- I didn't know that
3 this was not a voluntary sale by the owner.

4 Q. Okay. But your point is taken. If they
5 were going to use this appraisal as a basis for a
6 condemnation offer, they needed to update the
7 appraisal, correct?

8 A. Yeah, that would be -- that's how I've
9 always understood it to -- you know, what would
10 be required.

11 Q. Okay. Let's go to page 8. There is a
12 term called extraordinary assumptions and
13 limiting conditions. Could you explain what an
14 extraordinary assumption is?

15 A. Extraordinary assumption is an unknown
16 about a property that an appraiser can assume is
17 the case. I'm trying to think of an example.

18 Let's say that, you know, an appraiser is
19 appraising a house but can't go in the house, so
20 he may make an assumption that the interior of
21 the house is in overall good or average condition
22 and then go from there and finish the appraisal.
23 But that's an assumption because the appraiser
24 knows that the house has an interior, but he
25 doesn't know what kind of condition it is.

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1 There's also something called a
2 hypothetical condition, which is when you know
3 something is not the case but the client has
4 asked you to appraise the property with a certain
5 condition in place.

6 So let's stay in that same example.
7 There is a lot that an appraiser is appraising,
8 but there is no house on it but the client asked
9 to appraise the lot as if there is a particular
10 type house and the appraiser would be given plans
11 for that house, that would be a hypothetical
12 condition that that house actually exists on the
13 property.

14 So those are the extraordinary
15 assumption/hypothetical conditions that are part
16 of an appraisal or can be part of an appraisal.

17 Q. Is there another example of a limiting
18 condition except -- aside from a hypothetical
19 condition that you just described?

20 A. Limiting condition example? I can't
21 think of one right now. I'm actually not even
22 sure how to define that.

23 Q. Okay. If this report were done for
24 condemnation purposes, you would have had some
25 kind of assumption with respect to before and

Page 42

1 after conditions; is that not correct?

2 A. I would have had an assumption? Oh.
3 Oh. You mean for condemnation. Yeah.

4 MR. MURPHY: Object to the form.

5 Q. Go ahead and answer, please.

6 A. Yeah. For this appraisal, there is no
7 after. I mean, there is -- it's just the date of
8 value is the date -- what the land is worth as of
9 that date of value.

10 Q. I mean, let me rephrase the question,
11 Tony.

12 A. Okay.

13 Q. If you were asked to update this
14 appraisal where you were informed it was going to
15 be used for a condemnation, your hypothetical
16 condition or extraordinary assumption would have
17 been the before and after condition of the
18 property, correct?

19 MR. MURPHY: Same objection.

20 Q. Tony?

21 MR. BYBEE: Gentlemen, why don't we
22 take a break in the moment while Tony gets back
23 on board, and we'll resume in about five. Is
24 that fine?

25 MR. MURPHY: Tony is trying to log

1 back in now.

2 MR. BYBEE: That's fine. Let's
3 take a break. We'll get the witness back on.

4 MR. MURPHY: Okay.

5 (A recess was held.)

6 (Question read back.)

7 A. Yeah, I got that question, Rick. And so
8 my understanding of your question -- I think
9 you're referring to in an eminent domain where
10 there's a partial taking, so there would be a --
11 when you have an eminent domain appraisal with a
12 partial taking, the appraisal should make a
13 hypothetical condition for the after value that
14 the property is in the condition that it will be
15 in in the after situation, which is whatever the
16 purpose of that taking was, which could be the
17 construction of a road or installation of a sewer
18 main or something like that, that the value, even
19 though that doesn't exist, the new road or the
20 sewer or whatever, that value in the after would
21 make the hypothetical -- would be based on the
22 hypothetical condition that that project has been
23 completed and the property is in the condition it
24 would be in once the project is completed.

25 With this case, there is no project, so

Page 44

1 I don't know that there needs to be a
2 hypothetical condition for an after value because
3 there isn't really an after value. It's just the
4 value of the property as it is.

5 Q. And by this case, you mean as far as
6 your appraisal was concerned as it sat at the
7 time you submitted it, you were not aware of a
8 project?

9 A. No. I'm not aware of any project.

10 Q. And you would agree, however, that a
11 year-old appraisal -- more than a year-old
12 appraisal would be stale for condemnation
13 purposes, would you not?

14 A. I would say that it depends on the
15 market whether or not there's -- the value is
16 changing over a period of time, but my
17 understanding just legally, it has to have a date
18 of value that reflects the date of filing the
19 condemnation.

20 Q. But notwithstanding whatever the legal
21 problem is, if you had a year-old appraisal and
22 you wanted to provide an updated estimate as of a
23 year and a month later, your ethics, your
24 standards would require you to update that
25 appraisal, correct?

Page 45

1 A. If the client wanted a value as of that
 2 date, yes.
 3 Q. Okay. Let's go to page 9. Under the
 4 heading of, Intended Use/Purpose of Report, can
 5 you publish that phrase underneath that heading,
 6 please?
 7 A. Did you ask me to publish? What was
 8 that, Rick?
 9 Q. Yes. Read what you wrote.
 10 A. Oh. The intended use of the appraisal
 11 report is to provide valuation information to aid
 12 the client in the purchase of the subject
 13 property for a government agency.
 14 Q. And then consistent with your prior
 15 testimony, what you're referring to there is a
 16 voluntary purchase, correct?
 17 A. Yes. Yes.
 18 Q. Go to page 10, please. And, again, you
 19 are stating under that heading at the bottom of
 20 that page, the date of value is as of August 9,
 21 2021, correct?
 22 A. Yes.
 23 Q. Go to the scope of work at page 12,
 24 please. And in the second -- I'm going to call
 25 it bullet, it says, Made an inspection of the

Page 46

1 subject property.
 2 That's the same testimony you provided
 3 earlier that you did inspect this property
 4 on-site and took the photographs that are
 5 contained in your report on August 9, 2021,
 6 correct?
 7 A. Yes.
 8 Q. And then page 30, these are the
 9 photographs, page 30, 31, that you took relative
 10 to your inspection or at the same time of your
 11 inspection; is that correct?
 12 A. Yes.
 13 Q. And then at page 41, you have a land
 14 sales grid, correct?
 15 A. Yes.
 16 Q. Your approach in this appraisal was a
 17 sales comparison analysis only; is that not
 18 correct?
 19 A. That's correct.
 20 Q. Let's go to page 46, please. There is a
 21 reference or a heading called, Price Per Dwelling
 22 Unit. Could you describe what you're doing and
 23 explaining in that phraseology, please?
 24 A. I'm getting -- trying to get an
 25 alternate method of making an adjustment or I

Page 47

1 should say a valuation based on dwelling units.
 2 And so developers for multi-family don't pay a
 3 lot of attention in areas that have very
 4 restricted zoning. They'll pay a lot of
 5 attention to the density of development that is
 6 allowed on a piece of property because the more
 7 units that can be put on a property, typically
 8 the greater value that property will have because
 9 the developer can, you know, make more money
 10 because they can sell more units, and that's all
 11 I'm trying to do there.
 12 Q. You came up with a number of 50 dwelling
 13 units at the subject?
 14 A. Yes.
 15 Q. How did you estimate 50 units?
 16 A. Let me see here. Hang on one second,
 17 Rick. We're working with our Internet provider.
 18 My wife's on the phone with him. Let me put
 19 you-all on mute for a second. I'm trying to make
 20 sure we keep what we've got.
 21 Q. Okay.
 22 (A recess was held.)
 23 A. Okay. I'm back. Let me see if I can --
 24 the question is the dwelling units.
 25 Q. Do you need me to restate the question?

Page 48

1 A. No. I'm good. Thanks.
 2 Okay. The subject that I'm appraising
 3 in that -- that grid is 3.14 acres, and so on
 4 page 24, it says, Maximum density per net acre,
 5 residential, 16 dwelling units. So multiplying
 6 16 times 3.14, you get 50.24.
 7 Q. And you did not undertake that analysis
 8 with the smaller parcel?
 9 A. I believe the smaller parcel -- let me
 10 check, but that's being appraised as an office
 11 property, so there wasn't a multi-family scenario
 12 for that.
 13 Q. All right. And, again, you had no
 14 contact with the owner as to their intentions,
 15 correct?
 16 A. Apparently I did not.
 17 Q. And you had no contact with the zoning
 18 authorities as to whether they had been
 19 approached about densities on those two parcels?
 20 A. No. I don't recall doing that.
 21 Q. All right. And the calculation that you
 22 provided to me, I found nothing in your notes on
 23 that calculation. Is that typical?
 24 A. Yeah, that's -- that's why I sat here
 25 and made sure I was right. That's where that

Page 49

1 came from.

2 Q. Okay. And then you later -- two pages
3 over, page 48, you estimate a \$57,000 per
4 dwelling unit value to come up with \$2,850,000;
5 is that correct?

6 A. Yes.

7 Q. And describe how you arrived at your
8 unit value of \$57,000 per unit.

9 A. It's the sales grid on page 47, so
10 instead of making adjustments to these comps
11 based on the value per acre, I was making
12 adjustments based on unit values. So each one of
13 those comps, based on the allowable units at each
14 comp, there was a value per unit, and then I made
15 my adjustments to the unit value.

16 And so after making the adjustments, I
17 had a range of value between the three comps, and
18 I reconciled a value of \$57,000 per unit for the
19 subject.

20 Q. And that's reflected on that sales grid,
21 correct?

22 A. Yes.

23 Q. Did you contact the buyer or the seller
24 in either of these two comps to confirm that
25 information?

Page 50

1 A. Of the three comps?

2 Q. I'm sorry, yes. All three comps, did
3 you contact the buyer or the seller to confirm
4 that information?

5 A. So comp 1 and 3 -- I did speak with the
6 grantor for comp 1, and I spoke with Tom Bennett
7 who was the broker for comp 3, but the actual --
8 I mean, I don't have it in my notes that I
9 verified the units allowed or if I was just using
10 the zoning -- what the zoning stated.

11 Q. And you have no recollection of talking
12 to him about valuation per unit, correct?

13 A. No, I don't.

14 Q. And what about the second comp, did you
15 talk to anybody in verifying that comp?

16 A. No. My notes indicate I wasn't able to
17 reach anyone.

18 Q. Okay. Let's go to the reconciliation.
19 That would be page 48. Walk me through what
20 you're doing here, Tony.

21 A. I'm just looking at my two valuations,
22 methodologies, one with the dwelling units and
23 the other with the value per acre. And those two
24 values, I was -- in reconciling, I'm going to
25 reconcile between the two values, and I

Page 51

1 reconciled closer to the unit value at \$2,700,000
2 for the 3.134-acre parcel.

3 Q. This is your opinion and judgment,
4 correct?

5 A. Yes.

6 Q. And you could have chose 2 million 850,
7 correct?

8 A. Yes.

9 Q. And then page 59, is it fair to say,
10 Tony, this is your logic as to why you treated
11 the two parcels differently as far as valuation
12 and highest and best use?

13 A. It is, yes.

14 Q. Again, we're talking about your opinion
15 and your observations in the market as opposed to
16 direct communications with the developer or owner
17 of this parcel, correct?

18 A. That's all the appraisal is, is an
19 appraiser's opinion supported by the data.

20 Q. And then page 62 under Assumptions and
21 Limiting Conditions, Item 7 restates what you
22 just testified to, does it not?

23 A. Item 7?

24 Q. An appraisal is inherently subjective
25 and represents our opinion as to the value of the

Page 52

1 property appraised, correct?

2 A. Correct.

3 Q. And number 11, We are not required to
4 give -- that'd be the royal "we," right?

5 A. The royal "we," yes.

6 Q. We are not required to give testimony or
7 be in attendance in court or any government or
8 other hearing without a written contractual
9 arrangement made relative to such additional
10 employment; is that correct?

11 A. That's what it says, yes.

12 Q. At the time you did this appraisal, you
13 had no such written agreement, correct?

14 A. I rarely do.

15 Q. And at this time, you do not have such a
16 written agreement?

17 A. I do not.

18 Q. And then page 68, which is a summary of
19 your company's qualifications and history?

20 A. Yes.

21 Q. You list a number of appraisals you've
22 undertaken in Beaufort County, correct?

23 A. Yes.

24 Q. Bluffton Parkway is one of them,
25 correct?

Page 53

1 A. Correct.

2 Q. And you did that one as an independent
3 appraiser for Beaufort County; is that correct?

4 A. Yes.

5 Q. But there was DOT and state and federal
6 funds in that project, were there not?

7 A. I don't know.

8 Q. Do you remember following the processes
9 of the DOT as far as performing your appraisal?

10 A. Yes, but we do that -- I do that on
11 almost every road project because the client
12 typically wants to follow DOT protocol, but
13 whether or not there's any federal funds
14 involved, I don't know.

15 Q. Okay. That's road projects and
16 transportation projects, correct?

17 A. Say that again, Rick. I'm sorry.

18 Q. Road projects and other kinds of
19 transportation projects, correct?

20 A. For what? I mean, I don't know what you
21 mean.

22 Q. Do you not understand there are other
23 kinds of transportation projects aside from a
24 road project?

25 A. Oh, I do, but I mean, I'm not clear what

Page 54

1 you're asking.

2 Q. If you had a ferry project, would you
3 not follow the same process?

4 A. What process? The DOT process?

5 Q. Yes.

6 A. I can't say that I would. I don't know
7 what the circumstances of that would be.

8 Q. You would have to inquire as to the
9 proper procedure before proceeding, correct?

10 A. Yes.

11 Q. You would want to know whether there's
12 state or federal funds involved, correct?

13 A. I would just want to know how the client
14 would want me to go about -- you know, whether I
15 need to contact the owner. And sometimes the
16 client isn't aware that, you know, federal funds,
17 if they're going to have federal funds, that they
18 need to contact the owner, and so I try to
19 explain that if I'm dealing with a county or a
20 municipality.

21 And so, you know, they would just let me
22 know whether or not I needed to follow the
23 federal regs, and the DOT protocol is basically
24 the federal regs per eminent domain acquisitions.

25 Q. So Bluffton Parkway is -- you did follow

Page 55

1 the DOT process, did you not?

2 A. My memory is I did, yes, that the owners
3 were contacted by letter prior to the appraisal.

4 Q. And that would have been --

5 A. And all -- and the appraisals were
6 written on -- as I recall -- well, actually, I
7 don't recall. I can't recall if I wrote those
8 appraisals on my own narrative format or if it
9 was DOT's format. I can't recall.

10 Q. Either way, you would have notified the
11 owner by a certified letter?

12 A. I think I did. Actually, I don't
13 recall, but I think we did.

14 Q. And how about on the Boundary Street
15 project, which is also listed there?

16 A. I believe that was -- the owners were
17 notified by letter probably.

18 Q. Certified letter, correct?

19 A. I don't recall if it was certified
20 because that's a new thing that DOT started, I
21 don't know, five or six years ago. It wasn't
22 required to be certified prior to that. You just
23 had to make a phone call or send them a letter.

24 Q. Right. But your training with respect
25 to your experience with right-of-way acquisitions

Page 56

1 and DOT, you always would have approached the
2 landowner with an offer based on an appraisal,
3 correct?

4 A. It's just -- my understanding is the
5 owner has to have an opportunity -- if there is
6 an eminent domain acquisition with federal funds,
7 the appraiser is required to contact the owner to
8 give the owner an opportunity to meet with the
9 appraiser at the site if the owner wishes to so
10 they can discuss the appraisal or the owner's
11 concerns about the acquisition so the owner can
12 tell the appraiser, you know, what it is -- I
13 mean, you know, different things about the
14 property. Whatever the owner wishes to discuss
15 with the appraiser, the federal regs require that
16 the appraiser gives the owner that opportunity.

17 Q. And then thereafter, once the appraisal
18 was complete and you were acting as a
19 right-of-way agent, you would have to make an
20 offer based upon the approved appraisal, correct?

21 A. That I'm acting as a right-of-way agent?

22 Q. In the circumstance of your being
23 trained as a right-of-way agent, I'm asking,
24 isn't that not the process?

25 A. Oh, well, a right-of-way agent would

Page 57

Page 59

1 receive the approved appraisal and then make an
2 offer to the owner.

3 Q. Based on the approved appraisal,
4 correct?

5 A. That's my understanding.

6 Q. He would be provided the opportunity for
7 a copy of the appraisal, correct?

8 A. The opportunity to copy the appraisal?

9 Q. Have a copy of the appraisal.

10 A. That's my understanding, yes.

11 Q. That was the process you were trained
12 on, correct?

13 A. Yes, I guess. I mean, I don't recall
14 the training, but that's my understanding to
15 their process; that if the owner wishes to have a
16 copy of the appraisal, they'd be provided a copy.

17 Q. And then in the event that the
18 condemning authority elected to have two
19 appraisers, what's the mechanism for deciding
20 which of the appraisals to make an offer upon?

21 A. Repeat the question, Rick. I'm sorry.

22 Q. In the circumstance where the government
23 has decided to appraise -- or secure two
24 different appraisals of the same property, how is
25 the government deciding which of the appraisals

Page 58

1 to make an offer upon?

2 A. I don't know.

3 Q. You don't recall the process?

4 A. I do not, no.

5 Q. When you were a review appraiser, do you
6 recall ever doing that?

7 A. I do not, no.

8 Q. You do not recall if the manuals require
9 that a review appraiser review both of those
10 appraisals and make a determination if both of
11 them are otherwise acceptable as to what the
12 appropriate amount would be?

13 A. I believe it may say that. I've never
14 had two appraisals on the same property and then
15 had to select which one was the more appropriate
16 that I recall. I believe that's often done by
17 the chief appraiser at DOT.

18 Q. And it's your testimony that you don't
19 understand that process?

20 A. That I don't understand it? I don't
21 know how they make their decision between the two
22 appraisals. I don't recall that.

23 Q. But we can look in the manual, right?

24 A. I assume, yeah.

25 Q. I mean, that's where you would go to

1 figure it out?

2 A. Okay. I take your word for it. Again,
3 if I had to -- if I were put -- if that were put
4 towards me as an assignment, then I would figure
5 out, you know, what the manual says and how to go
6 about doing it. I don't recall ever having to do
7 that.

8 Q. Understood. And then your list of
9 qualifications is at pages 66 through 68, and I
10 see therein you offer appraisal review services.

11 A. I do.

12 Q. And in those circumstances, you would
13 have to rely upon the appraisal manual and the
14 acquisition manual, whatever governmental
15 authority provided you, correct?

16 A. Well, I mean, if I'm doing appraisal
17 review work for SCDOT or a government entity that
18 is following SCDOT guidelines, then, yes, I would
19 refer to the SCDOT appraisal manual.

20 Q. Okay. And similarly on the Bluffton
21 Parkway and the Boundary Street projects, if
22 there was an IGA agreement, the governmental
23 entities decided to follow the DOT process,
24 that's where you would look for that, correct?

25 A. Correct.

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1 Q. So you just don't have any recollection
2 of confronting the process of where more than one
3 appraiser was engaged to --

4 A. No.

5 Q. -- evaluate the same tract of land?

6 A. No. I don't recall ever doing that as a
7 reviewer.

8 MR. BYBEE: Okay. Madam Court
9 Reporter, I'm now moving from the appraisal
10 itself and ask you to put to the screen what is
11 Number 6, and I think that will be Exhibit 74.
12 (Exhibit No. 74 marked for
13 identification.)

14 Q. Mr. Martin, can you look at the screen
15 for me, please?

16 A. Yes, sir.

17 Q. Do you recognize these federal
18 regulations?

19 A. I've seen these in the past, yes.

20 Q. In the course of your work for the DOT,
21 you've used and applied these regulations,
22 correct?

23 A. Yes.

24 Q. And they are implementing the uniform
25 relocation assistance and real property

Page 61

1 acquisition statute, are they not?

2 A. For federal land acquisitions, yes.

3 Q. And DOT follows them for state land
4 acquisitions, correct?

5 A. My understanding is they do when federal
6 funds are involved, yes.

7 Q. What about in the event that just State
8 funds are involved? What is your understanding
9 then?

10 A. They would probably still follow the
11 same federal regulations.

12 Q. And is that your experience?

13 A. Yes.

14 Q. Okay. And these regulations implement
15 the basic acquisition policies for condemnors to
16 follow when they are condemning property using
17 State and federal funds, correct?

18 A. My understanding is it is only when
19 there's federal funds involved.

20 Q. I thought you just said the DOT follows
21 the policy for State funds.

22 A. Well, you didn't specify. You just said
23 a condemning authority, so I don't -- I know that
24 I've done lots of work for condemning authorities
25 that don't require me to contact the owner.

Page 62

1 Q. All right. The circumstances in which
2 you have been involved with DOT projects, you
3 always contact the owner, do you not?

4 A. Correct. Yes.

5 Q. And can you give me some examples of
6 entities which do not require you to follow these
7 regulations, whether there are State or federal
8 funds involved?

9 A. When there are federal funds involved?

10 Q. No. Either.

11 A. Oh, if there are federal funds involved,
12 then I would be required to contact the owner,
13 and that's why I ask clients often before
14 starting a project, appraising a project if there
15 are federal funds involved; and if so, you know,
16 I should contact the owners because they're not
17 always aware that that's a requirement.

18 If they are sure that federal funds are
19 not involved, then they'll just say, No, don't
20 worry about contacting the owner oftentimes. And
21 those projects are waterline and sewer line
22 projects for utilities, municipalities that do
23 waterline and sewer line of their own.

24 I've done, as you know, transmission
25 power lines for co-ops in the past, and I don't

Page 63

1 recall having to contact owners for those.

2 So those are some examples of not having
3 to contact the owner, but it was a condemning
4 authority that was doing the acquisitions.

5 Q. Okay. Are you familiar with ARPA funds?

6 A. Could you spell that or say that again?

7 Q. It's an acronym that some people refer
8 to them as legislation related and COVID-related
9 legislation, A-R-P-A.

10 A. No. I'm not familiar with that.

11 Q. Assume that that means federal funds and
12 -- for the following question. Are you aware
13 that there were federal funds involved in the
14 subsequent condemnation of these properties by
15 Beaufort County?

16 A. No.

17 Q. If there were, you would have had to
18 follow these regs, correct?

19 A. I should have. An appraiser would need
20 to follow the regs.

21 MR. MURPHY: Object to the form.

22 MR. BYBEE: Madam Court Reporter,
23 if you would go to the next exhibit. I think
24 it's your Number 7, and we're going to mark that
25 as Exhibit 75.

Page 64

1 (Exhibit No. 75 marked for
2 identification.)

3 Q. Mr. Martin, do you recognize this cover
4 sheet?

5 A. I do.

6 Q. You've used it many times in the course
7 of your work, correct?

8 A. Yes, sir.

9 Q. I will represent to you that this is not
10 a complete document. I'm just -- I didn't copy
11 the entire manual, okay?

12 A. Okay.

13 Q. Madam Court Reporter, would you go to
14 the Chapter 6-1. Do you see that chapter, Tony?
15 Are you familiar enough to go forward with
16 questioning, or do you need to review it?

17 A. No. You can go forward with the
18 questioning.

19 Q. Okay. So this provides the process for
20 contacting the landowner, the preliminary contact
21 process in order to acquire land under the
22 Department's -- the SCDOT's right-of-way
23 acquisition manual, correct?

24 A. Oh, this is the acquisition manual?

25 Q. Yes, sir.

Page 65

1 A. No, I'm not familiar with this. At
2 first glance, I thought it was the appraisal
3 manual.

4 Q. Okay. We're going to get to that in a
5 minute. Are you testifying that you've never
6 seen the acquisition manual?

7 A. No, I haven't looked at it.

8 Q. Well, read the first contact with the
9 landowner and see if that doesn't just summarize
10 exactly what you just testified to me about the
11 process for initial contact that you learned when
12 you were a right-of-way agent.

13 A. I mean, I don't recall learning -- I
14 don't recall seeing a right-of-way acquisition
15 manual when I was a right-of-way agent, but that
16 was a long time ago. But --

17 Q. Read the --

18 A. I mean, I'm reading it. I didn't know
19 that their first contacts shall be made in person
20 unless circumstances require the preliminary
21 contact package to be mailed such as an
22 out-of-state landowner. So, no, I didn't know
23 what the right-of-way agent's requirements were.

24 Q. But your experience was -- as you
25 testified earlier, your practice was to contact

Page 66

1 them by certified mail, and you've already
2 described the reason why you did that, correct?

3 A. I described what, Rick? That last part.

4 Q. The process that you undertook when you
5 were a right-of-way agent, the first contacts
6 with landowners.

7 A. I -- describe my process when I was a
8 right-of-way agent?

9 Q. Yes, sir.

10 A. I mean, I don't recall what my process
11 was as a right-of-way agent for DOT, and I was
12 only a right-of-way agent for a short period of
13 time. And my memory is, you know, they gave me
14 some plans, and I was going out there acquiring
15 land to pave a dirt road. I think that's all I
16 ever did was a couple of dirt road projects. And
17 I called some people and asked them if they
18 wanted to meet so I could explain that their road
19 was going to be paved. So that was the extent of
20 my right-of-way training as I recall.

21 Q. The plans that you had been provided,
22 they would have been right-of-way plans, correct?

23 A. Yes.

24 Q. They would have reflected at least some
25 percentage of completeness so that you could

Page 67

1 ascertain where the right-of-way lines would be?

2 A. Yes.

3 Q. You would be able to take those plans
4 and explain them to the owner as to what was
5 being acquired in order for him to understand the
6 acquisition that was going forward; is that
7 correct?

8 A. Yes.

9 Q. You were provided no plans with respect
10 to this appraisal assignment from Ms. Ward, were
11 you?

12 A. I was just simply asked to appraise this
13 property. I wasn't aware of any projects.

14 Q. Understood. On the next page, 6-2, are
15 you aware of what a right-of-way certification
16 is?

17 A. Only that I've heard the term. I don't
18 know what it involves.

19 Q. Can you tell me what you understand it
20 involves?

21 A. I just heard the term. I don't
22 understand anything other than it probably means
23 the plans have been approved for right-of-way
24 acquisition, I think.

25 Q. There's a certification that is being

Page 68

1 referenced; is that correct?

2 A. Yes. It says, Meet letting dates and
3 provide clear right-of-way certification.

4 Q. So do you know what the right-of-way
5 certificate is affirming?

6 A. Do I know what it is?

7 Q. Do you know what a right-of-way
8 certification is certifying?

9 A. I do not.

10 Q. On page 6-3 in the document where it
11 indicates under the note, Preliminary contacts --

12 A. I'm not seeing it. Are we on page 6-3?
13 Oh. Preliminary contacts, okay, include
14 verification of title, complete review of
15 cross-sections -- okay. I see that.

16 Q. Do you remember that process when you
17 were working at the DOT?

18 A. No, I don't. I mean, it's 30 years ago.
19 I mean, I know that's -- you know, you need to
20 look at that as a right-of-way agent so you can
21 explain how the project is going to impact the
22 property to the landowner. I think that's what
23 that's referring to. Again, this is the
24 right-of-way negotiator manual.

25 Q. Yes, sir. And then on page 6-5, do you

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1 recognize the process for advising the landowner
2 of the acquisition procedure?

3 A. I see that it says that.

4 Q. But you don't remember doing this in the
5 past. Is that what you're telling me?

6 A. I don't remember doing what
7 specifically? Any of this? Like meeting -- I
8 mean, the agent will explain to the...

9 I mean, I remember meeting -- when I was
10 a right-of-way agent, I remember meeting with
11 some landowners telling them about their dirt
12 road being paved. I recall that I -- one
13 morning, I had my wife and baby in the car, and
14 the person that I was -- showed up at his door
15 and knocked on his door met me at the door with a
16 shotgun. I remember that. But I don't remember
17 much detail about being a right-of-way agent.

18 Q. On page 7-4 of the document, under Roman
19 numeral VIII, are you familiar with the offer of
20 just compensation process, which is outlined
21 therein?

22 A. Just -- what I'm familiar with is that
23 the appraisal is reviewed by our reviewer -- a
24 reviewing appraisal [sic], and then once the
25 reviewer approves it, it is sent to someone in

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1 right-of-way at DOT or at the County who has
2 authority to approve the value for making the
3 offer to the landowner, which is the just
4 compensation.

5 But I mean, my understanding is there is
6 -- that that is what the acquiring authority
7 concludes as just compensation, which is usually
8 whatever the appraised value is.

9 Q. Right. The appraised value -- for
10 example, in your circumstance here, this
11 appraisal that you performed, if it were
12 attempted to be used for an eminent domain
13 matter, you would expect that they would have
14 offered your full amount of your appraisal,
15 correct?

16 A. Yeah, that would be -- that is typically
17 what is -- just compensation is based on the
18 appraisal. I think they can conclude, you know,
19 if it -- if they need to, that a higher offer
20 than the appraisal would be -- could be just
21 compensation. I don't know, but I -- I know just
22 compensation is different from market value.

23 Q. Okay. But it's never less than the
24 approved appraisal amount, correct?

25 A. I don't know. I've never made those

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1 decisions.

2 Q. Let's flip the page over to 8-16,
3 please. And then under the heading of
4 Significant Condemnations, would you read that to
5 yourself?

6 A. Okay.

7 Q. You testified earlier you thought the
8 amount of money necessary for a significant
9 condemnation was a half million. This says
10 \$250,000. Does this refresh your recollection as
11 to the appropriate amount?

12 A. No. I mean, I still think it's
13 \$500,000. I don't know that significant
14 condemnation is the same thing as what is I think
15 stated in the appraisal manual that triggers a
16 second appraisal. I don't know what significant
17 condemnation -- I've never -- this is the first
18 I've ever heard of that term.

19 MR. BYBEE: All right. Madam Court
20 Reporter, if you would go to Item Number 8, which
21 is the appraisal manual. I believe that's going
22 to be Exhibit 76.

23 (Exhibit No. 76 marked for
24 identification.)

25 Q. Mr. Martin, do you recognize this

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1 manual?

2 A. I do, yes.

3 Q. Are you familiar with it, correct?

4 A. I am.

5 Q. This is -- as an appraiser, you have to
6 be familiar with it, correct?

7 A. Yes.

8 Q. Under 1-1, do you see the second
9 paragraph of subpart A?

10 A. I see that, yes.

11 Q. And when you conduct an appraisal, do
12 you understand that the appraisal reports in
13 these circumstances would be to assist in
14 determining compensation and used to support the
15 DOT in its negotiation with the property owners?
16 Correct?

17 A. Yes.

18 Q. As well as to request the right-of-way
19 costs from the Federal Highway Administration,
20 correct?

21 A. As well as to -- yeah, right-of-way
22 costs. Okay. Yes.

23 Q. And that would be where that
24 right-of-way certification came from, right?

25 A. I don't -- I don't know that. I mean, I

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1 don't know what that is, Rick, but -- I don't
2 know how to answer that.
3 Q. Okay. The rest of that section says, As
4 well as receiving federal financial assistance
5 for public programs and projects that require the
6 acquisition of real property and that they must
7 comply with the policies and provisions set forth
8 in the Uniform Act.

9 The Uniform Act is The Uniform
10 Relocation and Real Property Acquisition Act,
11 correct?

12 A. That's my understanding, yes.

13 MR. BYBEE: And then at Roman
14 numeral III-9, Madam Court Reporter, under the
15 section paragraph 13a -- excuse me, 13, Intended
16 User -- or Intended Use.

17 Q. The purpose of the appraisal is to be
18 used in negotiations with the property owner,
19 correct?

20 A. Yes.

21 Q. And it's your understanding that the
22 property owner actually gets a copy of the
23 appraisal so they can read it and digest it and
24 understand it, correct?

25 A. That's my understanding, yes.

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1 Q. At page III-24, number 9, that's
2 requiring, in the appraisal report you do for the
3 DOT in accordance with this manual, is that you
4 have a certificate of -- it says certificate of
5 appraiser, correct?

6 A. Yes.

7 Q. You had such a certificate for Ms. Ward,
8 but that was for commercial purpose, correct?

9 A. My appraisal has a certificate of
10 appraisal -- appraisal in it, yes.

11 Q. And then at page IV-1 of this manual,
12 this concerns appraisal review, correct?

13 A. Yes.

14 Q. You would have to follow this manual
15 with respect to appraisal reviews you did for the
16 DOT, correct?

17 A. Yes.

18 Q. And number 4 at the bottom, this is the
19 type of review that you would be undertaking as
20 you testified previously, correct?

21 A. For DOT?

22 Q. Yes.

23 A. Yes.

24 Q. And then at page IV-3, Item 7, that
25 describes the process one has to follow if two or

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1 more appraisals are prepared for the same parcel,
2 does it not?

3 A. Yes, it does. I've never done that.

4 Q. Okay. But that's the process you're
5 supposed to follow?

6 A. Yes, for DOT.

7 Q. Yes, sir. Can you tell me what an
8 uneconomic remnant is, Mr. Martin?

9 A. The uneconomic remnant is basically for
10 DOT purposes -- I shouldn't even say basically.

11 It is uneconomic to the owner. So it can still
12 have market value. It can have value to the
13 market. But if it is determined it doesn't have
14 any value or use to the owner, the appraiser can
15 state in the appraisal that the remainder is
16 uneconomic.

17 And when there is an uneconomic
18 remainder, the appraisal should include the value
19 of the uneconomic remainder so that the reviewer
20 can put in the review the value of the
21 acquisition with the damages to the remainder and
22 then the value of the acquisition alone with
23 damages and an offer to buy the uneconomic
24 remainder.

25 So basically when there's an uneconomic

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1 remainder, the right-of-way agent can make or
2 will make two offers to the owner. One is they
3 keep the uneconomic remainder. The other offer
4 is DOT buying the uneconomic remainder. And the
5 owner can, you know, choose which one they
6 prefer. Obviously if they keep it, there's a
7 little bit less money offered to the owner, but
8 there are -- there are two offers.

9 Q. But it's the landowner's right to choose
10 one of those offers?

11 A. Yes.

12 Q. And can you tell me what percentage of
13 decline in value --

14 A. Yeah.

15 Q. -- an uneconomic --

16 A. Uneconomic usually has a value that is
17 75 percent to 90 percent less than it would
18 otherwise have were it not economic.

19 Q. And that process involves an analysis of
20 sales, et cetera, before you can apply that
21 percentage, correct?

22 A. It should, yes.

23 MR. BYBEE: All right. Let's take
24 a short break. I have to make sure I have
25 covered things that I need to cover on this Broad

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1 Creek appraisal, so give me five minutes, please.

2 THE WITNESS: All right.

3 (A recess was held.)

4 Q. So, Tony, your appraisal of August 9,
5 2011, would be stale -- excuse me, 2021, would be
6 stale if it were attempted to be used to appraise
7 the property on September 15, 2022, correct?

8 A. Well, the point really is, is that if
9 the client wants a value as of the September
10 date, then there would need to be a new
11 appraisal.

12 Q. Yes. That's what state law would
13 contemplate if it were going to be condemned,
14 correct?

15 A. That's my understanding is that there
16 would need to be a value as of the date of filing
17 the condemnation.

18 Q. You would not be comfortable in
19 testifying as to an August 9, 2021, value in a
20 case where the date of value was by statute
21 September 15, 2022, would you?

22 A. The value would need to be as of the
23 date of filing the condemnation.

24 Q. And so you would, in your update
25 process, have to research additional market data,

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1 market sales, perhaps conduct interviews that you
2 had not conducted before. Those are all things
3 you would conduct if you were asked to do an
4 update, correct?

5 A. Yes. Correct.

6 Q. And you'd have to be fair to both the
7 landowner and the government, correct?

8 A. Yes.

9 Q. Because you don't know what happened in
10 the market between August 9, 2021, and
11 September 5, 2022, as you sit here today, do you?

12 A. I don't know what happened in the
13 market?

14 Q. Yes.

15 A. I've done quite a few appraisals on
16 Hilton Head since then, so I've got market
17 conditions data to make adjustments. So I mean,
18 I've got a pretty good idea of how the market has
19 changed over that period of time.

20 Q. But you have to reflect that change in
21 any update, correct?

22 A. Yes. And just to clarify, when you said
23 fair to the client and the landowner, that's not
24 really a factor. It's just a matter of the
25 appraiser offering his opinion of the market

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1 value. Fairness to either entity isn't really a
2 factor.

3 Q. Right. But you need to undertake, if
4 you're going to testify to a value, September 15,
5 2022, an update to understand whether the market
6 has increased, correct?

7 A. Yes.

8 Q. Based on your experience, has the market
9 increased?

10 A. Yes.

11 MR. BYBEE: All right. I have no
12 further questions on this particular case. We're
13 now going to focus on --

14 MR. MURPHY: Do you want to wait
15 until the end for questions, or do you want to
16 just go in between? I have a couple for him.

17 MR. BYBEE: If you have questions
18 on Broad Creek, I think it's appropriate, Chris,
19 if you do that now.

20 MR. MURPHY: All right. Well,
21 let's do that now.

22 EXAMINATION

23 BY MR. MURPHY:

24 Q. Tony, I'm going to ask you some
25 questions, okay?

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1 A. Okay.

2 Q. So, Tony, Rick has gone through great
3 lengths to differentiate between a condemnation
4 appraisal versus a commercial appraisal. Did you
5 pick up on those questioning -- that line of
6 questioning?

7 A. Very much so.

8 Q. All right. And do you know what he
9 means or what is the distinction between a
10 condemnation appraisal versus a commercial
11 appraisal?

12 A. I do.

13 Q. What is it?

14 A. Well, you just have different
15 requirements when there's federal funds involved
16 with regard to how to engage the landowner as we
17 discussed. And then with a condemnation
18 appraisal, if there's a partial acquisition, you
19 have an after value. So you would need to state
20 the after value in the appraisal and, you know,
21 consider any impacts that the project will have
22 on the remainder of the property. So there's a
23 before value and an after value, and a -- any
24 benefits or damages to the remainder are
25 considered in the after value.

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1 A commercial appraisal -- a typical
2 commercial appraisal, I mean, that's kind of a
3 vague term, but it can be an appraisal for an
4 eminent domain acquisition that might be done for
5 a landowner or an attorney or just whomever. And
6 there's no requirement if the client is not using
7 funds -- federal funds to buy the land for
8 eminent domain, but typically a commercial
9 appraisal is done for a bank or an owner to
10 determine value for financing or purchase.

11 So that -- when I was engaged, it was my
12 understanding that this was a commercial -- a
13 basic single value of the property, no before and
14 after consideration, for Beaufort County to make
15 a purchase decision for this property.

16 Q. All right. And so in the event of a
17 total taking, since that's what we have here, do
18 you do a before and after scenario in a
19 condemnation action?

20 MR. BYBEE: Object to the form of
21 that question. Go ahead.

22 A. A total taking or a total acquisition,
23 you could state an after value if the client
24 requested it, but it would be zero because --
25 well, let me rephrase that.

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1 There is no -- it is -- it goes without
2 saying that the value is zero.

3 Q. And would the value always be zero in
4 the total taking?

5 A. Well, there's nothing to value because
6 it's not there, so it's --

7 Q. Right. I understand that.

8 A. Yes. Okay.

9 Q. All right. And then would you do a
10 benefits analysis if there was a total taking in
11 a condemnation case?

12 A. You would not.

13 Q. All right. And just in terms of your
14 values, would your values change if -- in this
15 case if you understood it to be a condemnation
16 appraisal versus a commercial appraisal?

17 A. It would not.

18 Q. And would your methodologies change?

19 A. Well, there's -- so this would be -- in
20 your -- your question would be this would be a
21 total acquisition for an eminent domain that the
22 methodology wouldn't change. There would be
23 nothing to value after.

24 Q. And likewise, if this was a voluntary
25 transaction versus an involuntary transaction,

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1 would your numbers change or your values change
2 at all?

3 A. They would not.

4 Q. And what about would your methodologies
5 change if it were voluntary versus involuntary?

6 A. It would not.

7 MR. MURPHY: That's all I have.

8 Thank you.

9 EXAMINATION

10 BY MR. BYBEE:

11 Q. Mr. Martin, those last series of
12 questions that Mr. Murphy asked you was not
13 telling you a different date of take, okay? You
14 appraised this in August of '21, and you've
15 testified that you need to update in the event
16 you are to appraise the property as of a
17 different date, and I gave you the proposed date
18 of September 15, '22.

19 A. Yes.

20 Q. Nothing that Mr. Murphy has asked you
21 has changed your answers that you previously
22 provided to me, has it?

23 A. Nothing -- well, I mean, I don't believe
24 I've answered any -- in anything that I've said,
25 I don't recall answering anything that is in

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1 conflict of how I just answered Mr. Murphy's
2 questions.

3 Q. But I mean, you would have to go through
4 the process of analyzing the market in the event
5 that you were having a date of value different
6 than your August 9, 2021, value, correct?

7 A. There would be a new appraisal for the
8 September valuation, yes.

9 MR. BYBEE: That's all I have.

10 Thank you very much.

11 MR. MURPHY: And, Rick, I would
12 just ask you, do we agree the date of valuation
13 is September 15, 2022?

14 MR. BYBEE: We're in a challenge
15 action, Chris. We're not -- I'm not --

16 MR. MURPHY: Well, I understand
17 that. Do you have a position as to what the date
18 of valuation is?

19 MR. BYBEE: I have the position
20 that you've wrongfully taken this property, and
21 that valuation date is false. So I think I set
22 that out in the pleadings. Do we need to debate
23 that before we move on?

24 MR. MURPHY: No. I'm just trying
25 to tie up loose ends. If you're talking about a

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1 specific date, if we can agree on it, that's
2 great. If not, then --
3 MR. BYBEE: I'm not going to get
4 into that nonsense.
5 (The deposition was concluded at
6 12:29 p.m.)
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1 CERTIFICATE

2
3 I, Paula Maxwell, Notary Public at
4 Large, do hereby certify that the witness in the
5 foregoing deposition was duly sworn to testify to
6 the truth, the whole truth and nothing but the
7 truth in the within-entitled cause; that said
8 deposition took place virtually via video
9 conference. The testimony of the witness and all
10 objections made at the time of the examination
11 were recorded stenographically by me and were
12 thereafter transcribed by computer-aided
13 transcription. The foregoing is a full, complete
14 and true record of the testimony of the witness
15 and of all objections made at the time of the
16 examination.

17 I further certify that I am neither
18 related to nor counsel for any party to the cause
19 pending or interested in the events thereof.

20 Witness my hand, I have hereunto
21 affixed my official seal on August 17, 2023.
22
23

24 PAULA MAXWELL
25 My Commission expires
November 3, 2031



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July 27, 2023

VIA E-MAIL ONLY

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RE: *Broad Creek Development, LLC v. Beaufort County*
Case No. 2020-CP-07-01978
File No. 1139-00001

Redfish Holdings, LLC v. Beaufort County
Case No: 2022-CP-07-02186
File No. 1145-00001

Dear Mr. Murphy and Mr. Martin:

Enclosed for service upon you, please find the Plaintiff's First Amended Notices of Deposition in connection with the above matters for Anthony Martin. The deposition is scheduled for August 9, 2023 at 10:00am and will be virtual. The court reporter will send a link.

Please feel free to contact me if you have any questions.

Sincerely Yours,



Caroline McLaughlin
Paralegal

Enclosures cc (via e-mail): Jessica W. Stratta, Esq. R. Bruce Wallace, Esq.

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8-9-23 PM

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CASE NO. 2022-CP-07-01978
TMS: R552 010 000 0648 0000	)	
R552 010 000 0649 0000	)	
	)	
BROAD CREEK DEVELOPMENT, LLC,	)	
	)	PLAINTIFF'S FIRST AMENDED
Plaintiff/Landowner,	)	NOTICE OF DEPOSITON OF
	)	ANTHONY R. MARTIN, MAI
v.	)	
	)	
BEAUFORT COUNTY,	)	
	)	
Defendant/Condemnor.	)	
	)	

**TO: CHRISTOPHER L. MURPHY, ESQ. and JESSICA W. STRATTA, ESQ.,
ATTORNEYS FOR DEFENDANT/CONDEMNOR:**

YOU WILL PLEASE TAKE NOTICE that the above Plaintiff/Landowner, by and through its undersigned counsel, will take the deposition of Anthony R. Martin, pursuant to SCRCP 30(b)(1), **beginning at 10:00 a.m. on August 9, 2023 by virtual video conference**, before a Notary Public for the State of South Carolina or some other person authorized by law to administer oaths.

The deposition is being taken for pre-trial discovery, for use at trial, and for all other purposes as may be permitted by law. Further, counsel for Landowner gives notice that, pursuant to Rule 30(j)(8), SCRCP, they may use any and all documents produced or made available in discovery by any party during this deposition, and hereby give notice of Landowner's intent to question the Deponent regarding any and all documents produced or made available by either party during the course of discovery, as well as those obtained by subpoena or other records request.

Said deposition shall continue from time to time until completed, including any adjournments thereof. If the deposition is not completed on August 9, 2023, it will be reconvened

Broad Creek Development, LLC's First Amended Notice of Deposition of Anthony R. Martin,
MAI

Case Number: 2022-CP-07-01978; TMS:R552 010 000 0648 0000 and R552 010 000 0649 0000

at a mutually agreeable time. You are invited to appear and to participate, as you deem proper.

INSTRUCTIONS AND PROCEDURES

1. To fully answer questions related to the Matters for Examination, the Deponent is instructed to review the information known or reasonably available and bring with him or her any documents reviewed by the Deponent which have not previously been produced in discovery. The Deponent is required to appear for said depositions at the time and place above stated.

2. The deposition will be recorded by stenographic, audio, and/or audiovisual/videotape means, and taken before an officer authorized by law to administer oaths. Said deposition shall continue from time to time and day to day until completed, including any adjournments thereof. The deposition is being taken for pre-trial discovery, for use at trial, and for all other purposes as may be permitted by law.

3. Further, counsel for Plaintiff gives notice, pursuant to Rule 30(j)(8), SCRCPP, that they may use any and all documents produced or made available in discovery by any party during this deposition, and hereby give notice of Plaintiff's intent to question the County's designated deponent(s) regarding any and all documents produced or made available by any party during the course of discovery, as well as those obtained by subpoena or other records request.

