

# Carve Outs



# Carve Outs



- A carve out is a method used for adjusting a non typical subject property acquisition to a typical homesite in order to compute the replacement housing benefits.
- Information on carve outs can be found in the relocation assistance manual:
  - Chapter RA 903 – Situations Affecting Replacement Housing Computations

# Typical Homesite



- A typical homesite is the portion of a tract of land that is typically used for residential purposes in the area.
- A carve out is needed when a parcel to be acquired is larger than a typical homesite, or a multifamily or multiuse property.

# What is Typical?



- Typical could be a small range of lot sizes due to zoning regulations, such as a subdivision or a mobile home park.
- A typical lot may be hard to determine due to a large variance in tract sizes in the area.
- If an area is not identified as a homesite in the appraisal, the replacement housing evaluator may identify a typical homesite or may request the review appraiser to make the determination.

# What is Typical?



- Consideration must be given to locations of driveways, fences, outbuildings, gardens and pools, and to the area maintained, cleared and mowed for residential use.
- If all or part of an area occupied by nonresidential improvements must be included in order to create a typical homesite, **the land** upon which the nonresidential improvements are located will be included in the carve out.

# Value of the Carve Out



- The evaluator determines the portion of the acquisition price to attribute to the typical homesite by reviewing the appraisal and using the price actually paid for the portion of the homesite acquired.
- If the appraisal does not give this information, the appraiser or review appraiser may be asked to furnish the values based on the identified carve out. This may be done by memorandum.

# Total Acquisition of a Carved Out Homesite



- The subject dwelling is situated on a 6 acre tract that also contains a barn and a storage building. This site is not considered to be typical for the area.



# Total Acquisition of a Carved Out Homesite



- The evaluator determined a 1 acre homesite to be typical since that is the area actually enclosed with fencing and is being used for residential purposes.
- Because the entire 1 acre homesite is being acquired the evaluator needs to compute the RHP as a total acquisition of a carved out homesite.



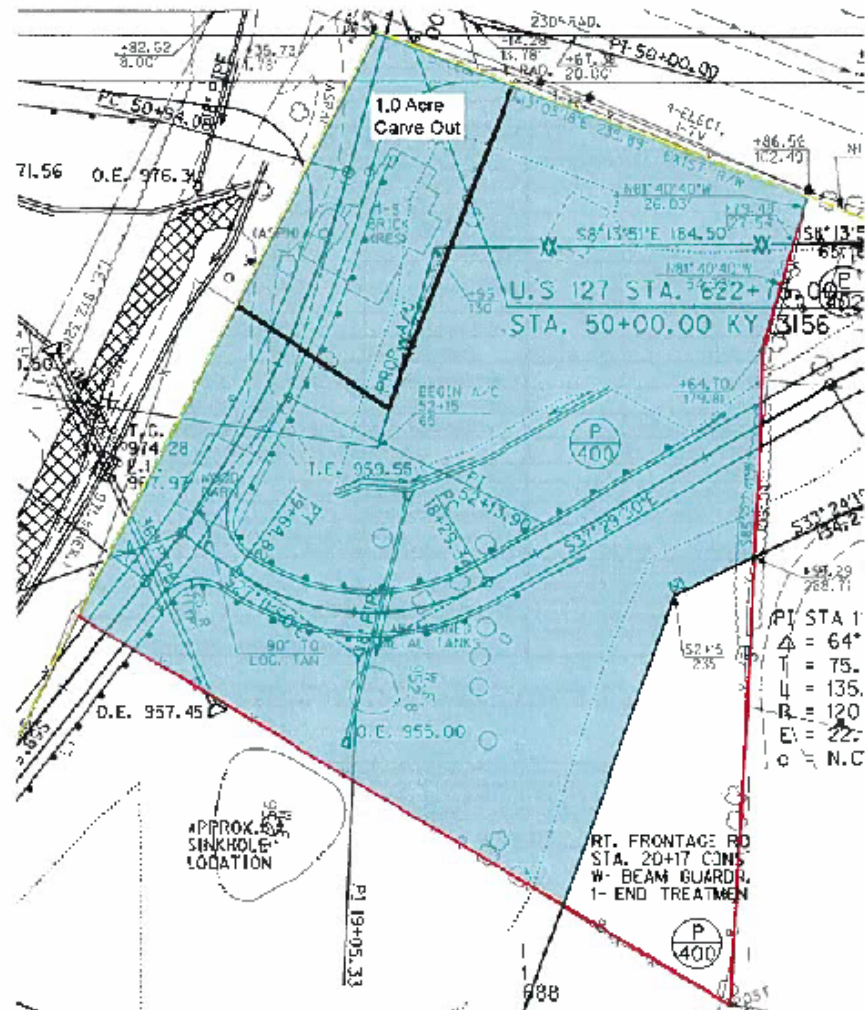
# Total Acquisition of a Carved Out Homesite



