

Appraisal Services On-Call Contract

System Expansion Committee

09/11/2025



Why we are here

Motion No. M2025-45: We are here to inform the decision to authorize the Chief Executive Officer to execute individual On-Call Contracts with nine real estate appraisal valuation firms for five years each, with two one-year options to extend.

The contracts are structured as multiple-award, on-call agreements consistent with prior Board actions.

Aggregate total spending on all contracts will not exceed \$27 million.

Contract Funding

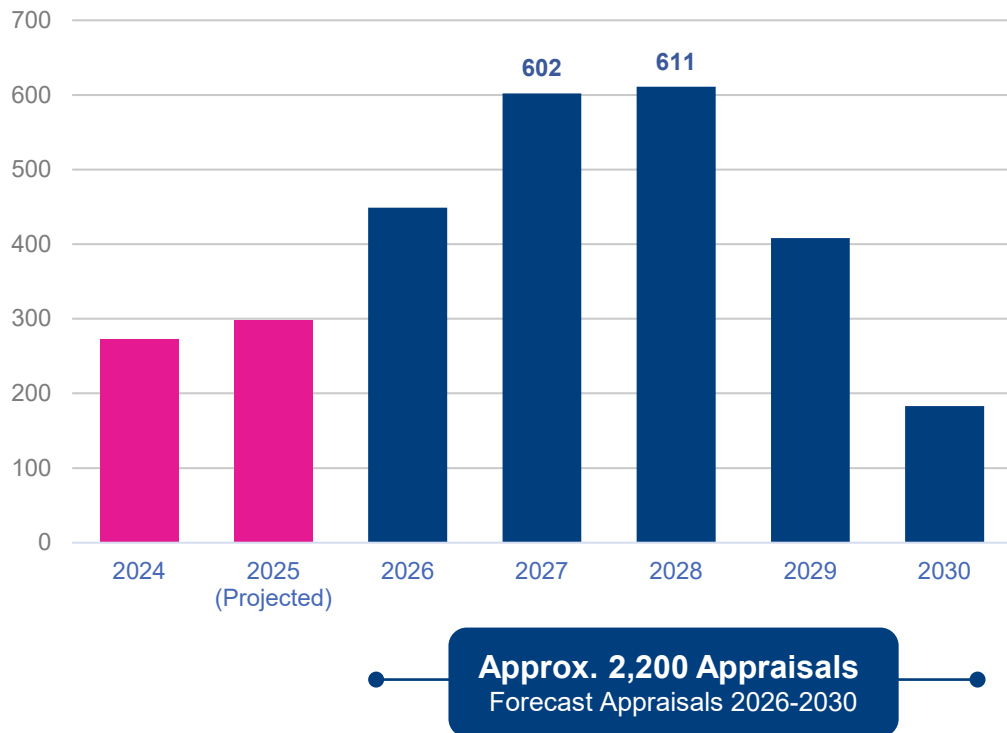
- Not requesting a budget allocation.
- Funding will come from board-approved capital and operating budgets on a task order basis.
- Does not impact the affordability of the agency's Long Range Financial Plan, as the services are already incorporated in the annual operating plan and capital project budgets.

Real Estate Appraisal Services

Sound Transit has an ongoing need for appraisal consulting services.

- Appraisal services are used for:
 - property acquisition
 - property disposition
 - insurance purposes (Agency assets)
 - budgeting and planning purposes
- Existing on-call appraisal service contracts expire in February 2026

Upcoming Appraisal Workload – 2026-2030



1. **Demand for appraisals will surge** to unprecedented levels – exceeding prior peaks from ST2.
2. **Annual volumes in 2027-2028 will exceed 600 reports**, creating sustained pressure on staff and consultant resources.
3. **ROW Appraisal industry is increasingly fragmented** – More firms needed to provide similar capacity as compared to past.
4. **This scale underscores the importance** of securing a broad, flexible bench of qualified appraisal firms.

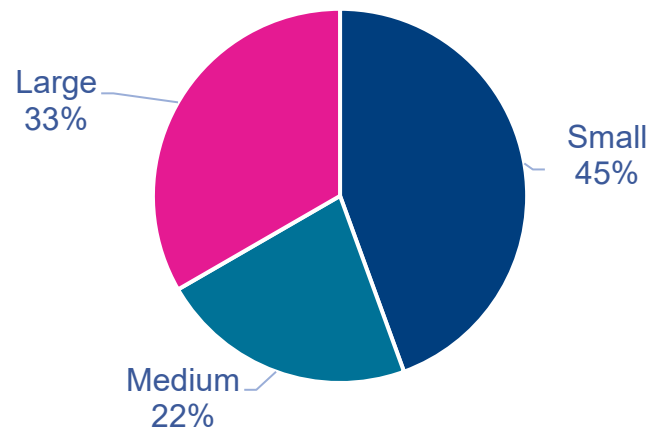
Appraisal Services On-Call Contract Firm Size Breakdown

Large (3)	Medium (2)	Small (4)
CBRE	ABS Valuation ¹	CIC Valuation ¹
Cushman & Wakefield	McKee Appraisal ¹	National R/W Review Appraisal ²
Integra Realty Resources ¹		R.P. Herman & Associates ¹
		SOVA Consulting ¹

¹Local Firm (6)

²New Consultant to Sound Transit (1)

FIRM SIZE BREAKDOWN



Request Summary

Staff are recommending approval of multiple On-Call Contracts for Appraisal Services described as follows:

- Prime Contracts: Nine
- Contract Terms: 5 Years (& 2, 1-Year Renewal Options)
- Total Authority: \$27,000,000
- Scope: Cover needs for the next 5 to 7-year period
- Primary Objective Increase capacity and number of small and local business bench

Thank you.



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