

SCOPE OF WORK

The Scope of Work is a written set of expectations that form an agreement or understanding between the appraiser and WisDOT (applicable to both in-house and consultant appraisers) as to the specific requirements of the appraisal, resulting in a report to be delivered to WisDOT by the appraiser. It includes identification of the intended use and intended user, definition of fair market value, statement of assumptions and limiting conditions, and certifications. It specifies performance requirements, or references them from another source. The Scope of Work must address the unique, unusual, and variable appraisal performance requirements of the appraisal. Either the appraiser or WisDOT may recommend modifications to the initial Scope of Work, but both parties must approve changes.

The appraisal work will adhere to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 49 Code of Federal Regulations Part 24, Wisconsin State Statute Sections 32.05 and 32.09, Scope of Work, Wisconsin Department of Transportation Real Estate Program Manual (REPM) and the Uniform Standards of Professional Appraisal Practice. No other supplemental standards are to be used.

Appraiser Responsibilities

1. Provide an appraisal report meeting WisDOT's definition of an appraisal. See REPM Chapter 2.1
2. Attend the Real Estate Start Up & Appraisal Scoping Meeting
3. Afford the property owner or the owner's designated representative the opportunity to accompany him or her on the inspection of the property.
 - Best Practice: Invite owners first by making a phone call. If there is no response or no available number, two attempts via letter should be made. First should be an invitation asking them to contact you. If there is still no response, it is appropriate to send a second letter informing the owner of the date / time you will complete inspection.
 - Include a statement of the efforts to meet this requirement within appraisal report.
4. Perform an inspection of the subject property. Inspection should be appropriate for the appraisal problem. See REPM Chapter 2.4
 - Take adequate notes regarding the type of material, size, age, condition, and location of each improvement. The scope of the improvement inspection depends on the complexity of the appraisal problem.
 - Report the extent of the inspection and description of the neighborhood and proposed project area.
5. Appraise the unencumbered fee simple estate of the real property only as basis for all value components of the report. Any encumbrances that affect the market value of the property should be fully described.
6. Report the level of detail of the description of the physical characteristics of the subject (and, in the case of a partial acquisition, the remaining property),
7. Include the following items in the appraisal report:
 - Property right(s) to be acquired, e.g., fee simple, easement, etc.,
 - Value being appraised is fair market value, and its definition (see REPM Chapter 2.6.8(3)(b))
 - Develop an opinion of reasonable exposure time
 - Appraised as if free and clear of contamination (or as specified),
 - The appraisal report date and the date of valuation,
 - A real or personal property report is required per 49 CFR 24.103(a)(2)(i),
 - The known and observed encumbrances, if any,
 - Title information - ownership information, partial interests, encumbrances, restrictions, etc.
 - Tax Information
 - Location description
 - Legal Description
 - Zoning,
 - Present use,
 - At least a 5-year sales history of the property.
 - Adequate photos of the subject, impacted improvements and comparable sales and provide location maps of each property.
 - (1) plat or parcel map, (2) aerial photo; (3) TPP or Right of Way Plat, and (4) other exhibits as needed.
 - An exhibit of the property showing the location of any improvements
 - Dimensions should be included if the improvements are impacted
 - Other Items as applicable.
6. Identify the highest and best use within the appraisal report. If it is in question or different from the existing use, provide an appropriate analysis identifying the market-based highest and best use.
7. Present and analyze relevant market information. See REPM 2.5.1, 2.5.2, 2.6.8(10)
8. State **only relevant** assumptions and limiting conditions within the appraisal report.

9. Use of Hypothetical Conditions and Extraordinary Assumptions

- The Appraiser must assume the hypothetical conditions as stated within this Scope of Work. **No other hypothetical condition(s) may be assumed without prior approval.**
 - In the before acquisition valuation, 49 CFR Part 24 requires the appraiser to disregard any decrease or increase in the market value of the property that has been caused directly by the project. 49 CFR 24.103(b) states, "The appraiser shall disregard any decrease or increase in the fair market value of the real property caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for the project, other than that due to physical deterioration within the reasonable control of the owner. (See appendix A, §24.103(b).)" This appraisal uses the hypothetical condition (in the "before acquisition value") that the proposed public improvements do not exist, and have not been proposed. The proposed public improvement project is a condition external to the subject property, and as the before value does not recognize the existence of this proposed project, contrary to known fact, this hypothetical condition is required. The use of this hypothetical condition may have altered the appraisal results.
 - In accordance with Wisconsin Statute 32.09, the subject is appraised in the "after condition" under the hypothetical condition that construction for the proposed public project is complete as of the effective date of this appraisal. The use of this hypothetical condition may have altered the appraisal results.
- The appraiser may assume the extraordinary assumptions as stated within this Scope of Work without written approval from WisDOT. **No other extraordinary assumption(s) may be assumed without prior approval.**
 - As the roadway construction project will not affect the highest and best use or utility of the building improvements, there are no damages to the building improvements. It is an extraordinary assumption of the appraisal that the improvements' tax fair market value is equivalent to the market value of the improvements. The appraiser reserves the right to amend the appraisal to value the improvements, if necessary. The use of this extraordinary assumption may have altered the appraisal results.
 - Generally, a contractor is unlikely to know the exact timing when the subject property will be utilized for its specific purpose under the TLE. Because of this uncertainty of timing, the determination of the time period during which the TLE will actually require physical possession of the property is estimated by the engineer who gives this information to the appraiser. The appraiser employs this as an extraordinary assumption within the appraisal report. The use of this extraordinary assumption may have altered the appraisal results.

