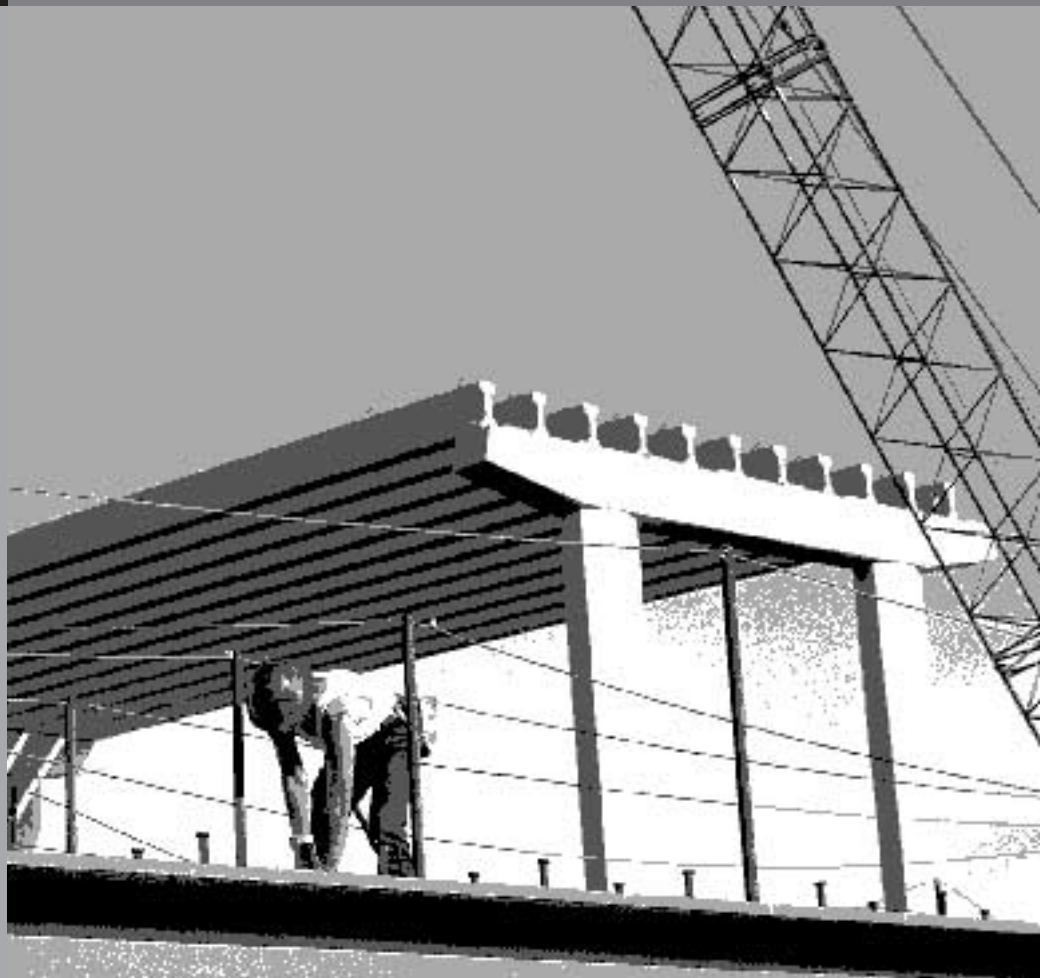


Right of Way Agent: Seeker of Truth and Faithful Reporter



By Charles David Hulbert, SR/WA



Anybody can do this stuff ... it's easy as pie!

Ever wonder why right-of-way agents make so much money? After all, they just have to deliver the offer.

Appraisers do most of the work. They have to be certified and write reports that the rest of us can almost understand. They have to talk to all the right sources and then put the information into a report for right-of-way agents and reviewers to read.

The right-of-way agent just writes up the standard contract, presents the offer, then tells the property owner that everything is okay and "Here is where you sign." After that, along comes the relocation agent, who just fills out some forms and sees that the money is paid to the correct person ... right? Well, a little insight might be helpful.

The whole truth and nothing but!

