

Section 8: Acquisition and Relocation

I. SCOPE OF ACQUISITION AND RELOCATION

The purpose of this section is to inform the grantees of the basic regulatory requirements and related guidance covering real property acquisition and the relocation of persons who may be displaced as a result of a Neighborhood Stabilization Program (NSP). To assist grantees in complying with these requirements, the Appendices to this section contain materials (sample letters, flowcharts, regulations, and other guidance materials) that comply with the regulations. The use of guidance materials should be reviewed and files should contain specified applicable documents.

Since relocation of persons within the NSP project is infrequent and the process of relocating persons/businesses is extensive, only the acquisition process will be detailed. Any relocation assistance will be handled on a case-by-case basis and separate directives will address relocation regulations. Therefore, should any project cause the relocation of persons, businesses, or remove a vacant occupiable dwelling unit, the grantee must contact the Acquisition/Relocation Specialist for information.

II. APPLICABLE LAWS AND REGULATIONS

A. Uniform Relocation Act (URA)

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and HUD implementing regulation at 49 CFR Part 24 govern the acquisition of real property for NSP-assisted activity and the displacement of persons. The rule applies to all NSP-assisted projects.

If federal financial assistance is used in any part of the activity, the URA governs the grantee's acquisition of real property and may govern any resulting displacement. It is important the grantee comprehend that the involvement of federal assistance in the project is the cause of URA application and that funding source is not a factor. The URA requirement applies, whether NSP funds, local funds, or zero funds (the real property is donated) are expended.

B. Section 104(d)

Section 104(d) of the Housing and Community Development Act of 1974, as amended (HCD Act), and implementing regulations at 24 CFR 570.496a (state NSP program) govern the displacement of any lower income person as a direct result of the demolition of any housing unit or the conversion of occupied or vacant occupiable low- and moderate-income housing to a use other than low- and moderate-income housing for a NSP project, as well as the URA requirements. **The HERA waived the one-for-one housing replacement requirement.** Appendix P provides a sample letter to send to LMI tenants informing them of the NSP financial assistance.

C. Program Regulations

Most HUD program regulations contain additional requirements regarding displacement, including displacement not covered by the URA or Section 104(d). Examples of such requirements include:

Program:	Additional Policies:
Rental Rehabilitation Program (RRP)	24 CFR 511.14
Special Purpose Grants	24 CFR 770.410

As a condition for the approval of its block grant, the grantee certifies it will ensure that all NSP activities are in compliance with applicable requirements to the URA and Section 104(d).

III. BASIC REQUIREMENTS, REAL PROPERTY ACQUISITION

A. Basic Acquisition Process

The grantee is to make every reasonable effort to acquire the real property expeditiously by negotiation. A flow chart outlining the URA acquisition process is included in this section. The Acquisition process is as follows:

1. Notice to Owner. As soon as feasible, the owner shall be notified of the grantee's interest in acquiring the real property and the basic protections applicable, including the grantee's obligation to secure an appraisal. Grantees may meet the requirement to notify the owner of the basic protections available by providing and explaining, as appropriate, the HUD information brochure, **"When a Public Agency Acquires Your Property"**.

References: Appendix B and Appendix C

2. Appraisal and Invitation to Owner. Before the initiation of negotiations, the real property to be acquired shall be appraised and the owner, or the owner's designated representative, shall be given an opportunity to accompany the appraiser during the appraiser's inspection of the property, unless:
 - a. Since accurate appraisals are the heart of the acquisition process, it is important the grantee select qualified appraisers. References should be obtained through appropriate inquiries among users of appraisal services.

The appraiser must be procured as a professional service if NSP funds are paying for these services. The appraisers must be qualified professional appraisers.

The object of the appraisal process is to furnish an accurate estimate of value in accordance with the definition and concepts of value and the rules on the admissibility of evidence of value.

When acquiring commercial property and/or property with tenant-owned improvements, the grantee should provide the appraiser with appropriate legal guidance with respect to the classification as to ownership and type of property of all buildings, structures, fixtures, and other improvements. The grantee may examine property analysis guidance contained in Article 4(j) of Agreement for Appraisal Services (49 CFR 24.102).

The tenant-owner of a real property improvement should be invited to accompany the appraiser on his/her inspection of improvement.

- b. Donations. An owner whose real property is to be acquired, after being fully informed by the grantee of the right to receive just compensation and his/her right to an appraisal, may waive the right to an appraisal and donate such property without compensation. The owner may completely or partially waive compensation. Whenever a grantee acquires real property under this donation provision, the grantee must obtain the written consent of the owner. Such consent must indicate the owner understands that under the URA he/she cannot be required to sell the real property for less than its appraised fair market value.

References: Appendix H - Donation of Property and Appendix I - Partial Compensation.

- 3. NSP Voluntary Acquisition of Foreclosed Property: Before the initiation of negotiations, the grantee shall establish an amount which it believes is just compensation for the real property. The amount shall be for at least 5% less than the appraised fair market value. Promptly thereafter, the agency shall make a written offer to the owner to acquire the property.

Reference: Appendix F - NSP Voluntary Acquisition of Foreclosed Property.

- 4. Appraisal. Along with the initial written purchase offer, the owner shall be given a copy of the appraisal which includes:
 - a. A statement of the amount offered as just compensation. In the case of a partial acquisition, the compensation for the real property to be acquired and the compensation for damages, if any, to the remaining real property shall be separately stated.
 - b. A description and location identification of the real property and the interest in the real property to be acquired.

- c. An identification of the buildings, structures, and other improvements (including building equipment and trade fixtures) which are considered to be part of the real property for which the offer of just compensation is made. Where appropriate, the statement shall identify any separately held ownership interest in the property, e.g., a tenant-owned improvement, and indicate such interest is not covered by the offer.

Reference: Appraisal

5. Basic Negotiation Procedures

Contacting the Owner. The grantee shall make reasonable efforts to contact the owner or the owner's representative and discuss its offer to purchase the property, including the basis for the offer of just compensation. The grantee shall explain the basic acquisition policies and procedures that apply, including its payment of incidental expenses. Whenever feasible, personal face-to-face contact and discussion shall take place. The owner shall be given reasonable opportunity to consider the offer and present material which the owner believes is relevant to determining the value of the property and to suggest modifications in the proposed terms and conditions of the purchase.

6. Payment and Transfer of Title

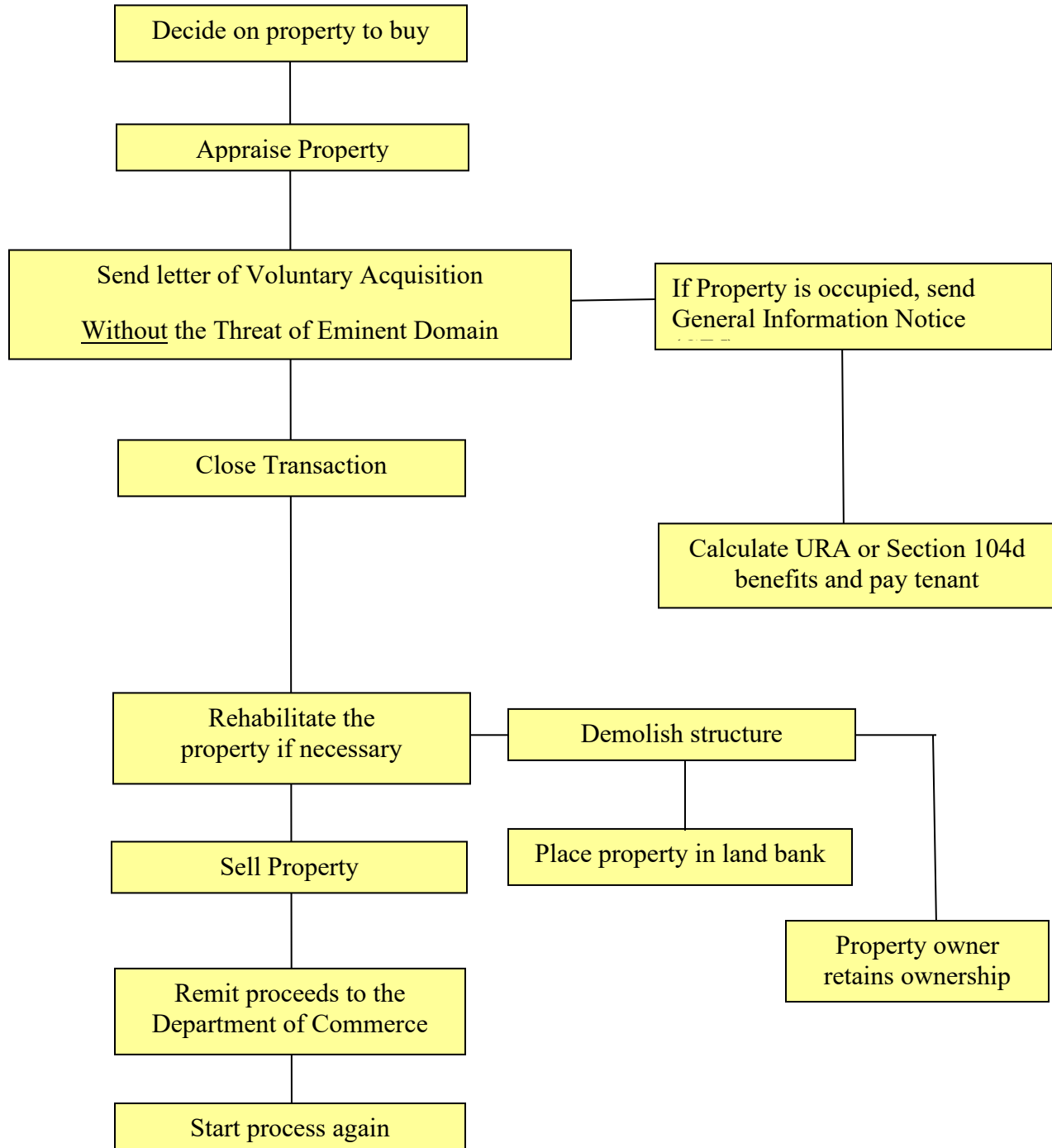
- a. Payment Before Taking Possession. Before requiring the owner to surrender possession of the real property, the grantee shall pay the agreed purchase price to the owner. In exceptional circumstances, with the prior approval of the owner, the grantee may obtain a right-of-entry for construction purposes before making payment available to an owner.
- b. Expenses Incidental to Transfer of Title. The owner of the real property shall be reimbursed for all reasonable expenses the owner necessarily incurred for:
 - (1) Recording fees, transfer taxes, documentary stamps, evidence of title, boundary survey and legal description of the real property, and similar expenses incidental to conveying the real property to the grantee. However, the grantee may not pay costs solely required to perfect the owner's title to the real property;
 - (2) Penalty costs and other charges for prepayment of any pre-existing recorded mortgage entered into in good faith encumbering the real property; and
 - (3) The pro rata portion of any prepaid real property taxes which are allocable to the period after the grantee obtains title to the property or effective possession of it, whichever is earlier.

