

Request for Proposals

Appraisal Services

APRIL 25, 2019

A. REQUEST FOR PROPOSAL

1. The Nebraska Department of Transportation (NDOT) will receive proposals for appraisal services for Project: 77-3(1036), CN: 22722, Location: Fremont Southeast Beltway. We anticipate a starting date of June 3, 2019 with a suggested completion date of July 31, 2019.
2. Consultant shall complete the following items:
 - a. Review the scope of services set out in Exhibit "A".
 - b. Review Worker's Compensation insurance requirements, if applicable.
 - c. Review template agreement, ROW plans, located at:
<https://dot.nebraska.gov/business-center/business-opp/consult-service-opp>
 - d. Submit responses to this Request for Proposal in the manner and format listed in Section B. below, identifying each response by its respective tab numeral.
 - e. Complete Section C. below concerning citizenship.

B. APPRAISAL CONSULTANT SELECTION PROCESS

1. Qualifications
 - a. The Chief Appraiser shall establish and maintain a list of Approved Fee Appraisers and Review Appraisers (See <https://dot.nebraska.gov/business-center/row/appraisal/appraiser-list/>). Positive steps have been taken by the Chief Appraiser to include all qualified Fee Appraisers who wish to be considered for NDOT contracts, regardless of race, color, religion, sex, national origin, age, or any physical handicap, which does not prevent satisfactory performance of the work, on the approved list.
 - b. Fee appraisers shall meet the following qualifications:
 - 1) Must be properly licensed in Nebraska by the Nebraska Real Property Appraiser Board
 - 2) Must demonstrate that they have a history of successful performance in this field
 - 3) Must demonstrate knowledge in Nebraska eminent domain procedures so the proper appraisal processes are utilized in completing the assignment
 - 4) Must have knowledge in the appropriate federal laws and procedures as set forth in our ROW manual
 - 5) Must be able to explain engineering plans, field questions about the project and answer questions related to the acquisition and appraisal process.

REQUEST FOR PROPOSAL – APPRAISAL SERVICES

2. Contracting for Appraisal Services
 - a. A Request for Proposal will be sent to all appraisers on the Approved Appraiser list who indicate they would work in the county in which the project is located. This assures an open competitive process for selecting recipients for these contracted services.
 - b. The Request for Proposal is intended to provide information for the Fee Appraiser Consultant to submit a detailed proposal. This information should include, but not be limited to, a clear scope of work, plans and/or strip maps, names of the property owners, estimated start and finish dates of the project assignment, number of tracts, the type of valuation/appraisal report required, the time and date of the proposed opening of proposals.
 - c. The consultants are instructed to submit their responses to the Requests for Proposals in the manner and format listed below, identifying each response by its respective tab numeral.

TAB

ITEM

TAB 1	Appraisal Experience. Describe recent appraisal assignments that demonstrate the fee appraiser has the knowledge, skills and abilities to appraise property of the type found on this project. The description shall include the name of client and a telephone number of a responsible contact person.
TAB 2	Appraisal Experience in Condemnation/Eminent Domain. Describe recent appraisal contracts that demonstrate the fee appraiser is proficient, capable and qualified to appraise condemnation or eminent domain assignments. The description shall include the name of the client and a telephone number of a responsible contact person. Absent actual appraisal experience in condemnation or eminent domain assignments, the fee appraiser shall explain why they feel they have knowledge and experience and what steps the fee appraiser will take to competently complete the contract.
TAB 3	Condemnation/Eminent domain Appraisal Education. The fee appraiser shall list all the condemnation or eminent domain education courses attended by noting the provider of the course, the course name, the number of hours, and the date.
TAB 4	Membership in Professional Organizations. The fee appraiser shall list all the professional organizations in which a membership is currently maintained by noting the name of the organization and how long the fee appraiser has been a member.
TAB 5	Professional Designations from Professional Organizations. The fee appraiser shall list all the professional organization designations currently held by noting the name of the organization, the name of designation, and the requirements to obtain the designation.

