

[Print on community letterhead]

[Date]

[Property Owner(s)]  
[Address]  
[City, State, Zip Code]

Dear [Property Owner(s)]:

[Community] would like to enter into negotiations with you for the purchase of your property located at [address of property] as part of [community's] property acquisition project. If you choose to sell your property, title to your property will be transferred to [community]. [Community] will purchase your property only if you voluntarily agree to the purchase.

[Authorized negotiator] has been authorized to represent [community] in negotiations. [He/She] also will ensure you understand your rights and options under this acquisition program.

Please review the enclosed Statement of Determination of Fair Compensation, which estimates the fair market value of your property in accordance with established policies and procedures, and Offer to Sell Real Property, which is a legal offer from you to [community] to sell your property. The following options are available to you:

1. Make an offer to sell your real property for the amount stated in the Statement of Determination of Fair Compensation. If you choose to sell your property for the amount stated in the Statement of Determination of Fair Compensation, sign and return the enclosed copies of the Offer to Sell Real Property as soon as possible, but no later than [date] using the enclosed self-addressed, stamped envelope. Once all copies have been executed, an executed copy will be returned to you. Then, upon completion of a title examination, we will proceed with closing.
2. Reject this invitation to make an Offer to Sell Real Property. If you choose to reject this invitation and terminate negotiations, please notify [authorized negotiator] of your decision in writing as soon as possible, but no later than [date]. At which time, [community] will not pursue acquisition of your property any further for the purpose of this property acquisition project.
3. Contest the amount stated in the Statement of Determination of Fair Compensation. If you disagree with the amount stated in the Statement of Determination of Fair Compensation, but want to continue negotiations, you may retain, at your own expense, a qualified appraiser acceptable to [community] to perform a second appraisal. If you choose to have a second appraisal conducted, please—

Page 2

- a) Notify [authorized negotiator] in writing as soon as possible, but not later than [date].
- b) Forward the second appraisal once it is completed to [authorized negotiator]. Upon receipt of the second appraisal, [community] will accept, reject, or modify the estimated fair market value and [authorized negotiator] will notify you.

If applicable, [authorized negotiator] will revise the Statement of Determination of Fair Compensation and the Offer to Sell Real Property, and mail them to you. You then may choose to either execute one of the offers to sell real property (the original or amended) and return it to [authorized negotiator], or terminate negotiations. If you terminate negotiations, [community] will not pursue acquisition of your property any further.

[Community] knows you are facing an important, life-changing decision and will assist you in any way possible. If you have any concerns or questions, please call [authorized negotiator] at [telephone number] during the hours of [hour] and [hour], [weekday] through [weekday].

Sincerely,

[Name of authorized agent]  
[Title of authorized agent]

Enclosures: Statement of Determination of Fair Compensation  
Offer to Sell Real Property  
Self-addressed, stamped return envelope

# Statement of Determination of Fair Compensation

Location of property: \_\_\_\_\_  
 Address of property: \_\_\_\_\_  
 Legal description: \_\_\_\_\_  
 Owner(s) of record: \_\_\_\_\_

Type of residence:	<input type="checkbox"/> Single family	<input type="checkbox"/> Multiple family
Number of rooms:	_____ Total	_____ Bedroom(s) _____ Bath(s)
Exterior (check one):	<input type="checkbox"/> Brick	<input type="checkbox"/> Wood <input type="checkbox"/> Siding
	<input type="checkbox"/> Concrete	<input type="checkbox"/> Other: _____
Size of residence:	_____ square feet	
Size of lot:	_____ square feet	
Improvements:	_____	

Interest to be acquired: ☐ Fee simple ☐ Conservation easement

Amount of compensation: \$ \_\_\_\_\_

This amount is based on an estimated total value of \$\_\_\_\_\_, from which a total amount of \$\_\_\_\_\_ has been deducted to avoid duplication of benefits. (See below.) This amount is believed to be fair compensation for the property, and no less than its fair market value. The following have been deducted from the estimated total value:

Flood insurance	\$ _____	Disaster Housing	\$ _____
State IFG	\$ _____	Hazard Minimization	\$ _____
SBA Loan	\$ _____	Other: _____	\$ _____

Appraisal approach: \_\_\_\_\_

The amount of compensation disregards any possible increase of the fair market value, which might result from this property acquisition project. The fair market value of this property is estimated as of \_\_\_\_\_, the date before the event precipitating this property acquisition project. It does not reflect any economic depreciation as a result of that event. In the determination of compensation, fair market value is defined as, "the amount for which, in all probability, the property would be sold by a knowledgeable owner willing but obligated to sell to a knowledgeable purchaser who desired but is not obligated to pay." This property has been studied considering its tax roll value or highest and best use for its type.

\_\_\_\_\_  
 Authorized Agent

\_\_\_\_\_  
 Date

## Offer to Sell Real Property

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_, hereinafter referred to as "Sub-grantee," by its authorized agent, \_\_\_\_\_, and \_\_\_\_\_, hereinafter referred to as "Seller." The parties agree as follows:

1. Sub-grantee, acting under a sub-grant from \_\_\_\_\_, hereinafter referred to "Grantee," desires to purchase certain properties as a means of mitigating the risks of natural disasters.
2. Seller owns property located at \_\_\_\_\_, hereinafter referred to as "Property," which is among properties Sub-grantee desires to purchase.
3. Seller represents—
  - a) Property has been damaged by natural disaster.
  - b) Seller qualifies for the assistance granted.
  - c) Seller understands *no obligation to sell the Property exists*.
  - d) Seller chooses to *voluntarily sell Property to Sub-grantee*.
4. Sub-grantee shall pay Seller the sum of \_\_\_\_\_ dollars and \_\_\_\_\_ cents (\$\_\_\_\_\_) for Property, payable at settlement after the acceptances of this agreement and preliminary approval of Seller's title, provided Seller can execute and deliver a good and sufficient general warranty deed conveying marketable title to said property in fee simple, clear of all liens and encumbrances.
5. The sum to be paid for Property is its pre-disaster fair market value of \$\_\_\_\_\_, less deductions in the amount of \$\_\_\_\_\_, per the Statement of Determination of Fair Compensation, dated \_\_\_\_\_, for which Seller can not document as expended on repair of damaged structure(s).
6. FEMA Hazard Mitigation Grant Program funds being used for the purchase of Property can not and will not duplicate benefits received from other sources of funds. Seller will return any disaster aid money received if any such money results in a duplication of benefits.
7. Proceeds from the sale of Property shall first be applied to all liens on Property, including any real estate taxes that are due and payable to the date of settlement.

8. Seller shall execute all necessary documents to transfer fee simple title to Property to Sub-grantee, and any and all documents, now and in the future, required by Sub-grantee, Grantee, or FEMA to complete this transaction and comply with local, State, or Federal regulation.
9. Seller shall not remove any property considered a portion of the real estate without first notifying Sub-grantee in writing and providing written appraisals of any such property. Final value of the property will be determined by Sub-grantee and negotiated prior to removal. The value, as finally determined, will be deducted from the purchase price or repaid by Seller within ten (10) days after removal, as appropriate.
10. Seller shall not remove any fixtures, materials, or improvements to the real estate from the premises, nor salvage any materials from the premises at the time of settlement or demolition. Any violation of this agreement may change the fair market value of the structure.

Seller acknowledges that it has reviewed this Agreement and has had an opportunity, at its discretion, to contact an attorney of its choice to review this Agreement. Seller also acknowledges that it enters into this Agreement fully understanding the nature thereof, and saves and holds harmless Sub-grantee as a result of this Agreement or anything incident to the sale of the referenced real property.

THIS AGREEMENT is binding on the heirs, executors, successors, and assigns of both parties.

_____ <i>Witness</i>	_____ <i>Seller</i>	_____ <i>Date</i>
_____ <i>Witness</i>	_____ <i>Seller</i>	_____ <i>Date</i>
	_____ <i>Sub-grantee Authorized Agent</i>	_____ <i>Date</i>