

List of items modified within the Land Acquisition Policies and Procedures Manual (Manual) through November 2015

- Chapter 1 – Waiver Valuations (Section 1.6.5). Added/modified the following sentences to clarify IDOT’s policy: *“Licensed appraisers should not complete waiver valuations. IDOT’s policy is that a waiver valuation can only be completed by....”*
- Chapter 3 – Compliance with the Uniform Standards of Professional Appraisal Practice (Section 3.3). Clarified IDOT’s appraisal policy with respect to USPAP compliance, assignment conditions, and jurisdictional exceptions. IDOT’s opinion is that a jurisdictional exception is not required to comply with both 49 CFR part 24 and USPAP. Therefore, the Jurisdictional Exception Certification will no longer be incorporated into IDOT’s appraisal and appraisal review templates. The following language replaces Section 3.3:

***“3.3 APPLICABLE APPRAISAL STANDARDS, REGULATIONS, AND POLICIES***

*IDOT requires all appraisal and appraisal review assignments to comply with the following standards, regulations, and policies:*

- *the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act) and its implementing regulation 49 CFR Part 24,*
- *the Uniform Standards of Professional Appraisal Practice (USPAP), and*
- *the Illinois Department of Transportation’s Land Acquisition Policies and Procedures Manual*

*Compliance with the Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) is only required for agencies who have adopted the Yellow book standards as part of their policies and procedures. IDOT has not adopted the Yellow Book standards; therefore, the Yellow Book regulations do not apply to appraisal assignments performed for IDOT.*

*In order to comply with the requirements of both 49 CFR Part 24 and USPAP, some items may require additional explanation in the appraisal report. IDOT’s appraisal report templates (LA 33A template and LA 33D Template) include standard appraisal assignment conditions that address these topics. It is IDOT’s opinion that no jurisdictional exceptions are required in order for an appraiser to comply with both 49 CFR Part 24 and USPAP.*

*The appraisal assignment and appraisal review assignment do not have the same scope of work. While an appraisal may warrant special assignment conditions, it does not automatically follow that the same assignment conditions apply to the development and reporting of the appraisal review certification.”*

- Chapter 3 – Non-Complex Appraisal Format (Section 3.5.1). Raised damage limit (excluding non-complex cost to cure) from \$10,000 to \$20,000. A corresponding change was also made to Section 3.5.2 (Complex Appraisal Format).
- Chapter 3 – Comparable Sales (Section 3.6.5). Clarified appraisal policy on verification of comparable sales by adding the following sentences:

*“Comparable sales should be verified by a party involved in the transaction, consistent with the provisions of 49 CFR 24.103 (a)(2)(iii). A party to the transaction can include a buyer, seller, broker, auctioneer, attorney, or anyone who has first-hand knowledge of the details of the transaction. The name of the individual who the appraiser spoke with should be listed in the write up of the comparable sale (for example: “John Doe, Agent” or “Jane Doe, Buyer”). If a party to the transaction cannot be reached to verify the sale, and the appraiser believes the sale data is still reliable, the appraiser should include the sale in the analysis, explain what steps were taken to attempt to verify the sale (for example: “The appraiser called and left messages with the buyer, seller, and agent and did not receive a return call”), and explain why it is relevant, reliable, and appropriate to include in the analysis. Sales that could not be verified directly with a party to the transaction should be used infrequently, and only when needed to produce credible assignment results.*

*Sources of comparable sale information such as the Assessor’s office, Recorder’s office, PTAX-203 Illinois Real Estate Transfer Declarations (green sheets), deeds, Multiple Listing Service, Midwest Real Estate Data, CoStar, LoopNet, and other such databases contain useful information and should be utilized as secondary data sources, but do not fulfill the regulatory requirement of verification by a party to the transaction.*

*The review appraiser should not accept an appraisal report that includes a comparable sale that the appraiser did not attempt to verify with a party to the transaction. If any comparable sales in the appraisal report were unable to be verified, the review appraiser should address the issue in the review appraisal and explain why the inclusion of the unverified comparable sale was necessary to produce credible assignment results.”*

- Chapter 5 – Section 5.7.2.1. Reworded the third bullet point to read as follows: *“The cost of the department’s selected comparable mobile home less the estimate of the salvage or trade in value for the mobile home from which the person is displaced.”*
- Chapter 6 – Property Management (Section 6.9.2). Clarified policy on disposal of excess land by removing the following part of the first sentence: *“...except for the release of easements or access rights to its original donors or heirs of said donors, from whom no payment is required.”*

- Where applicable, general typographical errors, grammatical errors, and outdated links and references were corrected.