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TAB 6	Start and completion dates. The fee appraiser shall propose start and finish dates for the contract. The fee appraiser's start and finish dates may be different than those estimated by the NDOT. Time is of the essence, therefore, the dates proposed by the fee appraiser will be considered during the NDOT's evaluation of the proposals.
TAB 7	Present Workload with the NDOT. The fee appraiser shall indicate the Project Number(s) and the number of tracts to be appraised that are not yet completed that are under contract with the NDOT at the time the proposal is submitted.
TAB 8	Cost. The fee appraiser shall indicate the per-tract cost and the total cost of the project. Indicate the date you expect to start and complete the requested services. The Project Fee Proposal document must be signed and dated. See example, attached as Exhibit "B".

- d. A selection committee will review and evaluate all replies and identify the individuals that may be invited to submit more detailed proposals, make oral presentations, or both. The selection committee will have only the response to the solicitation to review for the selection of finalists. It is therefore important that the respondents emphasize specific information pertinent to the work. Our award could be made on the basis of initial proposals, without discussion.
- e. The selection committee will consist of the ROW Manager, Chief Appraiser, and both Appraisal Review Supervisors. Three of these four individuals, as a minimum, must be present to review and score the proposals.
- f. Proposals received shall be held until the prescribed time of opening. At which time and in the presence of the selection committee, the proposals shall be opened, copies made and distributed to the selection committee and scored by the selection committee.
- g. The individual scores of the members of the selection committee will be added together for a composite score. The selection committee will then determine which proposal is most advantageous to the NDOT's program. The selected proposal may or may not be the proposal that has the highest composite score. After this decision, an appraisal contract is prepared and presented to the Fee Appraiser for acceptance. When the agreement bearing the Fee Appraiser's signature is received, it is executed by the Right of Way Manager, and forwarded to the Agreements Engineer & Controller.
- h. A memo will be made summarizing the decision reached by the committee. This memo, the composite scoring, the individual scoring and all the proposals received will be placed in the project file.

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- i. The administrative details concerning the start, progress, completion, payment, etc. of the services to be performed as per the contract are the responsibility of the Chief Appraiser. The technical details as outlined by the specifications made a part of the contract are to be handled by the assigned Review Appraiser.
- j. There may be cases where there are revisions to the project that were not addressed in the contract with the fee appraiser. Upon reaching an equitable fee for the change in work assignment, both the contracted fee appraiser and the Chief Appraiser will sign a supplement contract. All other conditions and specifications contained in the original agreement shall be applicable to this supplement.
- k. The Review Appraiser and the Chief Appraiser together will evaluate the Appraisal Consultant's work product and performance. If the performance is unsatisfactory, and with the concurrence of the Chief Appraiser, the fee appraiser will be required to take a partial acquisition course and resubmit examples of their work product to be re-approved as a qualified appraiser. This data will be filed for use as future reference for selecting Consultants.

C. LAWFUL PRESENCE OR CITIZENSHIP

1. In compliance with Neb. Rev. Stat §§ 4-108 through 4-114, you are required as a Consultant to make assurances that you are either a citizen of the United States or a qualified alien under the Federal Immigration and Nationality Act. This requirement also applies to your employees and your subcontractors contributing to this assignment.
2. If you are an individual or sole proprietorship, the following applies:
 - a. The United States Citizenship Attestation form (Exhibit "C") shall be completed and submitted with the completed Fee Proposal. Attestation forms shall become part of the agreement.
 - b. If you indicate on such Attestation form that you are a qualified alien, you agree to provide the US Citizenship and Immigration Services documentation required to verify lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.

RIGHT OF WAY APPRAISAL SERVICES

PROJECT NO.: 77-3(1036)

CONTROL NO.: 22722

LOCATION: Fremont Southeast Beltway

A. OVERVIEW

State, or State on behalf of a local public agency ("LPA"), is in the process of developing a project for the construction of a highway, road, street, or other State or Federal-aid transportation project ("Project"). New property rights will be acquired to build the Project. State will use the services of a consultant service provider ("Consultant") to complete the valuation documents to be used for the acquisition of property rights necessary for the construction of the Project. All Services will be completed in compliance with the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 ("Uniform Act"), the NDOR Right-of-Way Manual, and the Right of Way Acquisition Guide for Local Public Agencies.

B. QUALIFICATIONS, KNOWLEDGE AND EXPERIENCE

The Services must be completed by a Nebraska licensed real property appraiser who is qualified and in good standing to complete the Services in Nebraska. Consultant must be knowledgeable and have substantial experience completing Services of this type.

