

APPRAISAL SECTION

What	Who	How	Some of the Why
<p>Appraisal Problem Analysis (“APA”):</p> <p>The Appraisal Problem Analysis (APA) is a concurrence between the Agency, the Appraiser and/or Review Appraiser concerning the appraisal problem and the first step in the appraisal process to define the appraisal problem, scope of work, and appraisal format involved to complete the assignment for the property to be acquired and the agreed upon assignment fee, that must be INDOT approved, prior to Hiring/P.O.</p>	<p>Appraiser Fee Consultant or INDOT Staff</p>	<ol style="list-style-type: none"> 1) Review project Documents (Plans, Engineering, T&E). 2) Inspect the project 3) Identify the type of Appraisal Report necessary for each parcel 4) Identify the type of Appraisal Review necessary for each parcel 5) Establish Appraisal and Appraisal Review consultant fees. 6) Provide completed Appraisal Problem Analysis & Fee Estimate Sheet to INDOT Appraisal Section Management for fee approval. 7) the APA preparer or the ROW Manager* should ensure that the “Notice to Owner Letter” is sent to the property owner along with a physical copy of the “Acquiring Real Property for Federal and Federal-aid Programs and Projects” brochure developed by the FHWA. 8) Complete LRS entries for the APA section as required. <p>*ROW Manager may direct someone else to send out the “Notice to Owner Letter”.</p>	<p>49 CFR 24.103 (a) (1) The Agency acquiring real property has a legitimate role in contributing to the appraisal process, especially in developing the scope of work and defining the appraisal problem. The scope of work and development of an appraisal under these requirements depends on the complexity of the appraisal problem.</p>
<p>Appraisal Report:</p> <p>The appraisal is a written statement independently and impartially prepared by a qualified Appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information, for right-of-way acquisitions.</p>	<p>Appraiser Fee Consultant or INDOT Staff</p>	<ol style="list-style-type: none"> 1) Review project documents (plans, engineering, T&E). 2) Confer with project Review Appraiser regarding assignment. 3) Follow appropriate guidelines for assignment and INDOT form format. 4) The Appraiser must provide the property owner (or designated representative) the opportunity to accompany the appraiser on the inspection of the property. (See. requirements for the “Letter of Owner Contact”). 5) Submit completed assignment and provided reports to reviewer in required format and delivery medium. 6) Compete LRS entries for Appraisal Report section as required 	<p>49 CFR 24.102(b) 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.</p> <p>49 CFR 24.102 (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.</p> <p>49 CFR 24.103 Criteria for appraisals... (2) The Agency has the responsibility to assure that the appraisals it obtains are relevant to its program needs, reflect established and commonly accepted Federal and federally-assisted program appraisal practice, and as a minimum, complies with the definition of appraisal in § 24.2(a)(3) and the five following requirements: (See appendix A, §§ 24.103 and 24.103(a).)... Ref: 24.103 for complete requirements.</p>
<p>Appraisal Review:</p> <p>The purpose of the appraisal review is to confirm that the right-of-way acquisition appraisal contains all of the necessary data properly applied and presented to support an estimate of fair market value and from this estimate, to recommend the amount of Just Compensation to be offered to the property owner. If the Reviewer is a Fee Consultant the agency is responsible to set the basis for Just Compensation. The Review Appraiser is responsible for appraisal quality, value determinations, consistency, and establishing the amount believed to be just compensation for each parcel on the assigned project</p>	<p>Review Appraiser Fee Consultant or INDOT Staff</p>	<ol style="list-style-type: none"> 1) Review project documents (plans, engineering, T&E). 2) Confer with project Appraiser(s) regarding assignment(s). 3) Follow appropriate guidelines for assignment and INDOT form format. 4) Complete appraisal review in accordance with noted requirements. 5) Submit completed reports to the INDOT Appraisal Section Supervisor and ATA assignment in required format and delivery medium. 6) Compete LRS entries for Appraisal Review section as required 	<p>49 CFR 24.104 Review of Appraisals... The Agency shall have an appraisal review process and, at a minimum: (a) A qualified review appraiser (see § 24.103(d)(1) and appendix A, § 24.104) shall examine the presentation and analysis of market information in all appraisals to assure that they meet the definition of appraisal found in 49 CFR 24.2(a)(3), appraisal requirements found in 49 CFR 24.103 and other applicable requirements, including, to the extent appropriate, the UASFLA, and support the appraiser's opinion of value... Ref: § 24.104 for complete requirements.</p>

