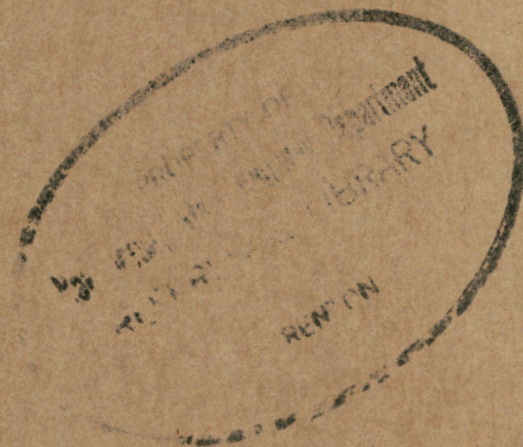


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OPERATIONAL
GUIDE LINES FOR
FEE APPRAISER CONTRACTS AND FEES



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

MAY 1963

New Jersey State Library

155.28

REQUIREMENTS

The Federal Bureau of Public Roads Instructional Memorandum 21-2-63 dated February 27, 1963 defines the Federal policy relating to Federal reimbursement of appraisal fees and requirements for fee Appraiser contracts.

PURPOSE

The purpose of these Guide Lines is to outline the procedures to be followed in complying with State and Federal requirements concerning fee Appraiser contracts and fees.

RESPONSIBILITY

Under direction 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, shall have the responsibility for complying with the procedures herein outlined and the intent of the Federal I. M. 21-2-63.

PROCEDURES
(Qualified
Fee Appraisers)

The Bureau of Appraisals and Negotiations shall maintain a list of qualified fee Appraisers. Whenever an application is received from an outside Appraiser, he is to submit a detailed list of his qualifications and experience. The Appraiser is to be personally interviewed to gain first-hand knowledge of his personal ability, his real estate background and local reputation. A written report of the interview is to be forwarded by the District Supervisor to the Trenton office of the Bureau of Appraisals and Negotiations. If the applicant qualifies and is approved, his name may then be entered on the list of approved fee Appraisers. The minimum qualifications for fee Appraisers are defined in the Departmental Form DO-24-4401 "Qualifications and Certifications of non-Departmental Appraisers". (See Supplement No. 1)

The approved fee Appraisers list shall be kept on a State-wide basis indicating by County the areas in which the Appraiser is considered to be qualified. Copies of the list shall be furnished to each of the District Supervisors.

FEEES

When the services of a fee Appraiser are required on any highway project, the Project Supervisor (Principal Negotiator) familiar with the properties affected shall visit the project site to determine what Appraisers are available and considered qualified for assignments and to recommend fees that will be both fair to the Appraiser and to the Highway Department.

Fees to be paid outside Appraisers are to be on the basis of a specific amount for each specific parcel to be appraised or, in the instance of engineering or other technical specialists, an amount for the specific project or job involved.

Fees are a matter of negotiation. Elements to be considered in arriving at a fee to be paid are: nature of acquisition; type of property involved; number of parcels to be appraised, whether they are scattered or concentrated; type and number of evaluation approaches required; the background and experience of the Appraiser and estimated time that would be required for the assignment.

Fees paid specialists, such as golf course architects, industrial engineering appraisers, geologists and other technical experts are to be arrived at after detailed discussions of the nature and scope of the assignment and in most instances, after the submission to the Highway Department of written proposals.

INITIAL ORDER
REQUEST
(Procedure)

Initial order requests shall originate in the District Offices. When a Project Supervisor has prepared a written order request, it shall be submitted over his signature to the District Supervisor and the Assistant District Supervisor for review and for the arrangement of a tentative understanding with the Appraiser as to whether he will accept the assignment on the basis of the terms proposed both as to fees, format and documentation and the date of completion.

WRITTEN ORDER
REQUESTS
(Preparation)

The original copy of order requests shall be forwarded over the signature of the Project Supervisor, the District Supervisor and the Assistant District Supervisor to the Supervisor of the Bureau of Appraisals and Negotiations at the central office in Trenton. The duplicate copy shall be retained in the District office pending order log book.

