

## Advantages

- Reduces, if not eliminates, most of your future risk
- Fair compensation based on pre-flood value of your home
- A chance for a new start
- A means of recovery that is more advantageous than repair, grants or loans
- An opportunity to recoup at least partially your financial investment in a property that has lost value

## Disadvantages

- Loss of roots
- Despite efforts to compensate you fairly, property acquisition may not make you "whole" again

Company Name  
Street Address  
City, ST ZIP Code

Recipient Name  
Address  
City, ST ZIP Code



STORMWATER MANAGEMENT COMMISSION

Voluntary Acquisition/Buyout Program



## Why Acquisition/Buyout?

When property experiences repeated flooding, costs for the property owner, the community and state can escalate.

Flooding may impact the stability of a home, damage or destroy personal property, impact property values, and lead to injuries or loss of life.

While the waters eventually recede, the misery caused by floods is long lasting.

- Water-laden walls and floors may set the stage for the development of hard-to-eradicate mold that can present health risks for vulnerable residents.
- Repeated flooding may leave homes uninhabitable and /or unlikely to attract a buyer.

For all these reasons, local, state and federal governments have acted to intervene in this cycle of decline by offering the voluntary buyout programs to property owners that have been subjected to repeated flooding.

## How Buyouts Work

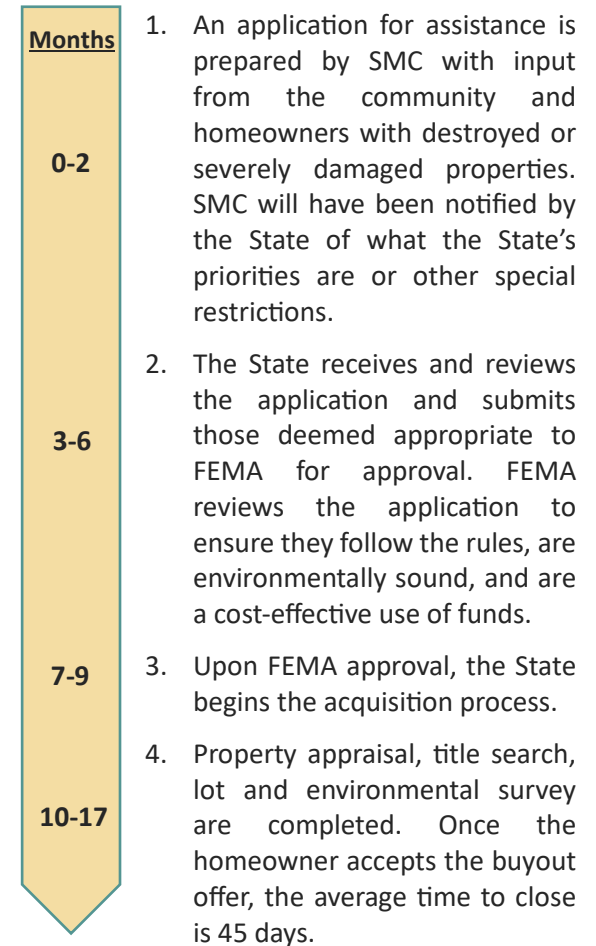
FEMA does not buy houses directly from homeowners. Buyout projects are initiated and administered by SMC, local and state agencies with grant funding support from FEMA.

Buyouts are an important way to reduce the risk of future disasters. Funds are limited and in most cases, the amount of funds set aside for mitigation cannot meet all the mitigation needs following a disaster. The state prioritizes mitigation programs with input from local governments and communities.

Property acquisition is one of many forms of hazard mitigation, but it is the most permanent form. It removes people from harm's way forever. In a property acquisition project, SMC buys private property, acquires title to it, and then buildings are removed or destroyed, and the land is cleared. By law, that property, which is now public property, must forever remain as open space land. The community can use it to create public parks, or wildlife refuges, etc. but it cannot sell it to private individuals nor develop it.

Property acquisitions work the same way as any other real estate transaction. Homeowners who want to sell their homes and are determined to be eligible for a buyout are given fair market value of the property prior to the flood. The fair market value is determined by an appraisal conducted by a certified appraiser using sales of comparable homes sold before the flood event.

## The Steps of a Buyout



The process can be lengthy. Property acquisition is not an overnight solution. Applying for funds, waiting for approval, transferring funds, conducting appraisals and closing, etc. takes time, especially if the project involves many properties.