C. SOFTWARE AND EQUIPMENT REQUIREMENTS

Consultant will be responsible for providing all necessary equipment, supplies, materials and software to complete the Services. Consultant shall prepare all written materials in Microsoft® Word format. The deliverables shall be submitted in paper and electronic form acceptable to State.

D. SCHEDULE

1. The Services shall be completed in accordance with the following schedule:
 - a. The Consultant agrees to complete the Services and submit the deliverables on or before July 31, 2019. Supplemental or revised Services caused by State actions will be cause to change this date only by mutual written agreement between the Parties. It is further agreed by the Appraiser that they will furnish the State a written progress report of the work accomplished on the Project as requested by the Chief Appraiser for State.

E. INFORMATION PROVIDED BY STATE

State is expected to provide, when applicable, the following information to Consultant:

1. Ownership information containing the following:
 - a. Legal description of property
 - b. Date and type of instrument
 - c. Consideration involved in the instrument

- d. Revenue stamps, if any
- e. Grantor and grantee's name
2. Plat, plans, or both showing limits of each separate tract to be valued outlined in color or legend, also showing sufficient topography to locate alignment. Stakes on the ground will be furnished when necessary
3. Limits and areas of right of way or easements to be acquired
4. Individual Parcel Identification Number
5. Upon request, State will furnish survey needed to complete the Services.

F. REQUIREMENTS AND GUIDANCE FOR THE SERVICES

Consultant shall complete the Services in compliance with the following:

1. The Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act)
2. The current version of the Uniform Standards of Professional Appraisal Practice (USPAP)
3. Chapter 3 of the Nebraska Department of Transportation Right of Way Manual, found at: <https://dot.nebraska.gov/media/5012/row-manual.pdf>

G. SPECIFICATIONS

Consultant is expected to complete the work in accordance with the following:

1. A Project Report shall be created and will include the following information:
 - a. Title Page
 - b. Table of contents
 - c. City data on urban projects, county or regional data on rural projects
 - d. Neighborhood data
 - e. Location map
 - f. Zoning map and ordinance, if applicable
 - g. Comparable sales map
 - h. Comparable rental map, if applicable
 - i. Index of comparable sales and rentals
 - j. Comparable sales and rentals
 - k. References
 - l. Limiting conditions
 - m. Appraiser's qualifications

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2. Formal, written valuation reports are required for each parcel of land to be acquired or damaged, unless donated. The reports will be in the form of either a "Waiver Valuation", "Short Form" appraisal, or a "Before and After" narrative appraisal. There is no required appraisal or valuation report format, however all of the required elements listed for each type of report must be included. The outline given for the "Before and After" appraisal report is intended as a guide and all items may or may not be necessary in all situations. At other times, supplemental data or headings may be required. The Certificate of Appraiser (see Exhibit "A" - Attachment 1) must be included with all parcel valuation reports and may be supplemented to include statements required by USPAP.

a. Waiver Valuation

- 1) A "Waiver Valuation" can be used for uncomplicated acquisitions, where only the part acquired need be valued. Total compensation, exclusive of fence relocation and/or construction based on the current Department approved fencing schedule, must not exceed \$10,000. Damages must be nominal or simple "cost to cure" items supported by written contractors estimate. There is no required report format for a "Waiver Valuation"; however, all of the listed elements must be included.
- 2) The Waiver Valuation is not considered an appraisal by the Department and is prepared under a waiver of appraisal provision authorized by Federal Highway Administration guidelines, 49 CFR 24.102(c)(2). The Uniform Standards of Professional Appraisal Practice (USPAP), as adopted by the Nebraska Real Estate Appraiser Board, does consider this Waiver Valuation an appraisal. The CFR known as the Uniform Act is Federal law and public policy and may conflict with USPAP. It is the appraiser's responsibility to meet the requirements of USPAP.
- 3) A Waiver Valuation must contain the following elements:
 - a) Project and parcel number
 - b) Owners name and property address, as revealed in the public records. Any changes in the ownership discovered need to be documented with a copy of the deed or deeds following the chain of ownership from the owner indicated in the provided title information
 - c) The scope of work necessary to produce a credible report.
 - d) Description, location and area of property to be acquired
 - e) Photos of part acquired
 - f) Determination of value and basis therefore
 - g) Statement of value of property being acquired broken down as to land and improvements
 - h) Data supporting land value and "cost of cure" items
 - i) When it is apparent that there is a lessee affected, the leasehold interest, leased fee interest and lessee owned improvements need to be valued, if affected. This includes advertising signs