DEFINITIONS

1. The terms "Plaintiff," "Landowner," and/or "Broad Creek" shall mean and refer to Broad Creek Development, LLC, and any individual, employee, agent, personal representative, executor or entity that previously acted or is currently acting on its behalf.

2. "Defendant," "Condemnor," "Beaufort County," "County," "you," and/or "your" shall mean and refer to Beaufort County, South Carolina, a political and governmental subdivision organized and existing pursuant to the laws of the State of South Carolina, and any individual, employee, agent, or entity that previously acted or is currently acting for it or on its behalf, individually and/or collectively.

3. The "Property" shall mean and refer collectively to those certain parcels of real property at issue in this action, located in Beaufort County, South Carolina, bearing Parcel ID Nos. R552 010 000 0648 0000 & R552 010 000 0649 0000, said Property being more fully defined in the Condemnation Notice and Tender of Payment, its exhibits attached thereto, filed by Beaufort County in Case No. 2022-CP-07-1762, and described in the Notice of Lis Pendens (no. 2022-LP-07-00295).

4. The "Condemnation Action" refers to Case No. 2022-CP-07-1762, pending in the Beaufort County Court of Common Pleas.

5. The "Notice of Condemnation" means and refers to the Condemnation Notice & Tender of Payment filed in the Condemnation Action on September 15, 2022.

6. "Project" shall mean the proposed ferry transportation service and facilities, including the permanent embarkation locations and public parking on the Mainland (as that term is used in Beaufort County Ordinance 2022/35 adopted August 8, 2022) and Daufuskie Island, intended to provide ferry services to and from Daufuskie Island, South Carolina, and any supporting documents describing the public use and purpose of said operations, provisions, improvements, and/or services, as stated in Condemnor's Notice of Condemnation, including but not limited to plans, sketches, lay outs, alternate site locations, and any site criteria used to determine or analyze the location and size of either permanent embarkation location referred to in the Notice of Condemnation.

7. "Document" or "documents" shall mean and include, without limitation, the original, drafts, revisions and non-duplicative copies of any printed, typed, recorded, or graphic matter of every type and description, however and by whomever prepared, produced, reproduced, disseminated or made, in any form, whether or not claimed to be privileged, including, but not limited to, plans, writings, drawings, graphs, charts, electronic data (including without limitation those inscribed by mechanical, facsimile, electronic, magnetic, digital or other means, computer programs, programming notes or instructions, activity listings of electronic mail receipts and/or transmittals, output resulting from the use of any software program, word processing documents, spreadsheets, database files, charts, graphs and outlines, electronic mail, operating systems, source code, peripheral drivers, PIF file, batch files, ASCII files, and any and all miscellaneous files and/or file fragments, regardless of the media on which they reside and regardless of whether the data consists in an active file, deleted file or file fragment), photographs, phono-records, and other data compilations from which information can be obtained, translated, if necessary, by the requesting party through detection devices into reasonably usable form, memoranda, e-mails, date files and fragments, notes, scraps of paper, diaries, calendars, reports, vouchers, invoices, journals, bills, orders, time slips or records, receipts, summaries, pamphlets, books, contracts, statistics, letters, telegrams, minutes, diaries, studies, returns, computations, logs, financial records or statements, checks, bank statements, medical records, x-rays, laboratory reports and/or orders, otherwise memorialized or communicated matter, whether typed, printed, photo-copied, filmed, micro-filmed, or recorded in any manner. The term "document" includes each copy or reproduction which is not identical to the original or other produced copy.

8. The terms "correspondence" and/or "communication(s)" mean and refer to any oral, written, or electronic utterance, notation, or statement of any nature whatsoever, draft or final, potential or actual, by and to whomever made or attempted to be made, including, but not limited to, correspondence, memoranda, conversations, dialogues, discussions, interviews, consultations, agreements, electronic messages (including electronic-mail, text messages, instant messages, company intranet, social media message or post, electronic bulletin board or Internet site posting) and other understandings or conveyances sent or prepared to be sent by one person to another, however produced or reproduced, whether by "document" as herein defined or otherwise, which is made by you or others or which is distributed or circulated between or among persons, or data storage or processing units, including computer data storage and processing units, and any and all documents containing, consisting of, or relating or referring, in any way, either directly or indirectly, to a communication. The terms "correspondence" and/or "communication(s)"

specifically includes, but is not limited to, any exchange of information by any means of transmission, including, but not limited to, face-to-face conversations, mail, electronic mail, telegram, overnight delivery, carrier or courier service, telephone, facsimile or telex.

9. "ESI" means all potentially discoverable electronically stored information and refers to your ESI that contains or potentially contains information relating to the matter or issue identified and/or requested. ESI includes, but is not limited to, all electronically stored documents and "electronically stored information" as that term is used in Rule 34(a) of the South Carolina Rules of Civil Procedure. ESI further includes, without limitation, the following:

- (a) information or data that is generated, received, processed, and recorded by computers and other electronic devices, including metadata (e.g., author, recipient, file creation date, file modification date, etc.);
- (b) files, information, or data saved on backup disks, devices, tapes, or hard drives;
- (c) internal or external websites;
- (d) word processing documents, spreadsheets, database files, charts, graphs and outlines, electronic mail, online messaging exchanges or files (e.g., from Google Chat or similar programs), smartphone applications, bulletin board programs, operating systems, source code of all types, Outlook Profile Files or PRF files, Palm Resource Code or PRC files, batch files, ASCII files, and all miscellaneous media on which they reside regardless of whether said electronic data exists in an active file, a deleted file, or file fragment;
- (e) activity listings of electronic mail receipts and/or transmittals; and
- (f) any and all items stored on computer memories, hard disks, CDROM, magnetic tape, microfiche, DVDs, CDs, external hard drives, flash drives, memory cards, or on remote servers accessible by you (i.e., "the Cloud") or on any other media for digital data storage or transmittal, such as, but not limited to, personal digital assistants, hand-held wireless devices (e.g., iPhones, iPads, Android devices), cell phones, tablets, iPads or similar devices, and file folder tabs, or containers and labels appended to, or relating to, any physical storage device associated with each original or copy of all documents or communications requested herein.

10. "Identify" or "identity" when used in reference to an individual person, shall mean to state his or her full name, present or last known business and personal addresses, telephone number and the name of such person's present or last known employer, place of employment and position, and place of employment and position during the time period of any event addressed by the interrogatory in question.

11. "Identify" or "identity" when used in reference to an entity shall mean to state its full and complete name and the present and last known address and telephone number of its headquarters or principal place of business.

12. "Identify" or "identity" when used in reference to a document shall mean to state

Broad Creek Development, LLC's First Amended Notice of Deposition of Anthony R. Martin,
MAI

Case Number: 2022-CP-07-01978; TMS:R552 010 000 0648 0000 and R552 010 000 0649 0000

the nature of the document (*e.g.*, letter, memorandum, etc.); its subject matter and content in summary form; the date, if any, appearing on the document; the identity of the persons who wrote, signed, dictated, or otherwise participated in the preparation of the document; the identity of all persons to whom the document was addressed or who received copies of the document; and the present location and custodian of the document.

13. The terms "related to," "relating to," and/or "relate(s) to" shall mean directly or indirectly supporting, pertaining to, arising from, linked to, regarding, discussing, concerning, referring to, evidencing, or in any way connected with or to the matter or issue discussed or requested.

14. "All facts" or "any facts" means each and every act, omission, incident, event, condition, or circumstance related to the requested matter or document, including relevant dates, omission, incident, event, condition, or circumstance related to the requested matter or document, the identification of persons who witnessed the act, omission, incident, event, condition or circumstance related to the requested document, and the identification of persons with knowledge of all facts or any acts related to the requested matter or document.



Richard D. Bybee, Esq. (SC Bar No. 1063)
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**ATTORNEYS FOR PLAINTIFF /
LANDOWNER**

MT. PLEASANT, SC

July 27, 2023

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	FOURTEENTH JUDICIAL CIRCUIT
COUNTY OF BEAUFORT	)	CASE NO. 2022-CP-07-01978
TMS: R552 010 000 0648 0000	)	
R552 010 000 0649 0000	)	
	)	
BROAD CREEK DEVELOPMENT, LLC,	)	
	)	
Plaintiff/Landowner,	)	CERTIFICATE OF SERVICE
	)	
v.	)	
	)	
BEAUFORT COUNTY,	)	
	)	
Defendant/Condemnor.	)	
	)	

Pursuant to the May 6, 2022 Order of the Supreme Court of South Carolina titled "Service by E-Mail in the Trial Courts", this is to certify that a true and correct copy of *Broad Creek Development, LLC's First Amended Notice of Deposition of Anthony R. Martin, MAI*, was served on all counsel of record via e-mail as a ".pdf" attachment thereto and addressed to the recipient attorneys' primary e-mail address listed in the South Carolina Attorney Information System as shown below:

Christopher L. Murphy, Esq. (SC Bar No. 14184)
 Jessica Wilds Stratta, Esq. (SC Bar No. 103958)
 Resnick & Louis, P.A.
 146 Fairchild Street, Suite 130
 Charleston, SC 29492
 T: (843) 800-1187
 cmurphy@rlattorneys.com
 jstratta@rlattorneys.com



Caroline McLaughlin, Paralegal

July 27, 2023

Tony Martin

From: Tony Martin <tmartin@armartin.com>
Sent: Friday, July 9, 2021 10:45 AM
To: 'Ward, Brittany'
Subject: RE: Appraisal Request, Hilton Head Island

Thank you Brittany!

Here are several appraisers you can contact for this assignment as well as your future needs. The names in bold all work at nationally franchised firms and write really good reports. Jody and Chris both work at the large firm in Charleston I mentioned but given Jody's commitments being National President of AI, he may not have time so I included Chris for you to contact as well. These guys do a lot of eminent domain appraisal work like I do. Feel free to let them know you got their name from me if you want.

The last two names in blue are two MAI appraisers I located on the Appraisal Institute website. I don't know them, don't know if they are currently active, etc., but they are local to Beaufort/Hilton Head so I've included their contact info should you want it.

If you need anything else just let me know. Thanks

Jody Bishop

Pledger M. Bishop, III, MAI, SRA, AI-GRS

Valbridge.com

Valbridge Property Advisors

Managing Director

1250 Fairmont Avenue

Mt. Pleasant, SC 29464

P.O.Box 834 29465

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Fax: (843) 881-7532

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jbishop@valbridge.com

Chris Donato

Christopher D. Donato, MAI

Valbridge.com

Valbridge Property Advisors

Managing Director

1250 Fairmont Avenue

Mt. Pleasant, SC 29464

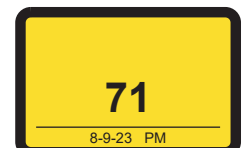
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Mike Dodds



Michael B. Dodds, MAI

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Senior Managing Director

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[Corbin Haskell](#)

H. Corbin Haskell, MAI, AI-GRS

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[George R. Owen, MAI, SRA](#)

7 Claire's Point Road

Beaufort, SC 29907

843-271-2481

georgeowen84@gmail.com

[William C. Ferguson, MAI](#)

20 Wagon Road

Hilton Head, SC 29928

512-569-6580

willyferg1@yahoo.com

[Tony Martin, MAI](#)

A.R. Martin Company

100-F Old Cherokee Road #326

Lexington, SC 29072

803-960-4531 – cell

803-359-4398 – office

tmartin@armartin.com

www.armartin.com

Providing commercial real estate valuation, eminent domain valuation and expert testimony. #

From: Ward, Brittany <bward@bcgov.net>

Sent: Friday, July 09, 2021 10:00 AM

To: 'Tony Martin' <tmartin@armartin.com>

Subject: RE: Appraisal Request, Hilton Head Island

I have received approval for the expenses. If possible to get this one done any quicker, I would greatly appreciate it – we are trying to line up some projects and those projects are dependent on these appraisals.

Brittany Ward

Beaufort County Deputy Attorney

102 Industrial Village, Bldg. 2
P.O. Drawer 1228
Beaufort, SC 29901
Cell: (843) 592-4695
Office: (843) 255-2059
Fax: (843) 255-9414



The information contained in this communication is confidential and is intended solely for the individual or entity above. If you received this communication in error please do not read it, copy it, forward it or disseminate it to others. Please delete it after notifying the sender of the error. Thank you.

From: Tony Martin <tmartin@armartin.com>

Sent: Tuesday, July 6, 2021 3:49 PM

To: Ward, Brittany <bward@bcgov.net>

Subject: RE: Appraisal Request, Hilton Head Island

Hi Brittany:

Thanks for giving me an opportunity to quote on these appraisals. I think I appraised these parcels about 10 years ago but at that time I think these were SCDOT surplus property parcels. The waterfront parcel is a tough appraisal as comps are tough to come by for such a unique commercial tract.

Proposed fee for parcel 0649 is \$3,500. Proposed fee for 0648 is \$1,500. I can deliver reports in 4 weeks.

Thank you

Tony Martin, MAI
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Lexington, SC 29072
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803-359-4398 – office
tmartin@armartin.com
www.armartin.com

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From: Ward, Brittany <bward@bcgov.net>
Sent: Thursday, July 01, 2021 12:40 PM
To: 'Tony Martin' <tmartin@armartin.com>
Subject: Appraisal Request, Hilton Head Island

Tony,

Hope you are doing well. I am in need of an appraisal for two commercial lots on Hilton Head Island, both are vacant land. I have attached the tax records for parcels R522 010 000 0648 0000 and R522 010 000 0649 0000. If you would please provide me a cost and an time frame we can expect the appraisals to be completed.

Thank you,

Brittany Ward
Beaufort County Deputy Attorney

102 Industrial Village, Bldg. 2
P.O. Drawer 1228
Beaufort, SC 29901
Cell: (843) 592-4695
Office: (843) 255-2059
Fax: (843) 255-9414

Tony Martin

From: Tony Martin <tmartin@armartin.com>
Sent: Friday, August 20, 2021 7:28 AM
To: 'Ward, Brittany'
Subject: RE: Hilton Head Island appraisals - tracts: R522 010 000 0648 0000 and R522 010 000 0649 0000

Hi Brittany – I apologize for delay. I am struggling a bit with my second Covid shot. Given the writing I have left it will be tough to make 5:00 today but I will do my best. If I don't make 5:00 PM, please know you'll receive report tonight or tomorrow at latest. My family is leaving for vacation today but I'm leaving a day later to get this done.

Also, instead of doing two separate reports, I have both values in one report and then also a value for both tracts combined in same report....so there are actually three values. I will give you call this AM to discuss and make sure that works for the County.....I think it's better than two values alone but maybe I'm not clear on what the County needs. Fee to be reduced as well given the one report and delay.

Thanks

Tony Martin, MAI
A.R. Martin Company
100-F Old Cherokee Road #326
Lexington, SC 29072
803-960-4531 – cell
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tmartin@armartin.com
www.armartin.com

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From: Ward, Brittany <bward@bcgov.net>
Sent: Thursday, August 19, 2021 2:39 PM
To: 'Tony Martin' <tmartin@armartin.com>
Subject: RE: Hilton Head Island appraisals - tracts: R522 010 000 0648 0000 and R522 010 000 0649 0000

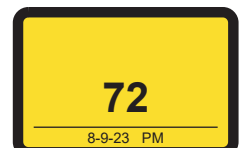
Tony,

Can you confirm that we will receive your appraisal by end of day tomorrow? We have received the 2nd appraisal that you suggested we obtain, and the Administrator plans to discuss this project with County Council on Monday which starts at 5:00.

Thank you in advance,

Brittany Ward
Beaufort County Deputy Attorney

102 Industrial Village, Bldg. 2
P.O. Drawer 1228
Beaufort, SC 29901
Cell: (843) 592-4695
Office: (843) 255-2059
Fax: (843) 255-9414





The information contained in this communication is confidential and is intended solely for the individual or entity above. If you received this communication in error please do not read it, copy it, forward it or disseminate it to others. Please delete it after notifying the sender of the error. Thank you.

From: Tony Martin <tmartin@armartin.com>
Sent: Sunday, August 15, 2021 9:26 PM
To: Ward, Brittany <bward@bcgov.net>
Subject: RE: Hilton Head Island appraisals - tracts: R522 010 000 0648 0000 and R522 010 000 0649 0000

Hi Brittany – Just wanted to ask the owner about history of property since purchase, for instance: Was there ever a development plan for the property? Has there been an attempt for a dock permit? Has the property ever been for sale, if so, any offers?

Those are the main questions I have. If you prefer I don't contact the owner, that's fine.....I can complete the report without contacting the owner, but with any appraisal the more information an appraiser has then usually the better the appraisal will be.

Thanks

Tony Martin, MAI
A.R. Martin Company
100-F Old Cherokee Road #326
Lexington, SC 29072
803-960-4531 – cell
803-359-4398 – office
tmartin@armartin.com
www.armartin.com

Providing commercial real estate valuation, eminent domain valuation and expert testimony. #

From: Ward, Brittany <bward@bcgov.net>
Sent: Sunday, August 15, 2021 8:54 PM
To: Tony Martin <tmartin@armartin.com>
Subject: Re: Hilton Head Island appraisals - tracts: R522 010 000 0648 0000 and R522 010 000 0649 0000

Tony,

I'll have to defer to the Administrator, but before I ask him, can you let me know what you need to discuss with him? Call me in the morning if that is more convenient.

Thank you,

Brittany Ward
Beaufort County Deputy Attorney

Cell: (843) 592-4695

Office: (843) 255-2059

On Aug 15, 2021, at 3:01 PM, Tony Martin <tmartin@armartin.com> wrote:

Hi Brittany:

I am working on completing these appraisals. Would it be ok if I contacted the owner, or do you prefer I don't?

Thanks

Tony Martin, MAI
A.R. Martin Company
100-F Old Cherokee Road #326
Lexington, SC 29072
803-960-4531 – cell
803-359-4398 – office
tmartin@armartin.com
www.armartin.com

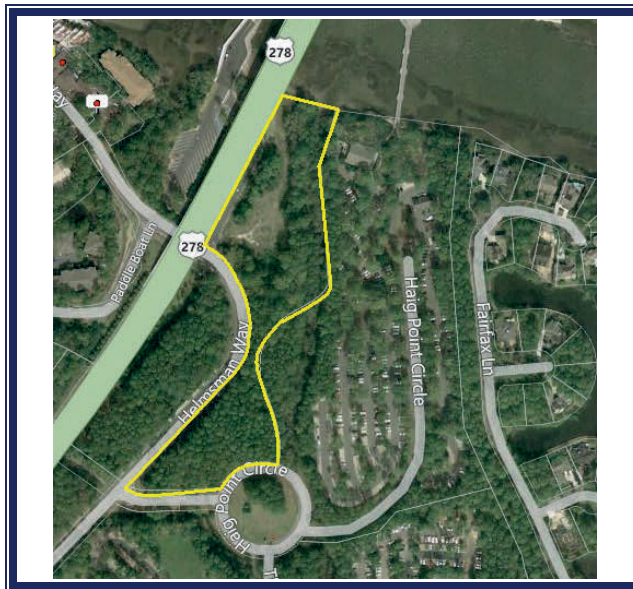
Providing commercial real estate valuation, eminent domain valuation and expert testimony.

A.R. Martin Co.

APPRAISAL REPORT OF:

4.979 ACRES COMMERCIAL LAND

Client Assignment #: Helmsman Way Parcels, Hilton Head Island
Owner or Borrower: Broad Creek Development, LLC
Subject Street: Helmsman Way
Subject City, State, Zip: Hilton Head Island, SC 29928
Subject County: Beaufort



PREPARED FOR:

Brittany Ward, Beaufort County Deputy Attorney
Beaufort County
102 Industrial Village, Bldg. 2
Beaufort, SC 29901

DATE OF VALUE:

August 9, 2021

DATE OF REPORT:

August 20, 2021

APPRAISED BY:

Anthony R. (Tony) Martin, MAI
A.R. Martin Company
100-F Old Cherokee Road, Box 326
Lexington, SC 29072
803-359-4398-Office, 803-359-4399-Fax
tmartin@armartin.com

73

8-9-23 PM

R. p. 774

August 20, 2021

Brittany Ward, Beaufort County Deputy Attorney
Beaufort County
102 Industrial Village, Bldg. 2
Beaufort, SC 29901

Client Assignment #:	Helmsman Way Parcels, Hilton Head Island
Owner:	Broad Creek Development, LLC
Subject Street:	Helmsman Way
Subject City, County, State:	Hilton Head Island, Beaufort County, SC 29928

Ms. Ward:

Thank you so much for the opportunity to perform this appraisal assignment for you to aid in your work with Beaufort County. I greatly appreciate you contacting the A.R. Martin Company for this appraisal assignment.

As requested, I have appraised the fee simple market value of the subject property, which is two adjacent parcels located in Hilton Head Island, SC. Together the two parcels are indicated to total 4.979 acres. These parcels are wooded and undeveloped. One parcel, a 3.134 acre parcel, is a waterfront parcel and the other parcel, a 1.845 acre parcel, is located behind the waterfront parcel. Together, the parcels create a somewhat hourglass shape and there is only a very narrow area in the center where the parcels connect. Though adjacent, the parcels are effectively two distinctly separate parcels.

I have performed a sales comparison analysis to value the subject parcels individually and then I have also provided a value of the parcels as one total parcel. In real estate, the sum of the parts do not always equal the whole, and therefore, after consideration for entrepreneurial incentive and size, the value of the whole is slightly less than the sum of the two values. These values are presented on the following page.

All analyses and conclusions derived in this report are subject to the Assumptions and Limiting Conditions, the definition of *market value*, and other premises stipulated within this report. As a result of my analysis of the market data gathered during my investigation as well as my judgment and experience, the fee simple market value of the subject property, as of August 9, 2021 is determined to be:

The A.R. Martin Company

Real Estate Valuation and Consulting

3.134 Acre Waterfront Parcel: \$2,700,000

1.845 Acre Rear/Interior Parcel: \$960,000

4.979 Acre Total Tract: \$3,400,000

Respectfully submitted,



Anthony R. Martin, MAI
S.C. Appraisal License No. CG 1729

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CERTIFICATION

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

- The 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 have no present or prospective interest in the property that is the subject of this report, nor any personal interest with respect to the parties involved.
- I have performed no other services (unless specified), 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 acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 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.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to the review by its duly authorized representatives.
- I, Anthony R. Martin, made a personal inspection of the property that is the subject of this report.

- No one provided significant professional assistance to the person signing this report.

-

Date: August 20, 2021



Anthony R. Martin, MAI
South Carolina State Certified General
Real Estate Appraiser #1729

SUMMARY OF MAJOR CONCLUSIONS

PROPERTY LOCATION	Helmsman Way, Hilton Head Island, SC 29928
PROPERTY OWNER(S)	Broad Creek Development, LLC
TAX MAP NUMBER	R552 010 000 0648 0000, R552 010 000 0649 0000
SITE SIZE: Acres / SF	4.979 acres or 216,885 SF
BUILDING SIZE	n/a SF
PROPERTY TYPE	4.979 Acres Commercial Land
YEAR BUILT / EFFECTIVE AGE	n/a / n/a years effective age (remaining economic life n/a years)
ZONING	WMU - Waterfront Mixed-Use District
HIGHEST & BEST USE: As Vacant	mixed use of multi-family and office
As Improved	n/a
ASSESSOR VALUE: LAND / IMP.	land: \$2,729,000 + imp.: \$0 = \$2,729,000 total for 2020
PROPERTY TAXES	Property taxes: \$116.61 Payment Status: indicated paid
VALUATION:	
Land Value – 3.134 Acre Parcel	\$2,700,000
Land Value – 1.845 Acre Parcel	\$960,000
Land Value – 4.979 Acre Total Parcel	\$3,400,000
DATE OF VALUE	August 9, 2021
DATE OF APPRAISAL REPORT	August 20, 2021

PREMISES OF THE APPRAISAL

All analyses and conclusions in this appraisal are based on the Assumptions and Limiting Conditions, Definitions and Concepts, and Identification of the Subject Property stated within this report. Recognizing the premises of the appraisal is vital to this appraisal assignment and to the analyses and conclusions that grow out of these premises. A list of the several standard Assumptions and Limiting Conditions are located at the end of the report. Special assumptions and conditions are listed here as well, for emphasis.

Extraordinary Assumptions and Limiting Conditions

This appraisal is to be made subject to the following Extraordinary Assumptions and Limiting Conditions:

- None.

Summary Report Statements

The analyses and conclusions in this report are based on the following definitions and concepts.

Client and Intended User

The client is Brittany Ward, Beaufort County Deputy Attorney. The client is also the intended user of this report.

Intended Use/Purpose of Report

The intended use of the appraisal report is to provide valuation information to aid the client in the purchase of the subject property for a government agency.

Type and Definition of Value

This appraisal is to provide an opinion of the market value of the fee simple interest in the subject property. *Market Value*¹, as used in this report, is defined as follows:

The most probable price which a property should bring in a competitive and open market under all conditions, requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from a seller to buyer whereby:

- Buyer and seller are typically motivated.
- Both parties are well informed or well advised and acting in what they consider their best interests.
- A reasonable time is allowed for exposure in the open market.
- Payment is made in terms of cash of U.S. dollars or in terms of financial arrangements comparable thereto.

¹ Definition has been agreed upon by agencies that regulate federal financial institutions in the United States including the Resolution Trust Corporation (RTC). (12 C.F.R. Part 34.42 (g): 55 *Federal Register* 34696, August 24, 1990, as amended at 57 *Federal Register* 12202, April 9, 1992; 59 *Federal Register* 29499, June 7, 1994)

- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Reasonable Exposure Time

Exposure time is defined as: *“The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based upon an analysis of past events assuming a competitive and open market.”*²

Information from Costar indicates time on market to sell a property like the subject is indicated to be 6-12 months.

Reasonable Marketing Time

Reasonable marketing time: *“an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal.”*³

The reasonable marketing time is a function of price, time, use, and anticipated market conditions such as changes in cost and availability of funds; not an isolated opinion of time alone.⁴

Current market conditions for a parcel like the subject are similar to those of the past year and marketing time is indicated to be similar to recent exposure time of 6-12 months.

Date of Value

The date of the value opinion is August 9, 2021.

² USPAP, as reprinted by the Appraisal Institute

³ USPAP (Advisory Opinion 7), as reprinted by the Appraisal Institute.

⁴ USPAP (Advisory Opinion 7).

Property Rights Appraised

The property rights appraised are the fee simple interest, defined by the *Dictionary of Real Estate Appraisal*, as follows:

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.

Appraiser's Competency

I, Anthony R. Martin, have a good understanding of the subject's property type and am familiar with the appropriate methodologies to appraise it. I also have a good understanding of the subject's geographic area and market.

Scope of Work

Listed below is a summary of the scope of work performed for this analysis. This summary will hopefully give the client a picture of the work performed in analyzing the market value of the interest appraised in the subject property. The scope outlines the actual work performed in determining value which has included gathering more data than what is only presented in this report.

- Identified the appraisal problem as: determine the fee simple market value of the subject property.
- Made an inspection of the subject property.
- Observed the surrounding neighborhood of the subject and noted the uses of neighboring properties, condition of neighborhood, development activity and any “for sale” or “for lease” signs.
- Utilized sales data within my files as well as paid data services (CoStar, Realquest) and local real estate professionals to identify recent and comparable sales of properties that would be most applicable to determine the value of the subject property.
- Visited the county deed office and/or online county website to copy deeds of sale transfers to identify exactly what was included in the sales price of the comps.
- Made a study of the current market trends. This is an ongoing process and includes discussions with other real estate professionals, reading various news sources and using fee-based sources for demographic and market information. These paid sources include Appraisal Institute data, CCIM/STDB Online data, CoStar and CoreLogic.
- Within this written report, I have summarized the pertinent market data and performed a sales comparison analysis to value of the fee simple interest of the subject property.

IDENTIFICATION OF THE SUBJECT PROPERTY

Location

The subject property is located at Helmsman Way, Hilton Head Island, Beaufort County, SC 29928. It is also identified as tax parcel number R552 010 000 0648 0000, R552 010 000 0649 0000.

Deed Description

All those certain parcels or tracts of land shown and designated as "Parcel E – 3.130 acres" and "Parcel C – 1.845 acres" on that certain plat entitled "Property of Plantation Land Co., Inc. to be conveyed to S.C. Dept. of Highways and Public Transportation," prepared by Niels Christensen IV, RLS, dated October 13, 1993 and recorded in the Register of Deeds Office for Beaufort County in Plat Book 50 at Page 53, and having such size, shape, buttings and bounding as will more fully appear by referenced to said plat.

This property is further shown and delineated on a plat prepared for Broad Creek Development by Surveying Consultants dated April 4, 2012 and revised on April 23, 2012, and recorded on April 26, 2012 in Plat Book 134 at Page 106 in the office for the Register of Deeds for Beaufort County as "Parcel C – 1.845 acres" and "Parcel E – 3.134 acres". Reference to said plat is made for a more complete and accurate description, be all measurements a little more or less.

Also, all of Grantor's right, title and interest, if any, in all lands lying east of the right of way for the Cross Island Expressway between the northernmost boundary line of Parcel E (as shown on that certain plat entitled "Property of Plantation Land Co., Inc. to be conveyed to S.C. Dept. of Highways and Public Transportation," prepared by Niels Christensen IV, RLS, dated October 13, 1993 and recorded in the Register of Deeds Office for Beaufort County in Plat Book 50 at Page 53) and the mean high water line of Broad Creek (as shown on a plat prepared for Broad Creek Development by Surveying Consultants dated April 4, 2012 and revised April 23, 2012, and recorded on April 26, 2012 in Plat Book 134 at Page 106 in the office for the Register of Deeds for Beaufort County) and as such mean high water line may change from time to time.

Tax Map No.: portion of R552-010-000-0309-0000

Grantee's Address: Attn: Charles C. Foster, II
3100 Devine Street
Columbia, SC 29205

This being a portion of the property acquired by the South Carolina Department of Transportation from Plantation Land Company, Inc. by General Warranty Deed dated August 5, 1994, and recorded August 17, 1994 in Book 725 at Page 320 in the office of the Register of Deeds for Beaufort County and filed in the South Carolina Department of Transportation Deed Vault in Columbia, South Carolina under Road S-80 (Cross Island Expressway), File 7.558, Tract 40.

Ownership

Broad Creek Development, LLC
3100 Devine Street
Columbia, SC 29205

History of Property

The subject property was purchased by the current owner in May of 2012 for \$2,665,000.

Information I received in 2011 regarding this property was that prior to this sale, the entire subject tract was offered for sale by SCDOT with an asking price of \$3,400,000. I was not told when or how long the site was marketed at this price, but I was told SCDOT eventually auctioned the property for sale and the winning bid was \$2,065,000. The winning bidder did not close within the time limit specified in the contract and then a new buyer, the Town of Hilton Head, attempted to purchase the site. I was told the winning bidder still intended to purchase the site and then took the matter to litigation. I do not know who the winning bidder was but given that the Town of Hilton Head did not purchase the property, it can be inferred the winning bidder was the current owner of the subject.

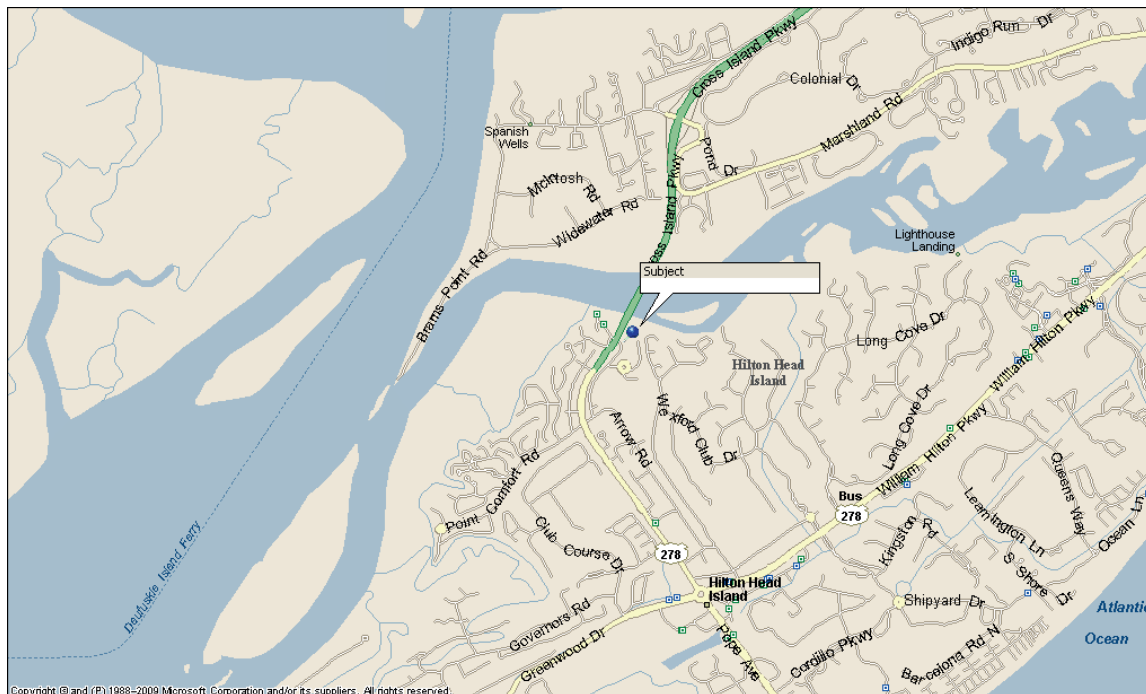
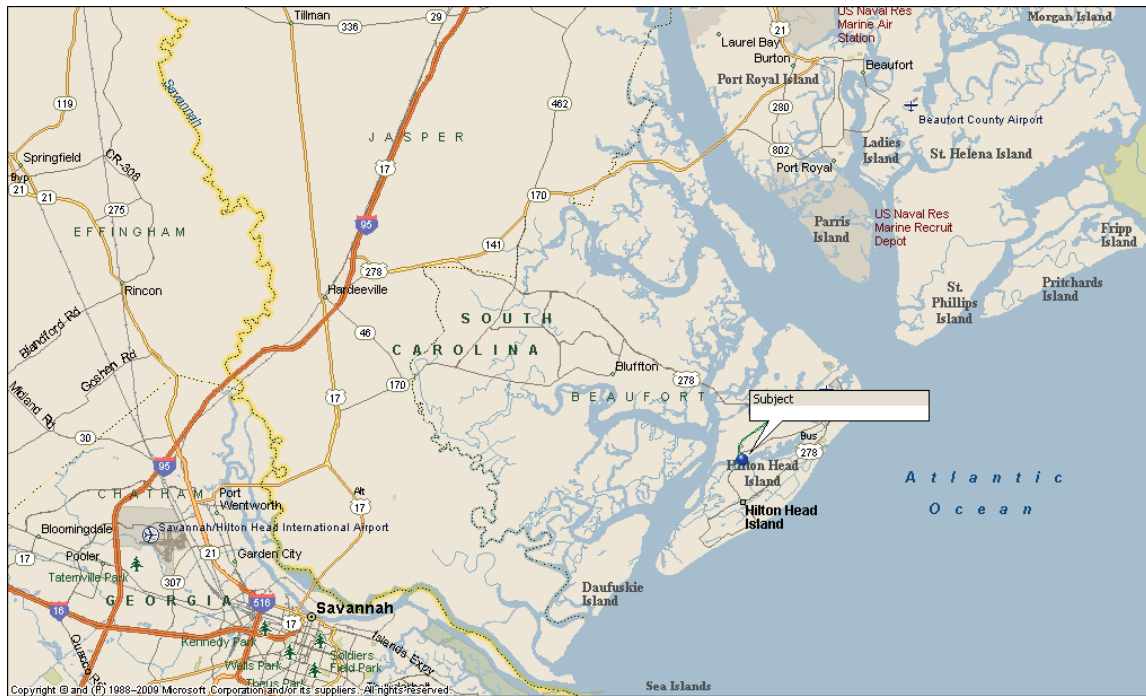
Present Use

The subject land is wooded and unimproved.

Current Listing or Contract

I am not aware of any current listing or contract for the subject property.

LOCATION OF SUBJECT



Subject Area

The subject property is located in Hilton Head Island, SC in the county of Beaufort. As the client, Beaufort County, is very familiar with the subject area, the following information is intended to highlight and summarize some of the factors that impact the subject.

The subject tract is located just off the Cross Island Parkway and is accessed via a lightly travelled two-lane road (Helmsman Way) that is primarily used by boaters using the public boat ramp adjacent to the subject and the marina located on the opposite side of the boat ramp. Helmsman Way separates into other roads on the opposite side of Cross Island Parkway but all eventually dead end.

The subject is not located in a commercially developed area and instead is surrounded by tracts that have more of a public use or destination commercial use. These include a public park, public boat ramp, the aforementioned marina and also an adjacent property used for a ferry boat operation to Haig Point on Daufuskie Island. Other land uses near the subject would include primarily vacant land and single family. The Cross Island Parkway eventually terminates at a traffic circle about 1.5 miles south of the subject. The traffic circle has significant commercial development and connects with the major thoroughfares on the island which include William Hilton Parkway, Pope Avenue and Greenwood Drive.

Residents are attracted to the area due to the proximity to the ocean, abundant boating opportunities in the various creeks, rivers and intracoastal waterway, the resort lifestyle and the other recreational activities which include golf, tennis and horseback riding.

Given the limited commercial development around the subject and with the subject being more destination oriented with regard to traffic, the most likely use of the subject has been concluded to be multi-family, and possibly office use. On the following pages is a market study of the subject area from Costar, a national real estate information services company. This market data is focused on the multi-family market in Hilton Head Island.

Economy

Hilton Head Island Multi-Family

With over 2.5 million visitors each year, Hilton Head's economy relies heavily on tourism as an economic driver. The metro's growth rates in income, population and labor force are all higher here than the U.S. averages, though most of these economic gains stem from the Bluffton area. Hilton Head's largest employment sectors, leisure and hospitality and retail trade, make up roughly 40% of total employment. For perspective, employment in the leisure and hospitality sector is twice as concentrated in Hilton Head as in the average U.S. metro.

That being said, these employment sectors felt the effects of the coronavirus pandemic the hardest. And since they make up a large portion of jobs here, the

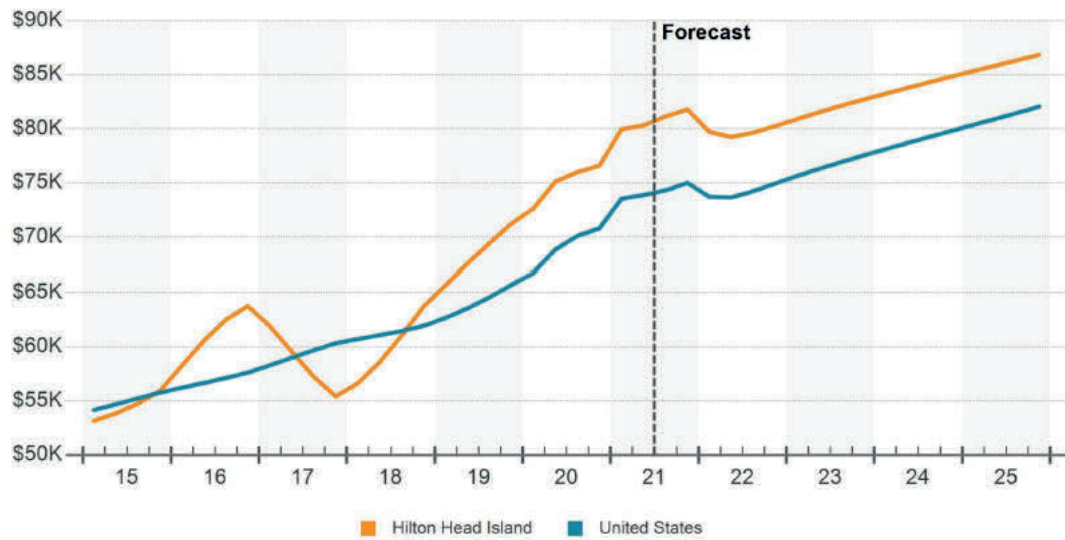
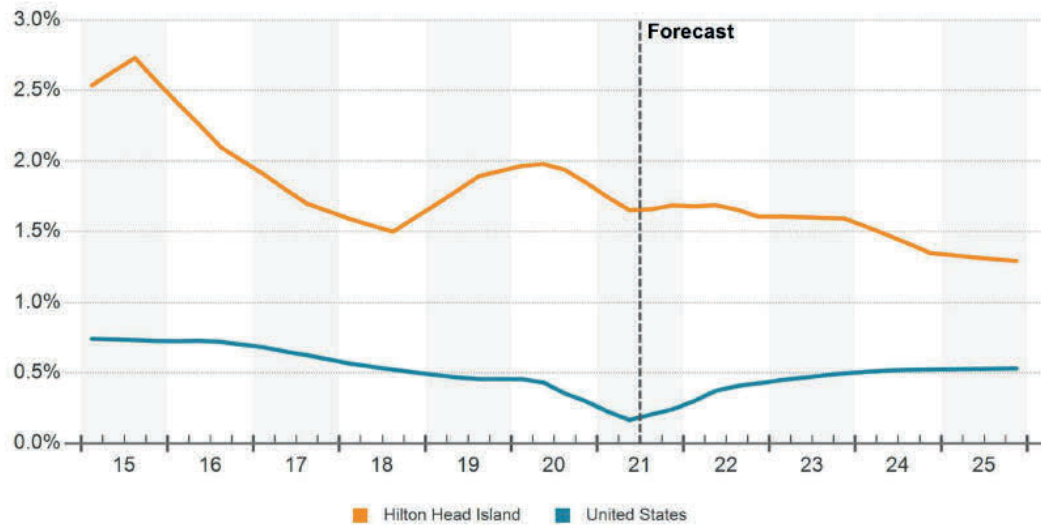
metro was particularly vulnerable to job losses. However, the local economy is well on its way to recovery and is one of the few South Carolina metros that has already returned to pre-pandemic employment levels.

Hilton Head Island boasts an unemployment rate below the national average and a higher median household income than many of its surrounding coastal cities. Popular tourist destinations, and also among the metro's top employers, include the Island's famous Salty Dog Café, Tanger Outlets, and the Sea Pines Resort, which hosts the RBC Heritage golf tournament. Reportedly, this tournament pumps over \$95 million into South Carolina's economy every year.

HILTON HEAD ISLAND EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	2	0.3	4.85%	5.14%	0.86%	0.65%	-1.00%	0.09%
Trade, Transportation and Utilities	15	0.9	3.35%	6.19%	1.95%	0.95%	0.58%	0.40%
Retail Trade	13	1.4	3.86%	6.48%	2.05%	0.45%	0.73%	0.34%
Financial Activities	5	0.9	-1.57%	2.45%	2.14%	1.42%	0.44%	0.59%
Government	11	0.9	1.01%	0.16%	0.18%	-0.16%	0.88%	0.85%
Natural Resources, Mining and Construction	5	1.0	9.59%	6.45%	5.04%	2.59%	-0.39%	0.78%
Education and Health Services	10	0.7	3.72%	6.10%	3.62%	1.70%	2.40%	1.45%
Professional and Business Services	13	1.1	11.90%	7.45%	5.39%	1.95%	2.18%	1.29%
Information	1	0.3	23.88%	6.05%	-3.60%	0.39%	3.95%	1.95%
Leisure and Hospitality	18	2.1	33.82%	24.14%	3.20%	1.01%	0.88%	2.97%
Other Services	5	1.4	5.90%	9.78%	0.06%	0.52%	-1.34%	0.88%
Total Employment	85	1.0	10.08%	6.78%	2.56%	1.09%	0.99%	1.09%

Source: Oxford Economics
LQ = Location Quotient

MEDIAN HOUSEHOLD INCOME**Economy****Hilton Head Island Multi-Family****POPULATION GROWTH (YOY %)**

The information indicates that Hilton Head Island has a population that is increasing at a rate faster than the country overall and Hilton Head Island has a higher median household income than the country overall. Both of these factors are positive influences on real estate markets and real estate values.

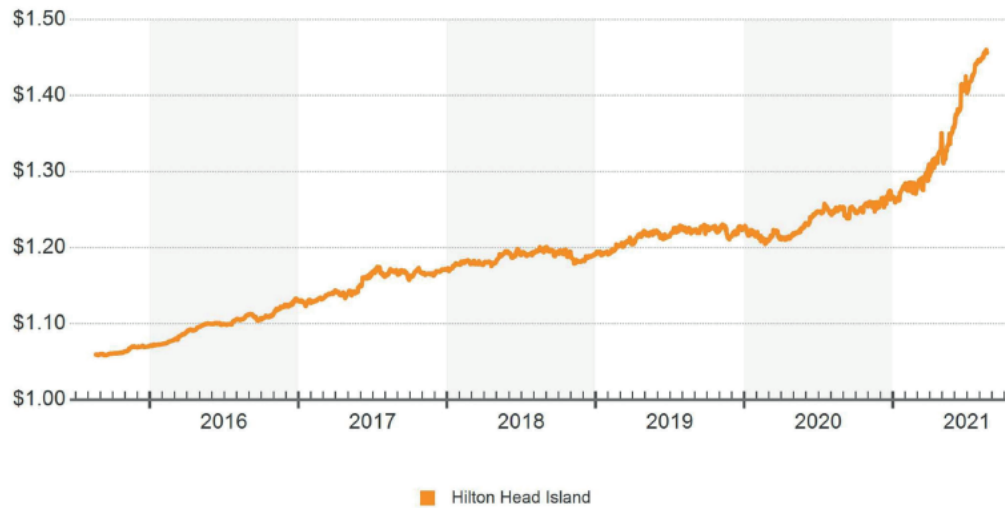
Rent

Hilton Head Island Multi-Family

Average asking rents are among the highest in the region, far above those of other coastal metros such as Savannah, Charleston, Myrtle Beach and Jacksonville. But despite the expensive rents, rent growth has also exceeded those of other neighboring metros. Strong demand for housing has allowed landlords to continue pushing rents and annual rent growth is near 16.6%.