WRITTEN ORDER
REQUESTS
(Transmittal
to Trenton)

Order requests shall be identified by Route, Section, Local Name and if applicable, by Federal-Aid Project number. Each parcel to be appraised shall be described by Number, Owner, whether it is partial or entire, estimated value of taking, Appraiser suggested, the fee to be paid and under remarks, a descriptive explanation of any special elements considered in arriving at the recommendation of the proposed fee and the desired appraisal delivery date. (See Supplement No. 2, Written Order Request)

APPRAISAL ORDER
PROCESSING

Appraisal order requests received by the Supervisor of the Bureau of Appraisals and Negotiations are to be reviewed for necessity, accuracy of data, reasonableness and propriety of suggested fees, and qualifications of the requested Appraiser.

APPRAISAL
ORDER FORMS

Appraisal Order and Report of Delivery Forms are stocked in pad form in color coded sets as follows: (See Supplement Nos. 3 and 4)

1. Form RE 95(a) (Appraiser's Copy)
2. Form RE 95(b) (Acceptance Copy)
3. Form RE 95(c) (Comptroller's Copy)
4. Form RE 95(d) (District Office Copy)
5. Form RE 95(e) (Division Office Copy)

1. Form RE 96(a) (Comptroller's Copy)
2. Form RE 96(b) (Division Office Copy)

ORDER
RECOMMENDATION

Upon his concurrence in a District appraisal order request, the Supervisor of the Bureau of Appraisals and Negotiations may initiate a recommendation for the requested appraisals by executing one set of appraisal order forms and a Commission Action Slip Form RE-27. (See Supplement No. 5)

The executed order forms together with the Commission Action Slip will then be presented to the Director for approval and transmittal to the State Highway Commissioner with a recommendation that the order be approved. The order-typed receipt report forms will be held by the Supervisor of the Bureau of Appraisals and Negotiations pending delivery of the appraisals.

ORDER APPROVAL
(Commission
Action)

All appraisal orders must be presented to the State Highway Commissioner for formal approval and execution. No payment can be made for appraisals secured without prior approval of the order by the State Highway Commissioner.

After an order has been approved by the State Highway Commissioner, signed copies of the Commission Action Slip and all copies of the order forms are returned to the Division of Right of Way Acquisition and Titles. The Supervisor of the Bureau of Appraisals and Negotiations will distribute the approved order as follows:

1. Bureau of Appraisals and Negotiations retains one copy of the order and both copies of Delivery of Appraisals report forms in "pending order log book".
2. Forwards copy of Commission Action Slip and copy of order to the Highway Department Comptroller's office.
3. Forwards original and two copies to the District office which initiated the request.

ORDER DELIVERY

For record purposes the District office will retain one appraisal order copy in a "pending order log book" and forward the original and the acceptance copy of the order to the Appraiser together with General Property Parcel Map and other relevant material required by the Appraiser to undertake the assignment.

ORDER ACCEPTANCE

To indicate his acceptance of the order the Appraiser must agree to the terms of the order by signing and returning to the District office the executed acceptance copy of the order. After notation of the Appraiser's acceptance in the District office records, the accepted order copy shall be transmitted to the Bureau of Appraisals and Negotiations.

Appraisal orders are considered to be a binding contract. By his acceptance of an order, the Appraiser agrees to perform his appraisal services strictly in accordance with all agreed contract terms and specifications.

No payment can be made for any work begun prior to the Appraiser's written acceptance of an approved order or which does not meet State requirements as to format and supporting documentation.

APPRAISAL DELIVERY

Completed appraisals are to be delivered to the District Supervisor specified in the appraisal order. Upon delivery all copies of each appraisal will be stamped in as to the date of delivery. Delivered appraisals may not be returned to the Appraiser for revision or correction except by written record which shall be made a part of the individual appraisal report.

PAYMENT
PROCESSING
(District
Office)

Record notations of delivered appraisals shall be made on the District office "pending order log book". Upon delivery and Departmental acceptance of all appraisals covered in an order, the Appraiser may submit his invoice form A. C. 8. (See Supplement No. 6)

The District office will then transmit the invoice together with one copy of each appraisal covered by the order to the Supervisor of the Bureau of Appraisals and Negotiations. Upon transmittal of the invoice and appraisal copies, the District "pending copy" of the order shall be placed in the completed side of the office "pending log" and notation of the transmittal shall be made on the order copy. By this process a record account of all "pending" and all completed fee appraisal orders will be available in each District office "pending order log book".

