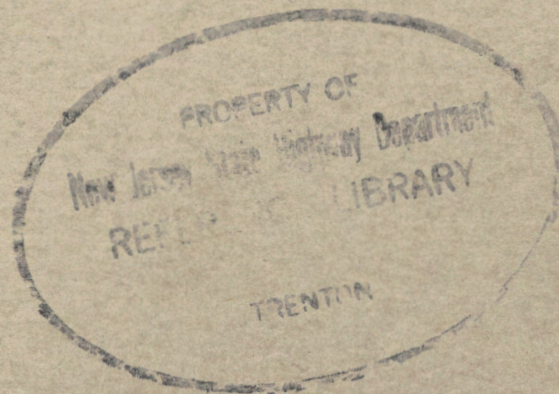


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OPERATIONAL
GUIDE LINES FOR
RIGHT OF WAY APPRAISALS
AND
APPRAISAL REVIEW PROCEDURES



DIVISION OF RIGHT OF WAY ACQUISITION AND TITLES
NEW JERSEY STATE HIGHWAY DEPARTMENT

AUGUST 1963

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PART I

RIGHT OF WAY APPRAISAL REQUIREMENTS

REQUIREMENTS

It is an established requirement of the New Jersey State Highway Department, Division of Right of Way Acquisition and Titles and of the Federal Bureau of Public Roads that written appraisals in permanent form are to be secured prior to the beginning of negotiations or of hearings in condemnation for all parcels or property rights to be acquired.

These appraisals are to be individually prepared by qualified State employees or independent Fee Appraisers and prior to the beginning of negotiations or of condemnation hearings, they are to be examined and reviewed by designated reviewing appraisers for form and sufficiency, and the determination of a reasonable fair market value for each appraised parcel.

PURPOSE

The purpose of these Guide Lines is to outline the standards and procedures which are to be followed in complying with State and Federal Bureau of Public Roads requirements concerning appraisals and the review of appraisals.

RESPONSIBILITY

Under the supervision of the Director of the Division of Right of Way Acquisition and Titles, the Supervisor of the Bureau of Appraisals and Negotiations and his delegated assistants have the responsibility for complying with all State and Federal procedures concerning appraisals and appraisal reviews.

NUMBER OF APPRAISALS
REQUIRED (Parcel
Classifications)

For appraisal purposes Right of Way takings shall be divided into the following categories: The dollar amounts indicated shall include land and improvements taken, as well as the amount of damages, if any, to remaining land and improvements.

Category

No. 1 - \$0 to \$5,000

No. 2 - \$5,001 to
\$100,000

No. 3 - \$100,001
and over

(Determination of
Classification)

The firm and sound parcel estimates which are made as a necessary requisite to Right of Way Property Map approvals by the State Highway Commissioner and Project Approvals by the Federal Bureau of Public Roads shall be used to establish parcel categories, unless revisions in the parcels or subsequent appraisals of the takings indicate a substantial deviation which would place the parcel in a higher category.

In such instances, the taking will be placed in the category in which it would have been placed if the estimated value of the revised parcel or the amount of the subsequent appraisal had been the original estimate. As an example, if the original estimate of value had been \$4,000 and the subsequent appraisal or estimated value of the revised parcel indicated a value in excess of \$5,000, then the taking would be placed in category No. 2 instead of category No. 1.

NUMBER OF REQUIRED
REAL ESTATE APPRAISALS

By categories all parcels to be acquired shall be appraised in accordance with the following requirements:

<u>Estimated Value</u>	<u>No. of Appraisals Departmental - Fee</u>	<u>If Condemnation is Necessary</u>
\$0 to \$5,000 *or Alternative -	1 -	1 Fee appraisal (general authorization)
\$5,001 to \$100,000 or * Alternative -	1 -	1 Additional appraisals Departmental or Fee requires prior written approval of Director and of the Federal Bureau of Public Roads
\$100,001 and over	1	2 Additional appraisals Departmental or Fee requires prior written approval of Director and of the Federal Bureau of Public Roads

NUMBER OF REQUIRED
REAL ESTATE APPRAISALS
(Alternate Procedure)

All parcels shall be appraised by a staff appraiser regardless of category except for the alternatives (*) indicated for parcels in category No. 1 or category No. 2. The use of these alternatives requires prior written approval by the Director of the Right of Way Division. They may be used when cogent circumstances such as priority project schedules warrant their consideration. These alternatives provide for parcel appraisal through use of Fee Appraisers only.

NON-REAL ESTATE
APPRAISALS

In any category up to two additional specialized (non-real estate) reports may be obtained upon prior concurrence of the Supervisor of the Bureau of Appraisals and Negotiations.

Non-real estate reports are interpreted to mean septic system installation estimates, well drilling estimates, gasoline tank and pump installation estimates, building contractors estimates, industrial engineering reports and studies, architects studies and any other specialized reports or estimates which would complement the general real estate appraisals. Unless the specialist is qualified to make a complete appraisal, his report will be considered as a supplement to the real estate appraisals. If a qualified specialist is engaged to make a complete appraisal, his appraisal will be counted as one of the regular real estate appraisals.