Pre-pandemic, overall job growth has consistently outpaced the national average over the past several years, providing the steady stream of demand for rental housing. Hilton Head is also one of the few South Carolina metros that has returned to pre pandemic levels of employment.

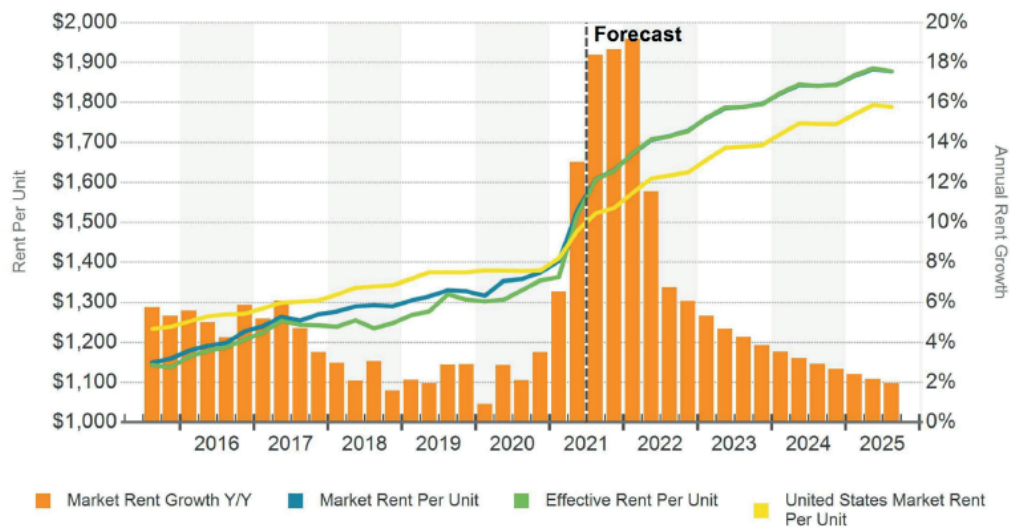
DAILY ASKING RENT PER SF



Rent

Hilton Head Island Multi-Family

MARKET RENT PER UNIT & RENT GROWTH



The market rent in the subject market is up about 17% in one year. This rate of increase is not expected to continue but market rents are expected to continue increasing 4%-6% per year through 2023. The indications are there is a tight housing market in Hilton Head Island. This is a positive influence on property values for properties like the subject which have a highest and best use of multi-family (condos) development.

Overview

Hilton Head Island Multi-Family

12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
181	851	4.6%	16.6%

Apartment rents in the Hilton Head Island Market were rising at a 16.6% annual rate during the third quarter of 2021, and have posted an average annual gain of 4.6% over the past three years. While 1,200 units have delivered over the past three years (a cumulative inventory expansion of 22.4%), nothing is currently underway. Vacancies in the metro were below the 10-

year average as of 2021Q3, and trended down over the past four quarters.

Nonfarm payrolls were recently increasing at an annual rate of 13.6%, or a gain of about 10,000 jobs. This represents the strongest rate of job creation in over a decade.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	4,069	5.3%	\$1,720	\$1,707	39	0	0
3 Star	2,302	3.5%	\$1,353	\$1,346	13	0	0
1 & 2 Star	164	3.7%	\$808	\$804	0	0	0
Market	6,535	4.6%	\$1,582	\$1,571	52	0	0

In summary, economic conditions in the area are very good and there is a tight housing market. Rents are increasing at a rapid rate and conditions are expected to remain positive for the foreseeable future. These are positive factors for residential development and positive influences on the value of the subject property.

PROPERTY DESCRIPTION**THE LAND**

Location	68 Helmsman Way, Hilton Head Island , 29928
Land Area	4.975 acre or 216,711 SF total area Parcel E (waterfront parcel): 3.134 acres Parcel C (interior parcel): 1.845 acres
Shape	site has an irregular but functional hourglass shape
Topography	level
Elevation	on grade with adjacent roads
Drainage	assumed adequate
Vegetation/Landscaping	heavily wooded
Additional Comment	The site has about 110' of water frontage along the Broad Creek. The water view is negatively impacted by the Cross Island Parkway bridge which dominates the view.
<u>Environmental Hazards</u>	
Environmental evaluation is beyond my scope of expertise. If necessary, a qualified engineer should be consulted on this matter. The site was inspected and, to the untrained eye, no obvious hazardous materials or conditions were observed during my inspection.	
<u>Ground Stability</u>	
I was not provided a soil analysis to review but predicate that the soil's load bearing capacity is sufficient to support structures typical for the area. I did not observe any evidence to the contrary during my inspection of the property.	

Utilities

Public Water	Yes
Public Sewer	yes
Gas	not known
Well	n/a
Septic Tank	n/a

Roads

Street	<u>Helmsman Way</u>	<u>Haig Point Circle</u>
Frontage	854'+-	222'+-
Paving	asphalt	asphalt
Curbs/Gutters	yes	no
Sidewalk	yes	no
Lanes	2	2
Direction of Traffic	2-way	2-way
Condition of Road	good	good
Traffic Level	moderate	low
Signals/Traffic Control	none within 100'	none within 100'
Access	full r/l access	full r/l access
Exposure	average	typical for road

Zoning

Zoning Classification: WMU - Water Front Mixed Use district

Permitted Uses

The zoning description for WMU has been copied from the Town of Hilton Head Zoning Ordinance and is found on the following page. In addition, the portion of the zoning information that describes the allowable hotel rooms and dwelling units is included.

Conforming Use?: Yes.

Easements, Encumbrances, Encroachments and Moratoria

I am not aware of any other easements, encumbrances, or restrictions that would adversely affect the use of the site. A title search is recommended to determine whether any adverse conditions exist. I am not aware of any type of development moratorium that would affect the property.

WMU

Waterfront Mixed-Use District

1. Purpose

It is the purpose of the Waterfront Mixed-Use (WMU) District to recognize certain *lands* that are special water-oriented *sites*, and as such have a unique ability to provide an environment conducive to water-oriented commercial and residential *development*. In order to service the residents of these *lands*, and to serve the transient boat and minor tourist *use* component of the district, water-oriented commercial *uses* are permitted.

2. Allowable Principal Uses

USE CLASSIFICATION/TYPE		USE-SPECIFIC CONDITIONS	MINIMUM NUMBER OF OFF-STREET PARKING SPACES	
Residential Uses				
<i>Mixed-Use</i> ⁴	PC	Sec. 16-4-102.B.1.a	Residential	1.125 per du
			Nonresidential	1 per 650 sf
<i>Multifamily</i>	P		1 bedroom	1.4 per du
			2 bedroom	1.7 per du
			3 or more bedrooms	2 per du
<i>Recreational Vehicle</i>	PC	16-4-102.B.1.c	1 per <i>Recreational Vehicle</i>	
<i>Single-Family</i>	P		2 per du + 1 per 1,250 GFA over 4,000 GFA	
<i>Workforce Housing</i>	PC	16-4-102.B.1.d	See Sec. 16-5-107.D.2	

3. Development Form Standards			
MAX. DENSITY (PER <i>NET ACRE</i>) ^{1, 5}		LOT COVERAGE	
Residential ³	16 du	Max. <i>Impervious Cover</i>	50%
<i>Bed and Breakfasts</i>	10 rooms		
<i>Hotel</i>	35 rooms	Min. <i>Open Space</i> for Major Residential <i>Subdivisions</i>	16%
<i>Interval Occupancy</i>	16 du		

WMU Waterfront Mixed-Use District			
Nonresidential	8,000 GFA		
MAX. BUILDING HEIGHT ^{2, 3}			
All <i>Development</i>	75 ft		

Summary of Land Description

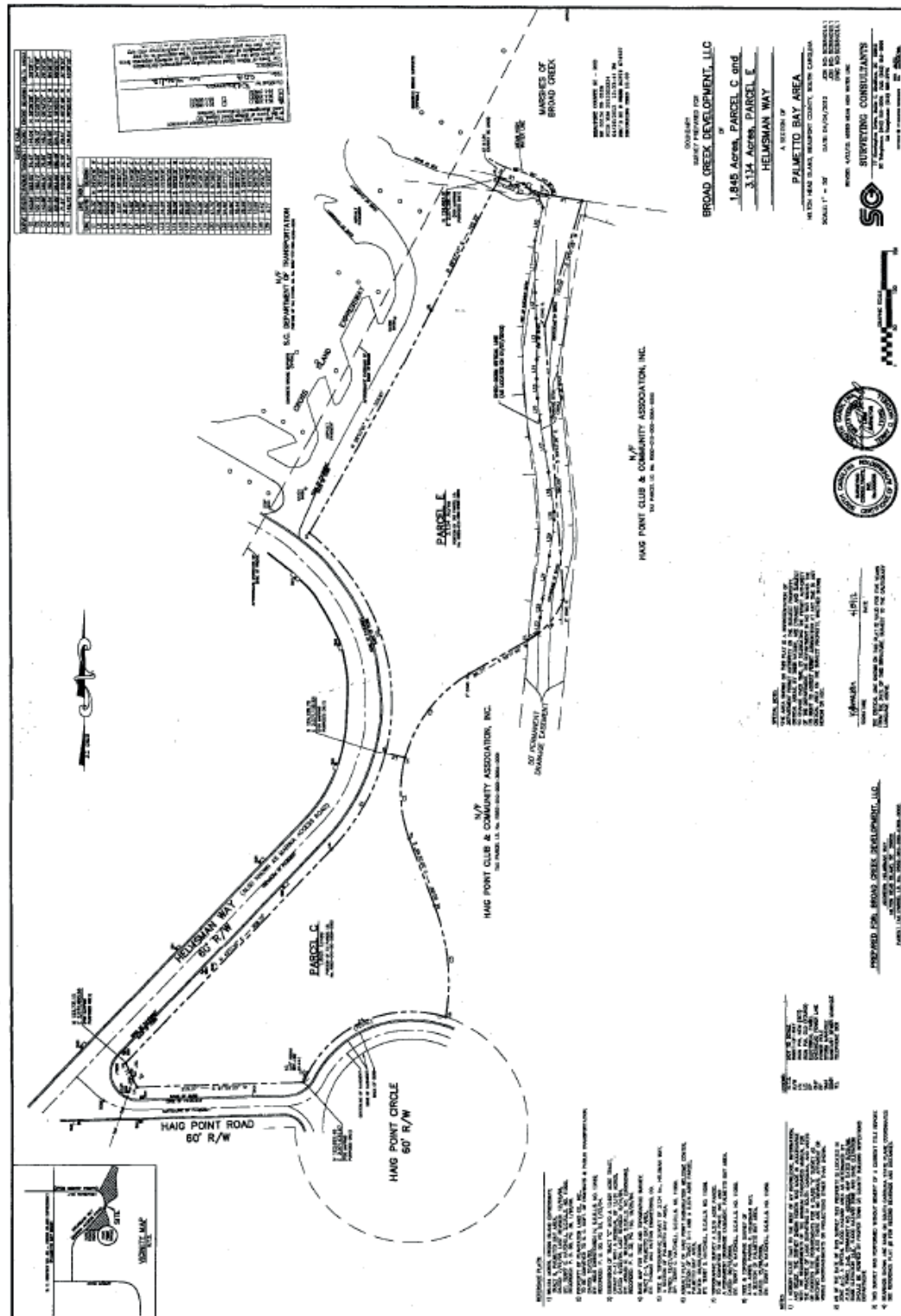
The subject site has adequate size and shape for development and public water and sewer are available. The shape of the subject resembles an hourglass and the middle of the tract is only 26' wide making the tract appear to resemble two separate parcels instead of one site. Each end of the hourglass shape has adequate size and shape for development. The tract has water frontage on the Broad Creek and is easily accessible from the Cross Island Parkway.

Helmsman Way is a moderately travelled road that is primarily used by boaters using the public boat ramp adjacent to the subject and the marina located on the opposite side of the boat ramp. Helmsman Way separates into other roads on the opposite side of Cross Island Parkway but all eventually dead end. The subject is not located in a commercially developed area and instead is surrounded by tracts that have more of a public use or destination commercial use. These include a public park, public boat ramp, the aforementioned marina and also an adjacent property used for a ferry boat operation to Haig Point on Daufuskie Island. Other land uses near the subject would include primarily vacant land and single family. The Cross Island Parkway eventually terminates at a traffic circle about 1.5 miles south of the subject. The traffic circle has significant commercial development and connects with the major thoroughfares on the island which include William Hilton Parkway, Pope Avenue and Greenwood Drive.

AERIAL TAX MAP PHOTO



PLAT



GOOGLE 3D IMAGE OF SUBJECT



FLOOD ZONE

HELMSMAN WAY HILTON HEAD ISLAND, SC 29928

LOCATION ACCURACY: *User-defined location*

Flood Zone Determination Report

Flood Zone Determination: **OUT**

COMMUNITY	450250	PANEL	0442G
PANEL DATE	March 23, 2021	MAP NUMBER	45013C0442G



SUBJECT PHOTOS



View of subject from Helmsman Way



View of subject from Helmsman Way



View of subject from Helmsman Way



View along Helmsman Way

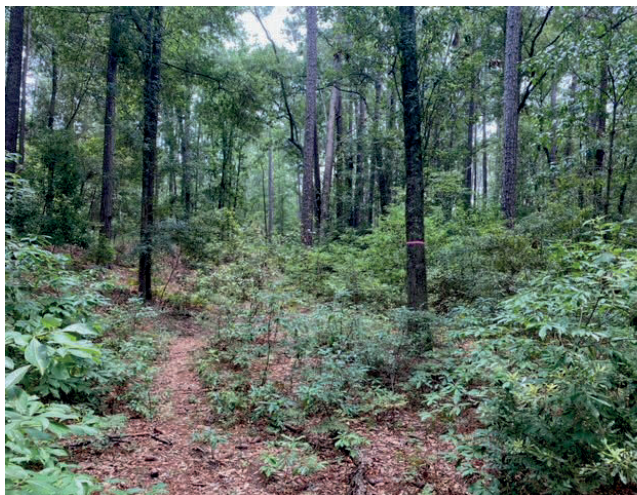


View of subject from Haig Point Circle



Interior view

SUBJECT PHOTOS



Interior view



Interior view



Water view from parcel



View of subject water frontage



View of subject from public boat landing



View of Haig Point Ferry adjacent to subject

Real Estate Tax

The total county assessor's values for the subject are as follows:

Land: \$2,729,000

Improvements: \$0

Total: \$2,729,000

The current taxes for the subject are indicated to be \$116.61.

HIGHEST AND BEST USE

Process

Before an opinion of value can be developed, the highest and best use of the property must be determined for both the subject site as though vacant, and for the property as currently improved (if applicable). The highest and best use must be:

- Legally permissible under the zoning laws and other restrictions that apply to the site.
- Physically possible for the site.
- Economically feasible.
- Capable of producing the highest net return on investment (i.e., highest value) from among the possible, permissible, and economically feasible uses.

As Vacant

Size of Site: 4.979 acre or 4.979 SF

Shape / Topography: site has an irregular but functional hourglass shape, level

Land Uses Bordering Subject

North: Broad Creek

South: Haig Point Circle

East: Ferry Boat use property

West: Helmsman Way and public boat landing

Other Land Uses in Close Proximity

The subject site has adequate size and shape for development and public water and sewer are available. There is not a significant amount of commercial development near the subject other than the marina and the boat ferry. Other uses are public, which include a park and the boat landing.

Zoning: WMU - Water Front Mixed Use district

Private Restrictions: None noted

Legal Use of the Site

The zoning allows for almost any use, including commercial and residential.

Physical Use of the Site

The site has an unusual hourglass shape but both ends of the hourglass have adequate size and shape to support commercial or residential development.

Financially Feasible Uses of the Site

Any use, which is capable of generating a positive return, is considered financially feasible. Given the location of the tract near the Cross Island Parkway, the water frontage, proximity to the commercial uses of marina and boat ferry, as well as the available legal uses of the site, commercial use is the most financially feasible use of the site as vacant. The most likely financially feasible commercial uses are multi-family and office, with multi-family (condo or apartment) development on waterfront parcel and office or multi-family on rear parcel.

Maximally Productive Uses of the Site

I have determined that the maximally productive use and highest and best use of the site as though vacant is: mixed use of multi-family and office.

As Vacant Conclusions	
Use:	mixed use of multi-family and office
Timing:	Now
User:	Developer

Valuation Analysis

Valuation Methodology

The traditional methods of processing market data into a value indication include:

- Cost Approach
- Income Approach
- Sales Comparison Approach

The cost approach assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land, or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The sales comparison approach assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data that can be verified from authoritative sources. The sales comparison approach is less reliable in an inactive market, or when estimating the value of properties for which no real comparable sales data is available. It is also questionable when sales data cannot be verified with principals to the transaction.

The income capitalization approach reflects the market's perception of a relationship between a property's potential income and its market value, a relationship expressed as a capitalization rate. This approach converts the anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value indication through capitalization. This approach is widely applied when appraising income-producing properties.

******Only a sales comparison analysis of the land value was performed in this analysis.**

LAND VALUATION – 3.134 ACRE PARCEL

Sales Summary

An extensive search for land comps was undertaken. The subject is an undeveloped, commercially zoned acreage parcel with water frontage on Hilton Head Island. The number of these types of properties is very low and the number of recent sales of these property types is very, very low. I have assembled several comps that I believe give the best indication of value of the subject.

LAND SALES SUMMARY											
#	Location	Zoning	Sale Date	Size(Ac.)	Size(SF)	Sale Price	Imprvmnts	Effective Sale Price	Price/Acre	Price/SF	
1	106 Helmsman Way, HHI	WMU	07/17/20	1.496	65,166	\$1,000,000	\$ -	\$1,000,000	\$668,449	\$15.35	
2	17 Mackerel Dr, HHI	RM-4	01/22/18	3.079	134,121	\$1,250,000	\$ -	\$1,250,000	\$405,976	\$9.32	
3	63 Skull Creek Dr, HHI	PUD	under contract for sale	2.750	119,790	\$2,725,000	\$ -	\$2,725,000	\$990,909	\$22.75	
4-listing	71 Shelter Cove LN, HHI	LC		3.040	132,422	\$4,450,000	\$ -	\$4,450,000	\$1,463,816	\$33.60	

Sales Map



Land Sale 1

Street Address: 106 Helmsman Way
County: Beaufort
City, State, Zip: Hilton Head Island, SC 29928
Tax Map #: R552 010 000 0313 0000

Land Description:

Gross Land Area: 1.496 Acre
Net Land: 1.496 Acre
Topography: Level
Corner / Interior: Interior
Road Frontage: Limited
Zoning Description: WMU
Water / Sewer: Water/sewer available

Sale Information:

Sale Status: Closed
Sale Price: \$1,000,000
Sale Date: 07-17-20
Deed: 3886 / 0587
Grantor: Keith A. Miller & Margaret M. Miller
Grantee: Palmetto Bay Marina, LLC
Sale Type: Fee Simple
Financing: Typical

Price / Acre: \$668,449

Price / SF: \$15.35

Remarks:

The grantor, Keith Miller, explained he purchased this property in 2012 to flip. He said the buyer, who owns the adjacent marina, intends to use the property to expand the marina and add more boat slips. Mr. Miller said the property was not being actively marketed and the buyer approached him with an offer and they negotiated a sale price.



Land Sale 2

Street Address: 17 Mackerel Drive
County: Beaufort
City, State, Zip: Hilton Head Island, SC 29928
Tax Map #: R510 011 000 0072 0000, 0139, 0152

Land Description:

Gross Land Area: 3.079 Acre
Net Land: 3.079 Acre
Topography: Level
Corner / Interior: Interior
Road Frontage: Limited
Zoning Description: RM-4
Water / Sewer: Water/sewer available

Sale Information:

Sale Status: Closed
Sale Price: \$1,250,000
Sale Date: 01-22-18
Deed: 3641 / 31
Grantor: Pine Field, LLC
Grantee: Harinderjit Singh
Sale Type: Fee Simple
Financing: Typical

Price / Acre: \$405,976

Price / SF: \$9.32

Remarks:

This parcel is an old mobile home park. The buyer's intentions are unknown as attempts to contact the buyer and seller were unsuccessful, however, the buyer appears to be assembling several parcels in the area to create a larger, waterfront, development parcel.



Land Sale 3

Street Address: 63 Skull Creek Drive
County: Beaufort
City, State, Zip: Hilton Head Island, SC 29928
Tax Map #: R510 003 000 0034 0000

Land Description:

Gross Land Area: 2.750 Acre
Net Land: 2.750 Acre
Topography: Level
Corner / Interior: Interior
Road Frontage: Typical for size
Zoning Description: PUD
Water / Sewer: Water/sewer available

Sale Information:

Sale Status: Under contract
Sale Price: \$2,275,000
Sale Date: Under contract
Deed: n/a
Grantor: n/a
Grantee: n/a
Sale Type: Fee Simple
Financing: Typical

Price / Acre: \$990,909

Price / SF: \$22.75

Remarks:

The listing broker, Tom DeMint of Sperry Van Ness, stated the buyer intends to develop the site with luxury condos. The site is entitled to construct 8 dwelling units per acre or 22 total units for this site.



Land Sale 4 - listing

Street Address: 71 Shelter Cove
County: Beaufort
City, State, Zip: Hilton Head Island, SC 29928
Tax Map #: R520 012 00C 0001 0000

Land Description:

Gross Land Area: 3.04 Acre
Net Land: 3.04 Acre
Topography: Level
Corner / Interior: Interior
Road Frontage: Typical for size
Zoning Description: LC
Water / Sewer: Water/sewer available

Sale Information:

Sale Status: For sale
Sale Price: \$4,450,000
Sale Date: For sale
Deed: n/a
Grantor: n/a
Grantee: n/a
Sale Type: Fee Simple
Financing: Typical

Price / Acre: \$1,463,816

Price / SF: \$33.60

Remarks:

This parcel is indicated to have been on the market for more than 5 years. The parcel is being marketed primarily as a hotel site and marketing info indicates a site plan has been completed for a 106 room hotel.



LAND SALES GRID - Price Per Acre					
Subject		1	2	3	4-listing
Location		106 Helmsman Way, HHI	17 Mackerel Dr, HHI	63 Skull Creek Dr, HHI	71 Shelter Cove LN, HHI
Sale Date		7/17/2020	1/22/2018	under contract	for sale
Zoning WMU - Waterfront Mixed-Use		WMU	RM-4	PUD	LC
Sale Price		\$1,000,000	\$1,250,000	\$2,725,000	\$4,450,000
Size upland Acre	3.134	1.496	3.079	2.750	3.040
Price Per Acre		\$668,449	\$405,976	\$990,909	\$1,463,816
Property Rights		-	-	-	-
Adj. Price		\$1,000,000	\$1,250,000	\$2,725,000	\$4,450,000
Financing		-	-	-	-
Adj. Price		\$1,000,000	\$1,250,000	\$2,725,000	\$4,450,000
Conditions of Sale		-	-	-	(890,000)
Adj. Price		\$1,000,000	\$1,250,000	\$2,725,000	\$3,560,000
Expenditures After Purchase		-	-	-	-
Adj. Price		\$1,000,000	\$1,250,000	\$2,725,000	\$3,560,000
Market Conditions (months)		13	43	0	0
Annual % Change 7.50%		8.08%	26.98%	0.00%	0.00%
Market Conditions \$		\$80,833	\$337,240	\$0	\$0
Adj. Price		\$1,080,833	\$1,587,240	\$2,725,000	\$3,560,000
Price Per: Acre		\$722,482	\$515,505	\$990,909	\$1,171,053
ADJUSTMENTS FOR FEATURES					
Location/Exposure					
Dollar Adj.		-	-	(247,727.27)	(234,210.53)
Percentage Adj.		0.00%	0.00%	-25.00%	-20.00%
Size Acre	3.134	1.496	3.079	2.750	3.040
Dollar Adj.		(108,372.33)	-	-	-
Percentage Adj.		-15.00%	0.00%	0.00%	0.00%
Topo / Access / Shape / Frontage					
Dollar Adj.		144,496.43	-	-	-
Percentage Adj.		20.00%	0.00%	0.00%	0.00%
Utilities					
Dollar Adj.		-	-	-	-
Percentage Adj.		0.00%	0.00%	0.00%	0.00%
Other					
Dollar Adj.		-	154,651.47	99,090.91	-
Percentage Adj.		0.00%	30.00%	10.00%	0.00%
NET ADJ. TOTAL		36,124.11	154,651.47	(148,636.36)	(234,210.53)
Net Adj. %		5.00%	30.00%	-15.00%	-20.00%
ADJ. PRICE Acre		\$758,606	\$670,156	\$842,273	\$936,842
ADJ. PRICE SF		\$17.42	\$15.38	\$19.34	\$21.51
GROSS ADJ.		252,868.76	154,651.47	346,818.18	234,210.53
Gross Adj. %		35.0%	30.0%	35.0%	20.0%

Explanation and Support of Adjustments:

Analysis and Adjustment of Sales

The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of the two. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales or statistical analysis. Qualitative adjustments are developed through relative comparisons (e.g., superior, inferior, etc.) and are often a realistic way to reflect the thought process of market participants when only limited data is available.

Adjustments are based on my rating of each comparable sale in relation to the subject. If the comparable is rated superior to the subject, the sale price is adjusted downward to reflect the subject's relative inferiority; if the comparable is rated inferior, its price is adjusted upward. Adjustments were considered under the elements of comparison discussed below.

Real Property Rights Conveyed

This adjustment is generally applied to reflect the transfer of property rights different from those being appraised, such as differences between properties owned in fee simple and in leased fee.

In this analysis, no adjustments were required.

Conditions of Sale

This adjustment category reflects extraordinary motivations of the buyer or the seller to complete the sale. Examples include a purchase for assemblage involving anticipated incremental value or a quick sale for cash. This adjustment category may also reflect a distress-related sale or a corporation recording at non-market price.

In this analysis, comp 4 is a current listing and has been on the market for more than 5 years. A downward adjustment is applied to reflect a reasonable negotiated sale price.

Financing Terms

This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market mortgage which has no prepayment clause or a very costly prepayment clause. Such atypical financing often plays a role in the negotiated sale price.

In this analysis, no adjustments were required.

Expenditures Immediately After Purchase

This adjustment is appropriate in situations where the sale price has been influenced by expenditures that the buyer intended to make immediately after purchase. Examples include buyer-paid sales commissions, buyer-paid back taxes, and costs to demolish obsolete structures to clear a site for redevelopment.

In this analysis, no adjustments were required.

Time - Market Conditions

Real estate values normally change over time. The rate of this change fluctuates due to investors' perceptions of prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sales date of a comparable, when values have appreciated or depreciated.

An upward adjustment for market conditions is applied. Values in highly desirable areas throughout the state have risen by as much as 10% or more over the past 12 months and the subject's location would be considered highly desirable. For 2019, a 5% upward adjustment is considered reasonable. For this analysis, a 7.5% upward adjustment is considered reasonable for the comps.

Location

Location has a great impact on property values. This adjustment category considers general market area influences as well as a property's visibility from a main thoroughfare.

In this analysis, all the comps are located on Hilton Head Island and have water frontage. Comp 1 has an almost identical location to the subject and requires no

adjustment. Comp 2 is bordered by low quality residential properties but has a superior water frontage location/view than the subject. The offsetting factors imply no adjustment for location is required. Comp 3 has a superior residential location and water view and is given a downward adjustment. Comp 4 is located in a much more densely developed area with significantly greater commercial potential (hotel use) than the subject, and a downward adjustment is applied.

Size

Historically, smaller properties sell for more per unit than larger properties with all other factors being equal.

In this analysis, the comps were adjusted for size difference relative to the subject.

Topography, Access, Shape, Frontage

A site's **topography** is an important factor in development cost. Poor topography can increase development cost and result in a lower value for the site due to the increased costs to develop it. **Access** can have a great effect on the highest and best use of a property. Access can determine the difference between a convenience/impulse location and a destination location. The most common adjustment for access reflects the difference between a corner and an interior site. A site's **shape** can affect the value per unit of the property. An unusual shape may reduce the overall development potential of a site as a portion of the site may not be suitable for development and add little to the overall value of the site. **Frontage** offers good exposure to traffic along heavily travelled roads and parcels with better frontage can be considered superior to similar properties with less frontage.

In this analysis, comp 1 has a very irregular shape and is given an upward adjustment for inferior shape.

Utilities

The availability of water and sewer increases the development potential for a site. Public water availability is an important factor when considering the development potential of sites, especially commercial or industrial sites in rural areas. In addition, lack of either public water or sewer requires a portion of the

site be devoted to well or septic and therefore reduces the amount of the site that can be developed with building or parking improvements.

In this analysis, no adjustments were required.

Other

This adjustment category includes any aspect of superior or inferiority not addressed in the previous adjustments.

In this analysis, no adjustments were required.

Reconciliation

The sales reflected a range of values as noted below.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4-listing</u>
Acre	\$758,606	\$670,156	\$842,273	\$936,842
SF	\$17.42	\$15.38	\$19.34	\$21.51
Gross Adj.	35.0%	30.0%	35.0%	20.0%

COMP VALUE INDICATIONS		
Range Per:	Acre	SF
Maximum	\$936,842	\$21.51
Minimum	\$670,156	\$15.38
Average	\$801,969	\$18.41
Median	\$800,440	\$18.38

The comps, though limited, give a reasonable indication of the value range and the value potential for the subject land. For a property like the subject, there are many variables that can affect value and as such, the limited number of comps combined with the numerous variables to consider, result in a somewhat wide range of potential value.

Considering the overall range, I have reconciled the value of the subject near the mean and median values of the range at \$800,000 per acre. This reflects a value for the subject land as follows:

Land Value - Value Per Acre					
3.134	acre	x	\$800,000	=	\$2,507,200 or \$2,500,000 rd.

Additional Sales Analysis

The subject property and the comparable sales are all development parcels and given the zoning in the area and the limited amount of available land for development, another significant factor that drives value for land in the area is what a developer can do with a property, i.e., what is the maximum number of residential units, or hotel rooms, etc. that could be developed on a parcel. Given this, comps 1, 2 and 3 are also analyzed on a price per dwelling unit.

Price Per Dwelling Unit

On the following page the sales grid is presented again. However, this analysis compares the subject to the comps on a price per dwelling unit.

A detailed discussion of each of the adjustments is not necessary as most of the adjustments or non-adjustments are the same as in the previous price per acre analysis. The two adjustments that are different in this analysis are the adjustments for dwelling units and zoning (line item "other").

Dwelling Unit Adjustment

This adjustment is similar to a land size adjustment, where economies of scale result in a lower price per unit. Since the unit of comparison is a price per dwelling unit, then the greater the number of dwelling units available to a property then the lower the price per unit. Just as with a price per acre where a smaller acreage parcel will typically sell for more per acre (unit) than a larger acreage parcel, the lower the number of dwelling units the higher the price per unit.

In this case, given zoning, the subject has potential for 50 dwelling units to be constructed at the subject. Comp 1 has 23 units potential, comp 2 has 18 units potential and comp 3 has 22 units potential.

The subject has a significantly higher number of dwelling units allowed than the comps. All the comps are given downward adjustments for less dwelling units since a higher price per unit is paid (economies of scale).

Zoning (Other) Adjustment

An adjustment for zoning is not required in this analysis. A zoning that limits units to a low number is an "inferior" zoning but adjusting up for inferior zoning in this analysis

would offset the Dwelling Unit Adjustment. For example, a one acre residential lot that only allows one dwelling unit might have a value of say \$100,000, while a similar sized lot that allows four residential units may have a value of \$200,000. The single dwelling lot has a value of \$100,000 per dwelling unit while the four-unit lot has a value of only \$50,000 per dwelling unit. Therefore, adjusting for the inferior zoning defeats the purpose of this analysis, and a zoning adjustment is not applied.

LAND SALES GRID - Price Per Dwelling Unit				
Subject		1	2	3
Location		106 Helmsman Way, HHI	17 Mackerel Dr, HHI	63 Skull Creek Dr, HHI
Sale Date		7/17/2020	1/22/2018	under contract
Zoning	WMU - Waterfront Mixed-Use	WMU	RM-4	PUD
Sale Price		\$1,000,000	\$1,250,000	\$2,725,000
DU's	50	23	18	22
Price Per DU		\$43,478	\$69,444	\$123,864
Property Rights		-	-	-
	Adj. Price	\$1,000,000	\$1,250,000	\$2,725,000
Financing		-	-	-
	Adj. Price	\$1,000,000	\$1,250,000	\$2,725,000
Conditions of Sale		-	-	-
	Adj. Price	\$1,000,000	\$1,250,000	\$2,725,000
Expenditures After Purchase		-	-	-
	Adj. Price	\$1,000,000	\$1,250,000	\$2,725,000
Market Conditions (months)		13	43	0
Annual % Change	7.50%	8.08%	26.98%	0.00%
Market Conditions \$		\$80,833	\$337,240	\$0
	Adj. Price	\$1,080,833	\$1,587,240	\$2,725,000
	Price Per:	0	\$46,993	\$88,180
ADJUSTMENTS FOR FEATURES				
Location/Exposure				
	Dollar Adj.	-	-	(30,965.91)
	Percentage Adj.	0.00%	0.00%	-25.00%
DU's	50	23	18	22
	Dollar Adj.	(9,398.55)	(22,044.99)	(24,772.73)
	Percentage Adj.	-20.00%	-25.00%	-20.00%
Topo / Access / Shape / Frontage				
	Dollar Adj.	9,398.55	-	-
	Percentage Adj.	20.00%	0.00%	0.00%
Utilities				
	Dollar Adj.	-	-	-
	Percentage Adj.	0.00%	0.00%	0.00%
Other				
	Dollar Adj.	-	-	-
	Percentage Adj.	0.00%	0.00%	0.00%
NET ADJ. TOTAL		-	(22,044.99)	(55,738.64)
Net Adj. %		0.00%	-25.00%	-45.00%
ADJ. PRICE		\$46,993	\$66,135	\$68,125
GROSS ADJ.				
	Gross Adj. %	18,797.10	22,044.99	55,738.64
		40.0%	25.0%	45.0%

Reconciliation of Land Value – Price Per Dwelling Unit

The adjusted unit values of the comps reflected the following range of values.

	<u>1</u>	<u>2</u>	<u>3</u>
DU	\$46,993	\$66,135	\$68,125
Gross Adj.	40.0%	25.0%	45.0%

COMP VALUE INDICATIONS	
Range Per:	DU
Maximum	\$68,125
Minimum	\$46,993
Average	\$60,418
Median	\$66,135

Comp 1 is most similar to the subject, but comps 2 and 3 are closer in value to each other. I have weighted the values of comps 2 and 3 together at 50% and the value of comp 1 at 50% and reconciled the value of the subject on a price per dwelling unit at \$57,000 per dwelling unit.

Land Value - Value Per Dwelling Unit					
50	DU's	x	\$57,000	=	\$2,850,000 or \$2,850,000 rd.

Reconciliation – Value of 3.134 Acre Parcel

The two analyses of this parcel reflected the following values:

Land Value - Value Per Acre					
3.134	acre	x	\$800,000	=	\$2,507,200 or \$2,500,000 rd.

Land Value - Value Per Dwelling Unit					
50	DU's	x	\$57,000	=	\$2,850,000 or \$2,850,000 rd.

I have given each analysis equal weight and reconciled the value of the 3.134 acre parcel at:

\$2,700,000

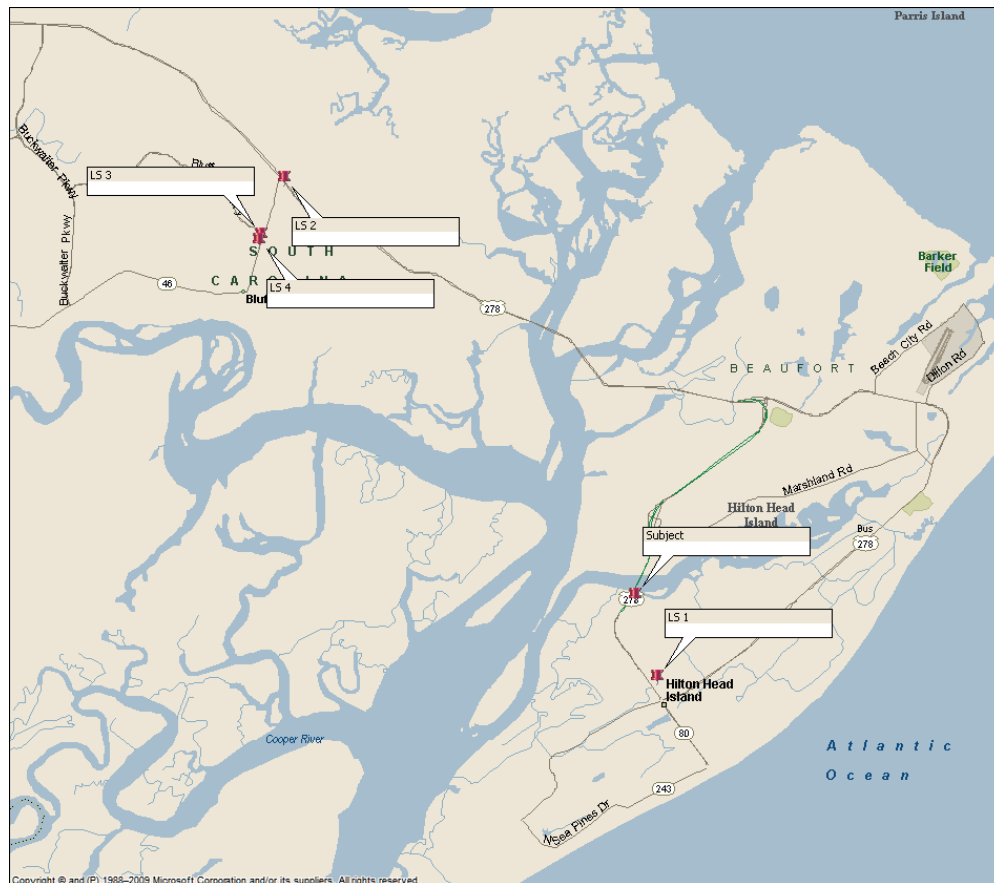
LAND VALUATION – 1.845 ACRE PARCEL

Sales Summary

The 1.845 acre parcel of the subject is a more typical commercial parcel that is best suited for office or multi-family development. An extensive search for similar parcels on Hilton Head Island was undertaken but few recent comparable sales were located, so the search was expanded to the Bluffton area.

LAND SALES SUMMARY										
#	Location	Zoning	Sale Date	Size(Ac.)	Size(SF)	Sale Price	Imprvmts	Effective Sale Price	Price/Acre	Price/SF
1	20 Palmetto Bay Rd, Hilton Head	GC	02/12/18	2.800	121,968	\$1,500,000	\$ -	\$1,500,000	\$535,714	\$12.30
2	1000 Fording Island Rd, Bluffton	RCMU	06/18/18	3.655	159,212	\$1,850,000	\$ -	\$1,850,000	\$506,156	\$11.62
3	120 Bluffton Rd, Bluffton	CCMU	08/22/18	2.840	123,710	\$825,000	\$ -	\$825,000	\$290,493	\$6.67
4	132 Bluffton Rd, Bluffton	CCMU	02/26/21	1.059	46,130	\$750,000	\$ -	\$750,000	\$708,215	\$16.26

Sales Map



Land Sale 1

Name\Location

Street Address: 20 Palmetto Bay Road
County: Beaufort
City, State, Zip: Hilton Head Island, SC 29928
Tax Map #: R552 015 000 0102 0000 and R552 015 000 0417 0000

Land Info:

Gross Land: 2.80 acres
Net Land: 2.80 acres
Topo / Shape: Level
Corner / Int: Interior (not true corner)
Road Frontage: Typical for size
Zoning: GC
Water / Sewer: Both available
VPD 26,295

Transaction Info:

Sale Status: Closed
Sale Price: \$1,500,000
Sale Date: 02-12-18
Deed: 3644 / 1971
Grantor: Pinnacle Bank
Grantee: Palmetto Bay SP, LLC
Sale Type: Fee Simple
Financing: Cash to seller
Price / Acre: \$535,714
Price / SF: \$12.30

Remarks:

This sale was brokered by Spain Kelly of MSK Commercial Services. The intentions of the buyer are not known.



Land Sale 2

Name\Location

Street Address: 1000 Fording Island Road
 County: Beaufort
 City, State, Zip: Bluffton, SC 29910
 Tax Map #: R601 031 000 0031 0000

Land Info:

Gross Land: 3.655 acres
 Net Land: 3.655 acres
 Topo / Shape: Level
 Corner / Int: Partial corner
 Road Frontage: Typical for size
 Zoning: Regional Center Mixed Use
 Water / Sewer: Both available
 VPD: 58,654

Transaction Info:

Sale Status: Closed
Sale Price: \$1,850,000
 Sale Date: 06-18-18
 Deed: 3677 / 2829
 Grantor: Kenneth Malcom Johnson, etal
 Grantee: Bluffton Land Partners, LLC
 Sale Type: Fee Simple
 Financing: Cash to seller
Price / Acre: \$506,156
Price / SF: \$11.62

Remarks:

Costar info confirms this as a market sale to a developer. The developer did not indicate the development plans.



Land Sale 3

Name\Location

Street Address: 120 Bluffton Road
 County: Beaufort
 City, State, Zip: Bluffton, SC 29910
 Tax Map #: R600 039 000 0172 0000

Land Info:

Gross Land: 2.84 acres
 Net Land: 2.84 acres
 Topo / Shape: Level
 Corner / Int: Interior
 Road Frontage: Typical for size
 Zoning: Community Center Mixed Use
 Water / Sewer: Both available
 VPD: 14,561

Transaction Info:

Sale Status: Closed
Sale Price: \$825,000
 Sale Date: 08-22-18
 Deed: 3695 / 573
 Grantor: Reign Capital Partners, LLC
 Grantee: BC Distillery Holdings, LLC
 Sale Type: Fee Simple
 Financing: Cash to seller
Price / Acre: \$290,493
Price / SF: \$6.67

Remarks:

This parcel was purchased for development by Burnt Church Distillery with a building that houses the distillery and a bar.



Land Sale 4

Name\Location

Street Address: 132 Bluffton Road
 County: Beaufort
 City, State, Zip: Bluffton, SC 29910
 Tax Map #: R600 039 000 0215 0000

Land Info:

Gross Land: 1.059 acres
 Net Land: 1.059 acres
 Topo / Shape: Level
 Corner / Int: Interior
 Road Frontage: Typical for size
 Zoning: Community Center Mixed Use
 Water / Sewer: Both available
 VPD: 14,561

Transaction Info:

Sale Status: Closed
Sale Price: \$750,000
 Sale Date: 02-26-21
 Deed: 3977 / 1072
 Grantor: Robin G. Fornari
 Grantee: 132 Bluffton Road, LLC
 Sale Type: Fee Simple
 Financing: Cash to seller
Price / Acre: \$708,215
Price / SF: \$16.26

Remarks:

The listing agent for this sale was Baker Wilkins of NAI Carolina Charter. This parcel included a 1,674 SF mobile unit used as a doctor's office along with paved parking. The parcel is indicated to have sold for land value only.



LAND SALES GRID - 1.845 Acre Parcel					
<u>Subject</u>		1	2	3	4
Location		20 Palmetto Bay Rd, Hilton Head	1000 Fording Island Rd, Bluffton	120 Bluffton Rd, Bluffton	132 Bluffton Rd, Bluffton
Sale Date		2/12/2018	6/18/2018	8/22/2018	2/26/2021
Zoning		WMU	RCMU	CCMU	CCMU
Sale Price		\$1,500,000	\$1,850,000	\$825,000	\$750,000
Size upland	Acre	1.845	2.800	3.655	2.840
Price Per	Acre	\$535,714	\$506,156	\$290,493	\$708,215
Property Rights		-	-	-	-
Adj. Price		\$1,500,000	\$1,850,000	\$825,000	\$750,000
Financing		-	-	-	-
Adj. Price		\$1,500,000	\$1,850,000	\$825,000	\$750,000
Conditions of Sale		-	-	-	-
Adj. Price		\$1,500,000	\$1,850,000	\$825,000	\$750,000
Expenditures After Purchase		-	-	-	-
Adj. Price		\$1,500,000	\$1,850,000	\$825,000	\$750,000
Market Conditions (months)		42	38	36	0
Annual % Change		7.50%	26.54%	23.92%	22.56%
Market Conditions \$		\$398,125	\$442,458	\$186,141	\$0
Adj. Price		\$1,898,125	\$2,292,458	\$1,011,141	\$750,000
Price Per: Acre		\$677,902	\$627,212	\$356,035	\$708,215
ADJUSTMENTS FOR FEATURES					
Location/Exposure					
Dollar Adj.		(169,475.45)	(156,802.90)	(35,603.54)	(70,821.53)
Percentage Adj.		-25.00%	-25.00%	-10.00%	-10.00%
Size					
Acre		1.845	2.800	3.655	2.840
Dollar Adj.		67,790.18	94,081.74	35,603.54	(106,232.29)
Percentage Adj.		10.00%	15.00%	10.00%	-15.00%
Topo / Access / Shape / Frontage					
Dollar Adj.		-	-	-	-
Percentage Adj.		0.00%	0.00%	0.00%	0.00%
Utilities					
Dollar Adj.		-	-	-	-
Percentage Adj.		0.00%	0.00%	0.00%	0.00%
Other					
Dollar Adj.		-	-	-	-
Percentage Adj.		0.00%	0.00%	0.00%	0.00%
NET ADJ. TOTAL		(101,685.27)	(62,721.16)	-	(177,053.82)
Net Adj. %		-15.00%	-10.00%	0.00%	-25.00%
ADJ. PRICE		Acre	\$576,217	\$564,490	\$356,035
ADJ. PRICE		SF	\$13.23	\$12.96	\$8.17
GROSS ADJ.			237,265.63	250,884.63	71,207.09
Gross Adj. %			35.0%	40.0%	20.0%

Explanation and Support of Adjustments:

Analysis and Adjustment of Sales

The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of the two. Quantitative adjustments are often developed as dollar or percentage amounts and are most credible when there is sufficient data to perform a paired sales or statistical analysis. Qualitative adjustments are developed through relative comparisons (e.g., superior, inferior, etc.) and are often a realistic way to reflect the thought process of market participants when only limited data is available.

