



2.5 THE PROJECT DATA BOOK (PDB)

Project Data Books (PDB) are required on most projects when more than four parcels are being acquired. A PDB must be completed if Short Format Summary Appraisals are being done on a project. PDBs are useful for a variety of project and acquisition types. A PDB is a collection of market data and analysis that relates to more than one appraisal report. The PDB is especially useful when there are several appraisers working on the project since considerable duplication of effort will be eliminated. The PDB has the supporting data and analysis for the Short Format Summary Appraisal. Items in Short Format Summary Appraisals, such as: area and neighborhood data, project description, zoning, floodplain, soils, etc. can be referenced in this format as appropriate and deleted from the boilerplate of the appraisal report document or addenda. The PDB eliminates considerable duplication of data/project information being repeated in multiple appraisals on the same project. The PDB then becomes part of the appraisal file to meet Uniform Act reporting requirements.

Why a PDB and not a sales study? The PDB is intended to be an extension of the Short Format appraisal report. If a region thinks it is not appropriate or cost-effective to have a PDB completed, they must discuss it with either a statewide review appraiser or regional reviewer (depending on types of reviews for the project) before an appraiser is contracted. The reviewer can waive the PDB requirement, and instead allow for a sales study to be completed. If a project involves more than four parcels, either a PDB or a sales study must typically be completed; and, the reviewer must be consulted before the region contracts with an appraiser.

A thorough knowledge of the parcels on the project and the effects or potential effects of proposed acquisitions on remainders should be developed before data collection begins. Depending on the complexity of the project and the scope of work required to appraise the subject parcels, data book content can and will vary between projects. Urban project data collection needs, for example, may differ substantially from rural projects. Appropriate data collection should be given strong consideration for discussion in project management conferences. All PDBs will contain at a minimum:

1. Area and neighborhood data and analysis.
2. Individual sales data sheets for comparable sales with all required data related to appropriate units of comparison included. Data sheets should be grouped by property type (i.e., improved commercial, single family residential, vacant land, etc.). Note: An allocation of the sales components can be part of a sales data sheet analysis or the appraiser may opt to allocate sales in the report itself. Care should be taken to maintain allocation consistency when using sales on different appraisals.
3. Right of way project description.
4. Sales location map(s).
5. Scope of work description, including: jurisdictional exception rule, limiting conditions, definitions, etc. for Short Format Summary Appraisals. The scope of work narrative should include a tabulation of the number and type of subject parcels to be appraised, complexity of acquisitions involved, along with type and extent of market data researched to facilitate appraisal problem solutions.

6. Summary tables of property types grouped as appropriate related to land sizes, property types, date of sale, etc. If there will be appraisal waivers on a project, the PDB preparer is required to write a narrative conclusion with regard to appropriate land values to be utilized for the nominal payment parcel report.
7. Zoning information, including zoning maps, depicting all subject parcels on the project, if available, and the zoning ORD narrative for appropriate zoning designations only.

The following PDB items are considered required/optional depending on the project type and subject parcel/comparable sale characteristics. Items included would be those anticipated to come into play in solving the subject parcel appraisal problems. If, for example, data is anticipated to be used on only one or a few parcels on a project, the appraiser may opt to include the data in the addenda of the appraisal report. One of the purposes of the PDB is to eliminate the need to replicate this information in the addenda and/or report boilerplate for Short Format Summary Appraisals.

- Aerial maps of project area.
- Comparable rental data if appropriate and available.
- Comprehensive land use plans.
- Cost data if anticipated to be used extensively on a project. Fencing cost data on large rural projects where fencing is being acquired extensively is an example.
- Flood plain maps and restrictions.
- Matched pair or other sales and physical or economic data useful in determining severance damages.
- Other unique data on a project specific basis.
- Sewer/water, or other utility maps or data where these units of comparison come into play in the appraisal process.
- Soils maps and pertinent data if data useful in solving appraisal problems.
- Topographical maps of project and sale areas.