Whenever feasible, the grantee shall pay for the incidental expenses directly so the owner will not have to pay such costs and then seek reimbursement from the grantee. To avoid duplicate expenditures, the property owner shall be informed early in the acquisition process of the grantee's intent to make such arrangements.

C. Recordkeeping Requirements

A separate file must be maintained for each transaction of property acquired. The grantee is required to keep a summary of all completed acquisition transactions in their project file for monitoring purposes. The form to be used can be found as Appendix J - Acquisition Report. A SAMPLE of a completed Acquisition Report follows Appendix J1. As a reference or checklist, you may find it helpful to refer to the following table regarding required documentation.

Neighborhood Stabilization Program Acquisition Flow Chart



SAMPLE LETTER

PRELIMINARY ACQUISITION NOTICE/BROCHURE

(Date)

Mrs. Elizabeth Richards
4134 Gus Young Avenue
West Linn, Kansas

RE: Project No. 91-PF-001

Dear Mrs. Richards:

This is to inform you the City of West Linn is considering the acquisition of your property on Gus Young Avenue (Lot 8, Square 6, Palmer Extension) to be used for the construction of an addition to the Eden Park Community Service Center.

A copy of a brochure describing your rights and the City's procedures for acquiring property is enclosed for your information. If you have any questions, please call Mr. Garcia Lorca at City Hall at 441-4841. This is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance.

The City will be hiring an independent appraiser to appraise your property. You have the right to accompany him on his inspection of the property if you wish to do so. A letter inviting you to accompany him will be sent by the appraiser at least five days prior to his visit.

Sincerely,

Garcia Lorca
Public Works Director

Enclosure: When A Public Agency Acquires Your Property

When A Public Agency Acquires Your Property

Introduction

What Right Has Any Public Agency To Acquire My Property Acquisition policies Act of 1970, as amended (URA) and provides general information about public acquisition of real property (real estate) that should be useful to you.

Most acquisitions of real property by a public agency for Federal project or product in which Federal funds are used are covered by the URA. If you are notified that your property will be acquired for such a project, it is important that you learn your rights under this important law.

This booklet may not answer all of your questions. If you have more questions about the acquisition of your property, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you sell your property. Afterwards, it may be too late.

General Questions

What Right Has Any Public Agency To Acquire My Property?

The Federal Government and every State government have certain powers that are necessary for them to operate effectively. For example, they have the power to levy taxes and the power to maintain order. Another government power is the power to acquire private property for public purposes. This is known as the power of eminent domain.

The rights of each of us are protected, however, by the Fifth and Fourteenth Amendments of the U.S. Constitution and by State constitutions and eminent domain laws which guarantee that if a public agency takes private property it must pay “just compensation” to the owner. The URA provides additional protections, as explained in this booklet.

Who Made The Decision To Buy My Property?

The decision to acquire a property for a public project usually involves many persons and many determinations. The final determination to proceed with the project is made only after a thorough review which may include public hearings to obtain the views of interested citizens.

If you have any questions about the project or the selection of your property for acquisition, you should ask a representative of the Agency which is responsible for the project.

How Will The Agency Determine How Much To Offer Me Of My Property?

Before making you an offer, the Agency will obtain at least one appraisal of your property by a competent real property appraiser who is familiar with local property values. The appraiser will inspect your property and prepare a report that includes his or her professional opinion of its current fair market value. After the appraiser has completed his work, a review appraiser will examine the appraisal report to assure that the estimate is fair and the work conforms to professional appraisal standards.

The Agency must offer you “just compensation” for your property. This amount cannot be less than the appraised fair market value of the property. “Just compensation” for your property does not take into account your relocation needs. If you are eligible for relocation assistance, it will be additional.

What Is Fair Market Value?

Fair market value is sometimes defined as that amount of money which would probably be paid for a property in a sale between a willing seller, who does not have to sell, and a willing buyer, who does not have to buy. In some areas, a different term or definition may be used.

The fair market value of a property is generally considered to be “just compensation.” Fair market value does not take into account intangible elements such as sentimental value, good will, business profits, or any special value that your property may have for you or for the Agency.

How Does An Appraiser Determine The Fair Market Value Of My Property?

Each parcel of real property is different and therefore no single formula can be devised to appraise all properties. Among the factors an appraiser typically considers in estimating the value of real property are:

- How it compares with similar properties in the area that have been sold recently.
- How much rental income it could produce
- How much it would cost to reproduce the buildings and other structures, less any depreciation.

Will I have A Chance To Talk To The Appraiser?

Yes, you will be contacted and given the opportunity to accompany the appraiser on his or her inspection of your property. You may then inform the appraiser of any special features which you believe may add to the value of your property. It is in your best interest to provide the appraiser with all the useful information you can in order to insure that nothing of allowable value will be overlooked. If you are unable to meet with the appraiser, you may wish to have a person who is familiar with your property represent you.

Promptly after the appraisal has been reviewed (and any necessary corrections obtained), the Agency will determine just compensation and give you a written purchase offer in that amount along with a “summary statement,” explaining the basis for the offer. No negotiations are to take place before you receive the written purchase offer and summary statement.

What Is In The Summary Statement Of The Basis For The Offer Of Just Compensation?

The summary statement of the basis for the offer of just compensation will include:

- An accurate description of the property and the interest in the property to be acquired.
- A statement of the amount offered as just compensation. (If only part of the property is to be acquired, the compensation for the part to be acquired and the compensation for damages, if any, to the remaining part will be separately stated.)
- A list of the buildings and other improvements covered by the offer. (If there is a separately held interest in the property not owned by you and not covered by the offer (e.g. a tenant-owned improvement), it will be so identified)

Must I accept The Agency's Offer?

No. You are entitled to present your evidence as to the amount you believe is the fair market value of your property and to make suggestions for changing the terms and conditions of the offer. The Agency will consider your evidence and suggestions. When fully justified by the available evidence of value, the offer price will be increased.

May Someone Represent Me During Negotiations?

Yes. If you would like an attorney or anyone else to represent you during negotiations, please inform the Agency. However, the URA does not require the Agency to pay the costs of such representation.

If I Reach Agreement With The Agency, How Soon Will I be Paid?

If you reach a satisfactory agreement to sell your property and your ownership (title to the property) is clear, payment will be made at a mutually acceptable time. Generally, this should be possible within 30 to 60 days after you sign a purchase contract. If the title evidence obtained by the Agency indicates that further action is necessary to show that your ownership is clear, you may be able to hasten the payment by helping the Agency obtain the necessary proof. (Title evidence is basically a legal record of the ownership of the property. It identifies the owners of record and lists the restrictive deed covenants and recorded mortgages, liens, and other instruments affecting your ownership of the property.)

What Happens If I Don't Agree To The Agency's Purchase Offer?

If you are unable to reach an agreement through negotiations, the Agency may file a suit in court to acquire your property through an eminent domain proceeding. Eminent domain proceedings are often called condemnations. If your property is to be acquired by condemnation, the Agency will file the condemnation suit without unreasonable delay.

An Agency may also decide not to buy your property, if it cannot reach agreement on a price, and find another property to buy instead.

What Happens After The Agency Condemns My Property?

You will be notified of the action. Condemnation procedures vary, and the Agency will explain the procedures that apply in your case.

Generally, when an Agency files a condemnation suit, it must deposit with the court (or in an escrow account) an amount not less than its appraisal of the fair market value of the property. You should be able to withdraw this amount, less any amounts necessary to pay off any mortgage or other liens on the property and to resolve any special ownership problems. Withdrawal of your share of the money will not affect your right to seek additional compensation for your property.

During the condemnation proceeding, you will be provided an opportunity to introduce your evidence as to the value of your property. Of course, the Agency will have the same right. After hearing the evidence of all parties, the court will determine the amount of just compensation. If that amount exceeds the amount deposited by the Agency, you will be paid the difference, plus any interest that may be provided by law.

To help you in presenting your case in a condemnation proceeding, you may wish to employ an attorney and an appraiser. However, in most cases the costs of these professional services and other costs that an owner incurs in presenting his or her case to the court must be paid by the owner.

What Can I Do If I Am Not Satisfied With The Court's Determination?

If you are not satisfied with the court judgment, you may file an appeal with the appropriate appellate court for the area in which your property is located. If you are considering an appeal, you should check on the applicable time limit for filing the appeal and consult with your attorney on whether you have a basis for the appeal. The Agency may also file an appeal if it believes the amount of the judgment is too high.

Will I Have To Pay Any Closing Costs?

You will be responsible for the payment of the balance on any mortgage and other liens on your property. Also, if your ownership is not clear, you may have to pay the cost of clearing it. But the Agency is responsible for all reasonable and necessary costs for:

- Typical legal and other services required to complete the sale, recording fees, revenue stamps, transfer taxes and any similar expenses which are incidental to transferring ownership to the Agency.
- Penalty costs and other charges related to prepayment of any recorded mortgage on the property that was entered into in good faith.
- Real property taxes covering the period beginning on the date the Agency acquires your property.

Whenever possible, the Agency will make arrangements to pay these costs directly. If you must incur any of these expenses yourself, you will be repaid—usually at the time of closing. If you later discover other costs for which you should be repaid, you should request repayment from the Agency immediately. The Agency will assist you in filing a claim. Finally, if you believe that you were not properly repaid, you may appeal the decision to the Agency.

May I Keep Any Of The Buildings Or Other Improvements On My Property?