- **Information from appraisal:**
  - Acquiring 5.5 acres from 6 acre tract
  - FMV offer \$199,700
  - 5.5 acres \$110,000
    - ✦ Homesite (1 acre) \$20,000
  - Residence \$75,200
  - SLI \$ 4,500
  - Buildings \$10,000 (none are located in carve out)

**REPLACEMENT HOUSING PAYMENT COMPUTATION - OWNER**

COUNTY	ITEM NO.	PARCEL	NAME
NAT HWY SYSTEM?	REVISION NO.	Explain reason for revision	
Length of occupancy verified by:			
<b>180 DAY OWNER - PURCHASES</b>			
<b>ACQUISITION FROM TYPICAL SIZE HOMESITE</b>		<b>ACQUISITION FROM CARVED OUT HOMESITE</b>	
<b>TOTAL ACQUISITION</b>		Area of Home Site	<b>1.0 acre</b>
Cost of Comparable		Home Site Area Acquired	1.0 acres
Less Acquisition Price		<b>TOTAL ACQUISITION</b>	<b>PARTIAL ACQUISITION</b>
<b>Purchase Supplement</b>		Home Site	\$20,000
<b>PARTIAL ACQUISITION</b>		Residence	\$75,200
Before Value		SLI	\$4,500
Less After Value		Other Buildings	\$0
<b>Acquisition Price</b>		<b>Acquisition Price</b>	<b>\$99,700</b>
Cost of Comparable		Cost of Comparable	\$106,000
Less Acquisition Price		Less Acquisition Price	\$99,700
<b>Purchase Supplement</b>		<b>Purchase Supplement</b>	<b>\$6,300</b>
<b>180 DAY OWNER - RENTS</b>		<b>LESS THAN 180 DAY OWNER - RENTS</b>	
Mo. rent & utilities of comparable	a	Monthly rent & utilities of comparable	a
Mo. market rent & utilities of subject	b	Monthly market rent & utilities of subject	b
Difference in mo. rent & utilities (a-b)	c	Monthly household income	x 30%
<b>Rent Supplement (c times 42)</b>		HUD Low Income Limit Amount (to qualify for 30% must meet HUD established Low Income Limit)	d
If displaced person will not give household income, use market rent. Explain basis for market rent in remarks column. Rent payment to 180 day owner can't exceed \$ 5,250 unless purchase supplement exceeds \$22,500. Rent payment to less than 180 day owner can't exceed amount of purchase supplement.		Lesser of b or c	e
		Difference in monthly rent & utilities (a - d)	f
		<b>Rent Supplement (f times 42)</b>	
<b>Remarks:</b>			
I the undersigned evaluator certify that this determination of replacement value is to be used with a federal aid or state highway project; that such value is based on the indicated comparables which are decent, safe and sanitary; are available on the private market; are adequate to accommodate the displaced owner and are reasonably accessible to public services and place of employment. I further certify I have no direct, indirect, present or contemplated future personal interest in this property, nor will I benefit in any way from acquisition of this property. The finding of replacement housing cost is as of the date signed below.			
<b>APPROVED (Rounded)</b>	TOTAL ACQ	<b>\$6,300</b>	PARTIAL ACQ
			RENT
<b>PARTIAL ACQUISITION RATIO</b>			
Carve Out (CO)			
FMV Offer			
CO ÷ FMV Offer			
<b>TOTAL ACQUISITION RATIO</b>			
Carve Out (CO)	\$99,700	Replacement Housing Evaluator	Date
FMV Offer	\$199,700	Relocation Specialist	Date
CO ÷ FMV Offer	0.49	District Right of Way Supervisor	Date
		Right of Way Director	Date



# Partial Acquisition of a Carved Out Homesite



- The subject dwelling is situated on 60+ acre farm that also contains another residence, several barns, two silos and several storage buildings.



# Partial Acquisition of a Carved Out Homesite



- The site is not considered to be typical.
- The evaluator determined a 1 acre homesite to be typical as that is the area actually being used for residential purposes and the appraiser identified the homesite as 1 acre.
- The acquisition price will be the before value of the homesite minus the after value of the homesite.

