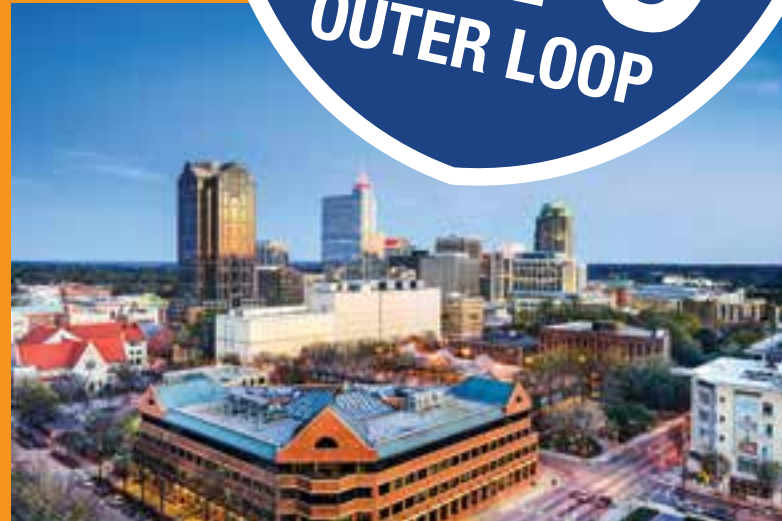


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This newsletter is provided as a community service.

If this information helps reduce the uncertainty you've been facing for so long, then we feel like we've provided a useful service to our community.



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Newsletter Vol. 3 - August 2017

★ 2016 Law Lowers Interest Rate DOT is Required to Pay Property Owners

On June 30, 2016, the state legislature passed a new law that was bad news for property owners who face eminent domain by the North Carolina Department of Transportation (DOT). The General Assembly greatly reduced the interest rate that applies to the payment by the DOT of verdicts that landowners obtain in condemnation proceedings.

A property owner is entitled to be paid interest on the amount of compensation that is recovered through a jury verdict from the DOT. This interest is calculated from the time the state condemns your property until the government pays the judgment.

Before the legislature passed this new law, property owners were entitled to be paid 8 percent per year in interest on the amount they eventually recovered from the DOT. Under the new law, the interest rate you are entitled to is tied to the "prime rate" set by the Federal Reserve. This rate is generally much lower than 8 percent, but it fluctuates. Currently, the prime rate is 4.25 percent.

The new law also caps the maximum possible interest rate that may be paid to landowners at 8 percent. As a result, landowners can never be paid more than 8 percent interest, even if the prime rate is higher than that. Property owners with eminent domain claims that were filed after the new law became effective will be penalized with the lower interest rate provisions.

The legislature passed this law in the dead of night. It took everyone by surprise. Our big concern is that this may be the first of many steps the legislature takes to strip away property owners' rights to be paid fairly for the taking of their property under the Map Act.

If the interest rate law is any indication, it seems that legislators want to minimize what the state must pay to landowners when the Department of Transportation

Why am I receiving this newsletter?

Our mission is to arm property owners facing eminent domain with useful information so they can better understand what lies ahead.

Staying informed about the 540 Outer Loop expansion can help you to understand your rights as a property owner, how these changes may affect you and how you can rightfully take action. When you know your rights, you are more likely to be treated fairly. Knowledge is power.

condemns their property. After the North Carolina Supreme Court's landmark decision last year recognized that property owners who were affected by the Map Act had a right to be compensated (Kirby v. DOT), more than 100 lawsuits were filed by landowners. As more lawsuits are filed, legislators may only see the DOT's costs for payment of eminent domain claims going up.

We expect that the legislature will continue to chip away at property owners' rights to be paid fairly. Property owners who take a wait-and-see approach may face even greater disadvantages if the General Assembly passes additional restrictions.

Waiting can be costly. If you want to learn more about your rights as a property owner facing potential eminent domain claims, don't hesitate to call us. Regardless of whether you hire us or not, we want you to know what your rights are so that you can protect them.

To schedule a free consultation, please call Isaac Thorpe or Brandon Weaver at 919-833-6408, or send an email to isaac@thorplaw.com.



Not Again! The DOT Announces Another Delay

The Department of Transportation recently announced that the extension of the Interstate 540 Outer Loop that will run from N.C. 55 in Holly Springs to U.S. 401 will not get underway until 2020. Although the Department of Transportation initially planned to start construction in 2018, it now says that the initial start date has been re-scheduled due to a need for additional design and planning work.