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- j) Effective date of valuation, date of estimate, appraiser's signature and certification
 - k) The waiver of appraisal provision eliminates the requirement to offer the owner or representative an opportunity to accompany the appraiser on the inspection. If the need arises for the owner to be contacted, a log of the meetings with the owner or representative should be included with the report.
- b. Short Form Appraisal
- 1) "Short Form" appraisals need to value the entire property as well as the part being acquired. They may be used for uncomplicated, whole or partial acquisitions where the highest and best use of the property is its present use and not changed by the acquisition and which are anticipated to exceed \$10,000 exclusive of fence relocation and/or fence reconstruction. Only one approach, usually the sales comparison method is applicable. Damages must be non-complex or of the "cost to cure" type and be supported by a written estimate.
 - 2) There is no required report format; however, the "Short Form" Appraisal must contain the elements listed for a "Waiver Valuation" plus the following:
 - a) Statement of assumptions and limiting conditions
 - b) Intended use, intended user and property rights appraised
 - c) The value being appraised and its definition
 - d) Five-year sales/title history. Any changes in the ownership discovered need to be documented with a copy of the deed or deeds following the chain of ownership from the owner indicated in the provided title information
 - e) An adequate description of physical characteristics of the property being appraised (site and improvement data), including interior and exterior if appropriate, and in the case of a partial acquisition, an adequate description of the remaining property. This includes photos of the property.
 - f) Zoning of the property and the present use.
 - g) Identify the highest and best use of the property. If highest and best use is in question or different from the existing use, provide an appropriate analysis identifying the market-based highest and best use.
 - h) An inspection and description of the neighborhood and proposed project area.
 - i) Known and observed encumbrances.
 - j) Available maps, plats, and plans, should be included. Include a sketch of the property and provide the location and dimensions of any improvements.

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- k) A listing of comparable sales, a direct comparison of those sales to the appraised property, and a complete analysis of the comparable sales used. Provide photographs and location maps of the comparable sales. All sales shall be inspected.
 - l) An offer to the owner for the chance to accompany the appraiser on the inspection; A log of this offer and any other contact or meetings with property owner and/or their designated representative; If owner declines, give their reason
 - m) Explanation of acquisition, damages, and benefits
 - n) The leasehold interest, leased fee interest and lessee owned improvements need to be valued. This includes advertising signs.
 - o) Certificate of Appraiser – See Exhibit "A" - Attachment 1
- c. "Before and After" Appraisal
- 1) "Before and After" appraisals shall be used in those instances when the acquisition is of a complicated nature, or causes a diminution of value to the remainder.
 - 2) A "Before and After" Appraisal shall contain the following elements in a format similar to the following:
 - a) Letter of Transmittal
 - b) Salient Facts
 - i) Project Number
 - ii) Tract Number
 - iii) Property Address
 - iv) Recorded Ownership
 - v) Legal Description
 - vi) Tenant and Lease Data (including advertising signs)
 - vii) Highest and Best Use ("Before & After")
 - viii) Zoning
 - ix) Tax and Assessment Data
 - x) Five year Sales/ title History, Any changes in the ownership discovered need to be documented with a copy of the deed or deeds following the chain of ownership from the owner indicated in the provided title information.
 - xi) Intended Use
 - xii) Intended user
 - xiii) Property rights appraised
 - xiv) Value being appraised and its definition
 - xv) Scope of work necessary to produce credible report

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- c) An offer to the owner for the chance to accompany the appraiser on the inspection; A log of this offer and any other contact or meetings with property owner and/or their designated representative; If owner declines, give their reason
- d) Property Description
 - i) Land (size, shape, topography, utilities, soil conditions, accessibility, etc.)
 - ii) Improvements (size, age, condition, number of rooms and all items necessary to properly describe). Provide a sketch.
- e) Land Valuation
- f) Value of Whole Property Before Acquisition
 - i) Cost Approach
 - ii) Sales Comparison Approach
 - iii) Income Capitalization Approach
 - iv) Correlation
- g) Description and Effect of Acquisition
- h) Value of Part Acquired
- i) Value of Remainder Before Acquisition
- j) Value of Remainder After Acquisition
 - i) Cost Approach
 - ii) Sales Comparison Approach
 - iii) Income Capitalization Approach
 - iv) Correlation
- k) Damages
- l) Summary and Breakdown of Acquisition and Damages
- m) Leasehold Interests (including advertising sign sites)
- n) Addenda
 - i) Property Plat
 - ii) Floor Plans
 - iii) Photos
 - iv) Sales and Rental Data (if not in Project Report)
 - v) Sales Map (if not in Project Report)
 - vi) Certificate of Appraiser – See Exhibit “A” - Attachment 1