# Partial Acquisition of a Carved Out Homesite



- Information from the appraisal:
  - 1 acre homesite of which 0.90 ac acquired
    - Homesite \$ 20,000 (1 acre)
    - Residence \$ 75,200
    - SLI \$ 5,000 (all within carve out)
    - Other bldgs \$ 1,000 (all within carve out)
- Before Value \$101,200**

# Partial Acquisition of a Carved Out Homesite



- Information from the appraisal:
  - 0.10 acre remaining of homesite
    - $0.10 \times \$20,000 = \$2,000$
- After Value                      \$2,000**

**\$101,200 (BV)**

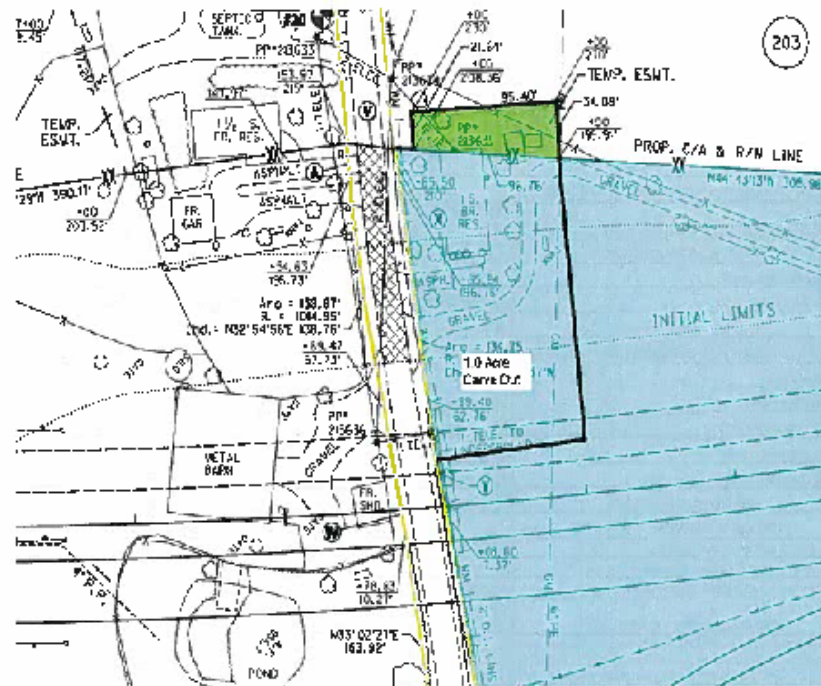
**-\$ 2,000 (AV)**

**\$ 99,200 ACQUISITION PRICE**

**REPLACEMENT HOUSING PAYMENT COMPUTATION - OWNER**

COUNTY	ITEM NO.	PARCEL	NAME
NAT HWY SYSTEM?	REVISION NO.	Explain reason for revision	
Length of occupancy verified by:			
<b>180 DAY OWNER - PURCHASES</b>			
<b>ACQUISITION FROM TYPICAL SIZE HOMESITE</b>		<b>ACQUISITION FROM CARVED OUT HOMESITE</b>	
<b>TOTAL ACQUISITION</b>		Area of Home Site	<b>1.0 acre</b>
Cost of Comparable		Home Site Area Acquired	0.90 acre
Less Acquisition Price		<b>TOTAL ACQUISITION</b>	<b>PARTIAL ACQUISITION</b>
<i>Purchase Supplement</i>		Home Site	\$20,000
<b>PARTIAL ACQUISITION</b>		Residence	\$75,200
Before Value		SLI	\$5,000
Less After Value		Other Buildings	\$1,000
<b>Acquisition Price</b>		<b>Acquisition Price</b>	<b>\$101,200</b>
Cost of Comparable		Cost of Comparable	\$109,000
Less Acquisition Price		Less Acquisition Price	\$99,200
<i>Purchase Supplement</i>		<i>Purchase Supplement</i>	<b>\$9,800</b>
<b>180 DAY OWNER - RENTS</b>		<b>LESS THAN 180 DAY OWNER - RENTS</b>	
Mo. rent & utilities of comparable	a	Monthly rent & utilities of comparable	a
Mo. market rent & utilities of subject	b	Monthly market rent & utilities of subject	b
Difference in mo. rent & utilities (a-b)	c	Monthly household income	x 30%
<b>Rent Supplement (c times 42)</b>		HUD Low Income Limit Amount (to qualify for 30% must meet HUD established Low Income Limit)	d
If displaced person will not give household income, use market rent. Explain basis for market rent in remarks column. Rent payment to 180 day owner can't exceed \$ 5,250 unless purchase supplement exceeds \$ 22,500. Rent payment to less than 180 day owner can't exceed amount of purchase supplement.		Lesser of b or c	e
		Difference in monthly rent & utilities (a - d)	f
		<b>Rent Supplement (f times 42)</b>	
<b>Remarks:</b>			
I the undersigned evaluator certify that this determination of replacement value is to be used with a federal aid or state highway project; that such value is based on the indicated comparables which are decent, safe and sanitary; are available on the private market; are adequate to accommodate the displaced owner and are reasonably accessible to public services and place of employment. I further certify I have no direct, indirect, present or contemplated future personal interest in this property, nor will I benefit in any way from acquisition of this property. The finding of replacement housing cost is as of the date signed below.			
<b>APPROVED (Rounded)</b>	TOTAL ACQ	PARTIAL ACQ	<b>\$9,800</b>
<b>PARTIAL ACQUISITION RATIO</b>		RENT	
Carve Out (CO)	\$99,200		
FMV Offer	\$143,000		
CO ÷ FMV Offer	0.69		
<b>TOTAL ACQUISITION RATIO</b>		Replacement Housing Evaluator	Date
Carve Out (CO)		Relocation Specialist	Date
FMV Offer			
CO ÷ FMV Offer		District Right of Way Supervisor	Date
		Right of Way Director	Date