Adjustments are based on my rating of each comparable sale in relation to the subject. If the comparable is rated superior to the subject, the sale price is adjusted downward to reflect the subject's relative inferiority; if the comparable is rated inferior, its price is adjusted upward. Adjustments were considered under the elements of comparison discussed below.

Real Property Rights Conveyed

This adjustment is generally applied to reflect the transfer of property rights different from those being appraised, such as differences between properties owned in fee simple and in leased fee.

In this analysis, no adjustments were required.

Conditions of Sale

This adjustment category reflects extraordinary motivations of the buyer or the seller to complete the sale. Examples include a purchase for assemblage involving anticipated incremental value or a quick sale for cash. This adjustment category may also reflect a distress-related sale or a corporation recording at non-market price.

In this analysis, no adjustments were required.

Financing Terms

This adjustment is generally applied to a property that transfers with atypical financing, such as having assumed an existing mortgage at a favorable interest rate. Conversely, a property may be encumbered with an above-market

mortgage which has no prepayment clause or a very costly prepayment clause. Such atypical financing often plays a role in the negotiated sale price.

In this analysis, no adjustments were required.

Expenditures Immediately After Purchase

This adjustment is appropriate in situations where the sale price has been influenced by expenditures that the buyer intended to make immediately after purchase. Examples include buyer-paid sales commissions, buyer-paid back taxes, and costs to demolish obsolete structures to clear a site for redevelopment.

In this analysis, no adjustments were required.

Time - Market Conditions

Real estate values normally change over time. The rate of this change fluctuates due to investors' perceptions of prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sales date of a comparable, when values have appreciated or depreciated.

An upward adjustment for market conditions is applied. Values in highly desirable areas throughout the state have risen by as much as 10% or more over the past 12 months and the subject's location would be considered highly desirable. For 2019, a 5% upward adjustment is considered reasonable. For this analysis, a 7.5% upward adjustment is considered reasonable for the comps.

Location

Location has a great impact on property values. This adjustment category considers general market area influences as well as a property's visibility from a main thoroughfare.

In this analysis, all the comps are located in more developed commercial areas than the subject. Comps 1 and 2, in addition, have exposure to significantly higher traffic counts than the subject. All the comps are given downward adjustments for superior location, with comps 1 and 2 receiving larger downward adjustments.

Size

Historically, smaller properties sell for more per unit than larger properties with all other factors being equal.

In this analysis, the comps were adjusted for size difference relative to the subject.

Topography, Access, Shape, Frontage

A site's **topography** is an important factor in development cost. Poor topography can increase development cost and result in a lower value for the site due to the increased costs to develop it. **Access** can have a great effect on the highest and best use of a property. Access can determine the difference between a convenience/impulse location and a destination location. The most common adjustment for access reflects the difference between a corner and an interior site. A site's **shape** can affect the value per unit of the property. An unusual shape may reduce the overall development potential of a site as a portion of the site may not be suitable for development and add little to the overall value of the site. **Frontage** offers good exposure to traffic along heavily travelled roads and parcels with better frontage can be considered superior to similar properties with less frontage.

In this analysis, no adjustments were required.

Utilities

The availability of water and sewer increases the development potential for a site. Public water availability is an important factor when considering the development potential of sites, especially commercial or industrial sites in rural areas. In addition, lack of either public water or sewer requires a portion of the site be devoted to well or septic and therefore reduces the amount of the site that can be developed with building or parking improvements.

In this analysis, no adjustments were required.

Other

This adjustment category includes any aspect of superior or inferiority not addressed in the previous adjustments.

In this analysis, no adjustments were required.

Reconciliation

The sales reflected a range of values as noted below.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Acre	\$576,217	\$564,490	\$356,035	\$531,161
SF	\$13.23	\$12.96	\$8.17	\$12.19
Gross Adj.	35.0%	40.0%	20.0%	25.0%

COMP VALUE INDICATIONS		
Range Per:	Acre	SF
Maximum	\$576,217	\$13.23
Minimum	\$356,035	\$8.17
Average	\$506,976	\$11.64
Median	\$547,826	\$12.58

The adjusted values of the comps give a good indication of the value range and the value potential for the subject land. Considering the overall range, I have reconciled the value of the subject near the mean and median values of the range at \$520,000 per acre. This reflects a value for the subject land as follows:

Land Value						
1.845	acre	x	\$520,000	=	\$959,400 or	\$960,000 rd.

Land Valuation – 4.979 acre total tract

The subject parcel is an hourglass shaped parcel and both ends of the hourglass have been analyzed in this report. The highest and best use of the two separate parcels is mostly similar, with the rear parcel likely tending to be more office use than multi-family. A purchaser would likely intend to utilize just one of the two parcels and then sell the other; this is primarily due the fact the two parcels are almost physically separated already and the fact each parcel could physically support a commercial development as a stand-alone site.

Essentially, it is my opinion that the problem of solving the value of the entire tract can be solved by taking the two values already established for each of the separate parcels, and then apply some adjustment for entrepreneurial incentive to buy the entire tract instead of buying just one of the parcels. The maximally productive use for the entire site would be for a developer to develop the waterfront parcel and then sell the rear/interior parcel. This means a downward adjustment should be applied to the value of the rear/interior parcel for entrepreneurial incentive (profit to be made from the sale of this tract).

Alternatively, this adjustment could be looked at as a size adjustment from the sum of the two values since the whole parcel is larger than the two smaller parts of the whole. In either case, a downward adjustment should be applied to the sum of the parts to reflect the value of the whole. The total value is analyzed on the following page.

The values already established for the two separate sections of the subject are as follows:

3.134 acre waterfront parcel = **\$2,700,000**

1.845 interior parcel = **\$960,000**

The adjustment for entrepreneurial incentive should be applied to the interior parcel since this is the parcel that should be sold to yield the maximally productive value of the site. A 25% downward adjustment is applied to the value of the interior site.

1.845 acre	\$960,000
Profit Adj.	<u>0.75</u>
1.845 adj.	\$720,000

Now that the value of the rear/interior parcel has been adjusted for entrepreneurial incentive, the two values can be added together to reflect the value of the whole.

3.134 acre	\$2,700,000
1.845 acre	<u>\$720,000</u>
4.979 acre total	\$3,420,000
	\$3,400,000 rd.

RECONCILIATION OF VALUE

The subject property has been analyzed using the sales comparison approach to value. The two parcels that make up the subject property have been valued individually and then the subject has been valued as a whole.

I have reconciled the fee simple market value of the subject parcels and the subject as a whole, as of the date of valuation, at:

3.134 Acre Waterfront Parcel:	\$2,700,000
1.845 Acre Rear/Interior Parcel:	\$960,000
4.979 Acre Total Tract:	\$3,400,000

PREMISES OF THE APPRAISAL

All analyses and conclusions in this appraisal are based on the following Assumptions and Limiting Conditions, Definitions and Concepts, and Identification of the Subject Property. Recognizing the premises of the appraisal is vital to this appraisal assignment and to the analyses and conclusions that grow out of these premises. In conducting this appraisal, it is assumed, except as otherwise noted in the report, as follows:

Assumptions and Limiting Conditions

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
7. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
8. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
9. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
10. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
11. We are not required to give testimony or to be in attendance in court or any government or other hearing with reference to the property without written contractual arrangements having been made relative to such additional employment.
12. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in

this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

13. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
14. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
15. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. This appraisal report shall be considered only in its entirety. No part of this appraisal report shall be utilized separately or out of context.
16. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the A.R. Martin Company) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without prior written consent from the A.R. Martin Company.
17. Information, estimates and opinions contained in this report, obtained from sources outside of the office of the undersigned, are assumed to be reliable and have not been independently verified.
18. Any income and expense estimates contained in this appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
19. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
20. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
21. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
22. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
23. The analyses contained in this report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local

business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

24. The *Americans with Disabilities Act (ADA)* became effective January 26, 1992. We have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the *ADA* accessibility guidelines. In as much as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, we cannot comment on compliance to *ADA*. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
25. This appraisal report has been prepared for the exclusive benefit of the client referenced in this report. It may not be used or relied upon by any other party. All parties who use or rely upon any information in this report without our written consent do so at their own risk.
26. No studies have been provided to us indicating the presence or absence of hazardous materials on the site or in the improvements, and our valuation is predicated upon the property being free and clear of any environment hazards.
27. We have not been provided with any evidence or documentation as to the presence or location of any floodplain areas and/or wetlands. Wetlands generally include swamps, marshes, bogs, and similar areas. We are not qualified to detect such areas. The presence of floodplain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal, unless otherwise noted in the report.

ADDENDUM

Appraiser Qualifications

ANTHONY R. MARTIN, MAI**A.R. Martin Company****100-F Old Cherokee Road, # 326, Lexington, SC 29072****803-359-4398 office – 803-960-4531 cell – tmartin@armartin.com****EXPERIENCE**

A real estate appraiser since 1993, Mr. Martin has appraised commercial, residential and special use properties with extensive experience in eminent domain appraisal work. Mr. Martin has appraised a variety of public works projects for government agencies and has served as an expert witness testifying in numerous counties throughout South Carolina.

TYPES OF PROPERTIES APPRAISED

<u>Commercial:</u>	retail, retail strip, office, restaurant
<u>Special Purpose:</u>	church, convenience store, self-storage, auto service, trucking facility, golf course
<u>Industrial:</u>	office warehouse, warehouse, manufacturing
<u>Residential:</u>	apartment community, mobile home park, subdivision development
<u>Land:</u>	all property types and sizes

Sample Assignments: Various valuation assignments include:

Commercial Lending:	A variety of commercial property types appraised for financial institutions.
Road Projects:	Appraisal of numerous road right-of-way projects which include road widening projects, new road corridor projects and dirt road paving projects. Sample of major road projects include: I-73/Dillon County, Bluffton Parkway/Beaufort County, Hwy 378/Florence County, Aynor Overpass/Horry County, I-520/Aiken County, Hwy 1/Richland County, Hwy 68 Hampton County, Hwy 17 Colleton County, Hwy 501/Marion County, Hwy 302/Lexington County, Hwy 101/Spartanburg County, Hwy 521/Clarendon County, Carolina Bays Prkwy/Horry County.
Utility Projects:	Appraisal work in new sewer line right-of-way, new water line right-of-way and new power line right-of-way has been performed in numerous counties throughout the state.
Litigation:	Mr. Martin has testified as an expert witness at trial under cross examination more than 15 times, testified in judge decision hearings more than 20 times and has been deposed and written appraisals for litigation dozens of times, all in various counties.

EDUCATION

Bachelor of Science in Business Administration - Finance Minor, Winthrop University.

Appraisal Institute Courses:	110 – Appraisal Principles, 120 – Appraisal Procedures, 310 Basic Income Capitalization, 320 General Applications, USPAP, 510 – Advanced Income Capitalization, 520 – Highest and Best Use and Market Analysis, 530 – Advanced Sales Comparison and Cost Approach, 540 – Report Writing and Valuation Analysis, 550 – Advanced Applications, various seminars.

APPRAISAL LICENSE AND PROFESSIONAL AFFILIATIONS

South Carolina Certified General Real Estate Appraiser #1729; MAI (Member of the Appraisal Institute)

SAMPLE OF CLIENTS

National banks, community banks, South Carolina state government, various city governments, various county governments, cooperative utilities, attorneys and private individuals.

Appraisal License



A.R. Martin Company

The A.R. Martin Company is a real estate appraisal and real estate consulting company centrally located in South Carolina just outside of Columbia. Established in 2002, the president and owner (Tony Martin) has been appraising real estate since 1993 and holds the MAI designation from the Appraisal Institute. The company's primary work involves performing commercial real estate appraisals for lending institutions and eminent domain appraisals for government agencies.

The company performs appraisals statewide throughout South Carolina. In addition to a variety of bank assignments in various counties, the company has appraised numerous road widening and new road corridor projects, as well as power-line right-of-way and water/sewer line right-of-way projects. Anthony (Tony) Martin is on the approved appraiser list for all major banks in South Carolina, as well as the approved appraiser list for the South Carolina Department of Transportation, and has performed appraisals for numerous local government entities and utilities throughout the state. A sample of recent major road projects appraised include: Interstate 73 (Dillon County), Palmetto Parkway / Interstate 520 (Aiken County), Bluffton Parkway (Beaufort County), Carolina Bays Parkway (Horry County), Hungry Neck Blvd. (Charleston County), US Highway 17 widening (Colleton County), US Highway 501 / 38 (Marion County), US Highway 378 widening (Florence County), Boundary Street widening (city of Beaufort), Sweetgrass Basket Parkway (Town of Mt. Pleasant), Leesburg Road widening (Richland County), US 1 widening (Lexington County), Clearwater Road widening (Aiken County), Port Access Road (Charleston County).

The A.R. Martin Company also provides real estate appraisal and consulting work for litigation purposes; Mr. Martin has been qualified as an expert witness in numerous counties throughout the state and has extensive experience testifying in condemnation cases as well as lawsuits between private companies and individuals. Appraisal review work is also offered.

ANTHONY R. (TONY) MARTIN – APPRAISAL EXPERIENCE IN LITIGATION

Year	Event	Description
2020	Trial	Expert testimony and cross examination for condemnation on Clearwater Road Widening Project. Aiken County
2020	Deposition	Deposed regarding appraisal for Clements Ferry Road Project. Berkeley County
2019	Deposition	Deposed regarding appraisal for Port Access Road Project. Charleston County
2019	Trial	Expert testimony and cross examination for condemnation on Atlas Road Widening Project. Richland County
2019	Deposition	Deposed regarding appraisal for Atlas Road Widening Project. Richland County
2017	Trial	Expert testimony and cross examination in reduced access condemnation case for Boundary Street project. Beaufort County, SC
2017	Deposition	Deposed regarding appraisal for Boundary Street project. Beaufort County, SC
2017	Deposition	Deposed regarding appraisal for Boundary Street project. Beaufort County, SC
2015	Deposition	Deposed regarding appraisals for Boundary Street project. Beaufort County, SC
2014	Deposition	Deposed regarding appraisal for Aynor Overpass project. Horry County
2014	Trial	Expert testimony and cross examination for Aynor Overpass project. Horry County
2014	Trial	Expert testimony and cross examination in condemnation case for Interstate 73 project. Dillon County
2012	Trial	Expert testimony and cross examination in condemnation case for Bluffton Parkway project. Beaufort County, SC
2012	Trial	Expert testimony and cross examination in condemnation case for City of Columbia ditch improvement project. Richland County
2011	Deposition	Deposed regarding appraisal for Bluffton Parkway project. Beaufort County, SC
2011	Deposition	Deposed regarding appraisals of 26 single family homes for lawsuit due to flooding of homes not in flood zone. Charleston County, SC
2011	Deposition	Deposed regarding a ground contamination case involving a Pizza Hut. Kershaw County, SC
2011	Trial	Expert testimony and cross examination in case of 26 single family homes which flooded but were not in flood zone. Charleston County, SC
2010	Deposition	Deposed regarding appraisal for Bluffton Parkway project. Beaufort County, SC
2010	Trial	Expert testimony and cross examination in condemnation of a golf

		course impacted by Bluffton Parkway project. Beaufort County, SC
2009	Deposition	Deposed regarding appraisal for Hungry Neck Blvd. project. Charleston County, SC
2009	Trial	Expert testimony and cross examination in condemnation case for Hwy 501/Hwy 38 project. Marion County, SC
2008	Trial	Expert testimony and cross examination in condemnation case for land impacted by Aynor Overpass project. Horry County, SC
2008	Deposition	Deposed regarding appraisal of subdivision impacted by new transmission power line right of way. Hampton County, SC
2008	Trial	Expert testimony and cross examination in condemnation of acquisition needed for Hwy 68 project. Hampton County, SC
2007	Trial	Expert testimony and cross examination in condemnation case. Beaufort County, SC
2007	Deposition	Deposed regarding appraisal of parcel impacted by new Interstate 520 project. Aiken County, SC
2007	Mitigation	Appraised and participated in mitigation for acquisition of land being acquired for transmission power line right of way. Florence County, SC
2007	Deposition	Deposed regarding appraisals of parcels impacted by Aynor Bypass road project. Horry County, SC.
2007	Deposition	Deposed regarding appraisal of single-family home impacted by flooding but which was not in flood zone. Richland County, SC
2006	Trial	Expert testimony and cross examination in condemnation of acquisition needed for Hwy 101 project. Spartanburg County, SC
2005	Trial	Expert testimony and cross examination in condemnation of acquisition for Hwy 521 project. Williamsburg County, SC
2004	Hearing	Expert testimony in a leasehold interest case. Richland County, SC
2003	Trial	Expert testimony and cross examination in condemnation of acquisition for Hwy 1 project. Richland County, SC
2002	Trial	Expert testimony and cross examination in condemnation of acquisition needed for Hwy project. Chesterfield County, SC

In addition to the items noted above, there have been more than 20 appearances at court hearings to testify to value for condemnation cases involving cloudy titles. Also, dozens of appraisals have been written for litigation in which a settlement was achieved without deposition or trial.

End of Report

This content is from the eCFR and is authoritative but unofficial.

Title 49 —Transportation

Subtitle A —Office of the Secretary of Transportation

Part 24 —Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs

Subpart B —Real Property Acquisition

Authority: 42 U.S.C. 4601 *et seq.*; 49 CFR 1.48(cc).

Source: 70 FR 611, Jan. 4, 2005, unless otherwise noted.

§ 24.102 Basic acquisition policies.

- (a) **Expeditious acquisition.** The Agency shall make every reasonable effort to acquire the real property expeditiously by negotiation.
- (b) **Notice to owner.** As soon as feasible, the Agency shall notify the owner in writing of the Agency's interest in acquiring the real property and the basic protections provided to the owner by law and this part. (See § 24.203.)
- (c) **Appraisal, waiver thereof, and invitation to owner.**
 - (1) Before the initiation of negotiations the real property to be acquired shall be appraised, except as provided in § 24.102 (c)(2), and the owner, or the owner's designated representative, shall be given an opportunity to accompany the appraiser during the appraiser's inspection of the property.
 - (2) An appraisal is not required if:
 - (i) The owner is donating the property and releases the Agency from its obligation to appraise the property; or
 - (ii) The Agency determines that an appraisal is unnecessary because the valuation problem is uncomplicated and the anticipated value of the proposed acquisition is estimated at \$10,000 or less, based on a review of available data.
 - (A) When an appraisal is determined to be unnecessary, the Agency shall prepare a waiver valuation.
 - (B) The person performing the waiver valuation must have sufficient understanding of the local real estate market to be qualified to make the waiver valuation.
 - (C) The Federal Agency funding the project may approve exceeding the \$10,000 threshold, up to a maximum of \$25,000, if the Agency acquiring the real property offers 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 shall obtain an appraisal and not use procedures described in this paragraph. (See appendix A, § 24.102(c)(2).)
- (d) **Establishment and offer of just compensation.** Before the initiation of negotiations, the Agency shall establish an amount which it believes is just compensation for the real property. The amount shall not be less than the approved appraisal of the fair market value of the property, taking into account the value of allowable damages or benefits to any remaining property. An Agency official must establish the amount

believed to be just compensation. (See § 24.104.) Promptly thereafter, the Agency shall make a written offer to the owner to acquire the property for the full amount believed to be just compensation. (See appendix A, § 24.102(d).)

- (e) **Summary statement.** Along with the initial written purchase offer, the owner shall be given a written statement of the basis for the offer of just compensation, which shall include:
 - (1) A statement of the amount offered as just compensation. In the case of a partial acquisition, the compensation for the real property to be acquired and the compensation for damages, if any, to the remaining real property shall be separately stated.
 - (2) A description and location identification of the real property and the interest in the real property to be acquired.
 - (3) An identification of the buildings, structures, and other improvements (including removable building equipment and trade fixtures) which are included as part of the offer of just compensation. Where appropriate, the statement shall identify any other separately held ownership interest in the property, e.g., a tenant-owned improvement, and indicate that such interest is not covered by this offer.
- (f) **Basic negotiation procedures.** The Agency shall make all reasonable efforts to contact the owner or the owner's representative and discuss its offer to purchase the property, including the basis for the offer of just compensation and explain its acquisition policies and procedures, including its payment of incidental expenses in accordance with § 24.106. The owner shall be given reasonable opportunity to consider the offer and present material which the owner believes is relevant to determining the value of the property and to suggest modification in the proposed terms and conditions of the purchase. The Agency shall consider the owner's presentation. (See appendix A, § 24.102(f).)
- (g) **Updating offer of just compensation.** If the information presented by the owner, or a material change in the character or condition of the property, indicates the need for new appraisal information, or if a significant delay has occurred since the time of the appraisal(s) of the property, the Agency shall have the appraisal(s) updated or obtain a new appraisal(s). If the latest appraisal information indicates that a change in the purchase offer is warranted, the Agency shall promptly reestablish just compensation and offer that amount to the owner in writing.
- (h) **Coercive action.** The Agency shall not advance the time of condemnation, or defer negotiations or condemnation or the deposit of funds with the court, or take any other coercive action in order to induce an agreement on the price to be paid for the property.
- (i) **Administrative settlement.** The purchase price for the property may exceed the amount offered as just compensation when reasonable efforts to negotiate an agreement at that amount have failed and an authorized Agency official approves such administrative settlement as being reasonable, prudent, and in the public interest. When Federal funds pay for or participate in acquisition costs, a written justification shall be prepared, which states what available information, including trial risks, supports such a settlement. (See appendix A, § 24.102(i).)
- (j) **Payment before taking possession.** Before requiring the owner to surrender possession of the real property, the Agency shall pay the agreed purchase price to the owner, or in the case of a condemnation, deposit with the court, for the benefit of the owner, an amount not less than the Agency's approved appraisal of the fair market value of such property, or the court award of compensation in the condemnation proceeding for the property. In exceptional circumstances, with the prior approval of the owner, the Agency may obtain a right-of-entry for construction purposes before making payment available to an owner. (See appendix A, § 24.102(j).)

- (k) **Uneconomic remnant.** If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the Agency shall offer to acquire the uneconomic remnant along with the portion of the property needed for the project. (See § 24.2(a)(27).)
- (l) **Inverse condemnation.** If the Agency intends to acquire any interest in real property by exercise of the power of eminent domain, it shall institute formal condemnation proceedings and not intentionally make it necessary for the owner to institute legal proceedings to prove the fact of the taking of the real property.
- (m) **Fair rental.** If the Agency permits a former owner or tenant to occupy the real property after acquisition for a short term, or a period subject to termination by the Agency on short notice, the rent shall not exceed the fair market rent for such occupancy. (See appendix A, § 24.102(m).)
- (n) **Conflict of interest.**
 - (1) The appraiser, review appraiser or person performing the waiver valuation shall not have any interest, direct or indirect, in the real property being valued for the Agency.

Compensation for making an appraisal or waiver valuation shall not be based on the amount of the valuation estimate.
 - (2) No person shall attempt to unduly influence or coerce an appraiser, review appraiser, or waiver valuation preparer regarding any valuation or other aspect of an appraisal, review or waiver valuation. Persons functioning as negotiators may not supervise or formally evaluate the performance of any appraiser or review appraiser performing appraisal or appraisal review work, except that, for a program or project receiving Federal financial assistance, the Federal funding Agency may waive this requirement if it determines it would create a hardship for the Agency.
 - (3) An appraiser, review appraiser, or waiver valuation preparer making an appraisal, appraisal review or waiver valuation may be authorized by the Agency to act as a negotiator for real property for which that person has made an appraisal, appraisal review or waiver valuation only if the offer to acquire the property is \$10,000, or less. (See appendix A, § 24.102(n).)

[70 FR 611, Jan. 4, 2005, as amended at 70 FR 22611, May 2, 2005]



ACQUISITION MANUAL

Right of Way Department
Columbia, South Carolina
January 2016, Revised January 2019

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8-9-23 PM

SCDOT ACQUISITION MANUAL

REVISIONS

January 2016	Entire Manual
December 2017	Table of Contents
December 2017	Chapters 6 & 8 (Entire)
January 2019	Table of Contents
January 2019	Chapters 3, 6, 7 and 10

Approved by Federal Highway Administration (FHWA) on:

(For)

By: _____
Division Administrator

3/11/19

Date

CHAPTER 6 - PRELIMINARY CONTACT

Preliminary or first contact with the landowner can be the most important part of the negotiation process. The success or failure of subsequent negotiations may depend on how well the Agent sets the tone in this initial visit. Until the time of the preliminary contact, the average landowner knows only what he has heard through news media or in conversations with neighbors. He probably has no accurate or detailed knowledge of the project and how it will affect his property. He may have preconceived ideas that are entirely erroneous, and thus, he may be somewhat antagonistic in his views.

The Agent should carefully evaluate the landowner's attitude toward the project and attempt to gain his confidence before proceeding in the negotiation process. Careful and complete preparation is essential to successful negotiation. A well prepared Agent will be able to provide the landowner with important information concerning the purpose and need for the project, the project schedule, and an explanation of the effects of the project on the landowner's property. Preparation instills an attitude of confidence in the Agent and in turn promotes trust and acceptance on the part of the landowner. A confident, positive attitude will impress upon the owner the prospect of an amicable settlement.

I. First Contact with Landowner:

The Agent must contact the landowner and schedule a preliminary meeting as soon as possible, typically within ten business days from date of assignment. The appointment with the owner is to take place prior to any evaluation of the property.

The Agent shall use the following procedures when making the first contact:

- a. In person: First contacts shall be made in person unless circumstances require the preliminary contact package to be mailed, such as an out of state landowner. The Agent is required to document on the worksheet why contact was not made in person.
- b. Certified Mail: If attempts at in person contact are unsuccessful, the entire preliminary contact package (containing project plans and *Highways and You* brochure) shall be sent by certified mail, accompanied with an introduction transmittal letter to the landowner. Note: Be sure to confirm with the landowner the correct mailing address. See Section VII- Out of State and In-state Landowner contacted by mail.
- c. Follow up is required to ensure the landowner has received the package. After several days, but no later than 7 days, the Agent will verify that the preliminary contact package was received.

II. Agent needs to prioritize preliminary contacts in order to:

1. Meet letting dates and provide clear Right of Way Certification;
2. Allow time for preparation of complex appraisals;
3. Minimize impacts to affected landowners by securing engineering modifications;
4. Reduce litigation.

A recommended prioritization of preliminary contacts would be:

1. **Tracts requiring relocation assistance** - A complete Right of Way package is presented to the landowner by one Agent. This package will be for all the Department's processes for acquiring his land and improvement(s), including relocation assistance. This one-agent concept, merging acquisition and relocation contacts and offers by the same person, promotes clearer understanding and expeditious closures for both landowner and Department and is to be utilized by the Department and its consultants.
2. **Complex Acquisitions** - Will require significant appraisal time; may need engineering modifications/studies; may become improved tracts due to right of way impacts, damages/benefits. Example: possible highest and best use changes; significant parking reductions and proximity; access closures/changes; gas stations. If permission is not granted within approximately two (2) weeks, convert to right of way if permission cannot be deleted and include in the appraisal.
3. **Non-Complex Acquisitions greater than \$20,000.00** - Permissions need to be secured or converted prior to first sheets being submitted. If permission is not granted within approximately two (2) weeks, convert to right of way if permission cannot be deleted and include in the appraisal.
4. **Non-Complex Acquisitions less than \$20,000.00** – Negotiating from cost estimate (waiver evaluation) already. On preliminary contact, present cost estimate (waiver evaluation) offer and take prepared permission. If permission is not granted within approximately two (2) weeks, convert to right of way if permission cannot be deleted and include in a revised cost estimate (waiver evaluation) offer.
5. **Permission only tracts** - First, review to determine if permission could be deleted / pulled in. If not, have permission ready at preliminary contact

and attempt to secure permission. Convert to right of way after approximately two (2) weeks if not able to secure permission.

6. **Functional Replacement**-When publicly owned real property, including land and or facilities, is to be acquired for a Federal-aid highway project, in lieu of paying fair market value for the real property, SCDOT may provide compensation by functionally replacing the public owned real property with another facility which will provide equivalent utility. SCDOT shall notify the owner in writing of their right to receive just compensation or functional replacement.

Note: Obtaining permissions and making cost estimate (waiver evaluation) offers (where there is federal authorization) generally should be made at the preliminary contact whenever possible. Unless an engineering change/study is being made, permissions not acquired in approximately a two (2) week time frame generally should be deleted/modified/converted so as to avoid the necessity and expense of getting appraisals more than once or requiring delays in completion of right of way acquisition.

Preliminary contacts include verification of: title; complete review of cross-sections within the subject property to determine possible issues associated with elevation changes, property encumbrances; property lines (inquire if unrecorded plat(s) exist); names; current mailing and physical addresses; water and septic locations; improvements (including unseen underground); UST's (Underground Storage Tanks); Department's proposed plans; Social Security number; possible need for an interpreter; and pertinent relocation information. The Agent should deliver and review Highways and You brochure with landowner and displacees. Recognizing both the potential sensitivity of a displacee's initial contact, yet the additional requirements for a successful relocation, the agent should carefully complete the relocation worksheet to include the information below as quickly as possible:

1. Date of Occupancy;
2. Number of people occupying residence (permanent), age and their relationship to owner;
3. Present distance to work and schools;
4. Area displacee(s) would like to move to;
5. Utilities and income information;
6. Do they own their own furniture (Tenants);
7. Verify Title information;

8. Any special needs;
9. Minimum of 90-day notice to vacate AFTER appraised, housing comparable study completed and written offer is made.

If right of way staking is required, it should be done prior to the appraiser's inspection of the property. (On-call consultant contracts must be reviewed to determine whether Department or consultant is responsible for staking. If not stipulated in the contract, Department will be responsible.)

At or near the completion of the preliminary contacts by the Agent of a large or complex project, a meeting and/or "drive through" of the project should be scheduled. The meeting should include the Right of Way Agent, Team Leader and/or Regional Right of Way Administrator, Relocation Manager, Appraiser, Regional Production Group or Traffic Engineering Program Manager and other attendees as appropriate. This will serve to keep open the lines of communication among those involved with the project and to discuss any potential problems and action plans to complete their respective phases of the acquisition process and minimize impacts and litigation.

III. An Explanation of the Necessity for the Project and Its Nature

The Agent should carefully explain to the landowner the necessity for the project and how it fits into the overall highway system. He should call attention to the continuing increase in traffic on the highway and, if applicable to the project, the high accident rate brought about in part by inadequate or outdated highways, as well as other relevant factors, such as increased safety and mobility. By his study of the community he may be able to point out specific advantages of the project on the property, such as making it more accessible to school, church, or shopping areas. If the right of way will involve control of access, it may be that this type of highway is unfamiliar to the landowner. The Agent should explain to the landowner why it is necessary to impose access control and what the advantages are in developing this type of highway. Control of Access is a property right. Relocation of Control of Access points are managed by the Right of Way Property Management office.

IV. An Explanation of How the Property Will Be Affected

The Agent will carefully point out to the landowner how the particular project is going to affect his property. He should show the landowner the plans, including the typical section and cross sections, to explain the construction (cut and/or fill) slopes. The Agent should also take the plans and review these items with the landowner on the ground, if possible. The Agent should point out any changes in grade and how it will affect the property or access to the property after the project is constructed and also discusses crossovers and drives, if applicable. The Agent will also, to the best of his ability, explain to the landowner the effects of the project on his drainage conditions, or any adverse effect the project might have on the use of his property. Any building, tree, shrubbery, fences, or any other improvement that might be included within the right of way should be called to the attention of the landowner.

The Agent should point out to the landowner all beneficial aspects of the project. The Agent should be entirely frank in explaining the effects of the project on the property and not attempt to conceal any undesirable features of the project. If he attempts to misrepresent the project and any adverse effects it may have, the landowner will most certainly bring this to his attention as negotiations progress. It is more desirable to discuss these features fully prior to the time the appraisal is made rather than after the offer of compensation. This allows the landowner time to formulate his opinion as to the effects of the project. Also, the Agent should make certain he thoroughly documents this and all discussions with the landowner on his worksheet. The importance of this type of documentation becomes evident if, when the road is being constructed, a dissatisfied landowner states the Agent misrepresented the plans.

V. Advising the Landowner of the Acquisition Procedure

The Agent will explain to the landowner the Department's process for acquiring his land and improvements, if any. He should stress the Department is required to see each landowner receives just compensation for the required acquisition. He should explain how the Department secures appraisals on every parcel except for the following:

1. Acquisitions based on an approved cost estimate (waiver evaluation), recognizing the landowner's right to require an appraisal for any acquisition regardless of the cost estimate (waiver evaluation) amount.
2. Acquisitions on "C" funded projects.
3. Donations – After the landowners are advised in writing of the right to received just compensation, the landowner may choose to donate all of or a part of the property. If the property is donated, the Department is responsible for assuring an appraisal of the real property is obtained. Unless the landowner releases the Department from this obligation by executing an appraisal waiver or when an appraisal is unnecessary because the offer was based on an approved cost estimate (waiver evaluation). (See SCDOT R/W Form 846 – "Waiver of Rights".)

On the initial contact, the Agent will deliver to the landowner the Highways and You brochure which explains the legal rights of the landowner in the acquisition procedure. He should point out those sections of the brochure, which will further explain the acquisition procedure. He should also point out all necessary costs of transfer of property to the Department, including any costs for prepayment of any mortgage entered into in good faith, will be paid by the Department. The brochure is a supplement to the Agent's explanation, not a replacement for it.

The Agent should also inquire whether or not the landowner is interested in retaining any improvements (if applicable) during this preliminary visit. If so, the Relocation Manager should be notified immediately. He will establish a retention value for the improvement and furnish this information to the Agent in writing. When the Agent is ready to make the offer for the property, he will make two alternate offers. The first alternate is to offer the landowner the full amount of the approved appraisal of the right of way including all improvements located thereon. The second alternate is to offer the landowner the full amount of the appraisal less the retention value

counsel should negotiations fail and it becomes necessary to enter into condemnation. In the event of condemnation, the original worksheet will be turned in with the tract file and condemnation notice. The Agent will make a supplemental worksheet for subsequent negotiations and forward the original to the Columbia office for inclusion in the tract file.

The landowners' and displacees' address (mailing and physical) and phone number(s) shall be entered in the Right of Way Data Management System (RWDMS). In addition, the Displacees replacement address and phone number shall be entered in RWDMS.

VIII. Making the Offer of Just Compensation

The basis of settlement of each tract will be negotiated from the approved cost estimate or appraisal. As required by the Code of Federal Regulations paragraph 49 CFR 24.102 (e) the Agent will provide the owner the following:

1. A written offer for the full amount the Department believes to be just compensation dated and signed by the Agent. In the case of a partial acquisition, the amount of compensation for the real property to be acquired and the compensation for damages must be stated separately.
2. A description and location identification of the real property and the interest in the real property to be acquired.
3. An identification of the buildings, structures and other improvements which are considered to be part of the real property.

The written offer eliminates any confusion on the part of the owner as to the amount of the offer. On improved tracts, the Agent presents both the offer for right of way and the offer for relocation assistance during the same visit (SCDOT R/W Form 883 - Acquisition and Relocation Offer Letter). This is particularly important on residential owner occupied tracts. The 90-day Notice is both incorporated into the relocation offer and explained to the owner/displacée as the minimum amount of time available before vacating the improvement would be required. This may also be an appropriate time to discuss the Federal requirement of a subsequent 30 day notice upon submittal of the acquisition check which will not expire prior to the original 90 days notice expiration just given.

In developing the written offer for just compensation, the Agent must give his utmost attention to the pertinent data in the cost estimate or appraisal that is to be included in the offer letter. Incorrect or misleading written information to the landowner may have serious consequences.

The Agent shall have the offer letters and sufficient copies prepared. The original letter is for the landowner and the Agent should retain a copy to submit with the tract file to the Headquarters Office when the tract is ready to be turned in for payment. The Agent is required to note the date that the offer was made, as well as the amount and breakdown of the offer, on the worksheet. Right of Way Data Management System (RWDMS) shall also reflect these dates,

After taking possession the Department cannot abandon the condemnation action without the landowner's consent.

F. Interest or Amount of Just Compensation - The Department as provided by Section [28-2-420](#) must pay interest at the rate of 8% a year on the amount that was not available to the landowner. Since 100% of the amount determined as just compensation is available, interest would be due in the amount of the verdict in excess of the amount the Department offered as just compensation.

G. Procedures for Recovery of Reasonable Litigation Expenses by the Landowner - As provided by South Carolina Code of Law, Section [28-2-510](#), if a landowner prevails the trial of a condemnation action, reasonable litigation expenses may be recovered by applying within 15 days after the entry of the judgment. Prevails as defined by South Carolina Code of Law, Section [28-2-510](#) (B) (2) means the compensation awarded (other than by settlement) for the property, without interest, is at least as close to the highest valuation of the property that is attested to at trial on behalf of the landowner as it is to the highest valuation of the property that is attested to at trial on behalf of the Department. Any party or the court on its own motion shall hear the parties with respect to the application for recovery of the litigation expenses to be awarded and set forth by the court and becomes part of the judgment. (Code of Federal Regulations Title 49, Section 24.107)(Appendix A).

H. SIGNIFICANT CONDEMNATIONS -A significant Condemnation case is determined by one or more of the following criteria:

1. Department's potential liability could equal or exceed \$250,000, based upon Landowner's demand and/or appraisals.
2. The case is politically sensitive or significant.
3. The case presents legal issues that need to be clarified for purposes of establishing legal precedent.

NOTE: Significant Condemnation must be selected on the Special Instruction flag (SCDOT R/W Form 994) and the RWDMS must be updated to indicate the tract as a significant condemnation case and reason.

I. CONDEMNATION PACKAGES -The condemnation package and all signed documents/forms will be turned in to Headquarters as Package A. All signed original documents and the appraisal will be included in Package A as a separate attachment. A complete copy of the condemnation Package A (without signatures) will be transmitted to Headquarters electronically identified as Package B.

CHAPTER 10 - CONDEMNATION PROCEDURES

The Department is responsible for ensuring Condemnations Notices on a project are filed with the Clerks of Court for the appropriate county and effecting service on the landowners and other condemnees by certified mail or personal service. Quality Control Agents in the field check and perform the quality control process prior to the condemnation packages being turned into Headquarters. The original condemnation pleadings and appropriate copies are prepared by field personnel and On-Call Consultants and submitted to Headquarters for the final quality control review.

The Associate Counsels hired for condemnation cases or other legal work requires pre-approval of the Attorney General's office. The field should notify the headquarters Condemnation Coordinator as soon as they are aware of the first condemnation for a project. This will allow time to secure approval from the Attorney General's office and keep the project on schedule.

Note: Condemnations requiring advertisement in the newspaper will contain a narrative description instead of the exhibit due to the cost required to advertise the exhibit as part of the Lis Pendens.

I. Preparation for Filing

The South Carolina Eminent Domain Act, South Carolina Code of Law, Section [28-2-280](#), requires reference to the project plans showing the property to be taken. The Condemnation Notice states the plans may be inspected at the local maintenance office and also gives the address. These plans must be on file at the local maintenance office before the Condemnation Notice is served on the landowner and any other condemnees. The Headquarters Quality Control Condemnation Coordinator provides a copy of the complete set of plans and property closures (without cross sections) to the local maintenance office in the county where the property is situated for all projects involving condemnation when the first condemnation is processed for filing.

The condemnation package for every tract condemned must have a Condemnation Notice and Tender of Payment, a Lis Pendens, a Summons, an Agreement and Request for Payment, Notice of Filing, Affidavit and Certificate of Mailing, Envelopes and certified green cards. Quality Control Agents ensure accuracy of each tract (as discussed in Chapters 8 and 9). Copies of the Condemnation Notice, Worksheet, Title Certificate and the Appraisal Review Sheet or the last page of appraisal with dollar amount are made by Headquarters Quality Control Agents and provided to the Claims Section to request payment of the amount of just compensation to be deposited with the Clerk of Court's Office. If the landowners have requested a 100% drawdown of appraised amount of just compensation, the Agreement and Request for Payment of Entire Amount of Just Compensation Form and the SCDOT R/W Form 812 (Social Security Form) must accompany the package for turn in. A copy of the 100% drawdown form and the SCDOT

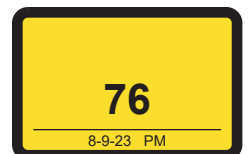


APPRAISAL MANUAL

**Department of Rights of Way
Columbia, South Carolina**

October, 2021

October, 2021



R. p. 858

SCDOT APPRAISAL MANUAL

REVISIONS

Approved by Federal Highway Administration (FHWA):

By: Jessica Venter
(for) Division Administrator

10/04/2021
Date

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INTRODUCTION

The purpose of this manual is to provide guidelines for both staff and fee appraisers in the preparation of appraisal reports utilized by the South Carolina Department of Transportation (SCDOT) in the acquisition of rights of way for highway construction. These guidelines have been prescribed in order to promote a degree of uniformity in the appraisal process and to outline the basic requirements for standardized reporting. This manual is not intended to address all aspects related to the appraisal process, but to introduce appraisers to the formats used by the SCDOT for reporting an opinion of market value and to address some of the common issues encountered in appraising eminent domain acquisitions.

None of the material contained herein is intended to influence the independent judgment of the appraiser. The appraiser should contact the SCDOT Assistant Director of Rights of Way for Operations and/or SCDOT Chief Appraiser immediately if he or she feels undue pressure or inappropriate influence from anyone to arrive at a predetermined opinion of value.

All policies, procedures, and methods that govern the operation of the Appraisal Section along with the duties of the appraiser and review appraiser will be covered in this manual. The appraisal staff and all fee appraisers under contract with SCDOT are charged with the responsibility of understanding and complying with the instructions contained in this manual. Strict adherence to these instructions is required.

In addition to the Appraisal Manual, the Appraisal Section offers the complete cooperation of all personnel in an effort to attain the goals and high standards required by SCDOT in preparing a fair and well-supported estimate of market value.

For the purposes of this manual, the pronouns he, his, she, him, and her are intended to convey a neutral gender neither masculine nor feminine. They are used to refer to any person whose sex is not specified (e.g. the Rights of Way Employee, the Right of Way Agent, the Project Manager, the Staff Appraiser, the Review Appraiser, the Fee Appraiser, etc.) In all areas where these neuter gender pronouns appear, the reader may substitute the masculine and feminine pronouns of him/her or his/her, if preferred.

From time to time it will be necessary to make changes to the manual. As revisions occur, new pages will be formed to replace those that have become obsolete. When revisions are received, please study the new material and initiate procedural changes as directed. Our success depends upon the quality of and compliance with this manual therefore; suggestions, comments, and recommendations are always welcomed from appraisers and other users. Any feedback should be in writing and addressed to the Director Rights of Way and/or his designee(s).

THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE AGENCY. THIS DOCUMENT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS. THE AGENCY RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

SECTION I: OPERATING POLICIES

A. Authority and Purpose

The Constitution of the State of South Carolina provides that private property shall not be acquired for public use without payment of just compensation (S.C. Constitution, Article I, Section 13). The Eminent Domain Procedures Act (S.C. Code Ann. Section 28-2-10, et. seq., - Supplement, 1996) provides that prior to initiating a condemnation action, the condemnor shall cause the property to be appraised to determine just compensation for its taking. The Eminent Domain Procedures Act also provides that in determining just compensation, only the value of the property to be acquired, any diminution in value of the landowner's remaining property, and any benefits to be derived from the proposed project (including the value of any property or rights relinquished or reverting to the landowner as a result thereof) may be considered. See S.C. Code Ann. Section 28-2-370 - Supplement 1996.

Appraisal reports are necessary to assist the State in determining just compensation and are used to support SCDOT in negotiations with property owners, as well as to request reimbursement of right of way costs from the Federal Highway Administration (FHWA). SCDOT, as well as others receiving federal financial assistance for public programs and projects that require the acquisition of real property, must comply with the policies and provisions set forth in the Uniform Act, the regulations, and this manual. It is imperative that SCDOT employ only appraisers with the highest degree of competence and integrity. The appraiser should never act as an advocate for either SCDOT or the property owner. SCDOT may, at times, ask for clarifications, corrections, or additional support for estimates of value. These requests must not be construed as influence toward a predetermined value. Estimates must be supported by market evidence, and analyses of data must be based on sound appraisal principles and theory.

B. Organization

The SCDOT Appraisal Section is a part of the SCDOT Rights of Way office under direction of the Director of Rights of Way with administrative functions carried out by the Assistant Director Rights of Way for Operations and/or his designee(s). The Assistant Director Rights of Way for Operations and Chief Appraiser are responsible for the implementation of the appraisal process within the Rights of Way Appraisal Section with support provided by staff appraisers.

The Chief Appraiser and/or Assistant Director of Rights of Way for Operations will prepare scopes of work and make appraisal assignments to staff appraisers and fee appraisers, which include both the preparation and review of cost estimates, appraisal reports and appraisal reviews. All appraisals used by SCDOT for the purposes of acquisition and disposition of real estate must be prepared by an appraiser approved by SCDOT.

C. Scope of Work and Types of Appraisals

The Scope of Work is a written set of expectations that form an agreement or understanding between the appraiser and SCDOT as to the specific requirements of the appraisal, resulting in a report to be submitted to SCDOT by the staff or fee appraiser. The Scope of Work includes, but is not limited to, type of appraisal; property right(s) being appraised; date of appraisal valuation and date of report; location and zoning; highest and best use and present use; identification of the intended use and user; definition of appraisal as defined by the Uniform Act 49 CFR 24.2 (a) (3); proper notification of the landowner requirements for property inspection; 5-year sales history of the property; statement of assumptions and limiting conditions; and appraiser certification. The SCDOT Appraisal Manual provides guidance on the Scope of Work. The scope of work can change by SCDOT at any time during the appraisal process.