PAYMENT
PROCESSING
(Trenton
Office)

Upon receipt of the invoice and appraisals from a District office, the Appraisal Bureau shall complete the Report of Delivery Forms RE 96(a) and RE 96(b). (See Supplement No. 4)

One copy of the Report of Delivery Form RE 96(a), together with the Appraiser's invoice, will then be forwarded to the Comptroller's office for audit and approval of payment.

The duplicate Report of Delivery Form RE 96(b) will be incorporated in the Appraisal Bureau's "pending order book". The appraisal copies transmitted to Trenton with the Appraiser's invoice shall be entered in the appropriate official Right of Way Division Route Book and processing of the order will then be considered to have been completed.

MISCELLANEOUS
(Per Diem
Services)

Rates for per diem services rendered in connection with pre-trial conferences, court testimony and appearances are specified in each approved appraisal order.

Appraisers will be notified by the Department of Law of the need of their per diem services in connection with condemnation matters. All invoices submitted for such appearances must be approved by the Trial Attorney, accompanied by a certification as to the need for the Appraiser's services in connection with condemnation and that the Appraiser was authorized to appear and did render the services for the number of full or half days indicated on his invoice. (See Supplement No. 7)

EFFECTIVE DATE

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

LIMITING
CONDITIONS

No changes in the procedures and forms outlined may be made without prior written approval of the Director, Division of Right of Way Acquisition and Titles.

5. Qualifications and certifications of Non-Departmental Appraisers

.01 Maintenance of List of Appraisers by Counties: Lists shall be maintained of qualified, certified, and approved realtors, real estate operators, and appraisers for each county of the State, which lists shall be revised and supplemented from time to time by the addition of qualified and certified real estate operators, and appraisers, recommended by the Director and Chief Right-of-Way Engineer, and authorized and approved by the Commissioner.

.02 Basic Qualification Requirements: The desirable basic qualifications required for non-departmental appraisers shall be as follows:

1. Graduation from high school or equivalent education.
2. Holding a certificate of completion from a business or professional course, with specialization in real estate, real estate appraisals, real estate and commercial law, conveyancing, laws of eminent domain, and related subjects, or proof of training, education, and experience equivalent thereto.
3. At least 5 years successful experience in real estate operation, appraisal of real estate and land development. This should include experience in both urban and rural lands, buildings and improvements, residential, business, and industrial properties, and similar real estate and appraisal experience.
4. Membership in the American Institute of Real Estate Appraisers (M.A.I.), in the Society of Residential Appraisers, or in some similar recognized technical organization interested in real estate operations, appraisals, and valuations of established or equivalent standing and reputation. If not a member of any similar technical organization, proof shall be presented of comparable attainment in the appraisal and valuation field by other means, such as advanced courses in recognized institutions in the valuation and appraisal field.
5. All appraisers must have experience and ability in interpreting highway plans, must be familiar with basic legal principles and court decisions affecting appraisal and valuation of property taken by the State for highway purposes, or other public improvements.
6. Appraisers testifying as experts in condemnation proceedings must also demonstrate special ability and superior knowledge in specialized fields in which appraiser is to testify, and must possess personal qualifications as an impressive and effective witness.



IN REPLY PLEASE REFER TO

Route 404-296, Section 4
From Paul's Creek to York Road
Federal-Aid Project I-404-2-(7)

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

Appraisal Request
Atlantic County

April 2, 1963

Mr. John Whitehead:

It is requested that an appraisal order be prepared for Mr. George Wayne of 127 Blank Street, Atlantic City, 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>
52A & B	Solomon Berk	\$30,000.00	\$12,000.00	\$200.00	Partial, included within the taking is a small shed, 3 light standards and approximately $\frac{1}{2}$ the land. On the remainder is a service station. Appraisal on the Income Approach will be required.
53	Ann Shay	\$20,000.00	\$ 7,500.00	\$150.00	Partial, in the taking is a 1-story, frame chicken coop. On the remainder will be a $1\frac{1}{2}$ -story, frame residence and outbuilding. Zoning is Commercial as is probable highest and best use.

This is an original request and is required because the estimated taking values exceed \$5,000. To meet our schedules, it is necessary that George Wayne delivers the appraisals to us by no later than May 15, 1963.

