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TOWN OF CHAPEL HILL

April 18, 2003

Mr. Travis Tate  
Tate Realty and Construction  
342 West Rosemary Street  
Chapel Hill, NC 27516

Dear Mr. Tate:

I am writing on behalf of the Town of Chapel Hill to initiate voluntary transfer procedures and to conditionally offer to purchase property located at Tax Map 7.93.L.18 in Chapel Hill owned by Tate Realty for \$80,000. This offer is subject to approval of the purchase by the Town Council.

We have determined the proposed purchase price based on those factors described on the attached "Basis for Determination of Just Compensation". An appraisal conducted by Analytical Consultants on April 7, 2003 determined the fair market value for the property to be \$80,000.

Please consider our offer carefully. Once you make a decision, please indicate below your decision to accept or reject the offer, and return this letter to the Chapel Hill Planning Department. This offer is for fee simple purchase of this property, free and clear of all liens except for current taxes which are to be prorated to the date of closing. The Town will be responsible for other closing costs and document preparation. If you accept this offer, we would proceed to return to the Council on April 28, 2003 for authorization to acquire the property. If the Council approves the acquisition, we will provide you with notice and an earnest money check in the amount of \$1,000 to confirm our contract. We would schedule a closing to occur soon after that date and no later than sixty (60) days after April 28, 2003.

If we do not receive a response from you by April 23, 2003 we will consider this offer to have been rejected.

If you should have any questions, please contact Loryn Barnes, Community Development Coordinator at 968-2728.

Sincerely,

*Florentine A. Miller*  
for W. Calvin Horton  
Town Manager

Tate Realty and Construction accepts this offer.  
 Tate Realty and Construction rejects this offer.

*Eric I. Tate*  
\_\_\_\_\_  
President

*4/23/03*  
\_\_\_\_\_  
Date

Secretary

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**BASIS FOR DETERMINATION OF JUST COMPENSATION**

Parcel Number: Tax Map 7.93.L.18 (PIN 9788-06-4534)

Address: West Rosemary Street

Interest to be Acquired: Entire interest of the real property

The above "Interest to be Acquired" is for the purpose of identifying buildings, structures, fixtures and other which are considered to be part of the real property for which this offer is made.

The Council of the Town of Chapel Hill has established \$80,000 as just compensation for the entire interest in the property. The determination of just compensation is not less than the appraised fair market value of the entire property. This determination is based on an inspection of the property; and consideration of an appraisal of the property which was performed independently by a competent and professional appraiser.

The appraiser that was hired to appraise the property used practices and techniques recognized nationally by appraisal organizations. The appraiser determined the fair market value of the property by using standard approaches to value your property under appraisal. Fair market value can be defined as, "the price which the property will bring in a competitive market under conditions requisite to a fair sale, each acting prudently and wisely, and without any pressure or other under stimulus."

We are acquiring the interest of the entire property. Our offer is based on the following breakdown.

Value of entire property: \$80,000

Value of damages, if any: \$ 0

Value or property to be acquired: \$80,000