NUMBER OF REQUIRED
APPRAISALS

If condemnation is to be instituted on a parcel in appraisal category No. 1 where there is no Fee Appraiser available to testify in court, the District Supervisor shall submit a Fee Appraiser request with the case file when he transmits it to the Supervisor of the Bureau of Appraisals and Negotiations with a recommendation that authority be granted by the State Highway Commissioner to institute condemnation.

This request shall be on form memorandum (see Supplement No. 1) and shall be distributed as follows:

1. Original attach to case file

2. Duplicate attach to case file, attention Appraisal Section, Trenton
3. Triplicate to District Reviewer
4. Quadruplicate to District records file

If, following the granting of authority to condemn, no settlement is reached, the Director of the Division of Right of Way Acquisition and Titles, or the Supervisor of the Bureau of Appraisals and Negotiations shall make a determination as to the necessity of securing the requested fee appraisal so that a Fee Appraiser will be available to testify in court.

ADDITIONAL APPRAISALS

Requests for additional appraisals in any category which exceed the hereinbefore designated standards must have prior written approval of either the Director of the Division of Right of Way Acquisition and Titles or of the Supervisor of the Bureau of Appraisals and Negotiations. On Federal-Aid Right of Way Projects, the prior approval must also include the Federal Bureau of Public Roads if Federal reimbursement in the appraisal fee is to be received.

APPRAISERS

It is not possible to prescribe a set of inflexible fixed standards and criteria for qualifications of an appraiser. Conditions vary in rural and urban areas as well as from problem to problem.

However, without limiting in any way the foregoing statement, certain basic qualifications for appraisers are necessary. In most instances this presupposes

successful completion of one or more courses in the appraisal of real estate at university level or of an equivalent in appraisal background and experience.

APPRAISERS
(Departmental and Fee)

Both regular employees of the State Highway Department as well as outside appraisers may be utilized as indicated in the section "Required Appraisals". Department employees are defined as "Departmental Appraisers" and outside appraisers are defined as "Fee Appraisers".

APPRAISER
QUALIFICATIONS
(Departmental)

The minimum general qualifications required for Departmental Appraisers are contained in the Departmental qualifications and certifications descriptions for the following positions from which authorized employees may be drawn to appraise properties:

1. Senior Negotiator
(Primary Appraisers)
2. Principal Negotiator
(on occasion appraises more complicated properties)
3. Assistant District Supervisor (on occasion appraises more complicated properties)
4. District Supervisor
(on occasion appraises more complicated properties)

APPRAISER
QUALIFICATIONS
(Fee Appraisers)

The minimum qualifications for Fee Appraisers are defined in Departmental Form DO-24-4401 "Qualifications and Certifications of non-Departmental Appraisers". The procedures for establishing and maintaining a qualified Fee Appraisers list are contained in the Right of Way Division's "Operational Guide Lines for Fee Appraiser Contracts and Fees".

APPRAISAL ORDER REQUESTS
(State Projects)

Appraisal assignments and order requests for parcels on highway rights of way may be initiated on State projects as soon as the District office in which the project is located has been notified in writing by either the Director of the Division of Right of Way Acquisition and Titles, or the Supervisor of the Bureau of Appraisals and Negotiations, of the Commissioner's approval of the General Property Parcel Map.

APPRAISAL ORDER REQUESTS
(Federal-Aid Projects)

Appraisal assignments and order requests on projects where there will be Federal-Aid participation in right of way costs may be initiated when the District in which the parcel is located has been notified in writing by either the Director of the Division of Right of Way Acquisition and Titles, or the Supervisor of the Bureau of Appraisals and Negotiations, of approval of the General Property Parcel Map by the State Highway Commissioner and of either Federal Bureau of Public Roads Stage 1 program approval which, except in special instances, is limited to appraisals and other incidental costs, or of Federal Bureau of Public Roads Stage 2 project approval which includes authority to both appraise and negotiate.

APPRAISAL ORDER REQUESTS
(Exceptions to Regular
Procedure)

In instances deemed appropriate, an appraisal or additional appraisal may be requested by the Supervisor of the Bureau of Appraisals and Negotiations, by the Assistant Director of the Right of Way Division, or by the Director of the Right of Way Division. When such additional appraisals are requested, the files shall be documented in writing as to the need.

In certain instances, written authority may be granted a District office to procure appraisals and engineering studies before approval of a Property Map by either the State Highway Commissioner or the Bureau of Public Roads. These exceptions will be only when planning stages require appraisals for exploratory or comparative purposes or in matters of an extremely emergent nature.

APPRAISAL ASSIGNMENTS
(Departmental Appraisers)

Appraisal assignments for Departmental Appraisers will normally initiate with the Principal Negotiator (Project Supervisor) in charge of a particular project. When the need is indicated to assign the appraisal of a parcel or parcels on the project to a Departmental Appraiser, the Principal Negotiator shall make a written request to the Departmental Appraiser who is being assigned to make the appraisal.

