



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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In Reply Refer to:

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November 13, 2007

EMS TRANSMISSION 12/05/2007

Instruction Memorandum No. OR-2008-025

Expires: 9/30/2008

To: All District Managers

From: State Director, Oregon/Washington

Subject: Authorization Requirements to Complete Appraisal Waivers for Low Value Acquisitions and Leases and Permits

Program Area: Real Property, Lands, Acquisition of Land and Interests in Land, and Leases and Permits.

Purpose: This Instruction Memorandum (IM) provides policy and guidance and identifies specific requirements for completion of appraisal waivers for certain transactions governed by the Federal Uniform Relocation and Assistance Act of 1970, as amended (Uniform Act) (42 U.S.C. 4601, et seq.).

Policy/Action: Regulations implementing the Uniform Act of 1970, as amended, can be found at Title 49 of the Code of Federal Regulations, Part 24 (49 CFR 24). The subject final rule was published in the *Federal Register* on January 4, 2005, at Volume 70, page 589. The regulation provides Department of Interior agencies and bureaus the ability to adopt rules governing the use of appraisal waiver provisions, excluding certain low value properties from requiring an appraisal or submission of an appraisal request to the Appraisal Services Directorate (ASD) for the qualifying property. A copy of pages 617 and 618 of the above mentioned *Federal Register* on which the actual waiver policy appears is attached for your reference (Attachment 1).

The regulation at 49 CFR 24.102 implementing this Act provides guidance for when an appraisal is not required, sets forth criteria for taking advantage of the appraisal waiver policy for uncomplicated valuation problems of \$10,000 or less, and provides the ability to adopt rules governing the use of appraisal waiver provisions. The regulations at 49 CFR 24.102 deal specifically with real property acquisition. Until such time as Bureau of Land Management-wide policy is implemented, use of appraisal waivers for estimation of lease and permit rental value is permitted where published schedules do not apply.

Please note this authority does not apply to sales/disposals pursuant to 43 CFR Group 2700 – Disposition; Sales.

The authority to determine that a property would most likely be valued at \$10,000 or less is limited to properly trained Bureau of Land Management (BLM) Realty Specialists or other qualified personnel. The determination of qualifications will be based on documented training and experience, resulting in a certification by the designated Agency Approver to the qualified BLM Realty Specialist or other qualified personnel to perform this action. In order to maintain authority and receive certification, personnel must attend one of the courses listed on the “Appraisal Waiver Provisions” attachment at least once every three years and receive a course score of 70 or more.

Effective immediately, the Oregon/Washington BLM will no longer require an appraisal for acquisitions of real estate or real estate interest, or determination of lease and/or permit rental values, if:

1. The owner is donating the property and releases the agency from this obligation.
2. It is determined that an appraisal is unnecessary in a purchase where the valuation is non-controversial and uncomplicated, and the fair market value is estimated at \$10,000 (or less). For lease or permit rental valuation, the underlying land value cannot exceed \$10,000.

The determination is based on the review of available data, documentation, and photographic evidence submitted by the realty specialist or other qualified personnel after the completion of the appropriate valuation exercise. All documentation collected in the analysis for the appraisal waiver must be retained and made part of the official case file.

Periodic random management review of appraisal waivers will occur. Should this policy become burdensome or ineffective, the BLM Oregon/Washington may choose to stop the practice. A limited number of regions within the U.S. Department of the Interior agencies and bureaus had previously adopted policy employing appraisal waivers, typically at the previous maximum level of \$2,500. Oregon and Washington implemented this policy in March 1996 (OR-IM-96-058).

Timeframe: This IM is effective upon receipt.

Budget Impact: The efficient use of the appraisal waiver authority provided under the above mentioned regulations reduces the overall cost of BLM funded valuation services while at the same time providing equitable treatment of landowners.

Background: “Title 49 CFR 24 implements the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.... The Uniform Act applies to all acquisitions of real property or displacements of persons resulting from Federal or federally assisted programs or projects and affects 18 Federal agencies. The Act provides for an agency to employ an appraisal waiver, defined as ‘the valuation process used and the product produced when the Agency determines that an appraisal is not required.’”

Manual/Handbook Sections Affected: Affects the Bureau of Land Management Handbook, H-2101-1, Acquisition, BLM Manual 2920, Leases, Permits, and Easements, and Oregon State Office Handbook, H-2920-1 – Leases, Permits and Easements.

Coordination: This document was coordinated with Helen Honse, Regional Appraiser, Northwest Region, Department of the Interior, Appraisal Services Directorate and Fred O’Ferrall, Chief, Branch of Lands and Mineral Resources, Oregon State Office.

Contact: If you have any questions, please address them to the following individuals.

- Designated Agency Approver, Chief (or Acting), Branch of Lands and Mineral Resources, Oregon State Office, at (503) 808-6154
- Pamela Chappel, Land Law Examiner/Program Lead for Land Tenure Adjustments, at 503-808-6170.

Districts with Unions are reminded to notify their unions of this Instruction Memorandum and satisfy any bargaining obligations before implementation. Your servicing Human Resources Office or Labor Relations Specialist can provide you assistance in this matter.

Signed by
Jody L. Weil
Acting, Associate State Director

Authenticated by
Mary O’Leary
Records Section

4 Attachments

- 1 - [Federal Register](#) (3 pp)
- 2 - [Appraisal Waiver Provisions](#) (3 pp)
- 3 - [Basic Appraisal Training](#) (1 p)
- 4 - [Sample Appraisal Waiver Memorandum](#) (1 p)

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