The PDB is considered a “living document” in that it can be added to and expanded during the course of a project. This will be especially true on larger projects that take months to complete where additional relevant comparable sales data becomes available as time passes. It’s recommended that the appraiser utilize a loose-leaf type of document organization with a chapter/page numbering system to facilitate additions. The PDB should be organized so that needed data can be referenced easily. The ‘Table of Contents’ for a typical PDB will include:

“SAMPLE” Project Data Book	
TABLE OF CONTENTS	
I. INTRODUCTION	
1.	Title Page
2.	Letter of Transmittal
3.	Supplemental Certification
4.	Scope of Work Assignment
5.	Project Description
6.	Important Definitions
7.	Assumptions and Limiting Conditions
8.	Qualifications of the Appraiser and Specialists
II. FACTUAL DATA	

1. Area Data
2. Neighborhood Description
3. Flood Plain Data
4. Soil Data
5. Average Daily Traffic Volume
6. Utilities
7. Zoning, Future Land Use Plans and Special Codes

III. DATA STUDIES

1. The Comparable Sale Adjustment Process
2. Conditions of Sale
3. Market Conditions
4. Location/Physical Characteristics
5. Rate Indicators
6. Parking Study

IV. MARKET DATA

1. Sales Considered But Not Used
2. Agricultural Land Sales (over 40 acres and under 40 acres)
3. Residential Land Sales
4. Commercial Land Sales
5. Retail Store Sales
6. Restaurant Sales
7. Warehouse Sales
8. Rentals
9. Other

An appraiser may choose to reference the PDB rather than include narrative located in the PDB and not critical for the user to understand the appraiser's solution to the appraisal problem. If this occurs, the PDB page(s) must be referenced. Pertinent data that is needed to complete appraisals on the project, but which is omitted from the PDB, will be basis for rejection of the PDB document by the review appraiser assigned to the project.

2.5.1 Sales Data Collection

The Department of Revenue is an excellent source for sales data collection. Statewide real estate transfer information can be obtained online or at the regional area property assessment office. The real estate transfer information provides a wealth of information about each particular transaction such as:

- Improved, bare land, water frontage, woodland tax exemption, etc.
- Information acquired by the Department of Revenue agent during an interview with grantor or grantee such as "to settle divorce judgment and corporate restructuring."
- Latest assessed values.
- Legal description and land type (agriculture, residential, recreational, commercial, etc.).
- Measurements of smaller tracts.
- Name of grantor and grantee and address of each.
- Opinion as to if the sale is market value.
- Purchase price (whether personal property is involved).
- Sale date.

- Size (square foot or acres).
- Type of instrument used in the conveyance (Warranty Deed, Land Contract, Quit Claim Deed, executor's deed, sheriff's deed, etc.).
- Whether the grantor and grantee are related.

There are other sources for comparable sales data that includes, but are not limited to:

- County Register of Deeds - provides the official recorded listing of all transactions up to present time and can be used to verify sales that are not as yet included in regional Department of Revenue files (which usually run 2 to 3 months behind).
- County tax list - provides appraiser with a sketch or drawing of "sell-offs" or a division of properties and recording dates when deed of record can be located at the Register of Deeds. They will usually provide actual measurements or a copy of the Certified Survey Map for smaller parcels.
- Local and area real estate agencies - also good sources to locate current or pending transactions and properties listed for sale.
- Media - check advertisements of real estate for sale and sold in newspapers, magazines, television and shopper guides.
- Multiple listing services.
- Property owners - owners of property being appraised may be aware of recent sales and listings for sale in their immediate neighborhood.

2.5.2 Sales Data Verification

There are several sources with which to verify a comparable sale. They are the grantee, grantor, real estate broker or the attorney who closed the transaction. It is essential that every effort be made to verify the transaction with the grantee and grantor. It is also preferable that the appraiser contact the above parties in the order listed. These are the most reliable sources for verification. If the verifier refuses to give any information about the sale, don't press for information, and seek an alternate source. Prepare a basic list of questions to obtain the data that you need concerning a comparable sale. This list will differ with each property type or appraisal problem. The appraiser should prepare a basic interview outline for each type of property to insure necessary data can be gathered during the original interview. The data collected should include, but is not limited to:

- Address of sale.
- Date of sale.
- Gross income and net income.
- Identification of sales actual location.
- Improvement data (square footage, room counts, bedrooms, bathrooms, apartments, etc.).
- Improvements made to property after sale.
- Owner or real estate broker marketed.
- Personal property included.
- Relationship of grantor-grantee (relative or non-related).
- Rental or leasehold data.
- Sale price.
- Terms of sale and financing; special motivation that could affect sale price.
- Underground improvements (underground tank, etc.).
- Verifier's opinion of sale price (fair market value, or not).