Very often, many or all of the improvements on the property are not required by the Agency. This might include such items as a fireplace mantel, your favorite shrubbery, or even entire house. If you wish to keep any improvements, please let the Agency know as soon as possible.

If you do arrange to keep any improvements, the Agency will deduct only its salvage value from the purchase price you would otherwise receive. (The salvage value of the items is its probable selling price if offered for sale on the condition that the buyer will remove it at his or her own expense.) Of course, if you arrange to keep any real property improvement, you will not be eligible to receive a relocation payment for the cost of moving it to a new location.

Can The Agency Take Only A Part Of My Property?

Yes. But if the purchase of only a part of your property reduces the value of the remaining part(s), you will be paid for the loss in value. Also, if any remaining part would have little or no utility or value to you, the Agency will offer to buy that remaining part from you.

Occasionally, a public project will increase the value of the part that is not acquired by the Agency. Under some eminent domain laws, the amount of such increase in value is deducted from the purchase payment the owner would otherwise receive.

Will I Have To Pay Rent To The Agency After My Property Is Acquired?

If you remain on the property after the acquisition, you may be required to pay a fair rent to the Agency. Such rent will not exceed that charged for the use of comparable properties in the area.

How Soon Must I Move?

If possible, a mutually agreeable date for the move will be worked out. Unless there is an urgent need for your property (e.g., your occupancy would present a health or safety emergency), you will not be required to move without at least 90 days advance written notice.

If you reach a voluntary agreement to sell your property, you will not be required to move before you receive the agreed purchase price. If the property is acquired by condemnation, you cannot be required to move before the estimated fair market value of the property has been deposited with the court so that you can withdraw your share.

If you are being displaced from your home, you will not be required to move before a comparable replacement home is available to you.

Will I Receive Relocation Assistance?

Title II of the URA requires that certain relocation payments and other assistance must be provided to families, individuals, businesses, farms, and nonprofit organizations when they are displaced or their personal property must be moved as a result of a project that is covered by the URA.

The Agency will furnish you a full explanation of any relocation assistance to which you may be entitled. If you have any questions about such assistance, please contact the Agency. In order for the Agency to fulfill its relocation obligations to you, you must keep the Agency informed of your plans.

My Property Is Worth More Now. Must I Pay Capital Gains Tax On The Increase?

Internal Revenue Service (IRS) Publication 544 explains how the Federal income tax would apply to a gain or loss resulting from the sale or condemnation of real property, or its sale under the threat of condemnation, for public purposes. If you have any questions about the IRS rules, you should discuss your particular circumstances with your personal tax advisor or your local IRS office.

I'm A Veteran. How About My VA Loan?

After your VA home mortgage loan has been repaid, you will be permitted to obtain another VA Loan to purchase another property. Check on such arrangements with your nearest Veterans Administration Office.

Is It Possible To Donate Property?

Yes. You may donate your property or sell it to the Agency for less than its fair market value. The agency must obtain an appraisal of the property and offer just compensation for it, unless you release the Agency from these obligations.

Additional Information

If you have any questions after reading this booklet, contact the Agency and discuss your concerns with the Agency representative.

Agency: _____
Address: _____
Office Hours: _____
Telephone Number: _____
Person to Contact: _____

SAMPLE LETTER

INVITATION TO ACCOMPANY AN APPRAISER

(Date)

Mrs. Elizabeth Richards
4134 Gus Young Avenue
West Linn, Kansas

Dear Mrs. Richards:

I have been requested by the City of West Linn to prepare an appraisal of your property on Gus Young Avenue. I will visit the property October 15, 1991. If you wish to accompany me, please telephone me at (913) 331-4705 to arrange a mutually convenient time.

Sincerely,

Robert Baxter
Senior Appraiser

ACQUISITION CHECKLIST

City/County: _____ Grant No.: _____

RE: _____

(description of real property)

Owner(s): _____ Tenants: _____

Address: _____ Address: _____

Procedure Implemented:	Appendix References	Date
(a) Official determination to acquire property (usually execution of grant agreement)	-	_____
(b) Preliminary Acquisition Notice mailed and owner informed of basic rights	D/E	_____
(c) Enter into contract with appraiser	-	_____
(d) Owner provided letter to accompany appraiser	F	_____
(e) Property appraised	-	_____
(f) Appraisal report received	-	_____
(g) Enter into contract with review appraiser	-	_____
	-	_____
(h) Grantee establish purchase offer amount (offer must equal or be above approved appraisal value)	-	_____
(i) Owner provided written purchase offer and determination of offer	G/H	_____
(j) Settlement cost paid	I	_____
(k) Final contract entered (all parties)	-	_____
(l) Payment to owner	-	_____
(m) Title recorded/filed with court	-	_____
Condemnation dates*		_____
(o) 90 days notice to vacate property	-	_____
(p) Condemnation proceeding instituted	-	_____
(q) Estimated just compensation deposited with courts	-	_____
Comments: _____		

SIGNIFICANT DOLLAR AMOUNTS:

Appraisals:	First	Second*	Third*	Review
	\$ _____	\$ _____	\$ _____	\$ _____
Compensation Amount:	Determined	Initial Written Order	Acquisition Price	
	\$ _____	\$ _____	\$ _____	\$ _____
Settlement Costs:	\$ _____	\$ _____	\$ _____	\$ _____

GUIDEFORM
- NSP VOLUNTARY ACQUISITION OF FORECLOSED PROPERTY -
- Informational Notice -
(Agencies/Persons **Without** Eminent Domain Authority)

Grantee or Agency Letterhead

(date)

Dear _____ :

(Name of Agency/Person _____ , is interested in acquiring property you own at (address) _____ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Neighborhood Stabilization Program (NSP).

Please be advised that (Name of Agency/Person) _____ does not have authority to acquire your property by eminent domain. In the event we cannot reach an amicable agreement for the purchase of your property, we will not pursue this proposed acquisition.

Under the NSP, we are required to purchase foreclosed property at a discount from its current market appraised value. Our appraisal indicates the property's market value is \$ _____ We are prepared to offer you \$ _____ to purchase your property. This offer is less than the current market appraised value as required by the NSP. Please contact us at your convenience if you are interested in selling your property.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance. A tenant-occupant who moves as a result of a voluntary acquisition for a federally-assisted project may be eligible for relocation assistance. Such displaced persons may include not only current lawful occupants, but also former tenants required to move for any reason other than an eviction for cause in accordance with applicable federal, state, and local law. If your property is currently tenant-occupied or a tenant lawfully occupied your property within the past 3 months prior to our offer, we need to know immediately. Further, you should not order current occupant(s) to move, or fail to renew a lease, in order to sell the property to us as vacant.

If you have any questions about this notice or the proposed project, please contact

Name: _____ Title: _____
Address: _____ Phone: _____

NOTES to NSP Voluntary Acquisition Notice (Agency/person without Eminent Domain authority).

1. The case file must indicate the manner in which this notice was delivered (e.g., certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3 J of Handbook 1378)
2. Tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be so informed per 49 CFR 24.2(a)(15)(iv) – Initiation of negotiations, and 49 CFR 24 Appendix A - 24.2(a)(15)(iv).
3. See 49 CFR 24.206 regarding eviction for cause.
4. This guide form may only be used if all of the requirements of 49 CFR 24.101(b)(2)(i) and (ii) or 49 CFR 24.101(b)(3) are met.
5. This is a guide form. It should be revised to reflect the circumstances.

STATEMENT OF SETTLEMENT COSTS

City/County: _____ Project No.: _____

Owner: _____

Identification of Property: _____

Purchase Price: \$ _____

Expenses Incidental to Transfer of Title	Paid by City	Paid by Owner
1. Recording Fees	_____	_____
2. Transfer Taxes	_____	_____
3. State Tax Stamps	_____	_____
4. City/County Tax Stamps	_____	_____
5. Survey and Legal Description	_____	_____
6. Penalty Costs Associated with Pre-payment of Pre-existing Recorded Mortgages	_____	_____
7. Pro-rata Portion of Pre-paid Taxes and Public Services Charges	_____	_____
(a) Real Property Taxes - County	_____	_____
(b) Real Property Taxes - City	_____	_____

This statement of settlement costs is certified as true and correct.

Signed: _____ Date: _____

Closing Attorney

SAMPLE LETTER

DONATION OF PROPERTY

(Date)

The Honorable Devon Troy
Mayor, City of West Linn
West Linn, Kansas

RE: Project No. 91-PF-001; Acquisition of Property;
Property on Gus Young Avenue (Lot 8, Square 6, Palmer Extension)

Dear Mayor Troy:

This letter will serve to verify we were fully informed and advised of our rights provided to us by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. We acknowledge receipt of a copy of the booklet “When a Public Agency Acquires Your Property”.

We fully understand we have the right to waive an appraisal on this property and wish to donate it to the city.

OR

We understand the appraised value of this property is \$ _____ and we wish to donate this land to the city.

(Property Owner)

Original: City (NSP Acquisition file)
Copy: Property Owner

SAMPLE LETTER

PARTIAL COMPENSATION OF PROPERTY

(Date)

The Honorable Devon Troy
Mayor, City of West Linn
West Linn, Kansas

RE: Project No. 91-PF-001; Eden Park Community Service Center;
Property on Gus Young Avenue (Lot 8, Square 6, Palmer Extension)

Dear Mayor Troy:

This letter will serve to verify we were fully informed and advised of our rights provided to us by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. We fully understand we are not required to sell this property for less than its appraised fair market value.

We wish to inform the City we are willing to accept \$ _____ as full compensation for the property described above. The difference between the amount of compensation we are receiving and that of the appraised value of \$ _____ is considered by us to be a donation to the City of this project.