The acquisition consists of 0.9 acre of the 1 acre carved out homesite. The before value of the carved out homesite was calculated as follows:

1 acre homesite	\$20,000
Residence	\$75,200
SLI	\$ 5,000 (all located in the carved out homesite)
Other Buildings	\$ 1,000 (all located in the carved out homesite except building 4 which is located outside the carved out homesite)
<b>Before Value</b>	<b>\$101,200</b>

The after value of the carved out homesite was calculated as follows:

0.10 acre	<u>\$ 2,000 (0.10 x \$20,000/acre)</u>
<b>After Value</b>	<b>\$ 2,000</b>

Before Value	\$101,200
After Value	\$ 2,000
<b>Acquisition Price</b>	<b>\$ 99,200</b>

## Total and Partial Acquisition from a Carved Out Homesite



- The subject dwelling is situated on a 2.893 acre multiuse tract that contains a residence, detached garage, playhouse and a metal barn.



## Total and Partial Acquisition from a Carved Out Homesite



- The site is not considered to be typical for the area.
- The evaluator determined 1.2 acre homesite to be typical since that is the area actually being used for residential purposes.
- The acquisition consists of 1.548 acres of the 2.893 tract.
- The acquisition consists of 0.879 acre of the 1.2 acre carved out homesite.

## Total and Partial Acquisition from a Carved Out Homesite



- Because the entire 1.2 acre homesite is not being acquired and the appraiser has stated the remaining 1.345 acres are an uneconomic remnant, the evaluator needs to compute an RHP for a total and a partial acquisition of a carved out homesite.

# Total and Partial Acquisition from a Carved Out Homesite



- **Information from the appraisal:**

- Homesite                   \$ 13,800 (1.2 acres x \$11,200)
- Residence                 \$197,200
- SLI                         \$ 15,000 (all are within carve out)
- Other bldgs.             \$           0 (see remarks)

**Before Value                \$226,500**

- 0.321 ac                   \$       177 (0.321 x \$550/ac)