When verifying sales, it is suggested that the appraiser, ask about:

- Financing, terms, conditions of sale.
- How long was property on market.
- How property was marketed.
- If any improvements or additions have been made since sale occurred.
- If personal property was involved.
- Inspection of interior and improvements on sale, request permission to view.
- Recorded data about sale, and explain that you want to verify the data.
 - Example: The sale price was \$_____, and could this price be verified.
- Rentals, leases, etc.
- What was price based on (appraisal, etc.).
- Why this property was picked over others and what intended use will be.

Other basic suggestions:

- Always introduce yourself and present identification.
- Be pleasant, polite and professional. Please also dress accordingly.
- Be prepared to answer any reasonable questions about the project.
- Explain your role and that you are seeking verification of sale data.
- Request their cooperation and assistance.

2.5.3 Sales Data Analysis

An analysis of the comparable data book along with consideration given to offerings and listings for sale should provide some indication of conclusions and trends in the project area. The most comparable sales to the project should be included in the PDB, even when they may be older than others in the area. Current sales, when available, will be needed for time adjustment. The most recent sales should always be considered. Other things to consider when analyzing sales information include:

- A large number of similar properties for sale in a given area may indicate an imminent land use change.
- In cases where there is a lack of comparable sales, asking prices and listings for sale can help document appraiser's opinion of value.
- Number of similar type properties for sale may indicate degree of balance in supply and demand.
- Offering and listings will probably set upper limit of value for similar properties.

Property values can be affected by their location in school districts, different zoning districts and near external distractions such as industrial or commercial areas. The sales should be summarized in groups by use, location, size, or other categories that will provide a reasonable division of the sales. Typically, size and type will indicate value ranges. Each group must be analyzed and followed by a short summary write-up that concludes a specific unit value for a typical property of this type. These unit values can then be used to establish values for appraisal waivers and Short Format Summary Appraisals.

2.5.4 Comparable Sales Data

2.5.4.1 Comparable Sales Data Sheet Instructions

The items detailed below should be included for each comparable sale (also see attached outline for a quick overview and sample comparable sales data sheet):

1. Comparable sale number: A systematic method of numbering sales should be used. The preferred method is Township - Section - and Sale No., such as Town of Center, Section 1, and Sale 1 would be called C-1-1.
2. Photos: Include a photo that gives a good overall view of the sale property. If more photos are needed to properly show features of the sale property that will require adjustments in the market approach, an extra page for photos should be added.
3. Sketch: Include a sketch of the property from plat book, soil survey map, and aerial photo from A.S.C.S. or appraiser's drawing. The sketch is to be an aid in locating the property and making adjustments regarding the property. The degree of detail needed depends on the appraisal problem for which the sale will be used. For example, if the sale is being used to demonstrate proximity damage, the sketch should show the setback on the sale property.
4. Location: This area should be used to give the address of the sale property. The address should consist of house number or fire number, road or street name, name of municipality or township and county. If any special directions are needed to find the property, they can also be given here.
5. Sale date: The date the deed or land contract is signed by the grantor and not the date it is recorded. Caution: If the deed is in fulfillment of a land contract, the only meaningful sale date would be the date of the land contract.
6. Sale price: The amount that you personally verified by talking to the grantor, grantee or their agents. On farms and business property, you should determine whether or not the sale included personal property, fixtures, license, etc.
7. Net size: To get net size, appraiser must subtract any land in existing roadways.
8. Unit price: Divide sale price by appropriate unit of comparison to indicate price per acre, price per square foot or, price per front foot, etc.
9. Grantor: Name of grantor. If there are a number of grantors, first name can be given followed by the notation "et al," which means "and others."
10. Grantee: Full name of grantee. If there are a number of grantees, first name can be given followed by the notation "et al."
11. Zoning: Zoning of comparable sale property should be checked and stated here in general terms by zoning class such as Ag., R-1, R-2, B-1, M-1, etc. The appraiser should check into and know all restrictions that result from the zoning and what uses are allowed. It's also important to know if comparable is conforming to zoning requirements.
12. Intended use: Buyer's intended use generally represents the highest and best use of the comparable sale. Intended use may be stated in general terms such as agricultural, residential, commercial, industrial, etc., but should be more specific if a particular use is known, such as fast food restaurant, assemblage to neighboring farm, etc.
13. Type of document: Indicate type by WD = Warranty Deed, LC = Land Contract, QCD = Quit Claim Deed, FJ = Final Judgment, etc.
14. Recording data: Volume and page, jacket and image or document number from Register of Deeds.
15. Legal description: For rural properties, give a brief legal description as to quarter, section, town, and range in which the comparable is located. For urban properties, give lot and block numbers or reference to certified survey map, etc.
16. Conditions of sale: Refers to how the property was sold. Was the sale private or through a broker? How long was the property on the market? What was the asking price? How was the sale price determined (i.e., seller set price, buyer made an offer, price determined by an appraisal, price was negotiated between buyer and seller, buyer

