

# ECOLOGICAL GIFTS PROGRAM: APPRAISAL REVIEW - COMPLETENESS CHECKLIST

- Application for Appraisal Review and Determination
- Narrative Appraisal

## APPLICATION

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- Correct donor(s) listed
  - Must be the same as listed on the parcel register
  - If applicable, include signing authority in the 'contact' field
- Area matches area listed in the appraisal
- Property legal description matches the parcel register and includes the Property Identification Number(s) / PIN
- Value matches the value listed in the appraisal (include before and after values if it is a conservation easement)
- Signed and dated by donor(s)
- All** other sections of the application form are filled out

## APPRAISAL: PDF VERSION

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- Letter of transmittal is on letterhead and signed by a qualified appraiser (i.e., AACI, CRA, ASA, etc)
- Parcel Register is included - clear and current (less than 6 months old)
- Legal description is identical to the legal description on the parcel register
- Area of donation is consistent throughout the appraisal
- 'Fair market value' or 'market value' definition is included
- Interest(s) being valued are identified *such as fee simple, easement, covenant, non-realty interest, etc.*
- Conservation Easement Agreement is included, *if applicable* (signed final version or **dated** draft nearest to completion)
- Certification Statement is included, **must contain**:
  - *Appraiser acknowledges that Environment and Climate Change Canada can rely on the opinion (regardless of who commissioned the report) and that the purpose of the report is to estimate the fair market value of the donation for the issuance of a tax receipt under the Income Tax Act;*
  - *Appraiser acknowledges that Environment and Climate Change Canada **can make additional copies** of this report for the purpose of review by the Appraisal Review Panel.*Full list is in the *Guidelines for Appraisals*
- Surveys and photographs are clear and legible
- Maps clearly demonstrate where the property is located
- Appraisal is signed by the appraiser
- Effective date of the appraisal is less than six months prior to submission
  - If gift has been given, the date it was given must be the effective date
- Update, *if required*:
  - If the appraisal is older than six months the appraisal can still be used if the appraiser who completed the appraisal verifies in writing that there has been:
    - no material change in the use of the subject property, and
    - no material change to the market in the area of the subject property.
  - If the appraiser cannot verify both of these statements, either
    - a new appraisal must be completed, or
    - the appraiser who completed the original appraisal must update the original appraisal.

# ECOLOGICAL GIFTS PROGRAM:

## APPRAISAL REVIEW - APPRAISAL REASONABLE/APPROPRIATENESS REVIEW

*Consideration of the situation, appraisal techniques, influencing factors, evidence presented, etc.*

- There are no unsupported assumptions
- There are no hypothetical conditions, except where necessary for a reasonable analysis of the property
- Valuation approach(es) are explained and supported
- Conclusions regarding highest and best use are well supported
- Adequate number of comparable sales are presented to draw conclusions about the value of land in a particular area
- Comparable sales are actually comparable to the subject property:
  - similar in size
  - same highest and best use
  - similar attributes such as access, services, view, waterfront, frontage, forested or farmland etc.
  - differences between the comparable sales and subject property must be explained and accounted for in an appropriate manner, e.g. quantitative and/or qualitative adjustment, ranking, weighting, etc.
  - Include a map/aerial imagery illustrating location and shape of each comparable
- Information is provided regarding the appraiser's qualifications, market knowledge and experience
- In the case of an update, provide explanation and/or evidence of what was done to verify that there were no material changes to the property since the original inspection, e.g. the property was revisited, the donor/recipient were interviewed, etc.
- Is the report a well written comprehensive account of the subject property and area? Or is it poorly written (copy and paste errors) and contains poor resolution maps or photocopied real estate and financial reports?
- Are the appraiser's conclusions reasonable? Do they make sense when you consider what you know about the subject property and the area it is located in? Do the conclusions follow naturally from what is written in the body of the report?