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3. Documentation
 - a. Proper documentation includes: the ownership of record, the location and description of property, the intended use, and the proper methods or approaches to value, supported by computations used, complete market data for comparable sales, identifying photographs, property sketches, and conclusions with justification therefore, as outlined in 49 CFR 24.103.
 - b. Whether narrative or form appraisal reports are prepared, they shall be independently prepared, dated and signed by the individual making the appraisal prior to being submitted for review. When submitted electronically, the process of releasing for review will be considered to be signed.
 - c. Each appraisal report shall contain an appraiser's certification. A new certificate shall be prepared where there is a change in the appraisal report that affects the estimate of just compensation or changes the date of valuation. Revisions resulting in minor changes of areas or added easements can be handled with a supplemental memorandum along with the new certificate. In the event that negotiations have been completed on a tract, the new acquisitions will be assigned to a new tract.
 - d. In estimating just compensation for the acquisition of real property, appraisal reports shall disregard any decrease or increase in the fair market value of the real property prior to the date of valuation caused by the public improvement for which such property is acquired, or by the likelihood that the property would be acquired for such improvement. Physical deterioration within the reasonable control of the owner, during that same time period, should be considered by the appraiser.
 - e. The appraiser must report their analysis, opinions and conclusions in the report. Further, all estimates of value, of damages, and/or of benefits, shall be appraised by the most relevant, reliable, and appropriate means available. The appraiser must document the reasoning used to determine which method or methods were determined to be relevant. For example, if support for the valuation of the property after the acquisition, by the usual methods of market or income data or indications from severance damage studies is not feasible, the appraiser shall explain why it is not feasible. In such instances, the appraiser must then fully explain his or her reasoning used to determine the "after" value of the property.
 - f. Computations used to develop the various approaches to value and elements of damage will be shown in the appraisal report.
 - g. The appraiser shall make every reasonable effort to verify comparable sales with one of the principals or their representatives involved in the sale. Date of sale, time the property was on the market, names of grantee, grantor, legal description, area, types of improvements, consideration paid, motive of seller and purchaser, unusual financing arrangements and photographs of significant features of the sale shall all be made a part of the appraisal report.
 - h. Except when a "Waiver Valuation" is used, the owner of the appraised tract or their designated representative shall be given an opportunity to accompany the appraiser during the inspection of the property. It is the desire of the Department of Transportation to keep the landowners, affected by projects,

informed. The appraiser, in the early stages of the appraisal assignments requiring "Short Form" or "Before and After" formats, will send an "Offer to Accompany" letter to the owner. An example of this letter can be found in NDOT on-line Right of Way Manual. If the appraiser receives no response to this offer letter, an attempt will be made to contact the individual in person or by phone. Should the second attempt to contact the individual fail, a second offer letter will be sent by certified or registered first class mail with return receipt requested. A copy of the above-mentioned letters, a "log" of the contacts, reason of waiver to accompany if applicable, and inspections must be made a part of the appraisal.

- i. The appraisal report should be written so that anyone not familiar with the property may read the report, examine the photographs and plats, and conclude with a thorough understanding of the property and of the reasoning of the appraiser. If the report does not lead to such an understanding, then the report is either ambiguous or deficient in content.
- j. The necessity for detailed documentation in an appraisal is readily apparent because of the various uses to be made of the appraisal report. These uses include the following:
 - 1) To assure the review appraiser that the value conclusion of the appraiser is adequately supported.
 - 2) To inform the negotiator of all pertinent facts prior to negotiation with the property owner.
 - 3) To provide convincing evidence of value to the owner. It is the policy of the Department to provide the owner with a copy of the tract appraisal and the necessary data supporting opinion of value.
 - 4) To advise the Right of Way Division of all pertinent facts. In the event of condemnation, the appraisal should provide the basis for expert testimony in any legal proceeding.
 - 5) To advise the Federal Highway Administration of the basis for the Department's offer, when Federal participation is expected in the cost of right of way. The appraisal reports are subject to inspection and review by the Federal Highway Administration Right of Way officers and auditors.

