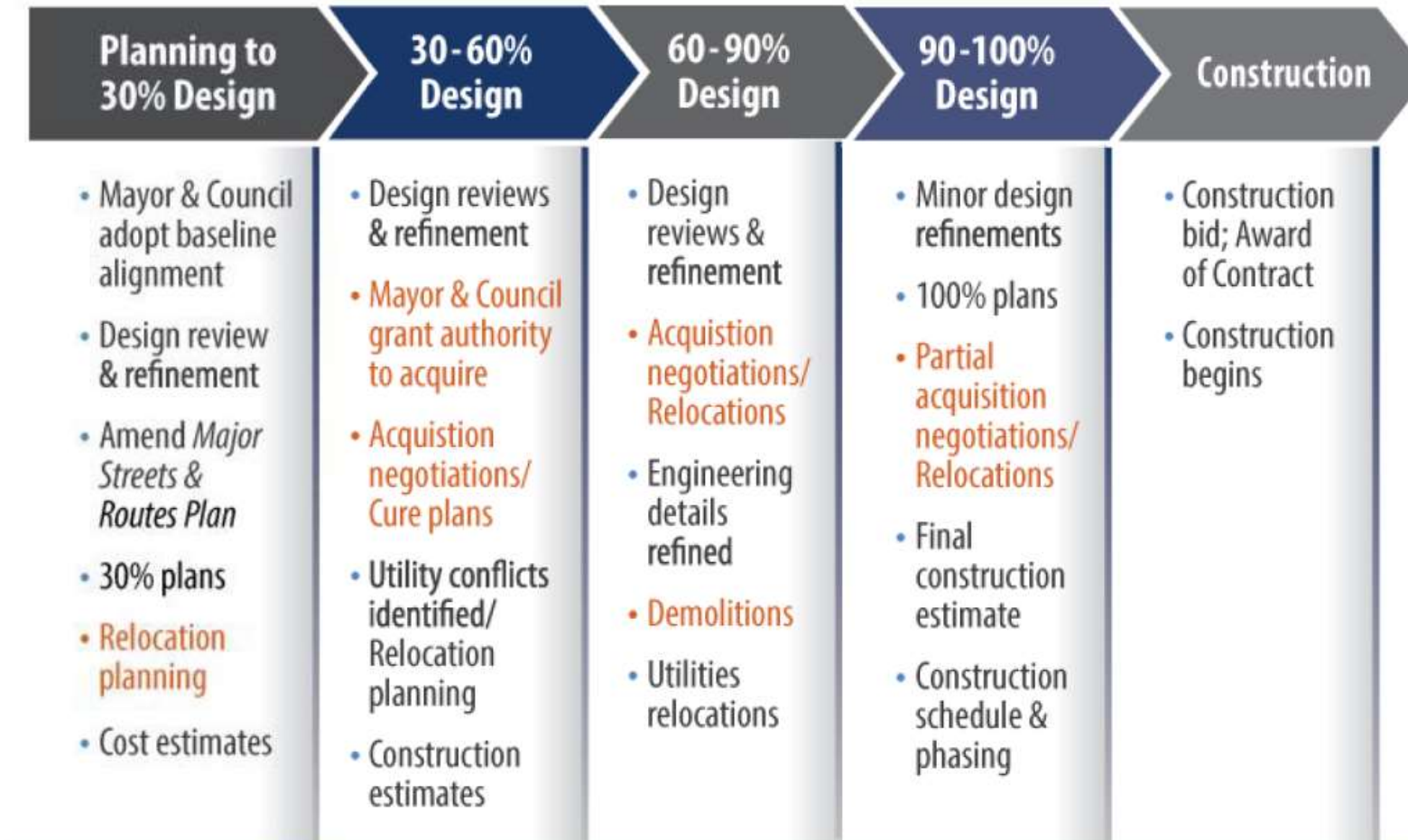


# **Real Estate Process 101:**

## **A Presentation to Explain the Basics**

# Typical Real Estate Milestones in a Design Project



## Continuous Public Outreach & Involvement

Task Force Meetings • Public Open Houses • Website Updates • Emails & E-newsletters  
 MainStreet Business Assistance • Presentations • Pre-Construction Meetings