**After Value                 \$       177**



**REPLACEMENT HOUSING PAYMENT COMPUTATION - OWNER**

COUNTY	ITEM NO.	PARCEL	NAME	
NAT HWY SYSTEM?	REVISION NO.	Explain reason for revision		
Length of occupancy verified by:				
<b>180 DAY OWNER - PURCHASES</b>				
<b>ACQUISITION FROM TYPICAL SIZE HOMESITE</b>		<b>ACQUISITION FROM CARVED OUT HOMESITE</b>		
<b>TOTAL ACQUISITION</b>		Area of Home Site	1.2 acre	
Cost of Comparable		Home Site Area Acquired	0.879 acre	
Less Acquisition Price		<b>TOTAL ACQUISITION</b>	<b>PARTIAL ACQUISITION</b>	
<b>Purchase Supplement</b>		Home Site	\$13,800	Before Value of Carve out
<b>PARTIAL ACQUISITION</b>		Residence	\$197,200	
Before Value		SLI	\$15,500	Less After Value of Carve out
Less After Value		Other Buildings	\$0	
<b>Acquisition Price</b>		<b>Acquisition Price</b>	<b>\$226,500</b>	<b>Acquisition Price</b>
				<b>\$226,323</b>
Cost of Comparable		Cost of Comparable	\$250,000	Cost of Comparable
Less Acquisition Price		Less Acquisition Price	\$226,500	Less Acquisition Price
<b>Purchase Supplement</b>		<b>Purchase Supplement</b>	<b>\$23,500</b>	<b>Purchase Supplement</b>
				<b>\$23,677</b>
<b>180 DAY OWNER - RENTS</b>		<b>LESS THAN 180 DAY OWNER - RENTS</b>		
Mo. rent & utilities of comparable	a	Monthly rent & utilities of comparable		a
Mo. market rent & utilities of subject	b	Monthly market rent & utilities of subject		b
Difference in mo. rent & utilities (a-b)	c	Monthly household income		x 30%
<b>Rent Supplement (c times 42)</b>		HUD Low Income Limit Amount (to qualify for 30% must meet HUD established Low Income Limit)		d
If displaced person will not give household income, use market rent. Explain basis for market rent in remarks column. Rent payment to 180 day owner can't exceed \$ 5,250 unless purchase supplement exceeds \$ 22,500. Rent payment to less than 180 day owner can't exceed amount of purchase supplement.		Lesser of b or c		e
		Difference in monthly rent & utilities (a - d)		f
		<b>Rent Supplement (f times 42)</b>		
<b>Remarks:</b>				
<b>Detached garage (\$24,500) and the playhouse (\$1,400) are carved out as major exterior attributes.</b>				
I the undersigned evaluator certify that this determination of replacement value is to be used with a federal aid or state highway project; that such value is based on the indicated comparables which are decent, safe and sanitary; are available on the private market; are adequate to accommodate the displaced owner and are reasonably accessible to public services and place of employment. I further certify I have no direct, indirect, present or contemplated future personal interest in this property, nor will I benefit in any way from acquisition of this property. The finding of replacement housing cost is as of the date signed below.				
<b>APPROVED (Rounded)</b>	TOTAL ACQ	<b>\$23,500</b>	PARTIAL ACQ	<b>\$23,680</b>
	RENT			
<b>PARTIAL ACQUISITION RATIO</b>				
Carve Out (CO)	\$226,323			
FMV Offer	\$314,250			
CO ÷ FMV Offer	0.7202			
<b>TOTAL ACQUISITION RATIO</b>		Replacement Housing Evaluator	Date	Relocation Specialist
Carve Out (CO)	\$226,500			
FMV Offer	\$315,000			
CO ÷ FMV Offer	0.7190	District Right of Way Supervisor	Date	Right of Way Director



The acquisition consists of 0.879 acre of the 1.2 acre carved out homesite. The before value of the carved out homesite was calculated as follows:

1.2 acre homesite	\$ 13,800
Residence	\$197,200
SIU	\$ 15,500 (all located in the carved out homesite)
Other Buildings	DNA (Detached garage & playhouse are carved out as major exterior attributes and their value was not included in the carve out calculation.)
<b>Before Value</b>	<b>\$226,500</b>

The after value of the carved out homesite was calculated as follows:

0.321 acre	\$ 177 (0.321 x \$550/acre)
<b>After Value</b>	<b>\$ 177</b>

Before Value	\$226,500
<b>After Value</b>	<b>\$ 177</b>
	<b>\$ 226,233</b>

<b>Total Acquisition of Carve Out Homesite Acquisition Price</b>	<b>\$226,500</b>
<b>Partial Acquisition of Carve Out Homesite Acquisition Price</b>	<b>\$226,233</b>



# Other Situations Affecting Carve Outs



# Buildable Lot



# Buildable Lot



- A buildable lot is typical in size for residential use in the immediate community.
- If after a partial acquisition from a typical or a carved out homesite a buildable lot remains, the acquisition price is the before value of the homesite less the after value of the homesite.
- When an offer to purchase the buildable remainder is made, a single purchase supplement payment will be computed and offered to the owner. The acquisition price will be the before value of the homesite.

# Partial Acquisition – Buildable Lot Remainder



- The acquisition consists of 1 acre from a 2 acre tract. The remaining 1 acre meets local zoning codes and is considered to be a buildable lot by the appraiser.
- Information:
  - 1 acre lot                      \$15,000
  - Residence                      \$80,000
  - Storage Shed                 \$ 5,000
    - ✦ FMV                              \$100,000

(Value of remaining 1 acre is \$15,000)

# Partial Acquisition – Buildable Lot Remainder



- **FMV offer of \$100,000 is made for the 1 acre lot, residence and storage shed. No offer will be made for the remaining 1 acre buildable lot.**

- Before Value            \$115,000
- After Value            \$ 15,000
- Acquisition Price \$100,000

- Cost of Comparable        \$109,900
- Acquisition Price        \$100,000
- Purchase Supplement      \$ 9,900

# Partial Acquisition – Buildable Lot Remainder



- FMV offer is for \$115,000 for the 2 acre tract, residence and storage shed. FMV offer is also made for partial acquisition - \$100,000
- The RHP computation would be calculated as:

○ Before Value	\$115,000
✦ Cost of Comparable	\$109,000
✦ <u>Acquisition Price</u>	<u>\$115,000</u>
✦ Purchase Supplement	\$ 0

# Higher and Better Use Tract



# Higher and Better Use Tract



- If a tract's value is established based on a use higher and better than residential and the tract is larger than typical, the evaluator shall first carve out the subject's typical sized homesite.



