



May 6, 2019

TO:

Eastern Region Real Estate Services
Mega Projects Real Estate Services
North Central Region Real Estate Services
Northwest Region Real Estate Services

Olympic Region Real Estate Services
South Central Region Real Estate Services
Southwest Region Real Estate Services
Headquarters Real Estate Services

FROM: Jessica Stokesberry, Appraisal Program Manager 

SUBJECT: Floating Temporary Easement Valuation

The purpose of this memorandum is to clarify WSDOT Appraisal Program's stance on the valuation of temporary easements that have a duration specified as well as an active occupancy period floating at an unspecified date range within the duration. This guidance will take effect immediately.

Often, projects will need rights to use a property for a limited amount of time, but not know specifically when that time period will be. Floating easements were created as a way to specify that the property would be occupied for a shorter time than the length of the project, but exactly when, is unknown. Additionally, this method of securing rights is seen by some as a potential cost savings to the project.

In the valuation of temporary easements with a floating active occupancy component, it is necessary to consider the impacts of the entire duration of the easement as well as the impacts during the active occupancy period. That is not to say that the impacts will necessarily be consistent over the duration; however, they could be.

It is important to see the specific easement language that is used in the conveyance document and assess how the market would react to the impact of all of the easement components. To simply assign value to the active occupancy term will often result in under-compensation to the property owner. To simply value the entire duration as if it were actively occupied may result in over-compensation to the property owner. Critical thinking and reasoning must be applied to each easement to properly value the actual property rights conveyed by the easement document, not the intent of the easement as explained or described by an engineer, environmental biologist, or other project representative.