



Hillcrest / Washington – Coles Voluntary Real Estate Acquisition & Relocation Program

The ABC's of Appraisal

Acquisition Process

- ❖ **What is an Appraisal**
 - ❖ **TxDot Appraiser “The Best of the Best”**
 - ❖ **Pre-Appraisal Contact**
 - ❖ **Program Specific Process**
 - ❖ **ROW A5 walkthrough**
 - ❖ **Q & A**

What is an Appraisal?

- An appraisal is a valuation of property provided by a professional appraiser. A professional appraiser will prepare a comprehensive report for their clients which provides his/her opinion of value at a given point in time for any type of property whether it be a business, a house or more.
- Preparing an appraisal involves research, analysis of all pertinent information and the proper experience, knowledge and judgment to make a reasonable and supportable opinion of value.

TxDot Appraiser Requirements

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| a. | Graduated with a bachelor degree or higher. |
| b. | 300 hours of qualifying appraisal education outlined by the Appraisal Qualification Board (AQB) and TALCB, inclusive of 15 hours of TALCB Approved USPAP. |
| c. | 3,000 hours of appraisal experience in compliance with USPAP and acceptable to the TALCB over a minimum of 30 months. At least 1,500 hours must have been in non-residential real estate appraising. |
| d. | Passed the Uniform License Exam developed by the AQB for general certification. |
| e. | 3,600 hours of work on appraisal assignments with compliance to USPAP and all completed within the 3 year period prior to the date of this application for department certification. |
| f. | No more than 720 (20%) of the 3,600 hours can be appraisal assignments for 1-4 family residential appraisals. |
| g. | 3,000 hours of appraisal experience in compliance with USPAP and acceptable to the TALCB over a 30 month period. At least 1,500 hours must have been in non-residential appraising. |

Pre – Appraisal Contact

The pre-appraisal contact should be a personal meeting. During this meeting, give the property owner information on the overall timing of right of way acquisition, the general type of facility to be constructed, and the appraisal procedure that will follow. However, do not make a commitment to value or make an offer before receiving approved values. Also, use this contact to initially determine existence of the following items:

- property improvements
- leasehold interests in improvements on the property
- known hazardous materials affecting the property
- known or evident underground improvements
- known liens against the property
- advertising signs on the property.

During pre-appraisal contact, resolve any possible controversy with the property owner by distinguishing between realty being acquired and personalty not being acquired. Advertising sign structures are to be considered as personal property that may be eligible for relocation benefits if such sign structure is relocated.

Offer process

- Review each appraisal report approved by TxDot
- Analyze title commitment
- Prepare offer package
 - Offer of just compensation
 - Appraisal
- Present offer in person
- Provide a copy of the appraisal report to the property owner
- Respond to property owner inquiries

Closing

- Landowner attend closing at Title company
- All cost associated with closing will be covered by the Port

Business Eligibility

- Any lawful activity, except a farm operation, that is conducted on property in the neighborhood on January 1, 2016 and continuously thereafter.
- Primarily for the sale of products or services to the members of the Neighborhood or surrounding community for which the business is reliant on the Neighborhood for the majority of the sales; this determination will be made based on type of business, products or services offered, the location of the business, and the availability of the products or services outside of the Neighborhood; or.
- By a nonprofit organization that has established its nonprofit status under applicable Federal and State law.

Home Based Business Eligibility

- A Home business located within an Owner Occupied Property. The eligibility of a home based business must be shown by the prior two years certified Federal tax returns showing business operation and a percentage of the home used for the home based business. An eligible business would be relocated and reestablished only if the Owner of the property opted to participate in the Neighborhood Acquisition Program. The home value would be determined based on normal appraisal practices and the offer would be made to the Owner of the property. Separate relocation assistance packages (under the Relocation Program) would be presented, one concerning relocation of the Owner, and one concerning relocation of the business.

Acquisition Options

There are 2 options under the business acquisition program

1. Do Nothing
2. Fair Market Value (FMV) Purchase

Do Nothing

- This is a voluntary program and you do not have to move or accept any offer for your property
- You have the ability to wait until the last day of the 3 year period before making any decision

Fair Market Value (FMV) Purchase

- POCCA will acquire property based on eligibility and approved value
- Once POCCA and owner agrees to offer, Escrow will be open
- POCCA will not close escrow until property is vacant

For More Information

CALL: 361-232-5083

Or visit our office at

2301 N. Port Ave

Mon – Fri 9am – 6pm

Saturday 10am – 2pm

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