4. Preparation

a. Review of Plans

- 1) When assigned to a project where there are "partial acquisitions", it is essential that the appraiser become thoroughly familiar with the construction plans in order to determine the relation of the finished road to the properties involved.
- 2) On new locations or when the grade of the road is to be changed, the appraiser should be aware of the cut or fill areas along the properties being appraised in order to judge the effect of the new construction or of changes in grade.

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- 3) Other items to be noted include the limits of construction and right of way requirements as they may effect improvements, landscaping, and the landowner's operations.
 - 4) The appraiser should check the means of access provided for each property and where excessive damages are anticipated because of access restrictions or for any other reason, he/she should discuss the matter with the Chief Appraiser and the Right of Way Manager.
 - 5) The appraiser should make no assumptions as to access or other plan provisions but rather clarify any questionable situation prior to proceeding with the appraisal of the property involved. The appraisal must be based on the plans as provided or upon approved changes.
- b. Pre-Appraisal Meeting
- 1) The Chief Appraiser will determine if it is necessary to hold this meeting. Typically, this meeting will be held for projects that require significant right of way acquisition.
 - 2) If the meeting is held, the following individuals will be invited: the ROW Designer, the ROW Designer's Supervisor, the Roadway Designer, the Roadway Designer's Supervisor and the District Project Manager. The District Engineer and the District Construction Engineer will also be informed of the meeting date and time. Telephone and/or video conferencing shall be considered when appropriate.
 - 3) This meeting will allow the appraiser to become more familiar with the engineering and design requirements for the project and to become better informed of project details.
- c. Field Observations
- 1) The appraiser should ask the property owner or tenant about the location, size, and ownership of underground facilities such as pipe lines, water lines, septic tanks, drain tile, sanitary sewers. It is desirable to obtain a copy of the current lease agreement. The lease agreement should be reviewed by the appraiser to determine tenant or owner interest. It is not a requirement to contact the property owner for a Waiver Valuation, but the appraiser must take the necessary steps to identify the presence of these items. Estimates of cost should be obtained for any necessary adjustment to privately owned facilities.
 - 2) Public utilities not shown on the plans should be reported to NDOT. The appraiser needs to determine if the costs to move meter poles and make reconnection of utilities will be included with the contract with the public utility. An estimate to perform this work will be required if the property owner is responsible for these costs.
 - 3) In some situations, in order to properly determine the effect of the acquisition on the owner's remaining property, it may be necessary to determine the precise location of the ROW line in relation to property improvements. When such situations arise, the ROW Manager will request that the District Engineer provide "staking" of the proposed

ROW line for the appraiser's use.

- 4) Ownership Changes: In the course of the appraisal work, the appraiser may discover ownerships at variance with those shown on the right of way plans. This may be due to a time lapse, sale of a portion of a particular property, or for some other reason. The appraiser should request revised descriptions from the ROW Design Section and forward to the Project Manager (Title Research Supervisor) with the request, a copy of all documents that provide the basis for the request and provide an update to the five-year record of ownership.

The appraiser should determine the current owner(s) of record, any previous owner(s) within the past five years, all legal descriptions of properties or parcels and all easements still in effect (except utilities). This is a requirement for all types of appraisal reports.

Where fence lines or hedgerows of long standing may establish boundary lines at variance with those shown on the plans, the appraiser should discreetly ascertain the claims of the owners bordering the questionable line and report the findings to the ROW Design Section for consideration.

- 5) The presence of hazardous materials will normally be identified by the Environmental Section and that information will be passed on to the Appraisal Section. If the appraiser discovers or suspects there are hazardous materials that could be affected by the project as proposed, they should report their findings to the Environmental Section. The Environmental Section should be consulted on the proper handling of these materials in the appraisal process. The knowledge of the existence of hazardous materials will affect the market value of a property and needs to be considered by the appraiser.

5. Special Instructions & Appraisal Terminology

a. Special Benefits.