Actually, appraisers have a lot of people to talk to before they have enough facts to arrive at a

conclusion of value. There are city planners, buyers and sellers to meet with and records to look up as well as title reports. Appraisers have to know the basics of real estate values as expounded by people like J.D. Eaton, MAI, (Real Estate Valuation in Litigation). He and other learned authorities write books and teach classes in professional organizations to those who engage in the appraisal profession.

Able right-of-way professionals must take courses in valuation of partial acquisitions, real estate law, condemnation law and other subjects, which assist them in keeping up with the latest theories regarding litigation and condemnation valuation of real property. The amount of knowledge required is immense, but can be assimilated by an astute and thoughtful individual. Through years of experience, one can become a skillful journeyman appraiser and ultimately, an accomplished review appraiser.

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about the law regarding the appraisal of real estate, condemnation and the art of communication. Not only must they represent the agencies by which they are employed, but they must also be mindful of the rights of property owners. This dual role cannot be overemphasized.

Agents must gain the confidence of their employers in their knowledge and abilities, while at the same time attaining the necessary trust of property owners in order to serve both parties successfully. This is no simple task. It may take years of practice, various classes on effective communication and sufficient appraisal classes to understand the fundamentals of the profession.

Someone who just has a real estate broker's or sales person's license is not qualified to handle an acquisition job. Additional training in condemnation law and appraisal theory is needed in order to become proficient.

Relocation agents also require more specialized training than a real estate broker or sales person does. The law and regulations maintained by the various agencies and jurisdictions attempting to make the Uniform Act uniform are often difficult to understand, even under the best of circumstances. Furthermore, the laws and regulations are updated periodically in order to keep them current with the latest nuances of the world as it exists.

Some long-abiding agents have routinely considered relocation payments to be the "gravy" to the "meat and potatoes." Unfortunately, in days gone by, many people suffered because they were poor, lived in substandard housing or just did not have the income to survive relocation without some monetary help.

The Uniform Act has certainly helped

thousands of people overcome some of the financial distress of having the dwelling in which they live acquired out from under them. I've seen both the old and new ways and must admit the relocation program has done wonderful things.

You must be a seeker of truth

From the time an appraiser first enters the property to be appraised until the last occu-

pant is relocated, the right-of-way agent must be a seeker of truth. Knowing the right questions to ask is essential to this role. What information do the owners have that will help an appraiser place a fair value on the property? When did they buy it? Does anyone else own any property on the land? If so, who and what? Who lives or works there? The amount of information that the appraiser must gather about the property is immense and it must be reported to the next individual in the chain of persons necessary to acquire the property.

The answers may be reported in the appraisal itself, on diary entries signed and dated by the appraiser or by separate correspondence to the file. These items must be reported accurately and truthfully without taint or prejudice or bending for the sake of either the property owner or the agency. This record may set the basis of later negotiations or relocation payments and must be well documented during the appraisal stage.

When an acquisition agent arrives at the door, he or she sometimes finds out just how accurate the information gathered by the appraiser actually was. This is not to suggest that the appraiser might have done less than an outstanding job or that the property owner withheld

**Be a seeker of truth
and a reporter
of the facts without
prejudice or
editorial comment.**



information from the appraiser. The fact is that there may have been something “lost in the translation.” At that point, it is not appropriate to criticize the appraiser or question the property owner’s honesty. Seek the facts; the truth will become obvious.

Consider a case in which a portion of a property was being acquired from an existing vacant parcel adjacent to a major freeway. The hillside kept sloughing onto the freeway during heavy rains and was a maintenance problem. The owner did not want to grant a temporary slope easement, but wanted to sell a portion of the property. The owner refused the agency’s offer and the agency prepared to go to court.

Due to the nature of the instability in the area, a private engineer was hired. From aerial photos taken in the past, it was discovered that the property owner had actually been moving dirt into the area. Through core samples and other data, it was discovered that an underground stream came out in the area and an earthquake fault ran through it. With that information, the condemnation appraiser substantially revised his previous appraisal downward. After all the facts were known, the jury agreed with the state’s appraiser. The property owner was awarded about one-fourth of the original offer price. Discovering the truth can make a difference.