10. Report his or her analysis, opinions, and conclusions in the appraisal report. See REPM Chapter 2

11. Controversies/Issues

- Immediately notify the Real Estate Project Manager if issues or changes to the scope of work are identified during the course of the assignment. Conflicts discovered in the course of the project must be reported to the PM within five working days. Appraiser is not required to resolve issues, but to report facts and professional opinions that relate to the conflict.

12. Meet all delivery deadlines. If deadlines cannot be met refer to #11.

13. Return revision requests within 10 days. See REPM 2.13.8

Agency Responsibilities

1. Real Estate Project Manager will provide information to the appraiser regarding the specific properties. Information must include, but is not limited to the Appraisal Scoping Checklist, TPP or Right of Way Plat, Plan and profile, DSR, title work, required delivery date, owner contact information, and other data applicable to the appraisal assignment.
2. Real Estate Project Manager will supply estimated construction beginning and ending dates for the purpose of TLE calculations
3. Region will conduct and invite the appraiser and review appraiser (s) to the Real Estate Start Up & Appraisal Scoping Meeting
4. Statewide appraisal reviewer will collaborate with appraiser in developing scope of work
5. Statewide Appraisal Reviewer will provide appraiser with standard assumptions and limiting conditions
6. Statewide Appraisal Reviewer will provide appraiser with Intended use / Intended User. See REPM 2.6.8(3)(a)
7. Statewide Appraisal Reviewer will provide written scope of work to appraiser
8. Controversies / Issues
 - Appropriate agency representatives will respond to any controversies / issues identified by the appraiser within five working days. The agency will work to resolve the issues and will keep the appraiser informed.
 - Statewide appraisal reviewer will work with appraiser if any scope of work changes are needed.
9. Appraisal Reviewers will review appraisal reports per REPM 2.12 within 10 days (Reference 2.13.8)

10. Appraisal Reviewer and Real Estate Project Manager will cooperatively develop appraisal scope of work consistently state wide across projects.
11. Appropriate agency representatives will mediate disagreements regarding scope of work or other appraisal related issues.

Additional Requirements

Certification (patterned after 2016-2017 USPAP and includes Eminent domain language) Use same or similar:

I certify to the best of my knowledge and belief,

1. The statements contained in the appraisal report are true and the information upon which the opinions expressed herein are based are correct, subject to the limiting conditions herein set forth.
2. This appraisal has been made in conformity with appropriate Wisconsin statutes, regulations, policies and procedures applicable to the appraisal of right of way. To the best of my knowledge, no portion of the value assigned to this property consists of items that are non-compensable under Wisconsin laws.
3. The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
4. I have performed ☐ no (☐ the following specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Neither my compensation nor my employment are contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
7. Any decrease or increase in the market value of the real property prior to the date of valuation caused by the public improvement for which this property is to be acquired, or by the likelihood that this property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, was disregarded in determining compensation for this property.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the "Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended" and is intended to be consistent with the Uniform Standards of Professional Appraisal Practice (USPAP) by use of the Supplemental Standards Rule and the Jurisdictional Exception Rule of USPAP, where applicable.
9. ☐ No one ☐ (name and extent of assistance) provided significant real property appraisal assistance to me in making this report.
10. I have not revealed the findings and results of this appraisal to anyone other than the proper officials of the acquiring agency or the Federal Highway Administration and I will not do so until authorized by said 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.
11. I have not given consideration to nor included in this appraisal any relocation assistance benefits.

On , I invited (☐ verbally ☐ in writing) to accompany me on an inspection of the property. My invitation was ☐ accepted ☐ declined. On , I made a personal inspection of the property. I have made a field inspection of and verified the sales relied upon in making this appraisal. The subject and sales relied upon in making this appraisal are as represented in this appraisal. It is my opinion that as of , the total damages from the property herein described are: \$.

Contact Information

Role	Real Estate PM	Appraiser	Statewide Review Appraiser	Regional Review Appraiser
Name				
Organization				
Phone#				
Email				

Subject Property Information:
Attach Appraisal Scoping Checklist and any other pertinent data

Agreed upon by:

Appraiser's signature

Appraiser's name

Date

Appraisal Reviewer's signature

Appraisal Reviewer's name

Date

RE Project Manager's signature

RE Project Manager's name

Date