- 1) Special benefits to the remainders of properties acquired are those which enhance the value of the remaining property or its highest and best use after the acquisition, and which the property owner receives that are peculiar to this property. Special benefits are the advantage accruing from a given highway improvement to a specific property and not to others generally. In contrast, general benefits are those that result to an area in general following the opening or improvement of a highway.
- 2) In Nebraska, special benefits offset damages to the remainders; however, special benefits cannot be used to offset the value of the property being acquired.
- 3) While owners are entitled to just compensation for property taken for highway purposes, unless benefits are taken into consideration the rights of the taxpaying public will not be protected. Appraisers must, therefore, be thoroughly familiar with the various benefits that may affect a remainder

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property after a partial acquisition and under what conditions they may offset damages. Appraisers who may be unfamiliar with the determination and application of special benefits should consult the Legal Counsel.

b. Cost-to-Cure Damages

- 1) Cost-to-cure damages are those that are curable. These costs should be determined by a local contractor who typically does the type of work that will cure the damage caused by the project. It is desirable that the estimate be submitted in writing and it is required when the cost exceeds \$500.00.
- 2) It is the responsibility of the appraiser to determine whether the cost-to-cure is more economical than the loss in value suffered by the remainder. The appraiser also needs to determine that the estimate to cure the damage is reasonable and does not include any items that are non-compensable or creates betterment to the remainder.

c. Noncompensable Items

The following items are noncompensable under Nebraska law and shall not be considered by the appraiser in determining damages:

- 1) Loss of profits or business.
- 2) A nonbinding option to purchase property does not constitute an interest in land and therefore cannot be the basis for determining damages.
- 3) Circuity of travel by reason of the blocking of an existing public road, when it is a damage suffered in common with the public generally is a noncompensable item of damage. If this situation is encountered the appraiser should seek the advice of legal counsel.
- 4) The placing of an island or medians in the center of a street or thoroughfare does not entitle the owner to damages inasmuch as this is an exercise of police power even though right of way is acquired at the same time.
- 5) In estimating damages to property taken containing sand, gravel, or other types of materials, the land must be valued by considering the potentialities that it possesses and minerals it contains as land and cannot be valued on yards times unit price basis applied to the quantity of materials available.
- 6) Damages arising by a reasonable and lawful exercise of police power to protect the public are not compensable.
- 7) Damages suffered during the period of construction such as noise, dust, or the inability of customers to conveniently get to a business property, are not to be considered by the appraiser.
- 8) Damages by reason of the loss of anticipated profits that the owner(s) claims could have been made had they been allowed to continue the use of their property are speculative and conjectural and therefore are noncompensable.

- 9) Nebraska Statutes, Section 39-1329, provides that if construction or reconstruction of any highway results in the abutment of property that did not before have direct egress and ingress to such highway, no rights of direct access accrue because of such abutment. If a landowner is denied access to a newly relocated road, that denial cannot be the basis for compensation.
- d. Realty and Personalty Determination
- 1) The classification of equipment and fixtures as realty or personalty is necessary so that the appraiser can list and evaluate each piece of equipment. This is only required when the building within which they are located is being acquired. In other words, an appraisal of the equipment and fixtures, as personalty, is **not** required if the Department is not acquiring the building they are located in. Equipment should be considered as part of the realty by reason of its annexation to real property and adaptation to continuing use in connection with the realty. Equipment not falling under this category is considered personalty.
 - 2) In appraising commercial, industrial, and special use properties it is essential that the determinations of realty and personalty be made at an early date so the appraiser may determine the status of each piece of equipment. In order to accomplish this, it may be necessary that a member of the Attorney General's staff, the appraiser, and the Property Management Supervisor meet with the owner or the owner's representative to go over the entire property and catalogue all pieces of equipment and fixtures. With advice from the attorney, a determination should be made for each piece of equipment as to whether it is realty or personalty.
 - 3) It is the department's policy to make two offers to the owner. The first offer will include all realty, including the equipment and fixtures considered part of the realty. The second offer will include the first offer plus the equipment and fixtures considered to be personalty.
 - 4) The appraisal must contain sufficient documentation, including valuation data and the appraiser's analysis of that data, to support the opinion of value being placed on the equipment and fixtures considered a part of the realty, and all equipment and fixtures considered to be personalty. If the appraiser isn't qualified to value the equipment and fixtures, the matter should be referred to the Chief Appraiser for a decision of whether to hire a fixture valuation expert.