(Property Owner)

Original: City (NSP Acquisition file)
Copy: Property Owner

ACQUISITION REPORT

Grantee: _____ Grant No: _____
 (City/County)

RE: SUMMARY OF ACQUISITION ACTIVITIES: According to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA)

I. ACQUISITION PROCESS:

- A. Complete URA Acquisition Process (condemnation not required)
- B. Complete URA Acquisition Process (acquired by condemnation)
- C. Owners waived all/partial rights of URA
- D. Exception filed; (1) Voluntary
- E. Exception filed; (2) Private sector acquiring
- F. Exception filed; (3) Government to government transaction

II. SUMMARY REPORT:

Trans. #	Property Owner's Name(s)	Transaction Type*	Amount Paid**	Date	URA Process***
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____
7.	_____	_____	_____	_____	_____
8.	_____	_____	_____	_____	_____
9.	_____	_____	_____	_____	_____
10.	_____	_____	_____	_____	_____

* Type of Acquisition Transaction:
 Permanent Easement (PE)
 Parcel Simple Fee Title (SF)
 Permanent Right-of-Way (RW)
 Other (OT)

** Amount paid to property owners for real property. (Do not include legal fees, title search fees, or incidental fees)

*** Indicate Type of Acquisition as defined in Section I, i.e. A, B, C, D, E, or F

Sample ACQUISITION REPORT

Grantee: City of West Linn Grant No: 95-PF-001
(City/County)

RE: SUMMARY OF ACQUISITION ACTIVITIES: According to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA)

I. ACQUISITION PROCESS:

- A. Complete URA Acquisition Process (condemnation not required)
- B. Complete URA Acquisition Process (acquired by condemnation)
- C. Owners waived all/partial rights of URA
- D. Exception filed; (1) Voluntary
- E. Exception filed; (2) Private sector acquiring
- F. Exception filed; (3) Government to government transaction

II. SUMMARY REPORT:

Trans. #	Property Owner's Name(s)	Transaction Type*	Amount Paid**	Date	URA Process***
1.	John H. Brown	SF	\$32,500.00	10/4/1995	A
2.	Richard Lee Smith	RW	\$350.00	9/1/1995	C
3.	Chrysler Corporation	SF	\$250,00.00	12/1/1995	F
4.	Albert B. & Christine D. Jones	FE	\$ ---	9/1/1995	C
5.					
6.					
7.					
8.					
9.					
10.					

* Type of Acquisition Transaction:
Permanent Easement (PE)
Parcel Simple Fee Title (SF)
Permanent Right-of-Way (RW)
Other (OT)

** Amount paid to property owners for real property. (Do not include legal fees, title search fees, or incidental fees)

*** Indicate Type of Acquisition as defined in Section I, i.e. A, B, C, D, E, or F

U.S. Department of Housing and Urban Development (HUD) Guide for Preparing An Appraisal Scope of Work

The Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and its implementing regulations (49 CFR Part 24) set forth minimum requirements for real property acquisition appraisals for Federal and federally-assisted programs. Appraisals subject to the URA must be prepared according to these requirements. The acquiring agency may also have additional supplemental appraisal requirements that may be attached.

The acquiring agency has a legitimate role in contributing to the appraisal process, especially in developing the scope of work and defining the appraisal problem. The scope of work and development of an appraisal under these requirements depends on the complexity of the appraisal problem

The scope of work is a written set of expectations that form an agreement or understanding between the appraiser and the agency as to the specific requirements of the appraisal, resulting in a report to be delivered to the agency by the appraiser. It includes identification of the intended use and intended user; definition of fair market value; statement of assumptions and limiting conditions; and certifications. It should specify performance requirements, or it should reference them from another source, such as the agency's appraisal procedural manual. The scope of work must address the unique, unusual and variable appraisal performance requirements of the appraisal. Either the appraiser or the agency may recommend modifications to the initial scope of work, but both parties must approve changes.

SCOPE OF WORK: The appraiser must, at a minimum:

1. Provide an appraisal meeting the definition of an appraisal found at 49 CFR 24.2(a)(3).
2. Afford the property owner or the owner's designated representative the opportunity to accompany the appraiser on the inspection of the property.
3. Perform an inspection of the subject property. The inspection should be appropriate for the appraisal problem, and the scope of work should address:
 - The extent of the inspection and description of the neighborhood and proposed project area,
 - The extent of the subject property inspection, including interior and exterior areas,
 - The level of detail of the description of the physical characteristics of the property being appraised (and, in the case of a partial acquisition, the remaining property),
4. In the appraisal report, include a sketch of the property and provide the location and dimensions of any improvements. The appraisal report should also include adequate photographs of the subject property and comparable sales, and provide location maps of the property and comparable sales.

5. In the appraisal report, include items required by the acquiring agency, including but not limited to the following:
 - Property right(s) to be acquired, e.g., fee simple, easement, etc.,
 - Value being appraised (usually fair market value), and its definition
 - Appraised as if free and clear of contamination (or as specified),
 - Date of the appraisal report and the date of valuation,
 - A realty/personalty report as required by 49 CFR 24.103(a)(2)(i),
 - Known and observed encumbrances, if any,
 - Title information,
 - Location,
 - Zoning,
 - Present use, and
 - At least a 5-year sales history of the property.
6. In the appraisal report, identify the highest and best use. If highest and best use is in question or different from the existing use, provide an appropriate analysis identifying the market-based highest and best use.
7. Present and analyze relevant market information. *(Specific requirements for market information should be included in the agency's appraisal procedural manual and should include research, analysis, and verification of comparable sales. Inspection of the comparable sales should also be specified.)*
8. In developing and reporting the appraisal, disregard any decrease or increase in the fair market value of the real property caused by the project for which the property is to be acquired or by the likelihood that the property would be acquired for the project. *(If necessary, the appraiser may cite the Jurisdictional Exception or Supplemental Standards Rules under USPAP to ensure compliance with USPAP while following this and other Uniform Act requirements.)*
9. Report his or her analysis, opinions, and conclusions in the appraisal report.

ADDITIONAL REQUIREMENTS FOR A SCOPE OF WORK:

INTENDED USE: This appraisal is to estimate the fair market value of the property, as of the specified date of valuation, for the proposed acquisition of the property rights specified (i.e., fee simple, etc.) for a federally assisted project.

INTENDED USER: The intended user of this appraisal report is primarily the acquiring agency, but its funding partners may review the appraisal as part of their program oversight activities.

DEFINITION OF FAIR MARKET VALUE: This is determined by State law, but includes the following:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, each acting in what he or she considers his or her own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

CERTIFICATION: The appraisal shall include a certification of the appraiser (see attached sample or insert agency's certification).

ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser shall state all relevant assumptions and limiting conditions. In addition, the acquiring agency may provide other assumptions and conditions that may be required for the particular appraisal assignment, such as:

- The data search requirements and parameters that may be required for the project.
- Identification of the technology requirements, including approaches to value, to be used to analyze the data.
- Need for machinery and equipment appraisals, soil studies, potential zoning changes, etc.
- Instructions to the appraiser to appraise the property "As Is" or subject to repairs or corrective action.
- As applicable include any information on property contamination to be provided and considered by the appraiser in making the appraisal.

AGREEMENT FOR APPRAISAL SERVICES (ACQUISITION)

THIS AGREEMENT entered into this _____ day of _____ by and between _____ of the City of _____, State of _____ hereinafter referred to as the “Agency”, and _____ hereinafter referred to as the “Appraiser.”

WITNESSETH THAT:

WHEREAS, the Agency proposes to acquire certain real property and desires that the Appraiser furnish the Agency certain services with respect to such property, including an appraisal of each parcel of the property, and the Appraiser represents that he or she is fully qualified to perform such services and will furnish such services personally; and

WHEREAS, the services to be provided under this Agreement are necessary to achieve the purpose of _____ and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA).

NOW, THEREFORE, the Agency and the Appraiser, for the consideration and under the conditions hereinafter set forth, do agree as follows:

ARTICLE 1. Property To Be Appraised. A description of the real property to be appraised, including an identification of any interests in the real property to be specifically excluded from appraisal, are set forth in the attached Exhibit A. A separate appraisal is to be furnished for each “parcel.” (The term “parcel” means any tract or contiguous tracts of land in the same ownership, whether any such tract consists of one or more platted lots or a fractional part of a lot. An easement or other separately held interest in two or more parcels shall be considered to be a separate parcel for appraisal purposes and an exception to the title to the parcels so encumbered. An easement in a parcel that is appurtenant to another parcel to be acquired by the Agency shall be considered to be part of such other parcel and an exception to the title of the parcel encumbered.) Each parcel shall be considered to include all right, title, and interest of the owner in or to any adjacent or abutting streets, alleys, or other public rights of way.

ARTICLE 2. Purpose and Basis or Valuations.

(a) Purpose and Significance of Appraisals. The appraisals to be furnished under this agreement are required by the Agency for its guidance in making fair and impartial determinations of fair market value and the just compensation to be offered to each property owner. The Appraiser shall be guided by those objectives when estimating values. Appraisal reports will be reviewed carefully by the Agency. Accordingly, the text of each appraisal report must cover all matters germane to the required valuation findings and must provide a full explanation of the Appraiser’s reasoning and his analyses of the evidences of value, so that a reviewer will be able to follow the Appraiser’s analyses and understand how he reached his valuation conclusions.

(b) Appraisal Standards. The appraisals under this agreement shall be based on nationally recognized appraisal standards and techniques to the extent that such principles are consistent with the concepts of value and the rules on the admissibility of evidence of value under the eminent domain law of the State. Factors relating to race, color, religion, sex or national origin or to racial, religious, or ethnic identification of neighborhoods are not relevant to the estimation of value and shall not be considered in connection with appraisals of residential real property.

(c) Date of Valuation. The Appraiser's valuation shall be as of a date concurrent with the preparation of the report unless the Agency has specified some other date of valuation.

(d) Relocation Assistance. The Appraiser's analyses and opinions of property value shall not reflect any allowance for the relocation payments and other assistance provided under the URA.

(e) Influence of Project on Property Value. In forming opinion(s), the Appraiser shall disregard any decrease or increase in the fair market value of the real property to be acquired, prior to the date of valuation, caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for such project, other than that due to physical deterioration within the reasonable control of the owner. (In the case of a partial acquisition, using the before-and-after method of valuation, the Appraisers opinion of the value of the remaining not-to-be-acquired portion of the property shall reflect any increase or decrease in value attributable to the project.) If the determination of changes in value caused by the project is a problem, the Appraisers report shall cite the ruling followed and its source and shall explain the effect of the ruling on his opinion of value.