Two types of appraisals, Nominal and Standard, will be used when appraising real property. The terms Nominal and Standard described in this manual are used to identify SCDOT appraisal formats used to prepare appraisal reports as described by Standard 2-2B under the Uniform Standards of Appraisal Practice. The Standard Appraisal will be used for all appraisals where a before and after value are required. There are three classifications of the Standard Appraisal Report based on the scope of work. The three classifications are as follows:

- **Simple Standard** – Before and after values of the entire property including building improvements with no damages or benefits accruing to the property.
- **Moderate Standard** – Before and after values of the underlying land including damages and/or benefits to the site only.
- **Complex Standard** – Before and after values of the entire property, including improvements, damages, and/or benefits to the remainder.

The Nominal Appraisal will be used for simple partial acquisitions and total acquisitions regardless of the value of the acquisition. The Nominal format may **not** be used when damages other than a simple cost to cure (i.e. not to exceed \$5,000) occur to the remainder. Other standardized report formats may only be used with the specific approval of the Chief Appraiser and/or Assistant Director Rights of Way for Operations. .

The type of appraisal to be prepared for each acquisition and initial scope of work will be determined when the right of way cost estimate (**SCDOT R/W Form 100-A**) is prepared for the project. Both the fee appraiser and SCDOT have a role in defining the appraisal problem and developing the scope of work. The appraiser should notify the, Chief Appraiser and/or Assistant Director Rights of Way for Operations if it is determined, subsequent to beginning the assignment, that tracts should be combined or separated or if the scope of work should be expanded to address previously unforeseen conditions.

The cost estimate and initial scope of work will be submitted to the Chief Appraiser and/or Assistant Director Rights of Way for Operations for review.

When the value of the acquisition is expected to exceed \$250,000, or benefits exist, the Chief Appraiser and/or Assistant Director Rights of Way for Operations will evaluate the complexity of the appraisal problem with the appraiser to determine the appropriate scope of work. If the complexity of the appraisal problem warrants, the Chief Appraiser and/or Assistant Director of Rights of Way for Operations may order additional appraisals on any tract, regardless of the estimate of value.

D. Confidentiality of Appraisals

Appraisals are confidential communications between the appraiser and SCDOT authorized personnel, or the FHWA Realty Officer. At no time shall the appraiser disclose appraised values or any components of value to any person other than authorized employees of SCDOT or FHWA without written permission, except on proper order of the court or for court testimony.

E. Contact with Property Owners

The appraiser is required to contact the property owner prior to inspecting the property and to provide the property owner with the opportunity to be present during the inspection (Ref. Sec. 24.102c). The appraiser should be considerate and patient and convey competence, integrity, and objectivity. The appraiser will mail a letter by certified mail to the landowner and/or his/her designee and attach a copy of the postal service certification label and landowner letter in the addendum section of appraisal. If the tract has multiple property owners, only one letter is required to be sent to the point of contact for said tract. The right of way agent's worksheet will have a point of contact for multiple property owners.

During the appraiser's inspection of the property, the property owner should be given the opportunity to point out any features of their property or its use in both the before and after conditions that, in their opinion, might impact value. The appraiser should also give the property owner the opportunity to provide market data that he believes is relevant for a proper determination of market value.

The appraiser should make no attempt to answer any questions concerning negotiations or road design. Use of hypothetical or theoretical examples is discouraged. The appraiser is responsible for sufficiently understanding the plans in order to determine the impact on value that the acquisition and the proposed construction might have on the remainder, however the appraiser is cautioned against interpreting highway plan sheets for the property owner. This is primarily a function of the Rights of Way Agent. Questions concerning plans and road design should be directed to the agent through the Regional Rights of Way Administrator or Team Leader. It is important that the property owner's questions are answered completely. This is achieved most effectively when the same person provides the explanation or interpretation. This assures consistency and a more accurate accounting of the negotiation process. Separate explanations may appear inconsistent and could result in mistrust and a breakdown in negotiations.

Opinions of market value and highest and best use must only be discussed with SCDOT and FHWA personnel. The appraisal process should be explained to the property owner's satisfaction, with no reference made to the subject's market value or the value(s) of any assigned properties.

No appraiser shall act as a negotiator for real property for which he has prepared an appraisal. The appraisal and negotiation functions must remain separate to ensure the appraiser's independence and impartiality.

F. Conflicts of Interest

Under no circumstances shall the appraiser appraise any parcel in which he or she may hold, or subsequently acquire, an interest. In addition, the appraiser shall not accept the assignment of preparing an appraisal where the value might be influenced by his personal interest in other property. It shall be the ethical responsibility of the appraiser to refuse any assignments where such a conflict exists or might be reasonably presumed.

G. Staff Appraisal Assignment

The staff appraiser will receive his work assignment from the Chief Appraiser and/or Assistant Director of Rights of Way for Operations. If necessary, the staff appraiser shall request time extensions in writing prior to the due date, giving the reason the extension is needed and the proposed completion date. Requests for extensions should be addressed to the Chief Appraiser and/or Assistant Director Rights of Way for Operations.. The appraisal of property owned by SCDOT employees shall be assigned to independent fee appraisers.

H. General Valuation Information

The SCDOT Appraisal Manual is intended to set forth minimum requirements for the development and reporting of a well-supported and reasonable opinion of market value. Scopes of work and technical data are furnished to the appraiser for preparing acceptable appraisal reports that are fair and reliable.

The Sales Comparison Approach is required in appraising all types of property except in those cases where comparable sales are too dated, inadequate, or nonexistent. In such cases, the Cost Approach must be provided. Generally, the Cost Approach will be applied when appraising any special-use properties and when improvements are less than ten years old. When the cost approach is relied upon heavily, cost data and depreciation estimates should be derived from contractor proposals, or other market derived means. Information from cost estimator services should be used only to provide additional support in these cases. Should it become apparent that a detailed cost estimate from a separate source is required, payment will be assumed by SCDOT upon approval by the Chief Appraiser and/or Assistant Director Rights of Way for Operations. The Income Capitalization Approach to value shall be addressed when appraising income-producing or investment-type properties except when otherwise stipulated by the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

All site improvements (except for Septic Tanks and Wells) should be based on the appraiser's opinion of their contributory value. Septic tanks and wells will be based on actual replacements costs determined by a qualified contractor. If replacement costs exceed the market value of the entire property, then SCDOT will acquire entire tract. See

site improvements defined on page I-4 paragraph H., page III-13 paragraph 22, and page III-25 paragraph 17.

Under the Principle of Substitution, the value of site improvements should be based on the items' contributory value as opposed to replacement cost. The appraiser must consider the item's function and the benefits provided by the improvement in deriving an opinion of value after the acquisition.

I. History of the Property

The appraisal must contain a sales history of the subject property for the five years prior to the acquisition. If the property or a portion of the property has changed ownership within the past five years, the appraiser must report the confirmed sales price and recorded date for each transfer along with any other pertinent facts related to the transaction. If there has been a recent sale of the subject, the appraiser must determine if alterations to the property occurred subsequent to the sale and to what extent they might have impacted market value. If the sale of the subject is not used in the valuation process, the appraiser must explain why. If no transfers have occurred the appraiser must report the date the present property owner acquired the property, the deed book and page of record, if recorded, and any other facts pertinent to ownership.

J. Waiver Valuation

The waiver valuation is an appraisal based on the ruling from South Carolina Real Estate Appraiser Board dated November 2015 and in compliance with USPAP FAQ #52. To comply with USPAP and the SC Real Estate Appraiser Board, all cost estimates are defined as Restricted Use Appraisal reports. The basic waiver concept of the waiver valuation is to be used when estimating just compensation on properties of \$20,000 or less that are considered non-complex. SCDOT defines the waiver valuation as the project cost estimate. The cost estimate will be prepared by SCDOT staff appraiser. ***Cost Estimates cannot be used to condemn property.**

Cost estimates are developed using current property sales and estimated cost to cure based on Marshall and Swift Valuation Guide Book or internal engineering estimates. Also included are necessary relocation costs, and costs of personnel services. The Chief Appraiser and/or Staff Appraiser and Assistant Director Rights of Way for Operations must approve and sign the cost estimate. When approved right of way plans are received, the Chief Appraiser shall direct SCDOT staff personnel to prepare a cost estimate **(SCDOT Right of Way Form 100-A)**. The cost estimate will indicate the number of parcels requiring appraisal, a brief description of each property to be appraised, the type of appraisal required and a preliminary scope of work. After approval, the cost estimate can be used to make offers of \$20,000 or less where no damages or benefits have been identified. The cost estimate will be prepared on SCDOT Rights of Way Form 100-A.

SECTION II: FEE APPRAISERS

A. Use of Fee Appraiser Services

The Chief Appraiser will consult with the Assistant Director Rights of Way for Operations to evaluate the current and anticipated workload of the Rights of Way Appraisal Section. Fee Appraisers will be employed as needed to supplement SCDOT appraisal staff on an as needed basis.

B. Qualifications of Fee Appraisers

All appraisals utilized for the purposes of acquisition and disposition of real estate must be performed by an appraiser approved by SCDOT. Fee appraisers must be professionals who possess highly specialized knowledge and experience in the appraisal field with specific experience in the appraisal of eminent domain acquisitions. They must have demonstrated their ability to qualify as an expert appraisal witness. Fee Appraisers must be licensed as a Certified General Appraiser by the South Carolina Real Estate Appraisers Board. They must have no unresolved prior or pending reprimands, censures, fines, suspensions, or other disciplinary matters before the South Carolina Real Estate Appraisers Board or any professional appraisal or other real estate-related associations. Prior violations must be resolved to the satisfaction of SCDOT before re-application and reinstatement as an approved Fee Appraiser. They must have previously submitted or be in a position to submit to SCDOT evidence of specific appraisal experience for the type of property they are assigned to appraise or review.

A separate approved list is maintained for fee Review Appraisers. The same qualifications as those previously described will apply. In addition, they must have a minimum of five years continuous practice in the appraisal of eminent domain acquisitions for highway purposes.

Acceptance of a contract to perform appraisals for SCDOT implies that the fee appraiser and fee review appraiser meets these qualifications and is experienced in the appraisal of eminent domain acquisitions and knowledgeable in eminent domain laws and regulations. Approved Fee Appraisers and Fee Review Appraisers shall adhere to the SCDOT Appraisal Manual and Uniform Act while appraising for SCDOT.

C. Application for Fee Appraiser/Fee Review Appraiser

The Headquarters Rights of Way Office will maintain a list of approved Fee Appraisers and Fee Review Appraisers. Appraisers seeking to serve as a Fee Appraiser or Fee Review Appraiser must submit an "Application for Fee (or Review) Appraiser" (**SCDOT Rights of Way Form 140-A**). SCDOT accepts applications for approved Fee and review Appraisers in January and July of each year unless workload necessitates more frequent acceptance or situations arise that require the services of an appraiser with particular expertise.

When an application is received by SCDOT, the Chief Appraiser and/or Assistant Director Rights of Way for Operations will determine if the applicant is qualified. This will include such inquiries as may be necessary to determine the abilities of the applicant and, if a

member, his standing in any professional appraisal or real estate related organizations. The South Carolina Real Estate Appraisers Board will be contacted to determine the applicant's current status. References shown on the application will be contacted to verify the applicant's character and integrity. Past clients and/or employers may be contacted to determine the applicant's quality of work and level of expertise. The Chief Appraiser and/or Assistant Director Rights of Way for Operations may interview prospective fee and fee review Appraisers.

A file will be opened for each appraiser upon receipt of the application. This file will contain the application and other supporting documentation, including work history, board certification, and interview notes (if conducted). The Assistant Director of Rights of Way for Operations will make a recommendation and send to the Director of Rights of Way for final approval or rejection of applicant. The Chief Appraiser will notify the applicant in writing if approved or rejected. If accepted, the appraiser will be added to the Fee Appraisers List and/or Fee Review Appraisers List.

D. Approved Fee Appraiser/Fee Review Appraiser List

After approval, a Fee Appraiser will be listed on SCDOT's Approved Fee Appraisers List and/or Fee Review Appraiser List. ***All appraisers approved after January 1, 2021 shall be subject to a 1 year probationary period. During the probationary period the appraiser shall only accept appraisal assignments that request nominal and simple standard format appraisals. The Chief Appraiser shall evaluate the Fee Appraiser to determine if the appraisal complies with the applicable federal and state laws and the SCDOT Appraisal Manual during the probationary period. The Chief Appraiser may reduce or extend the 1 year probationary period if appraiser is demonstrating proficient and creditable appraisal reports.*** To remain on the lists, an approved appraiser must submit a copy of his current certification from the South Carolina Real Estate Appraisers Board to SCDOT by July 31st of each renewal year as set forth by SC LLR Appraiser Board and attend a mandatory 7 hour SCDOT continuing education seminar every two years. Any change in classification must be submitted to SCDOT immediately. Failure to submit copies of renewal certifications and attend the continuing education seminar may be cause for removal from the Approved Fee Appraiser or Fee Review Appraiser Lists. The application process must be repeated for all reinstatements. An Approved Fee Appraiser or Fee Review Appraiser will not be removed from the approved list without prior notice and opportunity to be heard.

E. Selection of Fee Appraisers for Primary Appraisal Contracts

When appraisal assignments require the services of Fee Appraisers, selection shall be by one of three methods:

1) APPRAISAL CONTRACTS OF MORE THAN 25 TRACTS:

The Headquarters Rights of Way Office will advertise for interest in performing appraisal services by mailing "Notice of Need for Appraisal Services" (**SCDOT Right of Way Form 141-A**) to all Fee Appraisers on the Approved Fee Appraisers List. Generally, 10 to 14 days will be allotted to submit interest letters. A "Request for Appraisal Proposal" (**SCDOT Right of Way Form 142-A**) will be mailed to each Fee Appraiser on the Approved Fee Appraisers List who submitted an interest letter within the allotted time. *The*

“Request for Appraisal Review Proposal” (SCDOT R/W Form 142-B) will be used for review assignments. The proposal will list the SCDOT, and/or Project ID#, tract number, and preliminary scope of work for each parcel to be appraised. The preliminary Scope of Work will define the specific parameters of work, the specific appraisal problem, and the appropriate approach (es) to value for each tract. The appraiser should note additional items for each tract that he feels are relevant to the appraisal assignment on the Request for Appraisal Proposal form. Additional comments may be attached separately. The appraiser will base their proposals on a scope of work that they feel is necessary to support an opinion of value. Bids for appraisals are divided into two general categories (Nominal or Standard) on the Appraisal Proposal form depending on the anticipated complexity of the assignment. For example:

- **Nominal** – Simple acquisitions, where no before and after value is required. The values may include site improvements and simple costs to cure. See site improvements defined on page I-4 paragraph H., page III-13 paragraph 22, and page III-25 paragraph 17.
- **Standard Report** – Before and after values of the entire property including all improvements, damages and/or benefits to the remaining property. .

Generally, 10 to 14 calendar days will be allowed to submit bid proposal. A complete set of SCDOT road plans, including detailed plan sheets and cross sections, will be available at the appropriate Regional Rights of Way Office and in the Right of Way Section at the SCDOT Headquarters Building located at 955 Park Street, Room 422, Columbia, SC.

Fee Appraisers submitting bid proposals should field inspect the project and locate each tract to be appraised. The appraiser’s bid proposal should reflect consideration of:

- Number of parcels to be appraised
- Time allotted for completion of the assignment
- Variety of property types impacted by the project
- Scope of work required for each report
- Specific damages/benefits per tract attributable to the project
- Any other conditions that might affect delivery of the report

Fees shall not be computed on an average rate per parcel or a percentage of anticipated right of way payments. The Chief Appraiser and/or Assistant Director Rights of Way for Operations may be contacted if necessary for additional information regarding the project.

The Appraiser Selection Committee will select the Fee Appraiser(s) to be awarded contracts in accordance with Title VI of the Civil Rights Act of 1964. The Committee is made up of the Assistant Director Rights of Way for Operations, Chief Appraiser and two designees, which may include one or more of the following positions Staff Appraiser, Team Leader, Regional Rights-of-Way Administrator, and Relocation Manager or Relocation Coordinator.

The Appraiser Selection Committee will evaluate each bid proposal by examining:

- Appraiser's understanding and recognition of potential issues affecting value
- Experience in appraising the type(s) of properties included in the contract
- Qualifications of the appraiser
- Past performance
- Ability to testify as an expert witness
- Capacity of the firm
- Fee proposal

After selection, the Chief Appraiser will prepare a Contract for Appraisal Services with a Notice to Proceed (**SCDOT R/W Form 143-A**). *The "Contract for Appraisal Review" (SCDOT R/W Form 143-B) will be used for appraisal review contracts.* A complete set of project road plans will accompany the contract along with the Right of Way Agent's worksheets. Information regarding the pre-appraisal conference, if held, will also be provided. Upon receipt of the Notice to Proceed, the Chief Appraiser must contact the fee appraiser to arrange a meeting within 14 calendar days to sign the contract and complete the pre-appraisal conference. Contract Award Notification (**SCDOT R/W Form 145-A**) will be issued to all bidders.

SCDOT reserves the right to add to or delete tracts from the contract and to revise scopes of work as necessary. The "Appraisal Contract Modification Form", (**SCDOT R/W Form 146-A**), will be used for this purpose and to adjust appraisal fees that result from changes in the original scope of work.

F. Selection of Fee Appraisers for Letter Contracts

1) APPRAISAL CONTRACTS OF 25 TRACTS OR LESS:

The Chief Appraiser or Regional Rights of Way Administrator will contact at least three (3) Fee Appraisers from the SCDOT Approved Appraiser list to obtain bid proposals and delivery schedules. A letter contract, (**SCDOT R/W Form 143-C**), will be mailed to the selected appraiser for signature and return. A memo will be prepared and maintained in the appraisal file stating each appraiser's bid proposal and the criteria used for selection.

2) SINGLE SOURCE:

A single source for appraisal services may be used in special circumstances such as: a) when one practical source exists for the desired services, b) when an attorney requests a specific appraiser for a court appearance, c) if specific expertise is required, d) when alternative methods will cause delays of projects requiring urgent completion, or e) to accommodate the court roster. A letter contract (**SCDOT R/W Form 143-C**) will be mailed to the selected appraiser for signature and return. The Chief Appraiser or the Regional Rights of Way Administrator will prepare a memo to the appraisal file summarizing the criteria used for selection and the special circumstances restricting the selection process to a single source.

The Fee Appraiser and the Chief Appraiser will negotiate fees for updating or revising appraisals. Appraisers will be selected in accordance with Title VI of the Civil Rights Act of 1964. Copies of all correspondence and proposals to and from Fee Appraisers will be maintained in the project appraisal files.

G. Pre-Appraisal Conference (SCDOT R/W Form 144-A)

At their discretion of the Chief Appraiser and /or Assistant Director of Rights of Way for Operations, SCDOT may conduct a pre-appraisal conference to discuss issues related to the appraisal assignment such as: contact information, reporting requirements, need for the project, and scope of work. Conference members will include the Chief Appraiser, the Regional Rights of Way Administrator and/or Team Leader, and the Fee Appraiser, and should be held within 15 calendar days of contract execution. The Fee Appraiser must understand the appraisal assignment completely and be aware of all contract requirements.

H. Payment Process

The Contract for appraisal services sets forth the terms and conditions required for payment. The project Comparable Data Brochure must be delivered before or at the same time as the first appraisal report. An invoice for the remaining balance for each tract may be submitted with the appraisal report(s). A penalty of 5% per parcel of the contract fee will be assessed for each calendar day an appraisal report is overdue.

I. Contract Extensions for Fee Appraisers

Requests for contract extensions must be made in writing to the Regional Rights of Way Administrator. Requests must be made at least 5 business days prior to the due date. The request must state specific reasons for the delay and the proposed delivery date. The Regional Rights of Way Administrator will review and recommend the request and forward to the Chief Appraiser and/or Assistant Director Rights of Way for Operations for approval. The Chief Appraiser and/or Assistant Director Rights of Way for Operations will document whether the extension is to be granted. Copies of the request will be attached and become a part of the contract. Failure to comply with these terms may cause the cancellation of the contract or the imposition of late penalties or fees. In the event the appraiser is delayed by an action of SCDOT, such as a design change, the appraiser will be granted a reasonable extension of time in which to complete the assignment.

J. Post-Appraisal Conference/Evaluation (SCDOT R/W Form 148-A)

At the discretion of the Chief Appraiser and/or Assistant Director Rights of Way for Operations, SCDOT may conduct a post-appraisal conference to discuss appraisals used to establish initial offers and, if relevant, the performance of the Fee Appraiser. Conference members will include the Chief Appraiser and the Fee Review Appraiser. Post-Appraisal Conferences should be held within 45 working days of the completion of the appraisal contract, and may be held in-person, by teleconference, or by other means as made possible by information technology assistance. The post-appraisal conference may address any of the following:

- Whether the appraisal(s) addressed the scope of work completely and adequately.
- The accuracy and quality of the appraisal reports
- The Fee Appraiser's compliance with SCDOT's Appraisal Manual and the Uniform Standards of Professional Appraisal Practice(USPAP)
- The Fee Appraiser's recognition of potential issues affecting value
- The Fee Appraiser's ability to offer solutions mitigating impacts
- Timeliness of delivery
- Any other issues that reflect upon the Fee Appraiser's performance

The Chief Appraiser may prepare a written post-appraisal conference report to document project progress, outstanding work by employees and contractors, issues or problems of concern involving the appraisal contracting system, Fee Appraiser and Fee Review Appraiser performances, USPAP appraisal standards, or any other matter which the Chief Appraiser determines should be brought to the attention of the Assistant Director Rights of Way for Operations. The Assistant Director Right of Way for Operations should reference the report if, based on the conference, he makes a recommendation to the

Director of Rights of Way for any action involving changes to the system or the status of any employee or Fee or Review Appraiser. Copies of the report will be provided to all attendees. The Fee and Fee Review Appraiser are encouraged to make comments and suggestions in response to the report.

The Fee or Fee Review Appraiser, Chief Appraiser and Assistant Director Rights of Way for Operations will sign and date the report, and the report will be maintained in the Fee Appraiser's file and project file.

K. Fee Appraiser Disciplinary Actions

49 CFR 24.103(d)(1) provides that "the Agency shall review the experience, education, training, certifications/licensing, designations and other qualifications of appraisers, and use only those determined by the Agency to be qualified." Therefore, the status as an approved appraiser can be considered a license under S.C. Code Section 1-23-370, which is part of the State Administrative Procedures Act (APA).

If SCDOT finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect, summary suspension of an agency license may be ordered to remove the appraiser from the Approved Fee Appraisers List or Fee Review Appraiser List pending proceedings. These proceedings shall be promptly instituted and determined by SCDOT. APA provides that a state agency must give notice and an opportunity to be heard to a holder of a license before suspending or revoking it.

Failure to comply with SCDOT's Appraisal Manual will constitute grounds for removal from the Fee Appraiser and/or Fee Review Appraiser List, provided that appropriate notice and opportunity to be heard is given pursuant to law.

SECTION III: APPRAISAL INSTRUCTIONS

A. General Information and Instructions

There are two types of appraisal formats used to estimate market value of property to be acquired by SCDOT under eminent domain. The reports are referred to as:

Standard Appraisal (SCDOT R/W Form 110-A)

Nominal Appraisal (SCDOT R/W Form 120-A)

The reporting requirements are determined by the complexity of the assignment. The following is a list of general requirements for each appraisal format. Specific instructions for each type of appraisal are contained later in this section. **The instructions contained in this manual become a part of the appraisal contract and must be followed to ensure contract compliance.**

GENERAL REQUIREMENTS:

- 1) Each appraisal will be prepared on 8 1/2 x 11 (letter size) paper.
- 2) One original appraisal must be submitted for each parcel. Two (2) complete copies must accompany the original signed appraisal unless otherwise stipulated in the contract. The original and copies must contain color photographs. Computerized color digital images re-produced on a color printer are acceptable. Appraisals must be submitted within 15 calendar days of the inspection date.
- 3) Each page of the appraisal will be consecutively numbered at the bottom center of the page.
- 4) The project ID number, and parcel number will be shown in the bottom right-hand corner of each page.
- 5) A new certificate and distribution of value page will be prepared when a change in the appraisal report affects the estimate of value or the date of valuation. *(This requirement does not apply to minor changes in the acquisition size due to design changes where the unit value is not affected and no additional damages occur to the property.)*
- 6) Any increase in the market value of real property prior to the date of valuation caused by the public improvement for which the property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the property owner, shall be disregarded in determining compensation for the property.
- 7) Appraisers shall not give consideration to, nor include in their appraisals, any allowance for relocation assistance benefits. The appraisal must

include a list of all relocation items including mobile homes, underground storage tanks, canopies, fuel pumps, inventory, trade fixtures, equipment, outdoor advertising signs, or any other items that will be covered under relocation assistance. Any items, other than contractor moving items, not included will be considered in the opinion of value. Coordination with the right of way agent is required in order to avoid dual compensation.

- 8) Damages and benefits must be supported by market data developed under the appropriate approach (es) to value i.e. sales comparison, loss of income to the real estate, and/or cost to cure. Use of predetermined tables is not acceptable.
- 9) Information regarding the name, address and contact information for each property owner, as well as a five-year sales history for each property will be provided to the Appraiser on the "Right of Way Agent Worksheet" (SCDOT Right of Way Form 809). The location of the subject property, the site size before and after the acquisition, and the size and location of the acquisition will also be provided. The appraiser must assume reasonable responsibility for the accuracy of this information. Any discrepancies must be brought to the attention of the Chief Appraiser.
- 10) At the same time the Appraiser receives the Right of Way Agent Worksheet, he will receive a set of right of way plans, including cross sections. Any subsequent plan revisions will be forwarded to the appraiser immediately through the Headquarters Appraisal Section. *Fees may be adjusted for changes in scope and/or additional work caused by plan revisions with the approval of the Chief Appraiser and/or Assistant Director Rights of Way for Operations.*
- 11) The Appraiser is responsible for understanding the appraisal assignment. Any questions should be referred to the Chief Appraiser and/or Assistant Director Rights of Way for Operations prior to completing the appraisal. The Appraiser must make no assumptions as to the appraisal assignment. The appraisal will be based upon the most current right of way plans at the date of inspection by appraiser. Any potential plan revisions that could mitigate damages or facilitate the acquisition process should be discussed with the Chief Appraiser and/or Assistant Director Rights of Way for Operations). The Appraiser, in conjunction with the Chief Appraiser and/or Assistant Director Rights of Way for Operations is responsible for correctly identifying the larger parcel. This may require combining or separating parcels. All requests for plan changes and/or changes in the assignment must be submitted through the Chief Appraiser and/or Assistant Director Rights of Way for Operations prior to beginning the appraisal.
- 12) Benefits may offset the value of the right of way acquired as well as any damages to the remainder, but the value of the acquisition may not be less than zero.

- 13)** All adjustments must be well supported and documented in the appraisal. Objective support including paired sales analysis or other market-derived means is encouraged. Greater explanation and analysis is expected whenever more subjective or higher than normal line item adjustments are necessary.
- 14)** The following items are generally considered to be non-compensable because of South Carolina Code of Laws and/or South Carolina Case Law and are typically not considered in the “after” value estimate:
- a.** Loss of profits or business^{*}
 - b.** An option where it has not been exercised
 - c.** Circuity of travel suffered in common with the general public^{*}
 - d.** Frustration of plans where no actual implementation of those plans has begun^{*}
 - e.** Damages arising by a reasonable and lawful exercise of police power^{*}
 - f.** Damages during the period of construction
 - g.** Sentimental value
 - h.** Damages by reason of the loss of anticipated profits
 - i.** Raised Median^{*}

^{*}-When dealing with any items that are generally considered to be non-compensable, consult with the Assistant Director Rights of Way for Operations and/or Chief Appraiser prior to completion of the cost estimate, scope of work and appraisal assignment.

- 15)** Property containing sand, timber, gravel, crops, minerals, etc. must be valued by considering the extent to which the item contributes to the market value of the property as a whole. “Different elements of a tract of land are not to be separately valued and added together.” (*Uniform Appraisal Standards for Federal Land Acquisitions*, p.7). Another aspect of the Unit Rule requires that real estate be valued with respect to its gross value as a single entity as if there were only one property owner even though there are separate interests in the parcel. If several parcels are assembled under separate interests, the lease should be reviewed carefully. Items such as, the strength of the lessor/lessee, the term of the lease in relation to the remaining economic life of the improvements, and the existence and effect

of any termination or condemnation clause should be considered in order to determine if the properties should be appraised together or separately.

- 16) Staff and Fee Appraisers shall disqualify themselves immediately from assignments involving properties where a personal or business relationship exists or where a conflict of interest might be reasonably construed. Staff Appraisers shall be governed by rules and regulations established for all state employees in this regard.

B. Instructions for Preparation of Comparable Data Brochure

The original and two copies of the Comparable Data Brochure must be submitted for each project. A complete brochure must accompany the first appraisal(s) sent to the Review Appraiser. Additional sales and rents may be submitted at later dates as necessary. A revised summary of sales and rentals must accompany any additional sale and/or rent comparables. The original and copies must contain original color photographs of each comparable or computerized color digital images re-produced on a color printer. Sales of property under the threat of condemnation are not arms-length transactions and shall not be accepted.

The brochure will contain the following information:

- 1) **COVER SHEET: (SCDOT R/W FORM 101A)**

The cover sheet will provide information identifying the project and will include the appraiser's signature and the brochure completion date. The reviewing appraiser's signature certifies that he has physically inspected all comparable sales and rentals included in the brochure where possible. If a physical inspection is not practical, the reviewer should make every attempt to view the property using county tax maps, satellite imagery or similar means. A separate cover sheet must be submitted with subsequent additions to the brochure noting the revised date at the bottom of the page.

- 2) **AREA, CITY, AND NEIGHBORHOOD ANALYSIS:**

This data should consist of only those forces directly affecting the subject property and the appraiser's opinion of significant market trends. It is improper to base an opinion of value, or a conclusion with respect to neighborhood trends, upon stereotyped or biased presumptions relating to race, color, religion, sex, or national origin or upon unsupported presumptions relating to the effective age or remaining life of the property being appraised or the life expectancy of the neighborhood in which it is located. Racial, religious, and ethnic factors are unreliable and unacceptable predictors of value trends and price variances.

3) **COMPARABLE LOCATION MAP: (SCDOT R/W Form 103-A)**

Maps showing all sale and rent comparables must be included. The maps must provide sufficient directions and detail for the review appraiser to locate the properties.

4) **COMPARABLE SALE DATA SHEETS: (SCDOT R/W Form 104-A)**

Sale types should be separated in the Comparable Data Brochure by tabbed categories such as: commercial, residential, or industrial for vacant and improved properties. At the beginning of each category, a summary of the sales data should be included indicating the sale number, date of sale, size, and price per unit in descending or ascending order.

All comparable sale data included in the brochure must be confirmed to the greatest extent possible by the grantor, grantee, or a knowledgeable third party involved in the transaction. All comparables must be physically inspected, when practical. Care must be taken when verifying comparables to insure that the actual recorded sales price is reported, not a figure, which may represent a net amount received by the seller. Adjustments for brokerage fees, demolition costs or other increases or deductions should be explained in the comments section at the bottom of the page. The appraiser must report the property rights conveyed. Atypical financing terms must be analyzed and reported. The appraiser must determine if any unusual buyer or seller motivation, or whether other consideration was involved in the transaction. Comparables that identify corporations or other entities as grantor, grantee, lessor, or lessee shall be investigated by the appraiser to ensure that the principals are completely separate.

Complete descriptions of the comparable site and improvements are required including square footage, age, condition, number of parking spaces or other site improvements, available utilities, amount of frontage, zoning conformity, ingress and egress, visibility, shape, topography, and other relevant characteristics. If the comparable suffers from a form of functional obsolescence such as inadequate size, parking, visibility or other atypical characteristic, and is used as support for damages, the cause of the obsolescence should be noted. These comparables will isolate items that commonly contribute to damages and should be used whenever possible to establish an objective basis for estimating damages or benefits. Analysis of comparable sales should be performed in a manner that will determine whether the sale is comparable to the subject in the “before” or “after” conditions in terms of the legal and market requirements. The analysis should include consideration of items such as legal conformity, setback, land to building ratio, parking to building ratio, frontage ratio, access to the improvements, shape, visibility, and other site or building characteristics which might be impacted by the acquisition. If the property was rented at the time of sale, lease information should be included as additional comments or on a separate Comparable Rental sheet. The appraiser must indicate the date the comparable was inspected or photographed. Comparables that are located on the project should be marked and identified at the bottom of the Comparable Sale Data Sheet.

5) **COMPARABLE RENTAL DATA SHEET: (SCDOT R/W Form 105-A)**

All comparable rent data included in the report must be confirmed to the greatest extent possible by the lessor, lessee, or a knowledgeable third party involved in the lease transaction. All comparables must be physically inspected, where practical. Atypical lease terms must be analyzed and reported. The appraiser must determine if any unusual motivation or other consideration was involved in the transaction. A description of the lease including the type, length, property owner expenses, inception date and lease options must be reported. Adequate descriptions of the comparable site and improvements are required including square footage, condition, and other relevant characteristics. The appraiser must describe all trade fixtures, equipment, or other items apart from the real estate that are included in the lease. Comparables that are located on the project should be marked and identified at the bottom of the Comparable Rental Data Sheet.

6) **COMPARABLE PHOTO AND SKETCH, TAX MAP OR PLAT: (SCDOT R/W Form 104-B)**

Sketches, plats, or tax maps of all comparable sales are required. These must be placed, along with a photograph of the property, behind the corresponding Comparable Sale Data Sheet. Sketches must exhibit a close approximation of the property boundaries showing existing easements or right(s) of way, the general location of building improvements, site improvements, existing highways or other means of access, property identification, and a North arrow. Sketches of comparable sales are not required to be to scale. Sketches or plats of rent comparables are not required, however photographs of the rentals must be provided in the brochure behind the corresponding Comparable Rental Data Sheet.

C. Instructions for Preparation of Standard Appraisal

The standard appraisal format will be used when appraising total acquisitions and for more complex appraisal assignments involving benefits or damages other than simple costs to cure. Appraisals of total acquisitions will not include paragraphs 24 through 29. The following items must be included in the report:

- Cover Sheet - paragraphs 1-3
- Appraisal Summary – paragraphs 4-10
- Appraisal Details and Requirements – paragraphs 11-18
- Subject Location Map
- Subject Photographs
- Subject Property Sketch/Plat

- Subject Floor Plan (if applicable)
- Report Narrative – paragraphs 19-29

(NOTE: Paragraphs 24-A and 24-B, Description of the Realty must include a list of items, if any, to be covered under Relocation Assistance.)

- Distribution of Value – paragraphs 30-33
- Assumptions and Limiting Conditions
- Certificate of Appraiser
- Addenda - including any applicable items such as:
- Contractor Cost Estimates/Proposals
- Deed
- Zoning Map
- Tax Map
- FEMA Flood Map
- Soil Map
- Other Applicable Exhibits

All pages in the appraisal will be consecutively numbered. Each paragraph must be numbered and titled as set forth in these instructions in the order presented. Any specific or extraordinary assumptions or limiting conditions must be approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

1) **COVER SHEET:** (Paragraphs 1 – 3)

Paragraph 1

Location and ownership information will be furnished by the right of way agent on SCDOT Right of Way Form 809. The appraiser must assume reasonable responsibility for the accuracy of this information. A space is provided on this page for a front view of the subject property.

Paragraph 2 - (Required by Sec. 24.102c of Uniform Act)

NOTE: *It is required by Federal Law that the owner or his designated representative be given the opportunity to accompany the appraiser on an inspection of the property prior to the property being appraised.*

This paragraph will indicate how the property owner was contacted, when the property was inspected, and if the property owner or his representative accompanied the appraiser during the initial inspection. If the property owner was not present, an explanation must be provided. The invitation to the property owner must be documented. The appraiser will mail a letter by certified mail to the landowner and/or his/her designee and attach a copy of the postal service certification label and landowner letter in the addendum section of appraisal. If the tract has multiple property owners, only one letter is required to be sent to the point of contact for said tract. The right of way agent's worksheet will have a point of contact for multiple property owners. A tenant, unless specifically designated by an owner, is not considered the property owner's representative.

Every effort must be made by the appraiser to arrange a mutually agreeable time for the property owner to be present during the inspection if he desires. If the property owner wishes to accompany the appraiser, he should make arrangements to either be present within a reasonable length of time from the appraiser's invitation or designate a local representative or agent to appear for him. The appraiser shall notify the Chief Appraiser and/or Assistant Director Rights of Way for Operations immediately if attempts to contact the property owner are not successful.

Paragraph 3

The name and certification number of the appraiser(s) preparing the report and the appraisal firm with whom they are associated must be provided.

2) APPRAISAL SUMMARY: (Paragraphs 4 – 10)

These paragraphs are a summary of the appraiser's opinions and analyses. They will provide a point-by-point comparison of the "before" and "after" conditions to subsequent users of the report. Significant differences between the "before" and "after" conditions must be considered and explained in the body of the report.

3) APPRAISAL DETAILS AND REQUIREMENTS: (Paragraphs 11-18)

Paragraph 11 - Property Rights Appraised

Right of way acquisitions shall be valued as fee simple interest, unless otherwise instructed by Chief Appraiser and/or Assistant Director of Rights of Way for Operations. . The estimate of value must reflect the entire bundle of rights unencumbered.

Paragraph 12 - Purpose of the Appraisal

The purpose of the appraisal is “to estimate the difference in the market value of this property caused by the acquisition of the right of way for the proposed construction of this project.”

Paragraph 13 - Intended Use

The intended use of the appraisal is to assist the South Carolina Department of Transportation in negotiations with the property owner concerning an eminent domain acquisition.

Paragraph 13a- Intended User

The intended users are South Carolina Department of Transportation, its Rights-of-Way Department, its Right-of-Way Consultants, its Legal Department and Associate Legal Counsel.

Paragraph 14 - Exposure Time

The appraiser must develop an estimate of reasonable exposure time on which the appraised values are based. It should be specific to the subject property type and the subject market conditions. Exposure time may be stated as a range.

Paragraph 15 - Five-Year Sales History

The appraisal must contain a sales history of the subject property for the five years prior to the acquisition. If the property or any portion of it has changed ownership within the past five years, the appraiser must report the confirmed sales price and date of sale for each transfer along with any other pertinent facts related to the transaction. If there has been a recent sale of the subject, the appraiser must determine if alterations to the property occurred subsequent to the sale and to what extent they might affect the current opinion of market value. If the sale of the subject is not used in the valuation process, the appraiser must explain why. If no transfers of the subject property have occurred within the past five years, the appraiser must report the date the present property owner acquired the property, the deed book and page of record, if recorded, and any other facts pertinent to ownership.

Paragraph 16 - Current Listing

If the subject property is being marketed as of the date of appraisal, the appraiser must report the current listing information. The appraiser must also report any pending contracts for sale of the property.

Paragraph 17 - Assessment and Taxes

The current assessment information for the property must be reported. Any special or atypical assessments must be described and analyzed for its potential impact on value. It should be noted if the most recent assessment does not represent the current property description or status. The analysis of the current assessment and taxes should include a review of any appeals filed since the last reassessment.

Paragraph 18 - Current Zoning Analysis

The appraiser must provide a complete zoning analysis of the property. The analysis must state whether the property is a conforming or nonconforming use based on the minimum requirements set forth under the local ordinance. If the property is nonconforming the appraiser must address in the report whether this impacts value and, if so, to what extent.

4) SUBJECT LOCATION MAP:

A map showing the location of the subject property and the defined neighborhood shall be included. City and county maps are acceptable.

5) SUBJECT PHOTOGRAPHS:

Photographs of the property must be attached and identified. Computerized color digital images re-produced on a color printer are acceptable. This page must also include the property address/location, photograph date, and identification of the photographer. Photographs must show all improvements acquired and/or affected by the acquisition, any unusual features, and the area being acquired. The location and direction of the photograph should be indicated on the property sketch.

6) SUBJECT PROPERTY SKETCH:

The property sketch or plat should provide an accurate depiction of the property and the acquisition's impact, both in the before and in the after, and must include any cost to cure. It is not required to be to scale. All new right of way areas shall be shaded. The present and new right of ways shall be identified and labeled. A copy of the highway plan sheet is not an acceptable substitute for the sketch. The sketch can either be hand drawn or computer generated. The sketch must include the property layout, dimensions, easements, and improvement setbacks from the present and new rights of way. It should also indicate all relevant building and site improvements including septic tank, drain fields, parking areas, sidewalks, driveways, fences, and other items that might be impacted. Personal property including mobile homes, outbuildings, pumps, underground storage or above ground storage tanks, canopies, outdoor advertising signs, on-premise signs, ATM's, or other trade fixtures and equipment that might be impacted must be identified but may not be valued in the appraisal. See Section VII for examples of minimum requirements.

7) SUBJECT FLOOR PLAN: *(if applicable)*

A sketch of all building improvements affected by the acquisition showing the square footage calculations and room layout of each level must be provided.

8) REPORT NARRATIVE: (Paragraphs 19 - 29)

Paragraph 19 – Scope of Work

The scope of work is a written set of expectations that form an agreement or understanding between the appraiser and SCDOT as to the specific

requirements of the appraisal, resulting in a report to be submitted to SCDOT by the staff or fee appraiser. The scope of work includes, but not limited to, property right(s) being appraised; date of appraisal valuation and date of report; location and zoning; highest and best use and present use; identification of the intended use and user; definition of fair market value as defined by the Uniform Act 49 CFR24.2 (a) (3); proper notification of the landowner requirements for property inspection; 5-year sales history of the property; statement of assumptions and limiting conditions; appraiser certification. The SCDOT Appraisal Manual provides guidance on the scope of work. SCDOT reserves the right to change the scope of work as needed during the appraisal process.

Paragraph 20 - Description of the Realty

The description should specifically note any characteristics that will likely change after the acquisition regardless of their effect on value. This will assure the property owner and the right of way agent that all issues have been analyzed for their potential impact on value. Items such as: land to building ratios, parking ratios, frontage ratios, ingress/egress, road grade, setback, access to improvements, or other potential impacts should be critically and quantitatively analyzed to the extent possible if the item will be altered by the acquisition.

The description of the land should include the following information: total area, dimensions, existing ingress and egress, street/road description, road grade, frontage, shape, topographical features, drainage, easements, and available utilities. When applicable, the description should specify mineral deposits, marketable timber, soil types, and any other features that may influence value.

A detailed description of all building and site improvements as well as any personal property and trade fixtures located above and below ground within the new right of way, or affected by the acquisition must be provided. Descriptions must include number of units, size, use, type and quality of construction, interior and exterior condition, actual and effective age, room layout, number of parking spaces, amenities, and any other features that may influence value.

When it is obvious that the improvement value will be unaffected by the acquisition, the report may address underlying land value only, with a brief reference to the improvements and an explanation in the Scope of Work paragraph as to why the improvements were not considered.

Paragraph 21 - Highest and Best Use (Before)

Highest And Best Use is defined in *The Appraisal of Real Estate - 12th Edition* as, "The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value." The appraiser must discuss the four tests of highest and best use individually, both "as vacant" and "as improved" as they apply to the subject property. A statement of

highest and best use is unacceptable. Greater discussion and support are required when the appraiser's opinion of highest and best use differs from the present use of the property. Similarly, greater discussion and support are required if the present use is inconsistent with zoning, when locational or physical characteristics of the property are nonconforming or atypical and/or when existing improvements are considered an over or under-improvement to the property. If existing improvements are impacted but are determined to contribute no value to the site, the appraiser's opinion must be thoroughly supported in a demonstration of at least one of the three approaches to value.

Paragraph 22 - Valuation before the Acquisition

All applicable approaches to value must be demonstrated. The appraiser must state why any approach is omitted. The appraiser must state the value derived under each approach. Each approach should be developed independently of the others to the greatest degree possible.

Land Valuation

Land value must be derived separately for each property using the sales comparison approach and a minimum of three comparable sales. Comparable listings may be used as additional support. If adjustments are necessary, the appraiser's analysis is to be exhibited in grid form. All adjustments must be well supported market-derived and explained in the appraisal. Greater explanation and analysis is required whenever more subjective or higher than normal line item adjustments are used.

The following are examples, of site improvements that shall be addressed in the appraisal as contributory value or cost to cure. If cost to cure is needed, then a contractor bid or an estimate from an engineer is required unless approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations:

- Signs (brick and mortar, lighted, shopping center, apartment complex, any sign that requires a laborer to rebuild).
- Septic tanks & wells.
- Landscaping such as shrubs, trees, and vegetation buffers.
- Irrigation (residential, commercial and agricultural)
- Fence (wooden, split rail, vinyl, brick, decorative, ornamental, loss of linear footage, etc.)
- Fire Pits (dry fire hydrants connected to commercial buildings for fire protection).

The above is not intended to be a comprehensive listing of all site improvements.