Unsurprisingly, the DOT is telling property owners that this isn't really a delay. This is because construction on the second remaining segment of the 540 Outer Loop project will begin sooner than initially planned, the DOT claims. Construction on the section from U.S. 401 to Interstate 40 in Garner is now supposed to begin alongside the first remaining section in 2020, rather than in 2024, as initially planned.

As the planned start date for the first remaining segment approached, landowners who have property in the Outer Loop's potential path between N.C. 55 in Holly Springs and U.S. 401 were hoping that they would know – finally – whether or how much of their property would be affected by highway construction. Unfortunately, the DOT's delay of this leg of the Outer Loop means they will have to wait even longer.

Thorp Law attorneys regularly contact the DOT for the latest developments. If you want us to get the most up-to-date information the DOT has about how your property will be affected by the Outer Loop, call us. We will get this information for you free of charge.

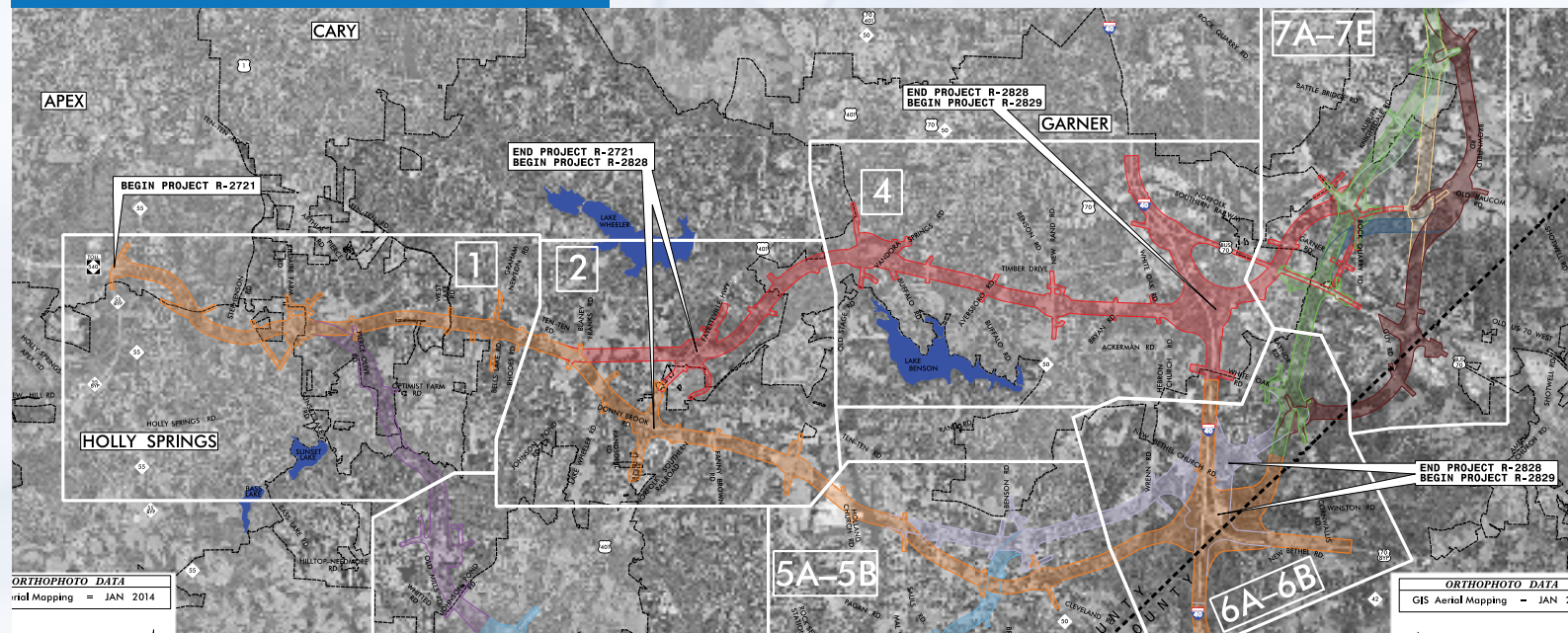


Am I Better Off Hiring an Eminent Domain Attorney or Negotiating With the DOT On My Own?