ARTICLE 3. Scope of Appraiser's Services. The Appraiser agrees to perform the following services:

(a) Appraise each parcel and prepare and deliver to the Agency, within _____ calendar days after the date of this agreement, copies of the appraisal report(s) conforming to the provisions of this agreement. The Appraiser shall personally inspect each parcel, including all buildings, structures, fixtures, and other improvements to the property. The Appraiser shall give the owner or his designated representative an opportunity to accompany the Appraiser during his detailed inspection of the property. If the owner of a compensable interest in the property or a representative of such owner does not accompany the Appraiser during the inspection, the Appraiser shall include in his appraisal report a copy of his notification to the owner of the opportunity to accompany the Appraiser and evidence of the owner's receipt of such notification. In the process of inspecting the property, the Appraiser shall, to the extent practicable, ascertain the rights of all parties in possession and note for consideration all factual information and comments furnished by the owner or his representative relevant to the appraisal.

(b) Testify as an expert witness on behalf of the Agency in any judicial proceeding involving any property appraised under this agreement. Such services shall include such reasonable time as may be required for reinspection of the property, updating the Appraiser's valuation, participation in pretrial conferences with counsel for the Agency, and testifying in the judicial proceeding. The compensation for such services shall be determined in accordance with Article 6.

(c) Modify or furnish supplements to any appraisal report furnished under this agreement, without additional cost to the Agency, if (1) applicable principles of law with respect to the valuation of the property require the modification or supplementing of such appraisal, (2) material omissions, inaccuracies, or defects in the appraisal report are discovered after delivery and acceptance of the report by the Agency, or (3) the Appraiser receives or becomes aware of relevant additional appraisal information in existence prior to the date the Appraiser signed the report. If there is a significant delay between the date of valuation and the date of acquisition of any parcel or if the property has been materially altered since the appraisal by a fire, a revised determination of the boundaries of the property to be acquired, or other cause, the Appraiser shall, if requested by the Agency, furnish the Agency a supplementary report updating this valuation and the supporting data and analyses to a current date. The compensation for such updating of an appraisal shall be determined in accordance with Article 6.

(d) Estimate the value of any right or interest proposed to be reserved by the owner in a property appraised by the Appraiser, such as an easement for access to other property of the owner, the right to continue occupancy for an extended period after the Agency acquires the property, or the right to remove any building, structure, fixture, or other improvement. The compensation to be paid to the Appraiser for furnishing any such valuation shall be determined in accordance with Article 6.

(e) Consult with the Agency and its legal counsel regarding services to be performed by the Appraiser, at such time(s) as may be mutually convenient for the parties to this agreement. The Appraiser shall initiate such consultations whenever the Appraiser is in doubt as to whether an element of property is real or personal property or needs legal advice on any aspect of the appraisals to be furnished under this agreement. There shall be no charge by any party for such consultations.

ARTICLE 4. Contents of Appraisal Reports. Each appraisal report to be furnished by the Appraiser under this agreement shall contain certain information and the Appraisers conclusions and opinions, together with the data and analyses by which they were derived, as set forth below. A separate report shall be submitted for each parcel. However, if more than one parcel is to be appraised, all general data may be included in a separate data volume that is referenced in the separate appraisal reports on the individual parcels. The appraisal report on each parcel shall include the following:

(a) A summary headed "Appraisal Report for _____" that provides the following:

- (1) Project name and number.
- (2) Date of the report.
- (3) Parcel number, address of the property, brief identification of all interests in the property appraised, and the name of the owner(s) including any tenant-owners.
- (4) Date(s) of the Appraiser's inspection of the property with the owner or the owner's designated representative. Include the name of each owner or representative of an owner who accompanied the Appraiser during the inspection and the interest held in the property or the representative capacity of each such person.

- (5) The Appraisers estimate of the fair market value of the entire parcel and the fair market value of the same interest in the land, as if vacant.
- (6) The limiting conditions or the appraisal, which may include assumptions (i) that the title is good and marketable, (ii) that no responsibility is assumed by the Appraiser for legal matters, especially those affecting the title to the property, (iii) that the legal description of the property and the interest in the property to be appraised, furnished to the Appraiser by the Agency, is correct, and (iv) that no survey of the property has been made. Any other appropriate assumption or limiting condition may be added if it has been specifically approved in writing by the Agency.
- (7) The certifications of the Appraiser (i) that the Appraiser personally made a thorough inspection of the property, (ii) that, to the best of the Appraiser's knowledge and belief, everything contained in the report is true and no relevant and important fact has been omitted, (iii) that neither the Appraiser's employment nor compensation is contingent on the valuation reported, and (iv) that the Appraiser has no past, present or prospective interest (including that of real estate agent or broker) in the property, the parties involved, or any other interest that would conflict in any way with the services performed or the making of an impartial report.
- (8) A certification that, in the Appraiser's opinion, the fair market value of the property is [an amount to be stated] as of [the date of valuation].
- (9) The signature of the Appraiser.

(b) The name and address of the owner of the property and the name and the address, if known, of any other party known or believed to hold a separate compensable interest in the property.

(c) The street address and an accurate description of each parcel and all interests in the parcel appraised. The property description shall identify all conditions, restrictions, easements, servitudes, and reservations affecting the title. The property description shall specifically exclude and describe any separately held interest in the property that is to be acquired separately or as part of another parcel. The description shall also specifically exclude all separately held interests which are not to be acquired and will not be affected adversely by the Agency's project. If there are any separately held interests in a parcel, which are to be acquired with other interests in the same parcel, such as leaseholds, tenant-owned improvements, life estates, easements, and water, gas, oil, or mineral rights, a description of each such separate interest and the name of its owner shall be furnished.

(d) Off-record title information concerning interests or instruments that affect title, but are not of record, such as leases, options to renew a lease, contracts of sale, and other interests or rights of parties in possession. Such information shall be reported, and if available facts are sufficient, the Appraiser's report shall be based on such additional title information and so noted in the appraisal report. Otherwise, the Appraiser shall refer the matter to the Agency and defer completion of the appraisal until the question is resolved.

(e) Basic property data including pertinent information with respect to such matters as (1) the environment and location of the property, (2) the zoning and any restrictive covenants, conditions, or servitudes affecting the available use or occupancy of the land, (3) the assessed value of the real property and the current annual real estate tax burden, (4) the use and occupancy of the property at time of appraisal, (5) the public improvements, services, and utilities serving and providing access to the property, (6) the character, topography, dimensions, and area of the land, (7) the freedom of the property from special hazards, (8) the current rental and rental history of the property, if rented, (9) the estimated annual costs of ownership and for operation and maintenance of the property, and (10) a description of the buildings, structures, and other improvements, if any, including relevant information as to type of improvement, designed use, construction materials and finish, equipment, dimensions, floor area, age, condition, space or room arrangement, functional utility, and any other characteristics or attributes of the improvements germane to the value of the real property. The appraisal report shall contain a general sketch plat showing the shape and dimensions of the land, the location of the principal improvements on the land, the location of any easements in the land, and the abutting streets, alleys, or other public rights of way. The report shall also include such photographs, each clearly identified, as may be appropriate.

(f) Report of any condition or occupancy of the property in violation of law that may affect the value of the property.

(g) The Appraiser's opinion as to the highest and best use for the property. The appraisal report shall also include the Appraiser's opinions as to any other use(s) for which the property is reasonably suitable or adaptable. If the property is unused vacant land or the highest and best use is not self-evident or is found to differ significantly from the present use, the appraisal report shall contain the analyses by which the Appraiser reached the conclusions as to the highest and best use of the property and as to its suitability or adaptability for any other use(s). The analysis of a potential use shall include consideration of relevant matters, such as the suitability of the location, the environment and the legal and physical attributes of the property for such use, the estimated cost, if any, of conveying the property to such use, and the supply, sale price levels, and relative desirability of other properties that would compete for the same kind of use. The analysis of the property for the future use or uses found to be the highest and best use is part of the process of appraising the property and, therefore, may be included in the valuation analysis furnished in accordance with Paragraph 4(h) below.

(h) The opinion of the Appraiser as to the fair market value of the property. The appraisal report shall contain a description of the reasoning process used by the Appraiser in reaching the conclusion as to value and all data and analyses needed to explain and support the valuation. The supporting data and analyses furnished in the appraisal report shall include the following:

- (1) An analysis of the property, from the point of view of evaluating the effect of its characteristics and attributes on its value for the available use or uses for which the property is best suited. Particular attention shall be given to the characteristics of the property most relevant to its value, such as, in the case of an investment property, the income potential and the expenses of ownership, maintenance, and operation.

- (2) An identification of the most recent sale of each property appraised and any other sales of such property during the last five (5) years preceding the appraisal. Such sale(s) of the property appraised and all recent sales of comparable properties considered by the Appraiser in forming the opinion(s) of fair market value shall be verified insofar as practical. The information furnished with respect to each such sale shall include, among other pertinent facts, the names of the grantor and grantee, the date of the sale, the sale price, any special terms or conditions or circumstances of the sale that affected the transaction and a description of the property and its condition at time of sale in sufficient detail for use in making the appraisal.
- (3) The analyses that constitute the principal basis for the Appraiser's opinion of the fair market value. The appraisal report shall contain the Appraiser's evaluation with respect to previous sales of the property appraised and any recent offer of the owner to sell the property. The appraisal report shall also contain the Appraiser's analysis of each comparable property and its sale in relation to the property appraised. The Appraiser's analysis shall reflect appropriate allowances for the difference in the time of the sale of the comparable properties and the date of appraisal and the differences in the utility, desirability, and productivity of the properties that are pertinent to their relative value. The appraisal report shall contain a valuation data map showing the location of the property appraised and the comparable properties referred to in the appraisal report.
- (4) All other information, analyses, and estimates considered by the appraiser to be relevant to the estimation of the fair market value of the property.
- (5) If the property appraised is part of a larger parcel in the same ownership or is less than the entire interest of the owner in the property, the appraisal report shall contain the Appraiser's opinion of just compensation for a taking of such property or interest, using the before-and-after method of valuation as interpreted under State law unless it is obvious that there would be no damages or benefits to the remaining property or interest of the owner. However, if the part or interest to be taken is such a small part of the whole property that the damages for the taking can be more accurately estimated directly, that method may be used if permitted under State law, without estimating the fair market value of the entire property of the owner. The foregoing opinions of the Appraiser shall be supported in the report by the data and analyses, by which the Appraiser reached his/her conclusions.