H. DELIVERABLES

1. The Appraiser will furnish the following to State:
 - a. One (1) paper copy and an electronic copy of the project report.
 - b. One (1) paper copy and an electronic copy of each individual parcel valuation report.

Project No. _____ Control No. _____

Parcel No. _____

CERTIFICATE OF APPRAISER

I hereby certify:

That I have personally inspected the property herein appraised and that I have afforded the property owner, or their representative, the opportunity to accompany me at the time of the inspection. I have also made a personal field inspection of the comparable sales relied upon in making said appraisal. The subject and the comparable sales relied upon in making said appraisal were as represented in said appraisal.

That to the best of my knowledge and belief, the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed therein are based is correct; subject to the limiting conditions therein set forth.

That I understand that such estimate is to be used in connection with the acquisition of new property rights for a highway, road, street, or other transportation project to be constructed by the State of Nebraska or by the State on behalf of a local public agency (LPA) with the assistance of Federal-aid highway funds, or other Federal Funds.

That such appraisal has been made in conformity with the appropriate State laws, regulations and policies and procedures applicable to appraisal of right-of-way for such purposes, and the Uniform Standards of Professional Appraisal Practice; and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the value reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any way benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the property officials of the State Highway Department of said State or officials of the Federal Highway Administration and I will not do so until so authorized by State officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That my opinion of the fair market value of the acquisition as of the _____ day of _____ 20____, is _____ based upon my independent appraisal and the exercise of my professional judgment.

Date

Signature

ABC, Incorporated

ABC, Inc.
1111 A Street
City, State, Zip

November 15, 2018

Project Fee Proposal

Tract #	Type of Report	Fee
1	Waiver Valuation	\$500.00
2	Waiver Valuation	\$1,500.00
3	Short Form Appraisal	\$1,000.00
4	Waiver Valuation	\$1,500.00
5	Before & After Appraisal	\$1,500.00
6	Waiver Valuation	\$2,000.00
7	Short Form Appraisal	\$2,000.00
8	Short Form Appraisal	\$3,000.00
9	Before & After Appraisal	\$3,000.00
10	Before & After Appraisal	\$4,000.00
11	Before & After Appraisal	\$5,000.00
12	Short Form Appraisal	\$1,500.00
13	Short Form Appraisal	\$3,500.00
14	Waiver Valuation	\$2,000.00
15	Before & After Appraisal	\$4,500.00
16		
17		
18		
19		
20		
21		
22		
23		
Total Fee		\$36,500.00

Court Costs \$400.00 for each half day
 \$750.00 for each full day

Proposed Start Date 12/15/2018
 Proposed Completion Date 1/31/2019

Printed Name John Doe
 Signature *John Doe*
 Date November 15, 2018



United States Citizenship Attestation Form

For the purpose of complying with Neb. Rev. Stat §§ 4-108 through 4-114, I attest as follows:

- I am a citizen of the United States.
- OR -
- I am a qualified alien under the federal Immigration and Nationality Act, my immigration status and alien number are as follows: _____
and I agree to provide a copy of my USCIS documentation upon request.

I hereby attest that my response and the information provided on this form and any related application for public benefits are true, complete, and accurate, and I understand that this information may be used to verify my lawful presence in the United States.

Print Name: _____
(First, Middle and Last)

Address: _____
(Street or PO Box)

(City, State and Zip)

Applicant's Signature: _____ Date: _____

Attach form to contract, permit, license, etc.

FOR OFFICE USE ONLY	
PROJECT DEVELOPMENT DIVISION	ORIGINATING DIVISION OR DISTRICT
<p>SAVE Determination:</p> <p><input type="checkbox"/> Authorized</p> <p><input type="checkbox"/> Rejected</p> <p>Agreement No. _____</p> <p>_____ Signature Date</p>	<p>If the applicant marks qualified alien, send the form to Project Development Division for verification.</p> <p>Benefit:</p> <p><input type="checkbox"/> Contract or Agreement</p> <p><input type="checkbox"/> Janitorial</p> <p><input type="checkbox"/> Mowing</p> <p><input type="checkbox"/> Other: _____</p> <p><input type="checkbox"/> Haying Permit</p> <p><input type="checkbox"/> Licenses for Superintendent</p> <p><input type="checkbox"/> Relocation Assistance</p>