This request will be in quadruplicate and is to be dated and signed by the Project Supervisor. It will indicate the Route and Section, and if applicable, the Federal Project Number, the parcel or parcels to be appraised and the completion date by which the appraisals are

expected to be delivered.
Distribution of this request
shall be: (see Supplement No. 2 -
Departmental Appraisal Request)

1. Original to assigned
Departmental Appraiser
2. Duplicate to District
Reviewer
3. Triplicate to Appraisal
Review Section, Trenton
4. Quadruplicate to District
Office Administrative
Records

APPRAISAL ASSIGNMENTS
(Fee Appraisers)

Appraisal assignments for Fee Appraisers will normally initiate with the Principal Negotiator (Project Supervisor) in charge of a particular project. When the need is indicated for the services of a Fee Appraiser on a particular project, the Principal Negotiator shall submit to the Assistant District Supervisor for review and processing a fee appraisal order request. This request shall be in quadruplicate and after review and approval by both the Assistant District Supervisor and the District Supervisor, it shall be distributed as follows:

1. Original to Supervisor
Bureau of Appraisals and
Negotiations, Trenton
2. Duplicate to District
Pending Fee Order Book
3. Triplicate to District Reviewer
4. Quadruplicate to Appraisal
Review Section, Trenton

The details concerning the methods and procedures to be followed in requesting orders for Fee Appraisers and the establishment of Fee Appraisers' fees are contained in the Right of Way Division's "Operating Guide Lines for Fee Appraiser Contracts and Fees". These Guide Lines are dated May, 1963 and are to be explicitly followed when the need for the services of a Fee Appraiser is indicated.

INFORMATION TO BE
FURNISHED THE
APPRAISER
(General Scope)

Unless otherwise specifically directed, all appraisals shall be made in accordance with the ownerships, areas, dimensions, building locations, access rights, parcels, and easements indicated on the official New Jersey State Highway Department "General Property Parcel Map" concerning the affected project. To prepare his report, the appraiser will, therefore, require General Property Parcel Maps as well as information relative to the interpretation of State Laws concerning non-compensable items and the treatment of benefits. If the taking is partial, the appraiser will further require information relative to the nature of the proposed highway construction.

INFORMATION TO BE
FURNISHED DEPARTMENTAL
APPRAISERS (Methods of
Dissemination)

By the nature of their positions and duties, Departmental Appraisers are expected to have a working knowledge of right of way maps, construction plans and State Laws sufficient to enable them to interpret the maps, construction plans and State Laws in sufficient detail to enable them to make a proper appraisal. In any instances requiring explanation or interpretation, the Departmental Appraiser is to request the interpretation or explanation from the Project Supervisor before proceeding.

It is the responsibility of the District Supervisors to obtain and disseminate to the Project Supervisors such right of way maps, construction plans and other information as may be required by Departmental and Fee Appraisers on each assignment.

INFORMATION TO BE
FURNISHED FEE
APPRAISERS (Methods of
Dissemination)

When a Fee Appraiser is assigned to appraise a parcel or parcels, such General Property Parcel Maps as he may require to complete his assignment shall be forwarded to the appraiser with the appraisal order. It is the further responsibility of District Supervisors to arrange, through the Project Supervisors, to furnish the Fee Appraisers with such interpretations of the construction plans, the right of way maps and State Laws as may be required by the Fee Appraisers to enable them to make a proper appraisal. The details of the information and materials to be furnished to Fee Appraisers are specified in Appendix 'A' of each Fee Appraiser's contract with the State.

MAP ERRORS OR OMISSIONS

In any instances where map errors or omissions are noted by any appraiser, he is to bring the matter to the attention of the Project Supervisor before proceeding. It is the responsibility of the Project Supervisor to arrange through appropriate Right of Way channels for clarification or correction by the Design Engineers of any map errors or omissions and to forward to the appraisers any corrected or revised maps which may result.

APPRAISAL STANDARDS
AND FORMAT

The requirements of both the State and the Federal Bureau of Public Roads necessitate that all appraisals contain clear and substantive documentation in support of the opinion of value arrived at by the appraiser.

To insure that each appraisal contains the required information presented in a uniform manner, the State has prepared detailed instructions pertaining to appraisal documentation and format.

These detailed instructions are contained in the New Jersey State Highway Department Right of Way Division's "Guide Lines for the Preparation of Appraisals for Right of Way Purposes and Supplemental Instructions pertaining to the Appraisal Format" dated September, 1962. All appraisals are to be prepared in accordance with the instructions contained in these Guide Lines.

NATURE OF APPRAISAL
REPORTS

It is recognized that much of the data and information contained in an appraisal report can readily and properly be obtained by others. However, in making appraisals for the State Highway Department, the appraiser is not to discuss the contents of his report with other persons nor shall he permit others to read or utilize his report. Each and every appraisal is to be regarded as a confidential report which is to be transmitted directly to the requesting office.

APPRAISAL PRIORITY

It is apparent from the earliest parcel estimates and preliminary right of way maps which parcels have occupied structures on them and, therefore, must be given priority. It is the responsibility of

the various District Supervisors and their delegated Project Supervisors to give full priority to the appraising of those properties on which any occupied structures are to be taken or damaged so as to make them uninhabitable. Information is to be secured from the Division of Roads, Location and Design as to construction schedules and stages so that priorities may be arranged to conform with the planned construction schedules.

