



# Illinois Department of Transportation

2300 South Dirksen Parkway / Springfield, Illinois/62764

December 21, 1992

## Certified Appraisers

COUNTY ENGINEERS/SUPERINTENDENT OF HIGHWAYS  
MUNICIPAL ENGINEERS  
CONSULTING ENGINEERS

#92-20

Effective December 31, 1992, the Code of Federal Regulations will require the use of an appraiser who has been certified in accordance with Title XI of the Financial Institutions Reform Recovery and Enforcement Act (FIRREA) of 1989 when it has been determined that a detailed appraisal is required. This will be required when federal funding is utilized in any phase of a project.

Local agency staff appraisers and reviewers will not require certification to prepare or review detailed appraisals but their qualifications shall be consistent with the level of difficulty of the assignment.

If a fee appraiser or fee reviewer is needed for detailed appraisal, selection has to be in accordance to the following classifications:

- A. State Certified Residential Real Estate Appraiser.  
This category limits the appraiser to appraising residential property containing 1-4 units, and vacant single family land zoned residential which will accommodate no more than one unit.
- B. State Certified General Real Estate Appraiser.  
This category allows the appraiser to appraise any type of real estate.

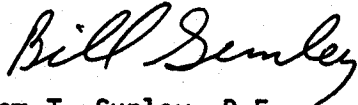
A detailed appraisal is defined as a complex appraisal problem which requires thorough documentation to support the values and conclusions contained in the report. An appraisal is considered detailed under the following circumstances:

- A. When damages to the remainder, excluding non-complex cost to cure items such as fence relocation, sign relocation, etc., exceed \$5,000.
- B. The acquisition involves the taking of a principle building.
- C. On acquisitions involving only land or land with minor improvements, a staff reviewing appraiser will determine if the appraisal problem is complex. All complex appraisal problems will require a detailed appraisal. Some examples of complex appraisal problem are:
  - Highest and best use is different than present use.
  - A complex specialty report is needed.
  - Market data is inadequate and consideration must be given to the cost and/or income approaches as appropriate.
  - Complicated valuation problem is involved.

The fee appraiser and fee reviewer must be certified in the state of Illinois and there is no reciprocity with other states. The local agency can submit a waiver request if they want to use a non-certified appraiser. The request has to be reviewed in Washington by FHWA which could be time consuming and cause project delays.

These regulations do not affect current procedures for Motor Fuel Tax or locally funded projects. If you have any questions, please contact your district Bureau of Land Acquisition or Local Roads and Streets.

Very truly yours,



William T. Sunley, P.E.  
Engineer of Local Roads and Streets

cc-  
District Engineers