Costs to cure must be considered reasonable based on the property's highest and best use. The appraiser must obtain bids or estimates from a qualified contractor or engineer. Bids or estimates provided by the property

owner cannot be used in the appraisal report, unless approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

Sales Comparison Approach to Value

a. Typically, the sales comparison approach is favored in the appraisal of eminent domain acquisitions because it is most understood by property owners and more accepted by the courts. Emphasis should be placed on this approach whenever possible. A minimum of three comparable sales is required. *Additional comparables may be required for more complex properties.* Comparable listings may be used as additional support. All aspects of the property affected by the acquisition such as size, parking, frontage, road grade, setback, zoning conformity, shape, and other impacts should be considered and quantified to the greatest degree possible for analysis and comparison with the comparable data. Analysis of the sales must be exhibited in grid form. All adjustments must be supported and explained in the appraisal.

b. Cost Approach to Value

The cost approach shall be considered when improvements are less than ten years old, a special-use property, or when sufficient comparable sale or lease information is not available. When the cost approach is relied upon heavily in the final estimate of value, replacement costs and depreciation estimates must be derived from the market using cost comparables, local contractors, or other market derived means. Cost estimator services should be used as additional support. The land value must be supported by comparison with at least three comparable land sales.

c. Income Capitalization Approach to Value

The Income Capitalization Approach to value shall be addressed when appraising income-producing or investment-type properties except when otherwise stipulated by the Chief Appraiser and/or Assistant Director Rights of Way for Operations. Direct capitalization may be used to appraise properties with stabilized income and expense patterns when sufficient comparable properties with similar patterns are available in the market. Yield capitalization should be used to value more complex properties and those with unstable income and expense patterns. Estimated market rent must be based on at least three rent comparables. *Additional comparables may be required for more complex properties.* A description of the rent comparables must be included in the Comparable Data Brochure. Adjustments must be supported and explained, and exhibited in grid form. Any existing lease(s) of the subject property must be discussed. If possible, a copy of the subject lease(s) should be included in the addendum. If contract rent differs from market rent, an explanation is required. All expense deductions should be discussed and reasonably supported. Capitalization rates should be derived from market sources.

Development of rates should be demonstrated and supported in the report.

Paragraph 23 - Resolution of Before Value and Value Estimate

The appraiser shall indicate which approach is given most weight based on the quality and quantity of the market data. The final estimate of value before the acquisition must be stated and explained. If the appraisal reflects a total acquisition, the appraiser should proceed to Paragraph 30.

Paragraph 24a - Description of the Acquisition

The description of the acquisition must address the land area, as well as, the building and site improvements located within or affected by the proposed acquisition. Improvements located within the **existing** right of way should be identified but not included in the estimate of value. All moving items and relocation items within the new right of way must be identified but should not be included in the final estimate of value unless stipulated by the Chief Appraiser and/or Assistant Director Rights of Way for Operations. If moving items can be replaced on the site, SCDOT will reset the items in as good or better condition as they existed prior to the project.

A description of the land acquisition must include the size of the area, topography, shape, location (as it relates to the whole property), and type/use (e.g. front/side/rear yard, wetland, parking area, common area, etc.). The description shall separately note any additional areas outside the right of way designated as slopes, drainage, outfall ditch, or construction easement.

All building and site improvements including wells, septic tanks, drain fields, landscaping, fencing, signage, parking areas or other improvements located within the new right of way must be identified.

Paragraph 24b- Description of Realty Items under Relocation Assistance

In addition, all items considered personal property including mobile homes, outbuildings, tanks, pumps, canopies, out-door advertising signs, ATM's, or other fixtures and equipment must be identified. The appraiser must explicitly state that these items will be treated as relocation items or that they will be included in the opinion of value. **Coordination with the Regional Rights of Way Administrator and Relocation Manager is required.** The appraiser shall determine if critical site improvements may be relocated on the property or whether a suitable alternative is possible. For improved tracts (except ODA's) the appraiser will contact the relocation agent prior to meeting the property owner. It is required for the relocation agent to be present during the appraiser's inspection of each tract that involves relocation items. Verification from the appropriate regulatory agency must be obtained regarding the feasibility of relocating or replacing site improvements. The Regional Rights of Way Administrator should be notified if verification cannot be obtained. If replacement of the item is not

possible, the resulting effect on highest and best use and market value must be thoroughly evaluated and explained.

Paragraph 25 - Description of the Remainder

The description of the remainder must specifically address changes caused by the acquisition regardless of the effect on value. This will assure the property owner and the right of way agent that all relevant issues have been analyzed for their potential impact. Changes should be described and quantified to the extent possible by considering items such as: land to building ratios, parking to building ratios, frontage ratios, and other objective means that may be compared to the “before” condition of the subject property and the comparables. Careful consideration should also be given to changes in use, proximity, zoning conformity, road grade, shape, severance, maneuverability within the site, loss of amenities, and any other factors that might affect market value. If the appraisal reflects a simple acquisition, with no significant effect on the remainder, the appraiser may refer to the description given in Paragraph 20.

Paragraph 26 - Highest and Best Use (After)

The highest and best use of the property after the acquisition must reflect conditions after construction of the project. An opinion of highest and best use must be developed in a manner consistent with the instructions provided in Paragraph 21. Consideration should be given to any possible change in legal conformity, in addition to any physical changes as a result of the acquisition. If the highest and best use (after) is different from the highest and best use (before), a thorough discussion and adequate support must be incorporated into this analysis. If the appraiser’s opinion of highest and best use is unchanged, a statement of highest and best use (after) is sufficient.

Paragraph 27 - Value after the Acquisition

All applicable approaches to value should be demonstrated. The appraiser must state why any approach is omitted. Each approach should be developed independently of the others to the greatest degree possible. All aspects of the property affected by the acquisition such as size, utility, parking, frontage, road grade, setback, zoning conformity, shape, and other impacts should be considered and quantified to the greatest degree possible for analysis and comparison to the “before” condition and the comparable data. The value after the acquisition will reflect any compensable damages and/or benefits to the remainder as a result of the acquisition and construction of the project. Consideration should be given to one or more of the following methods for support of damages and/or benefits:

- 1) Paired sales analysis
- 2) Statistical analysis
- 3) Change in net operating income or investor risk

4) Cost to cure

At a minimum, the appraiser must provide sufficient discussion to satisfy SCDOT requirements and the reviewing appraiser.

Under the Principle of Substitution, the value of site improvements should be based on the items' contributory value as opposed to replacement cost. The appraiser must consider the item's function and the benefits provided by the improvement in deriving an opinion of value after the acquisition. The appraiser must also determine:

- Whether adequate area is available to replace the items according to zoning and DHEC requirements
- Whether alternative services are available
- Whether zoning variances may be reasonably granted

The appraiser must appraise the remainder as a whole after the acquisition. Merely subtracting the value of the acquisition from the Before Value Estimate to arrive at the After Value Estimate is unacceptable. The appraiser must state the value derived under each approach.

Paragraph 28 - Resolution of After Value and Value Estimate

Please refer to Paragraph 23.

Paragraph 29 - Uneconomic Remainder

An uneconomic remnant is, "a parcel of real property in which the property owner is left with an interest after the partial acquisition of the owner's property, and which the acquiring agency has determined has little or no value or utility to the owner." (*Appraisal Guide; Federal Highway Administration*). Alternative utilization should be considered within the context of zoning, setbacks, and other minimum legal and market requirements. The appraiser should also consider the plausibility of assemblage with adjoining properties. The diminution in the per unit land value before the acquisition from reduced utility is reported as damages in the form of a percentage reduction. The appraiser should inform the Chief Appraiser and/or Assistant Director Rights of Way for Operations of possible opportunities to mitigate damages to adjacent or contiguous parcels using uneconomic remnants.

9) **DISTRIBUTION OF VALUES: (Paragraphs 30 – 33)**

Paragraph 30 - Distribution of Before and After Values

This paragraph will allocate the "before" and "after" values of the different components. Site improvements should be broken out and shown

separately when they contribute significantly to value. The sum of the differences between the components “before” and “after” the acquisition is the value of the total acquisition including land, buildings, and site improvements located within the new right of way, plus damages, less benefits to the remainder. In the event the “after” value estimate exceeds the “before” value estimate, the difference will be the amount by which the property has been benefited by the acquisition and improvements. Benefits must be specific to the subject property in order to be compensable. However, it should be noted that specific benefits can accrue to multiple properties. Benefits are considered specific if market value of adjacent properties is enhanced as a result of the project. ***(For additional information regarding specific benefits as they apply to eminent domain acquisitions please refer to Wilson vs. Greenville County, 110 S.C. 321 (1918) a summary of which is included in the addendum of this manual).*** It is possible for benefits to offset damages and the value of the acquisition however, the value of the acquisition less benefits shall not be less than zero. The “after” value must still be stated in the report, even when benefits offset the value of the acquisition.

Paragraph 31 - Distribution of Value Components

This paragraph will allocate the different components that comprise the total value of the acquisition. The total for the acquisition includes the sum of the value components for the land, buildings, and site improvements located within the new right of way, plus damages, less benefits to the remainder and will equal the total of paragraph 30.

Paragraph 32 - Final Statement of Value

The reconciled values before and after the acquisition from paragraphs 23 and 28 are reported with the difference representing the value of the acquisition including land and improvements located within the new right of way, plus damages, less benefits to the remainder. The difference between the indicated value of the property before the acquisition and the indicated value of the remainder after the acquisition will equal the total of paragraphs 30 and 31. The difference shall not be less than zero.

Paragraph 33 - Fair Market Rental

The appraiser shall indicate the fair market monthly rental for any building improvements located within the new right of way and on any buildings located outside the new right of way when the current property owner or occupant will be displaced as a result of the acquisition. The date of appraisal must be within 15 calendar days of the date of inspection.

This page must be manually dated and signed in blue ink by the appraiser and co-signed by any other appraiser that contributed significantly to the report. The primary signature must be the contracting appraiser. All contents, analyses, and conclusions in the report are the responsibility of the contracting appraiser. **SCDOT does not accept any form of electronic signatures.**

10) ASSUMPTIONS AND LIMITING CONDITIONS:

The appraiser(s) shall include a statement of assumptions and limiting conditions affecting the data, analyses, conclusions, and opinions contained in each appraisal. Any specific or extraordinary assumptions or limiting conditions must be approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

11) CERTIFICATE OF APPRAISER:

A Certificate of Appraiser must be included with each appraisal. The opinion of fair market value must agree exactly with the amounts indicated in paragraphs 30, 31, and 32 of the report. The date of the certificate cannot be prior to the date of valuation. This page must be dated and signed by the appraiser. The appraisal must contain a separate certificate for any appraiser who contributed significantly to the report. All contents, analyses, and conclusions in the report are the responsibility of the contracting appraiser.

12) ADDENDA:

An addenda is not required, however any applicable information such as deeds, contracts for sale, leases, tax maps, zoning maps, flood maps, soil maps, contractor estimates, or other items that support the conclusions reached in the appraisal and/or aid in the description of the property should be attached at the end of the appraisal.

D. Instructions for Preparation of Nominal Value Appraisal

The Nominal Value Appraisal will be used when valuing simple acquisitions. This format may **not** be used when damages other than a simple cost to cure, (not to exceed \$5,000.00), occur to the remainder. The following items must be included in the report:

- Cover Sheet - paragraphs 1-3
- Appraisal Details and Requirements – paragraphs 4-11
- Subject Location Map
- Subject Photographs
- Subject Property Sketch/Plat
- Subject Floor Plan (if applicable)
- Report Narrative – paragraphs 12-17
(NOTE: Description of the Realty must include a list of items, if any, to be covered under Relocation Assistance.)

Allocation of Value – paragraph 18

Distribution of Value – paragraphs 30-33

Certificate of Appraiser

- Addenda - including any applicable items such as:
- Contractor Cost Estimates/Proposals
- Deed
- Zoning Map
- Tax Map
- FEMA Flood Map
- Soil Map
- Other Applicable Exhibits

All pages in the appraisal will be consecutively numbered. Each paragraph must be numbered and titled as set forth in these instructions in the order presented. Any specific or extraordinary assumptions or limiting conditions must be approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

9) COVER SHEET: (Paragraphs 1 – 3)

Paragraph 1

Location and ownership information will be furnished by the right of way agent on SCDOT Right of Way Form 809. The appraiser must assume reasonable responsibility for the accuracy of this information. A space is provided on this page for a front view of the subject property.

Paragraph 2 - (Required by Sec. 24.102c of Uniform Act)

NOTE: It is required by Federal Law that the property owner or his designated representative be given the opportunity to accompany the appraiser on an inspection of the property prior to the property being appraised.

This paragraph will indicate how the property owner was contacted, when the property was inspected, and if the property owner or his representative accompanied the appraiser during the initial inspection. If the property owner was not present, an explanation must be provided. The invitation to the property owner must be documented. The appraiser will mail a letter by

certified mail to the landowner and/or his designee and attach a copy of the postal service certification label and landowner letter in the addendum section of appraisal. If the tract has multiple property owners, only one letter is required to be sent to the point of contact for said tract. The right of way agent's worksheet will have a point of contact for multiple property owners. A tenant, unless specifically designated by an property owner, is not considered the property owner's representative.

Every effort must be made by the appraiser to arrange a mutually agreeable time for the property owner to be present during the inspection if he desires. If the property owner wishes to accompany the appraiser he should make arrangements to either be present within a reasonable length of time from the appraiser's invitation or designate a local representative or agent to appear for him.

Paragraph 3

The name and certification number of the appraiser(s) preparing the report and the appraisal firm with whom they are associated must be provided.

1) APPRAISAL DETAILS AND REQUIREMENTS: (Paragraphs 4-12)

Paragraph 4 - Property Rights Appraised

right of way acquisitions shall be valued as fee simple interest, The estimate of value must reflect the entire bundle of rights unencumbered unless otherwise instructed by Chief Appraiser and/or Assistant Director of Rights of Way for Operations.

Paragraph 5 - Purpose of the Appraisal

The purpose of the appraisal is "to estimate the difference in the market value of this property caused by the acquisition of the right of way for the proposed construction of this project."

Paragraph 6 - Intended Use

The intended use of the appraisal is to assist the South Carolina Department of Transportation in negotiations with the property owner concerning an eminent domain acquisition.

Paragraph 7- Intended User

The intended users are South Carolina Department of Transportation, its Rights-of-Way Department, its Right-of-Way Consultants, its Legal Department and Associate Legal Counsel.

Paragraph 8 - Exposure Time

The appraiser must develop an estimate of reasonable exposure time on which the appraised values are based. It should be specific to the subject property type and the subject market conditions. Exposure time may be stated as a range.

Paragraph 9 - Five-Year Sales History

The appraisal must contain a sales history of the subject property for the five years prior to the acquisition. If the property, or a portion of the property, has changed ownership within the past five years, the appraiser must report the confirmed sales price and date of sale for each transfer along with any other pertinent facts related to the transaction. If there has been a recent sale of the subject, the appraiser must determine if alterations to the property occurred subsequent to the sale and to what extent they might affect market value. If the sale of the subject is not used in the valuation process, the appraiser must explain why. If no transfers of the subject property have occurred within the past five years, the appraiser must report the date the present property owner acquired the property, the deed book and page of record, if recorded, and any other facts pertinent to ownership.

Paragraph 10 - Current Listing

If the subject property is being marketed as of the date of appraisal, the appraiser must report the current listing information. The appraiser must also report any pending contracts for sale of the property.

Paragraph 11 - Assessment and Taxes

The current assessment information for the property must be reported. Any special or atypical assessments must be described and analyzed for its potential impact on value. It should be noted if the most recent assessment does not represent the current property description or status. The analysis of the current assessment and taxes should include a review of any appeals filed since the last reassessment.

Paragraph 12 - Current Zoning Analysis

The appraiser must provide a complete zoning analysis of the property. The analysis must state whether the property is a conforming or nonconforming use based on the minimum requirements set forth under the local ordinance. If the property is nonconforming the appraiser must address in the report whether this impacts value and, if so, to what extent.

2) SUBJECT LOCATION MAP:

A map showing the location of the subject property and the defined neighborhood shall be included. City and county maps are acceptable.

3) SUBJECT PHOTOGRAPHS:

Photographs of the property must be attached and identified. Computerized color digital images re-produced on a color printer are acceptable. This page must also include the property address/location, photograph date, and identification of the photographer. Photographs must show all improvements acquired and/or affected by the acquisition, any unusual features, and the area being acquired. The location and direction of the photograph should be indicated on the property sketch.

4) SUBJECT PROPERTY SKETCH:

The property sketch or plat should provide an accurate depiction of the property and the acquisition's impact, both in the before and in the after, and must include any cost to cure. It is not required to be to scale. All new right of way areas shall be shaded. The present and new right of ways shall be identified and labeled. A copy of the highway plan sheet is not an acceptable substitute for the sketch. The sketch can either be hand drawn or computer generated. The sketch must include the property layout, dimensions, easements, and improvement setbacks from the present and new rights of way. It should also indicate all relevant building and site improvements including septic tank, drain fields, parking areas, sidewalks, driveways, fences, and other items that might be impacted. Personal property including mobile homes, outbuildings, pumps, underground storage or above ground storage tanks, canopies, outdoor advertising signs, on premise signs, ATM's, or other trade fixtures and equipment that might be impacted must be identified but may not be valued in appraisal. See Section VII for examples of minimum requirements.

5) SUBJECT FLOOR PLAN: *(if applicable)*

A sketch of all building improvements affected by the acquisition showing the square footage calculations must be provided. The standard format should be used if significant building improvements are impacted.

6) REPORT NARRATIVE: (Paragraphs 13-17)

Paragraphs 13 - Scope of Work

The scope of work is a written set of expectations that form an agreement or understanding between the appraiser and SCDOT as to the specific requirements of the appraisal, resulting in a report to be submitted to SCDOT by the staff or fee appraiser. The scope of work includes, but not limited to, property right(s) being appraised; date of appraisal valuation and date of report; location and zoning; highest and best use and present use; identification of the intended use and user; definition of fair market value as defined by the Uniform Act 49 CFR24.2 (a) (3); proper notification of the landowner requirements for property inspection; 5-year sales history of the property; statement of assumptions and limiting conditions; appraiser certification. The SCDOT Appraisal Manual provides guidance on the scope of work. SCDOT reserves the right to change the scope of work as needed during the appraisal process.

Paragraph 14 - Description of Property Before and After the Acquisition

A summary description of the physical and legal characteristics of the property before and after the acquisition must be provided. The description should note all relevant characteristics and/or unusual conditions. The standard format should be used if significant changes accrue to the property as a result of the acquisition or if significant improvements are impacted. Differences in the before and after conditions must be summarized and discussed.

Paragraph 15 - Highest and Best Use Before and After

The support and rationale for the appraiser's opinion of highest and best use before and after the acquisition must be summarized in this paragraph. The standard report format should be used if significant changes in highest and best use accrue to the property as a result of the acquisition.

Paragraph 16 - Description of the Area Acquired

The area to be acquired and all site improvements located within the new right of way must be described. Adequate support for costs to cure must be included in the addendum. Items located within the **existing** right of way should be identified but not included in the estimate of value. Personal property located within the new right of way must be identified but not included in the appraised value. Any questions regarding personal property should be discussed with the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

Paragraph 17 - Valuation Analysis and Supporting Data

The value of the land acquisition will be estimated using the sales comparison approach and a minimum of three comparable sales. Listings may be used as additional support. If adjustments are necessary, the appraiser's analysis is to be exhibited in grid form. All adjustments must be market-derived and explained in the appraisal. Greater explanation and analysis is required whenever more subjective or higher than normal line item adjustments are used.

The following are examples of site improvements, shall be addressed in the appraisal as contributory value or cost to cure. If cost to cure is needed, then a contractor bid or an estimate from an engineer is required unless approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations:

- Signs (brick and mortar, lighted, shopping center, apartment complex, any sign that requires a laborer to rebuild).
- Septic tanks & wells.
- Landscaping such as shrubs, trees, and vegetation buffers.
- Irrigation (residential, commercial and agricultural)
- Fence (wooden, split rail, vinyl, brick, decorative, ornamental, loss of linear footage, etc.)
- Fire Pits (dry fire hydrants connected to commercial buildings for fire protection).

The above is not intended to be a comprehensive listing of all site improvements.

Under the Principle of Substitution, the value of site improvements located within the new right of way should be based on the items' contributory value as opposed to replacement cost. The appraiser must consider the item's function and the benefits provided by the improvement in deriving an estimate of value after the acquisition. The appraiser must also determine:

- Whether adequate area is available to replace the items according to zoning and SCDHEC requirements
- Whether alternative services are available
- Whether zoning variances may be reasonably granted

The standard appraisal format is required if damages are likely to accrue to the property as a result of the acquisition and the loss of site improvements.

Costs to cure must be considered reasonable based on the property's highest and best use. The appraiser must obtain bids or estimates from a qualified contractor or engineer. Bids or estimates provided by the property owner cannot be used in the appraisal report, unless approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

7) ALLOCATION OF VALUE: (Paragraph 18)

This paragraph will allocate the different components that comprise the total value of the acquisition. The total for the acquisition includes the sum of the value components for the land and improvements located within the new right of way, plus damages that may be supported by a cost to cure. The report must be submitted within 15 calendar days of the date of inspection. This page must be dated and signed by the appraiser and co-signed by any other appraiser that contributed significantly to the report. The primary signature must be the contracting appraiser. All contents, analyses, and conclusions in the report are the responsibility of the contracting appraiser.

8) ASSUMPTIONS AND LIMITING CONDITIONS:

The appraiser(s) shall include a statement of assumptions and limiting conditions affecting the data, analyses, conclusions, and opinions contained in each appraisal. Any specific or extraordinary assumptions or limiting conditions must be approved by the Chief Appraiser and/or Assistant Director Rights of Way for Operations.

9) CERTIFICATE OF APPRAISER:

A Certificate of Appraiser must be included with each appraisal. The opinion of value must agree exactly with the amount indicated in paragraph 18 of the report. The date of the certificate cannot be prior to the date of valuation. This page must be dated and signed by the appraiser. The appraisal must contain a separate certificate for any other appraiser that contributed significantly to the report. All contents, analyses, and conclusions in the report are the responsibility of the contracting appraiser.

10) ADDENDA:

An addenda is not required, however any applicable information such as deeds, contracts for sale, leases, tax maps, zoning maps, flood maps, soil

maps, contractor estimates, or other items that support the conclusions reached in the appraisal and/or aid in the description of the property should be attached at the end of the appraisal.

E. Specialized Equipment, Machinery, Trade Fixtures & Timber

The Chief Appraiser and/or Assistant Director Rights of Way for Operations should be contacted to determine whether equipment, machinery or trade fixtures are to be considered personal or real property. In the event an appraisal assignment requires the valuation of specialized equipment, machinery, trade fixtures, mineral deposits, or timber, the appraiser may employ a specialist or consultant for assistance. The Chief Appraiser and/or Assistant Director Rights of Way for Operations must approve payment for contractor services or specialists deemed necessary after the contract date. SCDOT shall have the right to approve or reject any firm or individual that the appraiser may propose to use as a subcontractor or employee for the purpose of preparation of the appraisals herein set out.

F. Moving Items/Relocation Items

Moving items are defined as-items that are moved clear of the new rights of way during construction by SCDOT personnel or SCDOT's construction contractor and shall not be valued in the appraisal.

These items are considered moving items and addressed as moving items in the appraisal.

- Fence (barbwire, chain link and hog wire)
- On-premise signs that do not require a laborer to rebuild such as (on skids, wheels, and 4x4 post or smaller)
- Monitoring Wells

Relocation Items are defined as- items deemed to be personal property that are moved clear of the new rights of way prior to the start of construction through SCDOT's Relocation Assistance Program. Oversight of the Relocation Assistance Program is through the SCDOT Relocation Manager.

The following are examples, but not limited to personal property that are treated as relocation items and not valued in the appraisal: vehicles, boats, shipping containers, mobile homes, fuel dispensers, outdoor advertising signs (billboards), business inventory, trade fixtures and FF&E (Fixtures, Furniture and Equipment). **Coordination with the Relocation Manager, Chief Appraiser and Relocation Agent is required to identify actual relocation items. All relocation items must be identified in the appraisal.**

G. Temporary Rights of Way

Temporary Rights of Way will be obtained by use of a Right of Way Easement and valued will be based on the market value of ground leases or rents. It will be the appraiser's responsibility to correctly identify the effects the easement has on the remainder during the term of construction. **Prior to writing an appraisal, coordination with the Chief**

Appraiser is required to determine the length of time to be used in the valuation of temporary right of way.

SECTION IV: APPRAISAL REVIEW

A. General

OFFERS ON ALL PROPERTIES:

- The SCDOT Assistant Director of Rights of Way for Operations or his designee(s) must set just compensation prior to all written offers, whether they are from an appraisal or the cost estimate.
- **All appraisals will be reviewed and approved in accordance with the procedures of this section.**

Appraisals should be reviewed and released within 15 calendar days of receipt. If a review cannot be completed within 15 calendar days, the Chief Appraiser and/or Assistant Director Rights of Way for Operations must approve a request for an extension before the deadline expires.

B. Technical Appraisal Review Policies

- 1) The technical review appraiser must field inspect each subject property.

When practical, all sale and lease comparables require a field inspection to verify the information contained in the Comparable Data Brochure. If a physical inspection is not practical, the technical review appraiser should make every attempt to view the property using county tax maps, satellite imagery or similar means.

- 2) If two or more appraisers are appraising the same or an adjacent project, the technical review appraiser must reconcile any wide variations in adjustments and/or values that might exist. Inconsistencies should be discussed with the SCDOT Chief Appraiser and/or Assistant Director Rights of Way for Operations.
- 3) The technical review appraiser will ensure that all appraisals are prepared in accordance with the Appraisal Manual and the Uniform Standards of Professional Appraisal Practice (USPAP) and meet the appraisal requirements under *49 CFR Part 24* of the Uniform Act. The technical review appraiser is responsible for ensuring that the Larger Parcel is correctly identified and the property is properly identified under the Unit Rule as outlined in the *Uniform Appraisal Standards for Federal Land Acquisitions*.
- 4) The technical review appraiser will determine that the appraisal:
 - a. Follows accepted appraisal principles and techniques in the valuation of real property.
 - b. Adequately identifies and addresses differences between the “before” and “after” conditions.

- c. Consistently values similar properties throughout the project(s) and applies damages and benefits correctly and consistently.
 - d. Properly identifies the larger parcel in both the “before” and “after” conditions.
 - e. Locates and correctly identifies relevant items as real property, personal property, or relocation items in the appraisal report.
 - f. Includes consideration of all compensable items including damages, and/or benefits and does not include compensation for relocation items or items considered non-compensable.
 - g. Contains the difference in the estimated value of the property before and after the acquisition and provides an allocation of value between land, improvements, damages and/or benefits to the remainder.
 - h. Correctly identifies and adequately supports the value of any uneconomic remainder(s).
 - i. Uses verified sales, and income data derived from the market. *Cost data must be derived from the market when the Cost Approach is heavily weighted.*
 - j. Coincides with the current plans for the project.
 - k. Contains correct mathematical calculations that are reasonable and well supported.
- 5) The technical review appraiser shall identify each appraisal report as **recommended** (as the basis for the establishment of the amount believed to be just compensation), **accepted** (meets all requirements, but not selected as recommended or approved), or **not accepted**.
- 6) When deficiencies are noted in the appraisal, the technical reviewer appraiser may:
- a. Request in writing, by telephone, or in person that the appraiser provide corrections, clarifications, or additional documentation to the report. If requested in writing, a copy of the request will be placed in the reviewer’s file. Telephone and personal contact shall be documented in the technical reviewer’s file.
 - b. Arrange a conference with the appraiser in order to resolve questions and/or deficiencies. The date and substance of the conference will be stated in a memo and retained in the technical review appraiser’s file.

- c. Recommend a new appraisal to the Chief Appraiser..

Corrections are due within 15 calendar days from completion of review.

- 7) If two or more appraisals are prepared for the same parcel, the technical reviewer must evaluate the strengths and weaknesses of each report and submit a recommendation of the appraisal that best supports an opinion of value to the Chief Appraiser. If neither appraisal is acceptable, the technical reviewer may request an additional opinion after consultation with the Chief Appraiser and/or Assistant Director Rights of Way for Operations

C. Offers of Compensation

The appraisal review will be prepared on **SCDOT R/W Form 151-A** and will be **forwarded to the Headquarters Rights of Way Office**. Appraisal reviews must be signed by the reviewing appraiser and should accompany the Headquarters Rights of Way Office Appraiser copy, Regional Rights of Way Office copy and right of way agent copy of appraisal reports. An administrative review and signature by an SCDOT Rights of Way employee is required for all review reports prior to an offer being made.

1. If technical review appraisal is performed by Fee Review Appraiser his signature recommends just compensation to SCDOT. See items 2, 3, 4 and 5 for approval for negotiations.
2. If under \$250,000 and no damages and/or benefits a technical review will be performed by a staff appraiser. The staff appraiser's signature indicates approval for negotiations.
3. If over \$250,000, a technical review will be performed by a staff appraiser and forwarded to the Chief Appraiser for approval for negotiations.
4. If there are any damages and/or benefits, a technical review will be performed by a staff appraiser and forwarded to the Chief Appraiser for approval for negotiations.
5. Desk Review by the Chief Appraiser, in addition to a technical review, is required where benefits exceeds damages or where acquisition values are in excess of \$500,000 and forwarded to the Assistant Director Rights of Way for Operations for approval for negotiations.

D. Administrative Appraisal Review Policy

The Administrative Appraisal Reviewer must be an SCDOT Rights of Way employee who must set just compensation for appraisals from fee technical review appraisers (49 CFR 24.102) (d). This employee is not required to be licensed as an appraiser. This administrative review is not binding by Uniform Standards of Appraisal Practice (USPAP). The SCDOT administrative reviewer is responsible for ensuring that all appraisals are prepared in accordance with SCDOT's Appraisal Manual and meet the appraisal requirements under *49 CFR Part 24* of the Uniform Act (23 CFR 710.201(a)).

- 1) The administrative appraisal reviewer is responsible for ensuring the appraisal:

- a. Ensures fee simple property rights are valued unless otherwise instructed. Ensures appraiser signs report and review report.
- b. Adequately identifies and addresses differences between the “before” and “after” conditions of the subject property. (ie. sketch & pictures)
- c. Consistently values similar properties throughout the project(s) and applies damages and benefits correctly and consistently.
- d. Properly identifies the larger parcel in both the “before” and “after” conditions.
- e. Locates and correctly identifies relevant items as real property, personal property, or relocation items in the appraisal report.
- f. Includes consideration of all compensable items including damages, and/or benefits and does not include compensation for relocation items or items considered non-compensable.
- g. Contains the difference in the estimated value of the property before and after the acquisition and provides an allocation of value between land, improvements, damages and/or benefits to the remainder.
- h. Correctly identifies any uneconomic remainder(s).
- i. Coincides with the current plans for the project and the review sheet correctly states acquisition size.
- j. Contains correct mathematical calculations and appraisers are using the most current appraisals templates.

E. Revisions to Market Value

Plan revisions resulting in a minor increase or decrease in the acquisition amount require a new appraisal review form. Reasons for the revised review must be stated. If the revision results in only a minimal change in the original estimate of value, no new appraisal is required. A new appraisal reflecting the plan revisions must be prepared if the revision might alter the estimated unit value of the appraiser or his opinion of damages or benefits. The Chief Appraiser and/or Assistant Director Rights of Way for Operations will make the final determination. Revised review sheets will be forwarded to the Headquarters Rights of Way Office.

F. Coordination Responsibility

The Chief Appraiser and/or Assistant Director Rights of Way for Operations are responsible for coordination with the appraiser, administrative appraisal reviewer, Regional Rights of Way Administrator, engineering personnel, rights of way agent and relocation manager to ensure all information is current.

APPRAISAL FORMS

SCDOT COST ESTIMATE

Compiled By:		Estimates under \$20,000 approved for negotiations, excluding those with damages.	SUMMARY		Total Cost
Signature			Right of Way (Land)	\$	
NAME			Site Improvements	-	
TITLE			Building Improvements	-	
			Damages/Costs to Cure	-	
			Relocation Costs	-	
			Acquisition/Personnel Services	-	
			Contingencies	-	
			Miscellaneous	-	
			Total	\$	

Project ID No.	0	Road/Route	0	County	0

SCDOT Form 100A

Tract#	Last Name	Area	/sf Ac.	Description of R/W including Improvements, Damages, & Costs to Cure	Estimated R/W Costs	Type N/S	No. of Appr's	Relocation Costs	Acquisition/Personnel	Remarks
					-					
					-					
					-					
					-					
					-					
					-					
					-					
					-					
					-					

SCDOT Form 100C

SCDOT UPDATED COST ESTIMATE FORM

Project ID No.: _____ Road/Route: _____ County: _____

ORIGINAL ESTIMATES

Tract # : (SF) x \$ (\$/Unit) = \$ (Land) + \$ (Site/Bldg) +
\$ (Cost to Cure) = **Total Original Estimate of \$**_____

Description of Changes

UPDATED ESTIMATES

Tract # : (SF) x \$ (\$/Unit) = \$ (Land) + \$ (Site/Bldg) +
\$ (Cost to Cure) = **Total Revised Estimate of \$**_____

APPRAISAL UPDATE COMPLIANCE

This updated appraisal report is prepared in compliance with the scope of work requirements stated from the original report and concur with the analysis and conclusions in the original report. I performed this appraisal update in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of the Appraisal Foundation and that were in place at the time this appraisal update was prepared. I have updated the appraisal by incorporating the scope of work from the original appraisal report.

USPAP allows for appraisal updates as a new assignment and provides direction as a new report that incorporates by reference specified information/analysis from the prior report so that, in combination, the reference portions and the new information/analysis added satisfies the applicable reporting requirements. In addition, rather than duplicating steps used in the original appraisal, this update uses extraordinary assumptions with incorporating portions of the original appraisal in this new appraisal assignment.

This option can only be used if certain pre-conditions are met which are included as follows:

1. Same appraiser(s)
2. The original appraiser's firm and client are involved.
3. The intended use and the real estate have undergone no significant changes since original appraisal.
4. The time period between the effective date of the original appraisal and the effective date of the pending update is not unreasonably long for the type of property.
5. Same interest appraised.

APPRAISER'S CERTIFICATION:

I CERTIFY THAT I HAVE PERFORMED AN INSPECTION OF THE SUBJECT PROPERTY TO DETERMINE IF THE CONDITIONS AND REQUIREMENTS STATED IN THE ORIGINAL APPRAISAL HAVE BEEN SATISFIED. I HAVE STATED MY ANALYSIS AND CONCLUSIONS IN THIS APPRAISAL UPDATE AND RETAINED DATA IN MY WORK FILE.

Estimates under \$20,000.00 approved for negotiations, excluding those with damages, cost to cure or benefits.

Compiled By:

Authorized SCDOT Representative:

_____ Signature (Print Name) , (Title)	_____ Signature (Print Name) , (Title) Date: 1/1/16

SCDOT Form 100D

A
RESTRICTED USE APPRAISAL REPORT
OF
PROPERTIES

SECTION I: IN

Choose an item.

COUNTY, SC

PREPARED FOR

*William C. Johnston, Assistant Director of Rights of Way
for Operations*

*SCDOT R/W Division
955 Park Street, Room 422
Columbia, SC 29202*

Click here to enter a date.

Project ID No. Enter 7 digit Project ID No. — Enter Road or Route, the Designation, and the Number.



This appraisal is a **Restricted Use Appraisal Report** prepared under Standard 2-2c of the Uniform Standards of Professional Appraisal Practice (USPAP), effective January 1, 2016. As such, it presents only the stated discussions of the data, reasoning and the opinion of value. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated. The appraiser is not responsible for the unauthorized use of this report.

SCOPE OF WORK

Supporting documentation concerning the scope of work used in this report to support the data, reasoning and analysis is retained in the appraiser's work file for this assignment. The intended use of the Restricted Use Appraisal was to establish a fair market value for budgetary considerations and negotiations under \$20,000. The intended user is SCDOT. Market related information was used to establish the per tract property values. This certification has been added to the cost estimate to comply with SC LLR and USPAP requires as a Restricted Use Appraisal Report. The restricted use requirements were communicated with the client prior to the acceptance of this assignment.

Data research involves the inspection of the subject properties, the neighborhood and collecting, analyzing data from the market area that affects the value of the subject properties, and researching the sale comparables similar to the properties and confirmation of those sale comparables in the past three years.

The amount and type of information researched and the analysis applied in an assignment. Scope of work includes, but is not limited to, the following:

The degree to which the property is inspected or identified; the extent of research into physical or economic factors that could affect the property; the extent of data research; and the type and extent of analysis applied to arrive at opinions or conclusions.

Sincerely,

Enter Appraiser Name / Number

Important Conclusions

Location: In _____ County, SC, along _____.

Property Type: Varies; Improved and Vacant tract

Client: SCDOT

Interest Appraised: Fee simple

Intended Use: Restricted Use; Budgetary consideration and negotiations where applicable

Intended User: SCDOT for budgetary considerations and negotiations where applicable

Zoning: Varies

Site Size: Varies

Highest and Best Use: To be determined on an individual property basis

Date of Inspection: [Click here to enter a date.](#)

Date of Report: [Click here to enter a date.](#)

Effective Date of Report: [Click here to enter a date.](#)

Opinion of Market Value: **\$000 (This total figure from the first three lines of Summary block from Cost Estimate)**

***Sales Data maintained in appraisal file on Sales Data Page in Cost Estimate on SCDOT R/W Form 100**

***See Highway Plans for tract specific information**

***Note Hypothetical Conditions & Extraordinary Assumptions**

CERTIFICATION OF THE APPRAISER

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

The 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 limited conditions, and are my personal, unbiased professional opinions and conclusions; I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved; My compensation is not contingent on an action or event resulting from the analyses, opinions or conclusions in, or the use of, this report; My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Uniform Standards for Professional Appraisal Practices.

I have made a personal inspection of the properties that are the subject of this report and all supporting data documented in the report; No one provided significant professional assistance regarding value conclusions outside the person signing this report, other than those mentioned in the report. Based on all elements which could reasonably affect the value of the subjects and considering the Assumptions and Limiting conditions contained herein, I have concluded a market value estimate of the subject property as of **Click here to enter a date.**

The following report gives a summary of the information that I obtained to give my opinion of value for budgetary consideration and negotiations where applicable. It also lists the assumptions and limiting conditions of the report.

I certify that I have no present or contemplated future interest, and have not provided any services in the past three years on any of the real properties described in the report and that compensation for preparation of the report is in no way based on the opinion of value given.

*An extraordinary assumption has been made that the square footage and/or acre sizes provided by SCDOT are correct. This cost estimate is based on a “drive-by” inspection without the benefit of an interior inspection.

* The cost estimate is subject to the extraordinary assumption that the new right of way does not exist and will not exist. The cost estimate is also subject to the hypothetical condition recognizing the condition of the properties as if the new right of way is already existed.

Sincerely,

Enter Appaiser Name / Number

SCDOT GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

General Assumptions - This appraisal has been completed and the appraisal report prepared with the following **general assumptions**:

- 1.** No responsibility is assumed for the legal description or for matters including legal or title considerations. The titles to the property are assumed to be good and marketable unless otherwise stated. Any plats, maps, or photographs in this appraisal are used merely to help the reader visualize the property and its surroundings and are not certified to be accurate.
- 2.** Any liens or encumbrances (except for any lease encumbrance that might be referred to in the appraisal) which may exist have been disregarded, and the property has been appraised as though no delinquency in the payment of general taxes or special assessment exists and as though free of indebtedness.
- 3.** It is assumed that the utilization of the land and improvements are within the boundaries of the lines of the property described and that there is no encroachment or trespass unless noted in the report. No survey of the subject property was made or caused to be made by us, and no responsibility is assumed for the occurrence of such matters.
- 4.** A visual inspection of the subject site was made and all engineering is assumed to be correct. The plot plan and illustrative materials in this report are included only to assist the reader in visualizing the property and to show the reader the relationship of its boundaries. The appraiser is not a construction engineer and is not responsible for structural or cosmetic inadequacies associated with any of the improvements unless otherwise noted in the report.
- 5.** It is assumed that 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 for arranging for engineering studies that may be required to discover them. The soil for the area under appraisal appears to be firm and solid, unless otherwise stated. Subsidence in the area is unknown or uncommon, and the appraiser(s) does not warrant against this condition or occurrence.
- 6.** Subsurface rights (minerals and oil) were not considered in this appraisal unless otherwise stated. In addition, no potential timber value was considered.
- 7.** It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. Unless otherwise stated in this report, the appraiser did not observe the existence of hazardous materials or gases, which may or may not be present on the property. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there are no such materials on or in the property, which would cause a loss in value. No responsibility is

assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

- 8.** It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming use has been stated, defined, and considered in the appraisal report.
- 9.** It is assumed that all required licenses, certifications of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
- 10.** This appraisal assumes water and sewer services will always be provided for the subject.
- 11.** Responsible ownership and competent property management are assumed.
- 12.** The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I (we) have not made a specific compliance survey and an 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 impact on the value of the property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider non-compliance with the requirements of ADA in estimating the value of the property.
- 13.** There is currently a good deal of discussion regarding the potential hazards of Electro-Magnetic Fields and the possible health risk of being located near high voltage transmission lines. I (we) have not made a specific compliance survey and analysis of this property to determine whether or not there are potentially hazardous effects from EMF's. It is possible that a compliance survey of the property together with a detailed analysis could reveal that there is EMF levels, which are above a safe level. If so, this fact could have a negative impact on the value of the subject property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider EMF levels in estimating the value for the property.

General Limiting Conditions – This appraisal has been completed and the appraisal report has been prepared with the following **general limiting conditions**.

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used. The value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests has been set forth in this report.
2. Neither possession of this appraisal or copy thereof carries with it the right to publication, nor may it be used for any purpose by anyone but the applicant without previous consent of the appraiser(s).
3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor part of the contents of this report (especially as to value, the identity of the appraiser, or the firm with which the appraiser is associated) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
5. Information, estimates, and opinions contained in this report are obtained from sources considered reliable, however the appraiser assumes no liability for such sources.
6. The information supplied to the appraiser is considered to be accurate. The information supplied by the client has been accepted without further verification as correctly reflecting the property's current condition unless otherwise noted.
7. The various estimates of value presented in this report apply to this appraisal only and may not be used out of the context presented herein. This appraisal is valid only for the appraisal date or dates specified herein and only for the appraisal purpose specified herein.

SCDOT Form 101A

SECTION I: COMPARABLE DATA BROCHURE

The sales contained in this brochure were examined by me and were considered applicable for use as comparable on the project.

Prepared by: _____	Appraiser's Name _____
SECTION I: S.C. State Certified General R/E	
Appraiser No. CG	_____
Contributing Appraiser:	Appraiser's Name _____
S.C. State Certified General R/E Appraiser # Lic./ Cert. #	
Date:	_____

FOR OFFICIAL USE

The sales contained in this brochure were examined by me on _____ and found to be acceptable for this project except as noted below: (See *Section IV - Appraisal Review* of the South Carolina Department of Transportation Appraisal Manual).

Reviewed by: _____	SCDOT Reviewer _____
SECTION I: S.C. Certified General R/E	
Appraiser No.	_____
Date:	_____
Firm:	South Carolina Department of Transportation _____

Additions to Brochure (by date):

SECTION I: AREA, CITY, AND NEIGHBORHOOD ANALYSIS

COMPARABLE LOCATION MAP

Insert Image

COMPARABLE SALE NO.

SECTION I: IDENTIFICATION

Type Sale: Click for List, (Describe if "OTHER")			
Address:		City:	County:
Tax Map No.:	Plat Ref.:	Deed Book: (enter 5 characters)/(enter 4 characters)	
Grantor:		Grantee:	
Zoning:		Conformity: Legal Conforming	
Sale Price: \$	Date:	Financing:	
Functional Obsolescence: (Describe if "OTHER")		Verification:	

SECTION I: SITE DESCRIPTION

Present or Intended Use: Click for List, (Describe if "OTHER")		Site Size:	sf
road grade	Shape:	Topography:	
Corner:	<u>Ingress/Egress</u>		
	Primary Road:	Secondary Road(s):	
Additional Comments			
Primary Frontage (Front Feet):		Total Frontage (Front Feet):	
Site Improvements:		No. Parking Spaces:	
Utilities:			

SECTION I: DESCRIPTION OF IMPROVEMENTS

Business Name (if applicable):		
Improvement Size:	Construction:	Condition:
Effective Age (yrs):	Actual Age (yrs):	
Deferred Maintenance:		
HVAC:	Plumbing:	
Additional Features:		
Renovations/Additions (year/description):		
Furniture, Fixtures & Equipment:		

SECTION I: ADDITIONAL COMMENTS

This Comparable is located on the Project: ☐

Tract Number:

LEASE / FINANCIAL INFORMATION (if applicable)

PGIM:		Vacancy and Collection:	%	NOI:	\$
EGIM:		Expense Ratio:	%	OAR:	%
Annual Rent/SF:		\$		Gross Profit Multiplier:	
Additional Information:					

INDICATORS

Price per SF (Building):	\$	Price per SF (Land):	
Adjusted Price per SF:	\$	Adjusted Price per SF (Land):	
L:B		SF:Primary Frontage:	
SF:Parking:		SF:Total Frontage:	

Date of Inspection: _____

Inspecting Appraiser _____

S.C. Certified General Real Estate Appraiser No. CG _____

Unadjusted Price Per _____ : square foot

Reviewing Appraiser (if applicable) _____

SECTION I: COMPARABLE SALE PHOTOGRAPH

Photo Taken by: _____	Address: _____

Insert Image

SECTION I: COMPARABLE SALE SKETCH/PLAT

Insert Image

COMPARABLE RENTAL NO.
(Attach Photo on Additional Sheet)

SECTION I: IDENTIFICATION

Property Type: Click for List, (Describe if "OTHER")		Property Name:
Address:	City:	County:

SECTION I: GENERAL LEASE DATA

Lessor:		Lessee:	
Initial Annual Rent: \$ per square foot		Lease Inception Date:	
Current Annual Rent: \$ per square foot		Occupancy:	
Type Lease: Monthly,	Lease Terms:	Initial Term:	years
Options:		Verification:	
Owner Expenses: Taxes ☐ , Utilities ☐ , Janitorial ☐ , Insurance ☐ , Ext. Maintenance ☐ , Int. Maintenance ☐ , Management ☐ , Reserves ☐ , Other ☐ (Explain in Comments)			

SECTION I: SITE DESCRIPTION

Site Size:	Shape:	
Access: , - (Additional Comments)		
Topography:	Corner:	Utilities:

SECTION I: DESCRIPTION OF IMPROVEMENTS

Improvement Size: sq. ft.	Finished/Heated SF:	No. Parking Spaces:
Construction:	Condition:	
Effective Age: years	Year Built:	
# Stories:	Foundation:	Roof Type:
Deferred Maintenance:		
Renovations/Additions (year/description):		
Amenities:	Additional Features:	
Furniture, Fixtures & Equipment:		

SECTION I: ADDITIONAL COMMENTS

This Comparable is located on the Project: ☐ Tract Number:

COMPARABLE RENTAL PHOTOGRAPH

Insert Image

SCDOT Form 110A

Project ID No. _____ Road/Route _____ County _____ Tract _____

APPRAISAL REPORT

- (1) Tract Location: _____ 1.
Property Owner: _____ 2.
Address: _____ 3.