PART II

APPRAISAL REVIEWS, APPRAISAL PROCESSING

AND APPRAISAL STATUS RECORDS

APPRAISAL REVIEW
(Statement of
Requirements)

The Federal Bureau of Public Roads PPM 21-4.1 (par. 5j) defines the documentary requirements pertaining to the determination of fair market value as follows:

PPM 21-4.1 (par. 5j)

"(1) Determination of Fair Market Value by State Reviewing Appraiser: Within each State highway department, one or more individuals, hereinafter referred to as reviewing appraisers, are authorized to determine the fair market value of real property, which amount is to govern negotiations and settlements. In making such a determination, the reviewing appraiser may consider all competent information of value that is available, including appraisals secured by the State highway department and the property owner, recent awards by condemnation juries for similar properties in the same area, and any other pertinent value information that is relevant in his determination. The reviewing appraiser, on the basis of additional value information available to him may adjust the determination as to fair market value at any time prior to settlement.

"(2) Documentation and Support of Reviewing Appraiser's Determination of Fair Market Value:

(a) If the reviewing appraiser finds that one of the State's appraisals contains adequate presentation of bases of the appraisal and is a

competent and reasonable measure of fair market value, he should so indicate by placing his signature and date of determination on such appraisal or on an attachment thereto. In this case the documented appraisal will be accepted as justification for payment of the Federal share of the settlement which does not differ substantially from the value set forth in such appraisal.

"(b) If the reviewing appraiser determines that the fair market value differs substantially from any of the State's appraisals, he should include in the State's files a signed statement setting forth his determination of fair market value and an explanation of the bases therefor. This supported and documented statement will be accepted as justification for payment of the Federal share of the settlement which does not differ substantially from the value set forth in such statement."

APPRAISAL REVIEW
(Definition of Reviewing
Appraiser's Function)

These requirements have been further defined by the Federal Bureau of Public Roads as follows:

"Simply stated it is expected that the reviewing appraiser will review all appraisals and then establish a single figure which he feels represents the fair market value of the property taken and damages to the remainder, if any. If his determination coincides with one of the appraisals he may so indicate on that appraisal but where his determination differs, either up or down, substantially from any of the appraisals it is necessary that he document the file as to the reasons for his determination."

REVIEWING APPRAISER'S
DETERMINATION OF
REASONABLE VALUE

This is interpreted to mean that the reviewing appraiser will examine, and office and field review all appraisals secured by the State on each specific parcel.

When all appraisals on a particular parcel have been reviewed, the reviewing appraiser will then summarize, correlate and review the results of each appraisal so as to establish a single figure within the range of the appraisals which he feels represents the fair market value of the property taken and of damages to the remainder, if any. If this figure coincides with one of the appraisals, the reviewing appraiser will indicate his determination with a signed statement identifying the appraisal and the amount of his determination. The documented appraisal and the signed statement of determination will then be considered as justification for settlement up to the amount of the determination.

Should there be an instance when the reviewing appraiser's determination differs substantially, up or down, from any of the appraisals, he shall document the files with a signed statement adequately supporting his determination of value. This supported and signed statement shall then be considered as justification for settlement up to the amount of the determination.

FAIR MARKET VALUE

Reasonable Fair Market Value may be defined as being the highest amount in terms of money that the subject property would bring if it were offered on the open market over a reasonable length of time, assuming that both the

buyer and the seller have a full knowledge of all uses, restrictions, and conditions affecting the property and that neither party was acting under compulsion or duress.

In partial takings, this same premise would apply on a before and after basis, with the difference between the fair market value before the taking and the fair market value after the taking being the reasonable fair market value of the taking and of any damages resulting to the remainder.

APPRAISAL REVIEW
REQUIREMENT

All appraisals on both State and Federal-Aid Projects shall be reviewed in accordance with the defined requirements prior to the institution of negotiations or of testimony in condemnation.

REVIEWING APPRAISERS

To provide an adequate staff of reviewing appraisers who are independent from all negotiations responsibilities, there shall be assigned to each of the various District offices one or more full time reviewing appraisers.

These reviewers shall be appointed from the Civil Service classification of Principal Negotiator. They shall be assigned to the administrative staff of the District office and through the District Supervisor to whose staff they are assigned they shall be directly responsible to the Supervisor of the Bureau of Appraisals and Negotiations or to his delegated assistant responsible for appraisal matters.

District Supervisors have the responsibility of furnishing the reviewing appraisers assigned to their staffs with adequate office facilities and assistance in the form of stenographic aid and other Right of Way personnel to assist the reviewing appraiser with clerical and checking procedures. The District Supervisor also has the responsibility to see that all required review procedures are followed in his District.

DUTIES OF REVIEWING
APPRAISER

District reviewing appraisers shall perform the following duties:

1. Maintain appropriate appraisal work status records and reports.
2. Review all appraisals, Departmental and Fee, to assure conformity with State and Federal Bureau of Public Roads standards.
3. Establish a determination of reasonable fair market value for all parcels or easement rights appraised in his District.
4. Perform such other related work pertaining to appraisal reviews as may be required.