paid listing price, buyer rented land for several years prior to the sale)? Include information that would indicate any particular motivation to buy or sell that might have affected the price. If a trade was involved, explain in detail the value of the properties traded or used as down payment. A trade or exchange is often a poor sale to use because of the difficulty of determining the value involved. If the sale was for assemblage or to support a nearby farm operation, indicate the size of operation and distance to main farm. If assembled as a site, indicate the total assembled price of the property. Give information as to why the buyer wanted the property. How many other sites were considered? Why was this property selected? Find out if the seller had a particular reason to sell that may have affected the price such as being transferred out of state, being friends with buyer, or needing money to meet other obligations. The above list is not all-inclusive; however, the more information of this type that the appraiser knows about the sale, the easier it will be to fit into the market and determine if any motivation adjustment is required. Sales involving family transfers, sales in connection with foreclosures or bankruptcies, sales with intra-corporate affiliations and sales to municipalities or government agencies with the power of condemnation are not considered arms length transactions and should not be used.

17. Financing: Indicates the type of financing used in this sale. Find out as much information as you can to help determine if the type of financing or terms affected the sale price. On sales with seller provided financing, the terms should be stated. Land contract terms are usually stated as part of the land contract. Data that should be listed is the down payment, interest rate, length of contract, amount of payments, any escalation clauses, frequency of payments of principal, interest, and date when total balance is due. This information is necessary in order to determine if a financing adjustment is appropriate for the sale.
18. Verified by: Full name of person verifying price should be given. If either the named grantor or grantee does not verify price, relationship of this person to grantor or grantee should be stated. This is often true in transfers involving corporations or other groups. Verification by the tax assessor or transfer return is acceptable as a last resort only.
19. Verified to: Name of real estate appraiser who verified sale price. If more than one appraiser is working the same project, it is acceptable to use a sale verified by another appraiser, however, each appraiser is still responsible to make sure that facts they are using are accurate so if there is any doubt about the information on a sales sheet of a verified by another or if additional information is needed, the sale should be reverified by the appraiser planning to use the sale. A good method of re verifying a sale is to talk to the opposite party to the transaction that has not yet been contacted. This will provide additional insight into the conditions of the sale.
20. Verification date: Date you talked to person verifying sale price.
21. Description of property:
 - Land - Description of the property depends on how or why sale will be used in the appraisal. All sales should include size of the property. Dimensions for small sites should also be indicated. For land sales, total acreage shown should be either net or gross with a breakdown showing the amount in public roads. Rural properties are usually analyzed on a per acre basis. Urban sites may be analyzed by square foot, front foot or on a site basis depending on what the market dictates.
 - Improvements - Degree of detail in the improvement description depends on how sale is to be used in the appraisal. Generally, any item that will require an adjustment in the market approach should be described with enough detail to determine the amount of adjustment needed. If a sale is being used to appraise a house on a before and after basis, the size of the house in square feet should be given. Other details about a house would include: number of rooms, bedrooms and

baths, exterior and interior finish, type of heat, basement, garage, age and condition. The size and type of farm buildings should be indicated along with a description of included equipment and condition. For commercial buildings such as taverns or supper clubs, the fixtures included and the amount of the sale price allocated to these items should be stated. Any personal property, inventory, or license value included in a sale should be allocated separately.

22. Allocation: All sales should be allocated as to major components of value, such as land types, dwellings, farm buildings, site improvements, landscaping and equipment. This will make the adjustment process in the market approach more meaningful and easier to understand. In some cases, the allocated unit value for a particular item may be carried directly forward to the market approach. For example, an 80-acre tract of agricultural land that sold for \$120,000 contains 2 acres in existing roads, 2 acres in ditches and 8 acres in woods. The existing roads and ditches might be allocated out at no value and the woods allocated at \$1,500 per acre based upon sales of wooded property. This would leave 70 acres of tillable land at \$112,000, or \$1,600 per acre. The indicated price of \$1,600 per acre for tillable land can be used directly in the market approach as long as it is properly identified as an allocated price.
23. Project ID: Project's state (and federal, if applicable) identification number(s) (i.e., 1300-00-21).
24. Parcel #: Parcel's unique identification number (i.e., 1, 32, 100, etc.).