For information purposes, the appraisal report shall also contain the Appraisers estimates of the fair market value of the to-be-acquired part or interest as part of the whole property and the net damages or benefits to the remaining property of the owner. If in the opinion of the Appraiser, acquisition of the part of, or interest in, the property proposed for acquisition would leave the owner with an uneconomic remnant, the Appraiser shall furnish a separate estimate of the fair market value of a "parcel" comprising both the parcel proposed for acquisition and the uneconomic remnant. (A remainder parcel or interest shall be considered to be an uneconomic remnant if by itself it has little or no utility or value to the owner.)

- (6) Such maps, plans, photographs, or other exhibits as are necessary to explain or illustrate the analyses of the Appraiser.
- (7) The Appraiser's evaluation of the indications of value deduced from the separate analyses of the various evidences of value and an explanation of how the Appraiser reached his/her final conclusion as to the fair market value of the property.

(i) The opinion of the Appraiser as to the fair market value of the land, as if vacant. The valuation shall be for the same interest in the land as is to be acquired in the real property. The report shall contain information with respect to the available use or uses for which the land would be suitable if vacant, the opinion of the Appraiser as to its highest and best use, and the Appraisers analysis of the evidences of value and of the use potential by which the Appraiser reached his/her conclusions as to the highest and best use of the land and the land value.

(j) A property analysis if the property is a commercial, industrial, institutional, governmental, or farm property that involves substantial quantities and kinds of fixtures such as machinery and equipment. Any building, structure, fixture, or other improvement, which would be real property if owned by the owner of the land, shall be considered to be real property (even if the improvement is the property of a tenant who has the right to remove it or the obligation to remove it at the expiration of the lease term). The property analysis must be approved by the Agency before the appraisal is completed and, as approved by the Agency, shall be included as an exhibit in the Appraiser's report. The property analysis shall list, identify, and classify as to ownership and type of improvement, all items of physical property considered to be part of the real property. The property analysis shall also identify tangible personal property located on the premises to the extent reasonably necessary to prevent misunderstandings as to what is regarded as being real or personal property. Buildings, structures, fixtures and other improvements, including their accessories and spare parts, shall be identified and classified as to ownership and type of property as follows:

- (1) Ownership.
 - (i) Owner of the land.
 - (ii) Each tenant in occupancy.
 - (iii) Each non-occupant owner of any fixtures or other improvements, or personal property on the premises.
- (2) Type of property.
 - (i) Building, structure, or fixed improvement.
 - (ii) Building equipment, removable.
 - (iii) Fixtures, classified as to whether economically removable for reuse, removable for salvage only, or irremovable.
 - (iv) Personal property, identified as to types and approximate amounts, or otherwise, as needed to prevent misunderstandings as to the classification of any item.

If any building, structure, fixture or other improvement is not to be acquired, will not be adversely affected by the Agency's project, and will not be required by the Agency to be removed, such as a pipeline in an easement not to be acquired, such improvement shall be identified as excluded from the appraisal.

(k) If machinery and equipment or other fixtures used in a trade or business, farm operation, or institutional or governmental function constitute part of the real property, the appraisal report shall contain a separate schedule which provides separate estimates for each such item, as prescribed below. If there is more than one owner of such items, a separate schedule shall be furnished for each owner. The information and conclusions to be furnished on each item are as follows:

- (1) Description of the item, including, as appropriate, the manufacturer, model and serial number, size or capacity, age and condition, and degree of obsolescence. Accessories and spare parts, special foundations, and power wiring and process piping generally shall be listed separately, following the listing of the item(s) to which they apply.
- (2) Estimate of the replacement cost installed of the item as listed and identified (excluding any elements listed separately). Separately identify the basis of estimated replacement cost (new or used).
- (3) The contributive (enhancement) value of the item to the fair market value of the real property as a whole.
- (4) Estimated fair market value of the item for removal from the property at a purchaser's expense. Such value shall be considered to be the probable selling price if the item were offered for sale for removal from the property at the purchaser's expense, allowing a reasonable time to find a purchaser buying with knowledge of the uses and purposes for which it is adaptable and capable of being used, including salvage for serviceable components and scrap when it appears that will provide the highest value.

The schedule(s) of estimates shall be consistent with the property analysis approved by the Agency, as provided in Paragraph 4(j). The Appraiser is permitted to use the services of such technical specialists as may be needed to enable the Appraiser to provide valid estimates and sound valuations. The schedule(s) shall be supported by an explanation of the procedures followed in gathering the necessary market information and technical data. The principal purpose of the Appraiser's accompanying narrative, however, must be to explain his analyses and his evaluations of the dollar amount of the overall contribution of the machinery, equipment, and fixtures to the fair market value of the real property as a whole. The report shall contain any layout plans, sketches, or photographs that are reasonably necessary for locating or identifying the facilities or illustrating the Appraiser's analyses.

(l) If there are separately held interests in the real property to be acquired, such as easements, leaseholds, air rights, life estates, and oil, gas, or mineral rights, and the division of ownership is not of such character as to destroy the practical unity of the property, the Appraiser shall apportion his estimate of the fair market value of the property (all interests in the property to be acquired) to each separately held interest. (However, tenant-owned improvements shall be valued in accordance with Paragraph 4(m) below.) The report shall contain the data, analyses, and reasoning by which the Appraiser made the apportionment. If the “unit rule” is regarded as not applicable because the division of ownership is such as to diminish the fair market value of the property as a whole, the separate interests involved shall be appraised separately.

(m) Tenant-owned improvements. If any building, structure, fixture, or other improvement to the property is identified as being the property of a tenant who has the right or obligation to remove it at the expiration of the lease term, the Appraiser’s estimate of the fair market value of the improvement shall be the greatest of (1) the amount which the improvement contributes to the fair market value of the property, (2) the in-place value of the improvement as part of the real property (the depreciated replacement cost of the improvement installed), or (3) the fair market value of the improvement for removal from the property at the purchasers expense. The appraisal report shall state the basis for the valuation of the improvement and furnish the data and analyses on which the valuation was made.

(n) If the property is a multifamily or mixed-use (residential and nonresidential) property and an owner of a compensable interest in the property also occupies a dwelling in the property, the Appraiser shall furnish an apportionment of the estimate of the fair market value of the whole property to such dwelling and to the remainder of the property. For the purpose of this paragraph, an occupant of a dwelling shall be considered to own a compensable interest in the property if he or she holds fee title, a life estate, a 99-year lease, or a lease with not less than 50 years to run from the date of valuation, or holds an interest in a cooperative housing project which includes the right to occupy the dwelling, or is the contract purchaser of any of the foregoing estates or interests, or has a leasehold interest with option to purchase. The Appraiser’s report shall explain how the apportionment was made.

ARTICLE 5. Services to be Provided by Agency. The Agency agrees to furnish the Appraiser the following:

(a) A map or plat, based on official records, of the property described in Article 1, showing the boundaries and dimensions of the parcels to be appraised. Each parcel shall be designated by a number, and the parcel numbers shown on the Appraiser’s reports shall correspond to the parcel numbers shown on the map or plot. However, additional parcel numbers may be assigned by the Appraiser for easements appraised separately or for additional parcels revealed while making the appraisals. The Appraiser shall promptly advise the Agency of any such additions.

(b) An ownership data report for each parcel. That report will show all estates and interests in the parcel as shown of record and consequently shall not be assumed to accurately define the interests to be appraised. The ownership data report on each parcel as shown on the parcel map will include:

- (1) The name (and address, if available) of the owner appearing on record;
- (2) The legal description of the parcel as shown by the conveyance(s) by which the record owner acquired title;
- (3) Identification of the conveyance(s) by which the present owner acquired title, including: the date of the conveyance(s); the date, book and page numbers, and place of recordation; the name (and the address, if available) of the grantor of such conveyance; the stated consideration; the amount of any mortgages or encumbrances placed of record or to which title was subject at time of conveyance (so far as determinable from an examination of the conveyance); and the amount of any State or local transfer taxes that were based on the amount of the consideration;
- (4) Outstanding estates and other rights or interests of record, including easements, use restrictions, mineral rights, leases, and any known, but unrecorded, interests of other parties. Sufficient information shall be furnished to disclose the probable effect of such outstanding interests on the title of the record owner;
- (5) Outstanding special assessments, if any, for public improvements such as streets, sidewalks, public utilities, and similar public facilities;
- (6) The amount of real estate taxes for the current year and the assessed valuation stated separately for land and for improvements.

(c) Legal advice, upon request of the Appraiser, on legal matters affecting the appraisal of any property to be appraised.

ARTICLE 6. Payment. In consideration of the services provided by the Appraiser under this agreement, the Agency agrees to make payments to the Appraiser upon the submission to the Agency of properly certified invoices, as follows:

(a) For appraisal reports accepted by the Agency, and for all other services furnished in accordance with Article 3, except services furnished in connection with judicial proceedings under Paragraph 3(b), the updating of appraisals under Paragraph 3(c), and the valuation of reservations of rights in owners under Paragraph 3(d), the lump sum of _____ dollars, which shall constitute full payment to the Appraiser for all of such services and for all supplies, materials, and equipment used or furnished by the Appraiser and all expenses incurred by the Appraiser in connection with the performance of such services.

(b) For services furnished by the Appraiser in connection with judicial proceedings as provided in Paragraph 3(b) (except services as an expert witness in such a proceeding), the updating of appraisals as provided in Paragraph 3(c), and the valuation of reservations of rights in owners as Provided in Paragraph 3(d), _____ dollars per hour or fraction of an hour actually engaged in performing the services, including travel time. All expenses of the Appraiser, including travel expense and subsistence, shall be borne by the Appraiser.

(c) For services as an expert witness for the Agency in judicial proceedings as provided in Paragraph 3(b), the Appraiser and the Agency hereby agree that the fair and reasonable compensation for the Appraiser's services shall be _____ dollars for each day's attendance in court.

ARTICLE 7. Agreements of Appraiser. As an inducement to the execution of this agreement by the Agency and in consideration of the agreements to be performed by the Agency, the Appraiser agrees that:

(a) Qualifications. The Appraiser is qualified to perform the services to be furnished under this agreement and is permitted by law to perform such services, and all personnel engaged in the work shall be qualified and so permitted to do the work they perform. Attached as Exhibit B, is a statement by the Appraiser, certified by the Appraiser to be true and correct, setting forth the Appraiser's technical qualifications, general appraisal experience, specific experience in appraising properties of the type involved in this agreement, the courts in which he or she has testified as an expert witness, and other information pertinent to establishing his or her technical qualifications.