MASTER LOG BOOKS

To provide uniform appraisal work status records and work progress controls, a master log book shall be maintained by the reviewing appraiser in each District. Similar log books, one for each District,

shall be established and maintained in the Appraisal Section of the office of the Supervisor of the Bureau of Appraisals and Negotiations. These log books shall be kept current as to new parcels through the inclusion of the appraisal review staff in the distribution of all parcel map transmittals and notices promulgated by the Director's office. (see Supplement No. 3 - Appraisal Work Status Log Book Pages)

APPRAISAL STATUS DATA

Upon the assignment of Departmental Appraisers or the initiation of written requests for fee appraisal orders, the requesting Principal Negotiator shall note the assignments and requests on the appropriate page of his individual parcel status book. (see Supplement No. 4) Notations of these same assignments and requests shall also be made in both the District reviewing appraiser's log book and the appropriate Trenton office log book as soon as these sections receive their copies of the assignment requests.

By this process running accounts and master records of the appraisal status of all parcels assigned to the Right of Way Division will be available in the headquarters office in Trenton as well as in each of the District offices. In addition, each Project Supervisor will have a parcel by parcel appraisal status record of all parcels assigned to him.

APPRAISAL DELIVERIES
(Stamping and Delivery
Date Records)

All completed appraisals shall be delivered in quadruplicate to the District Supervisor. Upon delivery each appraisal (original and all copies) is to be stamped in, and delivery dated. Stamping will be made on the front page of each appraisal through use of the following stamps:

Stamp No. 1
(for original copy)

Received _____

Office Reviewed _____

Field Reviewed _____

Stamp No. 2
(for duplicate copies)

Received _____

Original, Office
and Field
Reviewed _____

REVIEW RECORDS
AND PROCESSING

Following affixing of the stamps and the date of delivery, the appraisal will be transmitted to the reviewing appraiser who will note the delivery in the status log book and on an individual "Review of Appraisals Check Sheet". (see Supplement No. 5)

OFFICE REVIEWS

As soon as practical after the delivery of an appraisal, the reviewing appraiser will complete an office review of the delivered appraisal for:

- A. Format
- B. Documentation (for Presentation and Sufficiency)
- C. Mathematical Calculations

The office review is to be on an item by item basis against the reviewing appraiser's check sheet form.

Appraisals found acceptable in the office review will be dated and initialed in the appropriate stamped places. The reviewing appraiser's log book will also be appropriately marked and one copy of the appraisal will be transmitted to the Project Supervisor for notation in his individual parcel status book. Following these approvals and status notations, the original and all copies of the office reviewed appraisal will be placed in the appropriate individual parcel folder pending delivery of all other appraisals covering the same parcel.

Any appraisals found to be unacceptable in the office review will be status noted, transmitted and filed as outlined hereinbefore. The appraisal copy transmitted to the Project Supervisor will have attached thereto a form memorandum (see Supplement No. 6) from the reviewing appraiser requesting the Project Supervisor to inform the appraiser of the need for supplemental documentation.

Any requested supplements are to be delivered to the District Supervisor and are to be reviewed and processed in the same manner as original appraisal reports. Following acceptance of an appraisal supplement, it shall be attached to, and made a permanent part of the previously delivered appraisal report.

FIELD REVIEWS

When all required appraisals for a particular parcel have been delivered and office reviewed, the reviewing appraiser shall make a field review. The field review shall include an examination of the subject property and of pertinent comparable sales as well as, when applicable, a correlation of one case with another. Upon completion of the office and field review, all appraisals shall be initialed by the reviewing appraiser in the appropriate stamped place.

DETERMINATION OF FAIR
MARKET VALUE

Following completion of the field review, the reviewing appraiser shall establish a determination of reasonable fair market value. This determination shall be documented on the Departmental form "Reviewing Appraiser's Determination of Fair Market Value". (see Supplement No. 7)

Should there be an instance when the reviewing appraiser's determination varies from the value supported by any of the State's appraisals, his determination report must include a fully supported statement of his determination of value.

REASONABLE VALUE
REGISTRATION

Prior to institution of negotiations, the reviewing appraiser's signed determination statement shall be transmitted in triplicate together with one copy of all appraisals secured in support of the subject parcel to the Appraisal Section of the office of the Supervisor of the Bureau of Appraisals and Negotiations.

The Supervisor's office shall "Register" the determination statement by record notations in the appropriate status log book of pertinent figures and dates and by the signing and dating of the original and all copies of the registration certificate section of the reviewing appraiser's determination form.

Upon registration, the original copy of the reviewing appraiser's signed statement and the registration certificate will be retained in the office of the Supervisor of the Bureau of Appraisals and Negotiations. The duplicate and triplicate copies together with the appraisals will be transmitted to the reviewing appraiser for distribution as follows:

1. Duplicate copy to District parcel file
2. Triplicate copy to Project Supervisor for record notation and use by the assigned negotiator

NEGOTIATIONS

Upon notice of the registration of a determination of value and return of the registered copies of his determination statement, the reviewing appraiser is authorized to inform the appropriate District office personnel that negotiations may be instituted on the subject parcel and that settlement may be made up to the amount indicated in the registered determination of fair market value.