A 2015 legislative study by the North Carolina General Assembly found that property owners who hired condemnation attorneys and went to court in eminent domain proceedings received substantially more money on average than the people who accepted the Department of Transportation's initial offer.

How much more? A lot more. The study found that landowners who hired attorneys and obtained jury verdicts from 2009-2014 recovered on average over 160% more than people who simply accepted the DOT's initial offer.¹

Corridor Public Hearing Map



While every case is different and past results aren't a guarantee of future results, seasoned eminent domain lawyers aren't surprised by these findings. Unfortunately, the legislative study seems to confirm what attorneys already know – the DOT consistently low-balls property owners who don't have attorneys.

Why are landowners with condemnation attorneys more successful? Knowledge and experience. Experienced attorneys know how to avoid common mistakes property owners often make, and how to defeat low-ball tactics the government often uses.

One mistake property owners make is that they rely on the appraisals that were performed at the request of the DOT, or they hire appraisers who aren't familiar with the eminent domain appraisal process. When the government takes your property, it is supposed to pay you the fair market value of what your property is worth. The fair market value is determined by appraisers. The root of the problem is that the government's offers are based on appraisals that are routinely just too low. This may be because appraisers who do a lot of work for the government are biased.

We work with independent appraisers who do not work for the government and who understand the condemnation process. A common mistake some landowners often make is that they hire appraisers who just don't understand the ins and outs of eminent domain. Doing an appraisal for a condemnation case is a lot more complex than doing a bank appraisal for someone who wants to refinance his mortgage. Eminent domain appraisers take extra steps to make sure you get the highest reasonable value for your property.

An experienced eminent domain lawyer can save you a whole lot of time and anxiety by employing a qualified appraiser to take a second look. We can then often force the government to pay our clients more money for the fair value of the property taken.

Whether to accept the government's offer may be one of the biggest financial decisions you'll ever make. Armed with an impartial appraisal, an experienced eminent domain attorney can help you evaluate and make the right decision for you and your family.

To schedule a free consultation, please call our attorneys at Thorp Law: 919-833-6408, or send an email to isaac@thorplaw.com. You can also request additional information by visiting our website at <http://www.thorplaw.com/practice-areas/eminent-domain/540outerloop>.

¹ Anna Cameron, Fiscal Research Division, North Carolina General Assembly; "DOT Condemnation Changes", Legislative Fiscal Note, Session 2015, House Bill 127: <http://www.ncleg.net/Sessions/2015/FiscalNotes/House/PDF/HFN0127v2.pdf>



Want to Learn More?

If you want to learn more about how you can make the NCDOT pay you what you are entitled to, please call us. Our award-winning attorneys offer free consultations. We will sit down with you and listen carefully, so that we can understand the specifics about your property and what you've been through. We will spend as much time as necessary to help you understand the legal process and how you can avoid making common mistakes that can harm your inverse condemnation claim. We will explain your legal rights to you in plain English, and



A Note from Isaac Thorp

I wrote this Property Rights Report to inform you about what to expect if your property is in the path of the 540 Outer Loop. Knowledge is power.

Thorp Law offers free consultations. I am happy to sit down with you and take as much time as you need to better understand what the eminent domain process involves. The attorneys at Thorp Law believe that if we can help educate you about your rights, then we are performing a valuable public service.

When we do represent property owners, we work on a contingency fee basis. This means we get paid an attorney fee only after we get our clients a recovery. None of them pay me a penny in attorney fees until after I put money in their pockets through a verdict or settlement.

If you want us to sit down with you and talk, so that we can explain your rights as a property owner in more detail, please give us a call at 919-833-6408 or send us an email at isaac@thorplaw.com.

we will give you our best insights. If you don't need an attorney, we will tell you that. If you do, we will tell you the best plan for proceeding with your case. When your consultation is over, you won't owe us anything.

Abraham Lincoln said that a "lawyer's time and advice is his stock in trade." So why give this information away for free? When it concerns eminent domain issues, the North Carolina Department of Transportation knows the ropes. It has handled thousands of eminent domain claims. The NCDOT right-of-way agents understand that most property owners don't know what their rights are. The attorneys at Thorp Law believe deeply that if we can help educate you about your rights, we are performing a valuable public service. Knowledge is power. When you know your rights, you are a lot more likely to be treated fairly.