# Higher and Better Use Tract



- Subject is a 2 acre tract which is being acquired in its entirety. The tract which is appraised as commercial is improved with a residence and storage shed. The typical homesite in the area is 1 acre.
- This would be calculated as a total acquisition of a carved out homesite.
- Information:

○ 2 acres land	\$400,000
○ Residence	\$ 0
○ Storage Shed	\$ 0

**REPLACEMENT HOUSING PAYMENT COMPUTATION - OWNER**

COUNTY	ITEM NO.	PARCEL	NAME
NAT HWY SYSTEM?	REVISION NO.	Explain reason for revision	
Length of occupancy verified by:			

**180 DAY OWNER - PURCHASES**

ACQUISITION FROM TYPICAL SIZE HOMESITE		ACQUISITION FROM CARVED OUT HOMESITE	
TOTAL ACQUISITION		1.0 acre	
Cost of Comparable		Area of Home Site	1.0 acre
Less Acquisition Price		Home Site Area Acquired	1.0 acre
<b>Purchase Supplement</b>		<b>TOTAL ACQUISITION</b>	<b>PARTIAL ACQUISITION</b>
		Home Site	\$200,000
		Residence	\$0
		SLI	\$0
		Other Buildings	\$0
		<b>Acquisition Price</b>	<b>\$200,000</b>
Cost of Comparable		Cost of Comparable	\$109,900
Less Acquisition Price		Less Acquisition Price	\$200,000
<b>Purchase Supplement</b>		<b>Purchase Supplement</b>	<b>\$0</b>

180 DAY OWNER - RENTS			LESS THAN 180 DAY OWNER - RENTS		
Mo. rent & utilities of comparable	a		Monthly rent & utilities of comparable	a	
Mo. market rent & utilities of subject	b		Monthly market rent & utilities of subject	b	
Difference in mo. rent & utilities (a-b)	c		Monthly household income	x 30%	c
			HUD Low Income Limit Amount (to qualify for 30% must meet HUD established Low Income Limit)		d
			Lesser of b or c		e
			Difference in monthly rent & utilities (a - d)		f
			<b>Rent Supplement (f times 42)</b>		

**Remarks:**

**Parcel was appraised as Higher and Better Use**

I the undersigned evaluator certify that this determination of replacement value is to be used with a federal aid or state highway project; that such value is based on the indicated comparables which are decent, safe and sanitary; are available on the private market; are adequate to accommodate the displaced owner and are reasonably accessible to public services and place of employment. I further certify I have no direct, indirect, present or contemplated future personal interest in this property, nor will I benefit in any way from acquisition of this property. The finding of replacement housing cost is as of the date signed below.

<b>APPROVED (Rounded)</b>	TOTAL ACQ	<b>\$0</b>	PARTIAL ACQ	RENT
<b>PARTIAL ACQUISITION RATIO</b>				
Carve Out (CO)				
FMV Offer				
CO ÷ FMV Offer				
<b>TOTAL ACQUISITION RATIO</b>				
	Replacement Housing Evaluator	Date	Relocation Specialist	Date
Carve Out (CO)				
FMV Offer				
CO ÷ FMV Offer	District Right of Way Supervisor	Date	Right of Way Director	Date

# Joint Residential/Business Use



# Joint Residential/Business Use



- If a displacement dwelling is part of a property that contains another dwelling unit or space used for nonresidential purposes, only the portion of the acquisition payment actually attributed to the subject's residential site shall be considered its acquisition cost when computing the replacement housing computation.
- The evaluator determines the typical homesite by using a typical tract in the area for residential use, even if part or all of that area is occupied by an improvement that is being used for other purposes.

# Joint Residential/Business Use



- If all or part of an area occupied by nonresidential improvements must be included in order to create a typical homesite, the land upon which the nonresidential improvements are located will be included in the carve out.

- **Information:**

○ 1 acre lot	\$ 25,000
○ Commercial bldg	\$250,000
○ <u>Paved parking</u>	<u>\$ 12,000</u>
✦ Total FMV	\$287,000

# Joint Residential/Business Use



- The owner has a 900 sq ft finished area in the building in which he lives. The evaluator has determined that 0.25 acre is a typical lot for the area and that 500 sq ft of the paved area is used for residential purposes.