Principal R/W Negotiator

Approved By:

Approved By:

District Supervisor

Assistant District Supervisor

SUPPLEMENT NO. 2

NEW JERSEY STATE HIGHWAY DEPARTMENT
DEPARTMENT ACTION SLIP

..... FOLD HERE FOLD HERE

FOR ACTION BY STATE HIGHWAY COMMISSIONER

To: Dwight R. G. Palmer
Commissioner

_____ Date

County of _____

Supervising Engineer, Appraisals & Negotiations

_____ Date

Director, Division of Right of Way

_____ Date

Approved as to Form:

Deputy Attorney General

_____ Date

Approved: _____

State Highway Commissioner

APPROVED
STATE HIGHWAY COMMISSIONER
SCHEDULE _____ 19

Action Certified

.....
Secretary

NEW JERSEY STATE HIGHWAY DEPARTMENT
DEPARTMENT ACTION SLIP

..... FOLD HERE FOLD HERE

FOR ACTION BY STATE HIGHWAY COMMISSIONER

To: Dwight R. G. Palmer
Commissioner

_____ Date

County of _____

Supervising Engineer, Appraisals & Negotiations

_____ Date

Director, Division of Right of Way

_____ Date

Approved as to Form:

Deputy Attorney General

_____ Date

Approved: _____
State Highway Commissioner

APPROVED
STATE HIGHWAY COMMISSIONER
SCHEDULE _____ 19

Action Certified

.....
Secretary

NEW JERSEY STATE HIGHWAY DEPARTMENT
DEPARTMENT ACTION SLIP

..... FOLD HERE

..... FOLD HERE

FOR ACTION BY STATE HIGHWAY COMMISSIONER

To: Dwight R. G. Palmer
Commissioner

_____ Date

County of _____

Supervising Engineer, Appraisals & Negotiations

_____ Date

Director, Division of Right of Way

_____ Date

Approved as to Form:

Deputy Attorney General

_____ Date

Approved: _____

State Highway Commissioner

APPROVED

STATE HIGHWAY COMMISSIONER

SCHEDULE _____ 19

Action Certified

.....
Secretary

NEW JERSEY STATE HIGHWAY DEPARTMENT
DEPARTMENT ACTION SLIP

FOLD HERE

FOLD HERE

FOR ACTION BY STATE HIGHWAY COMMISSIONER

To: Dwight R. G. Palmer
Commissioner

_____ Date

County of _____

TA-NON-AT
BOND

Supervising Engineer, Appraisals & Negotiations

_____ Date

Director, Division of Right of Way

_____ Date

Approved as to Form:

Deputy Attorney General

_____ Date

Approved: _____

State Highway Commissioner

APPROVED

STATE HIGHWAY COMMISSIONER

SCHEDULE _____ 19

Action Certified

Secretary

For Use of Accounting Bureau

Bill No.

Fiscal Year

Account

Order No.

Order Request

THE STATE OF NEW JERSEY

STATE HIGHWAY DEPARTMENT



To (Vendor's Name) Dr.

ADDRESS

DATE

TERMS

VENDOR'S INVOICE NO.

Table with multiple columns and rows for itemized entries.

Audited for Payment

Date

(Bureau of Audit)

THIS SPACE FOR ACCOUNTING BUREAU ONLY

APPROVED FOR \$

Approval Officer

VENDOR'S DECLARATION

I do solemnly declare that the within bill is correct in all its particulars...

Sign Here

Official Position

Date 19



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

Fee Appraiser
Condemnation
Services

Mr. H. N. Kramer, Director
Division of Right of Way Acquisition & Titles

Attention: Mr. John Whitehead, Supervisor
Bureau of Appraisals & Negotiations

This is to inform you that in connection with condemnation proceedings on Route _____, Section _____, Parcel _____, Owner _____ it was necessary to utilize the services of _____ who appraised the property under authority of Appraisal Order No. _____.

In accordance with my request, this Appraiser appeared on the following dates and I have approved his attached invoice for the full or half days indicated.

Date _____	(Pre-Trial)	(Court Appearance)	(Full)	(Half)	day
Date _____	(Pre-Trial)	(Court Appearance)	(Full)	(Half)	day
Date _____	(Pre-Trial)	(Court Appearance)	(Full)	(Half)	day
Date _____	(Pre-Trial)	(Court Appearance)	(Full)	(Half)	day
Date _____	(Pre-Trial)	(Court Appearance)	(Full)	(Half)	day
Date _____	(Pre-Trial)	(Court Appearance)	(Full)	(Half)	day

Date _____

Trial Attorney

SUPPLEMENT NO. 7

