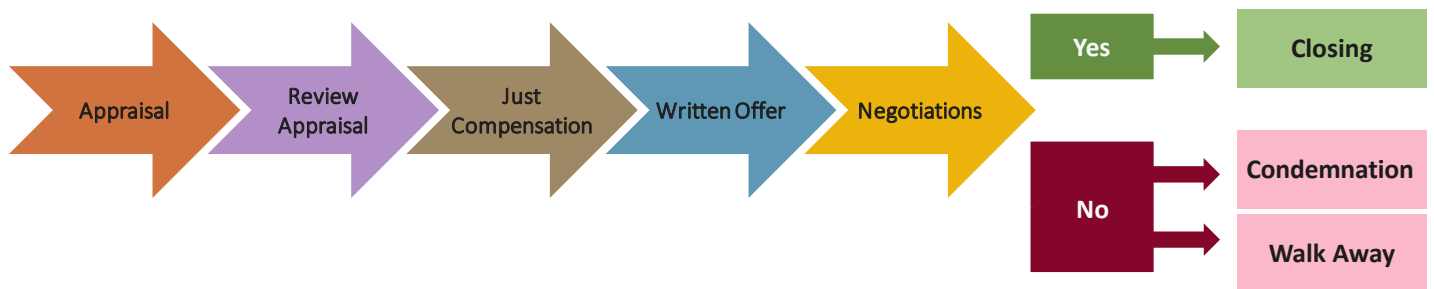




URA the HUD Way

Real Property Acquisition Process



Appraisal

The URA specifies a process to accomplish the standard of paying just compensation as set out in the Fifth Amendment to the U.S. Constitution. The URA requires that a qualified appraiser estimate the fair market value of the property through the appraisal process.

Review Appraisal

The appraisal must be reviewed by a qualified review appraiser for consistency and reasonableness, and to ensure it meets all standards.

Just Compensation

Agencies must establish the amount of just compensation to offer the property owner, which cannot be less than the approved appraisal. An authorized agency employee must set the amount to be offered.

Written Offer

Agencies must make a written offer to the property owner for the just compensation amount. A verbal offer does not meet the URA requirements.

Negotiations

After the agency makes the offer, a reasonable period of negotiations should occur where the property owner can review the offer, ask questions, accept or reject the offer, or make a counteroffer.

Agencies can pay more than the amount of the established just compensation offer by using an administrative settlement, if it is reasonable, prudent, and in the public interest.

Yes

→ Closing

If you are successful in reaching a settlement, you will go to a closing with the property owner and obtain title to the property.

No

→ Condemnation or Walk Away

If negotiations are unsuccessful, agencies with eminent domain authority may choose to pursue condemnation through the eminent domain process. Agencies without eminent domain authority must walk away.