## ○ Carve Out:

- ✦ Homesite                   \$ 6,250 (0.25 ac x 25,000/ac)
- ✦ Residence                 \$ 90,000 (900 x 10,000/sq ft)
- ✦ SLI                         \$ 2,000 ( 500 x 4.00/sp ft)
- ✦ Acquisition Price\$ 98,250

**REPLACEMENT HOUSING PAYMENT COMPUTATION - OWNER**

COUNTY	ITEM NO.	PARCEL	NAME	
NAT HWY SYSTEM?	REVISION NO.	Explain reason for revision		
Length of occupancy verified by:				
<b>180 DAY OWNER - PURCHASES</b>				
<b>ACQUISITION FROM TYPICAL SIZE HOMESITE</b>		<b>ACQUISITION FROM CARVED OUT HOMESITE</b>		
<b>TOTAL ACQUISITION</b>		Area of Home Site	<b>0.25</b>	
Cost of Comparable		Home Site Area Acquired	0.25	
Less Acquisition Price		<b>TOTAL ACQUISITION</b>	<b>PARTIAL ACQUISITION</b>	
<i>Purchase Supplement</i>		Home Site	\$6,250	Before Value of Carve out
<b>PARTIAL ACQUISITION</b>		Residence	\$90,000	
Before Value		SLI	\$2,000	Less After Value of Carve out
Less After Value		Other Buildings	\$0	
<b>Acquisition Price</b>		<b>Acquisition Price</b>	<b>\$98,250</b>	<b>Acquisition Price</b>
Cost of Comparable		Cost of Comparable	\$109,900	Cost of Comparable
Less Acquisition Price		Less Acquisition Price	\$98,250	Less Acquisition Price
<i>Purchase Supplement</i>		<i>Purchase Supplement</i>	<b>\$11,650</b>	<i>Purchase Supplement</i>
<b>180 DAY OWNER - RENTS</b>		<b>LESS THAN 180 DAY OWNER - RENTS</b>		
Mo. rent & utilities of comparable	a	Monthly rent & utilities of comparable		a
Mo. market rent & utilities of subject	b	Monthly market rent & utilities of subject		b
Difference in mo. rent & utilities (a-b)	c	Monthly household income	x 30%	c
<b>Rent Supplement (c times 42)</b>		HUD Low Income Limit Amount (to qualify for 30% must meet HUD established Low Income Limit)		d
If displaced person will not give household income, use market rent. Explain basis for market rent in remarks column. Rent payment to 180 day owner can't exceed \$ 5,250 unless purchase supplement exceeds \$ 22,500. Rent payment to less than 180 day owner can't exceed amount of purchase supplement.		Lesser of b or c		e
		Difference in monthly rent & utilities (a - d)		f
		<b>Rent Supplement (f times 42)</b>		
<b>Remarks:</b>				
I the undersigned evaluator certify that this determination of replacement value is to be used with a federal aid or state highway project; that such value is based on the indicated comparables which are decent, safe and sanitary; are available on the private market; are adequate to accommodate the displaced owner and are reasonably accessible to public services and place of employment. I further certify I have no direct, indirect, present or contemplated future personal interest in this property, nor will I benefit in any way from acquisition of this property. The finding of replacement housing cost is as of the date signed below.				
<b>APPROVED (Rounded)</b>	TOTAL ACQ	<b>\$11,650.00</b>	PARTIAL ACQ	RENT
<b>PARTIAL ACQUISITION RATIO</b>				
Carve Out (CO)				
FMV Offer				
CO ÷ FMV Offer				
<b>TOTAL ACQUISITION RATIO</b>		Replacement Housing Evaluator	Date	Relocation Specialist
Carve Out (CO)				
FMV Offer				
CO ÷ FMV Offer		District Right of Way Supervisor	Date	Right of Way Director

# Major Exterior Attribute





# Major Exterior Attribute



- A major exterior improvement that contributes substantially to a property's value (such a detached garage, swimming pool, tennis court or shed).
- A major exterior attribute is carved out of the acquisition price when a comparable replacement property does not possess the said attribute.
- This can only be done for owner occupants and is shown in the remarks of the replacement housing computation.

# Major Exterior Attribute



- The parcel involves a total acquisition of a single family residence. The subject has an in ground swimming pool with a value of \$25,000.
- A search of available replacement housing resulted in none of the comparables having in ground swimming pools.
- The value of the swimming pool will be carved out as a major exterior attribute.