As can be gathered from such an experience, not all property owners tell everything they know about a property. The appraiser must become an investigator through the use of experts and others that may have the tools to uncover the truth. The comparatively few dollars it takes to hire an expert can sometimes reap significant rewards. Never be hesitant to seek outside help.

The next professional on the scene is the relocation agent, handing out pamphlets and forms in abundance, explaining the law, regulations and also seeking the truth. Items included in the file by the previous appraiser and acquisition agents have been reported well and have documented the situation entirely, right? Well, not always. It is essential to uncover all of the facts

concerning the occupants of the property, relationships, utility bills, rent, income and so on. At times, the task seems endless.

If the occupants have read over their forms and pamphlets carefully, they can occasionally become rather duplicitous. Out of the blue, an owner says, “Our son and his teenage daughter occupy the two other bedrooms and they pay us rent.” You ask, “Why didn’t you tell us that a year ago when we determined your purchase differential entitlement?” The owner then replies, “We didn’t think it was important.”

As a seeker of truth, what additional evidence would you need to believe these statements? Is the owner’s word enough? Would you examine utility bills, income tax returns, driver’s license, school records, canceled rent checks and so on? What happens to the purchase differential based on a three-bedroom replacement if the couple occupies only one bedroom? How do you base the son’s entitlement?

What if the daughter claims to have paid part of the rent and utilities? What if the parents have already committed to the purchase of a replacement dwelling of comparable or larger size as the subject dwelling? What if the son and daughter actually move into the parent’s new home and they show you a new lease agreement for a higher rent? It is amazing how many different answers you can get in a situation like this. After examining the reported facts of all parties, do you decide to pay the son? Maybe, maybe not.

In some situations, too much documentation may not be enough. Under the pressure of project deadlines and wanting to get things completed, the agent and the reporter may fail to make the case by the time the file reviewer comes along. File reviewers are also seekers of truth and reporters of the facts as shown in the files. They must have all the evidence used to conclude what the relocation agent did. Without documentation, the reviewer may not agree.

Are right-of-way agents worth their salt?

Of course they are, if they are real seekers of truth and make proper reports of all the facts. One time, I was advised

not to report in a diary entry that a property owner was obviously under the influence. The fear was that reporting such a fact could prejudice the next agent, who might treat the owner differently than if that fact was unknown. You could report having observed the property owner drinking a large quantity of liquid that appeared to be an intoxicant and that he or she seemed to have slurred speech.

It might be wise to report such behavior if you have to leave because the owner was unable to comprehend the information you are trying to convey. In that case, note that you will call back for another appointment. As another example, I have called on an appointment and showed up to a grantor that was barely able to stand. When I dropped in on him the next time, I found him to sober and coherent.

A motivated person can make a good living and become an expert right-of-way agent. Be a seeker of truth and a reporter of the facts without prejudice or editorial comment. You will be a great agent and will keep the reviewers of those facts from second guessing you or reporting you to your employer for lack of documentation.

So, is the right-of-way agent worthy of all those bucks? Well, if you are dealing with a genuine seeker of truth and reporter of facts, you will be getting an expert who can be relied upon to keep you out of trouble. Such a professional deserves to be well paid. ■

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Ron Spaide joined the Northeast Mid-Atlantic Division of Universal Field Services in 1995 as Director of Right of Way.

Prior to joining Universal, Ron was Manager of Property Acquisition and Right of Way for PECC Energy (formerly Philadelphia Electric Company). In his position with PECC, he was responsible for the acquisition of all property and property rights required for corporate purposes including negotiation of all property leases and joint pole attachment contracts.

Ron is responsible for Universal's business development throughout the Division and he works with a number of pipeline, gas and electric utilities. Currently, he is Project Manager responsible for coordinating all of the right of way services provided by Universal to GPU Energy throughout its service area. GPU is responsible for about one-half of the electric transmission and distribution in Pennsylvania and New Jersey.

Ron is a member of the International Right of Way Association and he served as president of Chapter 9 in 1990. He was an International Director of IRWA in 1987-92; a member of the International Liaison Committee and was instrumental in developing a railroad subcommittee within IRWA.



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