## Design Milestones



**Construction**

# Typical Real Estate Process Steps\*

|  |                     |
|--|---------------------|
| <b>1.</b> Relocation Planning  | <b>18-24 months</b> |
| <b>2.</b> Title Reports, legal descriptions, environmental and historic investigations, appraisals | <b>6-18 months</b>  |
| <b>3.</b> Determinations of relocation benefits  |                     |
| <b>4.</b> Purchase of property is negotiated   |                     |
| <b>5.</b> Escrow (Purchase) process  |                     |
| <b>6.</b> Property vacated/relocation  | <b>1 month</b>      |

*\* These activities may run concurrently based on project schedule*

# Segment 1: Relocation Planning



# Typical Real Estate Process Steps

**Existing  
Conditions  
Determined**

**Potentially impacted properties are determined**

**Relocation  
Planning**

**Consult with occupants to determine their needs**

# What is Relocation?

- When an occupant is required to move (**relocate**) because the property is being acquired by the City
- **Relocation Planning** helps identify the occupants' moving needs and applicable benefits
- Every property is unique
- Commercial and residential properties benefits are different

**Benefits = Reimbursement Package**

# A Note about Eminent Domain

- Difficult and emotional process
- Forced sale of your property for public good
- Team has to follow standards and guidelines
- Want to make process as clear as possible

# What gives the City the right to acquire property

- State law allows the City to acquire property for public transportation purposes under the right of **eminent domain**
- State and Federal Laws define the process that **MUST** be followed to purchase property
- Project design establishes what property will be needed to build the project

# Typical Real Estate Process Steps

**Existing  
Conditions  
Determined**

**Potentially impacted properties are determined**

**Relocation  
Planning**

**Consult with occupants to determine their  
needs**

**Title  
Reports  
Obtained**

**Inform the project of ownership and  
encumbrances on the properties**

**Legal  
Descriptions  
Made**

**Define the land area that will be acquired**

**Appraisals  
Completed**

**3rd party valuation of the real estate to be  
acquired**

# What is the Acquisition Process?

## Property appraisal

- The value is determined through the appraisal process

## Written offer to purchase

- Includes written offer, acquisition, and relocation packages
- 90 day notice to vacate is provided

## Negotiation

- City negotiates in good faith with all owners and treats all parties fairly and consistently
- Property owner can hire independent appraiser for negotiations
- The project has limited negotiation authority
- Legal action may be necessary if settlement cannot be reached

## Escrow

- The seller is responsible for all mortgage payments and tenants are responsible for rental payments until the transaction closes and records
- The property transfers to the City and the Seller is paid compensation

## Property Vacated

- Once City obtains possession/ownership of the property, the occupant will have 30 days to vacate the property

# Typical Real Estate Process Steps

**Existing  
Conditions  
Determined**

**Potentially impacted properties are determined**

**Relocation  
Planning**

**Consult with occupants to determine their needs**

**Title Reports  
Obtained**

**Inform the project of ownership and encumbrances on the  
properties**

**Legal  
Descriptions  
Made**

**Define the land area that will be acquired**

**Appraisals  
Completed**

**3rd party valuation of the real estate to be acquired**

**Relocation  
Evaluation**

**Evaluation of move of personal property; Evaluation of  
residential or commercial needs**

# What are Relocation Benefits?

**Relocation benefits = reimbursement package for actual, reasonable and necessary costs of moving\***

Relocation  
Benefits  
Can Include

Relocation advisory services

Replacement housing

Moving cost reimbursement

Related eligible expenses

*\*The City does not move you, it reimburses you for the move*

# Who may Receive Relocation Benefits?

- If you are occupying the property at time of written offer to purchase
- If you are lawfully present
- If you are lawfully operating your business

# Typical Real Estate Process Steps

**Existing  
Conditions  
Determined**

**Potentially impacted properties are determined**

**Relocation  
Planning**

**Consult with occupants to determine their needs**

**Title  
Reports  
Obtained**

**Inform the project of ownership and encumbrances on  
the properties**

**Legal  
Descriptions  
Made**

**Define the land area that will be acquired**

**Appraisals  
Completed**

**3rd party valuation of the real estate to be acquired**

**Relocation  
Evaluation**

**Evaluation of move of personal property; Evaluation of  
residential or commercial needs**

**Benefits  
Determined**

**Maximum benefits are determined by an evaluation  
process**