Insert Image

4. Front View of Subject Property

PREPARED FOR:

5. South Carolina Department of Transportation

- (2) Prior to inspection the owner was contacted _____ and invited to be present during inspection of this property. The tract was inspected on DD/MM/YY and I was accompanied by _____, _____.
Required by Sec. 24.102 (c) of Uniform Act.

Explain: (Why not accompanied relation of representative, items discussed, etc.)

6.

7. PREPARED BY:

- (3) **8. Appraiser's Name** _____
S.C. State Certified General R/E Appraiser #: **CG** _____

Firm Name: _____

APPRAISAL SUMMARY

.(4) Property Owner: 10.
 Tract Location: 11.
 Date of Appraisal: 12. Date of Value:

(5)	13. DESCRIPTION	14. BEFORE	AFTER
	Present Use:	15. Click for List (Describe if "Other")	Click for List (Describe if "Other")
	Number of Buildings:		
	Primary Improvement Size: (Stated in units of comparison)		
	Building Setback (Feet)		
	# of Feet Building is Above (+), at (0), or Below (-) Road Grade:		
	# Parking Spaces:		
	Corner Influence:		
	Primary Frontage (Linear Feet):		
	Total Frontage(s) (Linear Feet):		
	Ingress/Egress: Primary Road Secondary Road(s)		
	Zoning Conformity:		

(6)	Site Size (SF):	16.	17.
	Site Size (Ac.):	18.	19.
	Present or Intended Use of Site:	20. Click for List 21. (Describe if "Other")	22. Click for List 23. (Describe if "Other")
	Shape:		
	Size of Acquisition:		

(7)	HIGHEST AND BEST USE		
	As Vacant:		
	As Improved:		

(8)	Annual Market Rent per SF:	24. \$	\$

(9)	VALUE INDICATIONS		
	Land Value:	\$	\$
	Sales Comparison Approach:	25. \$	\$
	Cost Approach:	\$	\$
	Income Approach:	\$	\$
	Final Value Indications:	\$	\$

(10)	Value of Acquisition:	\$

APPRAISAL DETAILS AND REQUIREMENTS

- (11) **PROPERTY RIGHTS APPRAISED:** Fee Simple
- (12) **PURPOSE OF THE APPRAISAL:** To estimate the difference in the market value of this property caused by the acquisition of the right of way for the proposed construction of this project.

- (13) **INTENDED USE:** To assist the South Carolina Department of Transportation in negotiations with the property owner concerning an eminent domain acquisition.

Market value is defined as "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."
SOURCE: The Appraisal Institute, The Dictionary of Real Estate Appraisal, 4th Edition

- (13a) **INTENDED USER:** The South Carolina Department of Transportation, its Rights-of-Way Department, its Right-of-Way Consultants, its Legal Department and Associate Legal Counsel.

- (14) **EXPOSURE TIME:** _____

- (15) **FIVE-YEAR SALE HISTORY:**

27. Date	Sale Price	Deed Reference
28.	29. \$	30.
31.	32. \$	33.
	\$	
	\$	
Comments:		

- (16) **35. CURRENT LISTING:** _____ **PENDING CONTRACT:** _____

- (17) **ASSESSMENT AND TAXES:**

Tax Parcel ID #: _____

Tax Year: _____

Land Value: \$ _____ Improvement Value: \$ _____ Total Assessed Value: \$ _____

Real Estate Taxes: \$ _____

- (18) **38. CURRENT ZONING ANALYSIS:**

District: _____ Current Conformity: _____

MINIMUM REQUIREMENTS:

Front Setback: _____

Rear Setback: _____

Side Setback: _____

Building Height: _____

Parking Spaces: _____

Road Frontage: _____
Maximum Building Size: _____

SUBJECT LOCATION MAP

Insert Image

TAX MAP

Tax Map Number:

Insert Image

ZONING MAP

Zoning Classification:

Insert Image

FEMA FLOOD MAP

Flood Panel:

Date:

Insert Image

BLANK ADDENDA EXHIBIT

Insert Image

SUBJECT PHOTOGRAPHS (1-3)

Address/Location:

Photos Taken By:

Date of Photos:

Enter the location and
direction of the photo

Insert Image

Enter the location and
direction of the photo

Insert Image

Enter the location and
direction of the photo

Insert Image

SUBJECT PLAT / SKETCH

Insert Image

SUBJECT FLOOR PLAN

DESCRIPTION: (1st floor, 2nd floor, basement, garage, etc.)

Insert Image

PARAGRAPH 19. SCOPE OF WORK:

The scope of work is a written set of expectations that form an agreement or understanding of the appraisal assignment between the appraiser and SCDOT as to the specific requirements of the appraisal.

The scope of work generally encompasses the following: (except where deviating from the norm is agreed upon with SCDOT (the client) and/or the appraiser; or in the case of instruction from the client as to the desired type of value requested or extent of the written report).

The amount and type of information researched and the analysis applied in an assignment as required by the Uniform Act and SCDOT Appraisal Manual. Scope of work includes, but is not limited to, the following:

The degree to which the property is inspected or identified; The extent of research into physical or economic factors that could affect the property; The extent of data research; and the type and extent of analysis applied to arrive at opinions or conclusions.

A. Inspection of the subject

This phase of the appraisal involves a physical inspection of the subject property, as specified by the SCDOT Appraisal Manual and Uniform Act. The subject was inspected on _____.

B. Extent of research

This involves the collection of data on national, state, regional and local trends, and an identification and analysis of the social, economic, environmental and governmental forces affecting the market value of the subject property. SCDOT provided plans and ownership information.

C. Extent of data research

Data research involves the inspection of the subject property, the neighborhood and collecting and analyzing data from the market area that affects the value of the subject property. I have performed research of the sales comparables similar to the subject and confirmation of those sales comparables in the past five years. An extensive search of similar properties in _____ County was undertaken. I also talked with real estate agents and appraisers familiar with area.

D. Type and extent of analysis applied to arrive at opinion or conclusion

This phase of the appraisal process involves analyzing all of the previously gathered data and determining the Highest and Best uses of the subject properties within the framework of the supply and demand, legal uses of the subject properties, and possible physical uses of the subject properties as if vacant, or as improved.

The South Carolina Department of Transportation requires that the Sales Comparison Approach be demonstrated for all improved properties unless unusual circumstances preclude its development or the improvements are determined to be unaffected by the acquisition. The Cost Approach shall be considered when the impacted improvements are less than ten years old, a special-use property, or when sufficient comparable sale or lease information is not available. The SCDOT requires application of the Income Approach on all investment and income-producing properties where existing improvements might be impacted by the project.

The conclusions have been reported in a SCDOT Standard format in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), Uniform Act and SCDOT Appraisal Manual.

The SCDOT Right of Way plans identify the subject (before size) as Tract containing acres or square feet of land.

Adequate data was available to complete the analysis. The before value is subject to the extraordinary assumption that the new right of way does not exist and will not exist. The after value is subject to a hypothetical condition recognizing the value of the subject as if new right of way already existed.

Additional Comments:

PARAGRAPH 20-A. DESCRIPTION OF REALTY (BEFORE):

SITE DESCRIPTION

41. Present Use	From Paragraph 5
42. Site Size	acres or square feet. It is recommended that a qualified surveyor inspect the subject for existing property lines and easements that are unable to be detected by the appraiser(s).
43. Curb and Gutters	
44. Sidewalk	
45. # of Lanes	
46. Traffic Level	
47. Traffic Control	
48. Shape	
49. Ingress/Egress	Describe the access to and from the site.
Access to the Improvements	Describe the maneuverability within the site and the quality of access to the improvements.
50. Frontage	linear feet
51. Grade at Road Level	
Visibility/Exposure	
Topography	
Drainage	
Flood Plain:	
Map Number	
Date	
Zone	
Landscaping	Average
Utilities	
Water	
Sewer	
Electricity	
Natural Gas	
Telephone	
Zoning	
Designation	
Uses Allowed	
Easements/ Encroachments	Based upon my inspection and examination of the subject site, as well as my review of plats and deeds of the property, I did not detect adverse easements other than normal utility easements and rights of way. These are not believed to have a detrimental impact on property value. Describe adverse conditions, if any. It should be noted that I am not qualified to detect easements and

	encroachments and legal counsel should be retained if there are any indications of title defects.
Environmental	I am unaware of potential environmental hazards on the property. Describe adverse hazards, if known or suspected. Environmental aspects of the subject property are beyond my expertise. If necessary, I recommend a professional in environmental expertise be retained.
Comments	
Personal Property, FF&E, etc. (Included in the estimate of value)	
Relocation Items (Not included in the estimate of value)	

PARAGRAPH 20-B. DESCRIPTION OF REALTY (BEFORE):

IMPROVEMENT DESCRIPTION

52. Business Name (if applicable)	
53. Improvement Size (Stated in Units of Comparison)	
54. Year Built	
55. Estimated Effective Age	years
56. Estimated Economic Life	years
57. Type/Quality of Construction	
58. Additions/Renovations	
59. Foundation	
60. Exterior Walls/Windows	
Roof	
Special Features	
Exterior Condition	Overall exterior condition is average. Comments
61. Interior Walls/Ceilings	
62. HVAC	
63. Flooring Covering	
64. Lighting	
Plumbing	
Interior Condition	Overall interior condition is average. Comments
65. Site Improvements	
66. Parking	
67. Utility	The property appears to have adequate utility and amenities for the existing utilization.
68. Comments	
Personal Property, FF&E, etc. (Included in the estimate of value)	
Relocation Items (Not included in the estimate of value)	

PARAGRAPH 21. HIGHEST AND BEST USE (BEFORE):

Highest and Best Use is defined in The Appraisal of Real Estate – 13th Edition as, “The reasonably probable and legal use of vacant land or an improved property, that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value.”

AS VACANT:

Physically Possible:

Legally Permissible:

Financially Feasible:

Maximally Productive:

Therefore, based on the preceding discussion my opinion of the highest and best use of the property, as vacant and available for development, is for utilization.

AS IMPROVED:

Physically Possible:

Legally Permissible:

Financially Feasible:

Maximally Productive:

Therefore, based on the preceding discussion my opinion of the highest and best use of the subject property, as improved, is for utilization.

PARAGRAPH 22. VALUATION BEFORE THE ACQUISITION:

LAND VALUATION (BEFORE):

Land value is derived separately using the sales comparison approach and a minimum of three comparable sales. The South Carolina Department of Transportation requires that the Sales Comparison Approach be demonstrated for all improved properties unless unusual circumstances preclude its development or the improvements are determined to be unaffected by the acquisition. The Cost Approach shall be considered when the impacted improvements are less than ten years old, a special-use property, or when sufficient comparable sale or lease information is not available. The SCDOT requires application of the Income Approach on all investment and income-producing properties where existing improvements might be impacted by the project.

EXPLANATION OF ADJUSTMENTS:

LAND VALUATION (BEFORE) CONCLUSION:

The subject's land value has been developed using the Sales Comparison Approach to value. Number comparable sales have been identified and analyzed on the following adjustment grid(s).

Comments and Summary on the Estimated Unit Value(Before)

The indicated market value of the subject is shown as follows:

Site Size	X	\$	per unit	=	\$
	X	\$	per unit	=	\$
Rounded to:		\$			

Insert Land Sales Adjustment Grid (Before)

PARAGRAPH 22-A. SALES COMPARISON APPROACH TO VALUE (BEFORE)

The following steps are applied in deriving a value via the Sales Comparison Approach:

- 1) Comparable data in the subject market and/or competing market(s) are researched.
- 2) Data is verified as accurate and representative of an arms-length transaction.
- 3) The proper unit(s) of comparison is determined.
- 4) Differences between the subject and the comparables are identified and evaluated.
- 5) Adjustments are applied to the comparables for the relevant elements of comparison.
- 6) The resulting value indications are reconciled into a single value.

EXPLANATION OF ADJUSTMENTS:

SALES COMPARISON APPROACH (BEFORE) CONCLUSION:

Number comparable sales have been identified and analyzed on the following adjustment grid(s). A complete description of each comparable is provided in the Comparable Data Brochure.

Comments and Summary on the Sales Comparison Approach (Before)

The indicated market value of the subject is shown as follows:

Primary Improvement Size	X	\$	per unit	=	\$
	X	\$	per unit	=	\$
Rounded to:	\$				

Insert Improved Sales Adjustment Grid (Before)

PARAGRAPH 22-B. COST APPROACH TO VALUE (BEFORE):

The following steps are applied in deriving a value via the Cost Approach:

- 1) Estimate the land value as though vacant.
- 2) Estimate the direct and indirect costs of the improvements new as of the date of appraisal.
- 3) Estimate an appropriate entrepreneurial profit.
- 4) Estimate the total accrued depreciation from physical deterioration, functional obsolescence, and external obsolescence.
- 5) Subtract total depreciation from the total cost new of the improvements.
- 6) Estimate the contributory value of any remaining site improvements
- 7) Add land value to the depreciated cost of the improvements.
- 8) Adjust the indicated value for any personal property or any intangible asset value that may be included in the cost estimate.

Discussion of Reproduction/Replacement Cost - New

Direct Cost		\$
Plus Indirect Cost @	%	
Total		\$
Plus Entrepreneurial Profit at	%	
Total Reproduction Cost - New		\$

ACCRUED DEPRECIATION:

LAND VALUE (From Paragraph 22):

COST APPROACH (BEFORE) CONCLUSION:

Comments and Summary on the Cost Approach (Before)

Based on this analysis the indication of value provided by the Cost Approach is \$.

Insert Cost Summary (Before)

PARAGRAPH 22-C INCOME CAPITALIZATION APPROACH TO VALUE (BEFORE)

Under the Income Approach, value is created by the anticipation of future benefits to the owner in the form of cash flows and reversion. Anticipated benefits are converted to value using either direct capitalization or yield capitalization. Direct capitalization is normally used to appraise properties with stabilized income and expense patterns, while yield capitalization is used to value more complex properties and those with unstable income and expense patterns. This approach considers the property from the investor's point of view.

EXPLANATION OF ADJUSTMENTS (MARKET RENT):

The survey of comparable rentals indicates annual market rent to be \$ per .

VACANCY AND COLLECTION LOSS:

The effective gross income for the subject property is estimated to be \$.

OPERATING EXPENSES:

Summarize Expense Deductions

Based on the preceding analysis, total operating expenses for the subject property are estimated at \$, indicating a net operating income of \$.

CAPITALIZATION RATE / MULTIPLIER:

Demonstrate development of capitalization rate or income multiplier

INCOME APPROACH (BEFORE) CONCLUSION:

Number comparable rents have been identified and analyzed on the following adjustment grid(s). A complete description of each lease is provided in the Comparable Data Brochure.

Comments and Summary on the Income Approach (Before)

Based on this analysis the indication of value provided by the Income Approach is \$.

Insert Rental Adjustment Grid (Before)

Insert Reconstructed Income Statement (Before)

PARAGRAPH 23. RESOLUTION OF BEFORE VALUE AND VALUE ESTIMATE:

Sales Comparison Approach - Discuss strengths and weaknesses

Cost Approach - Discuss strengths and weaknesses

Income Approach - Discuss strengths and weaknesses

Reconciliation

Therefore, based on the information contained in this report, the market value of the subject property as of the date of this report is estimated to be \$.

PARAGRAPH 24. DESCRIPTION OF THE ACQUISITION:

PARAGRAPH 25. DESCRIPTION OF THE REMAINDER:

Describe changes in the remainder caused by the acquisition.

PARAGRAPH 26. HIGHEST AND BEST USE (AFTER):

AS VACANT:

Therefore, based on the preceding discussion, my opinion of the highest and best use of the subject property, as vacant and available for development, after the proposed road construction is for utilization.

AS IMPROVED:

Therefore, based on the preceding discussion, my opinion of the highest and best use of the subject property, as improved, after the proposed road construction is for utilization.

PARAGRAPH 27. VALUE AFTER THE ACQUISITION:

“After” values and conclusions are based upon plans provided by the SCDOT and the completion of the proposed road construction.

Consideration has been given to relevant aspects of the property affected by the acquisition for analysis and comparison to the subject’s “before” condition and the comparable data.

LAND VALUATION (AFTER):

EXPLANATION OF ADJUSTMENTS:

LAND VALUATION (AFTER) CONCLUSION:

The subject’s land value after the acquisition has been developed using the Sales Comparison Approach to value. Number comparable sales have been identified and analyzed.

Comments and Summary on the Estimated Unit Value(After)

The indicated market value of the subject is shown as follows:

Size Size	X	\$	per unit	=	\$
	X	\$	per unit	=	\$
Rounded to:	\$				

Insert Land Adjustment Grid (After)

PARAGRAPH 27-A. SALES COMPARISON APPROACH TO VALUE (AFTER):

EXPLANATION OF ADJUSTMENTS:

SALES COMPARISON APPROACH (AFTER) CONCLUSION:

Number comparable sales have been identified and analyzed. A complete description of each comparable is provided in the Comparable Data Brochure.

Comments and Summary on the Sales Comparison Approach (After)

The indicated market value of the subject is shown as follows:

Primary Improvement Size	X	\$	per unit	=	\$
	X	\$	per unit	=	\$
Rounded to:	\$				

Insert Improved Sales Adjustment Grid (After)

PARAGRAPH 27-B. COST APPROACH TO VALUE (AFTER):

Discussion of Reproduction/Replacement Cost - New (if different from "Before").

Direct Cost		\$
Plus Indirect Cost @	%	
Total		\$
Plus Entrepreneurial Profit at	%	
Total Reproduction Cost - New		\$

DEPRECIATION AND/OR COST TO CURE ANALYSIS:

LAND VALUE (From Paragraph 27):

COST APPROACH (AFTER) CONCLUSION:

Comments and Summary on the Cost Approach (After)

Based on this analysis the indication of value provided by the Cost Approach is \$.

Insert Cost Summary (After)

PARAGRAPH 27-C. INCOME CAPITALIZATION APPROACH TO VALUE (AFTER)

EXPLANATION OF ADJUSTMENTS (MARKET RENT):

The survey of comparable rentals indicates annual market rent to be \$ per .

VACANCY AND COLLECTION LOSS:

The effective gross income for the subject property is estimated to be \$.

OPERATING EXPENSES:

Summarize Expense Deductions

Based on the preceding analysis, total operating expenses for the subject property are estimated at \$, indicating a net operating income of \$.

CAPITALIZATION RATE / MULTIPLIER:

Demonstrate development of capitalization rate or income multiplier

INCOME APPROACH (AFTER) CONCLUSION:

Number comparable rents have been identified and analyzed on the following adjustment grid(s). A complete description of each lease is provided in the Comparable Data Brochure.

Comments and Summary on the Income Approach (After)

Based on this analysis the indication of value provided by the Income Approach is \$.

Insert Rental Adjustment Grid (After)

Insert Reconstructed Income Statement (After)

PARAGRAPH 28. RESOLUTION OF AFTER VALUE AND VALUE ESTIMATE:

Sales Comparison Approach - Discuss strengths and weaknesses

Cost Approach - Discuss strengths and weaknesses

Income Approach - Discuss strengths and weaknesses

Reconciliation

Therefore, based on the information contained in this report, the market value of the subject property after the acquisition is estimated to be \$.

PARAGRAPH 29. UNECONOMIC REMAINDER:

UNECONOMIC REMNANT – A parcel of real property in which the owner is left with an interest after the partial acquisition of the owner’s property, and which the acquiring agency has determined has little or no value or utility to the owner.

NOTE: An uneconomic remnant may have substantial “market” value and still have little or no value or utility to the owner. (*Appraisal Guide; Federal Highway Administration*).

Describe uneconomic remainder.

Provide support for value estimate.

Remainder Size	X	\$	per unit	X	Residual Value %	=	\$
Rounded to:	\$						

DISTRIBUTION OF VALUES

(30)	Value Components:	Before (Paragraph 22)	After (Paragraph 27)	Difference
	Land Value:			\$0
	Building Value:			\$0
	Site Improvements:			\$0
	TOTAL:	\$0	\$0	\$0

(31)	Value Components of the Acquisition:			
	Right of Way Acquired:			
	Land:		acres/sf @:	\$0
	Value of Buildings within the Acquisition Area:			
	Value of Site Improvements within the Acquisition Area:			
	Total for the Acquisition:			\$0
	plus Damages (if any to the remainder)			
	less Benefits (if any to the remainder)			
	Total for the Acquisition (Right of way, plus damages, less benefits):			\$0

(32)	Final Statement of Value:		
	a)	Having considered all applicable approaches, it is my opinion that the indicated value of the whole property before the acquisition is:	\$0
	b)	Having considered all applicable approaches, it is my opinion that the indicated value of the whole property after the acquisition is:	\$0
	c)	The difference between the indicated value of the property before the acquisition, and the indicated value of the remainder, after the acquisition is:	\$0

(33)	Based on this report, the fair market rental for this property is:			per month.		
	(Indicate monthly rental if building improvement is located within the new right of way or if the current occupant will be displaced as a result of the acquisition.)					
	The appraisal is made as of:					
	Date of Report					

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

General Assumptions - This appraisal has been completed and the appraisal report prepared with the following **general assumptions**:

- 14.** No responsibility is assumed for the legal description or for matters including legal or title considerations. The titles to the property are assumed to be good and marketable unless otherwise stated. Any plats, maps, or photographs in this appraisal are used merely to help the reader visualize the property and its surroundings and are not certified to be accurate.
- 15.** Any liens or encumbrances (except for any lease encumbrance that might be referred to in the appraisal) which may exist have been disregarded, and the property has been appraised as though no delinquency in the payment of general taxes or special assessment exists and as though free of indebtedness.
- 16.** It is assumed that the utilization of the land and improvements are within the boundaries of the lines of the property described and that there is no encroachment or trespass unless noted in the report. No survey of the subject property was made or caused to be made by us, and no responsibility is assumed for the occurrence of such matters.
- 17.** A visual inspection of the subject site was made and all engineering is assumed to be correct. The plot plan and illustrative materials in this report are included only to assist the reader in visualizing the property and to show the reader the relationship of its boundaries. The appraiser is not a construction engineer and is not responsible for structural or cosmetic inadequacies associated with any of the improvements unless otherwise noted in the report.
- 18.** It is assumed that 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 for arranging for engineering studies that may be required to discover them. The soil for the area under appraisal appears to be firm and solid, unless otherwise stated. Subsidence in the area is unknown or uncommon, and the appraiser(s) does not warrant against this condition or occurrence.
- 19.** Subsurface rights (minerals and oil) were not considered in this appraisal unless otherwise stated. In addition, no potential timber value was considered.

General Assumptions Continued

- 20.** It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. Unless otherwise stated in this report, the appraiser did not observe the existence of hazardous materials or gases, which may or may not be present on the property.

The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there are no such materials on or in the property, which would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

- 21.** It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming use has been stated, defined, and considered in the appraisal report.
- 22.** It is assumed that all required licenses, certifications of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
- 23.** This appraisal assumes water and sewer services will always be provided for the subject.
- 24.** Responsible ownership and competent property management are assumed.
- 25.** The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I (we) have not made a specific compliance survey and an 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 impact on the value of the property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider

General Assumptions Continued

non-compliance with the requirements of ADA in estimating the value of the property.

26. There is currently a good deal of discussion regarding the potential hazards of Electro-Magnetic Fields and the possible health risk of being located near high voltage transmission lines. I (we) have not made a specific compliance survey and analysis of this property to determine whether or not there are potentially hazardous effects from EMF's. It is possible that a compliance survey of the property together with a detailed analysis could reveal that there is EMF levels, which are above a safe level. If so, this fact could have a negative impact on the value of the subject property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider EMF levels in estimating the value for the property.

General Limiting Conditions – This appraisal has been completed and the appraisal report has been prepared with the following **general limiting conditions**.

8. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used. The value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division or interests has been set forth in this report.
9. Neither possession of this appraisal or copy thereof carries with it the right to publication, nor may it be used for any purpose by anyone but the applicant without previous consent of the appraiser(s).
10. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
11. Neither all nor part of the contents of this report (especially as to value, the identity of the appraiser, or the firm with which the appraiser is associated) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

General Limiting Conditions Continued

- 12.** Information, estimates, and opinions contained in this report are obtained from sources considered reliable, however the appraiser assumes no liability for such sources.
- 13.** The information supplied to the appraiser is considered to be accurate. The information supplied by the client has been accepted without further verification as correctly reflecting the property's current condition unless otherwise noted.
- 14.** The various estimates of value presented in this report apply to this appraisal only and may not be used out of the context presented herein. This appraisal is valid only for the appraisal date or dates specified herein and only for the appraisal purpose specified herein.

CERTIFICATE OF APPRAISER

I hereby certify:

That I have personally inspected the property herein and that I have also made a personal field inspection of the comparable sales relied upon in making this appraisal. The subject and the comparable sales relied upon in making the appraisal were as represented in the comparable data brochure which supplements this appraisal.

That to the best of my knowledge and belief the statements contained in the appraisal herein set forth are true, and information upon which the opinions expressed therein are based is correct: subject to the limiting conditions therein set forth.

That I understand that such appraisal may be used in connection with acquisition of right of way for a highway to be constructed by the State of South Carolina with the assistance of Federal-aid highway funds, or other Federal Funds.

That such appraisal has been made in conformity with the appropriate State and Federal laws regulations, policies and procedures applicable to that appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items, which are non-compensable under the established law of South Carolina.

That neither my employment nor my compensation for preparing this appraisal report is in any way contingent upon the values reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the South Carolina Department of Transportation or officials of the Federal Highway Administration and I will not do so until so authorized by the State officials or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That the owner or his designated representative was given the opportunity to accompany me during my inspection of the property.

That I have not provided any services regarding the subject property within the prior three years, as an appraiser or in any other capacity.

That any decrease or increase in the fair market value of the real property prior to the date of valuation caused by the public improvement for which such property is being acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to the physical deterioration with in the reasonable control of the owner, has been disregarded in determining the compensation for the property.

That my opinion of the fair market value of the acquisition as of enter date of value is \$ _____ based upon my independent appraisal and the exercise of my professional judgment.

As of the date of this report, I have completed the requirements for continuing education as set forth by the Uniform Standards of Professional Appraisal Practice.

Date: _____

Appraiser's Name Inspecting Appraiser State Certified General Real Estate Appraiser #

SCDOT Form 120A

Project ID No. _____ Road/Route _____ County _____ Tract _____

• **APPRAISAL REPORT**

- (1) Tract Location: _____ 1.
Property Owner: _____ 2.
Address: _____ 3.

Insert Image

4. Front View of Subject Property

PREPARED FOR:

5. South Carolina Department of Transportation

- (2) Prior to inspection the owner was contacted _____ and invited to be present during inspection of this property. The tract was inspected on DD/MM/YY and I was accompanied by _____, _____.
Required by Sec. 24.102 (c) of Uniform Act.

Explain: (Why not accompanied, relation of representative, items discussed, etc.)

6.

7. PREPARED BY:

- (3) Inspecting Appraiser: _____
S.C. State Certified General R/E Appraiser #: **CG** _____
Contributing Appraiser (if applicable): _____

Firm Name: _____

• APPRAISAL DETAILS AND REQUIREMENTS

- (4) **PROPERTY RIGHTS APPRAISED:** Fee Simple
- (5) **PURPOSE OF THE APPRAISAL:** To estimate the difference in the market value of this property caused by the acquisition of the right of way for the proposed construction of this project.
- (6) **INTENDED USE:** To assist the South Carolina Department of Transportation in negotiations with the property owner concerning an eminent domain acquisition.

Market value is defined as "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

SOURCE: The Appraisal Institute, The Dictionary of Real Estate Appraisal, 4th Edition

- (7) **INTENDED USER:** The South Carolina Department of Transportation, its Rights-of-Way Department, its consultants, its Legal Department and Associate Legal Counsel.

- (8) **EXPOSURE TIME:** 11.

- (9) **FIVE-YEAR SALE HISTORY:**

12. Date	Sale Price	Deed Reference
13.	14. \$	15.
16.	17. \$	18.
	\$	
	\$	
Comments:		

(10)		20. CURRENT LISTING:		PENDING CONTRACT:	

(11)	ASSESSMENT AND TAXES:					
	Tax Parcel ID #:					
	Tax Year:					
	Land Value:	\$	Improvement Value:	\$	Total Assessed Value:	\$
	Real Estate Taxes:		\$			

(12)	23. CURRENT ZONING ANALYSIS:		
	District:		Current Conformity:
	MINIMUM REQUIREMENTS:		
	Front Setback:		
	Rear Setback:		
	Side Setback:		
	Building Height:		
	# Parking Spaces:		
	Road Frontage:		
	Maximum Building Size:		
	Comments:		

- **SUBJECT LOCATION MAP**

Insert Image

TAX MAP

Tax Map Number:

Insert Image

ZONING MAP

Zoning Classification:

Insert Image

FEMA FLOOD MAP

Flood Panel:

Date:

Insert Image

BLANK ADDENDA EXHIBIT

Insert Image

SUBJECT PHOTOGRAPHS (1-3)

Address/Location: _____

Photos Taken By: _____

Date of Photos: _____

Enter the location and direction
of the photo

Insert Image

Enter the location and direction
of the photo

Insert Image

Enter the location and direction
of the photo

Insert Image

SUBJECT PLAT / SKETCH

Insert Image

(13) Scope of Work:

The scope of work is a written set of expectations that form an agreement or understanding of the appraisal assignment between the appraiser and SCDOT as to the specific requirements of the appraisal.

The scope of work generally encompasses the following: (except where deviating from the norm is agreed upon with SCDOT (the client) and/or the appraiser; or in the case of instruction from the client as to the desired type of value requested or extent of the written report).

The amount and type of information researched and the analysis applied in an assignment as required by the Uniform Act and SCDOT Appraisal Manual. Scope of work includes, but is not limited to, the following:

The degree to which the property is inspected or identified; The extent of research into physical or economic factors that could affect the property; The extent of data research; and the type and extent of analysis applied to arrive at opinions or conclusions.

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This phase of the appraisal involves a physical inspection of the subject property, as specified by the SCDOT Appraisal Manual and Uniform Act. The subject was inspected on _____.

B. Extent of research

This involves the collection of data on national, state, regional and local trends, and an identification and analysis of the social, economic, environmental and governmental forces affecting the market value of the subject property. SCDOT provided plans and ownership information.

C. Extent of data research

Data research involves the inspection of the subject property, the neighborhood and collecting and analyzing data from the market area that affects the value of the subject property. I have performed research of the sales comparables similar to the subject and confirmation of those sales comparables in the past five years. An extensive search of similar properties in _____ County was undertaken. I also talked with real estate agents and appraisers familiar with area.

D. Type and extent of analysis applied to arrive at opinion or conclusion

This phase of the appraisal process involves analyzing all of the previously gathered data and determining the Highest and Best uses of the subject properties within the framework of the supply and demand, legal uses of the subject properties, and possible physical uses of the subject properties as if vacant, or as improved.

The South Carolina Department of Transportation requires that the Sales Comparison Approach be demonstrated for all improved properties unless unusual circumstances preclude its development or the improvements are determined to be unaffected by the acquisition. The Cost Approach shall be considered when the impacted improvements are less than ten years old, a special-use property, or when sufficient comparable sale or lease information is not available. The SCDOT requires application of the Income Approach on all investment and income-producing properties where existing improvements might be impacted by the project.

The conclusions have been reported in a SCDOT Standard format in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), Uniform Act and SCDOT Appraisal Manual.

The SCDOT Right of Way plans identify the subject (before size) as Tract containing acres or square feet of land.

Adequate data was available to complete the analysis. The before value is subject to the extraordinary assumption that the new right of way does not exist and will not exist. The after value is subject to a hypothetical condition recognizing the value of the subject as if new right of way already existed.

(14)	Description of Property Before and After the Acquisition:		
	Utilities: Electricity ☐ , Gas ☐ , Well ☐ , Public Water ☐ , Septic Tank ☐ , Public Sewer ☐ , Other ☐		
	26. DESCRIPTION	BEFORE	AFTER
	Present Use:	27. Click for List (Describe if "Other")	Click for List (Describe if "Other")
	Site Size:		
	Acquisition Size:		
	Zoning:		
	Zoning Conformity:		
	Corner Influence:		
	Primary Frontage (Linear Feet):		
	Secondary Frontage(s) (Linear Feet):		
	Visibility:		
	Ingress/Egress Primary Road:		
	Secondary Road(s):		
	Grade at Road Level:		
Shape:			
<u>Additional Comments:</u>			

(15) Highest and Best Use Before and After the Acquisition:

Summarize Highest and Best Use

Based on the preceding discussion, my opinion of the highest and best use of the subject property is for utilization.

(16) Description of the Area Acquired:

(17) Valuation Analysis:

A: Land Valuation- Sales Comparison Approach

Insert Adjustment Grid

Explanation and Support of Adjustments:

B: Valuation of Improvements in Area Acquired

Description of Site Improvements:

Explanation and Support of Value Estimate:

Provide support for value estimate.

Remainder Size	☒	\$	per unit	☒	Residual Value %	\$
Rounded to:	\$					

ALLOCATION OF VALUE

LIMITING CONDITIONS

27.No responsibility is assumed for the legal description or for matters including legal or title considerations. The titles to the property are assumed to be good and marketable unless otherwise stated. Any plats, maps, or photographs in this appraisal are used merely to help the reader visualize the property and its surroundings and are not certified to be accurate.

28.Any liens or encumbrances (except for any lease encumbrance that might be referred to in the appraisal) which may exist have been disregarded, and the property has been appraised as though no delinquency in the payment of general taxes or special assessment exists and as though free of indebtedness.

General Assumptions Continued

- 29.** It is assumed that the utilization of the land and improvements are within the boundaries of the lines of the property described and that there is no encroachment or trespass unless noted in the report. No survey of the subject property was made or caused to be made by us, and no responsibility is assumed for the occurrence of such matters.
- 30.** A visual inspection of the subject site was made and all engineering is assumed to be correct. The plot plan and illustrative materials in this report are included only to assist the reader in visualizing the property and to show the reader the relationship of its boundaries. The appraiser is not a construction engineer and is not responsible for structural or cosmetic inadequacies associated with any of the improvements unless otherwise noted in the report.
- 31.** It is assumed that 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 for arranging for engineering studies that may be required to discover them. The soil for the area under appraisal appears to be firm and solid, unless otherwise stated. Subsidence in the area is unknown or uncommon, and the appraiser(s) does not warrant against this condition or occurrence.
- 32.** Subsurface rights (minerals and oil) were not considered in this appraisal unless otherwise stated. In addition, no potential timber value was considered.
- 33.** It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. Unless otherwise stated in this report, the appraiser did not observe the existence of hazardous materials or gases, which may or may not be present on the property. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there are no such materials on or in the property, which would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

General Assumptions Continued

- 34.** It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming use has been stated, defined, and considered in the appraisal report.
- 35.** It is assumed that all required licenses, certifications of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or

organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

- 36.** This appraisal assumes water and sewer services will always be provided for the subject.
- 37.** Responsible ownership and competent property management are assumed.
- 38.** The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I (we) have not made a specific compliance survey and an 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 impact on the value of the property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider non-compliance with the requirements of ADA in estimating the value of the property.
- 39.** There is currently a good deal of discussion regarding the potential hazards of Electro-Magnetic Fields and the possible health risk of being located near high voltage transmission lines. I (we) have not made a specific compliance survey and analysis of this property to determine whether or not there are potentially hazardous effects from EMF's. It is possible that a compliance survey of the property together with a detailed analysis could reveal that there is EMF levels, which are above a safe level. If so, this fact could have a negative impact on the value of the subject property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider EMF levels in estimating the value for the property.

General Limiting Conditions – This appraisal has been completed and the appraisal report has been prepared with the following **general limiting conditions**.

15. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used. The value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division or interests has been set forth in this report.
16. Neither possession of this appraisal or copy thereof carries with it the right to publication, nor may it be used for any purpose by anyone but the applicant without previous consent of the appraiser(s).
17. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
18. Neither all nor part of the contents of this report (especially as to value, the identity of the appraiser, or the firm with which the appraiser is associated) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
19. Information, estimates, and opinions contained in this report are obtained from sources considered reliable, however the appraiser assumes no liability for such sources.
20. The information supplied to the appraiser is considered to be accurate. The information supplied by the client has been accepted without further verification as correctly reflecting the property's current condition unless otherwise noted.
21. The various estimates of value presented in this report apply to this appraisal only and may not be used out of the context presented herein. This appraisal is valid only for the appraisal date or dates specified herein and only for the appraisal purpose specified herein.

• CERTIFICATE OF APPRAISER

I hereby certify:

That I have personally inspected the property herein and that I have also made a personal field inspection of the comparable sales relied upon in making this appraisal. The subject and the comparable sales relied upon in making the appraisal were as represented in the comparable data brochure which supplements this appraisal.

That to the best of my knowledge and belief the statements contained in the appraisal herein set forth are true, and information upon which the opinions expressed therein are based is correct: subject to the limiting conditions therein set forth.

That I understand that such appraisal may be used in connection with acquisition of right of way for a highway to be constructed by the State of South Carolina with the assistance of Federal-aid highway funds, or other Federal Funds.

That such appraisal has been made in conformity with the appropriate State and Federal laws regulations, policies and procedures applicable to that appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items, which are non-compensable under the established law of South Carolina.

That neither my employment nor my compensation for preparing this appraisal report is in any way contingent upon the values reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the South Carolina Department of Transportation or officials of the Federal Highway Administration and I will not do so until so authorized by the State officials or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That the owner or his designated representative was given the opportunity to accompany me during my inspection of the property.

That I have not provided any services regarding the subject property within the prior three years, as an appraiser or in any other capacity.

That any decrease or increase in the fair market value of the real property prior to the date of valuation caused by the public improvement for which such property is being acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to the physical deterioration with in the reasonable control of the owner, has been disregarded in determining the compensation for the property.

That my opinion of the fair market value of the acquisition as of enter date of value is \$ _____ based upon my independent appraisal and the exercise of my professional judgment.

As of the date of this report, I have completed the requirements for continuing education as set forth by the Uniform Standards of Professional Appraisal Practice.

Date: _____

Appraiser's Name Inspecting Appraiser State Certified General Real Estate Appraiser #

**SOUTH CAROLINA
DEPARTMENT OF TRANSPORTATION
APPLICATION FOR APPROVED APPRAISER LIST**

FAX: _____

EDUCATION

	Name of School	Major	Years Completed	Degree	Years Attended
College					to
Graduate					to

PROFESSIONAL APPRAISAL COURSES (Include separate sheet if needed.)

[illegible]

EMPLOYMENT HISTORY (List company or agency name, address, telephone number, dates of service, and job title and duties performed. Use separate sheet if needed.)

PROFESSIONAL DESIGNATIONS

ASSOCIATIONS (Include all professional appraisal or real estate associations to which you belong. Use separate sheet if necessary.)

REFERENCES Names, Addresses & Telephone # (include at least 3 who are familiar with your qualifications as an appraiser. Use separate sheet if necessary.)

APPRAISAL EXPERIENCE (List major clients for whom you have preformed appraisal services. Include specific eminent domain appraisal experience. You may be asked to provide samples.)

LITIGATION EXPERIENCE (Provide examples of the types of litigation for which you have given court testimony. Use separate sheet if necessary.)

NOTE: Review appraisers must have a minimum of five years experience in the appraisal of eminent domain acquisitions for highway use.

Signature

Date

(FOR OFFICIAL USE ONLY)

Interviewed by: _____	Date: _____
Recommendations:	

Signature

Date

Approved: ☐	Disapproved: ☐
Comments:	

Director, Rights of Way

Date

SCDOT Form 141A

NOTICE OF NEED FOR APPRAISAL SERVICES

Notice is hereby given that the South Carolina Department of Transportation is requesting letters of interest from appraisers interested in performing work on the following projects. It is anticipated that these projects will be awarded within the next six (6) months:

✓	PROJECT ID NO.	ROAD/ROUTE	COUNTY

THE PURPOSE OF THIS NOTICE is to identify approved appraisers who wish to submit fee proposals on the above referenced projects. Interested appraisers must have the basic qualifications necessary to perform appraisal assignments with the South Carolina Department of Transportation (SCDOT). (These qualifications may be obtained by contacting the South Carolina Department of Transportation, Headquarters, Rights of Way Section, P. O. Box 191, Columbia, South Carolina 29202.) Requests for Proposals will be forwarded to selected appraisers based on the following criteria:

- Professional and ethical standing
- Experience in appraising the type(s) of properties included in the contract
- Qualifications of the appraiser
- Past performance
- Ability to testify as an expert witness
- Capacity of the firm

Approved appraisers with demonstrated experience, competence and qualifications are invited to submit interest letters. Appraisers will be selected in accordance with Title VI of the Civil Rights Act of 1964.

TO EXPRESS INTEREST:

Due Date: On or Before _____

Please return this form to: South Carolina Department of Transportation, Headquarters, Rights of Way Section, **Attention: Appraisal Interest Letter**, P. O. Box 191, Columbia, South Carolina, 29202.

I wish to receive a bid proposal for the project(s) identified above.

Signature: _____

Print Name (Appraiser) _____ **SC Real Estate Appraiser No.** **CG** _____

SCDOT Form 142A

Enter Date

Enter complete name and address of Addressee

RE: **REQUEST FOR APPRAISAL PROPOSALS — Contract No.**

Project ID No. Enter 7 digit Project ID No. — Enter Road or Route, the Designation, and the Number. — Enter County Name. County

Dear Enter Salutation:

Fee proposals are requested for appraisal services on the above referenced project located in Enter County Name. County from Project termini.

The enclosed Request for Proposal form reflects _____ tract(s). Relocation item(s) are located within the proposed right of way on tract(s) _____. Please return this form to: South Carolina Department of Transportation (SCDOT), Headquarters Rights of Way Section, **Attention: Bid Proposals**, P. O. Box 191, Columbia, South Carolina 29202.

The Proposal is due on/or before MM/DD/YY. Bids must be received by the end of business on the due date in a sealed envelope marked “Bid Proposal.” Failure to comply will disqualify your bid.

“A COMPLETE SET OF PLANS INCLUDING CROSS SECTIONS ARE AVAILABLE AT SCDOT HEADQUARTERS AND THE REGIONAL RIGHT OF WAY OFFICES. PLEASE CONTACT THE CHIEF APPRAISER AT (803) 737-1537 OR _____, REGIONAL RIGHT OF WAY ADMINISTRATOR AT ENTER REGIONAL OFFICE PHONE FOR REVIEW.”

The South Carolina Department of Transportation, in accordance with Title VI of the Civil Rights Act of 1964, 78 state 252, 42 U.S.C. 2000d to 2000-4 and Title 49, Code of Federal Regulations, Department of Transportation, Sub-title A, Office of the Secretary, Department of Transportation, issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that, in any contract entered into pursuant to this solicitation, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, religion, creed, sex, age, ancestry, or national origin in consideration for an award.

Page 2
Enter Date

Appraisals of improved properties must be submitted within _____ days of the contract award date. Appraisals of unimproved tracts are due within _____ days of the contract award date. All reports must be submitted on acceptable forms according to the Appraisal Manual of the South Carolina Department of Transportation.

Yours very truly,

William C. Johnston
Assistant Director of Rights of Way
for Operations

WCJ/Enter Typist initials (in lowercase)
Enclosure
cc: Liz Capps, Right of Way Agent
File: RW/WCJ

, 20

Project ID No. Enter 7 digit Project ID No. Road/Route _____ County Enter County Name.

**Bid Proposal
Contract No.:**

I wish to submit the following fee proposal for the appraisal of tracts included in the above referenced project.

Tract No.	Nominal	Simple Standard	Moderate Standard	Complex Standard	Scope of Work*	Proposal Fee
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$

October, 2021

VII-3

	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
	☐	☐	☐	☐		\$
TOTAL						\$

* **Relocation** - Improvements within right of way

_____ Appraiser's Name _____ Appraiser's Signature

S.C. Certified General Real Estate Appraiser No. CG _____

SCDOT Form 142B

Enter Date

Enter complete name and address of Addressee

**SECTION I: RE: REQUEST FOR APPRAISAL REVIEW PROPOSALS —
Contract No.**

Project ID No. Enter 7 digit Project ID No. — Enter Road or Route, the Designation, and the Number.
— Enter County Name. County

Dear Enter Salutation:

Fee proposals are requested for appraisal services on the above referenced project located in Enter County Name. County from Project termini.

The enclosed Request for Proposal form reflects _____ tract(s). Relocation items(s) are located within the proposed right of way on tract(s) _____. Please return this form to: South Carolina Department of Transportation (SCDOT), Headquarters Rights of Way Section, **Attention: Bid Proposals**, P. O. Box 191, Columbia, South Carolina 29202.

The Proposal is due on/or before MM/DD/YY. Bids must be received by the end of business on the due date in a sealed envelope marked "Bid Proposal." Failure to comply will disqualify your bid.

"A COMPLETE SET OF PLANS INCLUDING CROSS SECTIONS ARE AVAILABLE AT SCDOT HEADQUARTERS AND THE REGIONAL RIGHT OF WAY OFFICE. PLEASE CONTACT THE CHIEF APPRAISER AT (803) 737-1537 OR _____, REGIONAL RIGHT OF WAY ADMINISTRATOR AT ENTER REGIONAL OFFICE PHONE FOR REVIEW."