**REPLACEMENT HOUSING PAYMENT COMPUTATION - OWNER**

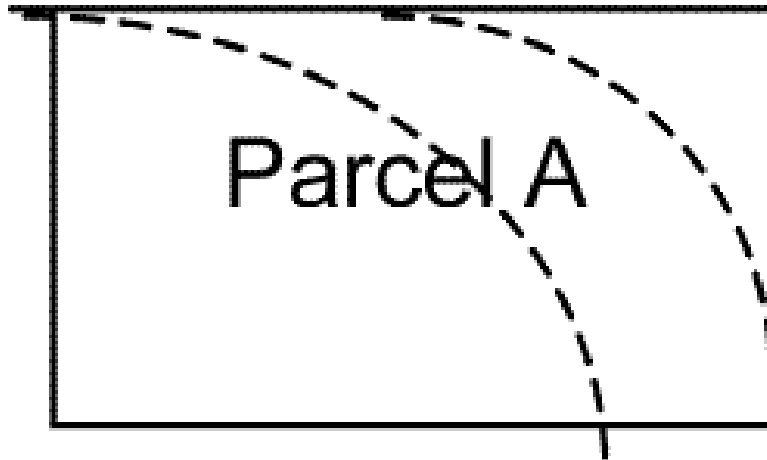
COUNTY		ITEM NO.	PARCEL	NAME	
NAT HWY SYSTEM?	REVISION NO.	Explain reason for revision			
Length of occupancy verified by:					
<b>180 DAY OWNER - PURCHASES</b>					
<b>ACQUISITION FROM TYPICAL SIZE HOMESITE</b>			<b>ACQUISITION FROM CARVED OUT HOMESITE</b>		
<b>TOTAL ACQUISITION</b>			Area of Home Site		
Cost of Comparable	\$250,000	Home Site Area Acquired			
Less Acquisition Price	**\$235,000	<b>TOTAL ACQUISITION</b>		<b>PARTIAL ACQUISITION</b>	
<b>Purchase Supplement</b>	<b>\$15,000</b>	Home Site		Before Value of Carve out	
<b>PARTIAL ACQUISITION</b>		Residence		SLI	
Before Value		Other Buildings		Less After Value of Carve out	
Less After Value		<b>Acquisition Price</b>		<b>Acquisition Price</b>	
<b>Acquisition Price</b>		Cost of Comparable		Cost of Comparable	
Cost of Comparable		Less Acquisition Price		Less Acquisition Price	
Less Acquisition Price		<b>Purchase Supplement</b>		<b>Purchase Supplement</b>	
<b>Purchase Supplement</b>		<b>Purchase Supplement</b>		<b>Purchase Supplement</b>	
<b>180 DAY OWNER - RENTS</b>			<b>LESS THAN 180 DAY OWNER - RENTS</b>		
Mo. rent & utilities of comparable	a	Monthly rent & utilities of comparable		a	
Mo. market rent & utilities of subject	b	Monthly market rent & utilities of subject		b	
Difference in mo. rent & utilities (a-b)	c	Monthly household income	x 30%	c	
<b>Rent Supplement (c times 42)</b>		HUD Low Income Limit Amount (to qualify for 30% must meet HUD established Low Income Limit)		d	
If displaced person will not give household income, use market rent. Explain basis for market rent in remarks column. Rent payment to 180 day owner can't exceed \$ 5,250 unless purchase supplement exceeds \$22,500. Rent payment to less than 180 day owner can't exceed amount of purchase supplement.		Lesser of b or c		e	
		Difference in monthly rent & utilities (a - d)		f	
		<b>Rent Supplement (f times 42)</b>			
<b>Remarks:</b>					
<b>** The in ground pool (\$25,000) was carved out a major exterior attribute</b>					
I the undersigned evaluator certify that this determination of replacement value is to be used with a federal aid or state highway project; that such value is based on the indicated comparables which are decent, safe and sanitary; are available on the private market; are adequate to accommodate the displaced owner and are reasonably accessible to public services and place of employment. I further certify I have no direct, indirect, present or contemplated future personal interest in this property, nor will I benefit in any way from acquisition of this property. The finding of replacement housing cost is as of the date signed below.					
<b>APPROVED (Rounded)</b>		TOTAL ACQ	<b>\$15,000</b>	PARTIAL ACQ	RENT
<b>PARTIAL ACQUISITION RATIO</b>					
Carve Out (CO)					
FMV Offer					
CO ÷ FMV Offer					
<b>TOTAL ACQUISITION RATIO</b>		Replacement Housing Evaluator	Date	Relocation Specialist	Date
Carve Out (CO)					
FMV Offer					
CO ÷ FMV Offer		District Right of Way Supervisor	Date	Right of Way Director	Date

# Uneconomic Remnant



**Highway**

**Street**



# Uneconomic Remnant



- If an uneconomic remnant remains after a partial acquisition from a typical or carved out homesite and the remainder is NOT a buildable lot, two purchase supplement payments will be calculated and offered.
- **Total Acquisition**
  - The acquisition price is the before value of the subject
- **Partial Acquisition**
  - The acquisition price is the before value of the subject less the after value.

# Questions