(b) Solicitation of Agreement. The Appraiser has not employed any person to solicit this agreement and has not made and will not make any payment or any agreement for the payment of any commission, percentage, brokerage, contingent fee, or other compensation in connection with the procurement of this agreement.

(c) Interest of Appraiser and Appraiser's Employees. The Appraiser does not have any interest (including that of real estate agent or broker), direct or indirect, present or prospective, in any property described in Article 1 or in its sale, or any other interest, whether or not in connection with the property, which would conflict in any manner or degree with the performance of the services and the submission of impartial reports, and has not employed and will not employ, in connection with the services to be furnished under this agreement, any person having any such interest. Until the property is acquired by the Agency or excluded from its project by resolution of its governing body, the Appraiser and any employees of the Appraiser, so long as they are employed by the Appraiser, will not acquire any such interests and will not, for their own account or for other than the Agency, negotiate for any of the property, perform services in connection with the property, or testify voluntarily as a witness in a condemnation or other proceeding with respect to the property.

(d) Services to be Confidential. All services, including reports, opinions, and information, to be furnished under this agreement are confidential and shall not be divulged, in whole or in part, to any person, other than to duly authorized representatives of the Agency, without prior written approval of the Agency, except by testimony under oath in a judicial proceeding or as otherwise required by law. The Appraiser shall take all necessary steps to ensure that no member of the Appraiser's staff or organization divulges any such information except as may be required by law.

(e) Facilities and Personnel. The Appraiser has and will continue to have proper facilities and personnel to perform the services and work agreed to be performed. If the Appraiser proposes to employ any person or persons to make any appraisals of machinery and equipment or other specialized elements or attributes of a property appraised under this agreement, the employment of such person or persons for such purpose shall not place the Agency under any obligation to such employee, nor relieve the Appraiser of full responsibility for the faithful performance of the services to be furnished under this agreement.

(f) Equal Employment Opportunity. During the performance of this agreement:

- (1) The Appraiser will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Appraiser will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Appraiser agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Agency setting forth the provisions of this nondiscrimination clause.
- (2) The Appraiser will, in all solicitations or advertisements for employees placed by or on behalf of the Appraiser, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(g) Assignment. The Appraiser's rights, obligations, and duties under this agreement shall not be assigned in whole or in part, but this shall not prohibit the assignment of the proceeds due under this agreement to a bank or financial institution. This agreement may be assigned by the Agency to any corporation, agency, or instrumentality having authority to accept the assignment.

(h) Subcontracting. None of the work or services covered by this agreement shall be subcontracted without the prior approval of the Agency.

(i) Records. The Appraiser shall maintain records of all details with respect to the services to be performed under this agreement, including one complete copy of each appraisal report and related notes, for three (3) years after delivering the report or until the property is acquired by the Agency or the acquisition is abandoned, whichever is later.

(j) Affidavits of Compliance. The Appraiser will, if requested by the Agency, furnish the Agency affidavits certifying compliance with the provisions of this Article 7.

ARTICLE 8. Changes. The Agency, by written notice to the Appraiser, may modify the scope or quantity of the services to be furnished under this agreement. If such changes cause an increase or decrease in the amount of services to be provided by the Appraiser or in the time required for their performance, equitable adjustment shall be made in the provisions of this agreement for payments to the Appraiser or for the time for performance of the services or for both, and this agreement shall be modified by agreement of the parties accordingly.

ARTICLE 9. Termination of Agreement for Cause. If, through any cause, the Appraiser shall fail to fulfill in a timely and proper manner his or her obligations under this agreement, or if the Appraiser shall violate any of the provisions of this agreement, the Agency may upon written notice to the Appraiser terminate the right of the Appraiser to proceed under this agreement or with such part or parts of the agreement as to which there has been default, and may hold the Appraiser liable for any damages caused to the Agency by reason of such default and termination. In the event of such termination, any completed reports prepared by the Appraiser under this agreement shall, at the option of the Agency, become its property and the Appraiser shall be entitled to receive equitable compensation for any work completed to the satisfaction of the Agency. The Appraiser, however, shall not thereby be relieved of liability to the Agency for damages sustained by the Agency by reason of any breach of the agreement by the Appraiser, and the Agency may withhold any payments from the Appraiser for the purpose of setoff until such time as the amount of damages due the Agency from the Appraiser is determined. The Appraiser shall not be held liable for damages under this Article solely for reasons of delay if the delay is due to causes beyond his or her control and without his or her fault or negligence, but this shall not prevent the Agency from terminating this agreement because of such delay.

ARTICLE 10. Interest of Members of Agency. No member of the Agency shall participate in any decision relative to this agreement affecting, directly, or indirectly, his or her personal interests. No such member and no other officer, agent or employee of the Agency having any responsibility or function in connection with this agreement shall have any private interest, direct or indirect, in this agreement or the proceeds of this agreement.

ARTICLE 11. Officials not to Benefit. No Member of or Delegate to the Congress of the United States of America, and no Resident Commissioner, shall be admitted to any share or part of this agreement or to any benefit to arise from the same.

ARTICLE 12. Notices. Any action by the Agency under this agreement may be taken by _____ or such other person(s) as the Agency may, by written notice to the Appraiser, designate for such purpose. All notices to the Appraiser shall be considered to be properly given if mailed to the address specified below, or delivered personally to the Appraiser. All notice or other papers given to the Agency shall be considered if mailed, postage prepaid to _____, at _____ or to such other representative or address as the Agency may designate to the Appraiser in writing.

IN WITNESS WHEREOF, the Agency and the Appraiser have executed this agreement on or as of the date first above written.

_____	By: _____	
Appraiser	Title	

Street Address		

_____	_____	_____
City	State	Zip

CERTIFICATE OF APPRAISER - SAMPLE

I hereby certify:

That on _____ I personally made a field inspection of the property herein appraised and have afforded the owner or a designated representative the opportunity to accompany me on this inspection. I have also personally made a field inspection of the comparable sales relied upon in making said appraisal. The property being appraised and the comparable sales relied upon in making this appraisal were as represented in the appraisal.

That to the best of my knowledge and belief the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed therein are based is correct; subject to the limiting conditions therein set forth.

That I understand that such appraisal may be used in connection with the acquisition of property for a project utilizing U.S. Department of Housing and Urban Development funds.

That such appraisal has been made in conformity with appropriate laws, regulations, and policies and procedures applicable to appraisal of property for such purposes; and that to the best of my knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of said State.

That any decrease or increase in the fair market value of real property prior to the date of valuation caused by the project for which such property is acquired, or by the likelihood that the property would be acquired for such project, other than that due to physical deterioration within the reasonable control of the owner, was disregarded in determining the compensation for the property.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency or officials of the U.S. Department of Housing and Urban Development and I will not do so until so authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That I have not given consideration to, or included in my appraisal any allowance for relocation assistance benefits.

That my opinion of the fair market value of the property to be acquired as of the _____ day of _____ 20 ____ is \$ _____ based upon my independent appraisal and the exercise of my professional judgment.

Name

Signature

Date

(Note: Other statements, required by the regulations of an appraisal organization of which the appraiser is a member or by circumstances connected with the appraisal assignment or the preparation of the appraisal may be inserted where appropriate.)

**GUIDEFORM GENERAL INFORMATION NOTICE
RESIDENTIAL TENANT WHO MAY BE DISPLACED (NSP)**

Grantee or Agency Letterhead

(date)

Dear _____ :

_____, is interested in
(City, County, State, Public Housing Authority (PHA), other)
_____ the property you currently occupy at
(acquiring, rehabilitating, demolishing)
_____ for a proposed project which may
Address
receive funding assistance from the U.S. Department of Housing and Urban Development (HUD)
under the Neighborhood Stabilization Program (NSP).

The purpose of this notice is to inform you that you may be displaced as a result of the proposed project. This notice also serves to inform you of your potential rights as a displaced person under federal laws known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and section 104(d) of the Housing and Community Development Act of 1974, as amended. You may be eligible for relocation assistance and payments under either the URA or section 104(d), if the proposed project receives HUD funding and if you are displaced as a result of acquisition, rehabilitation, demolition or conversion for the project.

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

If you are determined to be eligible for relocation assistance in the future, you may be eligible for: 1) Relocation advisory services including help to find another place to live; 2) At least 90 days advance written notice of the date you will be required to move; 3) Payment for your moving expenses; and 4) Replacement housing payments to enable you to rent or purchase a comparable replacement home. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered. The enclosed HUD brochures, "Relocation Assistance To Tenants Displaced From Their Homes" and "Relocation Assistance to Persons Displaced from Their Homes (section 104(d))" provide an explanation of this assistance and other helpful information.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance under the URA, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction. If you choose to move for reasons unrelated to the proposed project or if you are evicted for cause prior to receiving a formal notice of relocation eligibility, you will not be eligible to receive relocation assistance. It is important for you to contact us before making any moving plans.

Again, this is not a notice to vacate the premises and does not establish your eligibility for relocation payments or assistance at this time. If you are determined to be displaced and are required to vacate the premises in the future, you will be informed in writing. In the event the proposed project does not proceed or if you are determined not to be displaced, you will also be notified in writing.

If you have any questions about this notice or the proposed project, please contact

Name

Title

Address

Phone

Enclosures

NOTES to NSP Guide Form General Information Notice

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3 J of Handbook 1378)
2. This is a guide form. It should be revised to reflect the circumstances.

**GUIDEFORM NOTICE OF ELIGIBILITY FOR
URA RELOCATION ASSISTANCE
RESIDENTIAL TENANT**

Grantee or Agency Letterhead

(date)

Dear _____ :

On _____ , the _____
Date City, County, State, Public Housing Authority (PHA), other

notified you of proposed plans to _____ the property you
acquire, rehabilitate, or demolish
currently occupy at _____ for a project which could receive
Address
funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the
program.

On _____ , the project was approved will
Date
receive federal funding.