The South Carolina Department of Transportation, in accordance with Title VI of the Civil Rights Act of 1964, 78 state 252, 42 U.S.C. 2000d to 2000-4 and Title 49, Code of Federal Regulations, Department of Transportation, Sub-title A, Office of the Secretary, Department of Transportation, issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that, in any contract entered into pursuant to this solicitation, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, religion, creed, sex, age, ancestry, or national origin in consideration for an award.

Appraisal Reviews that require no revisions or corrections must be submitted within _____ calendar days from the date of receipt. Reviews of appraisals requiring revisions or corrections are due within _____ calendar days from date revisions or corrections are received. All reports must be submitted on acceptable forms according to the Appraisal Manual of the South Carolina Department of Transportation.

Yours very truly,

William C. Johnston
Assistant Director of Rights of Way
for Operations

SCDOT Form 143A

Enter Date

Enter complete name and address of Addressee

RE: Project ID No. Enter 7 digit Project ID No. — Enter Road or Route, the Designation, and the Number. —
Enter County Name. County
Contract No.

Dear :

Enclosed you will find a Contract for Appraisal Services in accordance with your proposal for preparation of appraisals on the above referenced project. Please sign the original and return to the South Carolina Department of Transportation (SCDOT), **Attention: Appraisal Contract**, Headquarters Rights of Way Section, P. O. Box 191, Columbia, South Carolina 29202.

Your attention is directed to paragraphs 2 and 6(B) of the contract regarding penalties due to late delivery and prompt reply to corrections and revisions.

The original and two copies of the Comparable Data Brochure and each Appraisal Report are required and should also be submitted to the **Headquarters (HQ) Appraisal Section** as they are completed. SCDOT will distribute copies to the Regional Office.

Reviews on this project are being performed by "Enter Name of Appraiser performing Reviews". (*When reviews are outsourced the original and one copy of the brochure and each appraisal report must be submitted to Headquarters Appraisal Section and two copies to the review appraiser.*)

If you have any questions please do not hesitate to contact this office.

Yours very truly,

William C. Johnston
Assistant Director of Rights of Way
for Operations

4. WCJ/rvg
Enclosure
cc: Liz Capps, Right of Way Agent
File: RW/WCJ

5. CONTRACT FOR APPRAISAL SERVICES

Contract No. _____

THIS CONTRACT is made between Appraiser's Name, Licensed Appraiser # CG _____ (hereinafter called "Appraiser") and the South Carolina Department of Transportation (hereinafter called "SCDOT") this _____ day of _____ 20_____.

For and in consideration of the performance of the mutual covenants and promises made herein, the parties agree as follows:

1. SERVICES TO BE PERFORMED

Appraiser shall provide the appraisal services described below for the following parcels of property at the fee stated, subject to the terms, conditions, and general provisions set forth herein and such other provisions, if any, incorporated by attachment or reference.

Project ID No.		Enter 7 digit Project ID No.	Road/Route	Enter Road or Route, the Designation, and the Number.		County	Enter County Name.	
Tract	Appraisal Type	Fee	Tract	Appraisal Type	Fee	Tract	Appraisal Type	Fee

Appraiser shall perform an appraisal of the fair market value of the above listed properties and prepare a written report of the appraisal (hereinafter referred to as the "Appraisal Report") in accordance with the SCDOT Appraisal Manual, applicable state and federal laws, and appropriate guidance memoranda.

2. TIME FOR DELIVERY

The Appraisal Report(s) shall be furnished in triplicate to SCDOT on or before _____, 20_____. All reports must be delivered to SCDOT within 15 days of the date of valuation to be considered acceptable.

Time extensions for delivery must be requested in writing at least five (5) business days prior to the required delivery date (and must include time needed to complete and reason for request) and is subject to approval by the Chief Appraiser and/or Right of Way Field Administrator for Operations.

Failure of Appraiser to submit an Appraisal Report on or before the above date will subject Appraiser to a reduction of five (5%) percent of the per parcel fee for each delinquent report for each CALENDAR day that the report is delinquent. The Chief Appraiser and/or Right of Way Field Administrator for Operations may at his/her discretion waive this penalty for good and sufficient reason.

3. PAYMENT

Appraiser shall be paid the above stated fee for each parcel upon completion of the appraisal and Appraisal Report for that parcel and delivery of the report in triplicate to the SCDOT Rights of Way Appraisal Section, with an invoice in triplicate. Such payment shall constitute full reimbursement to Appraiser for services provided and any expenses incurred, including the costs of all supplies, material, equipment, and consultant services, unless otherwise agreed in writing.

4. APPRAISER OBSERVATIONS/RECOMMENDATIONS

In addition to the normal scope of services, Appraiser shall provide his/her recommendations and observations regarding mitigation of damages and/or other value enhancement suggestions. When such recommendations require substantial changes in the typical scope of services, compensation for the additional work may be negotiated as provided for in paragraph 6(D) below. All recommendations and suggestions shall be presented to the Chief Appraiser and/or Regional Administrator for approval prior to submitting the Appraisal Report.

5. COURT TESTIMONY

Upon request of SCDOT Legal Counsel, the Appraiser agrees to testify regarding the content and conclusions of his/her Appraisal Reports in any judicial proceedings involving a determination of the value of the property. In consideration of the performance of this work, the Appraiser shall be paid at a rate not in excess of \$75.00 per hour. Such payment shall constitute full reimbursement to the Appraiser for such services and for any expenses incurred, including travel and subsistence unless otherwise agreed to in writing. Payment for this work shall be by SCDOT in accordance with its prescribed regulations and procedures.

6. GENERAL PROVISIONS

A. Type of Appraisal Required: Appraisal Reports shall be prepared in accordance with the instructions for the type of appraisal required as provided in the approved "Appraisal Manual" of SCDOT and in accordance with the Scope of Services agreed to by the Appraiser and SCDOT.

B. Corrections and Revisions: If requested in writing to submit corrections or revisions to the Appraisal Report previously submitted, the Appraiser shall provide the required information to SCDOT within 15 calendar days of receiving the request. Failure to provide such additional information will render the Appraisal Report unacceptable and no additional payment will be made for that tract.

C. Data to be Provided by SCDOT: The following data or information will be furnished to Appraiser by the South Carolina Department of Transportation: Ownership (1st sheets), right of way plans showing area to be acquired, and analysis of engineering shown on plans as necessary.

D. Changes in Work:

1) SCDOT reserves the right to unilaterally add or delete parcels from the Contract and to revise scopes of work as necessary. The Appraisal Contract Modification Form (SCDOT R/W Form 146-A) will be used for the purpose and to adjust appraisal fees accordingly.

2) Other changes in the scope, character, or estimated total cost of the work must be agreed upon by both parties in writing.

E. Updated Appraisals: In the event SCDOT requires a previously acceptable Appraisal Report to be updated, such work will be the subject of negotiation between the Appraiser and the Chief Appraiser and/or Assistant Director of Rights of Way for Operations.

F. Confidentiality: All information contained in the Appraisal Report and all parts thereof are to be treated as strictly confidential unless otherwise instructed by SCDOT or its Legal Counsel. The Appraiser shall take all necessary steps to insure that no member of his staff or organization divulges any information concerning the Appraisal Reports except to a duly authorized representative of SCDOT.

G. Inspection: The Appraiser shall give the property owner or his designated representative the opportunity, by written notice, or otherwise, to accompany him/her during the inspection of the property for the purpose of making the appraisal.

H. Compliance with Law: In the performance of the work of this Contract Appraiser agrees to comply with all applicable Federal, State and local laws and ordinances.

I. Title VI, Civil Rights Act of 1964. Appraiser specifically agrees to comply with the Title VI of the Civil Rights Act in addition to Title 15, Code of Federal Regulations, part 8, issued in implementation of Title VI. The regulations provide as follows:

TITLE VI - NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS. Sec. 601.
No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

During the performance of this contract, Appraiser, for him/herself, and for his/her sub-consultants, assignees and successors agrees as follows:

1) *Compliance with Regulations*. Appraiser shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the United States Department of Transportation (hereinafter, "USDOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this Contract.

2) *Nondiscrimination*. With regard to the work performed during the Contract, Appraiser shall not discriminate on the grounds of race, color, sex or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Appraiser shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the Contract covers a program set forth in Appendix B of the Regulations.

3) *Solicitations for Subcontracts, Including Procurements of Materials and Equipment*. In all solicitation either by competitive bidding or negotiation made for work to be performed under a sub-contract, including procurements of materials or equipment, Appraiser shall notify each potential subcontractor or supplier of Appraiser's obligations under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, sex or national origin.

4) *Information and Reports*. Appraiser shall provide all information and reports required by the Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records accounts, other sources of information, and its facilities as may be determined by SCDOT or the Federal Highway Administration to be pertinent to ascertain

compliance with such Regulations, orders and instructions. Where any information required is in the exclusive possession of another who fails or refuses to furnish this information, Appraiser shall so certify to SCDOT, or the Federal Highway Administration as appropriate, and shall set forth what efforts Appraiser has made to obtain the information.

5) *Sanctions for Noncompliance.* In the event of Appraiser's noncompliance with the nondiscrimination provisions of this contract, SCDOT shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to: a) withholding of payments to Appraiser under the Contract until the Appraiser complies, and/or; b) cancellation, termination or suspension of the Contract, in whole or in part.

6) *Incorporation of Provisions.* Appraiser shall include the provisions or paragraph (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, order, or instruction issues pursuant thereto. Appraiser shall take such action with respect to any subcontract or procurement as SCDOT or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that, in the event Appraiser becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Appraiser may request the State to enter into such litigation to protect the interest of the State, and, in addition, Appraiser may request the United States to enter into such litigation to protect the interest of the United States.

J. Warranty: Appraiser warrants that he/she has not employed or retained any company or person, other than a bona fide employee working solely for Appraiser, to solicit, or secure this Contract, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Appraiser, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the State shall have the right to annul this Contract without liability.

K. Subletting: Appraiser agrees that the Contract will not be sublet or transferred except by prior written approval of SCDOT.

L. Appraiser's Certificate: Appraiser agrees to execute a Certificate of Appraiser similar in form and function to SCDOT R/W Form 109A. The Certificate is to be attached to the Appraisal Reports.

K. Disputes: Except as otherwise provided for in this Contract, any dispute concerning a question of fact arising under the Contract which is not disposed of by mutual agreement, shall be decided by the Director of Rights of Way, who shall reduce his/her decision to writing, and

mail or otherwise furnish a copy of his/her decision to Appraiser. Within thirty days from the date of receipt of such copy, Appraiser may appeal by mailing or otherwise furnishing to the Deputy Director of Engineering a written appeal. The decision of the Deputy Director of Engineering, or his/her designee, shall be final and conclusive, subject only to appeal to a court of competent jurisdiction. In connection with any appeal to the Director of Engineering, Appraiser shall be afforded an opportunity to be heard and to offer evidence in support of his/her appeal. Pending final decision of a dispute hereunder, Appraiser shall proceed diligently with the performance of the Contract and in accordance with the Director of Rights of Way's decision.

L. Termination for Default: If Appraiser refuses or fails to perform this Contract within the time specified, or any extension thereof, or so fails to make progress so as to endanger performance of this Contract in accordance with its terms, SCDOT may by written notice, terminate the right of Appraiser to proceed with the Contract or with such part thereof as to which there has been default or delay, and may hold the Appraiser liable for any damage caused SCDOT by reason of such termination. The right of the Appraiser to proceed with the performance of the Contract shall not be terminated under this clause if the delay is due to causes beyond the control and without the fault or negligence of Appraiser. Upon termination under this clause, SCDOT reserves the right to require Appraiser to turn over to SCDOT all data, maps, photographs, or other materials acquired for this contract work upon payment of an equitable price therefore.

M. Termination for Convenience of SCDOT: The performance of work under the Contract may be terminated, in whole or in part, whenever SCDOT shall determine that termination is in its best interest, by delivery to Appraiser of a written Notice of Termination at least three (3) days prior to the effective date of termination. Upon receipt of the Notice, Appraiser agrees to cease all work, to turn over to SCDOT all data, maps, photographs, and other material acquired for the Contract work, and to submit to SCDOT a claim for work performed prior to termination. SCDOT shall pay Appraiser an equitable price for work performed prior to termination, such price not to exceed a fair proportion of the original contract price.

IN WITNESS WHEREOF, the parties have set their hands and seals on the dates shown below.

WITNESS:

APPRAISER

Name: _____

Date: _____

By: _____

Title: _____

WITNESS:

**SOUTH CAROLINA DEPARTMENT OF
TRANSPORTATION**

Name: _____

Date: _____

By: _____

Title: _____

SCDOT Form 143B

, 20

Review Contract #

SECTION I: _____ **SECT** _____ **Count** _____

SECTION I: Name

SECTION I: Address

SECTION I: City, SC ZIP

Dear _____ :

Attached you will find the contract in accordance with your proposal for preparation of appraisal reviews on the above referenced project. Please sign the original and return to the **Attention: Appraisal Review Contract**, Right of Way Section, South Carolina Department of Transportation, P.O. Box 191, Columbia, SC 29202.

If corrections or revisions are required the date they are received should be indicated on the back of each page and inserted in the appropriate place in the report. The removed pages should be marked void in red on the front and attached face down to the back of the report.

You will receive one (1) copy of the comparable data brochure and one (1) copy of each appraisal report from the appraiser. Upon completion please submit the (2) original review sheets (SCDOT form 151-A) and (2) copies of the front page of the comparable brochure to: Name, Regional R/W Administrator, address, city, SC zip. A copy of the report may be retained for your files.

If you have any questions please do not hesitate to contact this office.

Yours very truly,

Name

Title

SECTION I: Sender's initials/Typist's initials

cc:

Name, Title
File

Contract No.

The parties hereto do mutually agree that for the consideration hereinafter specified, the Review Appraiser will furnish the Appraisal Review Services indicated herein for the property(s) described below, subject to the terms, conditions, and general provisions set forth on this page and on the reverse side hereof and to the other provisions, if any, incorporated herein by attachment or reference.

Tract	Appraisal Type	Fee	Tract	Appraisal Type	Fee	Tract	Appraisal Type	Fee

R. p. 1010

revisions request dates, corrections or revisions received dates and approved/released dates. The Review Appraiser's log must be submitted to SCDOT upon the completion of the contract (or at anytime per SCDOT's request). The Review Appraiser must submit a Post Appraisal Evaluation (form 117A) upon completion of the contract. Reviews must be in accordance with the SCDOT Appraisal Manual and applicable state and federal laws, and in accordance with appropriate memoranda, of the individual parcels comprising the real property described above. Time Extensions to this contract must be requested in writing at least 7 days prior to the expiration date of this contract (and must include time needed to complete & reason for request) and is subject to approval by the Director Rights of Way and/or designee(s). Failure of the Review Appraiser to submit certified reviews within the specified time will subject him to a reduction of 5% of the per parcel contract amount of each delinquent review for each CALENDAR day that the review is delinquent. The Field Administrator and/or designee(s), Rights of Way may at his/her discretion; waive this penalty for good and sufficient reason.

Total Number of Tracts to be Reviewed:

Total Contract Amount: \$

Payment shall constitute full reimbursement to the Review Appraiser for his services and for any expenses incurred, including the costs of all supplies, material, equipment, and consultant services unless otherwise specified.

3. COURT TESTIMONY:

Upon the request of the South Carolina Department of Transportation Legal Counsel, the Review Appraiser agrees to testify as to the value of any and all of the property included in the appraisal reports reviewed in any judicial proceedings involving a determination of the value of the property. In consideration of the performance of the undertaking provided for in this paragraph, the Review Appraiser shall be paid at a rate not in excess of \$75.00 per hour. Such payment shall constitute full reimbursement to the Review Appraiser for such services and for any expenses incurred, including travel and subsistence unless otherwise specified. Payment therefore shall be by SCDOT in accordance with its prescribed regulations and procedures.

4. GENERAL PROVISIONS:

A. APPRAISER'S REVIEWS: The reviews shall be prepared in accordance with the instructions for the type of appraisal required as contained in the "Appraisal Manual" of SCDOT.

B. CORRECTIONS AND REVISIONS: When requested in writing to submit corrections or revisions to the report previously submitted under this contract the Review Appraiser shall provide the required information to SCDOT within 15 calendar days of receiving the

request. Failure to provide such additional information will render the review unacceptable and no additional payment will be made for that tract.

- C. DATA TO BE PROVIDED:** The following data or information will be furnished by the South Carolina Department of Transportation: Agent Rights of Way Worksheet (1st sheets), right of way plans showing area to be acquired and analysis of engineering shown on plans as necessary.
- D. PAYMENT:** Payment for the Reviews shall become due upon delivery and acceptance of the Reviews in conformity with this contract.
- E. CHANGE IN WORK:** The mutual acceptance of major changes in the scope, character, or estimated total cost of the work to be performed if such changes become necessary as the work progresses may be subject to negotiation.
- F. UPDATING APPRAISAL REVIEWS:** In the event SCDOT requires the “updating” of previously acceptable appraisal reviews, such work will be the subject of negotiation.
- G. DEFINITION:** The word “parcel” as used herein means areas included in the description set forth herein which are contiguous and in identical ownership. The land will be deemed contiguous even though portions thereof are separated by roads, railroad rights of way, streams, etc. If there has been a severance of the surface and sub-surface of the land, determination of what constitutes a parcel shall be based on ownership of the surface.
- H. INFORMATION CONFIDENTIAL:** All information contained in the review(s) and all parts thereof are to be treated as strictly confidential. The Review Appraiser shall take all necessary steps to insure that no member of his staff or organization divulges any information concerning the Reviews except to a duly authorized representative of SCDOT.
- I. LEGAL COMPLIANCE:** The Review Appraiser agrees to comply with all Federal, State and local laws and ordinances applicable to the work required by this contract, including Title 15, Code of Federal Regulations, part 8, issued in implementation of Title VI, of the Civil Rights Act of 1964. The applicable regulations are as follows:
TITLE VI - NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS Sec. 601.
No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

During the performance of this contract, the contracted, for itself, its assignees and successors in interest (hereinafter referred to as the “appraiser”), agrees as follows:

- 1) **Compliance with Regulations:** The appraiser shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the United States Department of Transportation (hereinafter, "USDOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- 2) **Nondiscrimination:** The appraiser, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The appraiser shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- 3) **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitation either by competitive bidding or negotiation made by the appraiser for work to be performed under a sub-contract, including procurements of materials or equipment, each potential subcontractor or supplier shall be notified by the appraiser of the appraiser's obligations under this contract and the Regulations relative to nondiscrimination on the ground of race, color, sex or national origin.
- 4) **Information and Reports:** The appraiser will provide all information and reports required by the Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records accounts, other sources of information, and its facilities as may be determined by the South Carolina Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of an appraiser is in the exclusive possession of another who fails or refuses to furnish this information, the appraiser shall so certify to the South Carolina Department of Transportation, or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5) **Sanctions for Noncompliance:** In the event of the appraiser's noncompliance with the nondiscrimination provisions of this contract, the South Carolina Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
 - a. withholding of payments to the appraiser under the contract until the appraiser complies, and/or;
 - b. Cancellation, termination or suspension of the contract, in whole or in part.

- 6) Incorporation of Provisions:** The appraiser will include the provisions or paragraph (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, order, or instruction issues pursuant thereto. The appraiser will take such action with respect to any subcontract or procurement as the South Carolina Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance; Provided, however, that, in the event the appraiser becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the appraiser may request the State to enter into such litigation to protect the interest of the State, and, in addition, the appraiser may request the United States to enter into such litigation to protect the interest of the United States.
- J. WARRANTY:** The Review Appraiser warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Review Appraiser, to solicit, or secure this agreement, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Review Appraiser any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this agreement. For breach or violation of this warranty, the State shall have the right to annul this agreement without liability.
- K. SUBLETTING:** The Review Appraiser agrees that the contract will not be sublet or transferred except by prior written approval of SCDOT.
- L. REVIEW APPRAISER'S CERTIFICATE:** The Review Appraiser agrees to execute a Certificate of Review Appraiser similar in form and function to SCDOT R/W Form 108A. The certificate is to be attached to the reviews.
- M. DISPUTES:** Except as otherwise provided for in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement, shall be decided by the State Highway Engineer, who shall reduce his decision to writing, and mail or otherwise furnish a copy of his decision to the Review Appraiser. Writing thirty days from the date of receipt of such copy, the Review Appraiser may appeal by mailing or otherwise furnishing to the State Highway Engineer a written appeal addressed to the Executive Director and the decision of the Executive Director or his representative duly authorized to hear such appeals, shall, unless determined by a court of competent jurisdiction to have been fraudulent or capricious or arbitrary or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence, be final and conclusive; provided that, if no such appeal is taken, the decision of the State Highway Engineer shall be final and conclusive. In connection with any appeal proceeding under this clause, the Review Appraiser shall be afforded an opportunity to be heard and to offer

evidence in support of his appeal. Pending final decisions of a dispute hereunder, the Review Appraiser shall proceed diligently with the performance of the contract and in accordance with the State Highway Engineer's decision. The term "State Highway Engineer" as used herein shall include his duly appointed successor or his representative specially designated for this purpose.

N. TERMINATION FOR DEFAULT: If the Review Appraiser refuses or fails to perform this contract within the time specified, or any extension thereof, or so fails to make progress as to endanger performance of this contract in accordance with its terms, SCDOT may by written notice, terminate the right of the Review Appraiser to proceed with the contract or with such part thereof as to which there has been default or delay, and may hold the Appraiser liable for any damage caused SCDOT by reason of such termination. The right of the Review Appraiser to proceed with the performance of this contract shall not be terminated under this clause if the delay is due to causes beyond the control and without the fault or negligence of the Review Appraiser. Upon termination under this clause, SCDOT reserves the right to require the Review Appraiser to turn over to SCDOT all data, maps, photographs, or other materials acquired for this contract work upon payment of an equitable price therefore.

O. TERMINATION FOR CONVENIENCE OF SCDOT: The performance of work under this contract may be terminated, in whole or in part, whenever SCDOT shall determine that termination is in its best interest, by delivery to the Review Appraiser or a Notice of Termination at least three days prior to the effective date of termination. The Review Appraiser agrees to cease all work, to turn over to SCDOT all data, maps, photographs, and other material acquired for this contract work, and to submit to SCDOT a claim for work performed prior to termination. SCDOT shall pay the Review Appraiser an equitable price for work performed prior to termination, such price not to exceed a fair proportion of the original contract price.

5. EXECUTION BY REVIEW APPRAISER:

WITNESS:

_____ Date _____
Fee Appraiser

6. EXECUTION FOR AND ON BEHALF OF SCDOT:

WITNESS:

_____ Date _____
October, 2021 VII-3

"Title", Right of Way

Project ID No. _____

SCDOT Form 143C

, 20

Appraiser's Name
Address
City, SC ZIP

RE: Letter Contract # _____ - Project ID No. _____ - Road/Route - County _____

Dear _____ :

In reference to the above project you are requested to prepare appraisal report(s) in a Summary format. The following fee(s) is/are approved, and the completion date(s) are as follows:

- Tract # Tract # - _____ \$Enter Amount _____ Enter Due Date _____

The original and two copies of the report(s) are required, and should be submitted to: _____ ,
Title, SCDOT, _____ Address, City, SC 29zip.

Time extensions must be in writing at least five (5) business days prior to the expiration date. The request must indicate the reason for the extension and the time required to complete the assignment. The Regional Right of Way Administrator will review and recommend the request and forward to the Field Administrator for approval. Failure to submit report(s) on or before the completion date will result in a reduction of 5% of the per parcel contract amount of each delinquent report for each CALENDAR day the report is past due.

If this contract meets with your approval, please sign the enclosed copy of the agreement and return it to this office.

Sincerely,

Name _____
Title _____

Sender's Initials/Typist's Initials _____
Enclosure _____
File: PC/District Managers Initials _____

SECTION I: PLEASE RETURN SIGNED COPY TO THIS OFFICE

I agree to the stipulations and terms

October, 2021

VII-3

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Set forth in this document.

Appraiser's Name
CG

**SCDOT Form 144A
PRE-APPRAISAL CONFERENCE**

Date:

Project ID No.:		Road/Route:		County:	
SCDOT Appraisal Representative:					
Appraisal Contractor:				CG	Cert #

INFORMATION FURNISHED FEE APPRAISER:

SECTION		SCDOT Appraisal Forms:			
Plans:			Contact Person:		
First Sheets:	Enter tract #'s			Telephone:	
Other:					
*The SCDOT logo in the bottom right corner should be in color on a minimum of one appraisal for HQ files and original of all photo and signed pages provided in all appraisal reports.					

TOPICS DISCUSSED:

SECTION I: Type/Scope of Appraisals:					
SECTION I: Personality:	Note relocation items and those to be considered in the estimate of value.				
Completion Dates:	Vacant Tracts		Improved Tracts		Corrections Within 15 calendar days
Contract Reviewed:			Manual Reviewed:		
Plans Reviewed:			First Sheets Reviewed:		
Method of Contact:		NOTE: The method of contact must be stated and approved.			
Other:					
REMINDER: Comparable data provided in the brochure must be complete.					

SECTION I:			
SECTION I: SCDOT Representative	Date	SECTION I: Appraisal Contractor	Date

SCDOT Form 145A

SECTION I: M E M O R A N D U M

TO: Fee Appraisers

FROM: Enter Name of Sender, Enter Sender's Title, Rights of Way

DATE: Enter Date

RE: CONTRACT AWARD NOTIFICATION

Project ID No. Enter 7 digit Project ID No. — Enter Road or Route, the Designation, and the Number. — Enter County Name. County

Proposals were requested for appraisals of tracts included on the above referenced project. Replies were received from appraisers. All proposals have been reviewed in compliance with the Appraisal Manual of the South Carolina Department of Transportation (SCDOT). The contract for appraisal services has been awarded.

Thank you for your interest. The SCDOT will notify you of further requests for proposals as needed.

Type Sender/Signer's Initials (in CAPS)/Enter Typists Initials (in lowercase)

File: RW/Type Sender/Signer's Initials (in CAPS)

SCDOT Form 146A

APPRAISAL CONTRACT MODIFICATION FORM

TO: _____ FEE APPRAISER _____ DATE: _____

FROM: _____ REGION _____

PROJECT ID NO. _____ ROAD/ROUTE: _____ COUNTY: _____

FEE APPRAISER NAME: _____ GENERAL CERTIFICATION: CG

CONTRACT NO.: _____ COMPLETION DATE: _____

#1) A = ADDITION; D = DELETION; E = EXTENSION; T = TYPE; OR U = UPDATE

#2) N = NEW APPRAISAL

_____	Tract No.	_____	Type	_____	Fee Amount	\$	Due Date	_____
_____	Tract No.	_____	Type	_____	Fee Amount	\$	Due Date	_____
_____	Tract No.	_____	Type	_____	Fee Amount	\$	Due Date	_____
_____	Tract No.	_____	Type	_____	Fee Amount	\$	Due Date	_____
_____	Tract No.	_____	Type	_____	Fee Amount	\$	Due Date	_____
_____	Tract No.	_____	Type	_____	Fee Amount	\$	Due Date	_____

DATE 1ST SHEET MAILED TO FEE APPRAISER: _____

APPROVED BY: _____		
PLEASE RETURN SIGNED COPY TO:		
I agree to the stipulations and terms set forth in this appraisal contract and modifications.		
_____	_____	CG

OFFICIAL USE ONLY:

Comments: _____

Contract Modification Reasons:

- 1st) A = Addition – adds a tract to the appraisal contract, that was not initially part of the Contract for Appraisal Services.
D = Deletion – removes a tract from the appraisal contract, that was initially part of the Contract for Appraisal Services.
E = Extension – extends the time an appraisal is due. (This can be a tract from the initial Contract or extending the time an appraisal is due that was added by a contract mod.)
T = Type – a change in the type of appraisal needed, i.e. initially the Contract showed a Simple Standard, but now it would be a Complex Standard. **
U = Update – a change to an existing appraisal. (An update is required for time, or plans change/revisions, etc., used for negotiations.)
- 2nd) N = New Appraisal – a new appraisal on the tract, separate from the previous appraisal report prepared. [Note: "New" (N) is being used when another appraisal is necessary, and also to distinguish between the "additional" appraisal and "Addition" (A) as in a contract modification.]

SCDOT Form 148A

POST APPRAISAL EVALUATION

Project ID No. _____	Road/Route _____	County _____
SCDOT Appraisal Representative _____		
Appraisal Contractor _____		

REVIEW OF APPRAISAL SERVICE:

Data Brochure: _____	Enter date submitted _____	Quality/Compliance: _____	Acceptable
Appraisals: _____	Quality/Compliance: _____	Acceptable	Support/Documentation: _____
# Delinquent Reports: _____	# Delinquent Corrections: _____		
SCDOT Reviewer Comments: _____			

Contractors Comments: _____

Regional Administrator _____	Appraisal Contractor _____
Date _____	Date _____

	Assistant Director of Rights of Way for Operations
	Chief Appraiser
	Review Appraiser

The Post Appraisal conference must be completed within 45 calendar days of the completion of the appraisal contract. Failure to attend Post Conference will constitute automatic removal from Approved Fee Appraiser List and Review Appraisers List.

SCDOT Form 149A

Enter Current Date

Enter complete Name and Address of Appraiser

RE: South Carolina Real Estate Licenses and Certificates

Dear Enter Salutation:

The South Carolina Department of Transportation (SCDOT) is updating its Approved Fee Appraisers List. In order to remain on our approved list you must submit a copy of your General Certification along with the information requested below by Enter date. Please include a business card if available.

If you are not interested in preparing appraisals for SCDOT at this time, we ask that you consider being placed on our Inactive Roster. You may notify the Department when you wish to be returned to the Active Roster. If you have any questions, please contact Enter contact's name at Enter contact's number.

Yours very truly,

William C. Johnston
Assistant Director of Rights of Way
for Operations

WCJ/Enter Typist's Initials (in Lowercase)
File: RW/WCJ

Firm Name _____
Name _____ Professional Designation or Certification _____
Address _____
Area Code & Phone No. _____ Fax No. _____
E-mail Address _____
Cell Phone No. _____ Pager No. (if applicable) _____

____ Copy of License or Certificate enclosed (failure to submit by Enter date due will result in the removal of your name from the Approved Fee Appraiser's List).

SCDOT Form 151A

South Carolina Department of Transportation

APPRAISAL REVIEW

Project ID No.		Road/Route			County	
					Tract No.	

	Before Value	After Value	Acquisition Value		
Appraisal No. 1			\$0		
Appraisal No. 2			\$0		
Appraiser Name/Certification		Date of Value:		Report Date:	

Land Acquired	<i>(Including Site Improvements)</i>
Improvements Acquired	
Damages to Remainder	
Cost to Cure	
Less Benefits to Remainder	
(1) Total	\$0.00
Plus Uneconomic Remainder	
(2) Total	\$0.00

Temporary Right of Way:		for	sf/acres of land.

Fair Market Rent:		<i>(From Paragraph 33 of Standard Report)</i>

Right of Way:	\$0.00	For:
Damages (minus benefits):	\$0.00	
(1) Total:	\$0.00	

OR

Plus Uneconomic Remainder:	\$0.00	<i>(Enter value of uneconomic remainder.)</i>
(2) Total:	\$0.00	for:

Comments/Explanations:

1. If technical review appraisal is performed by Fee Review Appraiser his signature recommends just compensation to SCDOT. See items 2, 3, 4 and 5 for approval for negotiations.
2. If under \$250,000 and no damages and/or benefits a technical review will be performed by a staff appraiser. The staff appraiser's signature indicates approval for negotiations.
3. If over \$250,000, a technical review will be performed by a staff appraiser and forwarded to the Chief Appraiser for approval for negotiations.

4. If there are any damages and/or benefits, a technical review will be performed by a staff appraiser and forwarded to the Chief Appraiser for approval for negotiations.
5. Desk Review by the Chief Appraiser, in addition to a technical review, is required where benefits exceeds damages or where acquisition values are in excess of \$500,000 and forwarded to the Assistant Director of Rights of Way for Operations for approval for negotiations.

(Signature-remove before printing)			(Signature-remove before printing)	
(Type Name of Appraiser) Technical Review Appraiser S.C. Real Estate Appraiser #			SCDOT Representative	
Date of Review			Approved for Negotiations	
			Date:	



APPRAISAL REVIEW SUMMARY

The reviewer has field inspected the subject property and the comparable sales contained in the appraisal. The reviewer has checked all information found in the appraisal for accuracy and compliance with standard appraisal techniques, the SCDOT Appraisal Manual, and the Uniform Standards of Professional Appraisal Practice. If errors or omissions are found, the reviewer has requested corrections to the appraisal. The review has been performed in compliance with the rules and regulations of the South Carolina Department of Transportation and the Federal Highway Administration. The purpose of the review is to insure accuracy and quality of work in for condemnation appraisals prepared for the acquisition of property by the State of South Carolina for highway improvements.

Real property interest being appraised:	Fee Simple

The review appraiser has identified the appraisal report as:

	Recommended - as the basis for the establishment of the amount believed to be just compensation.	Type either Recommended, Accepted, Not Accepted in this space
	Accepted - meets all requirements, but not selected as recommended or approved.	
	Not accepted	

Answer Yes or No to the following questions:

The appraisal meets all applicable standards. The data contained in the report is relevant to the appraisal problem. The quality and quantity of the data is adequate. Adjustments are reasonable and adequately supported. The methods and techniques are appropriate and adequately supported. The analyses, opinions, and conclusions in the appraisal are reasonable.	

Comments:

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

- the facts and data reported by the reviewer and used in the review process are true and correct.
- the analyses, opinions and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report, and are my personal, impartial, unbiased, professional analyses, opinions, and conclusions.
- 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this review.
- my analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I did personally inspect the subject property and the supporting comparable properties of the report under review.
- no one provided significant professional assistance to the person signing this review report.
- I have not performed any services on the subject property in the past three years.

(Signature-remove before printing)	
(Type Name of Appraiser) Review Appraiser	
S.C. Real Estate Appraiser #	0
Date:	January 0, 1900

Project ID
No. 0
Tract No. 0



DESK APPRAISAL REVIEW SUMMARY

The extent and detail of the review process is, the reviewer has not inspected the subject realty, nor any comparable sales considered by the appraiser(s); the reviewer has checked all information found in the appraisal for accuracy and compliance with standard appraisal techniques and the uniform standards of professional appraisal practice. If errors or omissions are found; the reviewer has asked for corrections to the appraisal. This review is conducted in compliance with the rules and regulations of the South Carolina Department of Transportation and Federal Highway Administration. The purpose being to insure the quality of work and accuracy in the SCDOT appraisal.

Answer Yes or No to the following questions:

The appraisal meets all applicable standards. The data contained in the report is relevant to the appraisal problem. The quality and quantity of the data is adequate. Adjustments are reasonable and adequately supported. The methods and techniques are appropriate and adequately supported. The analyses, opinions, and conclusions in the appraisal are reasonable.	

Comments:

I certify that to the best of my knowledge are belief:

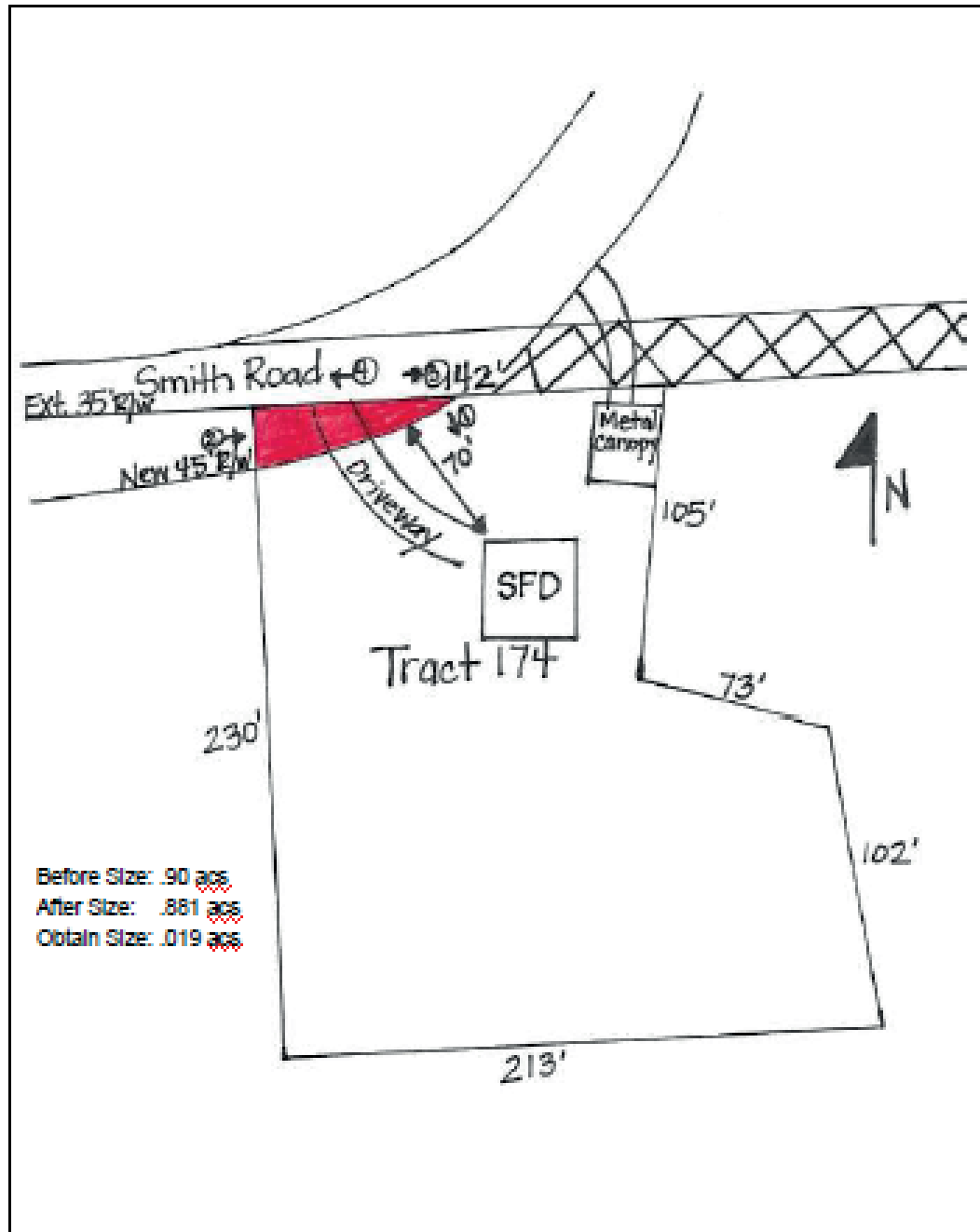
- the facts and data reported by the reviewer and used in the review process and true and correct.
- the analyses, opinions and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report, and are my personal, impartial, unbiased, professional analyses, opinions, and conclusions.
- 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this review.
- my analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I did not inspect the subject property and the supporting comparable properties of the report under review.
- no one provided significant professional assistance to the person signing this review report.
- I have not performed any services on the subject property in the past three years.

(Signature-remove before printing)	
(TYPE NAME)	
Desk Review Appraiser	
S.C. Real Estate Appraiser # 0	
Date of Review:	January 0, 1900

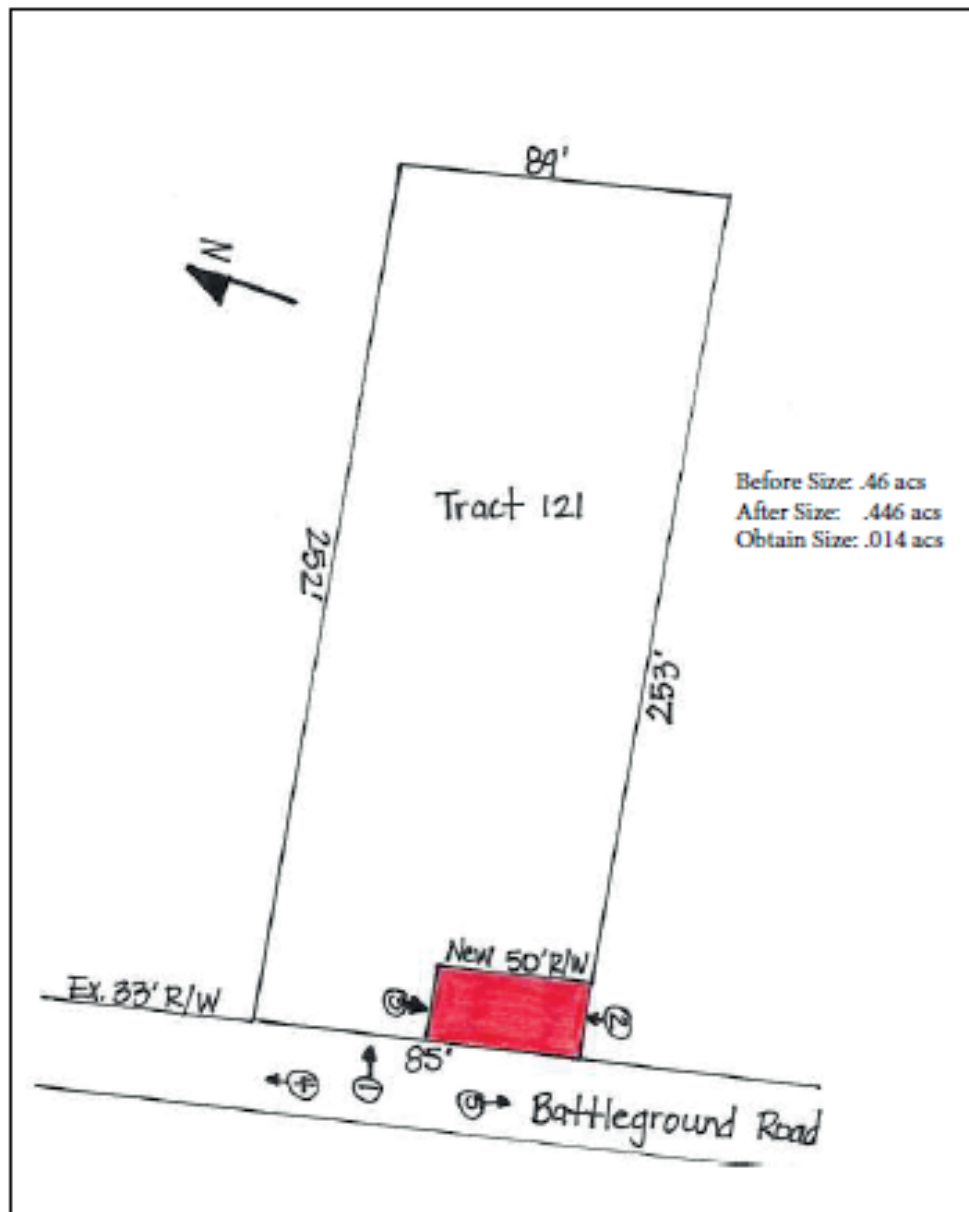
Project ID No. 0
Tract No. 0

SECTION VII: SKETCH DESIGN EXAMPLES

SUBJECT PLAT\SKETCH



SUBJECT PLAT SKETCH

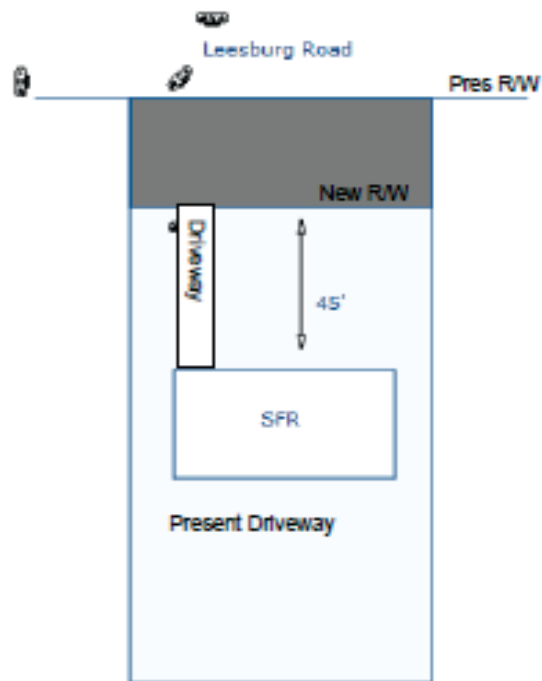


File No: _____ Project: _____ Tract: _____

SKETCH OF ACQUISITION

Not to Scale

N ←

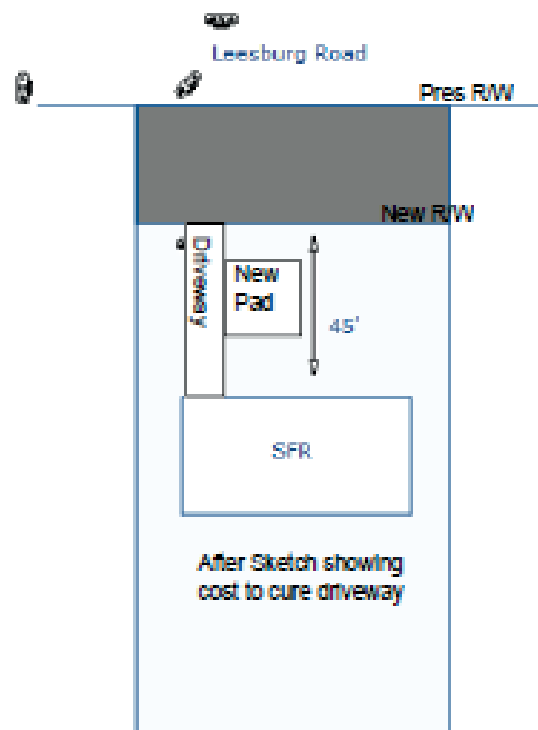


Before Acreage:	0.286	SF:	12,458
Acquired Acreage:	0.052	SF:	2,278
After Acreage:	0.234	SF:	10,180

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SKETCH OF ACQUISITION

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