Upon conclusion of negotiations, the duplicate (District office copy) of the registered determination statement will be made a part of the case file when it is transmitted to Trenton for Commission Action. The triplicate copy will be permanently retained in the District office with the "hold copy" of the Price Approval Sheet.

HEADQUARTERS "AUDIT"

The review of the case file in the office of the Supervisor of the Bureau of Appraisals and Negotiations before presentation to the Director of the Division of Right of Way Acquisition and Titles for approval and recommendation of action to the State Highway Commissioner shall include a "matching" of the original copy of the reviewing appraiser's registered determination of fair market value against the settlement amount and the duplicate registered statement submitted by the District office.

No case is to be presented to the Director unless this "matching audit" finds that both the original and duplicate copies of the registered determination statements are identical. Following this audit, both the original and duplicate value determination statements are to remain as a permanent part of the bound case file.

DELIVERY AND REVIEW OF
APPRAISAL REVISIONS
AND SUPPLEMENTS

Any appraisal revisions or addendum supplements which become necessary are to be delivered, date stamped, reviewed and processed by the same procedures required for the delivery and review of initial appraisal reports. They are then to be permanently attached to the original report which the reviewing appraiser will initial and note as superseded or revised.

REVISED OR SUPPLEMENTED
VALUE DETERMINATIONS

When an appraisal is supplemented or revised, the reviewing appraiser will prepare a supplemental determination statement based on the appraisal revision or addendum supplement. Also, on the basis of new information available to him, the reviewing appraiser may adjust his determination of fair market value at any time prior to settlement.

RE-REGISTRATION OF VALUE
DETERMINATION STATEMENTS

All supplemental or revised determination statements are to be prepared on the Departmental form "Reviewing Appraiser's Determination of Fair Market Value" (see Supplement No. 7) and submitted to the office of the Supervisor of the Bureau of Appraisals and Negotiations for "re-registration" before any negotiations are conducted on the basis of the supplemented or revised determination.

WEEKLY REPORT OF VALUE
DETERMINATIONS

On the last working day of the week each District reviewing appraiser will forward to the office of the Supervisor of the Bureau of Appraisals and Negotiations a report of all fair market determinations which have been registered during the current week. These reports will be submitted in duplicate on the appropriate form. (see Supplement No. 8) One copy of each District's weekly report will be transmitted to the Division office of the Federal Bureau of Public Roads. The originals shall be retained in a cumulative file in the Appraisal Section of the office of the Supervisor of the Bureau of Appraisals and Negotiations.

WEEKLY REPORT OF
DEPARTMENTAL APPRAISALS

On the last working day of the week, each District reviewing appraiser will forward to the office of the Supervisor of the Bureau of Appraisals and Negotiations a tabulation of the appraisals delivered by each Departmental Appraiser during the current week. These reports shall indicate the name of the Project Supervisors in the District and all appraisers assigned to each Supervisor. Notation of the appraisal delivery shall be made in the Headquarters Office appraisal status log book. (see Supplement No. 9)

WEEKLY REPORT OF FEE
APPRAISALS

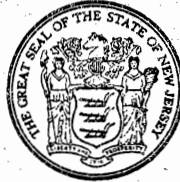
On the last working day of the week, each District reviewing appraiser will forward to the office of the Supervisor of the Bureau of Appraisals and Negotiations a tabulation of the fee appraisals delivered by all Fee Appraisers during the current week. Notation of the appraisal delivery shall be made in the Headquarters Office appraisal status log book. (see Supplement No. 9)

LIMITING CONDITIONS

The Supervisor of the Bureau of Appraisals and Negotiations may initiate such additional requirements or statistical reports as may be necessary to carry out the full intent of these defined procedures. However, no changes which alter or revise these procedures in any way may be made without the prior written approval of the Director of the Division of Right of Way Acquisition and Titles.

EFFECTIVE DATE

These procedures shall be effective upon approval of the State Highway Commissioner and notice of acceptance by the Federal Bureau of Public Roads.



Route 18, Section 6
 Project U-112-(18)
 Tanners Corner to Old
 Bridge Traffic Circle

State of New Jersey
 STATE HIGHWAY DEPARTMENT
 DWIGHT R. G. PALMER, COMMISSIONER
 TRENTON 25

Middlesex County
 Appraisal Request

August 16, 1963

Mr. John A. Whitehead:

The above parcel(s) is about to be submitted for authority to condemn. As its estimated value is under \$5,000, it has been appraised by a staff appraiser only. So that a fee appraiser will be available to testify when the case goes to trial, it is recommended that if a favorable answer is not received to the Departmental formal offer letter, which follows the granting of authority to institute condemnation by the Commissioner, an appraisal order be issued to Mr. Nicholas Friday, 103 Bayard Street, New Brunswick, New Jersey, as follows:

<u>Parcel</u>	<u>Owner</u>	<u>Est. Value Entire</u>	<u>Est. Value Taking</u>	<u>Fee</u>	<u>Remarks</u>
80	Allen Russ	\$17,000	\$2,200	\$150	Partial taking improved commercial property.

