

FM Area Diversion Project

Property Acquisition Summary

November 24, 2015

Property:

Owner	Randy and Lisa Cramer
Address	365 Schnell Drive, Oxbow
Property Type	Vacant Lot
Identification Number	9668

Property Need

Acquisition of this property is required to accommodate construction of the OHB Ring Levee project, Work Package WP-43. See attached map.

Description of Acquired Property

The subject property is a vacant lot designated for single family residential development. The subject's total site size is 70,780 Sq. Ft. The property is a triangular shaped lot with Schnell Road on the front side and County Road 81 on the back side of the lot. The site is mostly level with no landscaping or significant tree coverage on the property. The subject property is typical of other undeveloped lots within Oxbow. The base elevation of most of the developed lots is at 910 feet. The elevations of the improved lots in Oxbow vary between an elevation of 916 to 918 feet. The center portion of the subject site is at 916-917 feet.

Compensation & Negotiations Summary:

Compensation amounts proposed are based on an appraisal of the subject property provided by a qualified appraiser following the Yellow Book standards. The appraisal has been reviewed and approved by USACE.

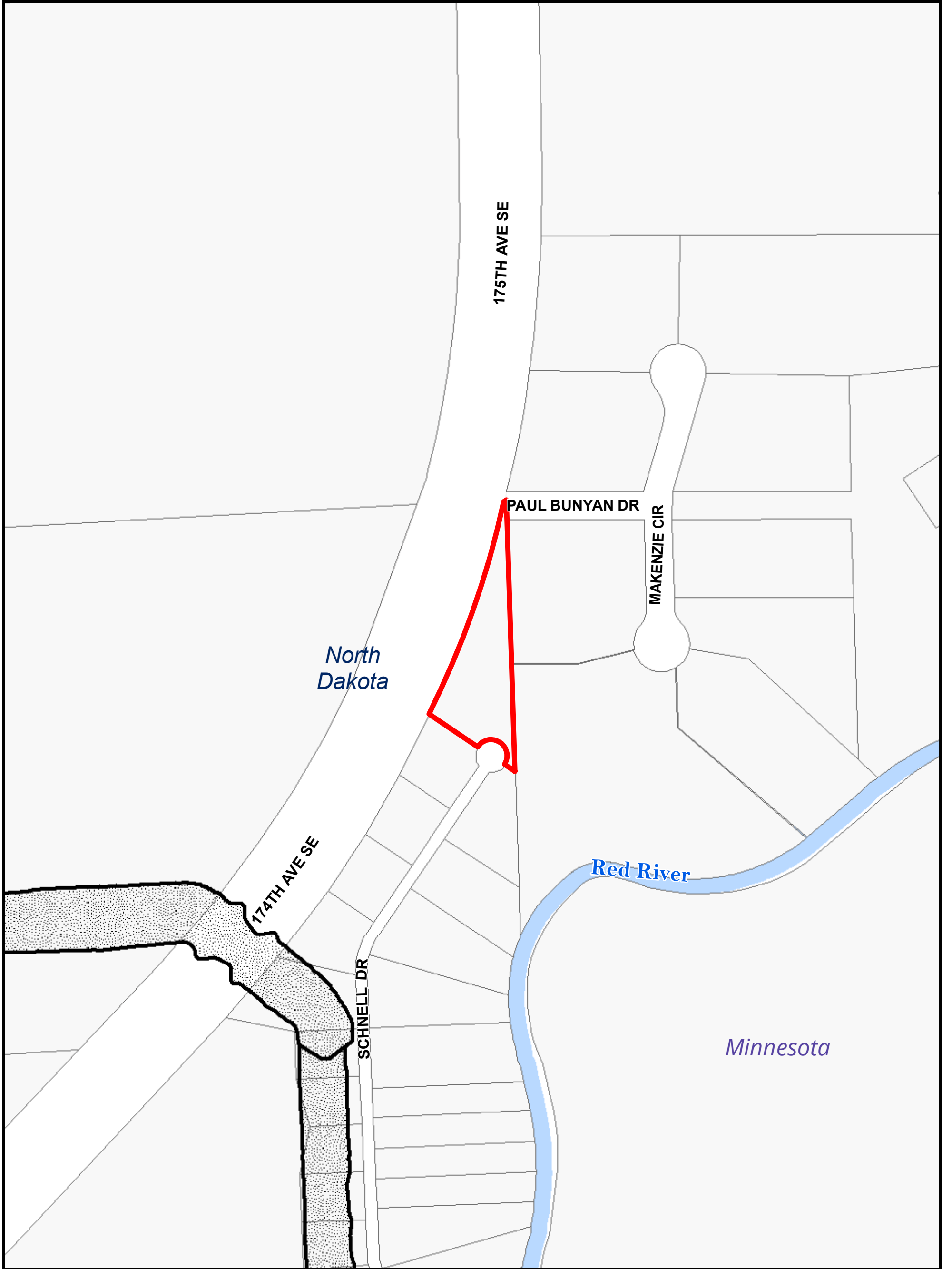
The property appraisal identified a market value of \$49,500 for the subject property with the extraordinary assumption that the lot is not buildable. The property Owner has countered with a number of \$160,000 and documentation that from third party sources that the lot is in fact buildable and usable for residential purposes. A review of this documentation and additional research into typical construction in the Fargo-Moorhead area has indicated that the cost to elevate the foundation of the house to permit construction of a home on this property would make the lot economically buildable. Using another appraisal report within the Oxbow area for a buildable lot generates an adjusted value of \$118,800 for this Property with the assumption that the lot is buildable. Lengthy negotiations with the Owner have derived a counter offer from the Owner of \$125,000 for the property. As this number is slightly more than five percent over the adjusted appraised value, it is recommended that the Board accept this figure as reasonable and fair just compensation for the property.

Acquisition Cost Summary

Property		Notes
Appraised Value	\$ 49,500	Based on extraordinary assumption that lot is non buildable
Adjusted Appraised Value	\$ 118,800	Based on adjustment reflecting a buildable lot
Counter offer from Owner	\$ 160,000	Rejected this counter offer
Final Negotiated Purchase Price	\$ 125,000	Based on lengthy negotiations

Requested Action/Recommendation

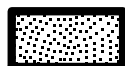
1. Recommend to CCJWRD, execution of a Purchase Agreement in the amount of \$125,000 as just compensation for real property.



CURRENT COST SHARE REQUEST



Diversion Channel



OHB Levee



In Town Levee

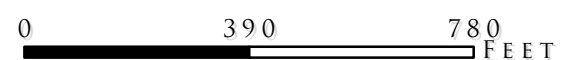
OIN# 9668
OWNER: RANDY & LISA CRAMER

PROPERTY ADD: 365 SCHNELL DR, OXBOW CITY
TOWNSHIP: PLEASANT TOWNSHIP

PARCEL ACREAGE: 1.46 AC.

LAST UPDATED: 8/12/2015
REF PAGE NUMBER: 9668

Document Path: D:\GIS\Projects\FM Diversion\FM Area Diversion\Projects\Land Acquisition\SWC Reimbursement (Cost Share)\Mapbook2.mxd cfm ae2S



Maps are for graphical purposes only. They do not represent a legal survey. While every effort has been made to ensure that these data are accurate and reliable, The Diversion Authority does not guarantee the accuracy of the information, and waives any warranty or guarantee of any kind, express or implied. The data involved in the project is continuously refined and revised; you should not rely on this information for technical purposes or accuracy.