It has been determined that you will be displaced by the project. Since you are being displaced in connection with this federally funded project, you will be eligible for relocation assistance and payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

- **This is your Notice of Eligibility for relocation assistance**
- **The effective date of your eligibility is _____ .** *(Insert date of Initiation of Negotiations, see 49 CFR 24.1(a)(15) or applicable HUD program regulations)*

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

To carry out the project, it will be necessary for you to move. However, **you do not need to move now.** You will be provided written notice of the date by which you will be required to move. This date will be no less than 90 days from the date comparable replacement housing has been made available to you.

Enclosed is a brochure entitled, "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and provides additional information on eligibility for relocation payments and what you must do in order to receive these payments.

The relocation assistance to which you are entitled includes:

Relocation Advisory Services. Including counseling and other assistance to help you find another home and prepare to move.

Payment for Moving Expenses. You may choose: (1) a payment for your actual reasonable moving and related expenses, or (2) a fixed moving payment in the amount of \$ _____ based on the URA Fixed Residential Moving Cost Schedule, or (3) a combination of both.

Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement dwelling, (2) the monthly rent and cost of utility services for your present home, and (3) for low-income persons, 30 percent of your average monthly gross household income. This payment is calculated on the difference in the old and new housing costs for a one-month period and multiplied by 42

Listed below are three comparable replacement dwellings that you may wish to consider for your replacement home. If you would like, we can arrange transportation for you to inspect these and other replacement dwellings.

Address	Rent & Utility Costs	Contact Info
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

We believe that the dwelling located at _____ is the most representative
Address
of your present home. The monthly rent and the estimated average monthly cost of utilities for this dwelling is \$ _____ and it will be used to calculate your maximum replacement housing payment. Please contact us immediately if you believe this dwelling is not comparable to your current home. We can explain our basis for selecting this dwelling as most representative of your current home and discuss your concerns.

Based on the information you have provided about your income and the rent and utilities you now pay, you may be eligible for a maximum replacement housing payment of approximately \$ _____ (42 x \$ _____), if you rent the dwelling identified above as the most comparable to your current home or rent another dwelling of equal cost.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable dwelling, your replacement housing payment will be based on the actual cost of the dwelling. We will not base your payment on any dwelling that is not a comparable replacement home. All replacement housing payments must be paid in installments. Your payment will be paid in _____ installments.

Should you choose to purchase (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a down payment assistance payment which is equal to your maximum replacement housing payment, \$ _____. *. Let us know if you are interested in purchasing a replacement home and we will help you locate such housing.

Please note that all replacement housing must be inspected in order to ensure it is decent, safe and sanitary before any replacement housing payments are made.

If you have any questions about this letter and your eligibility for relocation assistance and payments, please contact:

_____ Name	_____ Title
_____ Address	_____ Phone

before you make any moving plans. He/she will assist you with your move to a new home and help ensure that you preserve your eligibility for all relocation payments to which you may be entitled.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

_____ Name
_____ Title

Enclosures

NOTES.

- * At the agency's discretion, a down payment assistance payment that is less than \$5,250 may be increased to any amount not to exceed \$5,250. (See 49 CFR 24.402(c)(1))
1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3 I of Handbook 1378.)
 2. This is a guideform. It should be revised to reflect the circumstances.

3. Optional paragraphs for displaced residents of public housing projects (may be modified based on the PHA's resident return policy):

“Even though you will be provided all of the assistance the URA requires for a permanent move, the Authority believes that every resident displaced from the site should have the right to reapply for occupancy once this project is complete. For this reason, after project completion, every resident who receives assistance as a “displaced person” will be contacted and offered an opportunity to reapply for occupancy in the newly-revitalized community. Furthermore, because you will be a former occupant who was “displaced” from the site, you will also receive a priority preference to return.

In the event the number of those who request to return and qualify for housing exceeds the number of units available, rating and ranking criteria will be used to identify those who will be offered units at the site until all available units are filled. If you do return, the Authority may help defray the costs of the return move. If you have Replacement Housing Payments not yet spent or obligated, you may be asked to forfeit these payments as a condition for returning to public housing, since this assistance will no longer be necessary to meet your housing needs. Such assistance, if not forfeited, must be considered as income and may affect your eligibility and rent.”

GUIDEFORM NOTICE OF ELIGIBILITY FOR SECTION 104(d)
RELOCATION ASSISTANCE -- LOWER INCOME RESIDENTIAL TENANT*
Section 8 Assistance NOT Available

Grantee or Agency Letterhead

(date)

Dear _____ :

On _____ , we notified you of proposed plans to _____
(date) (identify project)

On _____ , the project was approved.
(date)

This is a notice of eligibility for relocation assistance. To carry out the project, it will be necessary for you to relocate. However, you do not need to move now. You will not be required to move without at least 90 days advance written notice of the date by which you must vacate. When you do move, you will be entitled to relocation payments and other assistance. You may choose assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), or section 104(d) of the Housing and Community Development Act of 1974, as amended (section 104(d)).

The effective date of this notice is _____ You are now eligible for relocation
(date of initiation of negotiations)
assistance, including:

Counseling and Other Advisory Services.

Security Deposit and Credit Checks. (Not provided under URA.). We will pay the cost of any security deposit required to rent a replacement dwelling unit and for required credit checks.

Payment for Moving Expenses. You may choose either (1) a payment for your actual reasonable moving and related expenses, or (2) if you prefer, a fixed moving expense and dislocation allowance of \$ _____ .

Replacement Housing Payment. You are eligible for a replacement housing payment to rent or purchase a replacement home. The payment will be based on several factors, including the cost of a "comparable replacement home" and your average household income.

Listed below are three "comparable replacement homes" that you may wish to consider:

Address	Rent & Utility Costs	Contact Info
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

We would be pleased to provide you with transportation to inspect these dwelling units. We believe that the unit at _____ is the most representative of your

Address

present home. The rent and the estimated average cost of utility services for that unit is \$ _____. Based on the information you provided about your income, you may be eligible for rental assistance up to \$ _____ (60 x \$ _____). This is the maximum amount that you would be eligible to receive. It would be paid in (indicate number of installments or lump sum). If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than \$ _____ your rental assistance payment would be based on the actual cost of such unit.

Contact us immediately if you do not agree that these units are comparable to your home. We will explain the basis for our selecting these units. And, if necessary, we will find other units. We will not base your payment on any unit that is not a "comparable replacement home."

Should you choose to buy (rather than rent) a decent, safe and sanitary replacement home, you would

be eligible under the URA for a down payment of \$ _____, Under the URA, you are not limited in the type of home you choose. Section 104(d) assistance for a down payment is available only for purchasing an interest in a housing cooperative or mutual housing association. We estimate that you are eligible for a down payment of \$ _____ under section 104(d). Let us know if you would prefer to buy a replacement home, and we will help you find such housing.

I am enclosing a brochure entitled, "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and some things you must do to obtain relocation payments under the URA. With the exception of the differences explained in this letter, this information also applies to section 104(d) assistance. For example, to obtain a replacement housing payment you must move to a decent, safe and sanitary home within one year after you vacate your present home. Therefore, do not commit yourself to rent or buy a unit until we inspect it.

I want to make it clear that you are eligible for assistance to help you relocate. In addition to relocation payments and housing referrals, counseling and other services are available to you. A representative of this office will soon contact you to determine your needs and preferences. He/she will explain your rights and help you obtain the relocation payments and other assistance for which you are eligible.

If you have any questions, please contact:

Name

Title

Address

Phone

Remember; do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

Name

Title

Enclosure

NOTES.

- *1. This Guide form Notice is to be used only where, in addition to URA assistance, the tenant is eligible for section 104(d) assistance. Section 104(d) eligibility occurs when:
 - (a) The project is financed with NSP or UDAG funds or a Section 108 loan guarantee;
 - (b) The displaced person meets the definition of "lower income person;" and
 - (c) The move is a direct result of the demolition of the dwelling unit or the conversion of a low/moderate-income dwelling unit.
2. This Guideform Notice is to be used when the displaced person will not be offered a Section 8 certificate or voucher.
3. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3d of Handbook.)
4. This is a guide form. It should be revised to reflect the circumstances.

**GUIDEFORM NOTICE OF NONDISPLACEMENT
TO RESIDENTIAL TENANT**
Grantee or Agency Letterhead

(date)

Dear _____ :

On _____ , the _____
(date) City, County, State, Public Housing Authority(PHA), other
, notified you of proposed plans to rehabilitate the property you currently occupy at
_____ for project which could receive funding assistance
Address
from the U.S. Department of Housing and Urban Development (HUD) under the
_____ program. On _____ , the project was approved and will
Date
receive federal funding. Repairs will begin soon.

- **This is a notice of non-displacement.** You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions. *
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Of course, you must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact:

Name

Title

Address

Phone

Sincerely,

Name

Title

**MOVE-IN NOTICE
(GUIDEFORM NOTICE TO PROSPECTIVE TENANT)**

Section 9: Grantee or Agency Letterhead

Dear _____:

On _____, _____ submitted an application to the
(date) Property Owner

_____ for financial assistance under a program funded by the Department
Grantee
of Housing and Urban Development (HUD). The proposed project involves [acquisition]
[rehabilitation] [demolition] and/or [conversion] of the property located at

_____ Because
Address

Federal funds are planned for use in this project, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) [and/or section 104(d) of the Housing and Community Development Act of 1974, as amended] may apply to persons in occupancy at the time the application was submitted for HUD funding. However, if you choose to occupy this property subsequent to the application for federal financial assistance, as a new tenants you will not be eligible for relocation payments or assistance under the URA [and/or section 104(d)].

This notice is to inform you of the following information before you enter into any lease agreement and/or occupy the property located at the above address:

- You may be displaced by the project.
- You may be required to relocate temporarily.
- You may be subject to a rent increase.
- You will not be entitled to any relocation payments or assistance provided under the URA [and/or section 104(d)]. If you have to move or your rent is increased as a result of the above project, you will not be reimbursed for any such rent increase or for any costs or expenses you incur in connection with a move as a result of the project.

Please read this notification carefully prior to signing a rental agreement and moving into the project. If you should have any questions about this notice, please contact:

Grantee: _____

Address: _____

Phone: _____

Once you have read and have understood this notice, please sign the statement below if you still desire to lease the unit.

Sincerely,

Name

Title

I have read the above information and understand the conditions under which I am moving into this project.

Print Name of Tenant(s)

Signature(s)

Address and Unit Number

Date