Mr. Friday has agreed to appraise the property at the fee indicated and to deliver this appraisal within _____ days of the receipt of an approved appraisal order.

 Principal R/W Negotiator

 District Supervisor

 Assistant District Supervisor

SUPPLEMENT NO. 1

NEW JERSEY STATE HIGHWAY DEPARTMENT
 Division of Right of Way Acquisition and Titles
 Bureau of Appraisals and Negotiations

To: _____ Date: _____

From: _____

Subject: Appraisals

It is requested that you please appraise the below listed parcels. These appraisals are required as soon as possible and are to be completed by no later than the dates indicated. Right of Way maps and pertinent construction details are available in this office for your use. If you have any questions pertaining to this assignment or if for any reason you cannot complete the appraisals by the dates indicated, please see me immediately.

<u>Route & Section</u>	<u>Project Number (if applicable)</u>	<u>Parcel</u>	<u>Owner</u>	<u>Completion Date</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Remarks:

Note: (Prepare in quadruplicate) Original to appraiser; duplicate to District Reviewer; triplicate to Appraisal Review Section, Trenton; quadruplicate to District Office Administrative Records.

NEW JERSEY STATE HIGHWAY DEPARTMENT
Division of Right-of-Way

STATUS OF INDIVIDUAL CASE REPORT

Decs. Rec's. _____

Federal Project No. _____

Route _____ Section _____ Parcel/s _____

Owner's Name & Address _____

Agent & Address _____

Appraisers (Departmental)

<u>Date</u>	<u>Name</u>	<u>Land</u>	<u>Impvts.</u>	<u>Damage</u>	<u>Total</u>

Appraisers (Outside)

<u>Name</u>	<u>Fee</u>	<u>Order #</u>	<u>Land</u>	<u>Impvts.</u>	<u>Damage</u>	<u>Total</u>

Investigator _____ Date _____ Pictures Taken _____

Negotiator Assigned _____ Date _____

Remarks: _____

_____ Date Submitted _____ Owner's Demand _____ Auth. SHC _____

Condemnation _____
(Amount)

Agreement _____

Bldg. Removal Certificate Requested _____ Date Submitted _____ By _____

REVIEWING APPRAISER'S WORK CHECK SHEET

Route _____ Section _____ Parcel No. _____ Owner _____ Partial Taking Total Taking

COMPARISON OF APPRAISALS

of Appraisal	Appraiser	Land \$	Improvements \$	Damage \$	Value Before \$	Value After \$	Appraised Value \$
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Check List	Appraisal No. 1			Appraisal No. 2			Appraisal No. 3			Appraisal No. 4		
	Office	Field	Remarks	Office	Field	Remarks	Office	Field	Remarks	Office	Field	Remarks
CAPTION												
a. identification of route, section & parcel.												
b. project number												
c. dated & stamped in												
d. (fee appraisal) letter of transmittal & index.												
STATEMENT OF PURPOSE												
NARRATIVE DESCRIPTION OF PROPERTY												
a. general property description, identification												
b. land description, size, terrain, etc.												
c. improvement & use & condition												
d. neighborhood & trend, zoning, service facilities												
e. assessed value												
DELINEATION OF TITLE (5 YR. SALES HISTORY)												
METHOD OF APPRAISING												
a. nature of taking & effect on remainder												
b. appraisal process (value before)												
1. statement as to highest & best use.												
2. approaches used <input type="checkbox"/> Cost <input type="checkbox"/> Market <input type="checkbox"/> Income												
3. reasons why certain approaches not used												
c. appraisal process (value after when applicable)												
1. statement as to highest & best use.												
2. approaches used <input type="checkbox"/> Cost <input type="checkbox"/> Market <input type="checkbox"/> Income												
3. reasons why certain approaches not used												
d. appraiser's reasoning.												

(continued on reverse side)

6. DOCUMENTATION

a. value before (entire takings-check VB only)

Appraisal No. 1			Appraisal No. 2			Appraisal No. 3			Appraisal No. 4		
Office	Field	Remarks	Office	Field	Remarks	Office	Field	Remarks	Office	Field	Remarks
VB	VA		VB	VA		VB	VA		VB	VA	
1. Cost Approach											
a. land: sales data, analysis & conclusion.											
b. improvements: unit rates depreciation, conclusion. .											
c. mathematics, total & conclusion.											
2. Market Comparative Approach											
a. sales listed, identified, verified											
b. sales analysis & degree of comparability											
c. sales summary.											
d. mathematics & conclusion											
3. Income Approach											
a. gross & net income estimates & support											
b. basis of capitalization rate											
c. income estimate											
d. mathematics & conclusion											
4. value before - value after											
<u>CONCLUSION AND JUSTIFICATION</u>											
a. results brought down & correlated											
b. appraiser's reasoning & conclusion											
<u>CERTIFICATION OF APPRAISALS</u>											
a. conflict of interest statement											
b. statement of value											
c. breakdown of results											
d. signature & notarization											
<u>REVIEWER'S SUMMARY AND CONCLUSION</u>											
a. appraised value reasonable											
b. appraisal content generally satisfactory											

