

APPRAISAL WAIVER PROVISIONS

Pursuant to regulations found at 49 CFR 24.102, the following provisions will apply:

1. Who Can Make an Appraisal Waiver Determination? An appraisal waiver determination for uncomplicated, non-controversial valuation problems of \$10,000 or less can be approved by a District Manager upon the written recommendation of a realty specialist or other qualified personnel who have successfully completed one or more of the basic appraisal courses listed below, and have been certified by the designated Agency Approver to complete waivers:

- Forest Service Sponsored Appraisal Waiver Training - Basic Course.
- Forest Service Sponsored Appraisal Waiver Training - Advanced Course.
- One or more of the basic level courses as approved by the Oregon State Appraisal Certification and Licensure Board (or equivalent) or Washington State's Real Estate Appraiser Commission. A course recommended by the ASD is titled "[Basic Appraisal Procedures](#)" or "Basic Principles and Practices" and is 30 hours in length. The course covers A) Overview of Approaches to Value; B) Valuation Procedures; C) Property Description; and, D) Residential Applications (See Attachment 3).

Oregon's State Appraisal Certification and Licensure Board website is at <http://www.oregonaclb.org/>

Washington's Real Estate Appraiser Commission website is at <http://dol.wa.gov/business/appraisers/appcrpro.html>

District Managers are encouraged to qualify at least one realty specialist for this function so that waivers can be handled expeditiously at the local level.

2. Who Can Make the Review of Available Data? For appraisal waivers to be approved, the review of available data shall be made by a person having both a working knowledge of the local real estate market for similar properties and a working knowledge of appraisal principles. This review shall be made by a realty specialist or other qualified personnel who have successfully completed the appropriate level of training described in item 1 and have been certified by the Agency Approver.

3. Documentation Necessary to Support an Appraisal Waiver Determination. Three to four comparable sales supporting an estimated value are needed. Without supporting data in the office files, a search of public records should be made. Often, appraisers at the county assessor's office will have made a study of market value by land type (particularly for farm and forest

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lands), and can provide average values for the county or even a sub-area within the county as well as provide individual land sales. Either average values or individual sales may be used to support an appraisal waiver request. Counterparts at the Forest Service or other government offices may also have sales data that will help support values.

4. Format to be Used to Support an Appraisal Waiver. A brief appraisal waiver memorandum identifying the subject property and the comparable sale information, including a brief explanation of the value estimate is necessary. The memorandum is to be addressed to the District Manager from the appropriately qualified individual making the appraisal request. It should cite the legal authority for the waiver, identify the property in question, state the size of the property, state what rights are being acquired and provide an explanation of why the property's value would likely meet the required dollar limit. The bottom of the memorandum includes a line for the concurrence of the District Manager. A sample appraisal waiver memorandum is included as Attachment 4, and at Illustration No. 3, in Chapter VI, of the BLM Acquisition Handbook, H-2100-1.

5. Review of Appraisal Waivers. The designated Agency Approver will provide periodic management review of waiver cases to ensure conformance to this policy.

6. Staff Responsibilities. Authority to prepare appraisal waivers will be certified in writing by the designated Agency Approver to those employees who successfully complete the required training. All documentation collected in the analysis for the appraisal waiver is retained and made part of the official case file.

7. Inspection of Subject Property. When the property is inspected, the realty specialist or other qualified personnel inspecting the property must offer the owner of the property the option of accompanying him/her on the inspection tour. The appraisal waiver document should indicate when the property was inspected and include photographic evidence of the real property examined.

8. Landowner's Rights. When making an offer, the qualified personnel shall explain to the landowner that an appraisal has not been completed on the property. The offer letter to the owner should state this clearly, as well as explain how the consideration value was arrived at. (Reference Illustration 18, Chapter V, of the BLM Acquisition Handbook, H-2100-1, for a sample offer letter.) The offer is based on values paid for similar lands in the subject area. If a formal appraisal is requested by the landowner, the value could be different from the value currently offered.

9. Coordination with the Appraisal Services Directorate (ASD). The United States Department of the Interior's Appraisal Services Directorate prepares appraisals, appraisal reviews, and consultation services for the Interior agencies upon request from the specific agency.

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The ASD may provide limited support to those BLM offices choosing to use the appraisal waiver provisions, i.e.:

- a. The Act requires this person to have a sufficient understanding of the local real estate market and be qualified to make the low value, non complex valuation. Upon request, the ASD may provide appraisal education and training for the staff persons designated to perform the waiver valuations.
- b. Upon request, the ASD may provide consultation service by reviewing the proposed rules for compliance with requirements of the Act.
- c. Upon request, the ASD may provide a consulting service by auditing the existing waiver program for compliance with adopted rules and provisions of the Act.