

## Appraisal Problem Analysis Decision Outline

### Waiver Valuation Parameters:

\$10,000 compensation limit

Simple Valuation problem

No residue damages.

No cost to cures over \$ 1,000.

### Preparation:

Receive new right-of-way (R/W) Engineering parcel packets or documents.

Pull aerial maps and street view images of the project area.

Review and study the R/W plans to understand the project R/W parameters.

### Project orientation:

Locate all Land & Building Improvements.

Determine whether the project area is urban or rural and the type of land uses (i.e. agricultural, residential, commercial, etc.)

Identify all items in the area of acquisition (Both Fee Simple and Temporary)

### Parcel Analysis:

- Determine what type of acquisition is involved: Fee simple, Temporary R/W, perpetual easement, access rights, etc.
- Determine land type and thus land value for each parcel.
- Then multiply land value by the area of acquisition.

Typical "rough land values", depending on the local market, location, population density, etc.:

○ Agricultural	\$10,000/acre
○ Residential rural	\$20,000/acre
○ Residential urban	\$40,000/acre
○ Commercial & Indust. rural	\$50,000/acre
○ Commercial urban	\$2.00/SF to \$10.00/SF

Sample formula residential rural fee simple:  $0.050 \text{ ac.} \times \$15,000/\text{ac.} = \$750.00$

Sample formula temporary R/W agricultural:  $\$9,000/\text{ac.} \times .100 \text{ ac.} \times .10 \times 2.736 = \$246.24$  or  $\$250.00$

- Estimate value of land improvements within the area of acquisition.
  - Large Tree: \$ 1,000
  - Small Tree: \$ 500
  
- If a parcel contains “multiple” land value types (i.e. agricultural & residential):
  - Request an APA.
  
- Check whether the R/W acquisition reduces the R/W setback of any residential dwellings within 120’ from the new R/W line. Setback damages may apply when the new R/W line reduces the setback of the house, including some corner cuts.
  - If yes then request an APA.
  
- Check whether commercial parking or buildings are affected and if yes:
  - Request an APA.
  
- If access is affected to the parcel by closed drives/streets or by limited access R/W (L.A. R/W):
  - Request an APA.
  
- Any cost-to-cures (CTC) observed will need an APA, *unless it appears to be a simple CTC and under \$1,000*. Typical CTCs include, stock-tight farm fences, residential fencing, commercial fencing, and industrial fencing. Unless very simple, all commercial signs and billboards should be sent for APAs. Be aware of any hidden CTC that may be underground, i.e. septic systems/private wells (generally in rural areas), sprinkler systems, invisible fencing, drainage pipes, etc.

Acquisition Total:

Land Acquired  
 Temporary R/W  
 Land Improvements Acquired  
 Cost to cures

The total of the acquisition must be below \$ 10,000. If close to or above \$ 10,000:  
 Request an APA