REMARKS AND VALUE DETERMINATION

NEW JERSEY STATE HIGHWAY DEPARTMENT
Division of Right of Way Acquisition and Titles
Bureau of Appraisals and Negotiations
REVIEWING APPAISER'S DETERMINATION OF VALUE

Route No. Section No. Parcel No. Owner

TO:
Supervisor, Bureau of Appraisals and Negotiations

This is to certify that in accordance with the procedures and requirements defined in the Right of Way Division Operational Guide Lines for Right of Way Appraisals and Review Procedures, I have office and field reviewed the following appraisals (copies of which are attached hereto) which have been secured in support of the above listed acquisition:

Table with 7 columns: Date, Appraiser, Land, Improvements, Damage, Total, Recommendation. Section: DEPARTMENT APPRAISALS

Table with 7 columns: Date, Appraiser, Land, Improvements, Damage, Total, Recommendation. Section: OUTSIDE APPRAISALS

Reviewing Appraisers Supporting Remarks:

(Continued on Reverse Side [])

After carefully considering all factors, it is my opinion that as of this date, the reasonable fair market value of this acquisition is \$

Date: (Reviewing Appraiser)

Witness

REGISTRATION CERTIFICATE

TO: Registration Date:

Reviewing Appraiser

This is to inform you that the above determination of value has been Registered by retention of the original copy of your determination report in this office. Returned herewith are the appraisals and the duplicate and triplicate copies of your report. As of the date of registration these documents may be transmitted to the District Supervisor with authority to negotiate up to the amount of your determination.

Supervisor, Bureau of Appraisals and Negotiations

NOTE: (Prepare in triplicate) Original, duplicate and triplicate copies to Headquarters Office for registration (by signature and retention of original in Headquarters Office). Registered duplicate and triplicate copies to be returned to reviewing appraiser for distribution to District Supervisor. Negotiators "all diary" data to be maintained on reverse side of triplicate copy.

NEW JERSEY STATE HIGHWAY DEPARTMENT
Division of Right of Way Acquisition and Titles
Bureau of Appraisals and Negotiations
REVIEWING APPRAISER'S DETERMINATION OF VALUE

Route No. Section No. Parcel No. Owner

TO:
Supervisor, Bureau of Appraisals and Negotiations

This is to certify that in accordance with the procedures and requirements defined in the Right of Way Division Operational Guide Lines for Right of Way Appraisals and Review Procedures, I have office and field reviewed the following appraisals (copies of which are attached hereto) which have been secured in support of the above listed acquisition:

DEPARTMENT APPRAISALS

Table with columns: Date, Appraiser, Land, Improvements, Damage, Total, Recommendation. Includes dollar signs and dotted lines for data entry.

OUTSIDE APPRAISALS

Table with columns: Date, Appraiser, Land, Improvements, Damage, Total, Recommendation. Includes dollar signs and dotted lines for data entry.

Reviewing Appraisers Supporting Remarks:

(Continued on Reverse Side [])

After carefully considering all factors, it is my opinion that as of this date, the reasonable fair market value of this acquisition is \$

Date: (Reviewing Appraiser)

Witness

REGISTRATION CERTIFICATE

TO: Registration Date:

Reviewing Appraiser

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Supervisor, Bureau of Appraisals and Negotiations

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NEW JERSEY STATE HIGHWAY DEPARTMENT
Division of Right of Way Acquisition and Titles
Bureau of Appraisals and Negotiations

REVIEWING APPRAISER'S DETERMINATION OF VALUE

Route No. _____ Section No. _____ Parcel No. _____ Owner _____

TO:
Supervisor, Bureau of Appraisals and Negotiations

This is to certify that in accordance with the procedures and requirements defined in the Right of Way Division Operational Guide Lines for Right of Way Appraisals and Review Procedures, I have office and field reviewed the following appraisals (copies of which are attached hereto) which have been secured in support of the above listed acquisition:

DEPARTMENT APPRAISALS

Date	Appraiser	Land	Improvements	Damage	Total	Recommendation
.....	\$	\$	\$	\$	\$
.....
.....
.....

OUTSIDE APPRAISALS

Date	Appraiser	Land	Improvements	Damage	Total	Recommendation
.....	\$	\$	\$	\$	\$
.....
.....
.....

Reviewing Appraisers Supporting Remarks:

(Continued on Reverse Side)

After carefully considering all factors, it is my opinion that as of this date, the reasonable fair market value of this acquisition is \$ _____.

Date: _____ (Reviewing Appraiser)

Witness

REGISTRATION CERTIFICATE

TO: _____ Registration Date: _____

Reviewing Appraiser

This is to inform you that the above determination of value has been Registered by retention of the original copy of your determination report in this office. Returned herewith are the appraisals and the duplicate and triplicate copies of your report. As of the date of registration these documents may be transmitted to the District Supervisor with authority to negotiate up to the amount of your determination.

Supervisor, Bureau of Appraisals and Negotiations

(Prepare in triplicate) Original, duplicate and triplicate copies to Headquarters Office for registration (by signature and retention of original in office). Registered duplicate and triplicate copies to be returned to reviewing appraiser for distribution to District Supervisor. Negotiators to be maintained on reverse side of triplicate.