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<p>Desk Review:</p> <p>The purpose of INDOT’s desk review process is to ensure that a valuation report supports the amount of just compensation that should be paid to a property owner, and in addition, that a valuation report is both in compliance with INDOT guidelines as well as various federal and state laws.</p>	<p>INDOT Staff Appraiser</p>	<ol style="list-style-type: none"> 1) Review project Documents (Plans, Engineering, T&E). 2) Receive the completed appraisal report and the appraisal review reports from Section Supervisor 3) Check LRS to ensure the APA & FES agree with the report type received. 4) Read / review the valuation documents; check for content, clarity, and consistency between all valuation documents. 5) Ensure all valuation documents conform to required rules, regulations and guidelines, if so, approve as required. 6) Determine if the Amount of Just Compensation is supported by the reported analysis of market information presented. 7) Sign and approve “The Statement of the Basis of Just Compensation” 8) Complete the Checklist for Reports of Valuation (“CRV”). 9) Save finalized report to ERMS 10) Complete LRS entries for the Desk Review section as required. 	<p>49 CFR 24.102 Basic acquisition policies.</p> <p>(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 market value of the property. An Agency official must establish the amount believed to be just compensation. (See §24.104.)</p>
<p>Early Assessment Staff:</p> <p>Reviews project scope, number of parcels, potential complexity, market information and costs to determine initial estimate of project costs: Parcel Acquisition Costs Condemnation Cost Suggests alternatives to avoid damaging remainder properties and thus limiting acquisition costs.</p>	<p>Fee Consultant or INDOT Early Assessment Staff</p>	<ol style="list-style-type: none"> 1) The early assessment may include a preliminary field check. 2) Suggestions to Pm regarding possible design changes. 	<p>The INDOT Early Assessment contributes to the overall process by bringing the Real Estate Function into the discussion at the beginning of the design phase, rather than after a problem has been discovered.</p> <p>This to address potential pitfalls of the acquisition to the property, to suggest possible design alternatives and to provide market-based information that will allow for informed price / cost / budget decisions.</p>
<p>Waiver Valuation Report:</p> <p>The Waiver Valuation report format is a brief and simplified valuation used by INDOT for the uncomplicated acquisition of property or property rights as defined elsewhere in this manual and also defined by 49 CFR Part 24.2(a)(33), 49 CFR Part 24.102(c). It is NOT acceptable to use a Waiver Valuation where the total compensation will exceed \$10,000.00.</p>	<p>INDOT Approved Fee Consultant: knowledgeable real estate person or appraiser</p>	<ol style="list-style-type: none"> 1) Review project documents (plans, engineering, T&E). 2) Confer with project Review Appraiser, if assigned, or assigned INDOT Appraisal Technical Advisor (“ATA”). 3) property owner contact not required. 4) Complete INDOT Waiver Valuation Form or INDOT Waiver Valuation Form (for appraisers). 5) if part of a larger project and a review appraiser is assigned submit completed assignment and provided reports to reviewer in required format and delivery medium. 6) If a Review Appraiser is not assigned submit completed assignment to ATA and the Appraisal Section Supervisor. 7) Complete LRS entries as required. 	<p>49 CFR 24.2 (a) (33) Waiver valuation. The term waiver valuation means the valuation process used and the product produced when the Agency determines that an appraisal is not required, pursuant to §24.102(c)(2) appraisal waiver provisions.</p> <p>49 CFR 24.102 (c) (2) An appraisal is not required if: (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.</p>
<ol style="list-style-type: none"> 1. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646), as amended (Uniform Act). All appraisals must conform to Title III of the Uniform Act and appropriate Federal regulations 2. Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs (49 CFR Part 24) 3. Uniform Standards of Professional Appraisal Practice (USPAP) 4. INDOT Appraisal Manual: INDOT Real Estate Division 5. Indiana Law 			